GENDER EQUALITY IN EDUCATION, EMPLOYMENT AND ENTREPRENEURSHIP: FINAL REPORT TO THE MCM 2012
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1. Gender equality is not just about economic empowerment. It is a moral imperative, it is about fairness and equity, and includes many political, social and cultural dimensions. Gender equality, however, is also a key factor in self-reported well-being and happiness across the world.

2. In the aftermath of the Great Recession, there is now an urgent need to focus on the economic case and on how changes in the labour market might provide better economic opportunities for both men and women. The OECD Gender Initiative (Box) was developed as an integral part of the wider policy-quest for new sources of economic growth; greater gender equality and a more efficient use of everyone’s skills are an important part of the answer. It is true that many countries around the world have made significant progress towards gender equality in education in recent decades. Today girls outperform boys in some areas of education and are less likely to drop out of school than boys. But, the glass is still half-full: women continue to earn less than men, are less likely to make it to the top of the career ladder, and are more likely to end their lives in poverty.

The OECD Gender Initiative

Building on its expertise, in 2010 the OECD launched a Gender Initiative to examine existing barriers to gender equality in Education, Employment and Entrepreneurship (the “three Es”) with the aim to improve policies and to promote gender equality in the economy in both OECD and non-OECD countries alike.

The OECD Gender Initiative presented its initial findings in the Gender Report published in May 2011 for the 50th Anniversary Meeting of the OECD Council at Ministerial Level in Paris. In addition, a special report on gender equality in the three Es in OECD countries in the Pacific Rim and other APEC countries was prepared for the APEC Women and the Economy Summit (WES) held in September 2011 in San Francisco.

On 8 March 2012, the OECD launched the Gender Data Browser (www.oecd.org/gender) with 16 key indicators focusing on gender gaps in OECD countries and the key partner countries. In the course of 2012, the browser will be developed into a one-stop gender data portal which will show the relative standing of countries on the various dimensions of gender inequality in the three Es with the aim to monitor progress over time.

The OECD would like to thank the European Union and U.S. Department of State for their financial support to the OECD Gender Initiative.

3. The challenge of delivering long-term strong and sustainable economic growth that benefits all can only be met if best use is made of all available resources. Leaving women behind means not only foreseaking the important contributions women make to the economy but also wasting years of investment in education of girls and young women. Making the most of the talent pool ensures that men and women have an equal chance to contribute both at home and in the workplace, thereby enhancing the well-being of both men and women, and more generally to society.

4. Mainstreaming the gender perspective at all levels of policy is one aspect of efficiently enhancing gender equality. Public gender agencies that are visible with a sufficiently strong mandate, appropriate analytical tools, reliable evidence and resources are needed to combat discrimination and enhance gender equality. Such gender equality policies are most likely to be effective if both men and
women are being seen to actively promote such efforts: male and female role-models are useful in breaking stereotypes in gender roles. Effective mainstreaming, however, requires careful monitoring.

5. This report from the OECD Gender Initiative is designed to inform, share policy experiences and good practices, and help governments promote gender equality in education, employment and entrepreneurship. It looks at the state of play from a gender perspective across all three issues, whether inequalities exist, how and why they have developed, and which obstacles need to be overcome to move towards greater equality. It offers policy advice to governments as to how they can create a more level playing field.

6. Much of this advice is aimed at alleviating concerns around the experience of women and girls and removing the obstacles to equal participation in the economy, but gender equality is not just about the empowerment of women. This study also looks at why in many countries more success at school for girls has gone hand in hand with less success for boys in some subjects, why fathers may find it difficult to take full advantage of family-friendly policies and what can be done to improve matters.

7. A greater sharing of paid and unpaid work is also about changing norms, culture, mind-sets and attitudes. Such changes take time, but policy has a role to play in raising public awareness of gender biases in society and promoting change.

The Economic Case for Gender Equality

8. Increased education accounts for about half of economic growth in OECD countries in the past 50 years, and that has a lot to do with bringing more girls to higher levels of education and achieving greater equality in the number of years spent in education between men and women.

9. Greater educational equality does not guarantee equality in labour market outcomes, however. If high childcare costs mean that it is economically not worthwhile for women to work full-time, if workplace culture penalises women for taking a break to have a child or provide for elderly relatives and as long as women continue to bear the main brunt of unpaid household tasks, childcare and caring for ageing parents, it will be difficult for them to realise their full potential in paid work. In developing countries, if discriminatory social norms enhance early marriages or limit access to credit for women, the significant gains made in educational attainment for girls may not lead to increased formal employment and entrepreneurship.

