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G20 and Gender Equality: A Roadmap to Women's Economic Empowerment

By Kuhuo Bajaj and Shreya Srikoti



Introduction

Gender equality has been a key focus of international discourse and policy-making for several decades. In the realm of global economic policies, the G20, composed of the world's major economies, has made significant commitments to reduce gender

disparities in labour force participation, employment quality, and overall economic empowerment. However, despite these commitments, disparities persist in various forms across G20 nations. In this article we delve into comparative analysis of women's labour, review key G20 declarations and initiatives related to gender equality, and suggest ways in which the G20 can further advance women's rights in employment, social protection, and fiscal policies.

Significance of G20

The G20, representing a significant global economic forum, comprises nations contributing to 85% of the world's GDP, 75% of global commerce, and approximately two-thirds of the world's population. This positions the G20 uniquely to lead initiatives that advance female labour force participation, reduce gender disparities, and drive economic growth. Efforts have been made within the G20 to bridge the gender gap in labour force participation, setting a goal to reduce it by 25% by 2025 during the Brisbane summit in 2014. Additional commitments were made during the Riyadh summit in 2020 to further enhance women's employment standards. Several G20 nations have since implemented policies like lenient parental leave, pay transparency, increased minimum wages, and measures to combat workplace harassment against women. However, the pandemic response has largely been gender-neutral, necessitating targeted interventions to meet the Brisbane objective and improve job quality for women.

Key G20 Declarations and Initiatives

The inclusion of women centric policies and agendas in G20 started with the monumental Brisbane Summit in 2014 where G20 leaders pledged to reduce the gap in labour force participation rates between men and women by 25% by 2025, with the aim of bringing 100 million women into the labour market, increasing global and inclusive growth, and reducing poverty and inequality. The idea of developing a roadmap to achieve this goal was introduced in 2020, Riyadh Summit and the actual roadmap was developed in 2021, Italy Summit.

The roadmap was to build upon the G20 Policy Priorities for Boosting Female Participation, Quality of Employment and Gender Equity (Australia, 2014) and the G20 Policy Recommendations to Reduce Gender Gaps in Labour Force Participation and Pay by Improving Women's Job Quality (Germany, 2017). It encompassed agendas like increasing the quantity and quality of women's employment, ensuring equal opportunities and achieving better outcomes in the labour market, promoting a more even distribution of women and men across sectors and occupations, tackling the gender pay gap, promoting a more balanced distribution of paid and unpaid work between women and men and addressing discrimination and gender stereotypes in the labour market. Targeted and executable policy suggestions were detailed in the roadmap so that the local policies of Member States could easily draw from them.

Another key initiative is the Antalya Youth Goal declared in the Turkey Summit in 2015. G20 Leaders agreed to the aim of reducing the share of young people who are most at risk of being permanently left behind in the labour market by 15% by 2025 in G20 countries. Across G20 economies, the gender gap is higher for the age group 25-29,

