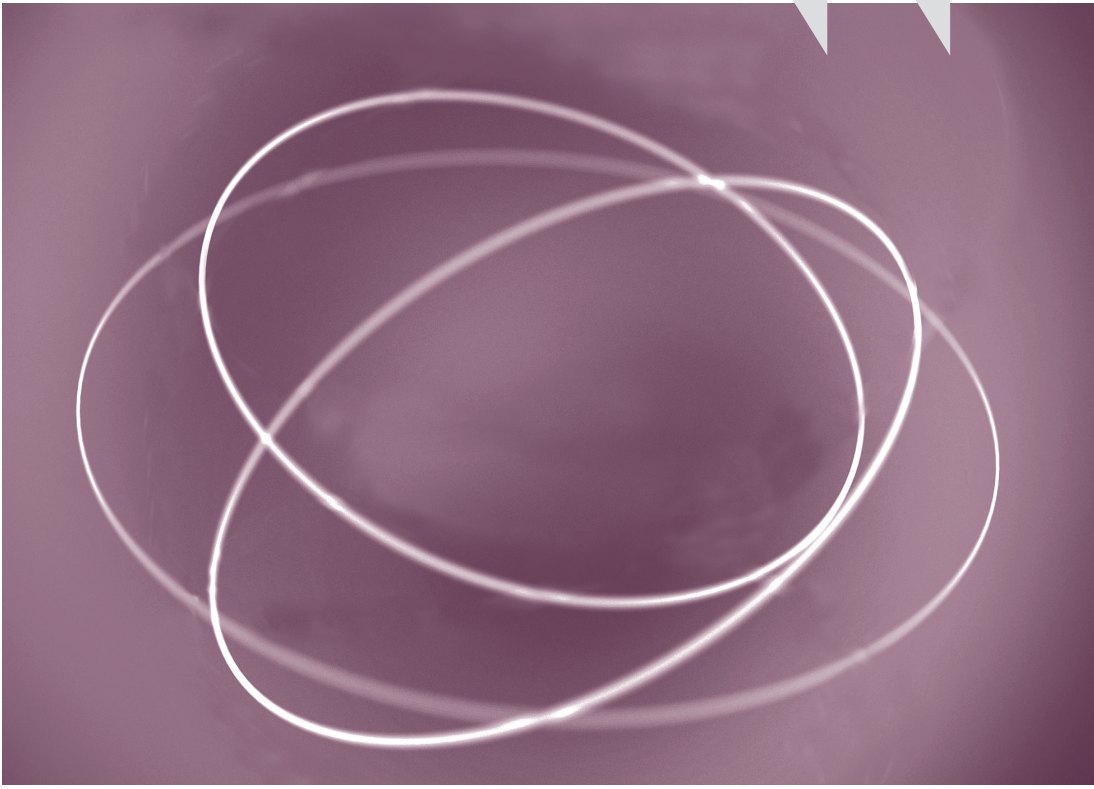
Gender and Sustainable Development

MAXIMISING THE ECONOMIC, SOCIAL AND ENVIRONMENTAL ROLE OF WOMEN



OECD

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Foreword

Sustainable development can only be achieved through long-term investments in economic, human and environmental capital. At present, the female half of the world's human capital is undervalued and underutilised the world over. As a group, women – and their potential contributions to economic advances, social progress and environmental protection – have been marginalised. Better use of the world's female population could increase economic growth, reduce poverty, enhance societal well-being, and help ensure sustainable development in all countries. Closing the gender gap depends on enlightened government policies which take gender dimensions into account.

This report is a contribution by the Organisation for Economic Co-operation and Development (OECD) to the United Nations Commission on Sustainable Development (UNCSD) and its cross-cutting work on gender. It aims to increase understanding of the role of women in maintaining the three pillars – economic, social and environmental – of sustainable development.

The report has been prepared by the OECD Horizontal Programme on Sustainable Development and is based largely on OECD analyses. The data pertain primarily to the situation of women in OECD countries, but the insights and policy implications are applicable to all countries. The report illustrates how gender mainstreaming in statistics, studies and statutes can lead to more sustainable government policies and a better world economy.

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Summary

Sustainable development rests on maintaining long-term economic, social and environmental capital. While the importance of investing in economic assets to assure progress has long been recognised, sustainable development brings attention to the ecological and human dimensions which are also key to growth and development. In failing to make the best use of their female populations, most countries are underinvesting in the human capital needed to assure sustainability. Although women account for over one-half of the potential talent base throughout the world, as a group they have been marginalised and their economic, social and environmental contributions go in large part unrealised.

This market and systems failure is discussed here in terms of gender constraints, which are based on the socially-constructed and historically-developed roles of men and women. Exploring the various aspects of sustainable development with a gender perspective, *e.g.* the place of women, highlights the economic costs of continuing gender gaps. It also illuminates how female contributions can be better realised at present and how strategies can be developed for meeting the needs of future generations, women and men alike. This "engendering" of analytical, statistical and policy work, including that of the OECD, provides the basis for enlightened policies and more sustainable development and growth (**Box 1**).

Box 1. Making Use of Female Human Capital: Benefits and Policies

Studies find that if better use were made of the world's female human capital:

1) economic growth would increase in all countries;

2) the number of people living in poverty would decline in all countries;

3) fertility rates would rise in OECD countries and decline in non-OECD countries;

4) business performance and innovation would be enhanced;

5) the cost-effectiveness of health care and social programmes would be raised;

6) government policies would better respond to the needs of all citizens; and

7) environmental damage from unsustainable activities would decrease.

This depends on engendered government policies including:

1) family-friendly policies to increase the labour force participation of women;

2) development assistance policies which promote the economic role of women;

3) upgrading the status of and wages for traditional areas of women's work;

4) incentives to women to enter science and technology careers;

5) increased access to finance and support services for women entrepreneurs;

6) gender-specific approaches in health care planning and treatment;

7) better integration of women migrants in labour markets and society;

8) setting targets and goals for women managers and parliamentarians; and

9) giving greater weight to female perspectives in environmental policies.

Economics and Gender

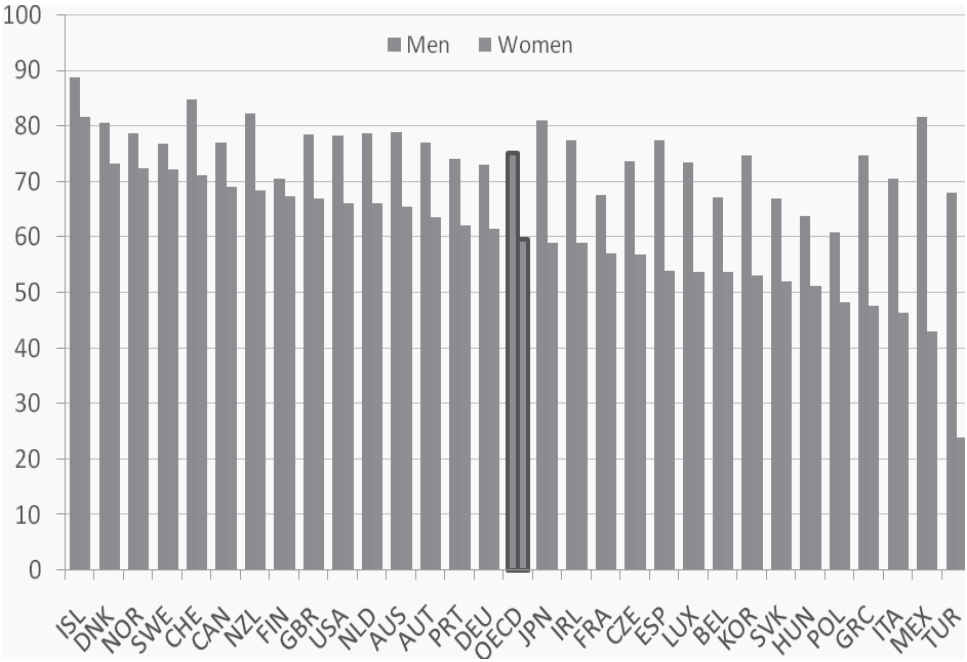
Women and Economic Growth

Women, which constitute half of the world's human capital, are one of its most underutilised resources. Sustainable economic growth at national and global levels depends on women joining the labour force and fuller use being made of their skills and qualifications. More working women would also help offset the negative effects of declining fertility rates and ageing populations in many OECD countries.

In recent decades, a large share of economic growth in the OECD area has come from employing more women. Since 1995, narrowing the gap between male and female employment rates has accounted for half of the increase in Europe's overall employment rate and a quarter of annual economic growth. It is estimated that if female employment were raised to the male rate, growth in gross domestic product (GDP) would be substantial, particularly in countries such as Japan (CSR, 2007). Similarly, a study in the United Kingdom found that the country could gain 2% of GDP by better harnessing women's skills (WWC, 2006).

The rate of female participation in the labour force is significantly lower than that of men in all countries. On average in OECD countries, about 60% of women are employed (**Figure 1**). However, there are wide variations stemming from social and economic factors as well as public policies. The employment gender gap is most pronounced in countries such as Turkey, Mexico, Italy and Greece, where less than 50% of women work. Female employment rates are highest at over 70% in Iceland, Denmark, Norway, Sweden and Switzerland.

Figure 1. Percentage of Men and Women of Working Age in Employment, 2006



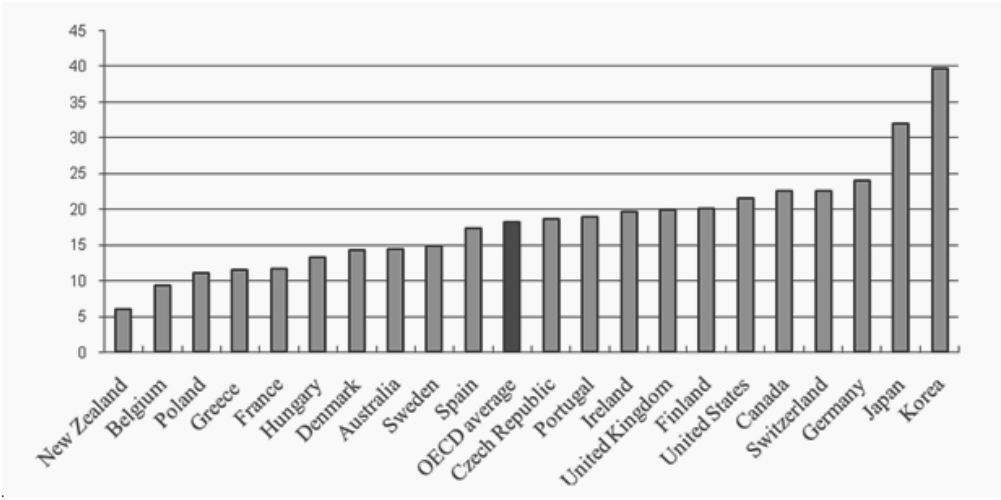
Source: OECD Labour Force Statistics

Labour force participation, however, does not mean full-time work. Women are far more likely to work part-time than men. Nearly three out of four part-time jobs in the OECD area are held by women, and more than one in four women work part-time. In the Netherlands, 60% of employed women work on a part-time basis. The economic contributions of women fall far short of their potential owing partly to their reduced working schedules.

Even when women work the same hours, they earn less than men due to persistent gender wage gaps. The average difference in pay for men and women in full-time jobs in OECD countries is more than 18% (**Figure 2**). In Japan and Korea, female earnings are at least one-third less than male earnings. Female pay is over 20% less in countries such as Germany, Switzerland, Canada and the United States. In part, this is because women have lower-level jobs or work in female-dominated fields such as education and health care, which are generally underpaid. Nevertheless, wage gaps are highest in management positions where the educational background and work experience of women and men are very similar.

