



International
Labour
Office



GLOBAL EMPLOYMENT TRENDS for WOMEN *BRIEF, March 2007*

1. Overview

During the 1980s and 1990s women's participation in labour markets worldwide grew substantially. This gave rise to expectations that increased opportunities and economic autonomy for women would bring greater gender equality. To help determine the extent to which such hopes are being realized, it is necessary to analyse women's labour market trends in more detail. To this end, the *Global Employment Trends for Women Brief 2007* focuses on whether the tendency toward increased participation has continued more recently and whether women have found enough decent and productive jobs to really enable them to use their potential in the labour market and achieve economic independence.

The approach is based on updates and analysis of a number of major labour market indicators. These include: labour force participation; unemployment; sector and status of employment; wages/earnings; and education and skills. Taken together, they show whether women who want to work actually do so, whether women find it harder to get a job than men, differences in the type of work done by women and men and equality of treatment in areas ranging from pay to education and training.

Main findings are:

- In absolute numbers, more women than ever before are participating in labour markets worldwide. They are either in work or actively looking for a job.
- This overall figure only tells part of the story, however. During the past ten years, the labour force participation rate (the share of working-age women who work or are seeking work) stopped growing, with many regions registering declines. This reversal is notable, even though it partially reflects greater participation of young women in education.
- More women than ever before are actually in work¹. The female share of total employment stayed almost unchanged at 40 percent in 2006 (from 39.7 per cent 10 years ago).
- At the same time, more women than ever before are unemployed, with the rate of women's unemployment (6.6 per cent) higher than that of men (6.1 per cent).
- Women are more likely to work in low productivity jobs in agriculture and services. Women's share in industrial employment is much smaller than men's and has decreased over the last ten years.
- The poorer the region, the greater the likelihood that women work as unpaid contributing family members² or low-income own-account workers. Female

¹ The expression "in work" summarizes all people employed according to the ILO definition, which includes self-employed, employed, employers as well as unpaid family members. The words "employed" and "in work" are used as synonyms in this *GET for Women Brief 2007*.

contributing family workers, in particular, are not likely to be economically independent.

- The step from unpaid contributing family worker or low-paid own-account worker to wage and salaried employment is a major step toward freedom and self-determination for many women. The share of women in wage and salaried work grew during the past ten years from 42.9 per cent in 1996 to 47.9 per cent in 2006. However, especially in the world's poorest regions, this share is still smaller for women than for men,
- There is evidence that wage gaps persist. Throughout most regions and many occupations women get less money for the same job. But there is also some evidence that globalization can help close the wage gap for some occupations.
- Young women are more likely to be able to read and write than 10 years ago. But there is still a gap between female and male education levels. And there is considerable doubt that women get the same chances as men to develop their skills throughout their working lives.

These trends show that despite some progress, there is no cause for complacency. Policies to enhance women's chances to participate equally in labour markets are starting to pay off, but the pace with which gaps are closing is very slow. As a result, women are more likely than men to become discouraged and give up hope of being economically active. And for women who work, there is a greater likelihood to be among the working poor – they work but they do not earn enough to lift themselves and their families out of poverty. Given finally the persisting lack of socio-economic empowerment for women and unequal distribution of household responsibilities, there remains some way to go to achieve equality between men and women.

At a time when the world increasingly realizes that decent and productive work is the only sustainable way out of poverty, analyzing women's role in the world of work is particularly important. Progress on full, productive and decent employment, a new target within the Millennium Development Goals, will only be possible if the specific needs for women in labour markets are addressed.³

2. Female participation in labour markets

The growing proportion of women in the labour force and narrowing gap between male and female participation rates has been one of the most striking labour market trends of recent times. During the past ten years, however, a more nuanced picture has emerged regarding female participation, with considerable differences among age groups and regions.

Overall, there have never before been so many economically active women. The total female labour force, which is made up of both employed and unemployed women, was 1.2 billion in 2006, up from 1.1 billion in 1996 (see table 1). The gap between female and male labour force participation rates (the labour force as a share of working age population) diminished somewhat during the 10-year period. Whereas ten years ago there were 66 active women per 100 active men, in 2006 this number was still at almost the same level, with 67 women per 100 men (see table 2). At the same time, the female labour force participation rate decreased slightly to 52.4 per cent from 53.0 per cent in 1996. However, rather than this being a sign of stagnation, it is the result of two positive counterbalancing trends. As education among young women spreads more widely, young women's labour force participation decreases. At the same time, the participation rate for adult women was slightly higher in 2006 than ten years earlier.

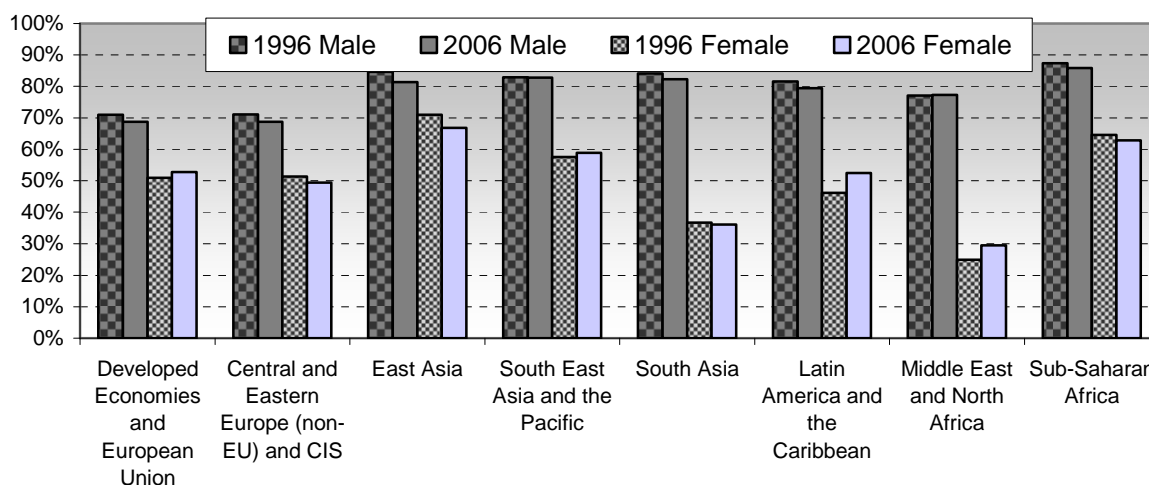
Meanwhile, trends at the regional level vary noticeably. Increases in women's economic activity were particularly high in Latin America, Middle East and North Africa, and Developed

² The expressions "unpaid contributing family workers", "unpaid contributing family members", "contributing family workers" and "contributing family members" are used as synonyms.

³ This brief is a condensed version of the ILO working paper "Global Employment Trends for Women 2007", forthcoming 2007.

Economies and the EU. This led in all three cases to a smaller gap between male and female labour force participation rates. On the other hand, there are also regions where the gap widened. In sub-Saharan Africa the gap was 0.3 percentage points larger in 2006 than 10 years earlier and in East Asia it increased by almost 1 percentage point (see figure 1).

Figure 1
Labour force participation rates, by sex and region, 1996 and 2006



Source: ILO, Global Employment Trends Model, 2006.

However, regardless of these regional variations, the difference between male and female economic activity remains conspicuous throughout the world. In the Developed Economies and EU, Central and Eastern Europe (non-EU) and CIS⁴ and in East Asia, about 80 women per 100 men are economically active. In sub-Saharan Africa, the ratio is 75 women per 100 men, in South East Asia and the Pacific it is 73 to 100 and in Latin America and the Caribbean, 69 to 100. The biggest gaps are found in South Asia, with 42 to 100, and Middle East and North Africa, with 37 to 100 (see table 2).

Taken on their own, rising or high labour force participation rates do not necessarily mean that labour markets are developing positively for women. The labour force participation rate does not provide an insight into the likelihood of being employed, nor does it indicate the quality of jobs. It also does not show how many people are participating in education, which is a good reason to be out of the labour force. The following sections, therefore, provide a more detailed analysis of the employment situation for women and their conditions of work.

