

UN Commission on the Status of Women

54th session

1-12 March 2010. New York

Women in the Global Economy in a Time of Crisis



Background Discussion Paper prepared jointly by **Education International (EI)**, **International Trade Union Confederation (ITUC)**, and **Public Services International (PSI)** for the Fifty-fourth session of the United Nations Commission on the Status of Women, (UN CSW54, New York, 1-12 March 2010) under Item 3 (a) (i) of the Agenda:

The Beijing+15 Review process

NOTE: A shorter version of this document has been received by the United Nations Secretary-General, and has been posted as the official Statement of EI-ITUC-PSI to CSW54. Available in all UN languages (Arabic, Chinese, English, French, Russian and Spanish), this Statement appears as the 14th document in a list in the UN website section NGO Statements, Document name: E/CN.6/2010/NGO/14. The web link is: www.un.org/womenwatch/daw/beijing15/documentation.html

The Statement is also available in English, French, and Spanish on the ITUC website: www.ituc-csi.org/ituc-54th-un-commission-on-the.html

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Women in the Global Economy in a Time of Crisis

Impacts on Women of Multiple Crises

The 54th Session of the Commission on the Status of Women (UN CSW54) in 2010 provides an invaluable opportunity to assess progress made and challenges remaining in implementing the Beijing Declaration and Platform for Action fifteen years after its adoption in 1995. For the global trade union movement which will be represented at the CSW by EI, the ITUC and PSI, there is hardly cause for celebration. We express our deep concern at the plight of millions of working women caught up in a set of global and multiple crises that are not of their making, and that nevertheless are affecting their chances to live decent lives in

dignity, equity and freedom from poverty. After being hit by the food and energy crises in the spring of 2008, they have been suffering the impacts of the financial crisis which peaked in September of 2008, precipitating a veritable jobs crisis, while the ongoing climate crisis slowly takes its toll.

The financial crisis resulted from an economic model of deregulated markets that increasingly put profits before the well-being of people. Risky financial schemes resulted in the accumulation of massive amounts of profits for banks and financial service operatives, and trillions of dollars lost to productive and social investments in the real economy. The crisis is placing increasing strain on education and public health budgets around the world. Massive bailouts in the financial sector were accompanied

by weak and inconsistent policy responses regarding public sector and social expenditure and deficit funding. The workers in rich and poor countries have been the losers and women have been particularly hard-hit. Measures associated with stimulus packages have focused on physical infrastructure such as transport and construction. While this is important for job creation, we express concern at the scant attention paid to strengthening social infrastructure and ensuring that social safety nets are available to those who are most affected by the crisis – women and girls.

These multiple food, financial, jobs and climate crises have wiped out a good portion of the gains made in achieving the Millennium Development Goals (MDGs), with disproportionately negative impacts in increasing women's poverty and food insecurity, and limiting their access to decent jobs, affordable, quality education, health and reproductive services, water and other basic social services. These crises have clearly undermined national policies aimed at reducing gender inequalities and inequities.

WALL STREET BONUSES: WHAT THEY COULD PAY FOR

According to the Attorney General of the State of New York, Andrew Cuomo¹, the nine largest US banks which collectively received USD 175 billion in government support as part of the Troubled Asset Relief Program (TARP) granted USD 32.6 billion in bonuses to their employees in 2008. This sum would have paid for:

- Financing the gap to achieve universal primary education, adult literacy and childhood care and education in the 68 low-income countries for three years²;
- More than doubling the United States' 2008 level of official development assistance, bringing it in line with the Organisation for Economic Co-operation and Development (OECD) average – increasing its contribution to 0.41% of Gross National Income, compared with 0.18% currently³;
- Cancelling the remaining debt of all Heavily Indebted Poor Countries (HIPC)⁴.