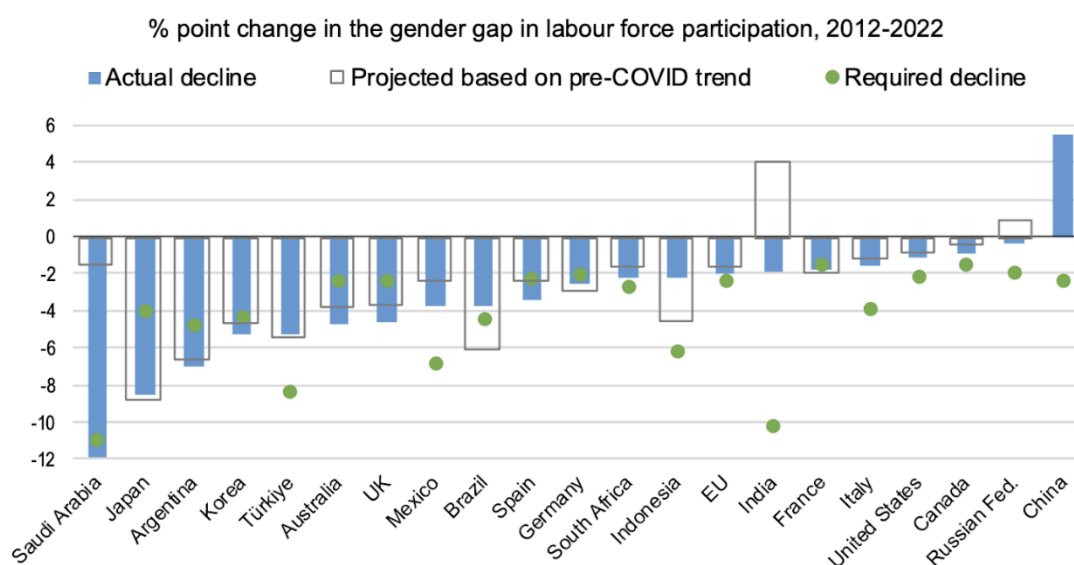
which is related to caring responsibilities for young mothers and greater responsibilities more generally for household duties for young women than for young men. This was also reflected during the COVID-19 Pandemic in the healthcare sector where women are over-represented as frontline health workers, in the most vulnerable sectors of the informal economy, and they also continue to undertake the majority of unpaid work. In 2019, due to the impact of the COVID-19 pandemic on the global economy, the process of reducing gender inequalities slowed down. Evidence from many countries shows a disproportionate impact on women, especially those who are younger, low-skilled, or from ethnic minorities. The Antalya Youth Goal aims at addressing this issue.

In 2019, during the Japan Summit, the EMPOWER Alliance also emerged as an important milestone declaration. The G20 Alliance for the Empowerment and Progression of Women's Economic Representation (G20 EMPOWER) is accelerating women's leadership and empowerment in the private sector. It does so by leveraging its inclusive and action-orientated vision and its unique partnership model, as G20 EMPOWER is the sole G20 entity that brings together over 60 business leaders and governmental representatives to advance a common goal. It focuses on 3 key areas: monitoring trends in the advancement of women in leadership roles; formulating diversity-centric, inclusion-centric and equity-centric policies and enablers to address systemic barriers surrounding the advancement of women; and addressing gaps in the availability, adoption and implementation of programs aimed at providing women with the skills and qualifications needed to meet and lead the technological, digitalization and sustainability challenges of the future.

India's G20 presidency coincides with a critical period of global economic recovery post the COVID-19 pandemic, necessitating increased female participation in the workforce. Collaborative G20 policy initiatives can address the unique challenges faced by women, including those related to childcare, pandemic-affected industries, mental health, and abuse. Enhancing women's workforce engagement and improving job quality are crucial for sustainable economic growth and achieving the UN's Sustainable Development Goals. The G20 nations have a vital role in leading international efforts in this domain.

Comparative Analysis of Women's Labor Market Participation

Promoting women's empowerment and ensuring equal opportunities in a diverse and inclusive workplace environment are essential for fostering sustainable economic growth. Currently, the global labour force participation rate for women stands at just below 47 percent, while for men, it is notably higher at 72 percent. Women's labour force participation rate in some G20 countries is alarmingly low. For instance, India's rate is 23 percent, Saudi Arabia's is 28 percent, Turkey's is 33 percent, and Italy's is 40 percent. From an economic perspective, addressing gender disparities in labour force participation has the potential to make a substantial positive impact on global GDP. The limited representation of women in the workforce can be attributed to a complex interplay of societal and cultural factors that influence and restrict opportunities for women's economic involvement. Nevertheless, several significant challenges persist across numerous G20 countries in this regard.

