

Realising women's economic equality and rights Five insights from ActionAid to the High Level Panel on Women's Economic Empowerment

Introduction

On virtually every global measure, women are more economically excluded than men. This trend prevails across the dimensions of access to decent work, recognition and redistribution of unpaid care and domestic work, leadership and decision making, access to resources, legal entitlements, and many others.¹ This silent crisis of women's economic inequality constitutes a systemic and systematic violation of women's human rights. It prevails despite the accumulating evidence that economic empowerment yields benefits for women, businesses and the economy, and the fact that gender equality advocates, alongside feminist economists, have been calling for economic transformation for decades.

It is therefore very welcome that in March 2016 influential leaders from governments, international organisations, businesses, civil society and academia came together for the first-ever High Level Panel on Women's Economic Empowerment. While the objective is to inspire action and propose concrete recommendations to close economic gender gaps, the Panel takes place in the context of newly agreed Sustainable Development Goals (SDGs), and should help lay the grounds to realise the ambitions of Agenda 2030; namely achieving gender equality in its own right, as well as addressing gender as a cross-cutting issue in all the other Goals.

Such a focus on women's economic empowerment, of course, is not new. Yet the efforts of the international community and business leaders so far have only tinkered around the edges of this issue. It is thus an imperative for the Panel to adopt a transformational approach, address structural barriers, and 'keep its eyes on the prize'. This will require a redoubling of efforts and, in particular, meaningful engagement with feminist groups, trade unions and gender equality advocates, in order to ensure that women-led strategies for redressing different aspects of economic inequality are prioritised.

And to support these efforts, this briefing offers some **key insights** from ActionAid, building on what we have seen 'the proven and the possible' to transform the lives of the most marginalised women in the world's poorest countries. **Our key message is that increasing women's economic participation – in employment or business – must be accompanied by policy change that transforms economies.** It is high time to ensure that economic policies complement actions aimed at gender equality and social justice, all the while re-thinking the way women's contribution to the economy is valued, recognised and organised.

The High Level Panel is a unique opportunity to put the critical issue of women's economic empowerment at the centre of development and macroeconomic decision-making. In order to realise the SDGs and achieve economic equality for women, ActionAid calls upon the

¹ See: <http://www.worldbank.org/en/news/press-release/2014/02/20/report-stresses-need-for-bold-moves-toward-gender-equality-at-work.print>

Panel, as well as upon the states as the primary duty bearers, to pursue actions to ensure women's economic empowerment that draw upon the following **key insights**:

1. Focus on decent jobs, not just jobs

2. Recognise, reduce and redistribute women's unpaid care work, and value the care economy

3. End violence against women and girls (VAWG)

4. Support feminist movements and women's rights organisations

5. Recognise tax as a feminist issue

Governments, businesses and international institutions all have the power to create the conditions that are needed to achieve women's economic equality and rights. Acting upon these *insights*, and adopting a transformational approach, will benefit women, countries, and businesses, and lead to a more just, inclusive and sustainable economy for all.

Time for women's economic empowerment

The global community increasingly recognises that a race to the bottom on women's position in the economy is neither economically sustainable, nor socially desirable. As such, governments have committed, among other things, to recognise and value women's unpaid care and domestic work (Target, 5.4, Goal5), achieve inclusive growth and decent work for all (Goal 8), and ensure women's full participation and decision making (Target 5.5, Goal 5) within the new SDGs. The High Level Panel has been set up to turn these ambitions into reality.

This is highly timely. Despite significant advancement on some fronts, such as access to education, economic resources or jobs, women continue to be pushed to the very bottom of the economic pile. They earn 77% of what men earn, have fewer assets, are more likely - especially when young - to be unemployed,² all the while doing two and a half times more unpaid care work, and longer hours with unpaid care and paid work combined.³ Moreover, when in paid work, women dominate occupations which pay the least, and where there is little access to social protection and labour rights. In developing countries, 75% of all jobs for women are in informal and vulnerable work.⁴

ActionAid's own research has shown that women in developing countries could be US\$9 trillion better off if their pay and access to paid work were equal to that of men. And this is only a conservative estimate, given that it does not include the potential value of women's unpaid care work if that was translated into monetary terms.

