

Women — indispensable to a successful economy

By Waqas Younus, Published: March 28, 2016

With 3.38 billion women in the world, educated women are an important part of a prosperous society. If the women in a family have well-paid jobs, then the family's income increases, thus lessening the burden on men. An increased income for the family means that the family contributes more to the nation's output. Therefore, if women are more involved in the workforce, the nation will benefit.

Do we really need more working women? Reports by the McKinsey Global Institute suggest that gender-balanced teams yield better financial results. Do we really need more women in top management positions? An article in the Harvard Business Review (HBR) shows that women are often better at parsing and evaluating information. The article also cites a study of 600 corporate boards in its conclusion that women are more likely to consider exploring all options, the rights of others, and to prefer a consensus-based decision-making process to achieve fair solutions.

Having women in executive positions is beneficial to companies as well. A 2014 study by Credit Suisse reported that companies with more women on their board or in top management positions saw stronger returns on equity, higher valuation and higher pay-out ratios. A study by Thomson Reuters, involving 1,843 international organisations, concluded that companies with mixed-gender boards have better returns and fewer tracking errors. Despite all these advantages, women are underrepresented in decision-making and top management positions. With the exception of only a few countries, men outnumber women in management positions. In developing countries, the number

of women in management positions is deplorably low. According to the Pakistan Bureau of Statistics (PBS), only 0.07 per cent of women in Pakistan are managers and very few companies have women on their boards or in top positions.

Furthermore, the equitable treatment of women in the workforce demonstrates that society and government are both working towards solving issues that women face today. The way women are presently treated at work is unacceptable. Women often face discrimination in a multitude of ways, during hiring, pay, education, social support and protection, in working conditions, corporate growth and through harassment. We recently celebrated International Women's day, which was created to show respect for the many economic, social, and political successes women have achieved, but given the current working conditions for women both globally and in our country, we have a long way to go toward building a safe corporate environment in which women can play a greater role.

According to an International Labour Organisation (ILO) report, global female labour participation, or the number of females employed or actively looking for work, has fallen from 52.4 per cent to 49.6 per cent. According to the PBS, total female labour participation in our country is 22.17 per cent. This is lamentable in comparison to countries like the UK or the US, where the female labour participation is over 50 per cent. In some Pakistani provinces the situation is even more dire. Women's participation rates in Balochistan, Khyber-Pakhtunkhwa, and Sindh are 5.40 per cent, 9.76 per cent, and 9.90 per cent, respectively.

The state of women's education in Pakistan is even bleaker. The nation's female illiteracy rate is 61.83 per cent and is even higher in rural Pakistan, at 70.85 per cent. In rural Sindh, it is 79.81 per cent and in rural Balochistan 80.31 per cent. The neglect of female education has

repercussions for our economy, as most employed women work in the low-income agricultural sector. In high-income countries, women are mostly employed in the health, education, and engineering sectors. An analysis of 142 countries by the ILO shows that women are overrepresented in clerical, service, and sales positions. We need to focus on educating women so they can shift from the low-income agricultural sector to high-income sectors like services, industry, and engineering. This will increase the nation's overall income.

Additionally, women are usually paid less in the workforce. According to the ILO report, women only earn approximately 77 per cent of what men do. Studies have shown that this occurs because of discrimination as women's work is frequently undervalued due to perceptions that she would eventually give priority to her family and other factors. At the same time, the ILO found that women work longer hours per day, both in developed and developing economies. When women are expected to attend to their households, they are forced to curb their working hours, which not only reduces their income but also negatively affects the economy. Even after retirement, working women suffer. Globally, women represent 65 per cent of the people above retirement age without pension. This means that roughly 200 million women are living without any income.

Though almost all countries provide some form of maternity protection for employees, nearly 60 per cent of the female workforce, which comes out to about 750 million women worldwide, do not benefit from this right. The ILO report attributes this to regulations, lack of awareness of rights, discriminatory practices, informality and social exclusion. This lack of protection results in a smaller female labour force.

Though corporations claim to promote equal opportunity for all, a study reported that in a few countries, pregnant women are regularly

dismissed even when this is unlawful. The same study pointed out that managers often fire women because of their cultural belief that women should put their families first. Working women also face social pressures and often have to sacrifice quality time with their children. The lack of social support, a flexible working environment, and quality day-care, both in the public and private sectors, exacerbates this issue. Some managers are even hesitant to hire women because they think the company will have to bear more long-term costs due to women's family obligations.

Article 37 of our constitution requires the state to eradicate illiteracy and provide free secondary education to all; moreover, it states that the state should “make provision for securing just and humane conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex, and for maternity benefits for women in employment”. Further, it mandates that the state should “enable the people of different areas, through education, training, agricultural and industrial development and other methods, to participate fully in all forms of national activities, including employment in the service of Pakistan.” Article 26 emphasises that the state shall provide free education to all children, and Article 27 highlights that no citizen should be discriminated against for a job on the basis of race, religion, caste, sex, residence, or place of birth.

Working women in our country face more challenges than working women in developed countries. We need to provide equal health, education and work-related opportunities to all women so their participation in our labour force increases and our economy prospers with theirs.

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