3. Unemployment among women

In 2006, women globally still had a higher likelihood of being unemployed compared with men. The female unemployment rate stood at 6.6 per cent, compared to a male rate of 6.1 per cent (see figure 2a). In addition, women's unemployment rate rose over the ten-year period from 6.3 per cent in 1996. In total 81.8 million women who were willing to work and actively looking for work were without a job. This was up 22.7 per cent from 10 years earlier.

The difficulty of finding work is even more pronounced for young women (aged 15 to 24 years), with 35.6 million young women seeking an employment opportunity in 2006. Youth unemployment rates, both male and female, are higher than adult unemployment rates in all regions. In five, the regional female youth unemployment rate exceeds that of men. This is not the case in East Asia, Developed Economies and EU and sub-Saharan Africa (see figure 2b).⁵

⁴ Given that this *Global Employment Trends for Women Brief 2007* analyses the period until 2006 Bulgaria and Romania were kept in this region despite the fact that since January 2007 they are new EU member states.

⁵ For more details see *Global Employment Trends for Youth 2006*, <http://www.ilo.org/trends>.

Figure 2a
World and regional unemployment rates, by sex, 2006

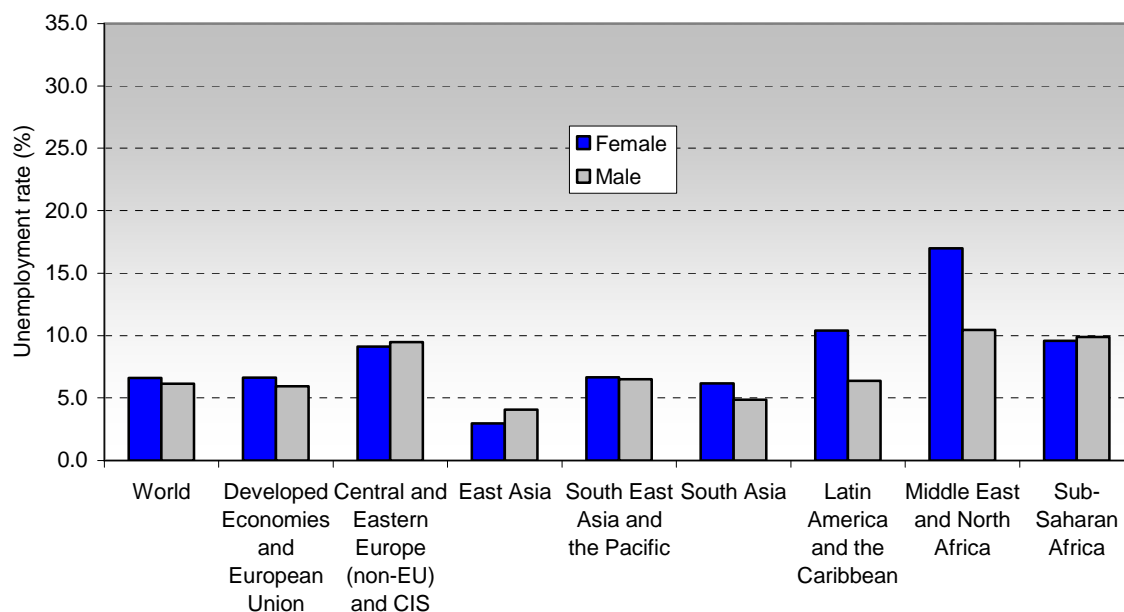
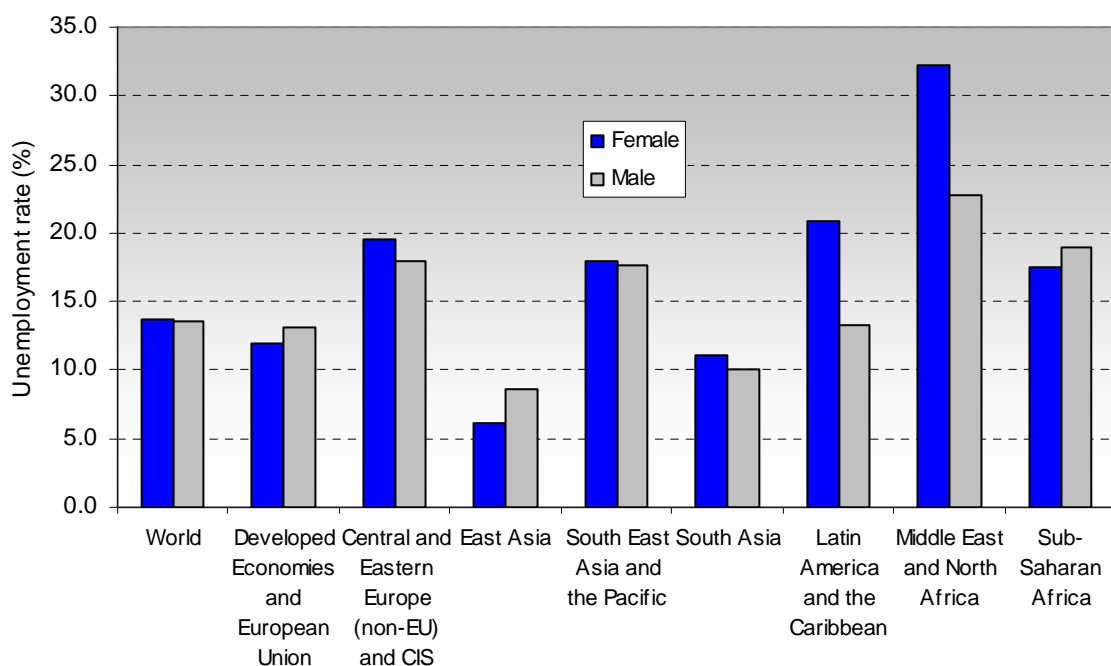


Figure 2b
World and regional Female youth unemployment rates, by sex, 2006



Source: ILO, Global Employment Trends Model, 2006.

Unemployment indicators provide a limited picture of the condition of labour markets. For a clearer image, they should be viewed in conjunction with employment-to-population ratios, data on employment by status and sector as well as wage and earning indicators. Ideally they should also be interpreted together with working poor numbers, as these give a good indication of whether the jobs created are of decent enough quality to give women a chance to work themselves and their families out of poverty. However, as discussed in box 1, it is not yet possible to estimate women's working poverty at a regional level. Finally, unemployment estimates exclude people who want to work but may not actively "seek" work because they feel there is none available, have restricted labour

mobility or face discrimination or structural, social or cultural barriers. These are known as discouraged workers. Although there is a dearth of data on discouraged workers, a review of data available for industrialized economies revealed that females made up approximately two-thirds of discouraged workers in Australia, Austria, Belgium, Germany, Greece, the Netherlands, Norway and Portugal, with the female share of total discouraged workers near 90 per cent in Italy and Switzerland.⁶ Given that women face higher unemployment rates, have far fewer opportunities in labour markets than men and often face social barriers to enter labour markets, it is very likely that discouragement among women is higher than among men in most countries in the developing world.

Box 1 Women and poverty

Poverty is a multidimensional phenomenon. Poor people can suffer from material deprivation, lack of money, dependency on benefits, social exclusion or inequality. Despite these many aspects, the most common measurements of poverty focus on monetary income. Usually poverty is measured as the share of people in a country living below US\$1 or US\$2 a day. The main sources for poverty statistics are income and expenditure data collected through national household surveys. Unfortunately such information is inadequate for measuring gender differences, because it concerns entire households rather than individuals. In addition, results give a snapshot of household poverty at a particular moment and do not capture changes over time. As a result, poverty data is not disaggregated by sex, making it impossible to estimate poverty among women that work. However, the statistical and anecdotal evidence that does exist has led to a growing perception that poverty is becoming feminized, with women accounting for an increasing proportion of the world's poor and working poor. The findings of this report support this view. As long as there are inequalities in labour markets, women will find it harder than men to escape poverty.

