



Photo: UN Women / Carlos Ngeleka

## Stalled progress: Why labor markets are failing women

Why do gender inequalities persist in the labor market, even as gender gaps in school enrolment and educational attainment narrow? GrOW supported research sheds light on the complex dynamics that shape women’s employment choices and opportunities.

### WHAT’S AT STAKE?

Given recent improvements in women’s education, health, and political representation in many parts of the world, we might expect to see similar gains in their employment outcomes. But this has not been the case. In fact, the 2017 Global Gender Gap Report suggests women are falling further behind in labor force participation, earning power, and employment in professional and technical jobs—which are often the most desirable.

Addressing these inequalities is essential to achieving Sustainable Development Goals 5 (gender equality and empowerment of women and girls) and 8 (inclusive and sustainable economic growth, full and productive employment and decent work for all). We need to better understand what holds women back and what limits their ability to make autonomous decisions that can improve their livelihoods.

### KEY MESSAGES

- Ongoing labor market segregation perpetuates gender inequality.
- Women’s burden of unpaid care limits their labor market potential.
- Gender roles and social norms reinforce unequal outcomes.
- Gender-based violence further undermines women’s agency and choice.

## APPROACH

Using varied approaches and tools, teams supported through the Growth and Economic Opportunities for Women (GrOW) program carried out 14 research projects spanning 50 countries in the global South, with a focus on sub-Saharan Africa and South Asia. They explored the interplay between labor markets, persistent gender inequalities, and women's economic empowerment, with the aim to identify potential solutions to the barriers holding women back. Research methods included survey data analysis, testing promising interventions, and in-depth qualitative field work for a more nuanced understanding of women's experiences and the barriers at play. These studies provide new evidence on how women are faring in developing country labor markets and the micro- and macroeconomic conditions, social norms, and structural factors that constrain or enable their choices.

## KEY FINDINGS

### Ongoing labor market segregation perpetuates gender inequality.

GrOW research affirms that job segregation—with women and men clustered in different sectors and occupations—is a major source of gender inequality in labor markets. Segregation has proven remarkably stable over time, depriving women access to the best paid and best quality jobs. One study, which examined data from 69 developing countries from 1980 to 2011, revealed that segregation had grown in more countries than where it had fallen, regardless of changes in per capita incomes. Research on school-to-work transitions in six African countries found that only in Ghana and Kenya were women moving beyond agriculture to diversify the types of paid work they did. Even there, gains were modest compared with improvements in girls' levels of education.

Several studies found women overrepresented in informal work, where conditions are poor and incomes precarious. There is also entrenched segregation in male-dominated sectors such as mining, with women relegated to lower-paying jobs. Deep-rooted social norms and gender roles, and differences in skills training for men and women, perpetuate labor market segregation.



Photo: LIDRC /Vijay Kurty

### Women's burden of unpaid care limits their labor market potential.

GrOW-supported research in five countries explored how women and families in low-income households balance unpaid care work with paid work. Across the board, they found that unpaid care and household chores—reinforced by social norms—undermine women's earning potential. Research in 16 study sites across India, Nepal, Rwanda, and Tanzania revealed that women shoulder the bulk of unpaid work in their households. The limited work opportunities they found to juggle alongside these household duties were poorly paid and exhausting.

Marriage (or cohabitation) and child bearing have a significant impact on women's employment choices and outcomes. Several GrOW studies documented how women in a variety of settings had difficulty continuing in labor markets after they married—from garment factories in Bangladesh to artisanal mining in East African countries.

Demands of child care, early marriage and childbearing have a lasting impact on women's educational and employment outcomes. But GrOW evidence from Kenya suggests that affordable, quality child care can make a difference by allowing women more time for themselves and for paid employment. Mothers given access to free day care were 17% more likely to be in paid employment after one year than those who were not.

## **Gender roles and social norms reinforce unequal outcomes.**

**G**ender roles and social norms affect the division of labor between paid and unpaid activities, women's labor force participation, and labor market segregation. They can also determine the success or failure of policy interventions aimed at empowering women. GrOW research in Sri Lanka highlighted that, as in many countries, women are significantly constrained by gendered social norms that are codified in formal rules, such as those that prohibit selling or managing land without a husband's permission.

The dividing line between individual preferences and social norms can be hard to detect. In many countries studied, women prefer to work from home in order to better fulfill their expected caregiver role. In Central and East African artisanal mines, women's choice of work activities reflected in part their desire to appear "respectable".

Labor markets are themselves gendered. The rules and structures, both formal and informal, that govern how men and women realize income from their labor differ. These differences drive gender gaps in employment outcomes and determine whether women are empowered by labor markets—or simply exhausted.

