

Executive summary



International
Labour
Organization

WORLD EMPLOYMENT SOCIAL OUTLOOK

A stylized world map composed of red dots, overlaid with the word 'WOMEN' in large, bold, dark grey letters.

WOMEN

TRENDS FOR
WOMEN
2017

Gaps between men and women in the world of work remain widespread and begin with women's limited access to the labour market...

Gender gaps are one of the most pressing labour market challenges facing the global community. In fact, women are substantially less likely than men to participate in the labour market, i.e. to either be in employment or looking for a job: the current global labour force participation rate for women at just over 49 per cent is nearly 27 percentage points lower than the rate for men (with no improvements anticipated in 2018). Worryingly, underlying this gap is a downward trend in participation rates for both men and women: between 1997 and 2017, the participation rates for both sexes have fallen by roughly 3 percentage points. In some countries, where the gap has narrowed it has been as a result of male rates falling more sharply than those of their female counterparts.

In 2017, the largest gender gap in participation rates, at nearly 31 percentage points, is faced by women in emerging countries, followed by those in developed countries, at just over 16 percentage points, and in developing countries, with a gap of 12 percentage points. In terms of regions, the gaps are widest in the Arab States, Northern Africa and Southern Asia, where they exceed 50 percentage points. These three regions also have the lowest levels of female participation rates (less than 30 per cent, compared to the global average of 49 per cent).

Looking ahead to 2021, out of the 11 subregions with available information, the gap is expected to narrow in only six. In other instances it is anticipated that the gap will widen or remain stable.

In light of the continuing lack of adequate progress in improving the situation of women in the labour market, the ILO Director-General has launched the Women at Work Centenary Initiative. This initiative intends to identify innovative action that could give new impetus to the ILO's work on gender equality and non-discrimination in the run-up to and following the ILO's centenary in 2019. The information provided in this report constitutes a key building block in moving that agenda forward.

... and, once in the job market, women have restricted access to quality employment opportunities.

When women do participate in the labour market, they are less likely than their male counterparts to find a job. Globally, the unemployment rate for women stands at 6.2 per cent in 2017, representing a gap of 0.7 percentage points from the male unemployment rate of 5.5 per cent. In 2018, both rates of unemployment are expected to remain relatively unchanged, meaning that the gap will persist at its current level (with no anticipated improvement before 2021, based on current trends). At the global level, this gap has remained relatively unchanged in recent years, albeit with considerable variation according to income group. For instance, in emerging countries the gap has widened: from 0.5 percentage points in 2007 to 0.7 percentage points in 2017. In contrast, the gaps in both developing and developed countries have narrowed to reach 1.8 and 0.5 percentage points, respectively.

In the Arab States and Northern Africa, unemployment rates among women exceed 20 per cent, more than twice the rate of their male counterparts, and consequently the gap stands at over 10 percentage points in 2017 (in both regions the gap has widened in the past decade).

Once in employment, nearly 15 per cent of women are contributing family workers (i.e. self-employed persons working in an establishment operated by a relative) whereas, among men, this status accounts for just 5.5 per cent. In developing countries where nearly 36.6 per cent of women, compared to only 17.2 per cent of men, are engaged as contributing family workers, this gap – standing at over 19 percentage points – is the widest. Moreover, the gap has widened by over 2 percentage points in the past decade.

Women are also more likely to undertake a greater number of hours of unpaid work due to time spent on household chores and care provision. Overall, they are more likely to work longer hours than men when both paid and unpaid work are taken into account. Moreover, when in paid employment, on average, women work fewer hours for pay or profit either because they opt to work part time or because part-time work is the only option available to them. In developing countries with available information, time-related underemployment among women, measured as persons working fewer hours than they would like to, can be as high as 40–50 per cent. Similarly, involuntary part-time work, of less than 30 hours per week, as a share of total employment in the EU-28 stood at 8.2 per cent in 2015 for women, compared with 2.6 per cent for men.

