Women’s Economic Empowerment and the G20 Agenda
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SUMMARY In not a single country has gender equality yet been achieved in practice. Worse still, in 9 out of 10 countries laws discriminate against women’s ability to be economically active. This despite all 193 UN member countries formally committing in 2015 to promote gender equality and empower women and girls. At current rates of progress, it will take another 217 years to reach economic parity. Yet the case for economic parity is compelling. As much as $28 trillion could be added to the global economy by 2025 if all countries bridged the gender gap, an amount equivalent to the combined US and China economies today. International fora such as the G20 are attempting to address this by establishing specialist dialogues such as the Women20, to provide targeted recommendations to government ministers and other policymakers.
Policy Recommendations for the G20

The Group of Twenty (G20) is an international forum held annually that brings together the world’s 20 largest economies as part of an ongoing process of policy dialogue and consultation. Together, G20 economies account for 85 percent of the global economy, 80 percent of world trade and two-thirds of the global population. In 2017 the first Women20 dialogue (W20) to focus on the Asia-Pacific was convened at the East-West Center to share regional good practices and produce policy recommendations for G20 leaders in seven key areas of women’s economic empowerment.

End Legislative Barriers

Legal frameworks free of discriminatory provisions are a basic prerequisite to women’s economic empowerment. Labor regulations banning women from certain jobs and sectors, along with issues such as unequal property and inheritance rights that also influence access to credit, diminish women’s capacity to fully participate in the formal economy.

Over 90 percent of countries—including 15 G20 members—still have at least one discriminatory law hindering women’s economic activity in the formal sector. This costs everyone, not just women: Limiting women’s access to employment opportunities alone costs the East Asia and Pacific region $42–$47 billion annually.

Recommendation: remove discriminatory legislation and enforce implementation to enable women to fully contribute to, and benefit from, sustainable economic growth.

Increase Financial Inclusion

Access to useful and affordable financial products and services for transactions, payments, savings, credit, and insurance is the foundation of financial inclusion. Financial inclusion has a multiplier impact on entrepreneurship, economic growth, and wealth creation. Less than 40 percent of women in G20 members have access to bank accounts. Yet no G20 member’s current National Financial Inclusion Strategies adequately addresses gender issues.

Digital advances, with suitable consumer protections, promise rapid access to both financial literacy and financial services.

About 80 million women around the world who do not have access to banks receive government transfers and wage payments in cash. Making these payments digitally would expand their financial inclusion. Research demonstrates that mobile phones can result in a 30% increase in people accessing finance.

Recommendation: actively promote gender-responsive financial inclusion for women via National Financial Inclusion Strategies and digital and financial literacy. Responsible financial services supported by consumer protection principles must underpin these, such as the Reserve Bank of India Regulation on Customer Protection (Electronic Banking Transactions) 2017.

Expand Digital Inclusion

Some 2.3 billion women do not have internet access. As of 2015, it was estimated 200 million fewer women—some 14 percent globally—than men owned mobile phones, impeding access to financial services, business information, and opportunities.

Women in South Asia are 38 percent less likely than men to own a mobile phone despite the notable growth rates of digital technologies in this region. India is the world’s second-biggest market for mobile phones, with more than one billion users, yet in rural areas women make up only 2 percent of Internet users.

In G20 members generally, girls’ lower rates of technology use lead to lower levels of digital literacy and confidence among adult women: Women are 1.6 times more likely than men to report a lack of skills as a barrier to Internet use. Bridging the digital gender divide is also essential to better equip women and girls for the future of work. Girls are less likely to study STEM subjects (science, technology, engineering, mathematics) and hence women are less likely to be active in technology related fields.

Recommendation: improve access for women and girls to digital technologies and literacy and facilitate study of STEM subjects, such as in Australia’s SAGE program.

Increase Women-owned Businesses in Supply Chains

Women make or influence the vast majority of purchasing decisions globally, but they are significantly underrepresented in global supply chains. Women-owned businesses receive only an estimated 1 percent of large corporate and government procurement spent globally, yet comprise over a third of all businesses.

Recommendation: increase women-owned businesses in supply chains. Women-owned businesses can add value to the economy and create employment opportunities for women and girls. Policies that support women-owned businesses and encourage them to participate in supply chains can lead to increased economic growth and gender equality.
Companies that incorporate women-owned businesses in their supply chains report greater vendor competition and a stronger competitive advantage. A study in the United States found that companies that implemented supplier diversity programs spent 20 percent less than competitors on their purchasing. In 1994, the US government set a 5 percent target for federal procurement expenditure to women-owned small businesses. While it took 20 years to reach the target, it is by far the highest percentage globally.