1 http://www.oag.state.ny.us/media_center/2009/july/july30a_09.html

2 http://www.unesco.org/education/gmr2009/press/efagmr2009_Highlights.pdf

3 <http://www.oecd.org/dataoecd/48/34/42459170.pdf>

4 http://siteresources.worldbank.org/INTDEBTDEPT/Resources/468980-1240603491481/Debt_PocketBroch_Spring09.pdf

The Jobs, Food and Climate Dimensions of the Crisis

Despite some recent assertions by the IMF that the worst of the crisis will soon be over, and forecasts of a pick-up in growth of the global economy, the ILO has estimated a world-wide rise in unemployment by 50 million by the end of 2009, bringing total global unemployment to the highest level ever on record. The ranks of the working poor, those earning less than \$2 a day, will rise to 200 million. Given the already structured and multiple discriminations faced by women as workers in precarious, lower-paid, underpaid, atypical jobs which they combine with care-giving roles, the jobs crisis is affecting them disproportionately. With the shrinking of public sector budgets as a result of the crisis, they are left to shoulder an even greater

burden of household care and social provisioning activities, without income or social compensation.

The export-led model of growth prescribed by the IFIs (International Financial Institutions) for the developing countries has resulted in the dismantling of the domestic food-producing sector in many countries, and coupled with speculation in food and other commodities has led to food scarcity, and rising prices for staple food items. Climate change and increasing drought conditions have further worsened the situation of food insecurity and water scarcity, particularly in sub-Saharan Africa. These factors have had severe

impacts on rural food producers, a large majority of whom are women, and affected their capacity to feed their families. Levels of malnutrition in low-income countries have seen a dramatic rise, prompting UNICEF and the WFP to step up their food relief programmes in poor and vulnerable communities. The estimated number of the hungry has risen to 1 billion, the majority of those affected being women and children. 1.3 billion people lack access to basic health care services, while 100 million people are pushed into poverty every year by health care costs.

Globalization and Women's Employment

Ninety percent of health and social care is delivered in the home by women and girls. Typically they receive no pay for this work.

Globalization has no doubt opened up new opportunities for women's employment, both in the manufacturing and services sectors; yet women still have difficulty accessing employment, compensation and job mobility opportunities commensurate with their educational and skills levels. Gender plays a critical role in determining the value of work and the pay of women workers in the global health workforce and other social sectors. Gender-based pay inequities are historically based on the notion that a woman's primary role is home-based: caring for her family and tending to household chores. Women's roles in the workplace are thus seen as an extension of their roles in the home and pay structures are often determined accordingly. Pay inequity therefore remains a persistent problem faced by working women. No country in the world has achieved pay equity, defined as equal pay for equal work, or work of equal value. The pay gap in some industrialized countries such as the Nordic countries is now 12%, but in many countries it can be upwards of 50%.

Working women are to be found in various forms of precarious employment, characterized by low pay and limited access to benefits or entitlements including social and employment insurance schemes (state or employer provided). Typically, they lack career development or training

opportunities, endure long hours in abusive workplaces, are at high risk of ill health or injury, and have little or no regulatory protection. They are to be found at the lowest end of global value chains, gaining little value added for home-based work for such products as carpets, garments, bidi cigarettes.

Export-led growth and Export Processing Zones (EPZs) have become important tools for development growth, with mixed results in terms of impacts on young women who make up the majority of the workforce. Oftentimes they work under sweat shop conditions and are victims of sexual harassment. Their basic rights to join unions and benefit from the workers' protections guaranteed by collective agreements are denied. In many developing countries, a majority of working women (over 70%), are to be found in the informal economy, many as self-employed rural producers or urban retailers in markets or as street vendors. Their wages and conditions of work are precarious. The informal sector, oftentimes, is not covered by national labour legislation, and women workers in this sector are denied their basic workers' rights.

Unpaid care work is a major contributing factor to gender inequality and women's poverty. In many African countries, the HIV/AIDS pandemic has increased and intensified women's unpaid care work, and further reduced their chances of securing paid, productive work.

Investing in Education as a human right

Investing in education as a human right is key to restored growth and sustainable development. The acute shortage of qualified and trained teachers, especially in the developing world, must be overcome. Given increasing enrolment levels, about 2.4 million teachers (1.2 million new teacher posts) will be needed between 2007 and 2015 in sub-Saharan Africa alone, to achieve Universal Primary Education. The achievement of quality public education is challenged by a number of factors: severe financing shortfalls in education budgets, lack of training and professional development for teachers, growing recruitment of unqualified teachers who are paid less, have poorer working conditions and who do not stay long in the job, the HIV and AIDS pandemic, increasing natural disasters due to climate change, conflicts that threaten the security of teachers, students and education institutions.