GrOW research suggests that it is challenging, but possible, to shift harmful norms over time. In Bangladesh, small financial incentives that were given on the condition that girls remained unmarried until the age of 18 helped to delay marriage and keep girls in school. As demonstrated across the research, more transformative changes take time.

## **Gender-based violence further undermines women's agency and choice.**

**G**rOW research suggests gender-based violence—or even the fear of it—enforces gender roles, in the home and beyond. Intimate partner violence has a direct impact on household dynamics and women's ability to make independent decisions, including on employment. Violence or intimidation outside the home can limit women's mobility, confining them to work or study nearby. A study on women's access to skills training in Punjab found perceptions of danger made rural women reluctant to travel beyond village boundaries for vocational training. Even a stipend was insufficient to encourage them.

The links between gender-based violence and women's employment are complex. In some contexts, employment may reduce domestic violence by enhancing women's bargaining power. But in patriarchal societies, it may

increase violence by challenging traditional masculine roles. External factors, such as economic stress, can also shape both women's employment choices and the incidence of domestic violence. A study using quantitative data from 35 countries found a negative relationship between women's participation in paid employment and reported physical and psychological abuse, where on average, women in paid employment reported less abuse. But there were important regional variations: working women in Latin America and the Caribbean and East Africa were more likely to suffer abuse.

## **POLICY INSIGHTS**

**G**rOW analysis and case studies fill important gaps in the literature on how women are faring in developing country labor markets. Moreover, they reveal the conditions, norms, and factors that constrain or enable women's choices. These new insights point to policy and programming approaches that can make a difference.

### **Incorporate gender analysis into the design of economic and trade policies.**

**A**s GrOW research demonstrates, labor markets remain stubbornly segregated, with women overrepresented in poor quality, low-paid, and informal work. Policies intended to boost economic activity in a given area can therefore have very different impacts on men's and women's employment. Research in Brazil and South Africa revealed how gender segregation of labor markets produces different employment outcomes for men and women when governments pursue trade liberalization policies. The findings point to the need for gender impact analysis of trade and other macroeconomic policies, to avoid further entrenching inequalities. Where employment growth is concentrated in male-dominated sectors, women may not be "lifted" by rising employment levels. In developing countries, policies that address informal labor markets need to pay careful attention to the specific needs of women, given their large presence in this sector.

### **Adapt training programs to address women's constraints and needs.**

**W**ell-designed skills development programs can expand women's choices and remove some of the barriers they face. But programs must be designed to meet the differing needs of men and women—both in terms of the kinds of work they typically do, and the factors that help them attend. There is a tension between the need to reduce employment segregation while equipping women for the types of jobs

they are likely to do. This is context-specific: the skills gaps for both women and men need to be identified in relation to local employment opportunities. Location and transportation—and access to child care—also have to be factored into programs targeting women, given the restrictions on their mobility and the disproportionate share of care they shoulder. Once implemented, programs need to be assessed and evaluated using gender analysis, and adjusted as needed to improve women's employment readiness.

**Remove gender biases in frameworks and institutions that limit women's economic opportunities.**

Legal frameworks and other formal institutions frequently contain gender biases that constrain women's participation in paid employment. GrOW research on female-headed households in Sri Lanka, for example, showed how customary law restricted women's livelihood choices and control over economic resources during post-conflict recovery. Reforms are needed to remove such biases, if women are to be economically empowered.

**Test incentives and empowerment programming to shift gender roles and norms.**

As shown in Bangladesh, well-designed financial incentives can help shift norms that perpetuate inequalities, while research elsewhere showed that, over time, even more substantive changes in women's sense of agency are possible. Civil society organizations can be important allies in advancing social norms that enhance women's economic empowerment. The design of incentives and empowerment programming must be closely tailored to local contexts.

**Address the "care burden" through gender-equitable social policies.**

GrOW studies, like much earlier research, underscore the heavy load of unpaid work that women perform. As research in Kenya showed, expanding access to affordable quality child care is an important step to address this burden. Labor market protections, such as paid leave for mothers with infants, can further help women find their place in better, formal sector jobs.

Considerable research has shown that certain life junctures—such as the school-to-work transition, marriage, and child bearing—play a crucial role in shaping the employment trajectories of girls and women. This makes the case for a "life-cycle" approach to labor market policies. This would entail, for example, targeted measures to help keep girls in school, and training and employment schemes to expand job opportunities as they enter the work force.

*The synthesis was prepared by Martha Melesse and Mary O'Neill, based on findings from an evidence review written by James Heintz which looked at recently-supported research on gender and labor markets, and women's economic empowerment in the Global South.*



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