**Recommendation:** adopt proactive legislation to support purchasing from women-owned business, as have the United States and South Korea, so as to promote supply-chain inclusion, innovation, and sustainable economic growth.

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**Promote Women’s Corporate Leadership**

Research demonstrates that the presence of women in corporate leadership increases profitability, providing a “diversity dividend.” A survey of 21,980 firms in 91 countries found that 30 percent female representation on boards could add up to six percentage points to net profit.” Research by Catalyst shows that companies with higher numbers of women on their boards had a 66% higher return on investment than companies with fewer women.”

Despite the well-documented benefits, nearly 60 percent of companies globally have no female board members and one-third have no women in either board or corporate-suite (c-suite) positions.” G20 members overall have lower percentages of women in board and c-suite positions than the global average.

**Recommendation:** adopt proactive legislation to support purchasing from women-owned business, as have the United States and South Korea, so as to promote supply-chain inclusion, innovation, and sustainable economic growth.

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Women provide about 75% of unpaid care work, at a value of about $10 trillion per year, or 13% of global GDP

Domestic and care work that is vital to keep households functioning, such as child care, caring for the elderly, cooking, and cleaning, is socially and economically essential yet invisible in economic accounting. Women provide the bulk of unpaid care work—around 75 percent—which frees others to participate in the economy. Women’s unpaid care work is estimated at around US$10 trillion per year, roughly equivalent to 13 percent of global GDP. Women comprise 83 percent of the 67 million domestic care workers in the world, who often work without clear terms of employment and are commonly underpaid.

Access to affordable care services enables women (and men) to participate in the formal economy. An International Labour Organization and Gallup survey of 149,000 adults in 142 countries found that work/family balance is the toughest challenge for working women worldwide. While paid maternity leave is standard in almost all economies (the United States is a notable exception), it varies greatly in duration, and can be a disincentive to employers if they are required to cover costs instead of universal provisioning through tax or insurance. Maternity leave is paid by the government in just over half of economies and by the employer in 30 percent. Another 19 percent cost

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**Women20 for the G20 Inaugural Asia-Pacific Dialogue, 2017**

Participants in the Inaugural W20 Asia-Pacific Dialogue included current and former heads of state, government officials, academic experts, representatives of regional and international organizations, and business and civil society leaders. Regional and international organizations represented included APEC, the World Bank, the International Labour Organization, and the Council of Women World Leaders.

For the first time in a W20 dialogue, a special focus on indigenous women was included at the request of the Canadian government. Indigenous representatives from Australia, Canada, New Zealand, the Pacific Islands, and the United States, including from Hawai’i, convened to discuss indigenous and sustainable development.

The Women20 Asia-Pacific Dialogue was hosted by the East-West Center and sponsored by the global professional services organization EY.

This paper is adapted from the East-West Center Working Paper Putting Women’s Economic Empowerment in the Asia Pacific at the Core of the G20, in which complete citations appear.
Analysis from the East-West Center

Aboriginal business revenues are in many instances growing at higher rates than SMEs overall

Paternity leave is offered in around half of economies. Legislation that facilitates support for women’s access to economic opportunities has significant flow-on effects. For example, in Japan legislation to expand childcare is credited with a sharp rise in female labor force participation, reaching 66 percent in 2016, surpassing the United States at 64 percent.iii

**Recommendation:** continue efforts to calculate the contribution of unpaid work to the economy; prioritize legislation and policy to underpin access to affordable care services.

**Include Indigenous Women**

Access to economic opportunities for indigenous populations, especially women, remains limited. For example, in 2016 Canada’s National Aboriginal Economic Development Board reported that the economic marginalization of indigenous peoples was costing the Canadian economy $27.7 billion each year. Yet aboriginal business revenues are in many instances growing at higher rates than SMEs overall: in Australia their revenues are growing at an annual average rate of 12.5 percent and in Canada their growth has also been significantly higher than all SMEs in recent years. Indigenous women are often invisible in broader policymaking processes. Incorporating their indigenous knowledge and perspectives in policymaking is a first step to ensuring more inclusive and sustainable development.

**Recommendation:** follow Canada’s lead in ensuring the inclusion of an indigenous woman expert in the relevant national economic advisory board and include special consideration of indigenous women’s issues in W20/G20 dialogues.

**Notes**


iii Founded in September 1999, G20 Members include: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, United States, and the European Union (in bold: members invited to the W20 Asia-Pacific Dialogue).


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