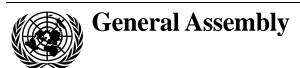
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Eradication of poverty and other development issues:
women in development

## Women in development

### Report of the Secretary-General

#### Summary

Pursuant to General Assembly resolution 58/206, the present report focuses on the impact of globalization on women's employment and empowerment, using an example from the service sector. The report reviews both benefits and challenges faced by women as a result of the growth of the service sector and examines the gender perspectives of the General Agreement on Trade in Services. On the basis of contributions from entities of the United Nations system, the report provides examples of activities to promote gender equality in the service sector. It concludes with recommendations for the consideration of the Assembly on gender equality in the economy.

<sup>\*</sup> A/60/150.

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#### I. Introduction

- 1. In its resolution 58/206 of 23 December 2003, the General Assembly reaffirmed that gender equality was of fundamental importance for achieving sustained economic growth and sustainable development and that investing in the development of women and girls had a multiplier effect, in particular on productivity, efficiency and sustained economic growth. The resolution recognized the significant contribution that women made to the economy and the major force that they represented for change and development in all sectors of the economy, especially in key areas such as agriculture, industry and services. The General Assembly was aware that while women represented an important and growing proportion of business owners, their contribution to economic and social development was constrained by, inter alia, the lack of equal access of women and men to, and control over, land, credit, technology, support services, education, training and information. This continuing discrimination against women impeded their full and equal contribution to, and equal opportunity to benefit from, development.
- 2. The Assembly requested the Secretary-General to submit to the General Assembly at its sixtieth session a report on the progress made in the implementation of its resolution 58/206, including the impact of globalization on the empowerment of women and their integration in development.
- 3. The present report is prepared in response to that resolution. It focuses on trends in women's employment and uses the service sector as an example, providing information on women's roles in the health, education, tourism and information and communication technology sectors.
- 4. The report reviews both the benefits and challenges faced by women as a result of the growth of the service sector and examines the gender perspectives of the General Agreement on Trade in Services. On the basis of contributions from entities of the United Nations system,<sup>2</sup> the report provides examples of activities to promote gender equality in the service sector. It concludes with recommendations for the consideration of the Assembly on promoting gender equality in the economy.

## II. Trends in women's employment

- 5. One of the positive achievements in relation to gender equality and the empowerment of women since the mid-1970s has been the increased presence of women in the labour force,<sup>3</sup> which was estimated at 1.2 billion in 2003, up from 1 billion in 1993.<sup>4</sup> Women's economic activity rates have been rising in most parts of the world, with the exception of Eastern and Central Europe (since 1989) and the Middle East and North Africa, where women's economic activity rates remain low by global standards.<sup>5</sup>
- 6. Although the employment of women has increased, in some areas it has been paralleled by high unemployment rates, lower wages and a deterioration in the terms and conditions of employment. Women represent 60 per cent of the world's 550 million working poor. The growth of informal work across the world, along with the informalization or casualization of formal employment, has allowed employers to lower labour costs. In many cases it has also resulted in the bypassing of labour legislation and a failure to provide social benefits, which increased the

precariousness of jobs and insecurity of livelihoods. Many female home workers,<sup>7</sup> for example, receive extremely low wages, are unprotected by labour laws and do not receive social welfare benefits.<sup>5</sup>