Figure 2. Gender Wage Gaps

Gender gap in median earnings of full-time employees, 2004 or latest year



Source: OECD Labour Force Statistics

Women's work in the home is also undervalued. In all countries, women perform the bulk of household duties without pay, even while working in the labour force. It is estimated that women would account for more than half of GDP in the OECD area if the value of housework and childcare were included in national accounting (The Economist, 2006). But female "non-financial" activities go unreflected in official statistics, thereby undercutting the contribution of women's unpaid work to the economic growth of countries.

Policy implications

Strong economies and manageable pension systems in the future depend on higher female employment rates. As the labour supply decreases in OECD countries, more women in the workforce can help drive economic growth as well as fund social security systems and raise living standards. Governments should remove obstacles that make it hard for women with

children to work and provide other incentives to increase the female presence in the labour force (OECD, 2007b).

Care of children and household responsibilities fall in large part on women with deleterious effects on their working lives. Women are disadvantaged in the workplace by time poverty (juggling the needs of home and work), intermittency (taking time off to care for children or elderly parents), and lack of mobility (needing a job close to home and family). Countries which have mandated and funded family-friendly policies to address these anomalies are those which are reaping the economic benefits of more working women.

A top priority is childcare. For many families, formal childcare is unavailable, unaffordable and/or of poor quality. Greater access to childcare facilities, subsidised and monitored by public authorities, is the most effective way that governments can enable women to work. On average across the OECD, only 25% of children two or younger are enrolled in formal childcare. But in the Scandanavian countries (Denmark, Finland, Norway and Sweden) as well as France, childcare enrollment rates are much higher due to public spending on childcare services, including during after-school hours and vacations (OECD, 2008d). It is no coincidence that these countries have higher levels of women in the workforce.

Other family-friendly practices, including paid leave and flexible work arrangements, can have net benefits in terms of overall productivity, work performance and growth. Paid parental leave allows both women and men to take care of children for prescribed periods, without suffering adverse income and employment effects. Governments can also legislate flexible work approaches which allow employees with young children to change their working hours *(e.g.* in the Netherlands), reduce their hours (*e.g.* Sweden), request modified schedules (*e.g.* the United Kingdom) or engage in more teleworking.

Monetary incentives are also needed. Governments can take steps to better remunerate women's work, which is often assigned a lower value in terms of skill requirements and pay. In fact, many jobs occupied by women require levels of skills, responsibilities, task variation and complexity similar to those of higher paid jobs held by men, and female wages should reflect this. Tax systems should be designed so that second earners in a family, often women who earn far less, are not taxed at the same rate as the male primary earner. Welfare benefits for single parents should be accompanied by childcare support and incentives to seek employment. In addition, accounting for unpaid female services (household duties, childcare) should be included in national wealth calculations to better reflect their workloads and contributions.

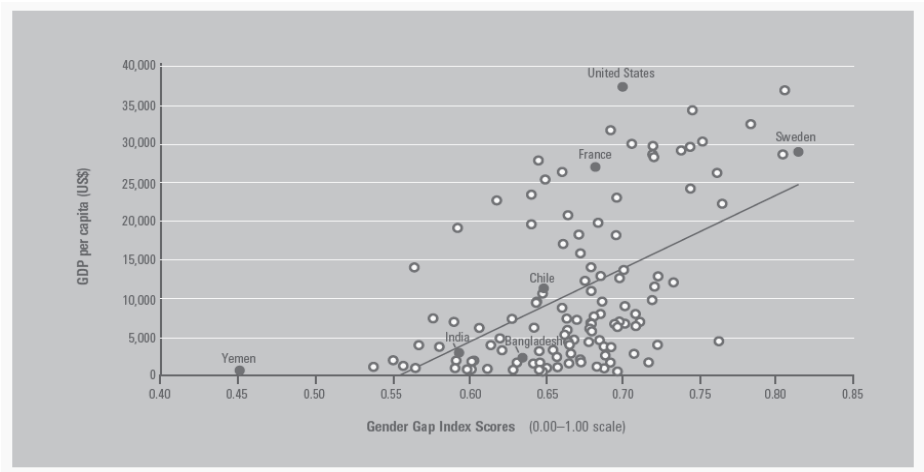
There is a misperception that working women have fewer children and population levels will decline with more family-friendly approaches. In fact, countries with policies that facilitate female employment are those with the highest fertility rates, thus increasing the future supply of workers as well as sustained growth (OECD, 2007b). Countries which offer less support for working mothers, *e.g.* Germany, Japan and Italy, evidence lower birth rates because women postpone childbearing in order to enter the workforce. Mobilising female and maternal labour supply through explicit targets and programmes is key to sustainable economic growth in the long-term.

Women and Poverty Reduction

Women represent more than 70% of the world's poor due to unequal access to economic opportunities in both developed and developing countries. In OECD countries, increasing female participation in the workforce would reduce the number of people living in poverty since women and children account for most of the poor even in the richest countries. In developing countries, the failure to value women's work is a significant barrier to reducing poverty and fostering economic growth.

Internationally, there is a link between poverty alleviation in countries and the development of their female human capital. The Gender Gap Index shows a correlation between gender equality (as measured by the economic participation, education, health and political empowerment of women) and Gross Domestic Product (GDP) per capita (**Figure 3**) (WEF, 2007). Although economic progress can improve the status of women, it is also true that a country cannot advance if its women are left behind.

Figure 3. Gender Gap and per Capita GDP



Source: WEF (2007), *The Global Gender Gap Report*

Poverty reduction in poorer countries depends in large part on women, whose work tends to go unremunerated. In addition to their key role in household management and caring for children, the sick and the elderly, women are responsible for essential tasks such as fetching increasingly scarce firewood and water. In many regions, women spend up to five hours a day collecting fuel and water and up to four hours a day preparing food. Women's productivity in these home-based roles is low due to their more limited access to education, health care and other services.

Women and girls in developing countries and poor environments are often the last to receive health care. They suffer from lack of nutrition, often eating last and least. They suffer more from the effects of second-hand smoke and indoor air pollution due to burning traditional biomass fuels for cooking and heating. Poor sanitation and unsafe drinking water lead to millions of children, particularly girls, being kept off school. Due to discrimination in food intake and medical care, women's life expectancies in many countries are often lower than men's despite the fact that statistically women should live longer.

Women in the labour force in developing countries, including services, agriculture and manufacturing, do not fare much better. Female workers around the world fill the majority of paid domestic service jobs and are growing more important to the agricultural sector. In Southeast Asia, for example, women provide up to 90% of the labour for rice cultivation, and in Africa, women are two-thirds of the workforce in the horticultural sector. In manufacturing, female workers are heavily concentrated in low-wage, labour-intensive sectors such as clothing, processed food products and household goods.

Because these women are often denied basic working rights, including minimum wages and labour representation, market distortions arise as economic resources do not reach those who could make the most use of them. Women often do not have the same access to and control over capital and resources as men or equal rights of inheritance, ownership, freedom, and power over decision-making including their own reproductive health. Traditions, customs and social norms often hold the key to understanding the roots of gender inequalities (Jutting *et.al*, 2008).

Yet economic returns on investments in women are generally greater than those in men. GNP per capita is far lower in countries where females are significantly less well-educated than men. Studies in Africa find that primary education for women can raise food crop yields by as much as 20%, while equal access to capital for women could increase agricultural output by 15%. Reducing the household time burdens on women could increase

agricultural labour productivity by 15% and capital productivity by as much as 44% in some countries (World Bank, 2001).

Improving the access of women to education and health care as well as economic opportunities can have significant positive outcomes for poverty reduction. Lower fertility rates, better nutrition for all family members, and reduced infant, child, and maternal mortality are among the social gains from targeting women. Data from developing countries indicate that one to three years of maternal schooling reduces child mortality by 15% while an equivalent level of paternal schooling achieves only a 6% reduction. Female-headed households spend a far larger share of their income on food, healthcare and education, so that financial assistance to mothers has greater beneficial effects on family health than income in the hands of fathers (World Bank, 2001).

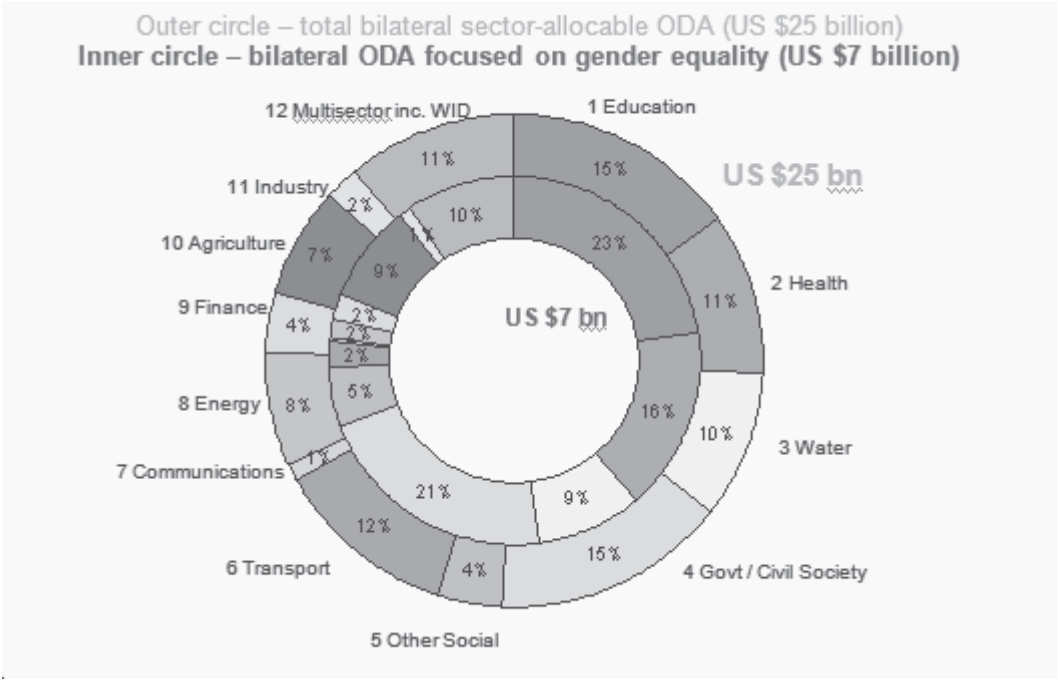
Policy implications

Focusing on women in development assistance can achieve more rapid and pro-poor economic growth than "gender neutral" approaches. Because of their essential contributions to household welfare, both unpaid and paid, women are key to poverty reduction in developing countries. Investing in women and girls – in their education, health, and access to assets and jobs – has a multiplier effect on productivity, efficiency and sustained economic growth in developing countries (World Bank, 2006).

Development assistance from OECD countries is increasingly adopting a gender perspective. Aid in support of gender projects has increased to about 28% of the total in recent years (**Figure 4**). However, the share of aid focused on gender ranges from 1% to 82% among reporting countries (OECD, 2007a). More than 40% of aid to basic education and health targets gender-specific concerns. This includes enhanced access for women and girls to education and improvements in basic health care including reproductive health. Some programmes are directed to improving the social safety net for women and girls, while others aim at building government capacity to incorporate gender perspectives in development planning.

Figure 4. Gender Focus of Bilateral Aid by Sector

Average annual value of commitments, 2004-2005



Note: Due to non-reporting by some countries, covers only a part of total reported bilateral Official Development Assistance (ODA).