10. The issues are complex and tackling them successfully means changing the way our societies and economies function. Men and women have to be able to find a work-life balance that suits them, regardless of family status or household income. Sharing childcare responsibilities can be difficult in a culture where men are considered uncommitted if they wish to make use of parental leave, and mothers are sidetracked from career paths. And if good-quality affordable childcare is unavailable, it may simply be impossible for many parents, especially those on low incomes, to work full-time and take care of their families.

11. Well-thought-out policies can help in such transitions, but further action needs to be carefully considered to be sure that future change is as positive for growth and social outcomes as increased education has proved to be. For that, change of general economic, labour market and entrepreneurship policy may be required, but in the case of gender, one important challenge for policy makers is to overcome a lack of comprehensive and reliable information in some key areas.

12. In developing countries, the economic empowerment of women is a prerequisite for sustainable development, pro-poor growth and the achievement of all the Millennium Development Goals (MDGs). Gender equality and empowered women are catalysts for multiplying development efforts. Investments in gender equality yield the highest returns on all development investments.
Education

13. Most countries around the world have won the battle to provide universal primary education, but the picture is much more mixed at secondary and higher education levels, while policy also needs to keep a firm eye on ensuring the continuous improvement of the quality of education.

14. Girls are still less likely than boys to even start secondary education in Western, Eastern and Middle Africa and Southern Asia. Enrolment is less of a problem in OECD countries, where education is generally compulsory up to age 15-16. But boys are more likely to drop out before completing secondary education, particularly in the high-income countries.

15. As a result, in many countries across the world younger women are increasingly better educated than young men in OECD countries. In reading skills, for example, boys lag behind girls at the end of compulsory education to the equivalent of a year’s schooling, on average, and are far less likely to spend time reading for pleasure. Boys are ahead in mathematics but the gender gap is small compared to reading.

16. And yet girls are still less likely to choose scientific and technological fields of study, and even when they do, they are less likely to take up a career in these fields – a concern given skills shortages in the workplace, the generally more promising career and earnings prospects in these fields, and the likelihood of positive spillovers from more skilled workers in these fields to innovation and growth.

17. Such decisions are taken very early in life in OECD countries, so one answer should be to focus more work on gender stereotyping and attitude changing at a young age. Gender stereotyping frequently takes place in subtle ways at home, in schools and in society. If primary teachers are mainly women, and secondary teachers, particularly in the sciences, are predominantly men, what messages are boys and girls getting about adult life? And if text books give examples of female nurses and male engineers, if teachers themselves project their beliefs about girls’ and boys’ abilities in mathematics or reading, what attitude towards these subjects will children form? But changing gender stereotypes in school is only part of the equation; attitudes are also determined by what happens at home. The family setting is one of the strongest influences on gender role development, as it is at home where children receive their first lessons about what it means to be a boy or a girl in the society.

18. In developing countries, poor families may not be able to afford to send all their children to school and boys may come first when deciding which child to keep in education. Certainly when primary schooling is made free, girls’ attendance rises. But it is not just a question of school fees, there are items such as uniforms and school meal costs too – support in these areas can help get girls into schooling and keep them there through secondary education. Some countries have also raised school attendance of girls through programmes that give a financial reward to families for sending girls to school. Prolonged schooling also cuts down on early marriage. And education is the gift that keeps on giving – mothers who have had schooling place higher value on education for their own daughters.

19. So to reap the best economic and social return on education investment, it is important to find out just exactly why there exist gender differences in attitudes towards reading and mathematics, and then find ways to reverse this imbalance. But in the developing world, the first focus must be on getting, and keeping girls in school, ensuring that schools and associated transport are safe and that sanitary facilities are provided.

Employment

20. The transition from education to paid work is a crucial moment which lays the foundation for many of the inequalities encountered in the labour market throughout women’s working lives. More women have entered the workforce in recent years, but often experience more difficulty in finding a first
job, earn less than men and are more likely to work part-time. Furthermore, the choices young women and men make in fields of study perpetuate gender segregation in the labour markets, with women under-represented in the business sector and concentrated in health, welfare, educational and administrative areas of work.

21. These gender differences exist to a large extent because women still bear the brunt of the unpaid but unavoidable domestic tasks of daily life, such as childcare and housework. In less developed countries, young women are more likely than men to be neither in employment nor in education or training, and when they enter the labour market, women are more likely confined to the most vulnerable jobs, frequently in the informal sector.

22. Employers play a crucial role as workplace support and family-friendly workplace practices can contribute to better possibilities to combine work and family responsibilities for men and women, resulting in a smaller gender pay gap. But only if both men and women use these opportunities. Part-time or temporary work may sound attractive in the short-term to help juggle work and family commitments, but this can be a costly long-term choice for women in terms, not just of salary, but also pension entitlements and savings and job security.