Sources: Spicker, Paul, "The idea of poverty", Bristol, 2007; UNIFEM, "Report on "Progress of the World's Women, 2005", New York, 2005, <http://www.un-ngls.org/women-2005.pdf>; UNIFEM, "The World's Women 2005: Progress in Statistics", New York, 2005, <http://unstats.un.org/unsd/demographic/products/indwm/wwpub.htm>

A closer look at the employment situation for women is also not encouraging. Employment-to-population ratios – which indicate how efficiently economies make use of the productive potential of their working-age population – are in all regions of the world much lower for women than for men (see table 3). Only half of working-age women (15+) actually work. For men, the proportion is more than seven out of ten. The difference is most notable in the Middle East and North Africa, where only slightly more than two out of every ten working-age women are employed, compared to seven out of ten for men. The situation is only slightly better in South Asia. The gap between female and male employment-to-population ratios decreased for the world as a whole over the past decade. However, in East Asia it widened and in sub-Saharan Africa it was unchanged.

While not all women of working age may wish to work, the existence of significant unemployment indicates that there are many women who want a job but are unable to find one. Part of the employment gaps that remain in industrialized economies may be attributed to the fact that some women choose to stay at home because they can afford not to enter the labour market. But in other regions of the world, it is more likely that women would work if there were opportunities for them to do so. Attracting more women into the labour force also requires as a first step equal access to education and equal opportunities in gaining the skills necessary to compete in the labour market. As is discussed in box 2, this equality in education is still far out of reach in most regions.

⁶ OECD, *Employment Outlook*, Paris, 2003.

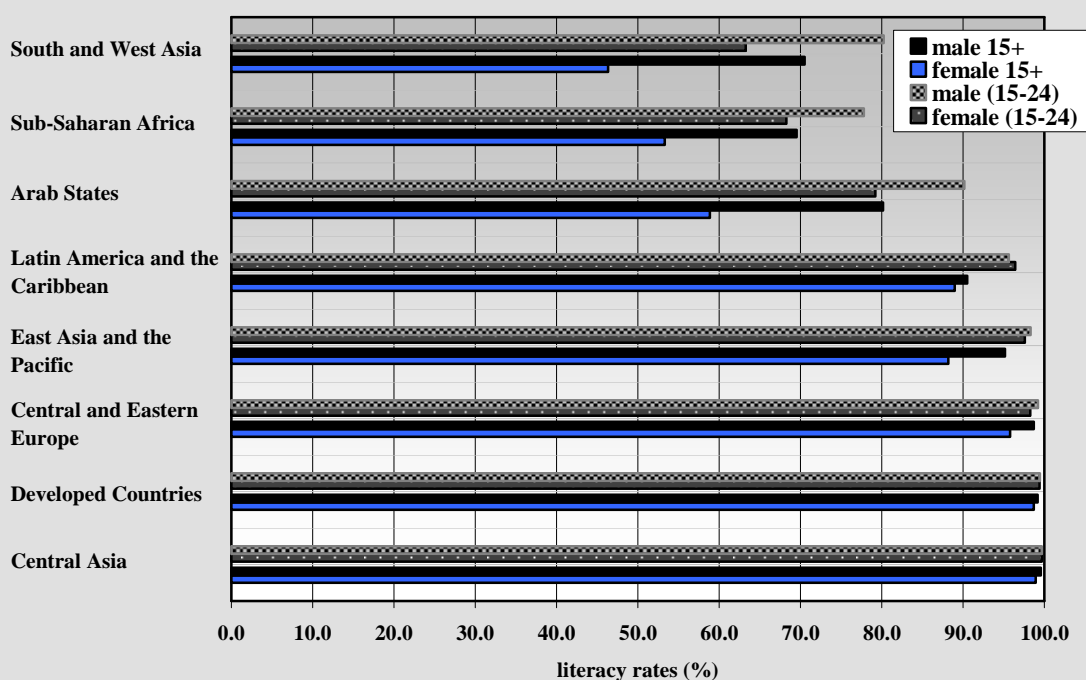
Box 2 Women and education

Education is a basic right. It is essential for development, as education can help people to find solutions to their problems and can provide new opportunities. It opens chances to participate in labour markets or to look for more decent employment opportunities. Still, almost 800 million adults have not had the opportunity to learn how to read and write, about two third of whom are women. In addition, 60 percent of school drop-outs are girls, as they often have to leave school at early ages to help in households or to work. Moreover, there are often cultural restrictions that prevent girls from finishing even basic education, severely limiting their chances to determine their own future.

The lowest literacy rates for women can be found in South and West Asia, sub-Saharan Africa and the Arab States. Even though these have increased in recent times, their comparatively low levels reflect the disadvantages faced by women in these regions.

Unfortunately basic education does not always translate into better employment opportunities. This is why it is important for women to continue to gain knowledge and skills beyond those acquired during youth. An underlying reason for the discrepancy in decent work opportunities between adult men and women could well be the lack of lifelong learning opportunities for many women.

Literacy rates* by region (2000-2004)



*Traditionally, UNESCO has defined literacy as 'a person's ability to read and write, with understanding, a simple statement about one's everyday life'. The grouping of countries into regions is taken as provided by UNESCO and differs slightly from the groupings used in this publication.

Source: UNESCO Institute for Statistics, September 2006, http://www.uis.unesco.org/ev.php?ID=5020_201&ID2=DO_TOPIC.

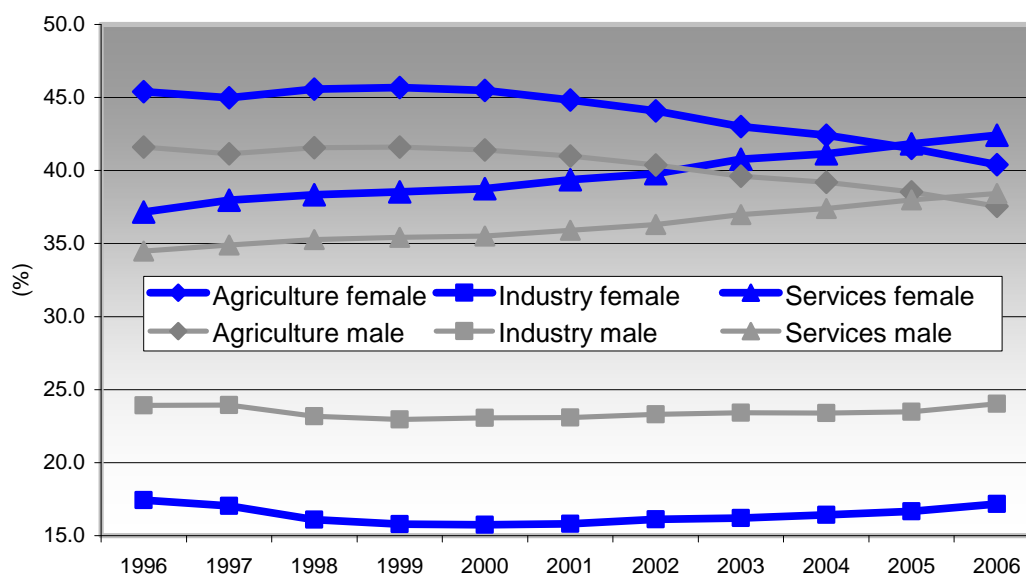
4. Women's working conditions

There is no single agreed-upon indicator for assessing the conditions of decent and productive employment.⁷ However, some insights can be gained by analyzing three indicators: employment by sector; status of employment (see box 5); and wages/earnings.

4.1 Sectors of employment

For the first time in 2005 agriculture was no longer the main sector of employment for women, and this trend continued in 2006. The service sector now provides most jobs for women. Out of the total number of employed women in 2006, 40.4 per cent worked in agriculture and 42.4 per cent in services. Meanwhile, 17.2 per cent of all women working were in the industry. (The comparable male rates were 37.5 per cent in agriculture, 38.4 per cent in services and 24 per cent in industry). (See figure 3 and table 4).