² In Northern Africa and the Arab States, the female youth unemployment rate is almost double that of young men, reaching as high as 44.3% and 44.1%. See: ILO (2016) *Women at work: Trends 2016*. Pp. xii.

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf

³ 73 and 33 minutes per day in developing and developed countries, respectively. Ibid, Pp. xv.

⁴ Over 80% is the sum of women as own-account workers and contributing family workers. Ibid, Pp. xiv.

But it is not only women who are losing out. Widely cited analysis by Mckinsey has shown that at least US\$12 trillion could be added to global economy by closing gender gaps.⁵ And many other sources point to untapped potential for businesses or the role that investment in the care economy could have in boosting employment, productivity and growth.⁶

The current system, which relies upon and further drives women's economic inequality, can only bend so far before it breaks. Concerted and ambitious action is needed from the High Level Panel to turn back the tide and set the bar for the implementation of Agenda 2030 for the benefit to all.

Yet when looking into the future, it is crucial not to forget the past. It is therefore vital that the High Level Panel roots its recommendations in existing, binding human rights frameworks, notably the Beijing Platform for Action, the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), as well as relevant ILO Conventions and Recommendations - placing the achievement of gender equality in public, economic and political spheres front and centre.

1: Focus on decent jobs, not just jobs

Jobs can be the foundation for economic equality and rights for women, but only if they generate earnings that are enough to provide dignified life for women and their dependents; when they are conducted in a safe environment free from hazards and harassment; when they include access to social protection; and when they increase woman's power to make decisions and act on choices, including on her sexual and reproductive health and rights (SRHR). Creation of such decent jobs is a key strategy for alleviating poverty and tackling inequality. Indeed jobs can provide resources and boost the position of women, both in economy and beyond.

However, economic policies in many regions have yet to generate decent work opportunities for women.⁷ For example, in developing countries where ActionAid works, export manufacturing has been used as a strategy to boost growth, but has been heavily subsidised by poor women's underpaid and unpaid labour. On the other hand, gender inequality has served to maintain countries' 'comparative advantage' in a global market, whilst maximising corporate profits and narrowing policy space for countries to determine their own economic paths.⁸ The Rana Plaza disaster in Bangladesh in April 2013 was a stark reminder of the shocking conditions that workers, the majority of them young women, continue to face in the global value chains of international corporations.

Why do women find themselves vulnerable to exploitation and worse? Women's economic inequality cannot be explained solely by differences in access to opportunities or education.

⁵ Mckinsey Global Institute (2015) *The power of parity: How advancing women's equality can add \$12 trillion to global growth*. <http://www.mckinsey.com/global-themes/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>

⁶ ITUC (2016) *Investing in the care economy: A gender analysis of employment stimulus in seven OECD countries*. http://www.ituc-csi.org/IMG/pdf/care_economy_en.pdf

⁷ UN Women (2015) *Progress of the World's Women 2015-2016: Transforming economies, realizing rights*. <http://progress.unwomen.org/en/2015/>

⁸ ActionAid (2016) *Trading up, Crowded out? Ensuring economic diversification works for women*. https://www.actionaid.org.uk/sites/default/files/publications/actionaiduk_briefing_traded_up_crowded_out.pdf

Rather, it is fundamentally linked to deeply entrenched discriminatory social norms, often intersecting with women's class, caste, race, migrant, marital or reproductive status, that seek to silence their voices and suppress their choices, pay and working conditions, and thus women's position in the economy overall. In Cambodia, for example, ActionAid found that women from impoverished rural communities often come under heavy social pressure to be 'good, dutiful daughters' by quitting school and migrating to work in garment factories in order to provide for their families.⁹ And in Bangladesh, women garment workers told us that unless one is aware of her rights, factory owner takes advantage by pushing women to work 14 to 15 hours a day with wages often paid months late.¹⁰

These data and the examples demonstrate that business-as-usual will not deliver the SDGs, nor end the crisis of economic inequality for women. Moreover, efforts focused on creating a 'level playing field' through, for example, removing legal barriers, providing microcredit, or ensuring that women have access to education, have failed to close the economic gaps.