23. But irrespective of family commitments, many female professionals find it difficult to climb the career ladder. In fact, inequalities increase the higher up the pay scale you go, so that while on average in OECD countries women earn 16% less than men, female top-earners are paid on average 21% less than their male counterparts. This suggests the presence of a so-called “glass ceiling”. Women are also disadvantaged when it comes to decision-making responsibilities and senior management positions; by the time you get to the boardroom, there are only 10 women for every 100 men. The Norwegian experience shows that quotas can be effective in improving the gender balance at board level. However, the overall economic consequences of mandating quotas have yet to become clear. In the meantime, a range of tools can be used to achieve this goal, including target-setting, compliance with corporate governance codes and, in any case, monitoring and publication of progress.

24. Tensions between work and family life are at the heart of the employment puzzle when it comes to gender. Families with young children need affordable childcare if parents are to work. If childcare eats up one wage so that there is little or no financial gain from going out to work, parents (most often mothers) are less likely to seek a job.

25. But how people manage life at home also plays a large part in this equation. Many systems still implicitly regard child-rearing as mainly a mother’s responsibility, and wherever you look women are doing more unpaid work than men, regardless of whether they have full-time jobs or not. Among couples where both partners work, women spend more than two hours per day extra in unpaid work, and even among female-earner couples men only do as much housework as women. The types of housework also differ: men tend to garden or engage in house maintenance, while women are more likely to cook and clean.

26. Governments across the world have an important role to play in promoting gender equality, not just by monitoring the gender dimension when crafting and evaluating policies, but also by ensuring equality of opportunity in the public service with the government acting as a role model for other employers.

27. Governments have indeed made great efforts in many countries to promote and legislate policies to help parents reconcile work and family life, such as paid parental-leave entitlements, public childcare facilities and family-friendly work conditions. But the fact remains that it is primarily women who take advantage of family-friendly policies such as flexible working arrangements, perpetuating the stereotypical
idea that family responsibilities beyond managing money are a woman’s affair and obstructs a more efficient use of women's labour force potential.

28. Business too needs to think about the effect of their corporate culture and working practices. If women are good for business, why do so few make it to the top, and why do so many simply give up trying? Are employers making it easier for men and women to share domestic and family responsibilities outside the workplace – are men who take their parental leave in full seen as uncommitted to their careers and passed over for promotion, for example?

29. Workplace practices such as very long office hours, requiring workers to commute long distances, and 24/7 availability for shift work are hard to combine with family life. But workers who take up part-time work or teleworking arrangements are often penalised in their career and earnings progression. Change is not always easy, and it takes time for fundamental attitudes to shift in response to changing realities. But our economies need all the available talent to ensure a sustainable and prosperous future, and we need to find the right balance of responsibilities at home and at work to deliver better lives for everyone.

Entrepreneurship

30. Despite women's increased participation in the labour market over the past half-century, they remain substantially underrepresented as entrepreneurs. When asked, fewer women than men say they would prefer to be self-employed. When they do choose to become entrepreneurs, more often than men, they cite a better work-life balance and/or economic necessity as the main motivation for starting a business. At times of high unemployment, women-owned businesses make a key contribution to household incomes and economic growth. Entrepreneurship is equally important in developing countries for job creation, innovation and growth. Fostering entrepreneurship is a key policy goal for governments in all countries; there are shared expectations that high rates of entrepreneurial activity will bring sustained employment creation. Moreover, thriving new enterprises can boost the development of new products, production processes and organisational innovations.

31. But while more women are undertaking salaried work, the number of woman entrepreneurs is changing little in OECD countries. And when women do start businesses, they do it on a smaller scale than men and in a limited range of sectors, often at low capital intensity. On average one-third of self-employed men have employees, while this is only one-fifth for self-employed women. In emerging and developing countries, women often represent the majority of business owners without paid employees in the informal sector. Overall, women earn far less: gender gaps in median earnings among the self-employed are often around 30 to 40% compared with an average of 16% across OECD countries in terms of salaried jobs. Even when enterprises in the same size class and industry are compared, women-owned businesses have other features that are associated with lower sales, profits and labour productivity. Two key differences between male and female entrepreneurs help explain these relatively low returns: women start their enterprises with limited management experience, and they devote much less time to their business than men. In OECD countries, 22% of self-employed women work less than 40 hours a week, while this is only 10% for self-employed men.