Figure 3
Female and male sectoral employment shares
as percentage of total employment, 1996-2006



Source: ILO, Global Employment Trends Model, 2006.

Women have a higher share of agricultural employment than men in East Asia, South Asia, sub-Saharan Africa and the Middle East and North Africa. In the other regions, it is usually the poorer countries that show a higher share of female employment in agriculture. Box 3 discusses the special challenges women face when working in this sector.

In all regions, women's share of employment in industry is lower than that of men. The difference is particularly marked in the Developed Economies and EU, where only 12.4 per cent of women work in this sector compared to 33.6 per cent of men. Within developing regions, the differences are considerable in Central and Eastern Europe (non-EU) and CIS as well as in Middle East and North Africa and, to a lesser extent, in Latin America and sub-Saharan Africa. Within the Asian regions, shares are more balanced between men and women. (See table 4).

The service sector has overtaken agriculture for women's employment in 4 out of the 8 regions: Developed Economies and EU; Central and Eastern Europe (non-EU) and CIS; Latin

⁷ A compelling and comprehensive collection of articles that highlight good practices regarding working conditions for women and gender equality in the world of work can be found in: ILO, "Gender Equality Around the World", Articles from World of Work Magazine, 1999-2006, March 2007.

http://www.ilo.org/public/english/bureau/inf/event/women/2007/gender_equality.pdf

America; and Middle East and North Africa. On the other hand, in East Asia, South Asia and sub-Saharan Africa agriculture is by far the most important sector of women's employment. Within services, women are still concentrated in areas traditionally associated with their gender roles, particularly in community, social and personal services. Men dominate the better-paid jobs in financial and business services and real estate.⁸

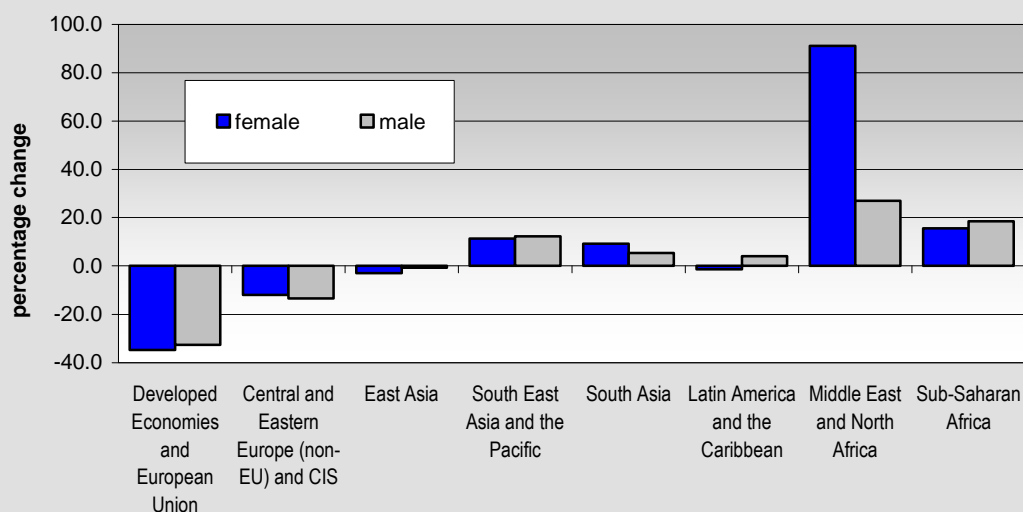
Box 3 Women and agriculture

Women agricultural workers are responsible for half of the world's food production. They are the main producers of staple crops such as rice, maize and wheat, which account for 60 to 80 percent of the food intake in most developing countries. It is almost always women who are responsible for ensuring that children get enough to eat. They are key players in day-to-day agricultural tasks, the instigators of activities that generate agricultural and non-agricultural income and the custodians of natural and productive resources.

Despite their importance women agricultural workers continue to be a marginalized group. What specific problems do they have to face?

- Women in agriculture generally lack education, decision-making power and rights at work.
- Women often have more difficulty than men getting good land, credit, training and access to markets.
- Women lack access to the equipment required for food production on a large scale.
- Women in agriculture in developing countries also face real challenges with the spread of the HIV/AIDS epidemic. Nearly 95 per cent of people with HIV are in developing countries. The majority are poor people in rural areas, and women outnumber men.
- Wars, migration of men for paid employment and rising mortalities due to HIV/AIDS have led to a rise in the number of female-headed households especially in the rural areas of the developing world. This leaves women with even more responsibilities.
- A growing number of women work in the informal agricultural sector, largely as street vendors in local food markets.
- Many women must have second jobs in order to survive. These are often jobs in off-farm industries including homework at piece rates that yield very low additional earnings.

Percentage change in employment in agriculture between 1996 and 2006



Source: ILO, Global Employment Trends Model, 2006.

Sources: Spieloch, Alexandra, "A Row to Hoe" - A Study on the Gendered Impact of Trade Liberalization on our Food System, on Agricultural Markets and on Women's Human Rights", IATP (Institute for Agriculture and Trade Policy), Geneva, 2006, <http://www.iatp.org/tradeobservatory/library.cfm?refID=96833>; United Nations FAO, Website fact sheet: "Gender and Food Security: Agriculture", <http://www.fao.org/GENDER/en/agri-e.htm>; FAO-ILO-IUF, Agricultural workers and their contribution to sustainable agriculture and rural development, Geneva, 2005, <http://www.ilo.org/public/english/dialogue/actrav/new/061005.pdf>.

The sex segregation of occupations is changing, but progress is slow. Female employment stereotypes, such as carers and home-based workers, are still being reinforced. They may be

⁸ For more details see *Global Employment Trends for Women 2004*, <http://www.ilo.org/trends>.

perpetuated into the next generation if restricted and inferior labour market opportunities for women continue to lead to underinvestment in women's education, training and experience. It is notable that these trends continue even when women migrate. Within host countries they occupy the same type of jobs as at home and are often faced with the same discrimination patterns. (See box 4)

Box 4 Women and migration

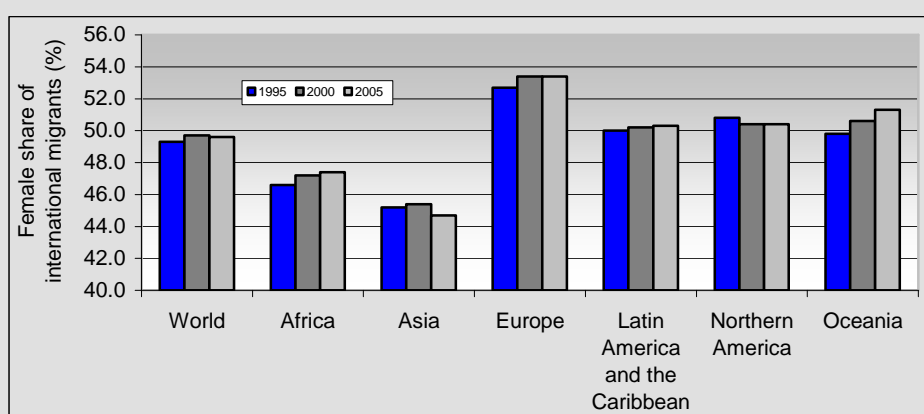
Over the past decade the number of women who migrated increased significantly. The UNFPA "State of World Population 2006" estimates that there are 95 million female migrants, accounting for almost half of all international migrants. Every year millions of women work overseas and send hundreds of millions dollars back to their homes and communities. In addition, working women leave to marry or rejoin migrant husbands or their families. Migration of women is common in all age groups. Some women are well educated and searching for opportunities more consistent with their qualifications. Others are from low-income or poor rural backgrounds and are seeking a better life for themselves and their children. Women also migrate to flee abusive marriages and patriarchal traditions in their home countries that limit their opportunities and freedom.