In addition, a comparison of the sectoral distribution of employment by sex reveals strong evidence of gender segregation, with education, health and social work being the sector with the highest relative concentration of women, followed by wholesale and retail trade. Moreover, the extent of gender segregation along sectoral lines has increased by one-third over the past two decades. There is also occupational segregation in both emerging and developed countries, where women are relatively concentrated in the services and sales sector. Women are also concentrated in clerical support (in developed countries) and as skilled agricultural, forestry and fishery workers (in emerging countries).

Closing these gaps would yield significant economic benefits and improve individual welfare

In 2014, G20 leaders committed to the “25 by 25” target, i.e. to reduce the gap in participation rates between men and women by 25 per cent by the year 2025. Estimates for this report indicate that, under certain assumptions, if such a goal were to be realized across all countries, it has the potential to boost global employment by 189 million, or 5.3 per cent. The vast majority of job gains (162 million) would be in emerging countries due to their relative size, combined with the fact they also have the widest gender gaps. The impact in developing and developed countries would be smaller, both in absolute terms and as a percentage of current employment levels (due primarily to the presence of comparably narrower gender gaps in labour market participation). Nevertheless, in both instances employment would grow, by 2 per cent in developing and by 3.3 per cent in developed countries.

Such an outcome would yield significant economic gains, raising global GDP in 2025 by 3.9 per cent, or US\$5.8 trillion (equivalent to raising average global GDP growth over the next eight years by almost half a percentage point). The regions with the largest gender gaps, namely Northern Africa, the Arab States and Southern Asia, would see the greatest benefits. However, even in North America and parts of Europe, average annual GDP growth would be lifted by a quarter of a percentage point, an important contribution during times of weakened economic growth. The achievement of such a goal would also unlock large potential tax revenues, which could be used to finance measures to address the gender gaps in the labour market discussed below. Indeed, global tax revenue could increase by US\$1.5 trillion.

While there are clear economic benefits to be gained by engaging more women in the labour force, there are also other significant positive impacts, such as the improvement in the welfare of women and the opportunity that it would afford them to realize their goals. Indeed, irrespective of their employment status, 70 per cent of women prefer to work at paid jobs. Considering that more than half of all women globally are out of the labour force, this suggests that there are significant challenges restricting their capacity and freedom to participate.

Moving forward, closing gender gaps will require concerted efforts across a range of policy dimensions. In this respect, the most immediate concern for policy-makers should be to alleviate the constraints on women’s freedom to choose whether or not to enter the labour market and the barriers they face once they are in the workplace.

Women who would like to improve their labour market situation are being held back by social norms and a range of socio-economic constraints

A precondition to entering the labour market is, of course, the preference and desire to do so. However, while aspirations are necessary, they are not sufficient. Indeed, a range of other factors are at play which can deter women from participating. Moreover, a woman's preference and decision (even the freedom to choose) to participate in the labour market or improve her job quality (e.g. in terms of pay, occupation or status in employment) can be affected by a number of constraints.

In fact, with respect to deciding whether to participate in the first instance, socio-economic constraints have the largest impact on women's probability of participating across nearly all country groupings (up to 30 percentage points). The most prevalent among these socio-economic constraints are work-life balance, marital status and lack of transportation.

Gender role conformity – the preferences and expectations of both women and men in the labour market – also plays a major role in constraining female labour market participation. This is true across all country groupings, albeit to a lesser degree in emerging countries. The most important factors in this regard, though to varying degrees, are the extent to which family members approve of women undertaking paid work and the degree of acceptance within a given society of women in the workplace.

The analysis of workplace gender gaps, i.e. gaps between men and women with respect to employment type (e.g. contributing family workers, part-time employment, etc.), reveals that the most important driver of these differences is neither the occupation nor the sector in which women are working, but other factors (such as discrimination or education). This is a strong indicator that social norms have a significant direct impact on gender gaps in employment.

A comprehensive suite of measures is needed that, first, reshapes gender role conformity and improves equality in labour market conditions...