Therefore, measures such as provision of a living wage, ensuring that women and men are paid equally for work of equal value, safety at work, and social protection measures, including health care, parental and sick leave, whether in formal or informal sector, should be priority actions recommend by the High Level Panel.

A focus on *decent* jobs and not just job creation would also support states to ensure that corporates comply with international labour rights standards and regulations, uphold their responsibility to respect human rights,¹¹ and ensure that women workers have access to remedy if and when rights violation occur. The High Level Panel should recognise this reality and call for states to act as primary duty bearers in holding all corporate actors to account.

Not only would such measures significantly contribute to the achievement of women's economic equality and rights; they also have enormous potential to generate further demand and a virtuous cycle of economic transformation for the whole of society.

2. Recognise, reduce and redistribute women's unpaid care work, and value the care economy

Overwhelmingly, societies and economies continue to be built on the premise of life-long uninterrupted employment, while adhering to the socially constructed gender roles of 'male breadwinners' and 'female carers'. Such assumptions drive the continued economic penalisation of women. The reality is that many women's unpaid care responsibilities limit their economic choices: they are compelled to take up the least paid, insecure and vulnerable jobs, and have less opportunity to start and develop their own businesses. When they are lucky enough to find work, women are often subject to economic penalties and discrimination, including of their SRHR. As one Cambodian garment worker told ActionAid:

⁹ Ibid.

¹⁰ ActionAid (2015) *Diversify and Conquer: Transforming Bangladesh into a diversified economy*. <https://www.actionaid.org.uk/sites/default/files/publications/diversify-and-conquer-transforming-bangladesh-into-an-industrialised-country.pdf>

¹¹ The corporate responsibility to respect human rights is one of the three pillars of the UN Guiding Principles on Business and Human Rights. See: http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

“if a worker becomes pregnant, she starts to worry about [contract] non-renewal and when the delivery comes, a worker does not have sufficient money to pay for medical care”.

But the low economic and societal value assigned to ‘caring’ – despite estimates that unpaid care accounts from 13% to 39% of global GDP¹² - also has a knock-on effect of reducing wages and conditions in the paid care economy. This is especially the case in health, education, or domestic work, where women predominate. For example, more than 80% of the worlds’ domestic workers are women, many deprived of any labour rights and often suffering violence and other extreme forms of abuse.¹³

Therefore, the major task for the High Level Panel is to put forward clear and ambitious recommendations on fully removing the inequalities around who provides care and under what conditions, while fully recognising the fundamental role that the care economy plays in the social reproduction of communities and the workforce.

Part of the solution - as we have seen in ActionAid programmes in Nigeria, Uganda, Nepal and Kenya - should be about making care visible.¹⁴ The International Conference on Labour Statisticians agreed in 2013 that unpaid care and domestic work should now be classified as work.¹⁵ It is important that governments use time use surveys to count the full extent of women’s unpaid care work, in order to inform and adopt measures for its reduction and redistribution, while also strengthening the quality of provided care.

It is also essential that High Level Panel sends a strong signal about the importance of adopting family friendly policies and social protection that support access to decent work, while enabling women *and* men to balance paid work with family responsibilities. Such measures include paid maternity and paternity leave for all workers, flexible working hours, and the provision of childcare for workers with caregiving responsibilities.

But the real game changer would be to invest in accessible, ‘gender responsive’ quality public services, which respond to women’s practical and strategic needs. Rather than just promoting equal responsibilities between women and men, or relying on women’s unpaid care work to pick up the slack when public services are absent or cut, the High Level Panel should recommend substantial increase in governments’ investments in social infrastructure and time saving technologies. Such measures should include access to energy or water, and, crucially, to childcare and care for the elderly. These measures would not only free up women’s time to engage in paid work, but also have a knock on effect on their voice, choice and control in other spheres of life. And they are not without economic sense; a recent study by the International Trade Union Confederation (ITUC) showed that investing public funds in childcare and elderly care is more effective in reducing public deficits and debt than

