

**Trade Union Statement  
52<sup>nd</sup> Session of the  
United Nations Commission on the Status of Women**

**New York, 25 February to 7 March 2008**

**Investing in  
Decent Work  
for Women**



**International Trade Union Confederation (ITUC)**

is the main global union organization of over 168 million workers, through 304 affiliated members in 153 countries and territories



**Education International (EI)**

is a global union federation of unions representing 30 million teachers and education workers, through 394 affiliated members in 171 countries and territories



**Public Service International (PSI)**

is a global union federation of over 650 unions of workers in public sector in over 154 countries and territories

## Decent Work and Social Provisioning - at the Centre of Financing for Gender Equality

1. The priority theme for the 52<sup>nd</sup> Session of the Commission on the Status of Women “Financing for Gender Equality and the Empowerment of Women” is well chosen and timely. Increasingly, financial and trade liberalization policies driving the globalization agenda are having differential impacts on working women compared to men. As a preparatory meeting for the Financing for Development Review Conference (Doha, 29 November to 3 December, 2008), the 52<sup>nd</sup> Session of the Commission provides an opportunity to place gender equality and women’s empowerment at the heart of discussions on the mobilization of financial resources for development. In turn, employment and decent work have come to be recognized within the United Nations system as crucial components of strategies for poverty eradication. This year, the international trade union movement wishes to urge Member States of the Commission to put decent work for women at the centre of policies and programmes aimed at financing gender equality and empowering women.
2. Over 60 million women from 160 countries belong to trade unions that represent and defend their interests at the workplace and in society. In addition, trade unions continually reach out to the unorganized, in efforts to support their struggle for social and gender justice. Unions have a global reach, with members working in all types of jobs, at all levels of skills and expertise in the public and private sectors, and in the informal economy. We are convinced that employment and decent work strategies, linked to social sector provisioning in education, health and basic social services are key to breaking the cycle of feminized poverty, and giving to women and girls, equal opportunities for realizing their full potential.

### The Evidence base for structured inequalities

3. A review of relevant data provides a compelling reminder of the depth of structured inequalities impinging on the lives of women and girls. Jobless growth and unacceptable levels of global unemployment represent the downside of globalization, and impacts are felt disproportionately among women. In 2006, 48.9% of women of working age were employed, compared to 74% of men. Women do more than two-thirds of the world’s unpaid work, while those in waged employment earn on average three-fourths of the male wage for the same work, or work of equal value. Millions of women have no access to social protection. 60% of women workers in the developing world are in non-agricultural informal employment, (i.e. work that is not recognized, regulated, or protected by legal or regulatory frameworks), where pay and conditions of work are worse than in formal jobs.
4. Worldwide, 774 million adults lack basic literacy skills. Some 64% of them are women, a share virtually unchanged since the early 1990s. 74 million children are out of school, 57% of whom are girls, while thirty-five fragile states accounted for 37% of all out-of-school children in 2005. More than 18 million teachers are required by 2015 worldwide to ensure children learn in classroom of no more than 40 students to one teacher.

### The Policy Context

5. Various policy conclusions of United Nations Conferences assert the need for policy coherence, and for integrated approaches which ensure that policy objectives in the economic and trade arenas support those aimed at achieving socially sustainable development and gender equality. At the Millennium Summit in 2000, Governments committed to promoting gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable. They further made commitments to prioritize education as key to promoting gender equality and the empowerment of girls and women.
6. In the Monterrey Consensus, adopted at the International Conference on Financing for Development in 2002, UN Member States asserted the need for “a holistic approach” to addressing “the interconnected national, international, and systemic challenges of financing for development” as well as achieving “sustainable, gender-sensitive, people-centred development.” They further committed to mainstreaming “the gender perspective into development policies at all levels and in all sectors”, and to supporting “the International Labour Organization’ and encouraging “its ongoing work on the social dimension of globalization”

7. The 2006 ECOSOC Ministerial Declaration affirmed the importance of decent work as a key development goal, and in that context reaffirmed the determination of United Nations Member States to promote gender equality, to provide adequate resources and adopt gender-responsive budget initiatives as well as accountability and monitoring mechanisms. The important role of education in addressing social equity and ensuring poverty reduction has been highlighted at a number of international conferences: Education for All -EFA (Jomtien, 1990), World Education Forum (Dakar, 2000).

