UN Women

**Expert Group Meeting** 

'Women's economic empowerment in the changing world of work'

Geneva, Switzerland 26-28 September 2016

> Organising for Women's Economic Empowerment: Women at the coal-face of the changing world of work

> > Expert paper prepared by:

Chidi King<sup>1</sup> International Trade Union Confederation

\_

<sup>&</sup>lt;sup>1</sup> The views expressed in this paper are those of the author and do not necessarily represent those of the United Nations.

While economic globalisation has opened opportunities for women, it has had a detrimental impact on the lives of a great number of women and their families the world over. For the majority of the world's women, having a job is no guarantee of sufficient income to meet the most basic needs.

Today's globalised economy has brought with it flexible labour markets, where jobs are more and more precarious, and where the right to form or join trade unions, to organize and collectively bargain the terms and conditions of employment are actively discouraged – sometimes through legislation; often through the use of threats and physical force<sup>2</sup>. Such jobs are often devoid of other labour protection, including occupational health and safety, regulation of wages and working time, and maternity protection. Similarly, they are often stripped of complementary social protection such as maternity benefits, paid sick leave, occupational pensions, industrial injury insurance and compensation and unemployment insurance.

In industrialised countries and in the formal sectors of developing countries, gender-based pay disparities and occupational or workplace gender segregation persist. Women's employment in the global economy tends to be concentrated in particular sectors such as domestic work, health and social care, hotel, retail, catering and cleaning services, textiles, and the agricultural sector. Women are less likely to be in regular, paid employment, and they are more likely to earn less than men for the same type of work or work of equal value. Because women are still traditionally viewed as the subsidiary breadwinner, they are often shunted into jobs that are temporary, insecure, pay low wages, and seen as requiring 'low skill' levels. Gender-based violence (GBV) in the world of work remains a significant barrier to women's economic empowerment. Yet there is still no international labour standard that comprehensively outlaws GBV.

Lack of decent work<sup>2</sup> opportunities accompanied by the retrenchment, privatisation and outsourcing of public services, the promotion of export processing zones (EPZs)<sup>3</sup> and the exponential growth in supply chains (now the dominant model of global trade) has increased pressure on women to migrate for work, notably as domestic workers, or to work in the informal economy. More than 300 million people in developing countries are employed in some capacity within global supply chains. Forty-four percent of these workers are women. Today's global supply chains are characterised by exploitation and precarious, often unsafe work.

The 2030 Agenda for Sustainable Development is an opportunity to address persistent gender inequalities at work and lift up women's economic empowerment. It reaffirms the universal consensus on the crucial importance of gender equality and its contribution to the achievement of the 17 Sustainable Development Goals (SDGs). More jobs – and quality jobs – for women, universal social protection and measures to recognise, reduce and redistribute unpaid care and household work are indispensable to delivering on the new transformative sustainable development agenda, which aims to reduce poverty (Goal 1) and inequalities (Goal 10), to achieve gender equality (Goal 5) and to promote inclusive and sustainable economic growth, full and productive

<sup>&</sup>lt;sup>2</sup> See ITUC Global Rights Index 2016: http://www.ituc-csi.org/ituc-global-rights-index-2016 <sup>2</sup> The ILO defines decent work as productive work for women and men in conditions of freedom, equity, security and human dignity. The four pillars of decent work are job creation, worker's rights, social protection and social dialogue.

<sup>&</sup>lt;sup>3</sup> Industrial trade zones set up by governments to encourage foreign direct investment by multinational companies. Incentives offered to multinationals usually include flexibility of, or even total exemption from labour laws, duty free imports of raw materials, and long term, tax concessions. On average, 80 percent of workers in EPZs are women.

employment and decent work for all (Goal 8).<sup>4</sup> The Beijing Declaration and Platform for Action still provides the most comprehensive blue-print for women's social, economic and cultural empowerment and will be key to the effective achievement of the 2030 Agenda.

