



Despite unprecedented progress over the past century, gender gaps in the labour market persist throughout the world and are especially marked in emerging economies. While the quantity of jobs held by women has increased in many countries, female workers continue to have worse jobs than men.

The *OECD Employment Outlook 2016* paints an up-to-date picture of gender gaps in the labour markets of 16 emerging economies, covering over half of the world population. It focuses on recent trends in a broad range of labour market outcomes and it offers a discussion of their key drivers. Building on a wide spectrum of evidence, the *Outlook* identifies a comprehensive set of policy levers to close gender gaps.

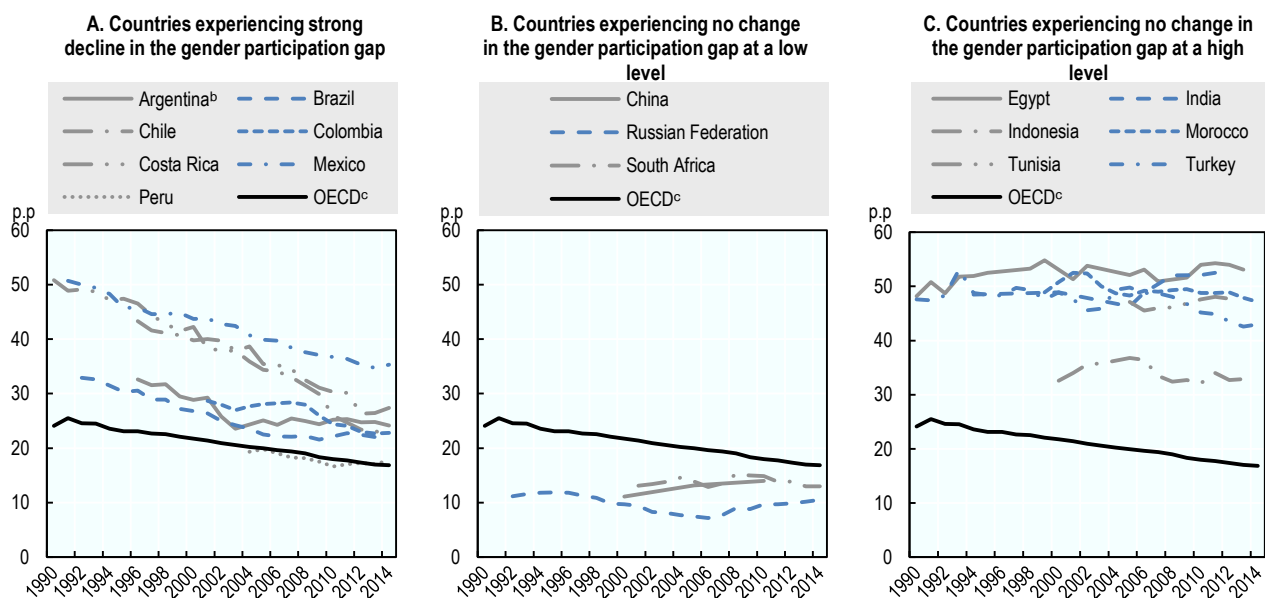
Gender gaps in labour force participation and education have shrunk, but progress is uneven

Over the past three decades women throughout the emerging world have been catching up with men in a number of labour market outcomes. One of the most notable improvements has been an unprecedented increase in female labour force participation, but progress has been very uneven across the world (Figure 1). The most significant

improvements have been recorded in Latin America, particularly in Chile and Costa Rica where the gap has fallen by 1 percentage point per year since the mid-1990s, while the largest gaps persist in the Middle East, North Africa, India and Indonesia. Low-skilled women from poor families face the largest participation gaps throughout the world. Among youth, a larger share of women is neither in employment, nor in education or training (NEET), compared to men.

Figure 1. The gender participation gap is closing in many countries, but progress is uneven

Percentage-point difference in labour force participation rates between working-age^a men and women



a) Persons aged 16-64 for China and 15 or more for Morocco.

b) Selected urban areas.

c) OECD is the unweighted average of the 34 OECD member countries.

Source: *OECD Labour Force Statistics Database* for Brazil, Chile, Colombia, Mexico, the Russian Federation, South Africa and Turkey; Census data for China; data provided by the Instituto Nacional de Estadística y Censos (INEC) based on the EHPM and the ECE for Costa Rica; ILOSTAT Database for Egypt; Enquête nationale sur l'emploi, Haut Commissariat au Plan (Direction de la Statistique) for Morocco; and OECD calculations based on the EPH for Argentina, the NSS for India, the SAKERNAS for Indonesia, the ENAHO for Peru, and the NPPE for Tunisia.