32. The proportion of women-owned businesses is currently stuck at around 30% of the total in OECD countries, and seems to 'plateau' at around the same level in developing countries which have started from low levels. There is a clear need to provide more and better information about entrepreneurship as an attractive career option, both for young women in school and for women who are outside the labour force and considering starting work. About a quarter of women starting businesses in Europe gave as their reason for returning to work that their children were old enough for them to work again.
33. Women are also less likely than men to borrow money to finance their business. There are several reasons for this. Women might be charged higher interest rates and asked for more guarantees, as they often have shorter credit histories, less operating capacity and collaterals. Although evidence is scant, some lenders might charge women more because they have biased expectations about women’s capacity to meet their debt obligations. It may also be that women are not asking for money because they are afraid of refusal or because they are not optimistic about the growth potential of their businesses. In a number of developing countries, the gap is narrowed by an array of microcredit and other financing arrangements targeted specifically at women and often administered by international agencies or NGOs. But this is no substitute for equal treatment of financing requests from men and women entrepreneurs by the regular financial institutions and banks.

34. One of the main challenges when considering how to boost women’s entrepreneurship is the lack of solid and reliable data on this and other questions, hence the need to collect more gender-specific data in this area.
KEY FINDINGS
ECONOMICS, SOCIAL NORMS and EMBEDDING GENDER EQUALITY POLICY

- Increased education accounts for about half the economic growth in OECD countries in the past 50 years.
- Greater gender equality in education boosts female labour force participation and economic growth.
- Improving female labour market outcomes is needed to ensure strong, sustainable and balanced economic growth in the future.
- Persistent discriminatory social institutions and cultural norms restrict the economic and social role of girls and women in most countries across the world.
- Public gender agencies often lack visibility, authority and resources to effectively advance gender equality across the "whole of government".

EDUCATION

- Enrolment in primary education is near universal in many countries, but particularly in high-income countries boys are more likely to drop out of secondary education than girls, and younger women are increasingly better educated than young men.
- Girls outperform boys in reading but lag in mathematics, although the gap is smaller, and differences in attitudes explain an important part of these gender differences.
- Girls have strong academic aspirations and expectations in terms of high-status employment but there are systematic gender differences in careers aspirations in occupational areas at both tertiary level and in vocational training.
- In many low-income countries, young women are more likely to be neither engaged in paid work nor in education or training than young men.

EMPLOYMENT

- Female employment participation has generally increased, and gender gaps in labour force participation have narrowed, but occupational segregation has not improved, gender pay gaps persist and women are still under-represented at more senior job levels, especially among managers and in company boards.
- Formal childcare support is particularly important for raising female employment levels and for achieving more gender equality throughout the working life.
- Women do more unpaid work than men in all countries and the gender gap increases with the arrival of children.
- Women often work part-time as it facilitates combining work and family responsibilities, but this frequently comes at a cost to their long-term career and earnings prospects.

ENTREPRENEURSHIP

- Women are less keen than men on starting their own business and women entrepreneurs continue to be a minority in all countries.
- Enterprises owned by women are significantly smaller and less represented in capital-intensive sectors, and these and other factors tend to penalise them in terms of sales, profits and labour productivity.
- Women entrepreneurs rely substantially less than men on loans, both for start-up and for financing their activities.
KEY POLICY MESSAGES

GENERAL PUBLIC POLICY

- Increase both the quantity and quality of data by gender and improve evaluation of public policy.
- Strengthen the capacity of governments to apply a gender-responsive approach throughout the public financial management cycle and enhance gender-impact assessments.
- Reform legal frameworks and ensure their enforcement to remove any obstacles towards gender equality, prohibit discrimination, combat all forms of pay discrimination, uphold the notion of equal pay for work of equal value, and provide economic support and incentives for individuals, families and communities to change discriminatory attitudes.
- Countries should set realistic targets for women in senior management positions in the public service.

EDUCATION

- Get girls more interested in mathematics and science and boys more interested in reading in OECD countries, for example by removing gender-bias in curricula where needed and raising awareness of the likely consequences of choices regarding fields of study and occupations for career and earnings developments among male and female graduates.
- Encourage women who have completed their STEM studies to work in science fields by means of internships and apprenticeships.
- Make schools safer and more affordable for girls in developing countries.

EMPLOYMENT

- Provide good-quality affordable childcare for all parents and paid maternity leave for mothers in employment. Encourage a more equal sharing of parental leave, also by reserving part of the paid leave entitlement for the exclusive use by fathers.
- Remove disincentives to paid work created by taxes and benefit systems and ensure that work pays for both parents.
- Address cultural barriers and stereotypes about the role of women in society, business and the public sector.
- Countries should introduce targets and measures to monitor progress on female representation on boards of listed companies.

ENTREPRENEURSHIP

- Ensure that policies for women-owned enterprises target not only start-ups and small enterprises, but encourage and support growth ambitions of all existing firms.
- Promote comprehensive support programmes targeting women-owned enterprises in high-tech sectors.
- Ensure equal access to finance for male and female entrepreneurs.