### A path to women's economic empowerment

Women's economic empowerment is central to the realisation of gender equality and women's rights. Its achievement will not only increase the power of women to shape economic policies and make and act on economic decisions but also provide voice, choice and control in other areas of life. Women's economic empowerment (WEE) must be understood as far more than women's ability to compete equally in existing markets, or than the beneficial outputs of their contribution to growth; it should include women's access to and control over economic resources, access to decent work, control over their own time and meaningful participation in economic decisionmaking at all levels from the household to international institutions. This means building women's capacity and autonomy to exercise real power and control over their own lives, and strengthening the terms on which they engage with social and economic structures. It means women organising themselves for change – and governments respecting, protecting and fulfilling their right to do so.

Gendered perceptions of women's roles in society, particularly in relation to care-giving, are contributing to occupational segregation and the undervaluing of work women generally perform in the labour market, both within and outside the care sector. Globally, women spend at least twice as much time as men on unpaid care work, including domestic or household tasks as well as care for people at home and in the community. This unpaid care work contributes enormously to the well-being of our societies and to the sustainability of our economies. Although critical to the proper functioning of our communities, unpaid care work has been largely ignored by economic and social public policy initiatives. The time and opportunity costs of unpaid care work, as well as the share physical demands, can have a severe and negative impact on women's well-being and economic independence by limiting women's access to paid employment and defining the types of jobs to which women have access.

Investment in public care services will create jobs directly in the activities where the investment takes place - for example in providing childcare services. But there will also be knock-on or 'multiplier' effects on other sectors as jobs will be created in the industries that supply the necessary raw materials and services for the initial investment. In turn, the expansion of employment created by these jobs will lead to an expansion in household income. Any initial investment should generate benefits worth far more to society than it costs through savings in public expenditure from the reduction in unemployment and social security payments and additional tax revenue from the newly employed workforce. Besides creating new jobs, investment in public childcare and social care (social infrastructure investment) would help tackle some of the central economic and social problems confronting contemporary societies: low productivity, the care deficit, demographic changes and continuing gender inequality in paid and unpaid work.

\_

<sup>&</sup>lt;sup>4</sup> International Labour Organization, Women at Work Trends 2016

Research commissioned by the International Trade Union Confederation (ITUC) shows that through investing 2% of GDP in social infrastructure the employment rate of women would increase by between 3.3 and 8.2 percentage points and that of men by between 1.4 and 4.0 percentage points, so that the overall gender gap in employment would be reduced by between 1.6 and 4.2 percentage points, depending on the labour market characteristics of specific countries. Such investment would further close gender gaps in employment by improving pay and working conditions in the care sector and increasing the options for informal carers to juggle paid work and caring.<sup>5</sup>

Investment in social infrastructure and the recognition of care as a collective responsibility for society are key parts of 'gendering' macroeconomic policies and ensuring that economic and social policies work for both women and men. Gender-sensitive macroeconomic policies must go hand in hand with policies to challenge and change social norms; policy and legislative measures to address structural barriers, including discrimination based on gender, race, age, disability, immigration status, etc.; active labour market policies that strengthen labour market institutions and tackle occupational segregation and gender pay gaps; as well as family-friendly workplace policies that enable workers to balance work with family responsibilities.

# **Bargaining for empowerment**

The rights to freedom of association and collective bargaining are fundamental labour and human rights. They are essential to the effective exercise of other labour rights. Organising is a key way for women, especially those with low-income, not only to advocate for an enabling legal and policy environment and thus improve access to labour rights and social protection, but to directly and collectively negotiate the terms and conditions under which they are employed. Building and strengthening organisations of working women – and promoting their voice in collective bargaining and policy-making processes - is a key pathway to their economic empowerment.

Women's organising in the workplace has been instrumental to the improvement of wages and working conditions for women, including narrowing the gender pay gap. In agricultural sectors, women producers who organised collectively were found to be more productive, received more income for their products, had improved access to credit, more power to decide how to use that credit and better access to market information. Enforcement of existing ILO conventions on freedom of association and collective bargaining would contribute to ensuring that work is empowering – for women as well as men. Collective action can play a major role in improving women's access to decent work.