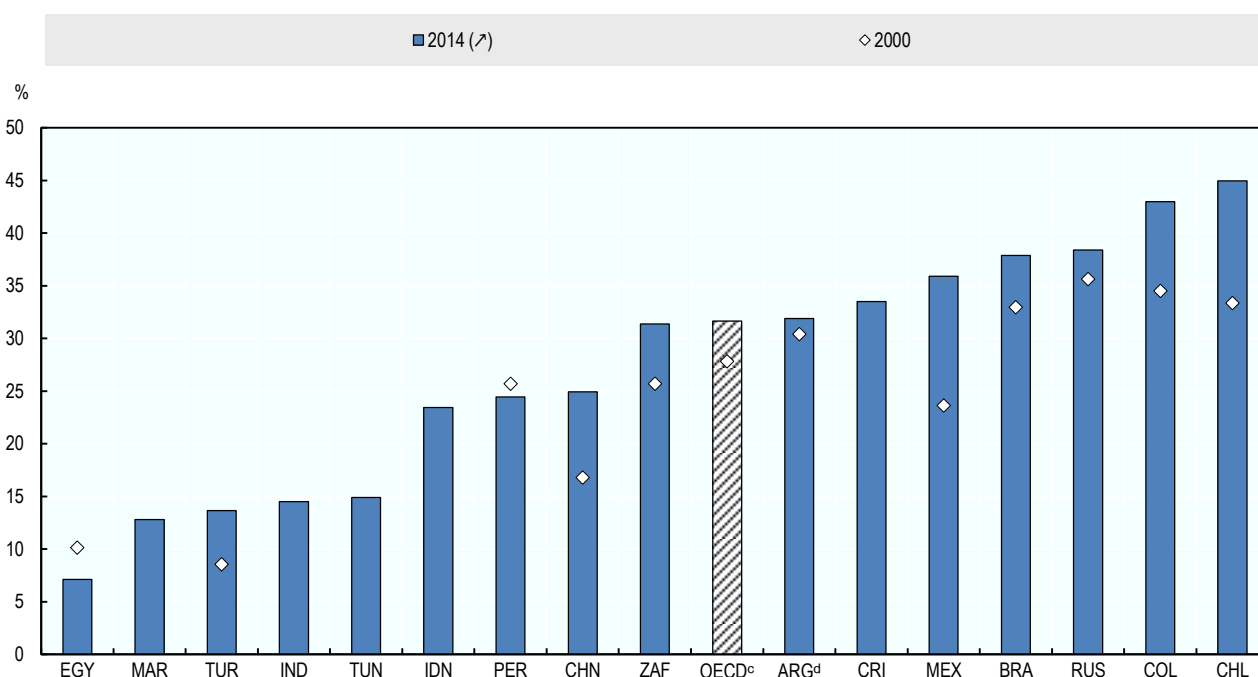
Gender gaps in educational attainments have also been shrinking in recent decades. Enrolment rates in primary and secondary education are almost identical for boys and girls, and in many countries women are now attending tertiary education more frequently than men. The most remarkable improvements have been recorded in Morocco, Egypt, Tunisia, China, Turkey, Indonesia and India. However, girls' educational performance lags behind in mathematics and often in science, which results in a lower propensity of girls to study and work in STEM-related fields (science, technology, engineering and mathematics). Average improvements in school attainment also hide the fact that progress has been markedly different across socio-economic groups. Girls from poorer families are still much less likely to be enrolled in school at all levels of education.

But women continue to hold worse jobs than men

Men and women are not equally distributed across different sectors of the economy. On average, men are more likely to be employed in goods-producing sectors and in construction, while women are considerably more likely to be employed in social and personal service sectors. The sectors and occupations where men most typically work tend to be more productive and pay higher wages. Most notably, only 27% of top-management jobs are held by women in the emerging world, though some countries have made significant progress in recent decades (Figure 2). For instance, all the Latin American countries analysed, except Peru and the Russian Federation, have a higher share of female executives than the average OECD country. By contrast, the share is below 15% in Egypt, Morocco, Turkey, India and Tunisia.