- 7. According to recent International Labour Organization (ILO) statistics, informal employment employment without secure contracts, worker benefits or social protection constitutes 50 to 75 per cent of non-agricultural employment in developing countries and tends to be a larger source of employment for women than for men in all developing regions, except North Africa. The results of the analysis of three indicators status, sector and wages/earnings show that women are more likely to find employment in the informal economy than men. As a consequence, women constitute a higher share of the number of working poor in the world those who work but do not earn enough to lift themselves and their families above the poverty line of one dollar a day.<sup>4</sup>
- 8. Patterns of informalization differ from region to region but the overall trend is discouraging in terms of prospects for realizing women's rights and well-being. Major forms of women's informal sector activities in Eastern Europe and the Commonwealth of Independent States (CIS) include secondary jobs undertaken to supplement poorly paid formal-sector jobs, such as in health and education, and work as subcontracted agents in small-scale border or suitcase trade. In the St. Petersburg region in the Russian Federation, women make up the bulk of employees among informal enterprises in education, health and culture (86 per cent), catering and services (85 per cent) and retail (69 per cent). The pattern of concentration of women's jobs at the lower end of the informal labour market replicates trends in the formal economy.<sup>8</sup>
- 9. Horizontal and vertical segregation are detrimental to women's participation in the labour market. While horizontal segregation prevents women from entering traditional "male occupations", vertical segregation impacts on women's career development opportunities preventing them from reaching managerial positions.
- 10. The movement of people from rural to urban areas and across international borders has increased, involving positive and negative aspects for both the individuals and countries involved. An increasing number of women migrate independently for work purposes. There is a shift to temporary migration and an increase in undocumented migrants, including through trafficking. Women smuggled by traffickers may be led to believe that they will work in legitimate occupations but find themselves trapped into domestic work, sweatshops and types of exploitation that constitute a contemporary form of slavery.<sup>5</sup>
- 11. Several distinct categories of women migrate for work purposes, differentiated by their skills, the permanence of their residence in the host country and their legal status. At the lower end of the skills spectrum migrant women pick fruit and vegetables, manufacture garments and other items, process meat and poultry, work as nursing home and hospital aides, clean restaurants and hotels and provide a myriad of other services. Women's position on the bottom rung of the labour market, the low value accorded to domestic and care work and the lack of social protection in irregular occupations, especially in the entertainment and hospitality industries, mean that many women are vulnerable to exploitation. At the higher end of the skills spectrum migrant women engage in equally diverse activities. They fill jobs requiring specialized skills, run multinational corporations, teach in

universities, supply research and development expertise to industry and academia and design, build and program computers, etc.

12. The information and communication technology revolution and access to the media has increased women's awareness of differences in living standards and their interest in migration. Recent trends show that although migrant women may be making more money than they would in their home countries, they are still marginalized in low-paid positions. It

#### III. Women and employment in the service sector

- 13. The internationalization of services is at the core of economic globalization and the service sector is today the largest and fastest-growing sector of the world economy. Foreign direct investment in services has been steadily increasing to form over half the world's investment stock, and is estimated to constitute at least 75 per cent of investment flows. Increasingly, information and communication technologies are enabling the distribution and provision of services and reshaping the labour market within services. Telecommunications and Internet provision have become core infrastructure for the trade of services.
- 14. Slow growth or a decline in women's share of job openings in the manufacturing sector have led women to either withdraw from the labour force or move into the service sector. Although most developing countries still rely on agriculture for their wealth creation, according to the Organization for Economic Cooperation and Development (OECD) the service sector is growing steadily. Eurostat reported that 79.5 per cent of women in Europe were employed in the service sector in 1996, compared to 16.3 per cent in industry and 4.2 per cent in agriculture. In Australia, most employees (almost 90 per cent) in the service sector were women in 1997. In the United States of America, it is estimated that the service sector will experience the largest occupational growth between 2002 to 2012, with the creation of about one quarter of those jobs within the education and health services and one quarter within the professional and business services.
- 15. The rate of female employment in the service sector varies also within regions, depending on the sector. For example, in financial intermediation women outnumbered men in several European Union member States in 1998 nearly 61 per cent of the total employed in Ireland and almost 80 per cent in Finland, although less than 27 per cent in Spain and under 35 per cent in Italy and Portugal. However, as reported by the Economic Commission for Europe (ECE), between 1994 and 2001 women's share in employment in the sector declined by as much as 23 percentage points in Lithuania and by seven to eight percentage points in the Czech Republic and in Estonia.
- 16. Many migrant women work in the health sector, particularly as nurses and physical therapists. Those jobs often follow well-recognized gender stereotypical patterns in terms of what, in some contexts, are perceived as acceptable economic activities for women. They also tend to have lower earnings relative to typical male employment. With many highly educated women from developing countries undertaking unskilled or semi-skilled work, the deskilling of women migrant workers has become a serious problem.<sup>19</sup>