The experiences of migrant women workers are as different as their backgrounds and destinations. While migration benefits many women, it does not come without challenges. Millions of women face substantial risks. They often lack adequate opportunities to migrate legally and safely. Women migrants can become trapped in dangerous situations, ranging from the modern enslavement of trafficking to prostitution and severe exploitation in domestic work. As women and migrant workers, they can be highly disadvantaged after their arrival in the destination country, especially if other factors, such as race, class and religion also come into play. Moreover, many migrant women are unaware of their rights.

Women migrant workers can make their best contribution when enjoying decent working conditions and when their fundamental human and labour rights are respected in the host countries. Labour migration policies should aim to eradicate discrimination and gender inequality and to tackle other vulnerabilities. Not only should host countries make sure that women get a fair chance in labour markets, but home countries should address the disruptive impact that migration of women, especially mothers, has on the family unit and children.

Recent studies have shown that appropriate policies and rules can help to make migration a "triple-win" situation that benefits host countries, home countries and migrants and their families. For this to happen, however, it is important that women and men profit to the same extent.

Trends in female migration, 1995-2005



Source: Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, Trends in Total Migrant Stock: The 2005 Revision <http://esa.un.org/migration>.

Sources: ILO Theme paper on Globalization, International Labour Migration and Rights of Migrant Workers, Geneva, December 2006. http://www.ilo.org/public/english/protection/migrant/download/pws_new_paper.pdf ; ILO Statement to the United Nations High-Level Dialogue on International Migration and Development, New York, 14-15 September, 2006. International Labour Migration and Development: The ILO Perspective. <http://www.ilo.org/public/english/protection/migrant/download/perspectives.pdf>; UNFPA State of world population 2006 on women and international migration. http://www.unfpa.org/upload/lib_pub_file/650_filename_sowp06-en.pdf

4.2 Status of women's economic activity

Although there has been progress toward more even sharing of family responsibilities in some economically developed countries, such responsibilities are still very much assigned to women. When women work, it is usually up to them to find solutions that balance child-raising with employment. This is likely to be a greater challenge for women in wage employment, less for those in self-employment and least for contributing family workers who are unpaid (but still count as employed people according to the standard definition of employment). At the same time, economic independence, or at least co-determination in resource distribution within the family, is highest when women are in wage and salaried work, lower when they are own-account workers and lowest when they are unpaid family workers.

The move from being an unpaid contributing family worker or a low paid own-account worker into wage and salaried employment is a major step forward in terms of freedom and self-determination for many women – even though it does not always entail getting a decent job right away. The importance of this step in fostering gender equality is recognized in the UN Millennium Development Goal 3 “Promote gender equality and empower women”. One of the indicators to measure progress is the share of women in wage employment in the non-agricultural sector. This indicator was developed by the ILO and shows clearly that the poorer a country or a region, the smaller this share is.⁹

When evaluating progress made by women in the world of work, trends regarding status of employment help provide more detailed information. For the first time the ILO has released estimates at regional level on the status of employment for men and women (see box 5 for further explanation and table 5 for detailed numbers), tracking changes over time.

These show that the share of female wage and salaried workers has increased over the past ten years. In 2006, 47.9 per cent of working women were in wage and salaried employment compared with 42.9 per cent ten years earlier. The share of own-account workers increased from 22.4 per cent in 1996 to 25.7 per cent in 2006 and the share of contributing family workers dropped from 33.2 per cent to 25.1 per cent during the same period. However, in the poorest regions of the world the share of female contributing family workers in total employment is still much higher than men's, with women less likely to be wage and salaried workers. In sub-Saharan Africa as well as in South East Asia, four out of ten working women are classified as contributing family workers compared with two out of ten men. In South Asia, six out of ten working women are classified as contributing family workers, but again only two out of ten working men have this status. In the Middle East and North Africa, the proportions are three out of ten women and one out of ten men.

Even though the flexibility when working on their own account can allow women to combine work and family duties, female own account workers as a share in total female employment is smaller in all regions than men's share. But in the two poorest regions in the world, more women work as own-account workers than as wage and salaried workers. In sub-Saharan Africa, four out of ten women work as own-account workers and only two out of ten work as wage and salaried workers. In South Asia, two out of 10 are own-account workers and 1.5 out of ten belong to the group of wage and salaried workers. In all other regions, more women work as wage and salaried workers than as own-account workers.

An expected result of economic development would be for people to move from being contributing family workers and own-account workers to wage and salaried employment. Ideally women should profit from this trend as much as men. A look at one of the fastest developing regions – East Asia – shows that women do profit, with the share of women working as contributing family workers dropping by 18 percentage points from 38.8 per cent in 1996 to 20.9 per cent in 2006. At the same time, the share in wage and salaried employment rose by 9.5 percentage points and the share in own-account work went up by 8.7 percentage points. In parallel, there was a substantial decline in the proportion of women employed in agriculture and an increase in the

⁹ For more details on this indicator see <http://unstats.un.org/unsd/mdg/Host.aspx?Content=Data/Trends.htm> and http://ddp-ext.worldbank.org/ext/GMIS/gdmis.do?siteId=2&contentId=Content_t11&menuId=LNAV01HOME1.

percentage working in industry and services. Men followed the same pattern, but the increase in wage and salaried work was smaller, as was the increase in own-account work.

While status per se does not necessarily shed light on quality of jobs, contributing family workers and own-account workers are less likely to work in decent conditions. Research comparing figures on the working poor and employment status showed a very strong correlation between the total number of people classified as contributing family workers and own-account workers and the number of working poor at the US\$2 a day level. The poorer the region, the stronger this correlation was. This underlines the inadequate working conditions of these status groups in poor countries.

In summary, the status of women in the world of work has improved, but gains have been slow. While women have slightly closed the status gap with men, the sluggish pace of change means that disparities remain significant.

Box 5 Women and status

The indicator of status in employment distinguishes between types of employment by dividing people into three categories. These are wage and salaried workers (also known as employees); self employed workers; contributing family workers (also known as family workers).

For the first time this report gives regional estimates of the employment status of men and women. This indicator can contribute to a better understanding of labour markets. It provides information on the distribution of the workforce by status in employment and can be used to assess the proportion of employed persons in a country who (a) work for wages or salaries; (b) run their own enterprises, with or without hired labour; or (c) work without pay within the family unit. According to the International Classification of Status in Employment (ICSE), the basic criteria used to define the status groups are the types of economic risk that they face in their work, an element of which is the strength of institutional attachment between the person and the job, and the type of authority over establishment and other workers that the job-holder has or will have as an explicit or implicit result of the employment contract.

Employment status may be used to evaluate whether there is increasing informalization of labour markets, indicated by a decline in numbers of employees with formal working agreements. Companies may try to create more flexible enterprises to meet fluctuating demand, using temporary labour rather than permanent staff. Examination of data on numbers of temporary workers in conjunction with this indicator could help determine whether temporary jobs are crowding out more stable forms of employment.

The indicator is strongly linked to another indicator on employment by sector. For example, economic growth could be expected to bring a shift in employment from the agricultural sector to industry and services, which in return would be reflected in an increase in the number of wage and salaried workers. In addition, a shrinking share of employment in agriculture would result in a lower proportion of contributing family workers, who are often found in rural areas of developing countries.