Given the importance of social norms and gender role conformity in explaining gender gaps in the world of work, appropriate policy responses must address the root causes of segregation and diversify traditional employment opportunities for women and men. Only then can the constraints on women's roles in the workplace be broken down. This means combating discrimination both within and outside the workplace. In particular, appropriate policy responses, with a view to achieving the targets of the Sustainable Development Goals (notably Goal 5, Gender Equality), need to principally address the differential treatment and perception of women relating to their place both in the world of work and in society more broadly, including, but not limited to:

- *Promoting equal remuneration for work of equal value:* The principle of equal remuneration for work of equal value needs to be integrated into law and included in collective bargaining processes. This requirement comes with prerequisites, such as improved wage transparency and gender-neutral job evaluation, and should also leverage existing tools, such as minimum wage setting systems, as well as strengthening collective bargaining. Achieving this aim will also promote equal treatment of an extended range of different types of workers, including informal workers.
- *Tackling the root causes of occupational and sectoral segregation:* Challenging social norms and placing greater value on skills related to care provision will help to break down gender stereotypes. This process begins in childhood, through education and outreach, e.g. by ensuring equal access to educational opportunities and addressing gender differences in the field of study selected by individuals. Rewarding paid care work with adequate remuneration is also an important step. Supporting women's representation, participation and leadership in decision-making will also help to challenge occupational and sectoral segregation. This applies to all areas of government and within employers' and workers' groups, as well as in firms.
- *Transforming institutions to prevent and eliminate discrimination, violence and harassment against both women and men:* Legislation to prevent and eliminate discrimination based on gender is an important first step. However, laws alone, even with strict implementation and monitoring, are insufficient to prevent and eliminate discrimination, violence and harassment in the world of work. Other measures, such as dissuasive sanctions, specialized equality bodies and public awareness campaigns are important complements in any effort to change attitudes and social norms.

...and, second, addresses the socio-economic factors, including care provision, that influence participation

Women make a disproportionate contribution to society and households in providing work that is largely invisible and often undervalued. Work of this nature – which includes, among other things, caring for family members – is necessary for household survival and makes a significant contribution to the multidimensional welfare of societies, the development of communities and the advancement of the capabilities of all human lives. Hence, recognizing and giving value to the disproportionate contributions that women make in these areas, often while also holding a paid job, will play a critical and complementary role in unlocking the potential and value of women's work. Measures in this regard could include:

- *Introducing improved policies to promote work–family balance:* Millions of women and men worldwide are without the fundamental right to adequate parental protection and other basic social protection measures. Improved efforts need to be made to lay the groundwork for achieving harmonized work–family balances, and thus providing quality, family-friendly working conditions for women and men. At the same time, atypical hours and low-quality part-time work disproportionately penalize women in the labour force. Further, guaranteeing adequate social protection must include the incorporation of a gender dimension into the design, implementation and evaluation of social protection systems, in a way that is responsive to the characteristics and needs of both men and women, including maternity and women's unequal share of what is commonly regarded as the female labour market, namely unpaid family care provision and household work, while simultaneously including gender-neutral provisions to avoid perpetuating segregation.
- *Creating and protecting quality jobs in the care economy:* Women are over-represented in certain areas of work, including the care professions – areas that often have a history of inadequate regulation and protection. Accordingly, there is a need to promote decent work for care professionals, including domestic and migrant workers, to address decent work deficits in the care professions. At the same time, recognizing, reducing and redistributing unpaid care work through public care services and changes in social infrastructure is imperative.
- *Targeting the macroeconomic environment and informal economy:* Macroeconomic policies can be important enablers of gender equality; however, due to their increased likelihood of being engaged in informal employment or other vulnerable categories of employment, women can be disproportionately impacted by downturns and reversals in fiscal commitments to important social provisions. Therefore, the prerequisite of more inclusive macroeconomic policies needs to be complemented by support for gender-responsive policies, including the formalization of jobs in the informal economy.