- 17. The prospect of employment in other countries can stimulate interest in higher education. For example, in the Philippines interest in nursing schools has grown among both women and men, stimulated by the heightened demand for their skills within South-East Asia. The phenomenon has an interesting gender dimension in that men have become interested in what was traditionally regarded as female work because migration to take up nursing positions offers a high return on their educational investment. Whether the increase in nursing professionals will translate into better health care in the Philippines remains to be determined. Nurses and other medical professionals who remain in the Philippines generally prefer to work in cities, leaving a gap in the rural areas, which have the poorest access to health care.
- 18. Budget constraints in the health sector within the more developed world have increased demand for migrant workers.<sup>20</sup> In some European countries migrant women in the care professions are increasingly sought to fill gaps in health, social and care services and as domestic workers, at wages and under terms not normally acceptable to nationals. An analysis of work permit data of the United Kingdom of Great Britain and Northern Ireland for 2000 showed that sectors with high proportions of female workers constituted some of the fastest-growing sectors of migrant employment. A crisis in nursing in the United Kingdom and Ireland, and in Canada and the United States, has resulted in a truly global labour market. Not only do the prospects of better pay attract women to the North, but the state of the health sector in the country of origin constitutes an important push factor.<sup>5</sup>
- 19. A substantial share of women's employment in the service sector is in information processing, particularly data entry. Information and communication technology has contributed to increased employment and economic opportunities for women in many countries. For instance, in Latin America, East and Central Europe, South and South-East Asia and Southern Africa women increasingly participate in the higher levels of the information technology workforce. In Brazil, women account for 20 per cent of those working in the software industry and in Malaysia, women constitute 30 per cent of professionals in the information and communication technology sector. Women form nearly 40 per cent of the computing workforces in the Kerala Technopark in India. In the early 1990s Barbados saw a sharp increase in female employment in the information sector. San the computation of the computing workforces in the Kerala Technopark in India.
- 20. According to estimates by the ILO women account for up to 70 per cent of the labour force in global tourism. <sup>24</sup> In the Republic of Korea 60 per cent of workers were women. <sup>25</sup> In many countries women have been very active as entrepreneurs in the tourism sector and have created new economic and social opportunities (E/CN.17/1999/5/Add.2).

#### A. Gender wage gaps

21. Gender wage gaps persist in all sectors and throughout the world, largely owing to occupational segregation, both vertical and horizontal, and as a result of women's high rate of participation in part-time work. Studies of the more rapidly growing Asian economies suggested that the growth in exports in labour-intensive sectors and economic growth had been most rapid in those countries that had the widest gender wage gaps. The downward pressure on wages in those jobs was a result of global competition and placed serious limits on women's bargaining power in relation to wages.

- 22. A review of the data available for six diverse occupation groups showed that in most economies women still earned 90 per cent or less of what their male co-workers earned. Even in typically female occupations such as nursing and teaching, gender wage equality does not exist. For example, in 2003 male nurses in the United States earned 12 per cent more than female nurses, and male teachers earned 14 per cent more than female teachers. The 1998 United Nations Educational, Scientific and Cultural Organization World Education Report suggested that teachers' salaries would be higher if teaching were a male profession. The salaries would be higher if teaching were a male profession.
- 23. The scarcity of wage data disaggregated by sex makes a thorough assessment of gender gaps difficult. Existing data provides evidence of a narrowing gap in some areas in a large number of countries. The reduction in the gap between female and male wages can be attributed to the decline in educational qualification gaps between women and men. Some country-level studies that isolated the effects of trade liberalization did, however, find that wage gaps caused by discrimination were increasing.<sup>5</sup> Public-sector reforms can also generate downward pressures on wages and working conditions and those reforms have a particular impact on lower-level staff.<sup>5</sup>
- 24. The highly competitive global economic environment, with an increased emphasis on labour-intensive export-oriented production including the area of services, has intensified efforts to utilize least-cost labour. According to the United Nations Conference on Trade and Development (UNCTAD), female workers are often preferred in labour-intensive service industries because they are considered cheap and flexible labour. Although women's pay and conditions are sometimes better in the export-sector, many jobs are insecure, with extremely poor conditions, and have few prospects for advancement. The gains are also not always permanent women who lose jobs in internationally mobile labour-intensive industries face difficulties in obtaining employment in the more capital-intensive industries that may replace them.<sup>5</sup>

#### B. Gender segmentation of the labour market

- 25. Despite the increased participation by women in wage work, gender segmentation in labour markets persists. While there is variation in country-specific conditions, job segregation between paid and unpaid labour, and within paid labour markets, continues to be globally pervasive.<sup>28</sup> Gender differences in the labour market persist, even in the OECD countries, where women's participation in the labour force has been rising. The number of hours worked seems to account for those differences, with men working full-time and women working part-time as a result, inter alia, of their disproportionate share of unpaid care work.<sup>5</sup>
- 26. The division of labour in the service industries highlights the pervasive gender stratification built into organizational structures through lines of authority, job descriptions, rules and spatial and temporal segregation. Women working in the service sector are mostly in community, social and personal services that require lower levels of skills and are associated with their traditional gender roles, while men dominate better paid work within the service sector, such as within financial and business services.<sup>6</sup> ECE reported that women in Eastern Europe and CIS countries were losing ground in market-related service sectors.

