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Labour 20 (L20)

Issue Note

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Issue 2: Women and Future of Work

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I. Background

Gender equality and promoting women's economic empowerment has remained central to policy discourses in G20 countries. The global labour market participation of women has been low in comparison to men which reflect on high inequality and labour market challenges. Over the years, the G 20 summits and other collective agreements have tried to address the issue of labour market inequalities through several commonly agreed policy initiatives. In addition to these challenges, the onslaught of digital technology and technological transformation has led to unprecedented changes in the world of work leading to the rise in new forms of employment, digitalisation, gig economy, skill challenges and inequalities which disproportionately affects different sections of workers including women workers. Alongside the issue of reducing the gender gap in labour market participation, the G20 countries also identified the need to address the challenges due to digitization, automation, globalisation etc and the need to focus on new skills, new forms of work, and promotion of innovative institutional frameworks for building an inclusive future of work. The G20 summit in 2018, Argentina had recognised the need to address future of work as a shared priority to achieve fair and sustainable development.¹

The issue of gender inequality in G20 discussions was first addressed at the 2012 Los Cabos Summit that recognized the low social and economic participation of women as a major constraint to economic development. Later on the St. Petersburg Summit recognised the importance of financial education for developing entrepreneurship potential. Further the Women 20 (W20), a G20 Dialogue group was constituted for female delegates from G 20 countries (Neff D and Betz J 2017)². The W 20 had recognised the need to harness the economic potential of

¹G20 Ministerial declaration, Argentina Presidency 2018.

<http://www.g20.utoronto.ca/2018/2018-09-07-employment.html>

²Neff D and Betz J (2017), Gender Justice as an International Objective: India in the G20, GIGA Focus, Asia, Number 3 June 2017

women along with the promotion of female entrepreneurs and women's cooperatives, the special digital support of girls and women; and the complete closing of gender gaps in training, education, and pay. The G20 leaders at the 2014 Brisbane Summit committed to reduce the gender gap in labour force participation by 25 percent by the year 2025 (the 25*25 target) and had emphasised on improving quality of employment³. The Riyadh Summit in 2020 provided a roadmap to ensure progress not only in reducing gender gap in labour force but also focussed on improving quality of women's employment. The G20 labour and employment Ministerial Declaration in 2021 at Catania had committed to ensure an inclusive, sustainable and resilient recovery of labour markets and societies in the context of the pandemic. The G20 summit in Indonesia in 2022 had focussed on entrepreneurship development and promotion of sustainable enterprises⁴. The G20 countries had reiterated to continue to promote policies that increase the quantity and quality of women's employment, ensure equal opportunities and achieve better outcomes in the labour market, promote a more even distribution of women and men across sectors and occupations, tackle the gender pay gap, promote a more balanced distribution of paid and unpaid work between women and men, and address discrimination and gender stereotypes in the labour market⁵. The G20 nations had committed to reduce gender differentials in the labour market and promote equality. Several G20 nations, particularly those with an informal labour market including India has several challenges to overcome in the labour market. Low levels of female participation rates can have negative economic effects, like reducing potential growth rates. There is no denying the fact that gender equality is increasingly seen as key to prosperous economies and inclusive sustainable growth, besides being a fundamental human right (ILO, 2018)⁶.

Women's participation in the labour market has been lower than that of men globally and is characterized by high inequality. Though women's labour market participation has increased in some countries, yet the gender gaps still persist. There was 27 percentage point gap in labour force participation rate between men and women in 2019 across all countries in the world. While 74 per cent of males had participated in the labour force, only 47 per cent of females could participate in

³ ILO (2018) Women at Work in G 20 Countries : Policy Actions since 2017, paper prepared for the 2nd meeting of the Employment Working Group under Argentina's Presidency 11-12 June 2018, Geneva, Switzerland.