The majority of women in paid work are in the informal economy. In South Asia, over 80 per cent of women in non-agricultural jobs are in informal employment; in sub-Saharan Africa, the figure is 74 per cent, and in Latin America and the Caribbean, 54 per cent These workers face serious decent work deficits, with access to fewer opportunities, rights, protections and social dialogue than their counterparts in formal employment. They need to see their earnings increase and the risks they face reduced. Creating decent work in the informal sector poses particular challenges.

<sup>&</sup>lt;sup>5</sup> ITUC Report: Investing in the Care Economy www.ituc-csi.org/CareJobs

The answer is neither to ignore nor to criminalise informal work, but rather to ensure that policy responses are appropriate in protecting and promoting the rights of informal economy workers. Contexts vary widely and there is no one solution. But ILO Recommendation 204, adopted in 2015, provides good pointers to priority areas for policy action, including creating more jobs in the formal economy, regulating informal jobs in a way that benefits workers, extending social protection and legal protection to workers in the informal economy, extending minimum wage coverage and respecting the right for workers in the informal economy to organise and take part in social dialogue, including collective bargaining. Crucially, the Recommendation recognises the fact that the human face of informality is female.

The pioneering work of India's Self-Employed Women's Association (SEWA), both a trade union and not-for profit organisation, is a great example of what can happen when women are organised and empowered. Millions of SEWA members, working as waste pickers, street cleaners and recyclers, not only now have access to decent work, but they are able to lead dignified lives. This transformation has not only altered the future course for these women but also their families and wider communities.

## Minimum living wages and social protection - a key part of the equation

The fight for universal access to a fair wage is a central issue for the international trade union movement. Trade unions are united on three fronts: organising for a minimum wage on which workers can live with dignity, everywhere; organising to raise wages where a minimum wage exists and is too low to meet the test of a living wage; and organising to ensure compliance such that all workers receive an established minimum living wage. Recent research indicates that about 90 percent of International Labour Organization member states have some form of minimum wage. However even within these countries not every worker is covered.

Extending coverage of minimum living and social protection is one of the most effective ways of reducing the gender pay gap, formalising informal work and increasing women's access to decent work, in part as a result of women's overrepresentation in low-paid work. For example, in Brazil, the narrowing of the gender pay gap has been attributed to the doubling of the minimum wage, while research in India has demonstrated the substantial potential of a minimum wage on reducing the gap.

Social security systems are diverse and in higher income countries often complex. The main components of social security are health care, unemployment benefits, old age pensions, employment injury, family, maternity, invalidity and survivors' benefits. Almost everywhere, legislation provides for some form of social security. The real challenge is that many of those who are legally protected get no support in reality. There are different reasons, such as underresourced administrations, limited information and access to administration, specifically in rural areas, the explosion of precarious forms of work, which often fall out of security protection, and the declining public financial resources directed to such programmes to name just a few.

#### Organising for change

For gender equality to become a reality in the world of work, trade unions also need to transform to better reflect their membership and the composition of the workforce, both nationally and

globally. Trade unions are rising to the challenge. More than 70 million women are organised into trade unions globally.

Although union membership as a proportion of the workforce has declined in most countries over the last decade, the proportion of union members who are women is increasing in many countries, including in lower-income countries, and at the international level. A 2012 review shows that, in two thirds of the 39 developing and developed countries examined, 40 per cent of union members were women and in 12 countries, women constituted the majority of trade union members. Women's representation in trade union leadership positions has also been growing, moving away from the 1 per cent found by an ILO study in 2002.

The use of quota systems in the trade union movement has been a game-changer. For instance, through the ITUC's "Count Us In" campaign), 80 per cent of its affiliates have committed themselves to meeting a target of at least 30 per cent for women in decision-making bodies by 2018. The ITUC constitution now requires a minimum 40 per cent representation of women in its own decision-making bodies.

Positive trends in women's participation in unions, in particular in leadership positions, have led to a wider inclusion of gender issues in trade unions' action. In addition to fair wages and working hours, women have identified new issues for campaigns, social dialogue and collective bargaining, including the gender wage gap, maternity protection, childcare services and sexual harassment in the workplace. Across Europe, for example, just over 40% of union confederations have produced guidelines on reducing gender pay inequalities for collective bargaining teams. Over recent years, trade unions have also engaged in significant national and international campaigns to promote decent work for workers in the informal economy, including homeworkers, agricultural and domestic workers, in particular preceding and following the adoption of the ILO Domestic Workers Convention, 2011 (No.189). Trade unions are currently campaigning for an ILO Convention and Recommendation to prevent and address gender-based violence in the world of work, and for an ILO standard to regulate employment in global supply chains.