- 27. Horizontal and vertical segregation can be illustrated by employment in the tourism sector. Horizontally, women and men are placed in different occupations men, for example, as barmen, gardeners, drivers and pilots, and women, as waitresses, chambermaids, cleaners, sales persons and flight attendants.<sup>29</sup> Vertically, occupations with few career development opportunities are dominated by women while key managerial positions are dominated by men. The reasons for the horizontal and vertical segregation include gender stereotyping and the persistence of traditional gender roles.<sup>30</sup>
- 28. The ILO World Employment Report 2001 observed that patterns of gender segregation were being reproduced in the information economy, with women concentrated in end-user, lower-skilled information and communication technology jobs related to word processing and data entry and men in more senior managerial and administration positions and in the design of networks, operating systems and software.<sup>31</sup> Women finding employment in the new industries, often related to information and communication technologies, are rarely those who lost their jobs in the traditional sectors. New inequalities are therefore emerging between women with information and communication technology-related job skills versus those without.<sup>32</sup> The report also warned that "as teleworking is emerging as an important mode of working in the information economy, existing inequalities particularly gender inequalities will be reinforced unless proper policy measures are implemented".<sup>31</sup>
- 29. In the education sector the pattern in many countries is that most teachers at the primary school level are female, with the proportion of male teachers increasing at higher levels of education. Men on the other hand most often hold managerial positions, such as principals. Women are still a long way from participating on an equal basis with men in both teaching and management in higher education.<sup>33</sup>

#### C. Conditions and security of women's work

- 30. Service-sector employment is sometimes viewed as more desirable than manufacturing since jobs in the service sector are seen to have higher status. Service-sector employment may not, however, provide significantly more in terms of wages and security. A relatively large and growing number of part-time workers lack many of the benefits that full-time workers enjoy. Temporary labourers, the self-employed in the informal sector and small-scale entrepreneurs are also mainly women.<sup>34</sup>
- 31. The International Labour Organization has adopted international conventions and recommendations to protect workers' rights. ILO Convention 172 concerning Working Conditions in Hotels, Restaurants and Similar Establishments calls for policies to ensure improvements. In particular, the Convention provides for the regulation of working hours and compensation for overtime, daily and weekly rest periods, paid annual leave, regularly paid basic remuneration, and the prohibition of the sale and purchase of employment (E/CN.17/1999/5/Add.2).
- 32. In many health-care settings, female health-care providers face higher workloads, lower salaries, and fewer opportunities for career advancement and decision-making. WHO also reports that women and girls bear the brunt of care at the home level of the care continuum, most of which is unremunerated and has significant costs for girls who may be pulled out of school to perform such work.

33. The tourism sector has been characterized as offering generally poor conditions of work to women — low wages, irregular working hours, and part-time and seasonal work, as well as laundry, cooking and babysitting. Owing to a lack of unionization, those jobs often have low security of tenure and benefits.<sup>24</sup>

#### D. Outsourcing of services and teleworking

- 34. The expansion of the service sector has led to the increased outsourcing of services an important business strategy that has given rise to a new global division of labour. In some countries in Asia, such as China, India and the Philippines, business process outsourcing<sup>35</sup> is the single largest technology-enabled employer of women and a field in which women are earning significant livelihoods. Internationally outsourced jobs, such as medical and legal transcription work, software services, or the maintenance of daily accounts for small businesses located in other countries, have made a considerable difference to women's work opportunities in developing countries.<sup>36</sup>
- 35. Teleworking is a growing employment trend that has opened up new opportunities for women by enabling them to work from home. This new organization of work has implications for women's multiple gender roles, including their responsibilities in the household. While able to work at home, the women telework in addition to their existing domestic tasks. They receive low wages relative to those working in the organized sector and have insecure employment contracts (if contracts exist at all). Very often women working at home have to make substantial investments to secure their work, including the purchase of computers and payment for electricity and Internet connectivity.<sup>37</sup>
- 36. The promotion of teleworking for women has to take into account the implications for their work burden, given that the division of work at the household level is not changing. While home-based work does allow women to continue to fulfil the domestic roles traditionally expected of them, it can be at a huge cost to the women themselves, for example involving staying up all night to meet deadlines.
- 37. There is considerable debate about the long-term impact of outsourcing and teleworking on women. On the one hand, some researchers claim that those forms of employment involve only a limited number of highly skilled professional workers and a vast bulk of semi-skilled workers. Studies of call centres in some countries point to the lack of opportunities for development and promotion in such activities, as well as to the high degree of burnout. Very few women are employed at the professional level or in the management of business process outsourcing. Research by other scholars on women and information and communication technologies in Asia presents outsourcing as a major opportunity for the economic empowerment of women and women's employment in the sector is expected to grow.