¹² McKinsey Global Institute (2015) *The power of parity: How advancing women’s equality can add \$12 trillion to global growth*, Pp. 2.
http://www.mckinsey.com/insights/growth/how_advancing_womens_equality_can_add_12_trillion_to_global_growth_on_25.01.16; and UN Women (2015) *Progress of the World’s Women 2015-2016: Transforming economies, realizing rights*. Pp. 200. <http://progress.unwomen.org/en/2015/>

¹³ UN Women (2015) *Progress of the World’s Women 2015-2016: Transforming economies, realizing rights*. Pp. 14.
<http://progress.unwomen.org/en/2015/>

¹⁴ ActionAid (2013) *Making care visible: Women’s unpaid care work in Nepal, Nigeria, Uganda and Kenya*.
http://www.actionaid.org/sites/files/actionaid/making_care_visible.pdf

¹⁵ UN Women (2015) *Progress of the World’s Women 2015-2016: Transforming economies, realizing rights*. Pp. 83
<http://progress.unwomen.org/en/2015/>

austerity policies, while also creating decent jobs for women in the care sector, boosting quality of care, and ensuring that care services are universally available to all.¹⁶

3. End violence against women

If the High Level Panel is serious about women's economic empowerment, it must bridge its efforts towards economic transformation with those on prevention and response to VAWG.

This is because the relationship between economic empowerment and violence is two-way. Financial precarity undermines women's voice and bargaining power at home, at work and in wider society, making it hard to challenge or leave abusive partners or employers.¹⁷ At the same time, women who suffer intimate partner violence have been found to have higher work absenteeism, lower productivity and lower earnings than women who do not.¹⁸ Some women are particularly at risk of this cycle of violence and economic exploitation. This includes women who are poor, young; indigenous, ethnic minority or migrant women; as well as domestic workers, sex workers, forced, bonded and girl child labourers, and women and girls who have been trafficked.¹⁹

It is therefore unsurprising that ActionAid research has found that in Low Income Countries (LICs), higher levels of domestic violence are positively associated with women engaged in poor quality forms of work, such as self-employed or in vulnerable employment. On the other hand, LICs with a higher percentage of women in waged and salaried employment, or with agricultural holdings, tend report lower levels of violence in the home.²⁰

Moreover, many women regularly endure abuse and sexual harassment as they travel to and from work. In particular, rapid urbanisation has resulted in stark income inequalities, poor living conditions, insecurity and VAWG. A recent survey by ActionAid revealed that three in four women experience violence and harassment in cities in Brazil, India Thailand and the UK.²¹ Such threats and experiences constrain women's freedom of movement, limit their potential to pursue economic opportunities, and hinder enjoyment of their economic, social and political rights.

Finally, violence against women in the workplace continues to blight lives. According to the ITUC, up to half of women experience unwanted sexual advances and physical contact, or other forms of sexual harassment, whilst at work.²² Such violence entrenches occupational segregation, reinforces unequal gender relations, and may discourage women from pursuing opportunities in male-dominated jobs. Transnational corporations and their suppliers - increasingly major employers for women around the world - have been complicit, and in worst case scenarios, directly culpable of perpetrating violence against women workers, especially against those who stand up to defend their rights.

¹⁶ Women's Budget Group (2016) *Investing in the Care economy to boost employment and gender equality*
<http://www.lse.ac.uk/genderInstitute/news/2015-16/WBG-CareEconomy-ITUC-briefing-final.pdf>

¹⁷ ILO (2011) *Gender based violence in the world of work: Overview and selected annotated bibliography*. Working paper 3 / 2011. Pp.11. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_155763.pdf

¹⁸ For example, in Vietnam. See: World Bank Group (2014) *Voice and Agency: Empowering women and girls for prosperity*.

¹⁹ Ibid. Pp.17-20.

²⁰ ActionAid, forthcoming. Analysis commissioned from Institute for Development Studies

²¹ See: <https://www.actionaid.org.uk/latest-news/three-in-four-women-experience-harassment-and-violence-in-uk-and-global-cities-0>

²² See: <http://www.ituc-csi.org/gender-based-violence?lang=en>

This is why the High Level Panel should issue strong recommendations that ending all forms of violence against women must be an integral element of international action to achieve women's economic empowerment. This can be done through, among other things, states developing, implementing and resourcing ambitious national action plans to end VAWG, and crucially, as we elaborate below, supporting women's collective action.