Addressing these challenges calls for an integrated approach, with policies that increase access to education for girls and boys from every social background, and enhance inclusion and quality at all levels and in all settings. Policies must build on a platform of investing in equity in education, combining large-scale recruitment of teachers with appropriate pre-service education and ongoing in-service training, based on agreed competency standards for teachers. It must include strong and effective leadership in schools and working conditions conducive

to good teaching, as well as relevant curricular and teaching resources that enable committed caring professional teachers to do the job well; it must also include all children in quality education. New approaches to learning must support innovative thinking, the acquisition of specific knowledge about the environment, health and citizenship, as well as the promotion of life skills curricula, ethical values and attitudes.

Educating girls is one of the most effective and efficient development tools. Educated girls are able to negotiate having a smaller number of children, who are in their turn healthier and better educated. Educated women play an increasingly active economic and political role at local and national levels.

While there has been some progress in girls' enrolment rates (the share of girls out of school has declined from 58% to 54%) a lot more needs to be done to close the gender gap in primary education by the target date of 2015.

*Education for All,
Global Monitoring Report 2010*

Overall, aid has been increasing, but commitments are falling short of the US\$50 billion increase pledged in 2005. Africa faces the greatest shortfall, estimated at US \$18 billion.

*Education for All,
Global Monitoring Report 2010*

Redressing the Chronic Under-investment in Public Services

Developing countries bear 90% of the world's disease burden but possess just 12% of the world's health care resources.

www.idcsig.org/BMA%20Report%20-%20Improving%20Health.pdf

Chronic under-investment in public services in both industrialised and developing countries remains a significant barrier to the social and economic emancipation and empowerment of women.

Women, especially, rely on the availability of quality public health, social care, child care, water and energy distribution services. Without adequate public investment in health, the poor, the majority of whom are women, will be left without critical health services. Relying on private provision of health services prevents health care spending being allocated proportionally to all income groups, leaving those who cannot afford to pay without a basic standard of health care. Where states fail to provide adequate public health and care services, the burden falls heavily on women to compensate for their non-availability. Universal access to quality public services is key to achieving the Millennium Development Goals.

In many countries, the public sector is the single largest employer of women outside the informal economy. However, occupational segregation, undervaluation of women's work and the increasingly precarious nature of public sector jobs (through the use of outsourcing, short-term contracts, informal subcontracting and the indiscriminate use of temporary recruitment agencies) are factors inhibiting the true economic empowerment and advancement of women.

Nearly 600 million women give birth each year without any medical assistance and more than 500,000 die from complications of pregnancy and childbirth.

World Health Organisation, Gottret and Schieber (2006)

Globally, women doctors earn 32% less than men doctors and women nurses earn 16% less than men nurses.

Recommendations

The dominant neo-liberal economic model of growth through skewed capital accumulation needs to give way to a social model of growth with shared prosperity through decent work, with gender equality at the heart of decent work. This must happen through a process of transformative change. Women must be active agents in this process of change, taking their places at leadership and decision-making levels in global and national-level decision-making bodies, and in the trade unions.

The policy and normative framework for gender equality and women's empowerment is set out in a number of instruments; and these should underpin the policies and programmes aimed at restoring growth with equity in global and national economies. Of paramount importance in this regard, are the following:

- ♀ **The Beijing Platform for Action** adopted unanimously at the United Nations Fourth World Conference on Women (September 1995), together with the **Convention on the Elimination of all forms of Discrimination Against Women (CEDAW)** adopted by the UN General Assembly (1979).
- ♀ **The ILO's Global Jobs Pact** adopted by the 98th Session of the International Labour Conference (June 2009) which proposes a comprehensive set of policy measures that countries should adopt to address the crisis, with a strong focus on employment creation, social protection, social dialogue, and fundamental rights at work, in keeping with the four strategic objectives of the Decent Work Agenda.
- ♀ **The ILO Resolution concerning Gender Equality at the Heart of Decent Work**, adopted by the 98th Session of the International Labour Conference (June 2009), which asserts that International Labour Standards are a primary means to promote gender equality in the world of work, and in that regard, emphasizes the importance of the Equal Remuneration Convention 1951 (100), the Discrimination (Employment and Occupation) Convention, 1958 (No 111), the Workers with Family Responsibilities Convention, 1981 (No. 156), the Maternity Protection Convention, 2000 (No 183),

the Part-Time Work Convention, 1994 (No 175), and the Home-Work Convention, 1996 (No. 177). In addition, economic and social policies must integrate the Conventions that create enabling rights for gender equality: the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No 87), and the Right to Organize and Collective Bargaining Convention, 1949 (No 98).

