



## Fact Sheet No. 4: Women face more economic insecurity

### Cumulative disadvantages intensify gender divide

Women not only have more problems procuring paid employment and generally receive lower wages and fewer benefits than men, they also suffer from higher levels of irregular payments. Frequently, what they earn, they cannot keep but need to hand to their husbands or other family members. These are the findings of the People's Security Surveys (PSS) conducted in 15 countries around the world featured in the new ILO report on economic insecurity.

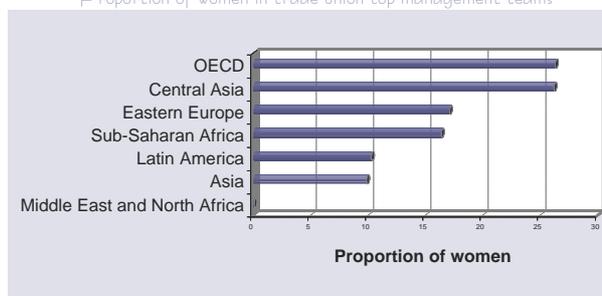
Among key findings relevant for assessing the extent of women's economic insecurity relative to men's are the following:

- Moving from highly informal work statuses into more formal jobs is frequently associated with a steady improvement in incomes for men but not for women. A result is that increasing formalisation of employment implies a widening income differential between men and women.
- Women tend to have much lower status even when controlling for education, as indicated by a new composite measure, the *Decent Work Status*. In developing countries, such as Indonesia, the difference between men and women can actually widen in more educated and affluent households.
- In African countries, as well as in South Asia, large numbers of women have to give up a large part of their earned income to others, mostly family members. In Tanzania, for example, only one in three women in rural areas and one in five in urban areas kept all their earned income. In Ghana, about half kept their income.
- There is widespread support among both men and women workers for principles of gender equality. In the People's Security Surveys, covering 48,000 men and women support for discriminatory recruitment practices and for wage discrimination was weak.
- However, insecurity erodes a sense of equity. In some countries the most insecure groups, among them women, favoured discriminatory practices against themselves. In Ethiopia, as many women as men expressed themselves in

favour of discrimination *against* women in the allocation of jobs.

- In developing countries many families regularly experience financial crises. When that happens, girls are more likely to be sent out to do income-earning work than boys. This translates into lifetime disadvantages, in terms of educational attainment and thus access to better-paying jobs.
- Women typically receive fewer non-wage enterprise benefits when in jobs, which is often a greater source of gender-based inequality than differences in wages. This also applies to African countries, where the payment of non-wage benefits is less common than in richer countries.
- Women are less likely to be in trade unions. When they are, they face discrimination. Significantly, in a sample of 61 countries for which data have been collected, women comprised only a tiny minority of senior union officials. Even in the industrialised countries, only 26% of senior union officials are women. In Asia, the figure is less than 10%.

Proportion of women in trade union top management teams



Source: IFP-SES database, 2004

- Discriminatory recruitment practices against women are more common among small firms,

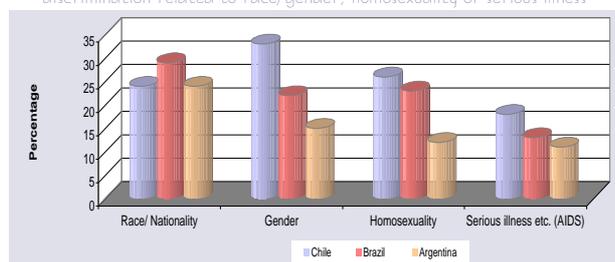


and greater in private than in public (state) enterprises in every country covered by the Enterprise Labour Flexibility and Security Surveys (ELFS), including Brazil, Chile, China, Indonesia, the Republic of Moldova, Pakistan, the Philippines, the Russian Federation, Tanzania and Ukraine.



- The data collected from managements in the ELFS reveal widely varying patterns of discrimination around the world. Employers tend to prefer to recruit men rather than women in a wide range of production jobs, while almost everywhere women are preferred in clerical jobs.
- In Latin America, for example, in some countries workers are aware of gender discrimination to a greater extent than in others, and in some they see racial or disability discrimination as more pervasive.

Argentina, Brazil and Chile: Percentage of workers witnessing discrimination related to race/gender, homosexuality or serious illness

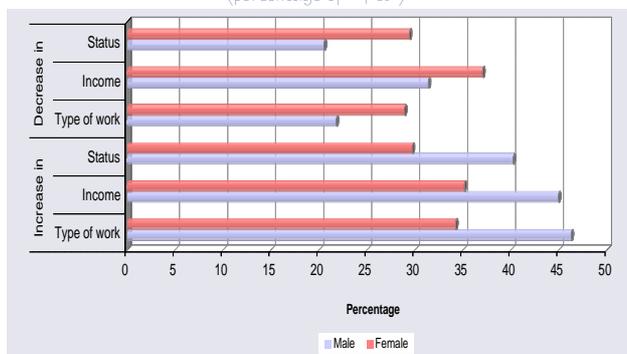


Source: Argentina, Brazil, Chile PSS 2001

- Discrimination is often greater in the provision of training opportunities than in recruitment, trapping women in a “glass tunnel”. Policies on equality of opportunity often neglect what happens once workers enter firms.
- Equal employment opportunity policies (EOP) adopted by firms do not reflect their practices. In the Philippines, where two in every five firms said they operated an EOP, many firms still expressed preferences for men or for women when recruiting. And two-thirds said they did not plan to increase women’s share of employment, even though women had only a minority of jobs.
- Paid maternity leave is only received by a small minority of pregnant women workers. When it is granted, it is mostly high-income women, who attain these benefits.

- The ELFS show that management’s concern over women workers subsequently taking maternity leave are used by many firms to discriminate against hiring young women.
- The types of contracts women frequently hold impinge on their ability to have a child without risk of losing their job. In China or Indonesia, this risk is higher for women having less than one year of employment tenure, precarious contracts or working in small private enterprises.
- Women are more likely to report stress in their jobs, but are less likely to report job dissatisfaction. One possible explanation is that women are under pressure from having to juggle both wage and care work.
- In most countries, probability of upward mobility is greater for men than for women, and probability of downward mobility is greater for women. The results of the People’s Security Surveys (PSS) for Ethiopia in 2001 are illustrative of this double pattern where the probability of past advance is lower for women whatever the dimension considered while the probability of downward change is greater.

Ethiopia: In the last three years have you made a career advance or did you see a decrease in terms of type of work, income and status, by gender (percentage of “Yes”)



Source: Ethiopia PSS, 2001