### **Shortfalls in the Financing of Development and Gender Equality**

8. A number of studies have attempted to estimate the shortfalls in the financing of development and of gender equality objectives. The Report of the Millennium Project, "Investing in Development" (2005) had estimated that full funding of the Millennium Development Goals (MDGs) would require Official Development Assistance (ODA) disbursements of \$135 billion in 2006, with annual increases needing to reach \$195 billion by 2015. The International Commission on Education for the Twenty-first Century, established by UNESCO (United Nations Education Scientific and Cultural Organisation) in 1993 stated in 1996 that governments needed to invest at least 6% of their GNP in education. Anything lower than this target could seriously jeopardize the attainment of educational goals, according to the report. It is clear from a review of the UNESCO Education for All (EFA) Global Monitoring Report (GMR) that at current spending levels in the education sector, the goals will not be met by the year 2015.
9. A sizeable injection of external financing is needed at predictable levels to overcome the shortfalls in many developing countries, and to achieve the MDGs on education, targeting universal primary education and the elimination of gender disparity in primary and secondary education (MDG 2 and 3). Despite efforts and commitment at the international level, the gap in Education for All (EFA) external financing remains significant. The total annual financing gap for primary education remains at around US\$ 6 billion.
10. Given the tremendous shortfalls in funding for gender equality and the empowerment of women, external development assistance needs to be stepped up. Only four European countries have reached (or surpassed) the UN target of 0.7% of GNI to ODA. Just before the Monterrey Conference on Financing for Development in 2002, EU Member States that had not yet met the UN target made commitments to reach 0.51% by 2010, with the aim of reaching 0.7% by 2015. As a result, ODA has been rising steadily, reaching an average of 0.33 per cent of GNI for all OECD-DAC (Organization for Economic Cooperation and Development – Development Assistance Committee) countries in 2005. However, much of the increase was due to debt relief grants to Iraq and Nigeria, as well as humanitarian assistance to post-conflict and post-disaster countries. This underscores the fact that many donors are failing to meet their targets for core development aid.

### **Systemic Constraints hampering financing of gender equality and women's empowerment**

11. Clearly, what is lacking is a conducive policy environment with fair distributive mechanisms that would channel an adequate share of the wealth created in the global economy into shared prosperity and gender equality objectives. However, the current unfair processes of globalization are having the opposite effect. Financial and trade liberalization, along with unfavourable terms of trade and the growing integration of markets for capital, products and services are serving to undermine the productive bases of national economies and to weaken labour markets. Increasing numbers of people are being pushed into informal, casualized and insecure work. Women are disproportionately affected by these processes.
12. Women's access to opportunities for education and other socially provided services has been undermined by IFI-inspired (International Financial Institutions) economic reforms imposed as loan conditionalities on borrower countries. These include tight monetary and fiscal policies, as well as low inflation targets which reduce public revenues for social sector spending. These policies, along with privatization of publicly provided social services have resulted in a shifting of the costs of essential service provision from states to households, creating great hardships for women. The net effect has been to exacerbate gender inequality, and increase poverty and exclusion, particularly among women and girls in poor communities.

13. At the behest of the World Bank, many governments are using Poverty Reduction Strategy Papers (PRSPs) as the development framework for achieving MDGs via World Bank loans. However, a UNESCO Global Monitoring Report has found that many PRSPs have failed to incorporate educational goals into broader development strategies, and that the financing shortfalls for education make heavy dependence on external aid inevitable. PRSPs have also largely failed to incorporate decent work objectives, despite major studies of the International Labour Organization (ILO) that point to the centrality of decent work for poverty eradication.

### Financing Decent Work for Women

14. With globalization and the resulting weakening of labour markets, precarious, unprotected, low-paid work is the lot of the large majority of women. They work informally in both the agricultural and urban economies in developing countries. They are to be found at the lowest end of value chains, gaining little value added for home-based work for such products as carpets, garments, beady cigarettes. They work as street vendors, waste pickers, low-paid or unpaid family help on farms and as low-paid agricultural workers. Lack of access to land and credit undermines women's ability to improve the viability of income-generating activities. They are also more likely to work in poor conditions such as export processing zones (EPZs) where human rights violations run rampant. In all of these situations, women's rights as workers are denied and they lack the political space to bargain for decent wages and conditions of work.
15. Whilst the principle of equal pay for work of equal value has gained wide acceptance and is reflected in several ILO conventions, gender gaps in earnings remain among the most persistent forms of inequality in the labour market. In all countries around the world men earn more than women, and this is true across different groups of workers (agricultural, manufacturing, production, supervisory) and different types of earnings (monthly, hourly, salaried).
16. Having access to paid work is critical to family survival, but it is not sufficient for reducing poverty or empowering women. Decent, productive work for all should be the goal. Full employment and decent work policies are essential to poverty eradication and the realization of internationally agreed development goals, including the Millennium Development Goals (MDGs).
17. The ILO's Decent Work Country Programmes (DWCPs) provide an important set of engendered instruments that should be incorporated into national-level development strategies. The decent work agenda, with its four strategic dimensions (employment, social protection, fundamental principles and rights at work, social dialogue) provides a framework and outlines a range of key policy interventions that would be effective in lifting women out of poverty and securing their well-being and that of their families.
18. All too often, social protection and safety net programmes exclude women by failing to account for gender differences in labour market participation, access to information, and unpaid care responsibilities. That makes women more vulnerable to poverty. Social protection schemes that cover work-related risks such as loss of income, accidents, disability, also provide cash transfers which should be accounted for as entitlements to workers, including women workers in the informal economy. Maintaining an adequate level of social protection is ultimately a critical function of government that needs sufficient budget support.
19. Increasing public investment in infrastructure - such as roads that bring produce to markets, water resources for irrigation and household use - is important for supporting the income-generating activities of women in the agricultural sector. Providing funds to capitalize MFIs; (Micro-Finance Institutions), ensuring women's access to credit; and providing training and other support to SMEs (Small and Medium Enterprises) will be of benefit to women in both rural and urban areas including in the informal economy.
20. In designing and implementing development projects, for example in the area of physical infrastructure, planners should focus in particular on the employment dimensions and favour employment intensive projects