#### E. Women in management and decision-making

38. The Beijing Platform for Action called upon relevant actors to increase the number of women in leadership positions in the health professions, including researchers and scientists. The Platform for Action also called upon Governments, educational authorities and other educational and academic institutions to take

actions to ensure that female teachers and professors had the same opportunities as and equal status with male teachers and professors. It called for positive measures to increase the proportion of women at the educational policy and decision-making levels which were traditionally dominated by men (A/CONF.177/20/Rev.1). At its forty-seventh session, in 2003, the Commission on the Status of Women urged relevant actors to ensure equal opportunities for women and monitor gender representation in different categories and levels of work, education and training in the media and information and communication technology areas, with a view to increasing women's participation in decision-making at all levels of information and communication technology and the media.<sup>39</sup>

- 39. Data on the education sector from member States of the Commonwealth demonstrated that women were increasingly disadvantaged in administrative and management positions as they moved up the occupational ladder. Similar trends were observed among women professors. Women were particularly underrepresented in science and technology institutions. The causes of women's limited attainment of top positions in higher education institutions were personal (for example, lack of self-esteem), structural (for example, discriminatory appointment and promotion practices, and the absence of policies and legislation to ensure participation of women) and cultural factors (for example, gender-based roles).<sup>40</sup>
- 40. In most countries women are underrepresented in information and communication technology decision-making bodies, including policy and regulatory institutions and ministries responsible for information and communication technologies. Men still hold most of the management and decision-making positions in telecommunication companies and regulatory or policymaking bodies. Even where women have the necessary skills, persistent cultural constraints, such as stereotypical views of the roles of men and women and women's lack of mobility, remain barriers to their full participation.
- 41. Action to redress women's underrepresentation in management and decision-making have been documented in several countries. For example, an initiative to ensure gender equality in higher education was made by the University of the South Pacific Council through the adoption of the Pacific Charter for Women Managers in Higher Education on 21 October 1996. The Charter is based on the principle that Pacific women are to be equally represented at all levels of policy and decision-making and management in institutions of higher education in the region. The underrepresentation of women in management positions in the education system is being addressed through the Women into Educational Management Initiative of Ireland, which provides courses to support female teachers who wish to move into administrative or management roles.

## IV. Gender equality and international trade in services

42. The General Agreement on Trade in Services (GATS) was adopted in 1994 and is the first trade agreement to cover investment in services. <sup>44</sup> It provides a legal framework for trade in services, defined to cover a range of areas, including investment, financial services, communications, transportation, education, energy, water and movement of persons. It also called for the progressive liberalization of regulations that impede trade and investment in services. <sup>45</sup>