Source: Key Indicators of the Labour Market 4th Edition, International Labour Organization, Geneva, 2006,
<http://www.ilo.org/public/english/employment/strat/kilm/>

4.3 Continuing wage gap

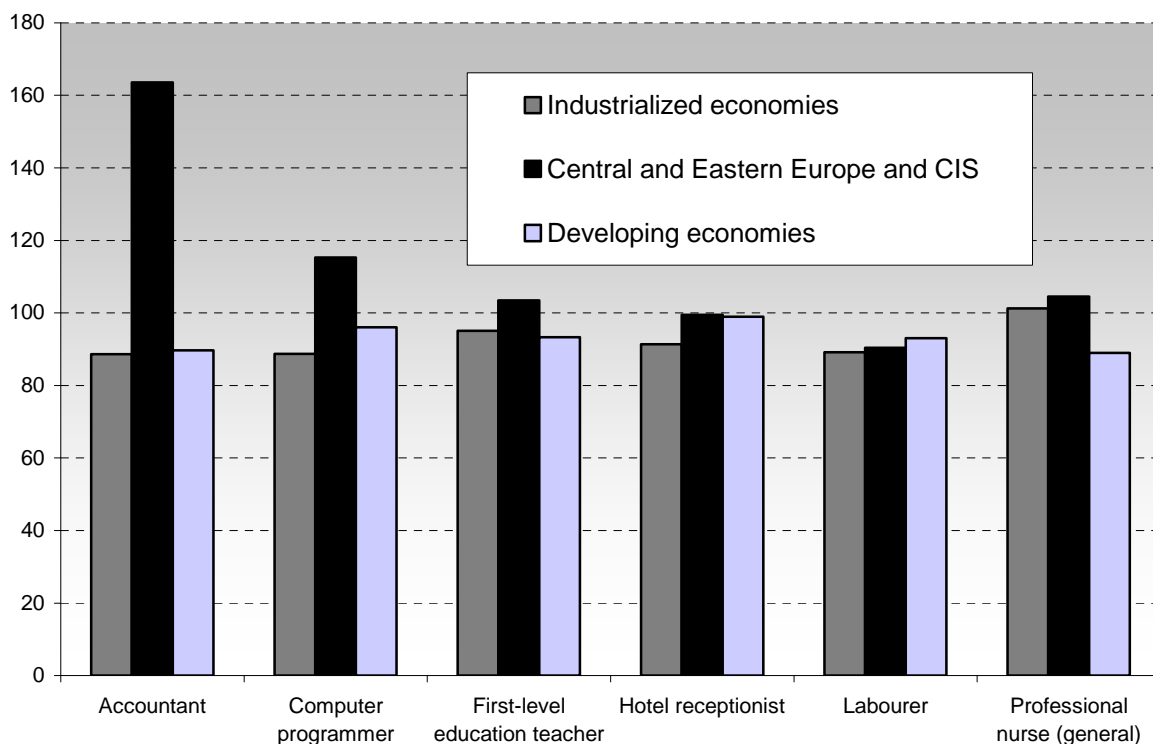
In the last Global Employment Trends for Women in 2004 it was argued that inadequate data on wages/earnings for men and women made it difficult to reach conclusions on wage/earnings inequalities. It was not easy to make comparisons between countries and regions, because wage and earning indicators tended to be based on country-specific criteria that were not always comparable. For example, there were differences regarding the definition of wage rates and earnings, payment methods, time units (hourly, weekly), data sources and methods of collection.¹⁰ Unfortunately this situation has not changed. Nevertheless, the little evidence that exists shows that wage gaps persist. A review of data available for six occupation groups shows that in most economies, women still earn 90 per cent or less of what their male co-workers earn (see figure 4). Even in “typically female” occupations such as nursing and teaching, gender wage equality is lacking.

¹⁰ For more details see Corley, M, Perardel, Y and Popova, K, “Wage inequality by gender and occupation: A cross-country analysis”, Employment Strategy Paper 20/2005, ILO, Geneva, 2005,
<http://www.ilo.org/public/english/employment/strat/download/esp2005-20.pdf>.

Historically, there was greater wage equality in the planned economies of Central Eastern Europe and the CIS than in industrialized or developing economies. This has remained the case in recent years. For example, the female wages of accountants, computer programmers, teachers and nurses in transition economies were actually higher than male wages for the latest years with data available (see figure 4). It will be interesting to see if this trend continues or if it reflects the fact that a few women have successfully managed the transition process, but after their retirement, wage gaps reflect trends in industrialized economies.

The European Commission¹¹ recently published findings showing that the pay gap between men and women has remained virtually unchanged at 15 per cent across all sectors in recent years. The weak performance of women's wages has been attributed to slower economic growth in the EU and, in particular, worsening labour market conditions in the new Member States. In addition, even in many European countries, women are still disproportionately employed in sectors where wages/earnings are lower and have been declining. For example, in the United Kingdom, 60 per cent of women workers are found in ten occupations, with the majority concentrated in "the five Cs": caring, cashiering, catering, cleaning and clerical. Many of these jobs are in smaller non-unionized firms, where women have less bargaining power and less possibility to improve their economic situation vis-à-vis their male counterparts.

Figure 4
Average female wages/earnings as percentage of male wages/earnings in selected occupations, latest available year



Note: Average in this chart denotes a basic average of the countries with available data.

Source: ILO, *Key Indicators of the Labour Market, 4th Edition* (Geneva, 2005), tables 16a and 16b.

Corley (2005, op.cit.) found that wage inequality is found in high-skill occupations, even though applicants in fields such as accounting and computer programming presumably have comparable education and training. Even in these occupations the average female wage is still only 88 per cent of the male wage. It was shown that countries with a higher relative gender wage gap in low-skilled occupations also had a high gender gap in high-skilled occupations. Nonetheless, in

¹¹ European Commission, "On Equality between Women and Men", Brussels, 2005.

most countries the wage gap was wider in low-skilled than in high-skilled occupations. In addition, in a number of countries the gap was shown to be increasing. This study was based mainly on data from industrialized countries.

A study by Oostendorp¹² focuses on the impact of globalization on wages from a gender perspective. Using the October Inquiry database of the ILO he finds that in low-skilled occupations where women are generally more highly represented, globalization has helped to improve wages vis-à-vis their male counterparts. At the same time, because there are significant gender gaps in human capital within high-skilled occupations in developing economies, growing demand for such skills due to globalization disproportionately favours male workers, leading to a widening of the wage gap in this category of workers.

In summary, gender pay gaps still exist across all occupations and there is no clear trend that they are narrowing.

5. Conclusions

The findings of this year's Global Employment Trends for Women are only partly encouraging. The assumption that in the process of socio-economic development women increasingly enter modern sector, permanent, full-time wage employment does not hold – at least not for all regions. Increases in labour force participation so far have not always been matched by improvements in job quality, and working conditions of women have not led to true social and economic empowerment, especially in the world's poor regions.

Women have more difficulties not only in participating in labour markets but also in finding decent and productive work. Women are still less likely to be in regular wage and salaried employment. In addition, the female share of contributing family workers exceeds the male rate in all regions of the world. In economies with large agricultural sectors, women work more often in this sector than men. Women's share of employment in the services sector also exceeds that of men. Additionally, women are more likely to earn less than men for the same type of work, even in traditionally female occupations.

All these findings point to the greater vulnerability of women in the world of work. It is therefore very likely that women are disproportionately affected by working poverty – they work but do not earn enough to lift themselves and their families above the US \$1 a day line. The results are consistent with the estimates made in the last Global Employment Trends for Women (2004) that women make up at least 60 per cent of the world's working poor. There is no reason to believe that this situation has changed considerably.

Creating adequate decent and productive work for women is possible, as shown by some of the progress detailed above. But policy-makers not only need to place employment at the centre of social and economic policies, they also have to recognize that the challenges faced by women in the world of work require intervention tailored to specific needs. Women must be given the chance to work themselves and their families out of poverty through creation of decent employment opportunities that help them secure productive and remunerative work in conditions of freedom, security and human dignity. Otherwise the process of feminization of poverty will continue and be passed on to the next generation.

¹² Oostendorp, R.H, "Globalization and the Gender Wage Gap", World Bank Policy Research Working Paper No. 3256, Washington, D.C., 2004.