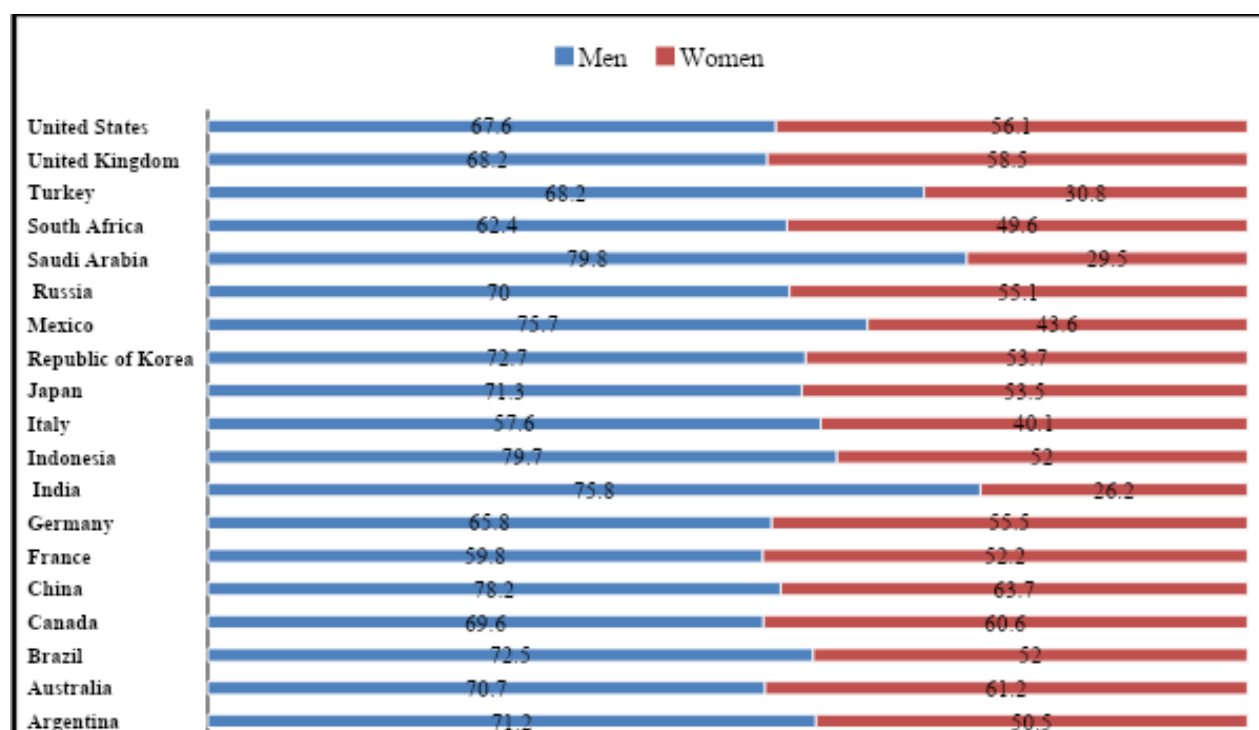
⁴ G 20 (2022) Sustainable Job Creation Towards Changing World of Work Priority Issue 3, Issues Notes.

⁵ <http://www.g20.utoronto.ca/2021/210623-labour.html>

⁶ ILO (2018), Decent Work and Economic Growth -Equal Pay for Work of Equal Value , Paper prepared for BRICS, Labour and Employment Ministerial Meeting, 2-3 August 2018, Durban, South Africa

the labour force in 2019 as reported by the World Employment and Social Outlook (WESO) 2020 of the International Labour Organization (ILO,2020)². The gender gaps in labour market participation are more than 40 per cent in ‘low and middle income’ countries. Though labour market participation of women in several G20 countries has improved, yet the gender gaps in participation rates have remained persistent in all G20 countries (Fig1). Amongst the G20 economies, the countries like *India, Saudi Arabia, Turkey and Mexico* have reported to have larger gender gaps thereby reflecting on limited progress to reduce gender gaps in labour market participation.

Fig 1 Labour force Participation rate sex and age in G20 Countries, ILO Modelled Estimates 2020-21 in %AnnualAge group15+



*Note: Data for European was not available for 2020-21

(Source: EU Labour Force Survey & National Labour force Survey)