Source: OECD (2007), *Aid in Support of Gender Equality and Women's Empowerment*

Increasing the workforce participation of women is the key to faster growth and poverty reduction in non-OECD as well as OECD countries. However, gender-related aid flows still tend to have social rather than economic aims. In order to maximise female contributions, donors need to see women as active players in the economy and overall poverty reduction. Aid programmes should be targeted more to maximising the economic contributions of women to both the formal and informal economies. For example, aid could be directed towards developing income-generating initiatives based on women's traditional roles in home and health services, nutrition, and agriculture. Development assistance could empower women to compete in land, labour, product and financial markets.

Aid to infrastructure such as transport, energy and communications accounts for a third of all bilateral aid, but little is focused on the needs of women. More time-saving and labour-saving technologies for fuel and water gathering and cash crop production could greatly ease women's traditional chores and make them more productive members of society. Targeted investments in transport infrastructure could improve the access of women and girls to markets, schools and jobs. Although information and communications technologies (ICT) can provide women with access to on-line services such as health care and education and raise their income generation potential, the gender digital divide remains most severe in poorer countries (OECD, 2006b).

Effective anti-poverty strategies also need to consider the role of social institutions and culture, particularly in limiting the access of women to employment, inheritance and finance. The underlying causes of discrimination can be addressed through promoting changes in legal structures including property rights provisions, inheritance laws, divorce laws and family codes, and engaging in cultural exchanges and communications campaigns to influence public opinion towards more gender equity. Ensuring labour representation and minimum wages for women in agricultural, manufacturing and services employment is equally important. These strategies must not ignore the crucial role of men, who may require compensation or offsetting initiatives if they tend to lose status from the reforms (OECD, 2006a).

Gender issues may be easier to integrate into the new aid architecture prompted by the 2005 *Paris Declaration on Aid Effectiveness*. The challenge is to ensure that improving the status of women in both social and economic terms is harmonised across country programmes, aligned with the development strategies of recipients, and closely monitored. For more effective poverty reduction, differential gender impacts should be considered in the entire package of development activities to enhance women's opportunities through investments in livelihoods, infrastructure and legal rights as well as education and health (OECD, 2007c).

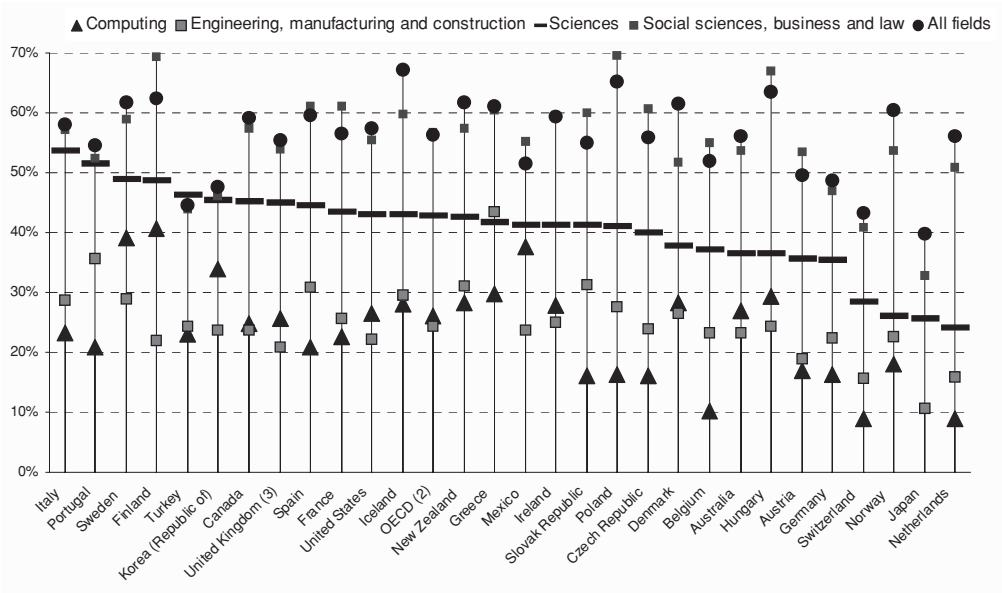
Women and Technology

Women workers with a science and technology (S&T) background are a key resource in today's knowledge-based economies. There is rising demand for S&T workers, and job growth in this area is being driven by increases in female employment. But women remain vastly underrepresented in S&T studies at both secondary and tertiary levels of education and in the overall technical workforce. Greater female participation in computer science, engineering and technology-oriented jobs would spur innovation and economic advances in all countries (OECD, 2007h).

Lesser involvement of young girls in science and technology can be observed as early as the secondary school level, where less than one-third of students in advanced chemistry, physics or biology classes are women in most OECD countries. Despite growing computer literacy among all students, the gender digital divide is also evident in high school. In the United States, for example, only 15% of those enrolled in advanced computer science classes are girls. Yet assessments of scientific literacy of 15-year-olds find that there are no entrenched gender differences in math and science performance (OECD, 2007e).

The science and technology gender gap relates more to attitudes than to aptitudes. Boys are more likely than girls to choose science subjects to study in higher education and to have more positive attitudes towards science generally (OECD, 2007e). Girls are much less likely to major in computer science, engineering or physical sciences. Although women receive more than half of university degrees in the OECD area, women account for only 30% of degrees in science and technology (**Figure 5**). The share of women receiving computing-related degrees varies more across countries, ranging from just under 10% for Belgium, Switzerland and the Netherlands to 40% in Sweden and Finland.

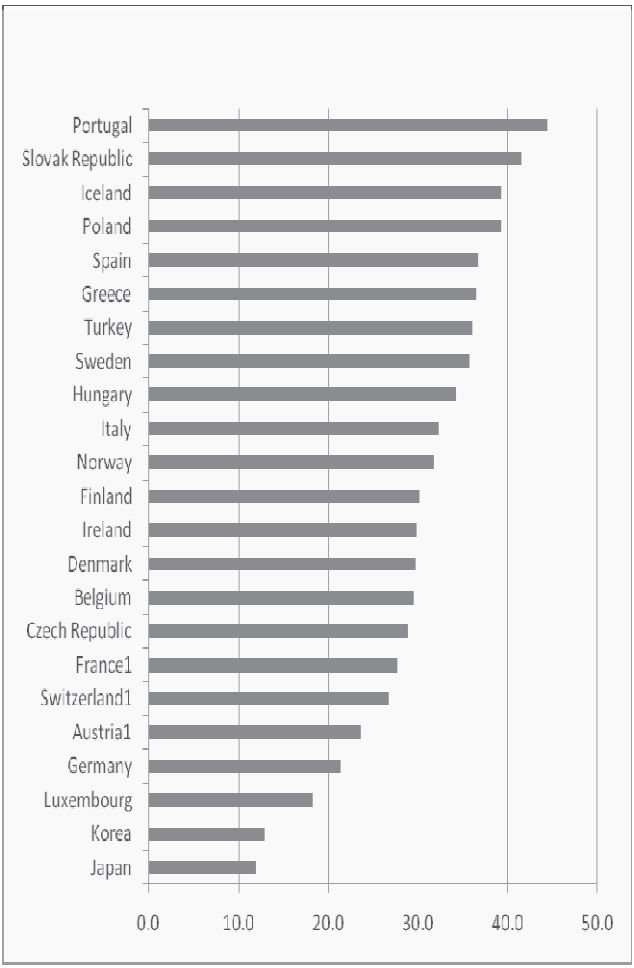
Figure 5. Share of Female Graduates by Field
2004 or most recent year



Source: OECD Education Database

The share of these female graduates who go on to conduct scientific and technical research is even smaller. Women represent less than 30% of S&T researchers in most OECD countries and only 12% in countries such as Japan and Korea (**Figure 6**). Similarly, women conducting ICT-related research account for less than 35% of the total in the OECD area. These women tend to be concentrated in higher education rather than the private sector where most researcher jobs can be found.

Figure 6. Women Researchers as Share of Total
2005 or most recent year



Source: OECD Main Science and Technology Indicators

As a result, women are poorly represented in the science and technology workforce. Natural sciences, engineering and mathematics occupations have the lowest share of women among the professions (OECD, 2006c). Women do occupy more than 60% of ICT-related jobs, but these are mostly secretarial and clerical positions. With regard to ICT-specialist positions – those who develop and maintain computer hardware and software – women

account for only 10%-20% of jobs and this share is stagnating or decreasing in many countries (OECD, 2006b).

Policy implications

Governments can provide monetary and non-monetary incentives to encourage women to take up science and technology careers. Without specific actions and programmes, the recruitment of women for technical professions will not improve fast enough to meet the growing demand for S&T workers. Barriers to increasing the female technical workforce include general job-related factors as well as issues specific to science and technology.

Attracting young women to the study of science and technology is problematic in all countries. More women science and technology teachers, now very underrepresented on school faculties, should be recruited at secondary level to provide role models. Technical subjects need to be made more attractive to girls in high school through special science, computer and math projects which appeal more to females. Gender-awareness among school staff is also important, as math and science teachers may hold outdated views regarding the scientific or mathematical abilities of girls.

At university-level, special scholarships, research grants, awards and endowed chairs are needed to attract women and to encourage them to pursue more technical studies. OECD countries are now providing fellowships to support university women in science as well as specially funded chairs for S&T women faculty, for example, Canada's NSERC Chairs for Women in Science and Engineering. Austria established the Excellentia programme to double the number of women S&T professors at universities and to create centres of high quality research led by women.

Career-wise, women may be reluctant to engage in technical jobs owing to more general workforce issues such as reconciling work and family responsibilities. As in all fields, women should be allowed to enter professional careers at a later stage and to work on temporary and flexible work contracts without financial penalties. Family-friendly work practices, childcare and parental leave are important.

But advancing in science, engineering, and technology-based careers may be more challenging for women than in other areas. A male-centered culture – hierarchical and subject to gender stereotypes – tends to predominate. Studies suggest that gender-biased recruitment, evaluation, and funding processes have resulted in the low share of women researchers in many OECD countries (OECD, 2006c). For example, evaluation methods that assess excellence based on the number of publications and peer reviews

can fundamentally disadvantage women, who tend to publish less than men, prefer teaching to research and may not be well-networked with their peers.

Special incentives as well as gender-friendly practices are needed. Some OECD countries mandate that all university S&T programmes practice gender equality in staff appointments, programme funding, grant recipients, and research training. Others have set targets and quotas for the public sector. Japan has targets for female participation in various disciplines by 2010 including its 30% goal for women agricultural researchers. Korea has numeric aims for the share of women in science and technology jobs in the public sector. The Swiss National Science Foundation is using quotas and special programmes to get more women on management and review boards. The European Union Research Framework Programmes include gender action plans to promote the participation of women in certain technology-based disciplines.

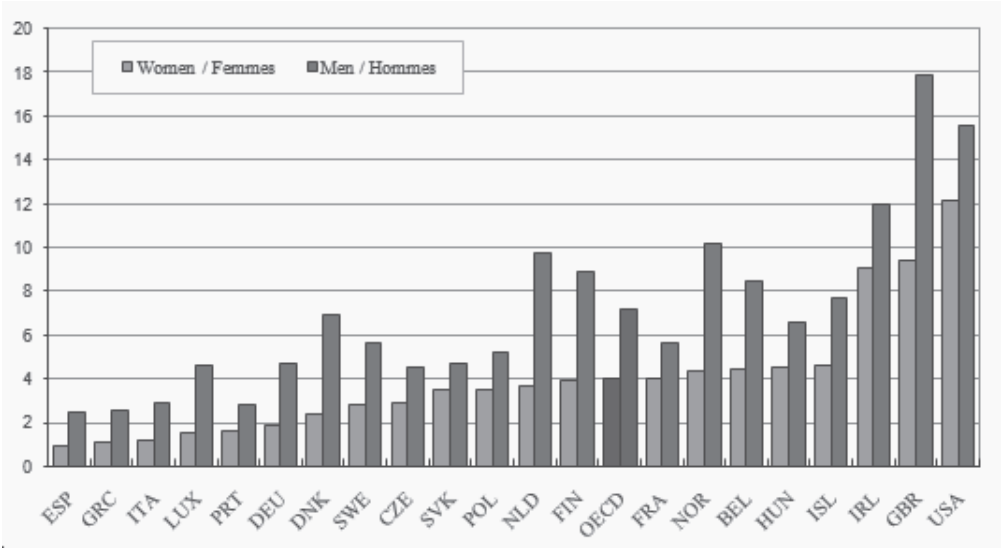
Women and Management

Women's representation in management positions in both the private and public sectors is markedly low and evidences another failure to make full use of available human capital. In OECD countries where women are 40%-50% of the labour force, they account for less than 8% of top managers. Worldwide, this share is even lower and declining. Known as the "glass ceiling" phenomenon, women have a difficult time climbing the leadership ladder. The result of this managerial gender gap is the reduced performance, innovation and effectiveness of firms and governments.