Annex 1

Table 1
Global labour market indicators, 1996 and 2006

	Female		Male		Total	
	1996	2006	1996	2006	1996	2006
Labour force (millions)	1052.0	1238.9	1592.2	1852.0	2644.2	3090.9
Employment (millions)	985.4	1157.1	1497.5	1738.6	2482.8	2895.7
Unemployment (millions)	66.7	81.8	94.7	113.4	161.4	195.2
Labour force participation rate (%)	53.0	52.4	80.5	78.8	66.7	65.5
Employment-to-population ratio (%)	49.6	48.9	75.7	74.0	62.6	61.4
Unemployment rate (%)	6.3	6.6	5.9	6.1	6.1	6.3

Source: ILO, Global Employment Trends Model, 2006.

Table 2
Male and female labour force participation rates (%)
and the gender gap in economically active females per 100 males, 2006

	Female LFPR (%)	Male LFPR (%)	Gender gap in economically active females per 100 males
World	52.4	78.8	66.9
Developed Economies	52.7	68.8	81.4
Transition Economies	49.4	68.7	81.0
East Asia	66.8	81.4	79.3
South-East Asia	58.9	82.8	72.7
South Asia	36.0	82.2	41.8
Latin America and the Caribbean	52.4	79.4	69.5
Middle East and North Africa	29.5	77.3	36.7
Sub-Saharan Africa	62.8	85.9	74.8

Source: ILO, Global Employment Trends Model, 2006.

Table 3
Male and female employment-to-population ratios
and unemployment rates 1996 and 2006

	Female employment-to-population ratio (%)		Male employment-to-population ratio (%)		Female unemployment rate (%)		Male unemployment rate (%)	
	1996	2006	1996	2006	1996	2006	1996	2006
World	49.6	48.9	75.7	74.0	6.3	6.6	5.9	6.1
Developed Economies and European Union	46.6	49.2	65.8	64.7	8.4	6.6	7.3	5.9
Central and Eastern Europe (non-EU) and CIS	46.4	44.9	64.2	62.2	9.6	9.1	9.7	9.5
East Asia	68.8	64.9	81.1	78.1	3.1	3.0	4.2	4.1
South East Asia and the Pacific	55.3	55.0	80.0	77.4	4.0	6.6	3.6	6.5
South Asia	34.9	33.8	80.6	78.3	4.9	6.2	4.2	4.9
Latin America and the Caribbean	41.5	47.0	76.2	74.3	10.2	10.4	6.5	6.4
Middle East and North Africa	20.4	24.5	68.3	69.3	18.1	17.0	11.5	10.4
Sub-Saharan Africa	58.7	56.8	79.2	77.4	9.0	9.6	9.3	9.9

Source: ILO, Global Employment Trends Model, 2006.

Table 4
Male and female share in total employment by sector 1996 and 2006

	Employment in agriculture (%)		Employment in industry (%)		Employment in services (%)	
	1996	2006	1996	2006	1996	2006
Females						
World	45.4	40.4	17.4	17.2	37.2	42.4
Developed Economies and European Union	4.3	2.5	16.8	12.4	78.9	85.1
Central and Eastern Europe (non-EU) and CIS	25.5	21.6	22.1	19.7	52.4	58.7
East Asia	58.4	52.1	24.0	24.7	17.6	23.3
South East Asia and the Pacific	52.5	47.2	13.7	15.4	33.8	37.3
South Asia	72.6	64.5	12.0	17.7	15.4	17.9
Latin America and the Caribbean	14.0	9.9	14.5	14.3	71.5	75.8
Middle East and North Africa	33.0	39.1	17.7	11.7	49.2	49.2
Sub-Saharan Africa	69.4	64.2	5.8	5.5	24.7	30.3
Males						
World	41.6	37.5	23.9	24.0	34.5	38.4
Developed Economies and European Union	5.8	3.7	37.3	33.6	56.9	62.7
Central and Eastern Europe (non-EU) and CIS	26.8	22.4	32.7	34.3	40.5	43.3
East Asia	50.4	45.3	26.2	26.8	23.3	27.9
South East Asia and the Pacific	49.9	46.8	18.3	19.5	31.8	33.6
South Asia	53.9	46.4	16.8	19.3	29.3	34.3
Latin America and the Caribbean	28.5	24.7	23.7	23.4	47.9	51.9
Middle East and North Africa	28.8	26.7	22.8	26.5	48.4	46.8
Sub-Saharan Africa	67.0	62.1	11.4	11.3	21.5	26.6

Source: ILO, Global Employment Trends Model, 2006.

Table 5
Male and female status of employment 1996 and 2006

Total (%)	Wage and salaried worker		Employers		Own-Account Workers		Contributing family workers	
	1996	2006	1996	2006	1996	2006	1996	2006
Females								
World	42.9	47.9	1.5	1.4	22.4	25.7	33.2	25.1
Developed Economies and European Union	86.7	89.5	3.4	3.0	6.4	5.4	3.5	2.1
Central and Eastern Europe (non-EU) and CIS	78.5	79.0	0.5	0.8	10.2	12.4	10.8	7.8
East Asia	31.4	40.8	1.1	0.8	28.7	37.4	38.8	20.9
South East Asia and the Pacific	28.8	34.9	1.0	1.0	22.9	27.1	47.2	37.1
South Asia	10.3	15.3	0.5	0.4	16.3	21.7	72.8	62.6
Latin America and the Caribbean	66.6	67.5	2.0	1.7	24.2	25.6	7.2	5.1
Middle East and North Africa	47.5	56.2	2.4	4.1	17.1	11.3	33.0	28.4
Sub-Saharan Africa	13.8	17.0	1.1	1.4	49.0	42.3	36.2	39.3
Males								
World	45.7	49.2	3.8	3.3	34.7	35.9	15.8	11.6
Developed Economies and European Union	81.9	83.1	6.9	6.9	10.2	9.3	1.0	0.7
Central and Eastern Europe (non-EU) and CIS	76.5	76.2	2.6	2.9	15.8	17.5	5.1	3.4
East Asia	42.1	48.7	2.9	1.5	34.7	37.0	20.4	12.8
South East Asia and the Pacific	37.6	41.4	3.1	2.6	41.2	41.4	18.1	14.6
South Asia	19.5	27.2	2.3	1.4	55.8	55.2	22.4	16.2
Latin America and the Caribbean	59.3	60.7	5.0	4.4	29.5	31.1	6.2	3.7
Middle East and North Africa	52.2	55.4	9.7	11.4	23.4	21.2	14.7	11.9
Sub-Saharan Africa	26.8	29.5	2.7	2.7	43.6	44.4	27.0	23.3

Source: ILO, Global Employment Trends Model, 2006.

Annex 2. Key regional labour market indicators for women and issues for consideration

The following tables present the most current labour market indicators for women and offer a general assessment of the most pressing issues in each region.¹³ These tables can be used as a starting point for policy makers and international agencies as indication of the true challenges that need to be focused on regarding women. The variations of indicator results and issues for consideration presented in each regional table are a reminder that it is better to discuss female labour market trends on the regional level rather than the global level.

Developed Economies and European Union

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> ● Female labour force participation rate: 52.7% ● Female employment-to-population ratio: 49.2% ● Female unemployment rate: 6.6% ● Female share of total employment: 44.7% ● Women in agriculture/industry/services: 2.5% / 12.4% / 85.1% of total female employment ● Main status of female employment: Wage and salaried workers (89.5%) ● Gap between female and male labour force participation rates: -16.1 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> ● Share of women in working-age population: 51.5% ● Fertility rate below replacement level <u>Other</u> <ul style="list-style-type: none"> ● Average GDP growth rate 2001-06: 2.1% ● Educational enrolment at secondary and tertiary levels: high
Some issues for consideration	
<ul style="list-style-type: none"> ● Job quality, contracts, hours of work ● Balancing flexibility with security ● Gender wage gaps ● Declining employment content of growth 	

Central and Eastern Europe (non-EU) and CIS

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> ● Female labour force participation rate: 49.4% ● Female employment-to-population ratio: 44.9% ● Female unemployment rate: 9.1% ● Female share of total employment: 44.9% ● Women in agriculture/industry/services: 21.6% / 19.7% / 58.7% of total female employment ● Main status of female employment: Wage and salaried workers (79.0%) ● Gap between female and male labour force participation rates: -19.3 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> ● Share of women in working-age pop: 53.0% ● Fertility rate below replacement level <u>Other</u> <ul style="list-style-type: none"> ● Average GDP growth rate 2001-2006: 6.1% ● Working poverty rates: US\$1 a day 2.1%, US\$2 a day 10.5% ● Poverty rates: US\$1 a day 1.5%, US\$2 a day 7.2% ● Educational enrolment at secondary and tertiary levels: medium to weak
Some issues for consideration	
<ul style="list-style-type: none"> ● High numbers of women who are not employed ● Discouragement ● Invisible underemployment based on skills mismatch, namely women taking jobs that do not make use of their skills ● Managing external migration – brain drain ● Encouraging investment and job creation ● Balancing flexibility with security ● Child labour 	

¹³ Unless otherwise stated data are for 2006. It is important to bear in mind when reviewing this table that the regional assessments mask a great deal of regional variation and readers should be wary of assuming a particularly country “fits” perfectly all of the characterizations defined.