Figure 4. Progress in reaching G20 Brisbane goal has been set back by the COVID-19 pandemic

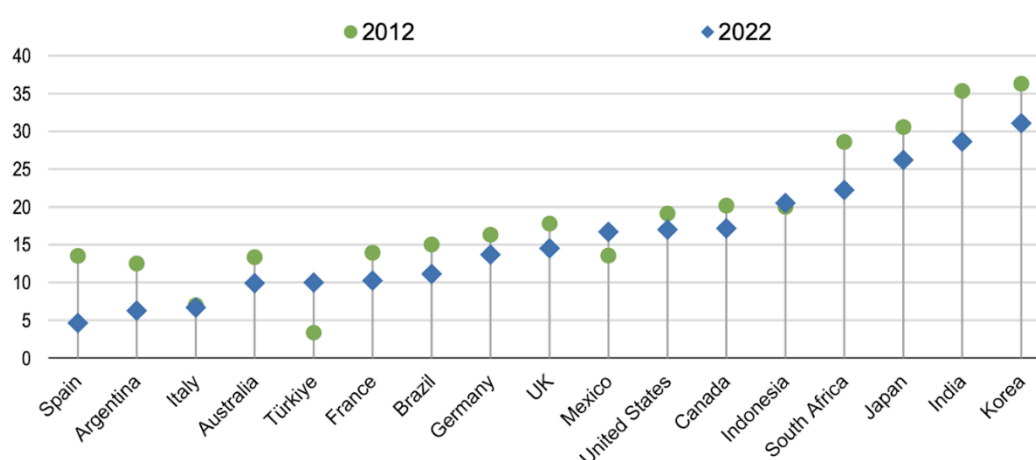
Unequal pay: Across all G20 economies, women consistently earn less than men on average. When we consider the median earnings of full-time workers, it becomes evident that women earn approximately 30-35 percent less than their male counterparts in countries like India and Korea. However, in France, Turkey, and Italy, the disparity is much smaller, with a pay gap of 10 percent or less. Furthermore, in many nations, the wage difference between men and women becomes even more pronounced when accounting for gender-related variations in paid employment, such as differences in educational attainment. This poses a significant barrier to encouraging women's active participation in the workforce. Reducing the pay gap is crucial for improving female participation in the workforce as it would provide women with greater economic security and incentivise them to participate more actively. It would also foster gender equality, leading to a more diverse and inclusive workforce.

Gender disparity in employment: Gender disparity in employment refers to the difference in employment rates between men and women. Barriers to entry and

progress are more likely to affect women. Women who want to work often struggle more than men to find gainful employment. The unemployment rate for women is still higher than the rate for men in about half the G20 economies. The gender gap in employment rate is at 4.2 percent in Argentina, 5.8 percent in Brazil, 2.5 percent in Italy, 3.9 percent in South Africa, 3.3 percent in Turkey and a whopping 17.9 percent in Saudi Arabia.

Figure A1. Gender pay gaps remain substantial

Difference in median full-time earnings between men and women as a % of the level for men, 2012 and 2022



Impact of COVID-19 crisis: Significant strides had been made in increasing women's workforce participation across G20 countries prior to the outbreak of the COVID-19 pandemic. However, the pandemic exacerbated gender disparities within the workforce. Women's jobs were seen to be 1.8 times more vulnerable during this crisis as compared to men. They accounted for 54 percent of all job losses during the COVID-19 crisis. Globally, women lost 64 million jobs in 2020, a 5 percent loss in employment as compared to 3.9 percent for men. Even in most G20 nations, women were disproportionately hit by job and working-time losses. In countries like Canada, Mexico, Spain, and the UK, employment of women in the workforce in 2021 remained well below pre pandemic levels. Similarly, in terms of the number of hours worked, women faced a greater shortfall than men in many G20 nations, especially in Canada,

Mexico and Spain. These alarming statistics reflect that the economic fallout of the pandemic is harsher on women than men. Women are majorly employed in informal and precarious sectors like retail, tourism, and food services and often receive much lower salaries. These sectors were disproportionately affected by the pandemic's impact, resulting in not only job losses but also reduced working hours and income for women.