Male employment rates in managerial posts are higher than female rates in all OECD countries (**Figure 7**). The share of women in management is greatest in the United States, United Kingdom and Ireland, and lowest in Southern European countries such as Spain, Greece and Italy. But even in the United States, despite representing a large share of management and professional positions, women still made up only 2% of Chief Executive Officers (CEOs) in the Fortune 500 companies. In the OECD area, it is estimated that only 7% of the directors of leading companies are women (EIRIS, 2005).

Figure 7. Share of Employees in Managerial Positions by Gender

2004 or latest year available



Source: OECD (2006), *Women and Men in OECD Countries*

Nor are women well represented on the boards of major companies. Over 46% of OECD large firms have no women on the board, while only 23% have more than one woman on the board. The number of female directors is highest in the Scandinavian countries of Norway and Sweden and lowest in Italy, Portugal and Japan (**Table 1**). North American companies are among the global leaders in terms of the percentage of women on their boards, although women still represent less than 13% of board members in the United States and only 11% in Canada.

Table 1. Female Board Directors as % of Total

Country	Women on the board average % representation
Norway	26.2
Sweden	19.9
Finland	14.3
USA	12.7
Canada	11.1
New Zealand	9.9
Denmark	9.3
Australia	9.3
Germany	8.0
UK	7.5
Greece	7.4
France	6.4
Switzerland	6.0
Singapore	6.0
Netherlands	5.9
Austria	5.8
Belgium	5.3
Hong Kong	4.5
Spain	4.1
Luxembourg	3.8
Ireland	3.8
Italy	2.6
Portugal	0.7
Japan	0.6

Source: EIRIS (2005), *How Global is Good Corporate Governance?*

This managerial gender gap persists despite evidence that women managers can improve the economic performance of companies and organisations. In general, women managers bring a wider range of perspectives to bear in corporate decision-making, contribute team-building and communication skills, and help organisations adapt to changing circumstances. In a series of studies, Fortune 500 companies with more women board directors are shown to have significantly better financial performance, including 53% higher returns on equity, 42% higher returns to sales, and 66% higher returns on invested capital (Catalyst, 2007). Including more women in managerial teams has been found to increase the innovation

capacity of companies (LBS, 2007a). In an international study of large corporations, those with a higher proportion of women in top management demonstrated the best performance in terms of work environment, innovation, accountability and profits (McKinsey, 2007).

Policy implications

In both the public and private sectors, stereotypes persist that women are not leadership material. This has led to the "pipeline problem" with the proportion of women in senior roles stagnant and even decreasing. Three types of interventions can help counteract these trends: 1) establishing and monitoring targets for women managers, 2) setting up networking and development programmes, and 3) ensuring family-friendly work practices.

Increasing the number of women managers can be tackled like any other management challenge: by setting clear goals and targets, monitoring results and rewarding progress. A survey of corporate best practice in Europe found that 27% of leading companies set targets for the number of women in senior executive roles (LBS, 2007b). In 2003, Norway passed a law decreeing that all publicly-listed corporations must have at least 40% women on their boards, which is a main reason the country leads the world in the number of female directors. Senior politicians in other Nordic countries are proposing to legislate quotas for companies if the number of women on boards does not increase to 25%-40%.

Targets and quotas have also been set by governments for the share of women managers in the public service. Since 1995, the European Union has set annual targets for the appointment of women to all top-grade posts, with almost a quarter of the 6 000 top jobs now filled by women. Norway has quotas for the number of women managers in government at all levels. Norwegian law also requires that women make up at least 40% of the members of all official committees, boards, councils, and delegations. Sweden set goals for women in managerial positions in the public sector, which is now 56%. In Canada, the goal is to ensure balanced representation (50/50) of men and women in all parts of the public service.

Women are often excluded from informal networks and lack mentors and development experiences which limits their advancement. Policies should not be aimed towards helping women adapt to a male-centred work environment, but rather to promoting changes in organisations to discourage gender stereotyping (Wittenberg-Cox, 2008). Mentoring programmes for female employees are needed to supplement active recruitment of women for upper management positions. Professional networks both within and outside the place of work can act as support to mentoring and coaching.

Targets can be set for developmental assignments for women, including specialised training, project management and high-level tasks.

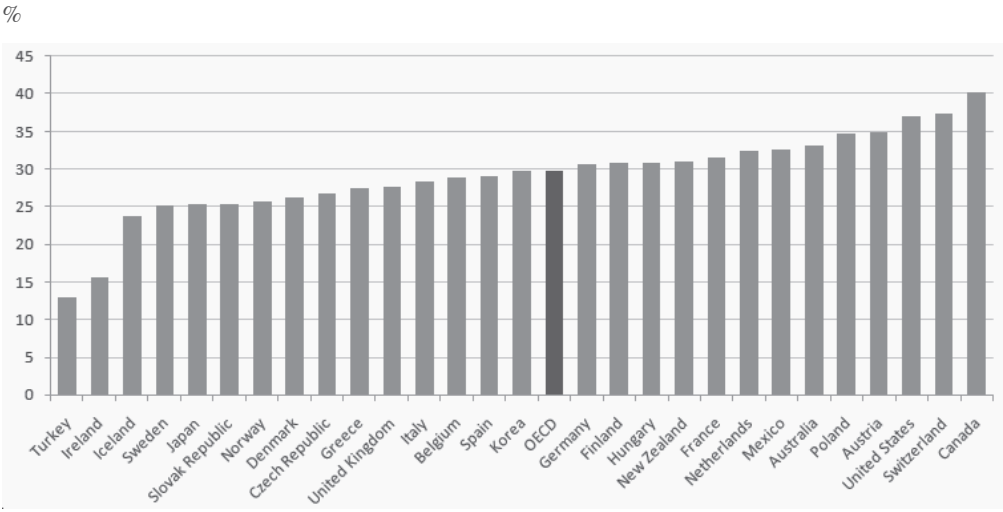
Women generally need to take time off from their careers to care for children and family, which interrupts career progression and contributes to perceptions that women are less committed to work. Gendered policies around flexible working are fundamental to the development of women managers as well as the recognition that women follow different career paths than men. Family-friendly work practices are key to both recruiting and retaining women managers. Governments can provide incentives to companies to implement flexible hours, part-time work and childcare, to subsidise paid leave for both mothers and fathers, and to allow career breaks for women with children.

Women Entrepreneurs

Entrepreneurs, or individuals starting up new firms, are crucial to productivity and growth in all countries. At present, new enterprise creation is fueled by the development of technology-based and service sectors. In the OECD area, levels of entrepreneurship are highest in countries showing the fastest growth. The number of women entrepreneurs, as seen in female to male start-up ratios, is also growing fastest in these countries, which include the United States and Canada. While a growing number of women are becoming entrepreneurs, women-owned ventures are as yet an untapped source of business and job creation.

Women are broadly underrepresented in the OECD enterprise sector overall, accounting for an average 30% of all entrepreneurs (**Figure 8**). More men than women are self-employed or have their own firms in all OECD countries, and the gender gaps are particularly large in Turkey, Ireland, Iceland, Sweden and Japan. Levels of female entrepreneurship are highest in Canada, Switzerland, the United States and Austria.

Figure 8. Women Entrepreneurs as Share of Total, 2006

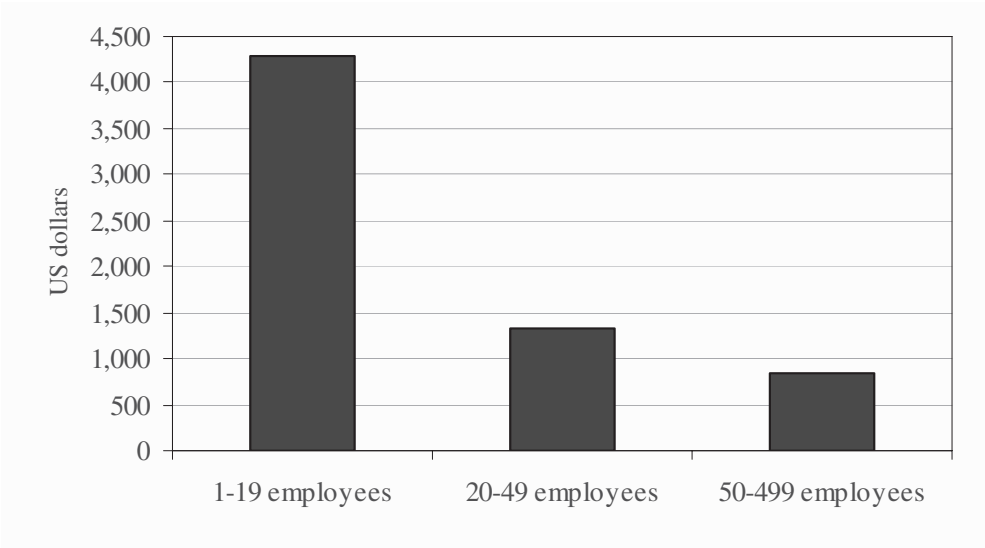


Source: OECD Labour Force Statistics

Women often become entrepreneurs out of a desire to exploit innovative ideas or market niches. They may venture into entrepreneurship as a way out of "no point" jobs, to gain independence from exploitative practices or to be one's own boss. The ability to work flexible hours is very attractive to women who want to combine work and family responsibilities. They may also gravitate towards self-employment because of a lack of alternative positions, blocked mobility or the inability to find a job that fits their skills. Entrepreneurship and self-employment may sometimes be a survival strategy for those who cannot find any other means of earning an income.

Women confront barriers to creating and developing enterprises and becoming entrepreneurs (OECD, 2001). All small firms face administrative obstacles in terms of forms, procedures, and delays in setting up shop. Surveys find that the smallest companies – those with less than 20 employees – endure more than five times the administrative burden per employee than larger firms (**Figure 9**). These burdens tend to be more acute for female entrepreneurs owing to the characteristics of their firms, which are of very small size and predominantly in service or retail sectors (OECD, 2000b).

Figure 9. Administrative Burdens on Business Start-ups



Source: OECD (2001), "Business Views on Red Tape: Administrative and Regulatory Burdens on Small and Medium-Sized Enterprises"

Women entrepreneurs often have less experience than men dealing with complicated procedures, including financial arrangements, and little information about sources of help. Surveys of financial literacy find that women have less understanding and confidence in making financial decisions than do men (OECD, 2005a). Yet women are disadvantaged in accessing financial information and resources because they are less likely to be able to afford these services and are not linked to mainstream business networks.

Women also have more problems obtaining business credit in all countries. This is despite evidence that women demonstrate high loan repayment rates as well as default rates significantly lower than those of men. Banks and financial institutions traditionally have little experience in lending to women and may have a bias against them as poor credit risks. The female credit crunch is particularly severe in poorer countries due to the disadvantaged position of women and their lack of legal rights; most banks require that borrowers be wage earners or property owners who can provide acceptable collateral.