In this strategic moment, the High Level Panel should also express its support for the proposed new International Labour Organisation convention on gender-based violence in the workplace. Such a convention could provide much needed global standards on the responsibilities of employers, governments and trade unions with regard to preventing and protecting against violence and ensuring a meaningful response.²³

And the time has come for a bold new approach to corporate accountability, including with respect to the elimination of VAWG. The High Level Panel should play a role in galvanising support for the development of a legally binding instrument on transnational corporations, and support current efforts at the UN Human Rights Council in this regard.

4. Support feminist movements and women's rights organisations

International action on women's economic empowerment should be founded upon mechanisms to strengthen the enabling environment for feminist movements and women's rights organisations. Women's participation in formal politics is important, but is not enough to transform women's lives.

Strong evidence shows that women's rights organisations and movements are the most effective means of achieving progressive policy change. A study of 70 countries across four decades found that women's collective action has been instrumental in securing legal reforms to end violence against women,²⁴ prohibit discrimination in the workplace and to introduce childcare services, to name but a few.²⁵ This is because feminist movements work on the front line to bring the voices of marginalised women to the fore, provide crucial services, and hold governments accountable for realising their women's rights commitments.

Although not without challenges, women's rights activists are also playing a crucial role in engaging with wider people's movements, such as trade unions or those mobilising for other social and economic rights. For example, ActionAid partner Mahila Adhika Manch – one of the largest rural women's networks in Nepal – collaborated with a land rights movement to push for increased land ownership rights for women. In Phnom Penh, Cambodia, the Safe Cities for Women Coalition is a cross-movement space that includes women's rights, youth and labour organisations, as well as media representatives, who develop coordinated activities to end violence against women and girls in public spaces. Not surprisingly, the gender pay gap is lower in countries with stronger trade union coverage and collective bargaining.²⁶ However, governments everywhere continue to

²³ ActionAid (2015) *Promises to keep: Using the Sustainable Development Goals to stand with Fearless women to end violence*, Pp. 19. https://www.actionaid.org.uk/sites/default/files/publications/promises_to_keep_-_using_the_sustainable_development_goals_to_stand_with_fearless_women_to_end_violence.pdf

²⁴ M. Htun and S. L. Weldon (2012) 'The Civic Origins of Progressive Policy Change: Combating Violence against Women in Global Perspective, 1975–2005' in *American Political Science Review*, Vol. 106, No.3, August 2012. Pp. 548-569. http://journals.cambridge.org/download.php?file=%2FPSR%2FPSR106_03%2FS0003055412000226a.pdf&code=77425b326d08b1fb5eecd461067b11c3

²⁵ UN Women (2015) *Progress of the World's Women 2015-2016: Transforming economies, realizing rights*. Pp. 117. <http://progress.unwomen.org/en/2015/>

²⁶ Ibid. Pp. 117

undermine women's collective action by closing down civil society space and starving women's rights organisations of precious resources. The latest available data indicates that support for WROs continues to be a drop in the ocean, constituting just 1.2% of all gender focused aid, and is decreasing further.²⁷ And women human rights defenders (WHRDs) are increasingly under attack because they dare to challenge the status quo and because they are women. In June 2015, a survey by ActionAid found that nearly two thirds of WHRDs reported a deterioration in their security in the last two years.²⁸

The High Level Panel's recommendation on the need to increase support for women's collective action, including through long-term quality funding, would be a clear indication of the commitment to achieve women's economic empowerment and the SDGs from the start.

Equally important is for the Panel to call for governments to uphold the rights to freedom of association, expression, assembly, along with rights to collective bargaining, while enacting laws that support organising for women's rights. It should call for withdrawal of damaging legislation which, for example, entails excessive restrictions on NGOs' access international funding. Ensuring that women's rights organisations are involved in public policy-making and budgeting is also vital.