#### **Snapshot of trade union action**

Trade unions recognise that quality public education, affordable health care, child protection, child care, aged care, maternity protection, support for the disabled, minimum living wages and active labour market programmes are among the hallmarks of dignified societies. Through social dialogue and collective bargaining, trade unions are contributing to policy formulation at global, national and regional level. Trade union bargained collective agreements and changes to national laws and policy have extended social protection to millions of women, including women working in the informal economy; enhanced maternity protection; ensured time off for workers to care for their dependents; secured parental leave for both women and men; and changed working arrangements

<sup>&</sup>lt;sup>6</sup> Gender Equality and Labor Movements: towards a global perspective, Cobble, 2012

<sup>&</sup>lt;sup>7</sup> Bargaining for Equality: how collective bargaining contributes to eliminating pay discrimination between women and men performing the same job or job of equal value, European Trade Union Confederation, 2014

to allow workers to reconcile work and family. The trade union wage "premium" is significant for women, helping to close the gender wage gap. The following is a 'snapshot' illustration of how trade union power and collective action is winning decent work for women.

In **Australia** collective bargaining coverage has improved women's access to paid maternity leave and, by 2010 (just as Australia was first introducing statutory maternity leave), 14 per cent of all collective bargaining agreements included maternity leave provisions<sup>9</sup>. Australian unions have also been at the forefront in negotiating paid leave for women experiencing intimate partner violence, enabling women in many cases to both keep their jobs and take the necessary action to escape violent relationships. In **South Africa**, a study of 361 enterprise-level agreements and 31 bargaining council agreements found that some 7 per cent of agreements specifically provided for additional maternity leave of about two months.

In the **United Kingdom**, the wages of women union members are on average 30% higher than those of non-unionised women. <sup>10</sup> In the **United States**, the wage gap between men and women is 11 per cent for union women, compared to 22 per cent on average. Union women in the US also have a higher weekly wage, earning on average 30.9 percent more per week compared to nonunion women. Even higher gains are seen for Latino women and African American women -- always the lowest paid and having the largest wage gap -- compared with their non-union counterparts.

In **Tanzania** and **Kenya**, trade union organising activities have raised awareness amongst women working in flower and sisal farms, in the hotel industry and in export processing zones that violence is not part of the job. This has resulted in increased reporting of incidents of gender based-violence (including sexual harassment and coercion) and trade union negotiated policies to prevent and address GBV. In **Cambodia**, union women are leading the struggle in the textile and garment industry for a minimum living wage of just 179.60 USD – often in the face of violent repression.

And trade unions in some **90 countries** have been campaigning for the ratification of IO Convention 189 on decent work for domestic workers, and winning changes to national labour laws to extend labour and social protection to domestic workers, such as minimum wages, regulation of working hours and access to social security schemes.<sup>11</sup>

Chidi King

Director, Equality Department

International Trade Union Confederation

<sup>&</sup>lt;sup>8</sup> Defined as the percentage difference in average gross hourly earnings of union members compared with non-members

<sup>&</sup>lt;sup>9</sup> Maternity and paternity at work. Law and practice across the world, ILO

 $<sup>\</sup>underline{http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/----publ/documents/publication/wcms\_242615.pdf}$ 

<sup>&</sup>lt;sup>10</sup>Trade union membership 2014: statistical bulletin: <a href="https://www.gov.uk/government/statistics/trade-union-statistics-2014">https://www.gov.uk/government/statistics/trade-union-statistics-2014</a>

<sup>&</sup>lt;sup>11</sup> Domestic Workers Unite: A guide for building collective power to achieve rights and protections for domestic workers <a href="http://www.ituc-csi.org/unite?lang=en">http://www.ituc-csi.org/unite?lang=en</a>