Policy implications

Countries are missing business opportunities because women are not reaching their potential entrepreneurial levels. More than men, they lack access to finance, information and networks. Countries should decrease the administrative and regulatory barriers that making setting up a new firm difficult and constitute invisible barriers to business start-ups, particularly for women. These include excessive red tape, time delays, labour market regulations and legal requirements. To ease the path for women entrepreneurs, governments should also increase targeted financing and training.

Governments can increase female access to credit. Many banks and financial institutions generally lack experience in dealing with small firms, new businesses and venture capital as well as with women. Some governments are undertaking programmes to accelerate learning in assessing entrepreneurial risk as well as promoting special lending programmes for women. This includes increasing credit lines through commercial banks to benefit women entrepreneurs and helping to establish women's banks or credit associations which specialise in female lending.

Micro-credit or micro-loans are an effective tool for helping prospective women business owners. Here, a small amount of money is lent to low income clients by a bank or other institution, usually with a fair repayment schedule and at normal interest rates. Micro-finance is one of the most effective ways to empower women and increase their access to sustainable livelihoods and economic assets. Not only are micro-loans increasing the number of venture firms and activities, the lending institutions are finding this sound business. There are now over 3 000 micro-credit institutions reaching over 90 million clients, mostly in developing countries, and of the poorest clients, 83% are women (Daley-Harris, 2006).

Credit provisions should be accompanied by supportive advisory and networking services to provide women with basic marketing information and advice. These include advisory bureaus established at chambers of commerce and industry associations and points of entry on the Internet where female and other ventures can access information, forms and services provided by various public agencies. Business incubators, often established at universities or business schools, are of particular value to women entrepreneurs in providing an infrastructure, links to investors and market opportunities as well as personalised assistance and training.

Networking programmes have been effective in increasing both the number and success rates of women starting their own businesses. Programmes engaging experienced female business owners in providing

advice to potential women entrepreneurs help build such networks. Women entrepreneur associations can be a conduit for dissemination of business information and provide support services for new female-owned start-ups. Initiatives to foster women entrepreneurs should also be part of local development strategies and enterprise creation policies.

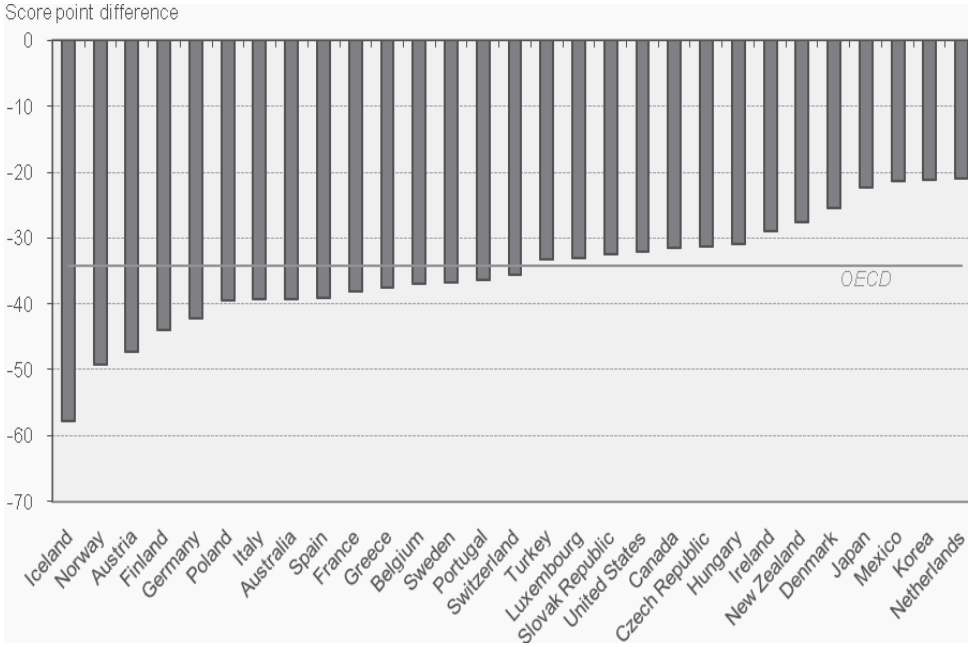
Society and Gender

Women and Education

Educating men and women is key to economic growth and sustainable development in both OECD and non-OECD countries. Raising the education levels and literacy rates of women is one of the most effective investments for increasing female productivity as well as enhancing the well-being of families and children. In the OECD area, where women are becoming more educated than men, the challenge is making better use of women's qualifications. In developing countries, reducing gender inequality in literacy and in primary and secondary education is essential to reducing poverty and accelerating economic development.

The educational gender gap in favour of women starts young in the OECD area. Girls now tend to do better at school than boys in almost all countries. For example, international assessments of 15-year-old students find that girls outperform boys in reading by a wide margin (**Figure 10**). This gender differential is particularly large in Iceland, Norway, Austria and Finland and less apparent in countries such as Korea and the Netherlands.

Figure 10. Gender Differences (Boys-Girls) in Student Performance in Reading, 2003

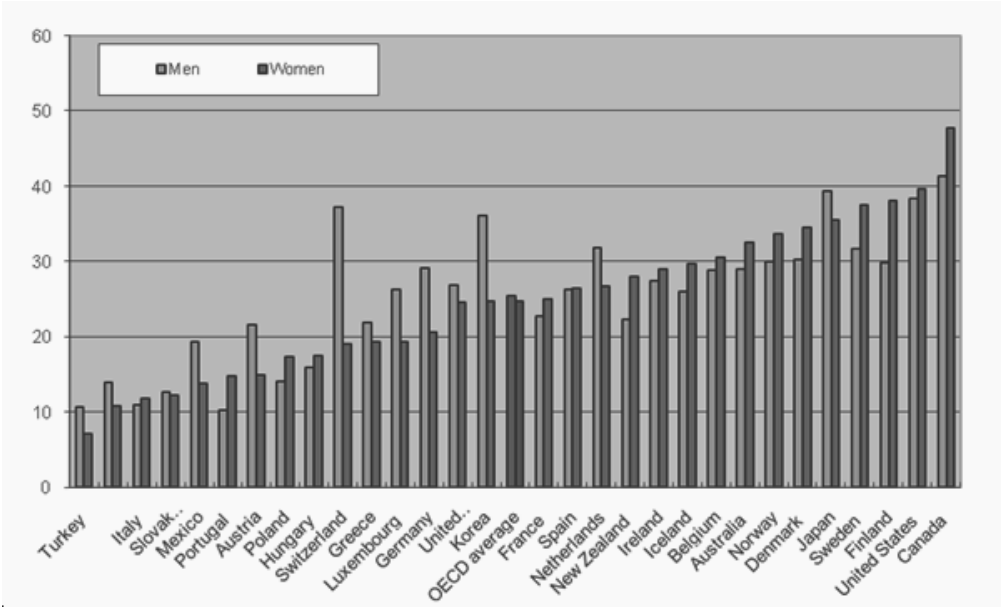


Source: OECD (2007), Programme for International Student Assessment (PISA)

More women are now getting university degrees than men. In many OECD countries, well over half of all university degrees are being awarded to women. On average 33% of women aged 25-34 have tertiary education compared with 28% of men the same age. This differential persists when looking at the larger population (**Figure 11**). The gender gap in favour of women is greatest in countries such as Canada, Finland and Sweden. In countries including Japan and Korea, men are receiving university degrees at a higher rate than women, but females are catching up. There are now 90 female Japanese students for every 100 males.

Figure 11. Gender Gaps in Tertiary Education

Percentage of men and women aged 25-64 with tertiary education, 2004 or latest year available.



Source: OECD, Education Database

In the OECD area, women are now more highly educated than ever, increasing both their opportunities for employment and earning power. On average, tertiary education substantially increases lifetime earnings and is a good investment for individuals and society as a whole. However, this tends to be less true for women. A main reason is the difference in the subjects that young men and women study at university. Women prefer health and welfare subjects with humanities, arts and education a close second. For male graduates, subjects related to engineering, manufacturing and construction come first, just ahead of mathematics and computer science. Women thus end up in female-dominated fields characterised by lower status and less well-paid jobs.

In non-OECD countries, investment in the education of girls reduces birthrates and lowers infant and child mortality rates. Primary education for women increases their labour force participation and earnings and also fosters educational investment in children. But more than two-thirds of the world's illiterate adults are women. While more young girls are receiving primary education in even the poorest parts of the world, very few receive

secondary and tertiary education (World Bank, 2006). This makes it likely that the third Millennium Development Goal "*to promote gender equality and empower women*" will not be attained since it is measured by the elimination of gender disparity in all levels of education by 2015.

Policy implications

Educating females is essential to increasing productivity in all economies, particularly in the developing world where it depends in large part on engendered development assistance policies. In the OECD area, the challenge is keeping boys and men in the educational system while ensuring that the contributions of educated females are more fully realised. What is needed are a range of education and labour market policies directed to better reflecting the higher educational attainment of female school leavers in their later careers.

The transition from school-to-work tends to be more biased for females in terms of work opportunities. Guidance and counselling services should give information to girls and women on the range of jobs for which they can apply and the required skills. Women will benefit from financial and other incentives to enter more technical fields of study and work. Leadership and management training will assist them in aiming for and obtaining higher-level positions in all fields. Injecting work experience into the educational curriculum, through such devices as work placements, work shadowing and school-based enterprises is very effective in broadening the ambitions and training of young women. They can be given access to types of industrial, scientific or managerial training which are now male-dominated (OECD, 2000a).

Traditional areas of female work including teaching, nursing and social services should be upgraded to reflect their true contributions to the economy and society. Gender segregation in employment characterises male and female positions in the labour market and is a major source of inequalities. The recognised value of jobs and the earnings attached to them vary according to whether they correspond to mainly female or mainly male activities and occupations. In addition, many female-dominated jobs are characterised by precarious employment conditions, a low degree of professionalisation, lower pay and few training and career opportunities.

Improved correspondence between female education levels and their working life can be achieved through generalising non-discrimination to female-dominated jobs. Professionalisation of female occupations depends on unbiased job evaluations and better wages. Gender discrimination starts when assessing the skills and knowledge needed for certain job categories.

Male dominated positions tend to be rated as more complex and of higher value than skilled female occupations including nurses, teachers and secretaries. Governments need to reassess the qualifications and skills needed for different types of jobs on a gender-neutral scale.