Finally, acknowledgement of the specific risks and vulnerabilities women human rights defenders face would officially validate their work, encourage protection, and send a strong signal that High Level Panel is serious about standing with women for their economic empowerment, transformation and rights.

5. Recognise tax is a feminist issue

Because fiscal policies have historically been treated as gender neutral, the global tax system tends to exacerbate, rather than mitigate, the crisis of women's economic inequality. If the High Level Panel is to meet its objective on women's economic empowerment, it should recommend that governments raise more domestic revenue to invest in gender equality, while ensuring that the different ways in which tax revenue is deployed also works for women.

By raising more tax progressively – that is, by collecting a higher proportion of revenue from those that can most afford it - governments can spend more on public services, social protection or investments in creation of decent work. Yet tax systems in many countries are not as progressive as they could be.

First, corporate tax revenues could be much greater than they currently are because of substantial tax giveaways from governments in the form of incentives for investment, and because of tax avoidance and evasion by companies. New research by ActionAid shows that out of 18 geographically and economically diverse countries that have reported their tax expenditure on corporate income tax, 13 forego revenue equivalent to more than 0.5% of GDP and four forego revenue of more than 1%. And as tax incentives are commonly offered to companies located in special economic zones that rely upon women workers, women can lose out twice: first due to substandard pay and conditions, and second, due to the lost tax

²⁷ OECD (2016) *Aid in Support of Gender Equality and Women's Empowerment: Donor charts*.

<http://www.oecd.org/dac/gender-development/Aid-in-support-of-gender-equality-and-womens-empowerment.pdf>

²⁸ ActionAid (2015) *Promises to keep: Using the Sustainable Development Goals to stand with Fearless women to end violence*, Pp. 19. https://www.actionaid.org.uk/sites/default/files/publications/promises_to_keep_-_using_the_sustainable_development_goals_to_stand_with_fearless_women_to_end_violence.pdf

revenue which could potentially fund public services. Women depend on public services more than men both because of their traditional gender roles as care givers, and because they suffer from gender discrimination, such as VAWG.²⁹

Second, developing countries rely heavily on consumption taxes, such as VAT, which are not generally progressive. For women, VAT can be especially expensive because their earnings are generally lower than men's, and due to their gendered responsibility to provide essential basic products for the households.

Third, taxes on personal income and wealth, which can be the most progressive, are underused,³⁰ as is the case for capital gains taxes, property taxes and taxes on investments. And women are, of course, less likely to own such assets than men.³¹

This is why High Level Panel needs to send a strong signal about the urgent need to raise more domestic revenue for public services and infrastructure, such as those that prevent and respond to VAWG, support women's sexual and reproductive health, and reduce and redistribute their unpaid care, in a way that promotes women's rights rather than undermining them.

The Panel should recognise that the international community will need to tackle systemic problems in international taxation, including moving away from harmful tax competition to tax cooperation. It should call on governments to raise taxes in the most progressive way possible, and attend to the impacts of fiscal policy on poor women. Governments should also be urged to end gender discrimination in tax law and institute gender-responsive budgeting to enhance women's economic rights, their productivity and access to public services and commodities, while redressing discrimination and inequality.

Conclusion

Ensuring women's economic empowerment is of paramount importance to building an inclusive, dynamic and equitable global economy. The creation of the High Level Panel is a clear sign that the global community has woken up to this fact.

Now, the Panel needs to embrace an agenda for change that addresses the structural causes of women's economic inequality, rooted in our economic system and deep-seated social norms. Our recommendations, based on ActionAid's experience, provide the building blocks of this agenda. We offer them in the spirit of cooperation and mutual endeavour. We look forward to the Panel's final report and hope that 2016 sees the start of new impetus and action on this imperative issue.

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²⁹ IDS (2016) *Redistributing Unpaid Care Work – Why Tax Matters for Women's Rights*. IDS Policy Briefing 109. <http://www.ids.ac.uk/publication/redistributing-unpaid-care-work-why-tax-matters-for-women-s-rights>

³⁰ ActionAid - forthcoming.

³¹ World Bank (2016) *Women, Business and the Law*. Pp. 12. <http://wbl.worldbank.org/>