that maximize cash flows to workers through incomes, rather than capital-intensive projects. Public works schemes in infrastructure development and maintenance also provide an avenue for job creation and income earnings. Governments should seek to attract socially responsible foreign direct investment (FDI) through investment policies that incorporate core labour standards, rather than by entering a race for footloose capital through the lowering of labour standards.

### **Financing access to basic services for all**

21. The provision of basic public services is an essential pre-requisite for achieving gender equality and empowering women. It constitutes an important dimension of implementing decent work strategies. Across the globe, women continue to have the main responsibility for caring for children, the elderly, and the sick. A lack of childcare options constrains women's entry into paid employment and keeps them in casual low-paid jobs.
22. In many developing countries, girls and women bear the responsibility for fetching water and firewood for household fuel. This means less time in school or earning a livelihood. Building social infrastructure through public investments in basic utilities, health, education, and ensuring women's access to these services, is vital for securing a decent quality of life for women. It helps also to compensate women for their unpaid labour in the care economy by providing the social services needed to support their activities. Access to such services can free women from domestic, unpaid duties, enabling their access to other economic activities. It is estimated that \$1 invested in water services returns more than \$7 in productive activity.
23. IFI-prescribed policies that set strict caps on inflation targets and public spending and that condition loans and grants on the privatization of utilities and user fees for services are not conducive to realizing the MDGs and securing sustainable livelihoods for people in poor communities. Social sector provision will be better served if developing country governments shift from privatization and Public/Private Partnerships (PPPs) for the provision of basic services, to public investments.
24. The same holds true for social provisioning for the health and education sectors. In many countries jobs in the public sector have historically been a major source of employment and pensions for women. As the public sector has contracted (due to structural adjustment, privatization, and cuts in government spending), women have lost paid, secure employment and pension coverage. Governments need to recapture lost policy space, and oppose conditionalities that hinder their capacity to achieve critical development goals such as poverty eradication and improvements in well-being for their citizens.
25. In order to ensure provision of basic services for all, financial mechanisms for the utilities and other social provision sectors need to recognize the importance of public ownership and management, and should operate in conjunction with measures to facilitate cooperation between public entities, under public-public partnerships.

### **Investing in Education and skills training for girls and women**

26. Serious attention must be paid to financing education and skills training for girls and women. Progress in achievement of MDG3 has been slow, and moreover, much of the progress has by-passed the people and countries that are most in need. And yet, the critical importance of educating girls and women is amply stressed in the development literature. Allocations must target both the quality of education, and its universal reach. The financing of education and skills training is important in order to ensure that women can live full lives, and claim their human rights (economic, social and cultural, as well as civil and political rights). It will further serve to break the cycle of feminized poverty, to empower women to organise and engage in decision-making processes, and give them access to decent work in the labour market.



27. An educated woman keeps herself and her family more healthy. She has fewer children, who are more likely to survive. She participates more actively economically and politically at the level of her household, community and society. She has a better chance of lifting her family out of poverty. If every girl and boy received a complete primary education, at least seven million new cases of HIV could be prevented in a decade. Furthermore, quality education is the best remedy against gender stereotyping, and all forms of cultural, religious or fundamentalist polarisation. It contributes to social inclusion and cohesion. To put it simply: the best way to spend a development dollar is on educating girls, from as early an age as possible.