In addition, the COVID 19 pandemic had significantly affected women's employment thereby stalling the progress achieved towards SDG 5. The ILO's Covid Monitor in 2021 had reported that there has been employment loss for women at 5 percentage points while for men it was 3.9 percentage points across the globe. Across all regions, women are more likely than men to be

economically inactive. ⁷Covid 19 pandemic has exacerbated the existing vulnerabilities of women workers affecting sectoral employment where women were largely concentrated. For example, women constituted 70 percent of the workers in health care institutions worldwide. In developing countries they are engaged in low paying employment which are directly or indirectly linked to supply chains and supply chain disruptions have led to negative impact on women's employment (ILO, 2022)⁸. Some of the sectors like retail, trade, construction, hospitality etc where women were found to be concentrated had experienced severe job losses due to the pandemic induced lockdown measures. There has been rise in self-employment in many developing countries including India where self-employment increased by 7.5 percentage points i.e from 51.9 percent in 2017-18 to 59.4 percent during 2020-21 as reported by the Periodic Labour Force Survey (PLFS). As reported by the ILO, pandemic has fuelled the rise in gig work, though in developed nations workers engaged in gig work earn supplementary income but, in developing and emerging economies may become the main source of income (ILO, 2022). While on the one hand, the sectoral segregation of the labour market had been disadvantageous for women and had pushed them to low paying jobs or self-employment. On the other hand, the rapid technological transformation has led to a growing demand for workers with higher skills in technology related sectors and at the same time deepened the digital divide. Women in many G20 nations who did not have adequate access to technology were worst affected as the pandemic had intensified existing inequalities in the labour market thereby pushing them to non-standard ,temporary employment, part time work etc. In several G20 countries, particularly Germany, Italy, UK, Argentina, Australia and Japan the gender gap in share of part time employment was 30 percentage points with more women engaged in such employment.⁹

There have been several challenges faced by women for their low participation and concentration in non-standard employment that include lack of skills, education, increased burden of unpaid and care work, sectoral segregation etc. Though self- employment is on the rise, in developing economies it is more out of economic necessity. Entrepreneurship for women has remained challenging due to lack of government funding, training, lack of financial literacy etc. Though

⁷ILO (2021) ILO Monitor: Covid 19 and the World of Work: Seventh edition.
https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_767028.pdf

⁸ILO(2022), World Employment and Social Outlook Trends , Geneva: International Labour Organisation.

⁹ OECD and ILO (2019), Women at Work in G 20 Countries: Progress and Policy Action.

https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_713373.pdf

self-employment is an important opportunity for women to participate in the labour market, they remain confined to small enterprises that are vulnerable and lack access to social protection. In addition, the pandemic has worsened the situation necessitating a systematic investigation into employment conditions of women workers along with promotion of fiscal policies in the form of social protection and financial support to small and medium enterprises.

The ILO's Global Commission on Future of Work reiterated on the need to seize the opportunities presented by the transformative changes to deliver economic security, equal opportunity and social justice. The human centred agenda of future of work emphasises on broader dimensions of development and progress in living standards, including the rights and enabling environment that widen people's opportunities and improve their well-being (ILO,2019)¹⁰. The need to invest in people's capabilities, particularly re-skilling and up skilling that is imperative to promote lifelong learning. The Commission also recognised the need promote investments in institutions, policies and strategies that will support people through future of work transitions. Also, to promote gender equality by adopting specific measures to address gender equality in the technology enabled jobs along with a transformative agenda for gender equality that includes investments in care services, parental leave policies and policies for fostering the sharing of unpaid care work (ILO,2019)¹¹.Also, the promotion of greater investments in educational opportunities including skilling is important to enable women to participate in a labour market dominated by technology in G20 nations.

Another significant challenge before women in G20 countries is the challenge on unpaid care work that has intensified due to the pandemic with the has increased the burden of unpaid care work on most women, including migrant women, as a result of closure of schools, kindergartens, crèches and other public and social services. For addressing these concerns, there is need to understand and systematically investigate the gender gaps in labour market participation in G20 countries along with an assessment of the impact of the pandemic on women's work in order to work collectively towards adopting and strengthening sound policies for the promotion of gender equality in the world of work. The disproportionate share of unpaid work done by women in many G 20 countries in comparison to men has contributed to low participation of women in the

¹⁰ILO (2019) Global Commission on the Future of Work: Work for a Brighter Future.Geneva:InternationalLabour Office.

