

## G7 Background Paper: Women's Economic Empowerment

As the recent United Nations High Level Panel on Women's Economic Empowerment underscores, investing in women will provide the greatest return for development, supporting greater individual and collective wellbeing, delaying the age at marriage, fostering choice in employment, increasing incomes, and reducing poverty. This is especially true in countries where youth make up a high proportion of the population and are increasingly entering their most productive years in economic terms – in many of these countries, the demographic changes over the past two decades have resulted in population structures where the proportion of working age adults (typically considered to be aged 15-64) will soon be much larger than the proportion of the population who are elderly or very young (often considered to be 'economic dependents'). If appropriate investments are made in the human capital of youth in these countries, these demographic changes can result in very significant increases in economic growth, often referred to as a 'demographic dividend.' This is a 'one-time' opportunity for these countries to accelerate economic growth, as it is dependent on demographic shifts that are not easily duplicated or repeated. However, this is very dependent on both whether these investments are made and how equitable these are – if girls and young women are systematically denied opportunities, the numerical advantages brought about by demographic changes are effectively cut in half, demonstrating again the importance of gender equity not only to girls and women themselves, but to all members of society.

Building on this agenda for transformative action to promote substantive and sustained gender equality, we urgently propose the investments outlined in this paper be prioritized by G7 countries. We are encouraged by the fact that the Italian presidency has prioritized commitments to reducing unemployment and implementing the [2030 Agenda](#), which highlights gender equality and empowering women and girls through equal access to quality education and economic resources.

The following actions are strategies G7 countries can take to achieve these commitments, both in their own economies and through their development assistance and diplomacy. This will also enable the upholding of commitments under the Sustainable Development Goals and the [New Urban Agenda](#), both at home and abroad:

### 1. Build the Talent "Pipeline": Invest in girls' education

Investments in education are powerful vehicles for encouraging growth and improving well-being and are crucial to the realization and maximization of the demographic dividend.<sup>1</sup> Girls and young women who are well educated will be more likely to be employed, earn more over their lifetimes, marry later, have fewer children, have greater decision-making power in their households and relationships, and have healthier and better educated children.<sup>2</sup> In economic terms, their productivity will be much higher, which, in combination with the larger relative numbers of women of working age in some populations, will provide a significant 'boost' to the economies that they are a part of.

Country commitments to women's economic empowerment are seemingly strong, but implementation is weak. To close gender gaps in education, G7 countries should use financial incentives to keep girls in

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<sup>1</sup> Bloom, D. E. and Luca, D. L. 2015. "Do Moms Matter More? The Relative Returns to Maternal Health." Working Paper. Website: [www.sole-jole.org/16492.pdf](http://www.sole-jole.org/16492.pdf).

<sup>2</sup> Doss, C. 2013. Intra-household Bargaining and Resource Allocation in Developing Countries. Policy Research Working Paper 6337. The World Bank. Website: <http://library1.nida.ac.th/worldbankf/fulltext/wps06337.pdf>

Martin, T. 1995. "Women's Education and Fertility: Results from 26 Demographic and Health Surveys." *Studies in Family Planning* 26: 187-202.

Prettner, K. and Strulik, H. 2014. Gender Equity and the Escape from Poverty. Discussion Paper. No. 216. Göttingen: Center for European, Governance and Economic Development Research.

Psacharopoulos, G. and Patrinos, H. 2004. "Returns to Investment in Education: A Further Update." *Education Economics* 12: 111-134.

school, such as conditional cash transfers and scholarships. These can delay age at marriage<sup>3</sup> and contribute to more equal opportunities for girls in higher education and in the labor market. G7 countries should also invest in Technical and Vocational Education and Training (TVET) programming to increase transition into the employment market, and work with the private sector to focus on marginalized groups.

Despite significant investments in closing gender gaps in education, and increasing primary enrollment and completion rates for both boys and girls, secondary enrollment and completion rates for girls remain unacceptably and unsustainably less than boys in some regions of the world – most pronounced in sub-Saharan Africa and South Asia, where girls are more likely to not be in school. Women and girls also tend to have less access to TVET opportunities, regardless of their potential to equip them with skills required for employment.

## **2. Dismantle Barriers to Employment: Invest in care services and infrastructure**

Women and girls face several barriers or obstacles to employment beyond those encountered by all individuals, including the challenges they face in terms of balancing care and paid employment, access to technology and basic infrastructure, and gender bias in employment (both in terms of access and while employed). In addition to imposing significant costs on women as individuals, these barriers have significant impacts on economic growth and production at the national level through reducing productivity across the total population. This is a particularly important issue for those countries poised to take advantage of the demographic dividend, as it reduces the impact of the numerical increases in working ages through effectively excluding large proportions of women, who make up roughly half of all potential income earners. As a result, countries that fail to fully engage women in employment are in effect missing out on much of the unique opportunities for economic growth created by the demographic dividend.

Worldwide, the responsibility for unpaid care work falls disproportionately on women and girls. This contributes to their time poverty, leaving less time for education, necessary leisure, self-care, political participation, paid work, and other economic activities. This is especially common in those countries or areas where infrastructure is poor and publicly provided services are limited or absent. The burden of care is particularly acute in rural settings, in contexts with growing numbers of single-parent households headed by women, and in ageing societies.