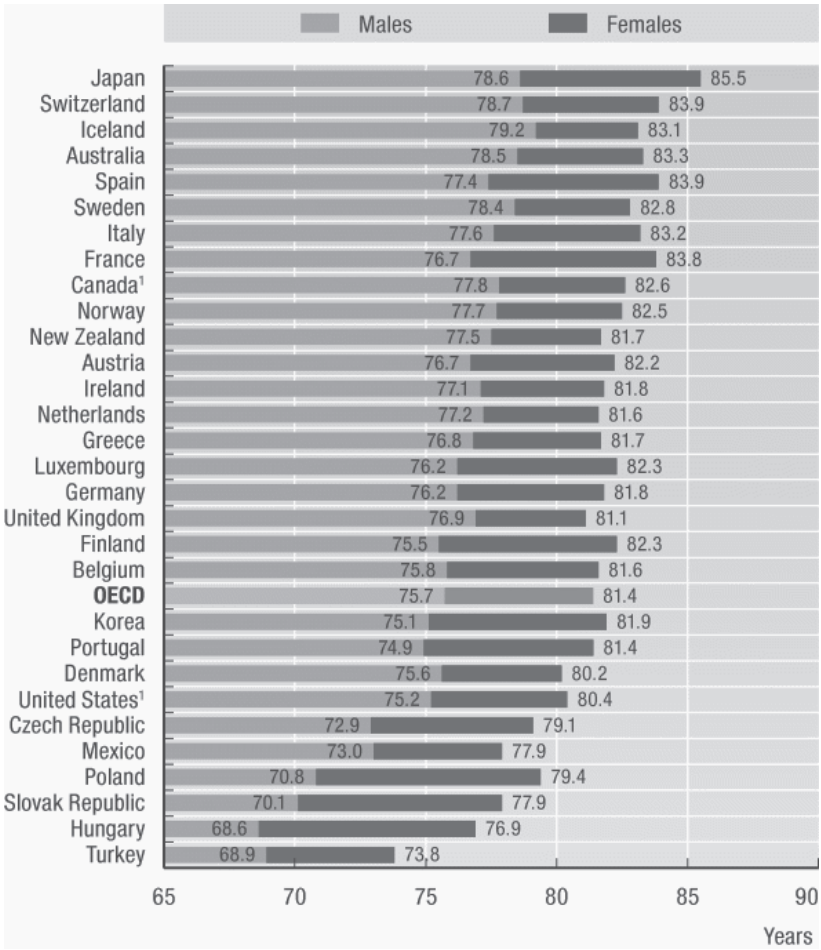
Equal pay legislation does not solve the gender wage gap since it addresses only discrimination in similar jobs with the same employer. More female-dominated jobs are becoming unionised which is leading to wage increases in some occupations. However, governments should link wages to unbiased job evaluation approaches, which will also cause more men to enter into what has been traditionally women's work. In Canada, firms are required to adopt pay equity plans based on re-assessing positions held mainly by women and upgrading the qualifications and skills required. Other countries are doing this on a nation-wide basis for both the public and private sectors in seeking to legislate equal pay for work of equal value.

Women and Health

Gender perspectives are important in designing health care policies due to the different health profiles of women and men based on both biological and social factors. Health care financing, health system reforms, health education, and health policies and programmes could increase their cost-effectiveness by considering gender dimensions. Increasing the quality and lowering the expense of health care is one of the highest social priorities in all countries and demographics play a major role in achieving these aims.

Gender is important in efforts to extend life expectancies since differences between men and women start at birth. Women live longer than men due to genetic factors but also to different behavourial, lifestyle and working patterns. For the world as a whole, female life expectancy is about 6% higher than for men. In the OECD area, the life expectancy gender gap is about 6 years, 81 years for women compared to 75 years for men (**Figure 12**). This gap is largest in countries such as Poland, Hungary, France and Japan.

Figure 12. Life Expectancy at Birth by Gender, 2005



Source: OECD, Health Data 2007

Addressing the health care issues associated with ageing populations must also account for gender. Expenditures on long-term care for older people are rising significantly in OECD countries, largely because of increasing numbers of elderly women. Total public health and long-term care expenditures are expected to increase from 7% of GDP today to 10%-13% of GDP in 2050. At present, 60% of the OECD population aged 65 and older are women as are 70% of people over 85. Disability is much more prevalent among elderly women than elderly men. An estimated 65% of

women aged 85 and over are severely disabled compared with 44% of men (OECD, 2007i).

Prevention and treatment should be planned and costed on the basis of gender. Females (as well as males) require specific health services for gender-specific diseases (breast cancer, cervical cancer), reproduction (pregnancy, menopause, osteoporosis), and socio-economic concerns (eating disorders, violence against women, work-related stress). For example, breast cancer is the most common cancer among women and survival rates depend on early detection and treatment. Survival rates five years after a diagnosis for breast cancer are higher than average in Nordic countries (Iceland, Finland, Sweden and Denmark) as well as in the United States, Canada and Australia (**Figure 13**). These are all countries where a high proportion of women undergo mammography screening.

Figure 13. Breast Cancer, Five-Year Survival Rates

Source: OECD Health Data 2007

Women are more prone than men to self-declared ill-health, reduced work capacity due to illness, and mental disorders related to stress (WHO, 2006). These physical and mental health problems may be due to discriminatory workplaces as well as male violence against women in all countries. Employment combined with family care responsibilities means many women find themselves doing two jobs. There is evidence that women with small children experience more stress at work compared to women without such responsibilities. Work-related stress is also due to lack of job security, family-adverse working conditions, low social support, limited possibilities for training and career advancement, and inadequate social security coverage or pensions. This is intensified when women are also exposed to physical and mental hazards due to violence and abuse at home and psychological and sexual harassment at work.

Policy implications

In order to provide cost-effective and high-quality health care, governments need to adopt a gender perspective based on the physical differences of men and women but also other social and cultural factors. The costs of preventing and treating disease and ill health in men and women differ over their lifetimes. Gender-specific diseases and reproduction needs should be key considerations in health care policy. The longevity of women and propensity to be disabled must be taken into account when planning long-term care.

Health research and programmes cannot be gender-blind owing to the complex ways in which biological, social and environmental factors interact to affect the health of women and men. There is insufficient knowledge of the prevalence and incidence of physical and psychological risk factors related to women's work patterns in combining two jobs and being generally underpaid. In addition to specific work issues, the health consequences of discrimination and violence against women need special attention. National health, education and criminal justice sectors should consider health equity issues in policy formulation (WHO, 2005).

Occupational health and safety practices should take into account gender-specific factors such as non-standard employment, home-based work, and contingent work performed by women. Even in countries where equality is guaranteed by law, application of occupational health and safety legislation may have discriminatory effects. In some countries, women are offered different rehabilitation measures of shorter duration than those for men. Claims for psychological problems, more common among women, may be excluded. Workers compensation schemes for occupational

accidents and disease should be reviewed from a gender point of view (WHO, 2006).

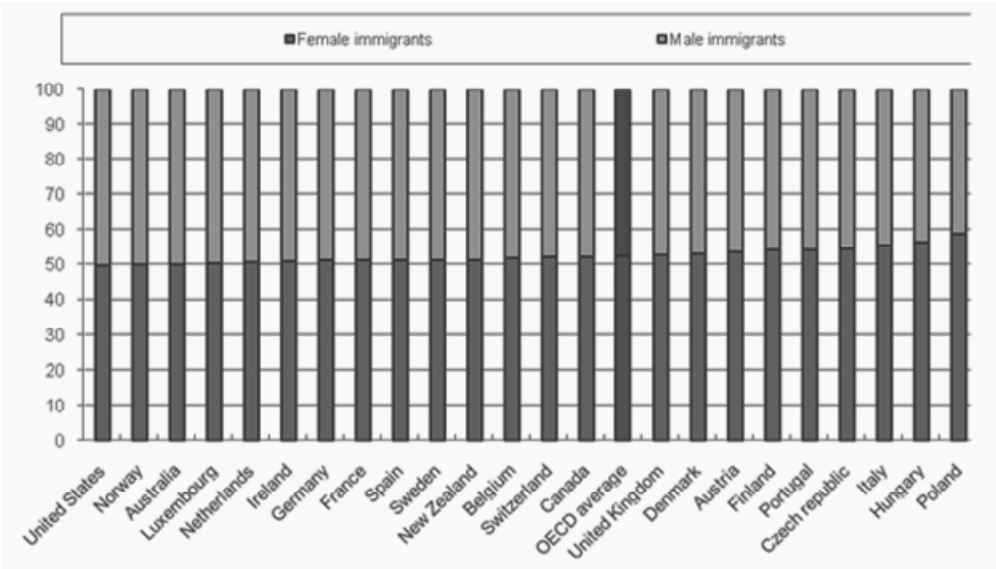
Some OECD countries are mainstreaming gender perspectives more fully into their health policies and programmes. In the United States, the Office on Women's Health promotes health equity for women through gender-specific approaches, including educating health professionals on gender implications for prevention and treatment and motivating behavioural change through broader dissemination of gender-based health information. Several countries have specialised centres devoted to women's health care, such as the national centres of specialised medicine for the Elderly and Women's Health in Norway. Sweden's new public health policy requires a gender perspective to raise awareness, for example, of the impact of labour market conditions on women's health as well as the consequences of their power disadvantage and male violence against women.

Women and Migration

Women make up more than 50% of all new immigrants to OECD countries (**Figure 14**) and their migration patterns and effects on home and host countries differ from those of male migrants. International migration can contribute to economic growth in OECD countries by alleviating labour shortages caused by declining fertility rates. At the same time, migration can contribute to development in sending countries through remittances and repatriation of skilled migrants. However, labour and social policies in home and host countries need a gender perspective to realise fully the positive benefits of migration for both women and men and those who are left behind.

Figure 14. Ratio of Male to Female Immigrants

2004 or latest year



Source: OECD Migration Database

The reasons and modes of entry of female migrants differ from those of men. Overall, family migration accounts for the majority of permanent-type immigration flows to OECD countries, although there are increasing flows of migrants seeking employment. Humanitarian migration (leaving the country of birth due to war or persecution) accounts for a small and declining percentage. Most women migrate for family reasons – to form or reunify families. Migrant women often enter countries as wives and dependents of men who sponsor their admission, and they are less likely than men to migrate on economic or humanitarian grounds.

However, more women are now migrating independently for employment instead of following male relatives. These women as well as those who enter for family reasons tend to have greater difficulties than men in finding income-generating opportunities. The employment rate of immigrant women in OECD countries is far lower than that of their male counterparts and also lower than that of native-born women. Women immigrants often confront two-fold discrimination in being foreign and female constituting what is termed a "double disadvantage"(OECD, 2005b).

Migrant women face a gender-stratified labour market where they find themselves at the low-skill rather than high-skill end. Low-skilled or unskilled migrant women tend to find jobs in a limited number of occupations associated with gendered roles such as cleaning and catering services and domestic work. There has been a large increase in immigrant women in the domestic services sector in OECD countries due in part to the growing need for household help (including child care), following the increasing participation of women nationals in the labour force. This is also a result of higher demand for assistance to the elderly due to ageing populations in the OECD area (OECD, 2005b).

In contrast, male migrants classified as unskilled are found in construction, agriculture, and manufacturing, occupations which are often more visible and tend to be more regulated. The marginality of unskilled immigrant women is reflected not only in lower labour force participation and low status jobs, but also in low earnings and poor working conditions. Since many lack union representation, they endure low wages, long working hours and insecure contracts often coupled with precarious legal status.

Males make up most of the high-skilled category of labour migrants, particularly doctors, scientists, engineers and ICT experts. However, on average, women make up 47% of employed professional and technical migrants in OECD countries (OECD, 2007h). Women from developing countries with university degrees are also more likely to emigrate to OECD countries than highly-skilled men. Skilled migrant women often go into

welfare and social professions including education and health care. Immigrant women fill a critical shortage of nurses in OECD countries.

The emigration of women, both skilled and unskilled, can be damaging to growth in sending countries given the key role played by women in poverty reduction. Migration of women from low-income countries deprives them of their chief care-givers and labour for the informal economy. The negative impacts are even more pronounced in the brain-drain of high-skilled women. Macro-economic studies show that emigration of women with tertiary education adversely affects infant mortality, under-five mortality, and secondary school enrolment rates in developing countries (OECD, 2007k).

The main positive contribution of female migration to developing countries is the money which they earn and send back home. Low-skilled migrants, particularly women, tend to send more money home than high-skilled migrants of both sexes (OECD, 2007f). Temporary unskilled migration, where women are largely concentrated, results in higher flows of remittances even though women earn less than the average male migrant. Women are also the greatest recipients of remittances and tend to use these funds to improve the welfare of family members. Remittances to developing countries finance purchases of consumer goods, housing and health and education and can facilitate small enterprises and community investments. They can also be a vehicle for changing gender relations – winning respect for women who remit and providing more resources to women who receive remittances.