¹¹ ibid

labour market and increasing gender gaps in the labour market. The Covid 19 pandemic has further aggravated the situation and some women may be forced to quit labour market or take up part-time jobs as juggling between unpaid and care work and paid work commitments becomes challenging.²⁶ It is also essential to actively promote a much more equitable division of unpaid work between men and women, as well as to ensuring that low-income and jobless families have access to inexpensive and high-quality child and senior care. It is also vital to continue taking steps to extend paternity and parental leave, including paid leave, as needed. In low- and middle-income countries, the issue of improvement in basic infrastructure, such as energy, water (close to home), sanitation which would contribute significantly in making available more quality time for women's paid work and help in reducing unpaid work. Studies have reported that investments in infrastructure boosts labour market participation of women by reducing unpaid work²⁷. Further, enabling services such as transport facilities, public safety, availability of child care (and elderly care) services need to be strengthened while promoting a human centred approach in the future of work. It is evident that new technologies may transform the future of work displacing many existing jobs and care work involves new skills that are likely to be least susceptible to the impact of automation. The increasing need for care is expected to be an important source of employment in the future of work.¹²

It is also evident that automation and digitisation could deepen the gender inequalities as in many countries women are in low skilled jobs. There has been sex segregation of labour markets in several G20 countries which often restricts upward mobility of women as they are in low paying employment. At the same time, there has been a horizontal segregation with regard to skills that boys and girls are encouraged to develop right from their childhood. As a result, girls are underrepresented in Science, Technology, Engineering and Mathematics (STEM) right from their childhood. It is evident that in the care sector, women are strongly represented, whereas men are highly represented in STEM disciplines¹³. The prevalent socio-cultural norms and institutional barriers restrict women from entering STEM fields and reinforce stereotypes. The Fourth Industrial Revolution seems to lead to a future of work where there will be an increasing demand for jobs in science and technology. The growing demand for professionals in STEM fields is met

¹²Florito et al (2018). Gender Economic Equity and the Future of Work. T20 Argentina Think 20. CIPPEC

¹³ibid

with a significant labour shortage in these fields. ¹⁴Therefore, there is a need to address this segregation so that women find greater remunerative opportunities as STEM skills are in demand for employers in the changing world of work. Several G20 countries have tried to reduce gender occupational segregation and increase women's access to better paying jobs through diversification of skills for young women through Technical Vocational Education and Training in non-traditional occupations (Australia, China, India, Japan, Republic of Korea, the Russian Federation, the United Kingdom and the United States), by encouraging young women to engage in STEM studies.¹⁵

There is no denying the fact that digital transformation provides innumerable opportunities for women workers and can contribute in reducing labour market inequalities. But there are several challenges that need to be identified and addressed in the context of G20 nations to work collectively towards promotion of gender equality in the labour market. Though G20 countries have committed to reduce the gap by 2025, the pandemic has altered many of these developments and there is a need to deliberate on targeted interventions and innovative solutions through sharing of cross country experiences in G20 deliberations. In the light of the above background there is a need to deliberate on some of the following issues in the L 20 in 2023.

II. Session Objectives

The purpose of this session is to discuss the gender gaps in labour market participation and the impact of COVID 19 on women's work. The members may share their experiences on the strategies for recovery and best practices in boosting female employment. The session would also deliberate on the impact of rapid technological transformation, digitization, automation and its impact on women's work and practices on closing the gender gaps. There is a need to discuss on addressing women's barriers to lifelong learning which was identified as an important way forward to addressing the transformations and dealing with the new forces and challenges emerging in the world of work. The increasing demand for care work is another important issue that needs further discussion amongst the member nations. The members may also discuss on the adaptation of social protection systems to new forms of employment.

¹⁴OECD and ILO (2019) Women at Work in G 20 Countries: Progress and Policy Action.
https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_713373.pdf

¹⁵ibid

III. Questions for discussions

During the discussion, the members are required to discuss the following questions?

- (1)** What the reasons for persisting gender gaps in the labour market?
- (2)** What are the challenges experienced by women during Covid 19 due to technological transformation?
- (3)** What are the best practices/experiences by member countries for promoting participation of women in STEM fields and closing the gender gaps in access to technology thereby reducing the digital divide?
- (4)** What can be done to improve women's access to new opportunities in the future of work?
- (5)** What steps the G20 countries have taken to accommodate the increasing demand for care work in the future of work?
- (6)** What are your suggestions on potential collaboration to address the challenges faced by women due to digital transformation and related labour market challenges and promoting inclusive employment policies?

IV. Expected outcome

The L20 will deliberate on identifying innovative practices and to develop policy framework to enable greater participation of women in the emerging world of work.