Reconciling for unpaid care work leads to low pay, more insecure, part-time, informal, and home-based work. Investing in care services will increase women’s labor market participation, generate employment, stimulate tax revenue generation, increase fiscal space, and as a result sustainably reduce poverty and inequality. Recent research on investing in care services has demonstrated that it can generate more employment than equivalent investments in infrastructure and construction.<sup>4</sup>

Implementing target 5.4 of the SDGs<sup>5</sup> is essential for making care services available in developed and developing countries. Investing in infrastructure such as piped and potable water, irrigation pumps, clean

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<sup>3</sup> Nanda, P., Datta, N., Pradhan, E., Das, P., and Lamba, S. (2016). “Making Change with Cash? Impact of a Conditional Cash Transfer Program on Age of Marriage in India,” ICRW. [https://www.icrw.org/wp-content/uploads/2016/10/IMPACT\\_Marriage\\_Webready.pdf](https://www.icrw.org/wp-content/uploads/2016/10/IMPACT_Marriage_Webready.pdf), and “Girls Not Brides. (2013). ‘Ending Child Marriage: What Will it Take?’” <http://www.ohchr.org/Documents/Issues/Women/WRGS/ForcedMarriage/NGO/GirlsNotBrides.pdf>

<sup>4</sup> De Henau, J., S. Himmelweit, Z. Lapniewska and D. Perrons, “Investing in the Care Economy: A gender analysis of employment stimulus in seven OECD countries,” UK Women’s Budget Group (2015). Ilkkaracan, I., K. Kim and T. Kaya. 2015. “The Impact of Public Investment in Social Care Services on Employment, Gender Equality, and Poverty,” Levy Economics Institute and Istanbul Technical University, ILO, UN Women and the UNDP.

<sup>5</sup> SDG target 5.4 commits governments to “recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate” From Sustainable Development Knowledge Platform. “Sustainable Development Goal 5” <https://sustainabledevelopment.un.org/sdg5>

energy, and safe and affordable transport can reduce drudgery and time poverty particularly for women.<sup>6</sup> This infrastructure also often serves as the backbone for the small or home-based businesses that employ many women, making them particularly important for this group. Additionally, investing in violence prevention and mitigation not only accelerates economic development, but also reduces costs of violence in the workplace<sup>7</sup> and assuages women’s fears and insecurity about seeking employment or staying in the workforce.

### 3. Recognize and Support the Role of Migrant Care Workers

The G7 countries bear 6 of the top 20 countries that import immigrant women into developed economies for care work, often in informal settings and without full access to social protection and labor rights.<sup>8</sup> The consistent application of SDG goals 5 and 8, and their link to existing labor rights norms and conventions, will simultaneously address care deficits in home and host countries as well as protect the rights of care workers in labor importing countries.

Signing [ILO Convention 189](#), which seeks to ensure decent work for domestic workers, will provide a framework for formalizing domestic work. Guaranteeing the effective implementation of Convention 189 in G7 countries<sup>9</sup> as well as through their development assistance will improve the terms and conditions of care work and the quality of care in home and host countries. Furthermore, supporting the [ILO Fair Recruitment Initiative](#) will ensure greater transparency and accountability in international recruitment of migrant workers.<sup>10</sup>

The failure to recognize and value [migrant] care work is at the root of a “care deficit” and a global “care crisis.”<sup>11</sup> Increasingly, immigrant women are essentially “imported” into host economies for care work – often in informal settings – and are frequently engaged by private households. This is often without full access to social protection and labor rights. These issues are particularly important as the number of global migrants increases from countries with large youth populations where economic opportunities are limited. In these contexts, where the benefits of the demographic dividend are not being realized at a local level, migration may play an important role in how much countries benefit from the demographic changes they have experienced.

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<sup>6</sup> United Nations General Assembly (2013). Report of the Special Rapporteur on extreme poverty and human rights. A/68/293. <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N13/422/71/PDF/N1342271.pdf?OpenElement..>, Blackden, C. and Wodon, Q., eds. (2006). Gender, Time Use, and Poverty in Sub-Saharan Africa. Washington, DC: World Bank.,

Koolwal, G. and Van de Walle, D. (2009). Access to Water, Women’s Work, and Child Outcomes. Washington, DC: World Bank., and Asian Development Bank.(2015). Balancing the Burden? Desk Review of Women’s Time Poverty and Infrastructure in Asia and the Pacific. <https://www.adb.org/sites/default/files/publication/177465/sdcc-balancing-burden.pdf>.

<sup>7</sup> Violence Prevention Alliance and Education Development Center. (2011). Why invest in violence prevention? Geneva, Switzerland, and Newton USA, VPA and EDC.

<sup>8</sup> UN report Trends in International Migrant Stock: the 2015 Revision <http://www.un.org/en/development/desa/population/migration/data/estimates2/estimates15.shtml>.

<sup>9</sup> Among the G7 countries only 2 have signed the Convention.

<sup>10</sup> The “Fair Recruitment Initiative” aims to “prevent human trafficking and forced labour, protect the rights of workers, including migrant workers, from abusive and fraudulent practices during the recruitment process (including pre-selection, selection, transportation, placement and possibility to return) and reduce the cost of labour migration and enhance development outcomes for migrant workers and their families, as well as for countries of origin and destination.” ILO. (2016b). “Fair Recruitment.” <http://www.ilo.org/global/topics/fair-recruitment/lang--en/index.htm>

<sup>11</sup> Samman, E., E. Presler-Marshall and N. Jones. 2016. “Women’s Work, Mothers, children and the global childcare crisis,” ODI. London.