- ♀ **Governments should further promote ILO Recommendation 198 on the Employment Relationship** and adapt the scope of relevant laws and regulations in order to guarantee effective protection for all workers who perform work in the context of an employment relationship, including those in precarious or atypical forms of employment. Legislative gaps that leave women and girls without legal protection and enjoyment of their full human and labour rights should be identified and eliminated:
- ♀ **Governments must invest significantly in public education today**, and make it a cornerstone of economic recovery. Accelerating progress on adult literacy, especially among women, providing life skills education for girls, and expanding education to tackle youth unemployment through skill development training must be priorities of recovery plans.
- ♀ **Governments must invest significantly in public health and social care**, including child and elder care, as well as public water and energy systems, as tools for achieving gender equality and mitigating the effects of the global economic crisis.
- ♀ It is important that policy-formulation and implementation processes at national and local levels be developed through **social dialogue, and multi-stakeholder consultations involving trade unions and women workers' representatives**, to ensure that gender equality and decent work objectives inform all policies and their implementation.

Trade unions empower working women

Unions play a crucial role in organizing women, negotiating better working conditions, and providing women with fair access to decent jobs. Labour representation gives working women the power to advance their rights both in the workplace and society. Trade union organizations work to ensure that women's rights are protected and respected at all levels, and supported by legislation. This includes promoting women as leaders and decision-makers at all levels within their unions, regional bodies, and international institutions, such as the International Labour Organization (ILO) and the United Nations Commission on the Status of Women (UNCSW).

The *United Nations Convention on the Elimination of all Forms of Discrimination against Women (CEDAW)* and the *ILO Fundamental Principles and Rights at Work* set out principles designed to ensure that women are not discriminated against in their workplaces, and that they have the right to join trade unions and engage in collective bargaining.

Given the current need to monitor and address the impacts of the economic crisis on women, two further policy instruments, adopted by the ILO at its 98th International Labour Conference in June 2009 are of special significance. These are: the **ILO Global Jobs Pact** and the **ILO Resolution concerning Gender Equality at the Heart of Decent Work**.

Many women work in the informal economy without legal protection. Trade union federations and confederations are working to have labour legislation applied to the informal economy, to formally recognize the rights of these vulnerable workers and to provide social security coverage for them.



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PSI is a global union federation representing more than 20 million women and men working primarily in public services across the globe. Two-thirds of our members are women, many of whom work in the health and social care sectors. PSI believes in affirmative action to achieve gender equality and promotes a "50/50 policy" amongst our affiliates, encouraging equal participation in leadership between women and men. PSI campaigns for the strong, quality public services that are key to empowering women, and advocates on specific issues including the need for pay equity, maternity protection, and an end to violence against women.



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EI is a global union federation of unions representing 30 million teachers and education workers, through affiliates in 172 countries and territories. EI stands up for the right to quality public education for all, particularly girls in deprived areas. Ensuring that teachers are qualified and schools are safe for children and teachers guarantee the provision of quality education. EI's First World Women's Conference *On the Move for Equality* will take place in May 2010, in Thailand, with a focus on achieving gender equality in education, unions and society.



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UNI Global Union is the Global Union for skills and services. We represent 900 trade unions and 20 million workers worldwide. UNI Women supports gender equality in the Global Union for skills and services. We advocate for equal pay and opportunities for women in the global work force. UNI advocates for policies that empower those who need to change their situation by organizing them and providing them with information and the necessary tools so that they become the main driving force of the changes we are pursuing.



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ITUC is the overall global union organization representing over 168 million workers, through affiliated members in 155 countries and territories. At the first ITUC World Women's Conference in October 2009, delegates expressed deep concern at the negative impacts of the global economic crisis on women, and affirmed that the commitment to advancing gender equality must not be eroded by the crisis. Strong support was given to the recently adopted International Labour Conference resolution on gender equality at the heart of decent work, which emphasizes that "crises should not be used as excuses to create even greater inequalities nor undermine women's acquired rights".