- 43. The liberalization of trade in services has been recognized as a major source of gains for developing countries, capable of bringing more benefits than perhaps any other part of the Doha Development Agenda. It promises development gains in terms of overall economic efficiency and growth potential, the export of other services and access to basic services to improve the lives of the poor. A recent study by OECD of the welfare effects of services trade liberalization in a range of countries and regions at different levels of development indicated that, with a single exception, the projected gains to countries and regions from unilateral service trade reform far exceeded those from unilateral reform in agriculture or manufacturing.<sup>46</sup>
- 44. However, the gains are contingent on regulation to address complex issues of market structure, market failures and non-economic objectives. <sup>47</sup> The OECD study pointed out that attention to the nature, pace and sequencing of liberalization would be key to both managing adjustment and to ensuring that liberalization was underpinned by sound regulatory frameworks. <sup>46</sup>
- 45. Women's participation in trade in services in developing countries has been growing gradually, in many cases mirroring the increased participation of women in many light manufacturing export sectors. The liberalization of services can provide significant benefits to women but can also create or worsen inequalities.<sup>48</sup>
- 46. Factors which affect the potential costs and benefits of trade liberalization for women are their existing assets, access to markets and infrastructure and economic activities. Some women can gain from the increased demand for the services they produce. Others may lose because the sectors in which they work become unprofitable or because they are unable to capitalize on the opportunities. Gender differences can occur since women and men work in different sectors and produce different services women have less access to resources than men and women continue to have a larger share of responsibility for unpaid domestic work, which reduces their time availability.<sup>49</sup>
- 47. The cross-border movement of natural persons has become the main vehicle for greater participation by women in exports of services in developing countries, for example, in the health sector. However, civil society organizations have argued that the flexibility of labour that often follows liberalization can lead to the loss of formal contracts, social security and other social benefits. <sup>11</sup>
- 48. The establishment of a commercial presence in another country for the supply of services has, so far, not benefited women as much as men since it involves the deployment of capital and risk-taking in foreign markets, for which women entrepreneurs are not generally well equipped owing to their limited access to financial and other resources. However, according to UNCTAD women do benefit from the establishment of the commercial presence of foreign firms in many developing countries, especially in the financial and commercial service sectors.
- 49. A report of the United Nations Research Institute for Social Development emphasized that the commodification of services was likely to impact more negatively on women and girls than men and boys owing to such factors as disproportionate intra-household resource allocation where girls receive a smaller proportion of investments in health and education than boys, and women's lack of access to credit. Debates on social service reforms have largely not addressed the differential impacts on women and men.<sup>5</sup>

# V. Activities of United Nations entities on women in the service sector

- 50. The following section does not provide a comprehensive overview but gives a number of illustrative examples of activities undertaken by entities of the Untied Nations system on women in the service sector.
- 51. The Inter-Agency Network on Women and Gender Equality Task Force on Gender and Trade, led by UNCTAD, launched a publication on "Trade and Gender: Opportunities and Challenges for Developing Countries" at the eleventh session of UNCTAD in 2004. The publication reviews, inter alia, the impact of trade liberalization on the service sector on women.<sup>48</sup>
- 52. Several individual entities of the United Nations system also carried out activities related to women's employment in the service sector. ECE, for example, undertook gender analysis of labour market trends in the Economic Survey of Europe. With respect to health services, the World Health Organization (WHO) is currently examining the effect of women's participation in the health workforce. The findings and related recommendations will be included in the 2006 World Health Report on Health and Human Resources. WHO is also looking at ways to support providers of home-based care, which is carried out in homes and communities mainly by women. The Division for the Advancement of Women published the World Survey on the Role of Women in Development: Women and International Migration, which addressed the situation of women migrant workers. The United Nations Development Fund for Women, in collaboration with the Noor Al Hussein Foundation and Netcorps Jordan focused on linking women producers to expanded tourist markets.
- 53. The International Trade Centre UNCTAD/WTO offers one-day training programmes for women entrepreneurs in the service sector that cover export preparedness, enterprise development, linkages and networking within the mainstream business community, the role of women entrepreneurs, creative leadership and economic empowerment. The United Nations Relief and Works Agency for Palestine Refugees in the Near East, through its programmes on Solidarity Group Lending and Micro-credit and Micro-finance, provided Palestinian women entrepreneurs with access to capital.
- 54. Other United Nations entities have focused on women's access to services, such as water and sanitation, energy, education and training and financial services and technologies. The International Research and Training Institute for the Advancement of Women, for example, carried out research on the gender dimensions of remittance flows in order to identify strategic entry points for strengthening women's capacity to take advantage of financial services.

#### VI. Conclusions and recommendations

55. The impacts of globalization are complex. There may be significant variations in the potential of different groups in society to cope with and take advantage of the resulting challenges and opportunities of globalization. Inequalities between women and men, including in terms of access to and control over productive resources and access to technology and market

information, can limit women's employment options and restrict their participation in economic decision-making. An enabling environment should be created to ensure that both women and men can take advantage of globalization.