East Asia

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> Female labour force participation rate: 66.8% Female employment-to-population ratio: 64.9% Female unemployment rate: 3.0% Female share of total employment: 44.5% Women in agriculture/industry/services: 52.1% / 24.7% / 23.3% of total female employment Main status of female employment: Wage and salaried workers (40.8%) Gap between female and male labour force participation rates: - 14.5 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> Share of women in working-age pop: 49.1% Fertility rate slightly below replacement level <u>Other</u> <ul style="list-style-type: none"> Average GDP growth rate 2001-06: 8.6% Working poverty rates: US\$1 a day 12.1%, US\$2 a day 44.2% Poverty rates: US\$1 a day 10.1%, US\$2 a day 36.2% Educational enrolment at secondary and tertiary levels: high
Some issues for consideration	
<ul style="list-style-type: none"> Job quality – social protection, social dialogue, hours of work Inequity in rural and urban development Managing external and internal (rural to urban) migration Job security in small and medium enterprises Child labour 	

South East Asia and the Pacific

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> Female labour force participation rate: 58.9% Female employment-to-population ratio: 55.0% Female unemployment rate: 6.6% Female share of total employment: 42.1% Women in agriculture/industry/services: 47.2% / 15.4% / 37.3% of total female employment Main status of female employment: Contributing family workers (37.1%) Gap between female and male labour force participation rates: - 23.9 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> Share of women in working-age pop: 50.5% Fertility rate above replacement level <u>Other</u> <ul style="list-style-type: none"> Average GDP growth rate 2001-06: 5.1% Working poverty rates: US\$1 a day 11.1%, US\$2 a day 56.9% Poverty rates: US\$1 a day 8.9%, US\$2 a day 44.2% Educational enrolment at secondary and tertiary levels: medium to low
Some issues for consideration	
<ul style="list-style-type: none"> Invisible underemployment base on skills mismatch, namely women taking jobs that do not make use of their skills Improving education enrolment rates Improving job quality in the agricultural sector and development within the rural non-farm sector Encouraging investment and job creation Managing external and internal (rural to urban) migration Formal sector growth Child labour 	

South Asia

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> ● Female labour force participation rate: 36.0% ● Female employment-to-population ratio: 33.8% ● Female unemployment rate: 6.2% ● Female share of total employment: 29.2% ● Women in agriculture/industry/services: 64.5% / 17.7% / 17.9% of total female employment ● Main status of female employment: Contributing family workers (62.6%) ● Gap between female and male labour force participation rates: 46.2 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> ● Share of women in working-age pop: 48.8% ● Fertility rate high above replacement level <u>Other</u> <ul style="list-style-type: none"> ● Average GDP growth rate 2001-06: 6.2% ● Working poverty rates: US\$1 a day 34.4%, US\$2 a day 87.2% ● Poverty rates: US\$1 a day 25.6%, US\$2 a day 75.0% ● Educational enrolment at secondary and tertiary levels: medium to low
Some issues for consideration	
<ul style="list-style-type: none"> ● Graduate unemployment ● Invisible underemployment based on skills mismatch, namely women taking jobs that do not make use of their skills ● Barriers to labour market entry high for young females ● Improving job quality in the agricultural sector and development within the rural non-farm sector ● Managing external and internal (rural to urban) migration ● Investment and job creation ● High poverty ● Formal sector growth ● Improving education enrolment rates ● Child labour 	

Latin America and the Caribbean

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> ● Female labour force participation rate: 52.4% ● Female employment-to-population ratio: 47.0% ● Female unemployment rate: 10.4% ● Female share of total employment: 39.9% ● Women in agriculture/industry/services: 9.9% / 14.3% / 75.8% of total female employment ● Main status of female employment: Wage and salaried workers (67.5%) ● Gap between female and male labour force participation rates: -27.0 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> ● Share of women in working-age pop: 51.3% ● Fertility rate slightly above replacement level <u>Other</u> <ul style="list-style-type: none"> ● Average GDP growth rate 2001-06: 1.5% ● Working poverty rates: US\$1 a day 11.3%, US\$2 a day 30.9% ● Poverty rates: US\$1 a day 8.8%, US\$2 a day 23.3% ● Educational enrolment at secondary and tertiary levels: medium
Some issues for consideration	
<ul style="list-style-type: none"> ● Barriers to labour market entry high for young women ● Improving education enrolment rates and education system ● Encouraging investment and job creation ● Formal sector growth ● Improving education enrolment rates ● Job quality ● Child labour 	

Middle East and North Africa

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> Female labour force participation rate: 29.5% Female employment-to-population ratio: 24.5% Female unemployment rate: 17.0% Female share of total employment: 25.4% Women in agriculture/industry/services: 39.1% / 11.7% / 49.2% of total female employment Main status of female employment: Wage and salaried workers (56.2%) Gap between female and male labour force participation rates: - 47.8 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> Share of women in working-age pop: 49.1% Fertility rate high above replacement level <u>Other</u> <ul style="list-style-type: none"> Average GDP growth rate 2001-06: 5.0% Working poverty rates: US\$1 a day 2.8%, US\$2 a day 34.7% Poverty rates: US\$1 a day 2.1%, US\$2 a day 23.7% Educational enrolment at secondary and tertiary levels: medium to high
Some issues for consideration	
<ul style="list-style-type: none"> Barriers to labour market entry high for all females Invisible underemployment based on skills mismatch, namely women taking jobs that do not make use of their skills Stagnant income poverty Graduate unemployment Job quality Managing external and internal migration Investment and job creation Informal job search / hiring networks Civil conflicts Child labour 	

Sub-Saharan Africa

Indicators	
<u>Labour market indicators</u> <ul style="list-style-type: none"> Female labour force participation rate: 62.8% Female employment-to-population ratio: 56.8% Female unemployment rate: 9.6% Female share of total employment: 42.9% Women in agriculture/industry/services: 64.2% / 5.5% / 30.3% of total female employment Main status of female employment: Own account workers (42.3%) Gap between female and male labour force participation rates: - 23.1 percentage points 	<u>Demographics</u> <ul style="list-style-type: none"> Share of women in working-age pop: 50.6% Fertility rate high above replacement level <u>Other</u> <ul style="list-style-type: none"> Average GDP growth rate 2001-06: 4.6% Working poverty rates: US\$1 a day 55.4%, US\$2 a day 86.3% Poverty rates: US\$1 a day 46.1%, US\$2 a day 73.8% Educational enrolment at secondary and tertiary levels: low
Some issues for consideration	
<ul style="list-style-type: none"> Invisible underemployment based on skills mismatch, namely women taking jobs that do not make use of their skills High poverty Civil conflicts, child soldiers Improving education enrolment rates and education system Nutrition and disease, including HIV-AIDS Improving job quality in the agricultural sector and development within the rural non-farm sector Encouraging investment and job creation Managing external and internal (rural to urban) migration Formal sector growth Improving infrastructure Child labour 	