Policy implications

Greater gender awareness with regard to migration flows not only benefits women migrants but also increases overall economic and social gains. The sustainability of migration policies over the long-term depends on whether they enable women as well as men to realise employment and social opportunities which benefit both receiving and sending countries. Migrants are filling labour shortages in high-technology, health-care and other fields in OECD countries and assist in offsetting the adverse consequences of ageing populations. In addition, migrants contribute to the development of their countries of origin through remittances and skills acquisition.

While all migrants need to be better integrated into the labour markets and societies of receiving countries, more attention should be paid to the situation of women. Immigration policies often give greater rights and possibilities of regular migration to those taking up jobs usually done by

men. The "guest worker" model of migration, which allows people in for limited periods to fill skills gaps in the labour market, is directed to males, particularly those without spouses or families. But this approach has been generally unsuccessful, leading governments to seek better distinctions between temporary and (potentially) permanent migration for both men and women.

In addition to ensuring access to basic services such as housing, education and health care, female migrants need information on their legal rights and protection against discriminatory hiring practices. Migration can provide new opportunities to improve women's lives and change gender relations which may have been discriminatory in their home countries. Institutions and migration policies in receiving countries should support the rights of women and their integration. This includes maintaining regular channels for women's entry to avoid pushing them into more risky modes.

Training and incentives for employers can promote the better assessment and use of the skills and qualifications of male and female immigrants (OECD, 2007d). Migrant women tend to experience downward mobility by engaging in jobs that are beneath their educational qualifications. Demand structures reinforced by accreditation criteria explain the dominance of men in certain migration streams. Systems for the accreditation and recognition of migrant skills should not restrict access by female migrants to various trades and professions. Studies have found, for example, that 88% of green card permits in Germany went to men, including scientists from Eastern Europe which has an equal number of women in the profession (Piper, 2005).

Given the growing importance of females in sending and receiving remittances, OECD countries should assure they have equitable access to financial services and take steps to lower the costs of financial transfers through banks and financial institutions. Financial systems in OECD countries often make it difficult for migrants, particularly women, to send and receive remittances and charge high fees for these services. For example, banks may require approval from a male family member before allowing women to open bank accounts, obtain credit or transmit remittances. Joint migration policies, elaborated through collaboration between receiving and sending countries, could ease financial transfers and enhance economic development in sending countries.

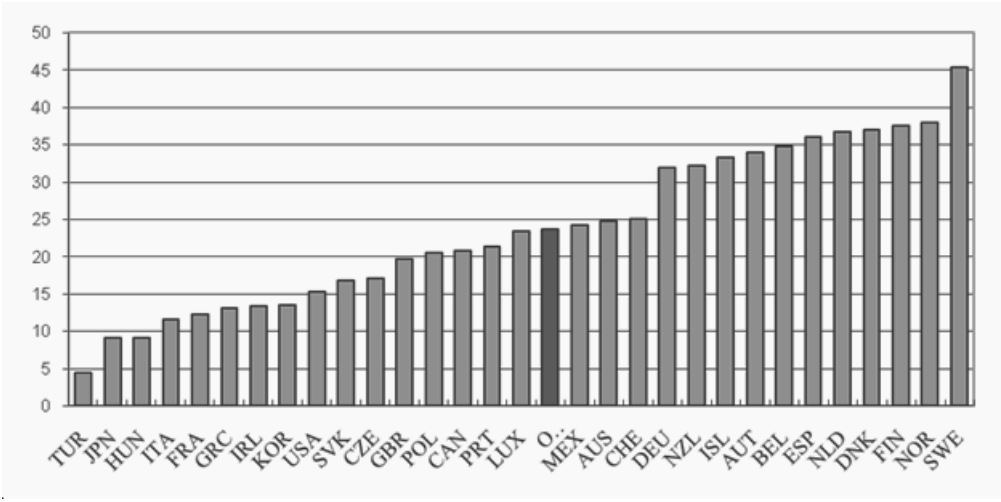
Women and Governance

Although women make up half of the world's population and despite their achievement of equal citizenship status to men, they remain vastly under-represented in governance forums. In most countries, there is a clear absence of women involved in decision-making processes at local, regional and national levels. The governance gender gap can be found in countries regardless of their economic status, religion or institutions. Factors contributing to the lack of female participation in decision-making processes include their low labour force participation and time poverty in relation to men as well as stereotypical attitudes towards the societal roles of women and men.

In parliamentary decision-making, women are outnumbered by men in all countries (**Figure 15**). In the OECD area on average, less than 25% of parliamentary seats are occupied by women. In nine OECD countries, at least one-third of parliamentary positions are held by women, with Sweden having the highest rate of female representation at 45%. However, in most OECD countries, women hold less than a quarter of seats and in the United States, only 15% of all legislators are women. Worldwide, it is estimated that 16% of legislative seats are held by women, and in many countries there are no female representatives at all (IPU, 2008).

Figure 15. Share of Parliamentary Seats held by Women

2005 or latest year



Source: Inter-Parliamentary Union

Across countries, there is some relationship between the share of women in the labour force and their representation in parliaments. Women's engagement in political life tends to reflect in part their participation in the economy. The percentage of women in parliament is higher in the Nordic countries (Sweden, Norway, Finland, Denmark) and the Netherlands, where women make up a large part of the labour market, and relatively lower in countries such as Turkey, Greece, Italy and Hungary, where their labour force participation is also lower.

There are a number of barriers which women confront in getting involved in politics. Historically, it is men that have held power in society and stereotypes about women's leadership and capabilities often prevent women from assuming a larger governance role. Many of the same attitudes that keep women from leadership positions in business also keep them from entering politics. Women tend to lack the experience and self-confidence of men who feel more at home in the political realm. They may have limited understanding of political processes. Due to their double productive and family roles, women often do not have the time to participate in political debate and decision-making processes.

When women do participate in governance, there is a greater chance that policies will reflect more closely the needs of all citizens. Women and men

bring different perspectives to decision-making, and a lack of women in government limits the effectiveness of the state and its policies and diminishes its representational quality. Studies show that when women are well-represented in decision-making bodies, the overall quality of governance tends to rise and levels of corruption decrease (UNDP, 2007).

Due to somewhat different priorities, women in government are more likely to work towards passing laws that benefit families, women, children, and traditionally marginalised groups. Surveys of women holding political office find that respondents evidence a different view of politics and of society than their male counterparts. They give greater emphasis to social welfare, legal protection and transparency in government and business. They tend to introduce more legislation reinforcing labour rights, social security, education, land redistribution, and electoral initiatives (IPU, 2008).

Policy implications

The political gender balance, in most countries – OECD and non-OECD – , shows that good governance is not yet a reality. The challenge for all societies is to create a system of government that is participatory and accountable and ensures that political, social, and economic priorities are based on a broad consensus in society. This is difficult to achieve without greater representation of women in parliamentary and other elected roles.

Greater transparency and more open participation in political processes is an important part of women's empowerment in government. Administrations and political institutions at all levels must become more open to public scrutiny and made accessible to a wider portion of the public. Facilitating female participation in governance may depend on special training and information programmes to explain complex legal processes. Schemes to assist working parents with time constraints as well as mentoring and networks also help to give women new roles in political life.

Some countries have adopted quotas and targets for increasing women's representation in government and parliaments. The Women's Environment and Development Organization (WEDO) promotes its *Global 50/50 Campaign* to increase women's representation in all decision-making processes worldwide, with an emphasis on national parliaments. Party quotas have been used in a number of OECD countries to raise the share of female parliamentarians in Sweden (47%), Finland (42%), Norway (38%) and Denmark (37%). Quotas have also been used in countries such as Rwanda which now has almost 49% women in parliament and Costa Rica (39%) (WEDO, 2008).

Environment and Gender

Women and Sustainable Consumption

In terms of resource impacts, women tend to leave a smaller ecological footprint than men due to their more sustainable consumption patterns. Sustainable consumption is using resources in a way that minimises harm to the environment while supporting the well-being of people. Men's lifestyles and consumer patterns, whether they are rich or poor, tend to be more resource-intensive and less sustainable than women's (Johnsson-Latham, 2006). Impressing a more feminine footprint would result in a smaller impact on the environment as well as better access to goods and services that take into account the needs of both women and men.

Consumption in OECD countries is distinctly gender-related. Women's consumption reflects that they generally earn less than men and have less money at their disposal. They are more likely to buy the cheaper basic essentials such as food, clothing and household articles. Men both earn and spend more than women and their purchases tend towards more expensive capital goods such as homes, cars and electronics. While it is estimated that women make over 80% of consumer purchasing decisions, men spend over 80% of household income, although this is changing as women gain more economic and marketplace power (Yaccato, 2007).

What is termed "women's consumption" of household goods and services is more often representative of family consumption as a whole. Women are responsible for activities such as shopping, food preparation, gift-buying, and disposal of used items. Women spend more than men on consumer goods, including in the categories of hygiene, medical care and health, clothing and shoes, books and culture. Men are more likely to eat out than women, consume more alcohol and tobacco, and spend more on transport and sport. A study in the United Kingdom shows that in families, women are responsible for purchasing almost all household goods, while men make more consumption decisions with regard to automobiles and holidays (**Table 2**).

Table 2. Estimated Share of Women Consumers in Families by Product Group (United Kingdom)

Product group	Percentage
Food	93%
Clothing	84%
Household goods	82%
Automobiles	40%
Tourism	41%

Source: WEN, 2007

Surveys show that women tend to be more sustainable consumers. Women are more likely to recycle, buy organic food and eco-labelled products and place a higher value on energy-efficient transport (OECD, 2008a). They make more ethical consumer choices, paying closer attention to issues including child labour and sustainable livelihoods and are more apt to buy socially labelled goods such as *Fairtrade*. For example, in Sweden, statistics indicate that the group that is most concerned about eco-labelling and green purchasing includes some of the poorest members of society: single mothers. Women also use public transportation, even in households with cars, more often than men and travel short distances closer to home, while men more often travel in their own car and for greater distances (Johnsson-Latham, 2007).

These patterns of consumption not only reflect the differing financial means at the disposal of men and women, but also their broader orientations towards society and conceptions of self-identity. Assessments find that girls more than boys report higher levels of concern for the environment and a greater sense of responsibility for sustainable development starting as young as 15 (OECD, 2007e). Although consumer choices are influenced by income levels, social conditions and biases, gender is also a major factor. In their consumption choices, women throughout their lives affirm their reproductive role and concern about the longer-term well-being of families and children (UNEP, 2004).

Policy implications

Governments can build on female consumer preferences to promote more sustainable consumption patterns to benefit the economy and society. Women's consumption decisions regarding food, clothes, medicines, household goods, education, etc. are key in determining the well-being of

families and related ecological impacts. Better understanding of the consumption behaviour of men and women is needed, including the influence which women may have over male purchases in the family context. Initiatives for promoting sustainable consumption in certain product groups (energy, transport) could be directed to the lifestyles, attitudes and proclivities of the most likely group of consumers.

In surveys, women support more government intervention in the marketplace to promote sustainable consumption behaviour. They advocate bans on unsustainable products, lower prices for environmentally-friendly goods, and better labelling of the environmental and social impacts of products and their production. In the home, women support government grants to make green energy choices cheaper and more easily available, comprehensive recycling programmes and facilities, and more stringent standards for housing stocks and energy conservation. To make travel more sustainable, women would like to see taxes imposed to account for the true environmental and social costs of various forms of transport (WEN, 2007).