- 56. While trade liberalization may be an engine of economic growth and increased efficiency, there is evidence of the negative impact of labour market liberalization on women in terms of wages, work conditions and security of employment in many parts of the world. Trade and labour market liberalization has also resulted in an increase in casualization such as seasonal employment in the agricultural sector and contracted labour services for other labour-intensive activities. Declines in female employment in manufacturing have been noted following trade liberalization, for example in textile industries in countries as diverse as Bangladesh and Zimbabwe.
- 57. The service sector has provided women with increased job opportunities, including in non-traditional sectors such as the information and communication technology sector and tourism. Women's participation in trade in services has also been growing. However, women still predominate in traditionally female sectors, such as in health and education. Women workers in the informal economy are largely without social protection.
- 58. The gender segmentation of the labour market creates an additional challenge for women in the economy, preventing women from entering maledominated sectors and accessing key managerial and other decision-making positions. Owing to rigid gender roles and stereotypes, women may be less able to benefit from available opportunities, and are more affected by the short-term negative consequences of trade and investment liberalization.
- 59. A greater recognition of the interdependence of social and economic issues and increased attention to social issues is a prerequisite for effectively addressing gender-based inequalities in employment. Policies need to be developed to enable both women and men to benefit from opportunities associated with the service sector, including through trade liberalization, and to mitigate the negative effects on women.
- 60. Further efforts are needed to address the gender wage gaps and gender segmentation of the labour market and to improve the conditions and security of women's employment, including in the service sector. Strategies to enhance the participation of women in managerial positions need to be strengthened.
- 61. The lack of sex disaggregated data is an obstacle to informed decisions for the promotion of gender equality in employment. Gender statistics and sex disaggregated data should be routinely collected for all sectors and all levels of employment.
- 62. There is a need to identify and address the gender perspectives of trade liberalization in the service sector. Particular attention to wages, working conditions, job security, participation in decision-making, women's ability to export services, and access to credit and information and communication technologies is required. The long-term effects of teleworking need to be further monitored and evaluated. Indicators and benchmarks in terms of changes in gender relations as a result of teleworking need to be developed and monitored on a regular basis.<sup>38</sup>

63. National policies and practices need to be reviewed in order to eliminate discrimination against migrant women in employment in the service sector. Increased attention should be given to gender-specific barriers to migration, recruitment practices, access to information, human rights protection and remittance procedures.

#### Notes

- <sup>1</sup> The definition of the service sector used in the present report, encompasses all non-agricultural and non-manufacturing industries. It may involve the transport, distribution and sale of goods from a producer to a consumer, such as in wholesaling and retailing, or the provision of a service, such as in education, health care, tourism, entertainment, insurance, the media and legal advice. Goods may be transformed in the process of providing the service, such as in the restaurant industry.
- <sup>2</sup> Entities contributing to the report include: Department of Economic and Social Affairs, Economic Commission for Africa, Economic Commission for Europe, Economic and Social Commission for Asia and the Pacific, Food and Agriculture Organization of the United Nations, International Labour Organization, United Nations International Research and Training Institute for the Advancement of Women, International Trade Centre UNCTAD/WTO, United Nations Conference on Trade and Development, United Nations Environment Programme, United Nations Educational, Scientific and Cultural Organization, United Nations Industrial Development Organization, United Nations Development Fund for Women, UN-Habitat, United Nations Research Institute for Social Development, United Nations Relief and Works Agency for Palestine Refugees in the Near East and World Health Organization.
- <sup>3</sup> The sum of unemployed plus employed women.
- <sup>4</sup> International Labour Organization, Women and Men in the Informal Economy: A Statistical Picture (Geneva, 2002).
- <sup>5</sup> United Nations Research Institute for Social Development, Gender Equality: Striving for Justice in an Unequal World (Geneva, 2005).
- <sup>6</sup> International Labour Organization, Global Employment Trends for Women (Geneva, 2004) (see also press release ILO/04/09).
- A homeworker is an individual who works at home with some agreement with a factory or entrepreneurs that supplies the material. The worker agrees to complete the set task on the materials supplied by a specific time for a set payment.
- <sup>8</sup> Based on information provided by the Economic Commission for Europe.
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- The GATS distinguishes between four different ways in which a service can be traded, known as "modes of supply": Mode 1: cross-border supply where the service itself crosses the border from one country to another, for example, telecommunications, insurance; Mode 2: consumption abroad where individuals travel to another country to use the service there, for example, hospital service and tourism; Mode 3: commercial presence where a foreign company sets up a subsidiary or branch within another country, for example, water companies in the country, hospitals, banks and energy companies; Mode 4: movement of natural persons where individuals travelling from their own country to supply services in another, for example, nurses and construction workers. Among the objectives of creating GATS was the promotion of trade and development through progressive liberalization. WTO, Online. GATS Facts and Fiction, available from http://www.wto.org.
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