Figure 2. Top management positions are dominated by men, but women are catching up in several countries

Women's share of top management or executive positions as a percentage of the top management or executive positions, ^a 2000 and 2014^b



Note: Persons aged 15-64 except 16 or more for China, 15 or more for Egypt (in 2000) and Morocco, 14 or more for Mexico and 15-72 for the Russian Federation.

a) Occupations based on ISCO-68 for Colombia; ISCO-88 for Brazil, Chile, Egypt, India, Indonesia, Mexico (in 2000), Morocco, Peru, the Russian Federation, Tunisia and Turkey (in 2000); and ISCO-08 for Argentina, Costa Rica, Mexico (in 2014), the OECD average and Turkey (in 2014); and national occupation classification for China.

b) 2003-2014 for Argentina and South Africa; 2002-14 for Brazil; 2000-13 for Chile, Egypt and the Russian Federation; 2000-10 for China; 2001-14 for Colombia and Turkey; 2014 only for Costa Rica; 2011-12 only for India; 2014 only for Indonesia; 2008 only for Morocco; 2004-14 for Peru; and 2012 only for Tunisia.

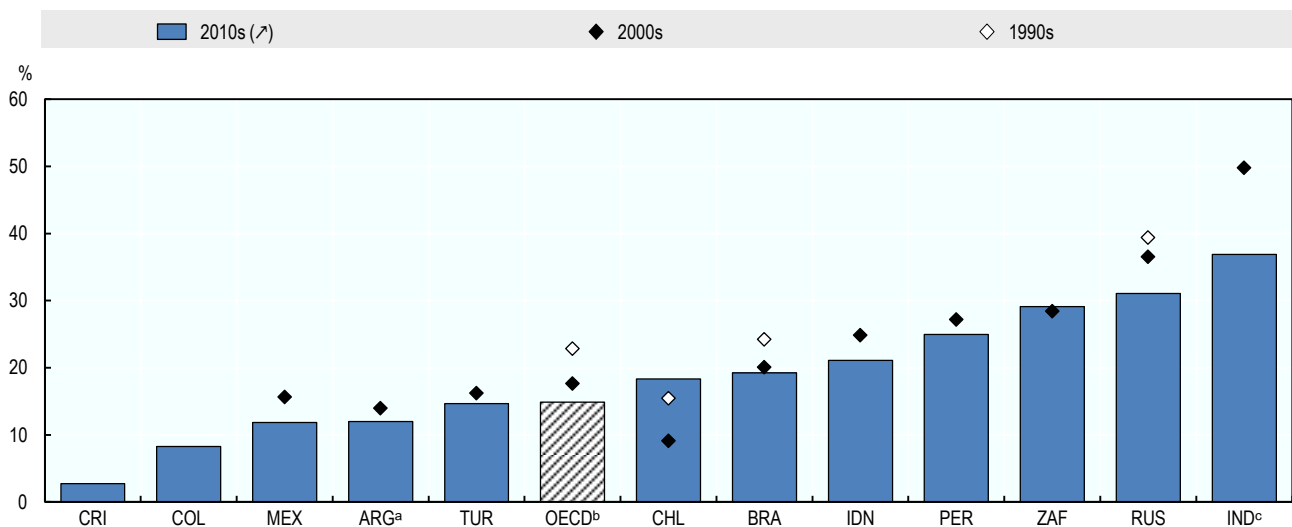
c) OECD is the unweighted average of 33 OECD member countries (Israel not included).

d) Selected urban areas.

Source: ILO KILM 2015 for Egypt, Morocco, the Russian Federation, South Africa and the OECD average; ILOSTAT data for Mexico; EU-LFS data for Turkey; Census data for China; and OECD estimates based on the EPH for Argentina, the PNAD for Brazil, the CASEN for Chile, the GEIH for Colombia, the ENAHO for Costa Rica, the NSS for India, the SAKERNAS for Indonesia, the ENAHO for Peru and the ENPE for Tunisia.

Figure 3. Women earn less than men - everywhere

Difference between male and female median earnings divided by the male median earnings



Note: Earnings refer to the monthly earnings of full-time employees (usually persons working at least 30 hours per week). The pay gap has been averaged over the available years within each decade.

a) Selected urban areas.

b) OECD is the unweighted average of the gender pay gap for the 34 OECD Member countries.

c) Weekly earnings for India.

Source: OECD estimates based on the EPH for Argentina, the PNAD for Brazil, the CASEN for Chile, the GEIH for Colombia, the ENAHO for Costa Rica, the NSS for India, the SAKERNAS for Indonesia, the ENOE for Mexico, the ENAHO for Peru, the RLMS for the Russian Federation, the NIDS for South Africa, the EU-SILC national files for Turkey and the *OECD Earnings Distribution Database* for the OECD average.

In many emerging economies, a large share of working women (often the majority) are self-employed, but they typically own smaller, less successful and more frequently informal businesses than men. Credit constraints, as well as gaps in financial literacy and business-related knowledge, are among the key drivers of gender gaps in entrepreneurship.