But since far more women live in poverty than men, they are less able to afford the effects of bans, standards and taxes on the prices of sustainable products. Women may want to increase the sustainability of their purchases and are willing to change their lifestyles and consumer habits, but they need assistance in reducing their impacts on the environment. For this reason, governments need to consider the income effects of fiscal measures, subsidies and other instruments for sustainable consumption, and make sustainable products more affordable through grants and differential taxation.

For example, financial assistance can be provided to environmental and social labelling programmes which are shown to appeal to women, coupled with lower taxes on labelled goods. More resources should be invested to improve women's mobility, including public transportation systems that cause less environmental damage and create more options for women who do not drive. Tax incentives and subsidies for energy-efficient investments such as lighting and solar heating are among the many steps governments can take to reinforce female consumption patterns (OECD, 2008b).

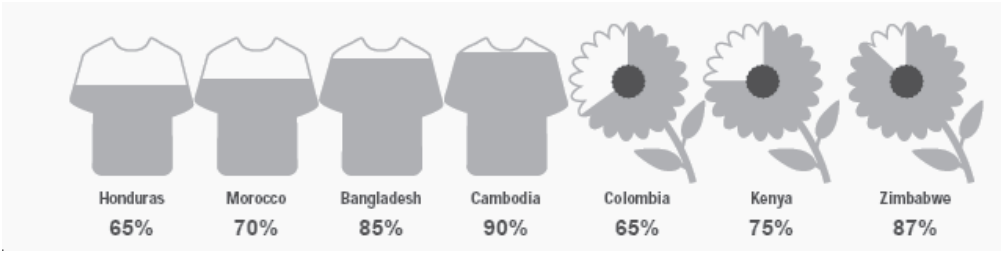
Women and Sustainable Production

International trade and investment have led to the globalisation of production where goods are made up of many component parts produced, assembled and shipped in different parts of the world. The sustainability of globalised production has become of increasing concern in terms of the environmental and social practices of multinational enterprises and their supply chains (OECD, 2008c). Of particular interest are the ecological impacts of production processes in manufacturing, agriculture, mining, forestry and other sectors through contributions to climate change, deforestation, overfishing and loss of biodiversity. The social practices of firms, including the health and safety of employees, labour representation, sustainable livelihoods, community contributions, and increasingly gender impacts are also under the spotlight.

Trade liberalisation and foreign investment have created jobs and spurred economic growth in both developed and developing countries. This has been accompanied by changes in the international structure of industry and the male-female composition of the workforce in different sectors and regions. In OECD countries, the manufacturing sector has contracted and jobs in service sectors such as sales, finance and communications have expanded. At the same time, mass production of goods including electronics, automobiles, household appliances and toys has shifted to non-OECD countries. The environmental consequences of this shift are a continuing issue and are coupled with the social implications for working men and women.

Women are increasingly visible in export-oriented sectors in middle-income developing countries, where they comprise up to 90% of workers (**Figure 16**). Females now tend to dominate in low-skill, labour-intensive jobs in textiles, clothing, pharmaceuticals, household goods and toy production in non-OECD countries. Much of this employment is located in export processing zones, which account for between 33% and 88% of production and exports depending on the sector. In 2005, it was estimated that there were 50 million jobs in export processing zones worldwide and that 80% of these were held by women (OECD, 2005c).

Figure 16. Women as Share of Total Workers in Export Production of Clothing and Flowers



Source: Raworth, 2004

While the advent of light manufacturing jobs in developing countries has brought employment to women workers, it has not led to higher wages or better working conditions. The lack of labour representation results in little social protection. In countries such as India, women represent 96% of workers not represented by unions (ETI, 2003). Wages remain significantly lower than in other manufacturing sectors where the majority of workers are men. In comparable jobs, women's earnings represent about 73% of men's earnings. Less than 20% of this gender wage gap can be explained by male-female differences in education and work experience or by the types or characteristics of their jobs (World Bank, 2001).

The situation is comparable in export-oriented agricultural sectors such as food-processing and horticulture, where women also make up the majority of workers in many countries. Because jobs are not adequately remunerated and lack full labour rights, women are deprived of opportunities to improve their livelihood and status. Other deficiencies include long and irregular working hours which are destructive to family life, lack of health benefits and maternity leave, poor health and safety conditions, and lack of union representation or legal employment contracts (WWW, 2008). The result is female working poverty, the profits of which are reaped by actors further up the supply chain.

As production and sourcing take place on an increasingly global scale, the environmental and social dimensions of products are largely invisible to consumers. There are a growing number of codes of conduct and guidelines for promoting the sustainability of company values, practices and production processes to which more and more multinationals ascribe. However, corporate responsibility for the ecological and workplace conditions of their smaller suppliers and contractors along the global supply chain is still a vague area.

Policy implications

Governments can promote sustainable corporate production through support to reporting systems and international instruments. More companies are now publishing corporate reports to inform consumers of their environmental and social values and practices at home and abroad. Surveys show that female consumers in OECD countries are most concerned about these production values and are more likely than men to look into the background of the goods they purchase. As interest in the social and ethical aspects of production grows, gender discrimination in employment practices is also rising on the radar screen. Corporations which neglect environmental impacts are also more likely to give scant attention to the social dimensions of their workplaces (WWW, 2008).

More large companies are providing information in connection with global sustainability instruments and codes of conduct, including the *OECD Guidelines for Multinational Enterprises*, the UN Global Compact, and the Global Reporting Initiative (GRI). These are comprehensive frameworks which cover environment, social and corporate governance issues. Governments prescribe adherence to the OECD Guidelines for their firms, including both environmental tenets ("enterprises should take due account of the need to protect the environment") and social tenets including gender ("enterprises are expected to promote equal opportunities for women and men"). Disputes may arise regarding non-adherence to the OECD Guidelines and, in this context, the status of women has been raised in relation to projects in the mining, oil and gas, and hydroelectric sectors as well as export processing zones (OECD, 2007g).

More than half of the world's largest companies now provide reports on environmental, social and ethical performance. In some OECD countries, such reporting is required. In Belgium, Denmark, France, the Netherlands and Norway, corporate sustainability reporting is a legal obligation, mostly linked to annual financial reports. Other countries require sustainability reporting from certain sectors, actively encourage information disclosure, and/or provide certification and verification services for companies of their environmental and social practices. But in most OECD countries, sustainability reporting is voluntary and reporting and compliance vary widely across sectors and companies.

While the top-down approach to promoting sustainable production is gaining ground, the lower reaches remain neglected with controversial and embarrassing results for larger multinationals. They may find that their goods being sold in OECD countries have been produced using underpaid child or female labour, environmentally-damaging processes or neglect of basic health and safety rules. Companies should be made responsible for the

production impacts of their suppliers, including the environmental, safety and health, and worker rights dimensions. More international codes of conduct should include reporting and monitoring on how a company's product range supports sustainable production all along the global supply chain.

Women and Climate Change

Gender is a significant aspect to be taken into account when considering actions both to adapt to and mitigate climate change. Climate change impacts are not only physical and economic, but also social and cultural. Because of gender differences in social and economic roles and responsibilities, the effects of climate change affect men and women in varied ways, and often women more severely. At the same time, women generally advocate a wider set of actions than men for addressing climate change.

Women tend to be affected differently, and more harshly, by climate change because of their social roles and more impoverished status in both OECD and non-OECD countries. In developed countries, women are among the most vulnerable groups owing to a reduced ability to access finance, technology and information needed to adapt to climate change impacts. In the case of Hurricane Katrina in the United States, for example, those who were hardest hit and had the least ability to recover included women, who represent the majority of the poor. Increased costs for energy, transportation, health-care, and food caused by the disrupting effects of climate change disproportionately affect women, especially single mothers.

In poorer countries, climate change can adversely affect crop yields and thus the livelihoods and food security of women who are largely responsible for food production as well as family nutrition. Supplying water and fuel for families, which is typically the responsibility of women, becomes more difficult as environmental changes negatively affect clean water supply, existing infrastructure, and urban and rural settlements. Coping with the damage of extreme weather events such as storms, floods, and cyclones may also fall more on women who hold together families and households. Climate change can lead to shortages of resources and unreliable job markets, causing male emigration in the search for work and increasing the agricultural and household duties of women.

Women and children are far more likely to die than men during extreme weather events linked to climate change owing to their greater vulnerability (Mirza, 2003). In the 2004 Asian tsunami, 70%-80% of all deaths were

women. In the 1991 cyclone disasters in Bangladesh, 90% of victims were women. In Europe, more women than men died during the 2003 heat wave. Following Hurricane Katrina, African-American women, who were the poorest population, faced the greatest obstacles to survival.

For mitigating climate change, women propose more comprehensive approaches to those advocated by men, but they have less power and influence to affect public policy. Women tend to focus more on lifestyle and social changes to reduce greenhouse gas emissions, including reducing the impact of unsustainable consumption and production patterns on the environment and promoting actions such as energy-saving and greener purchasing. Women have greater doubts than men that technological solutions alone will solve the problem of global warming and support initiatives to induce changes in personal behaviour.

Surveys in the United Kingdom find that 75% of the women surveyed are apprehensive that actions they consider effective to mitigate climate change will not be adopted soon enough. In addition, 97% of women surveyed do not think the government is doing enough to combat climate change, and 80% fault the lack of female involvement in environmental policy-making (WEN, 2007). Similarly, in Germany, more than 50% of women compared to 40% of men rate climate change as extremely or very dangerous. Far more than the men surveyed, women tend to believe that individuals can contribute toward protecting the climate through their actions and lifestyle changes (GenaNet, 2007).

Policy implications

As stated in Principle 20 of the 1992 Rio Declaration on Environment and Development, "*women have a vital role in environmental management and development … and are therefore essential to achieve sustainable development*." The role of women in confronting and adapting to climate change should be increased in order to draw on a wider range of mitigation actions and better targeting of adaptation strategies. The present lack of women's participation in most policy-making signals a gap in the resources devoted to the climate challenge. More balanced and effective approaches could be developed if international climate change negotiation processes as well as national climate policies considered gender aspects.

By increasing the female presence in climate decision-making, holistic solutions to mitigate adverse effects would be given greater weight. Because men dominate in areas related to energy, transportation, and industry, the focus of climate policies tends to be more technological than behavioural. Many of the technological changes and instruments now proposed may not

be gender-neutral and may negatively affect women or bypass their role completely. For example, if transport policies were geared more to women, less emphasis would be placed on funding road systems and modifying automobiles and more on user-friendly and climate-friendly transportation systems.

Women, whose carbon footprint is smaller than that of men, should play a larger role in confronting climate change since they make the majority of consumption decisions for households. From the female perspective, public policies should be oriented, *inter alia*, to the carbon-labelling of goods, lower taxes on climate-friendly products, and government grants and incentives for more efficient heating and energy systems. Women also advocate higher investments in renewable energy, more climate-friendly manufacturing processes, and tougher carbon reduction targets (WEN, 2007).

As the primary caregivers and educators of the next generation, women give greater emphasis to the role of communications and education in mitigating climate change. They play a critical role in bringing about changes in attitudes and encouraging the adoption of greener lifestyles and climate-friendly values by their children. More education about climate change, its causes and ways to avoid it for all age groups is among the steps they advocate. Women themselves would like to know more about the science and technology of climate change, indicating a role for better training in this area.

In poorer countries, the female role in helping communities adapt to the adverse effects of climate change should be factored into development assistance policies and climate change strategies. In their function as household managers, women could be more productively involved in producing renewable and sustainable energy for heating and cooking (Energia, 2007). As a result of their land-based work and knowledge of natural resources, women represent an untapped asset in coping with the effects of climate change on livelihoods and providing relief in the event of natural disasters (UNEP, 2004). Technology transfer and Clean Development Mechanism (CDM) projects could be designed in a gender-sensitive way to promote the dual purpose of climate protection and enhancing the role of women.

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