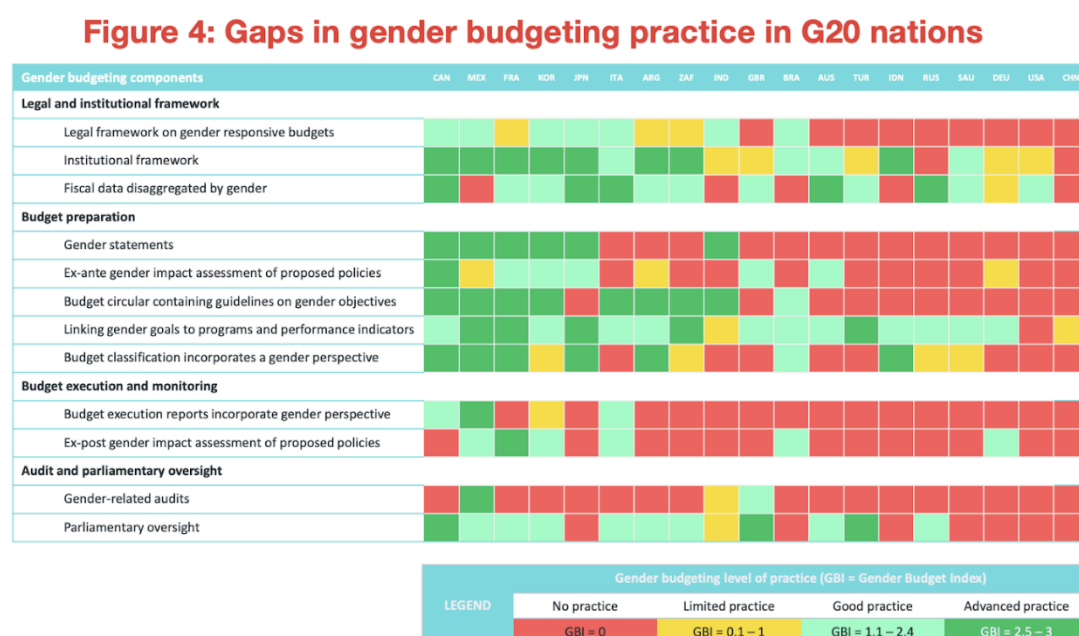
Way forward

The G20 significantly influences economic and associated policies of member countries – notably those driving (or failing) SDGs. However, the G20 track record on implementing these commitments is weak, contributing to the slow progress and declines in equality; compared to 71 percent compliance for all issues, compliance for gender commitments averaged at only 62 percent. Moreover, follow-through is inconsistent among G20 nations, which reduces the coherence and integrity of the G20 and weakens overall influence on advancing the SDGs. Nations need to internalise G20 policies and embed them in their existing national policies. Merely agreeing to declarations on paper and not implementing them is doing more harm than gain. The gap between planning and execution needs to be bridged using some kind of checks and balances. Implementation of policies can have monitoring or accountability systems

which push Member States to act upon the declarations.

G20 nations should acknowledge and attribute value to unpaid care and domestic labour within their economies, concurrently introducing incentives and systems aimed

