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INTERNATIONAL WOMEN'S DAY

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Conference on business, finance and gender

Gabriela Ramos, **OECD Chief of Staff and Sherpa to the G20**

Gabriela Ramos is the OECD Chief of Staff and Sherpa to the G20. Besides supporting the Strategic Agenda of the Secretary General, she is responsible for the contributions of the Organisation to the global agenda, including the G20 and the G7. She leads the initiatives on Inclusive Growth and New Approaches to Economic Challenges and also oversees the work on education, employment and social affairs, including gender.

Ladies and Gentlemen,

Happy International Women's Day! Welcome to the OECD Conference on Business, Finance and Gender.

Let me begin by expressing my thanks to Prime Minister Trudeau for his inspiring words. It is truly an honour for us to have the Prime Minister's personal engagement to mark this occasion, as few are better placed to set a positive example of gender equality than Canada.

Let me also thank Sarah Gordon, Business and Associate Editor of the Financial Times, for kindly agreeing to moderate today's discussions, as well as Mercer for their generous support in organising today's event.

This year's discussion will feature a theme that is particularly pertinent in today's world and is at the core of the OECD's work: the role of business and finance in closing the gender gap and promoting inclusive growth.

This reflects the OECD's approach to gender equality as an all-encompassing objective for every area of policy making as enshrined in our 2013 Recommendation on Gender Equality in Employment, Education and Entrepreneurship.

Challenging times

Today, growth is still stumbling along at around 3% globally. Unemployment remains unacceptably high, with 38.5 million people unemployed in the OECD. That is almost 6 million more than before the crisis. Combined with rising inequalities in income and opportunities all this has severely eroded public trust, creating a fertile ground for the resurgence of protectionism and populism.

We need a bold policy response to harness all sources of growth. In particular, we must fully use women's contribution to economic growth by raising their participation in the labour market and ensuring inclusive decision-making.

Gender balance as a driver of inclusive growth

In the OECD, the average labour force participation rate among women was 67% in 2015, 12 percentage points lower than for men. Gender gaps are even larger if we look at the intensity of participation because women are more likely than men to work part-time. Around 4 in 10 employed women work on a part-time basis in OECD countries, compared to less than 1 in 10 employed men.

Yet the economic case for closing gender gaps in the labour market is undisputable. OECD evidence shows that achieving parity for women could increase annual global GDP by 12% in OECD countries over the next 20 years, if labour force participation rates among women reached those of men.

With today's competition for talent, it's absurd to overlook 50% of the population and 60% of graduates! By reassessing long-held stereotypes, closing the gender gap in business and finance will help us find innovative solutions to pressing global challenges.

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Business, finance and gender: a universal challenge

So what is the OECD doing to fully harness the potential of women to improve growth and well-being?

Financial knowledge and access

Let's start by looking at financial literacy skills – knowing how to navigate the financial landscape and being able to access formal financial markets. These competencies are crucial to manage personal and family finances, choose the most appropriate financial product for one's needs, save for the longer term, set up a small business and ultimately effectively participate in economic life and society.

Here, women are in a disadvantaged position. Work by the OECD's International Network on Financial Education showes that women had less financial knowledge than men in 19 out of 30 countries surveyed.

We have also seen evidence that lack of confidence is likely to reduce women's ability to access and use appropriate financial products and opportunities.

In developing economies, women have more limited access to formal financial markets. In 2014, only 58% of women around the world had a bank account compared to 65% of men. Cultural factors, social norms and lack of financial literacy have a role in explaining this gap.

To help address this problem, and in response to a call by the G20, the OECD has developed the Policy Guidance on Addressing Women's and Girls' Needs for Financial Awareness and Education, to help countries provide better financial opportunities for women.

Informal economy and responsible supply chains

In many ways, women are both winners and losers of globalisation.

On the one hand, globalisation has increased access to markets and the formal economy for many women workers. Indeed, women play an intrinsic role in many global supply chains. On the other hand, women are often excluded from the benefits of globalisation. They are frequently confined to the most challenging jobs, are more likely to be paid less, and are more likely to be in precarious, informal or irregular employment.

Furthermore, women are more likely to suffer from labour and human rights violations. A recent study found that one in 14 women garment workers surveyed in Southern India has experienced physical violence. In order to demonstrate the benefits that globalisation can bring to all, we must seek not only to improve access to work for women but also access to safe and healthy workplaces.

The OECD plays a leading role in making sure global supply chains are responsible for all. Only last month we launched our latest Due Diligence Guidance for Responsible Supply Chains, for the garment and footwear sector. Our work on responsible business conduct, based on the unique system of National Contact Points for the OECD Guidelines for Multinational Enterprises, ensures that victims have processes to raise grievances.

Pensions

It is important not to forget that gender inequalities in work life can become gender inequalities in retirement.

Women earn less and tend to spend more years outside the labour market, raising children and caring for elderly family members – or working part time or giving up their careers to do so. And most women retire earlier. But, of course, if you earn less and work less, you also save less and your pension will be smaller.

Women also live longer, three to four years on average. If you live longer, private retirement savings will have to last longer. They must be spread more thinly. In addition, the average retired woman is living with a man three to four years older than she is. This means on average that a woman will spend a substantial number of years towards the end of her life living alone!

So should pension systems seek to reduce financial gender differences in old age? And how can the design of pension systems help do this? These are some of the many questions we must ask ourselves to achieve a truly gender balanced society.

Fighting corruption

We must also talk about corruption, one of the biggest obstacles to achieving the sustainable development goals. It affects all of us but it is often disadvantaged women who bear the heaviest burden, especially in countries where there is a lack of economic and political parity.

We are very fortunate to have Hera Hussain, founder of domestic violence charity CHAYN and co-founder of EmpowerHack, with us today to share insights on the gendered impact of corruption and tell us more about how she is helping women empower themselves to fight against corruption, and how open technology can play a big part.

Engaging men

Last but definitely not least, we need to involve men and make them champions of gender equality! While women make up almost half of the workforce in many parts of the world, they are under-represented in senior-level positions. In 2016, women held only 4.8% of CEO positions and 20% of board seats in OECD countries.

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We cannot truly achieve inclusive growth and break gender stereotypes if gender equality is only pushed by women and for women, without engaging men.

As global competition for talent increases, many companies have introduced initiatives to improve inclusion and advance women in their careers, and yet progress—and success—has been painfully slow. Men can—and should—be partners in educating other men and in moving organisations toward gender equality. This is a win-win strategy!

The recently revised G20/OECD Principles of Corporate Governance recognise this and now include a recommendation for countries to consider measures such as voluntary targets, disclosure requirements, boardroom quotas, and private initiatives that enhance gender diversity on boards and in senior management. We are closely monitoring the impact of different policy approaches, and while we see some progress, there is still a long way to go.

At the OECD, we are committed to ensuring that the potential benefits of globalisation reach women while also addressing the challenges head on; and we believe that change is possible. At the 2017 Ministerial Council Meeting in June, we will report to Ministers on progress with the 2013 Gender Recommendation, so stay tuned!

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