### **Mobilizing domestic and external resources for gender equality - empowering working women**

28. Increasing the levels of public revenue and instituting gender responsive approaches to ensure budgetary allocations adequately fund gender equality objectives, these are key demands of gender equality advocates, including trade unions. Funding mechanisms should include improved tax collection, progressive taxation and cross-subsidies that mobilize resources from the wealthy, from capital, from larger firms and from multinational companies. Regional and National Development Banks should provide loans on concessional terms for public investments to the public and social sectors, including for strengthening of institutional arrangements, national gender machineries, and the establishment of gender units in social, labour, education, finance and other key ministries focused on development.

29. Allocations should go to the mainstreaming of gender into employment and decent work strategies, and support for engendered policy interventions to meet education and social service provisioning goals, as outlined in the previous sections. The adoption of Gender Responsive Budgeting GRB provides a methodology for ensuring that gender is mainstreamed into revenue-raising, budgetary planning and resource allocation, as well as in tracking of expenditures for their gender equality content. GRB measurement and tracking tools should in turn incorporate the ILO's Decent Work Indicators, ensuring sex disaggregation of such indicators. Gender responsive approaches to policy formulation, budget planning and project implementation offer a set of tools to mainstream gender into development planning. What is needed is a holistic methodology that incorporates decent work and gender responsive analytical tools into the Financing for Development policy-making process.

30. Industrialized country governments that have not yet reached the target of 0.7% of ODA to GNI should work resolutely towards doing so, respecting the schedule to which they committed in 2002. Aid for development and gender equality should not be counted in with debt relief and humanitarian assistance, however important these areas may be. Additional funding should be sought for these areas, and they should not deflect from core development aid.

### **The role of trade unions**

31. Trade unions play a crucial role in organising women, negotiating better working conditions, and enabling women to gain fair access to decent jobs in the labour market. Trade union confederations strive to ensure that women's rights are protected, respected and fulfilled. Better representation of women at various decision-making levels: within their national unions, regional bodies and international institutions such as the ILO and the United Nations Commission on the Status of Women (CSW), this is key to their empowerment.

32. A normative framework that emphasizes adherence to CEDAW and to the ILO Fundamental Principles and Rights at Work is important for ensuring that women are not discriminated against in their places of work, and that they can avail themselves of the right to organize, to join trade unions, and to engage in collective bargaining for a fair share of the productivity gains from their labour. Collective organizing through trade unions provides an avenue for working women to represent their interests both at the workplace and in the policy-setting arena at community and national levels. It is important that women's voices are heard, so that policies can be set, and resources allocated in a gender-responsive way.

**33.** A particular challenge that needs to be addressed in this regard is the lack of legal recognition in national labour legislation for workers in the informal economy where a large proportion of women are to be found. Legislation needs to be extended to the informal economy, and social security schemes put in place to cover workers at this level of the economy. The longer-term objective should be the progressive construction of a welfare system that extends the rights and protections of the formal economy to the informal economy, thereby effectively formalizing the informal economy and empowering women. With their rights as workers recognized, women could then engage in social dialogue with government authorities and employers, with a view to advocating for workplace and development strategies that would improve their conditions of work and life.

## Recommendations

- The decent work agenda must be at the heart of policies and programmes aimed at Financing for Development, and in particular those aimed at financing for gender equality and the empowerment of women.
- Decent work indicators should be incorporated into Gender Responsive Budget methodologies.
- A normative framework should be established to underpin all policies on financing gender equality and women's empowerment. It should incorporate CEDAW, the ILO Fundamental Principles and Rights at Work, ILO Conventions on workplace health and safety. It should also incorporate the OECD Guidelines on Multinational Enterprises, with the aim of ensuring that business fulfils its social responsibilities, including an open and positive attitude towards trade unions.
- The mobilisation of finance for development must include allocation for the provision of basic public services (water, sanitation, health, education) as an essential component of achieving gender equality and empowering women.
- Adequate funding of quality public education for all girls and women must be a cornerstone of decent work strategies and policies for women's empowerment.
- Social protection schemes that cover work-related risks such as loss of income, accidents, should be accounted for as entitlements to workers, including women workers in the informal economy.
- The participation of civil society, including trade unions, is crucial to the success of any policy process.
- Social dialogue is a key pillar for decent work and should be explicitly recognised as a tool for achieving gender equality.
- To enhance social dialogue, consultative frameworks should be established, where policymakers can engage with community organizations, women's organizations and trade unions, and become sensitized to the local realities and the gender perspectives that should inform development policies.
- In the interests of policy coherence, finance and planning ministries that determine macro-economic and fiscal policy should engage with other relevant ministries: labour, social affairs, and women's machineries to ensure the incorporation of social and gender dimensions in resource mobilization and budget planning exercises.



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