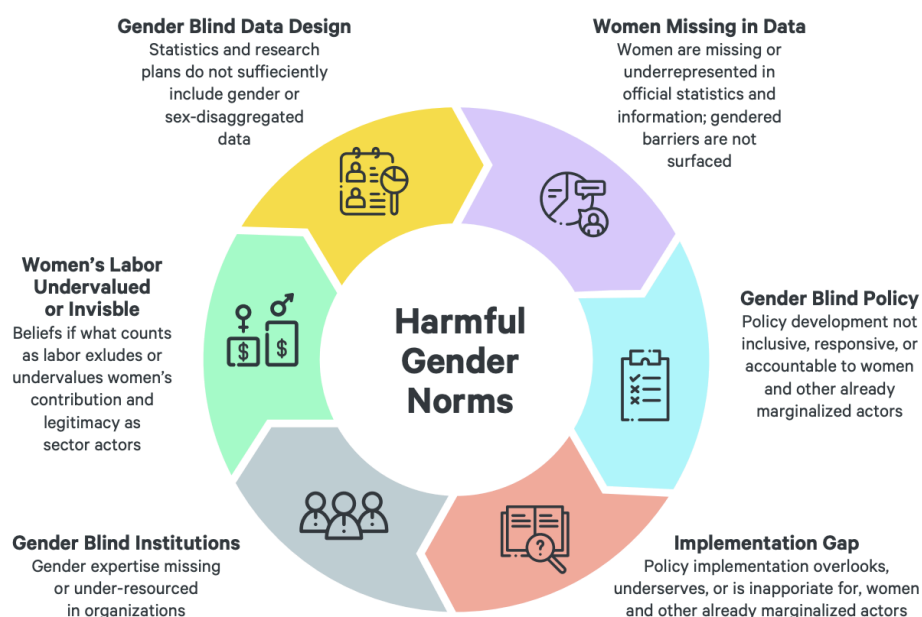
at mitigating the disparities linked to unpaid work. This can be achieved by developing or enhancing national and subnational accounting systems that more accurately acknowledge the contributions made by care and domestic work. Furthermore, it is crucial for all G20 countries to consistently invest in the care economy, which encompasses affordable and high-quality childcare, targeted social benefits for single-parent households (emulating the practices of Germany and Japan), the provision of paid paternity leave (following the examples of Italy and Turkey), and the reinforcement of labour laws that encourage men's participation in care work.



Source: Adapted from Alonso-Albarran et al., 2021, 17

Gender budgeting is an essential strategy that recognizes the differential impact of government budgets on men and women. It incorporates a gender perspective into the budgetary process to ensure that governments are fully aware of how their financial choices affect gender outcomes. Facilitation and adoption of more systematic gender budgeting at both the national and subnational levels should be consistently institutionalised and applied.

It is important to engage with the informal sector and capitalize on pandemic innovations. These actions should be based on lessons learned regarding effective strategies to support favourable aspects of informal work, such as flexibility, while simultaneously mitigating risks associated with it. Special attention should be given to indigenous and young women, who are disproportionately exposed to the vulnerabilities and disparities associated with informal employment. Policy initiatives in this regard should include the protection of vulnerable workers, such as domestic workers in Argentina and self-employed individuals in Italy, measures to combat false subcontracting arrangements, as seen in Turkey, and the establishment of insurance provisions for home-based workers, as demonstrated in Indonesia. Additionally, it is essential to capitalize on innovations inspired by the pandemic, particularly by strengthening, adapting, and extending social protection systems to encompass informal employment.

Figure 3: Cycle of invisibility

Source: Adapted from McDougall et al. 2021, 4.43

Further, we need to break the 'cycle of invisibility' via data systems. G20 nations can demonstrate global leadership by accelerating the closing of pernicious gender data gaps. Global, national, and subnational statistical systems need to be assessed and updated to break the 'cycle of invisibility', ensuring that sex- or gender-disaggregated data are consistently generated—otherwise inequalities remain masked. Women are missing or underrepresented in social statistics and information thus gendered barriers do not surface. This leads to exclusive and unresponsive policy development. In response, policy implementation overlooks, underserves, or is inappropriate for, women and other already marginalised actors.

Conclusion

While the G20 has made significant strides in addressing gender inequality in global economic policies, challenges persist in achieving full gender equality in labour force

participation, employment quality, and economic empowerment. The declarations and initiatives outlined in this article demonstrate a commitment to advancing women's rights, but concerted efforts are needed to translate these commitments into concrete actions. By coordinating policies, investing in skills development, and addressing systemic barriers, the G20 can play a pivotal role in fostering a more equitable future for women in the global domain.

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