As a result of the multiple constraints they face, women in emerging economies earn 19% less than men, on average, for every hour of work they do, as opposed to 15% less in OECD countries (Figure 3). Most worryingly, wide gender pay gaps persist when comparing workers with the same level of education and in similar jobs. A key driver of the pay gap is the uneven distribution of household and family care between men and women. Female workers who are employed full time typically spend a much larger share of their time on additional housework (including childcare) relative to men, which poses severe constraints on their labour market opportunities. When paid work and housework are combined, women typically work longer hours than men.

In addition to having worse and less well-paid jobs, women in developing countries have less secure jobs, facing both a higher unemployment risk and a higher risk of extreme low pay.

A comprehensive policy strategy to curb gender gaps in the labour market

An effective strategy to curb gender gaps in the labour market should encompass a number of policy domains, as indicated in the “OECD Recommendation of the Council on Gender Equality in Education, Employment and Entrepreneurship”.

Close remaining gender gaps in education

Policy makers should focus on further reducing the direct and indirect costs of schooling for poor families. Conditional cash transfer programmes, which make income support dependent on school attendance, have proved to be especially effective in a number of countries. Gender segregation by field of study and the resulting knowledge gaps in scientific subjects should be addressed by removing gender bias in curricula, raising awareness on the likely consequences of choosing different fields of study and by facilitating women’s access to STEM-related jobs through apprenticeships and counselling.

Facilitate access to credit

Introducing policies to facilitate the establishment of credit records would help relax credit constraints on women. Closing gaps in financial literacy and business-knowledge is equally important. Several countries have made women a target group of their

national strategies for financial education. A broad range of smaller programmes in other countries have also proven to be successful in raising women's skills, including training on financial product awareness and day-to-day financial management. When inheritance laws favour men, they should be changed. Specific legislation prohibiting discrimination by credit providers on the basis of gender or marital status should be introduced where absent.

Free women's time and promote flexible employment

Policy makers can ease the burden of family care borne by women and encourage men to get more actively involved in housework. Subsidised childcare and other forms of social assistance (particularly health insurance) can play an important role, together with a broad range of other interventions to help both women and men reconcile market work with household responsibilities (including investment in electricity, transport and ICT infrastructure). Well-designed working time regulations that promote flexibility and facilitate part-time work can be equally valuable.

Make parental leave more effective

A well-structured system of parental leave can have positive effects on women's employment and encourage men to participate in family care. It should be publicly funded and not place excessive costs on employers, to avoid adverse effects on their willingness to hire mothers. It should provide incentives for fathers to take leave.

Fight gender discrimination in the labour market

Specific legislation prohibiting discrimination in hiring and pay on the basis of gender should be introduced when absent. Discrimination against pregnant women must also be addressed. Access to the legal system should be made as simple as possible, and the costs of legal action kept low to allow poorer workers to file complaints against abuses. Employers should face a transparent schedule of sanctions and enforcement should be swift to minimise uncertainty. When discrimination is the result of persistent stereotypes and misperceptions, affirmative action can play an important role by helping women to seize good job opportunities and prove their worth.

Curb informal employment

An effective strategy to reduce informal employment should encompass a broad range of policies aimed at reducing the costs of formalisation, increasing its benefits and strengthening enforcement of labour codes. Special attention should be paid to minimising existing disincentives to formality that disproportionately affect women, such as high marginal tax rates on secondary earners. Removing obsolete legislation

that impedes women's access to certain sectors of the economy will further reduce reliance on informal employment.

End violence against women

All countries should have a modern legal framework to deal with violence against women and especially domestic violence. Such a system should include special courts and the possibility for judges to issue protection orders. Countries that lack encompassing legislation on sexual harassment should introduce it. Such legislation should cover not only employment, as it is typically the case, but also education.

Further reading

OECD (2015), "Enhancing job quality in emerging economies", in *OECD Employment Outlook 2015*, OECD Publishing, Paris.

http://dx.doi.org/10.1787/empl_outlook-2015-9-en

OECD, Social Institutions and Gender Index (SIGI) 2014 Database, <http://www.genderindex.org/>.

OECD (2013), "Recommendation of the Council on Gender Equality in Education, Employment and Entrepreneurship", Meeting of the OECD Council at Ministerial Level, Paris, 29-30 May 2013, [https://www.oecd.org/gender/C-MIN\(2013\)5-ENG.pdf](https://www.oecd.org/gender/C-MIN(2013)5-ENG.pdf).

OECD (2012), *Closing the Gender Gap: Act Now*, OECD Publishing, Paris.

<http://dx.doi.org/10.1787/9789264179370-en>.

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http://dx.doi.org/10.1787/empl_outlook-2016-en

Useful links

This policy brief is available at www.oecd.org/employment/oecd-employment-outlook-19991266.htm.

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