

Statement for Ms. Mari Simonen, Deputy Executive Director of UNFPA
Roundtable 5: Promoting Productive Employment and Decent Work for Women and Young People”, 5 April 2006, 3.45 – 5.45 pm

Chairperson,
Distinguished delegates,
Representatives of United Nations entities and non-governmental organizations,
Ladies and Gentlemen,

I would like to welcome you to this Roundtable on “Promoting productive employment and decent work for women and young people”.

The 2005 World Summit Outcome resolved to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of relevant national and international policies as well as national development strategies, including poverty reduction strategies, as part of efforts to achieve the Millennium Development Goals.

It is critical that women’s and men’s employment opportunities, risks and vulnerability are considered from a life-cycle approach since these may vary at different points of time in women’s and men’s lives. For example, the girl child may be vulnerable to early withdrawal from school, which could have serious implications on job opportunities later on in her life. Similarly, women’s responsibility for care for younger and older family members may expose them to unemployment, or employment insecurity in the formal sector.

Worldwide, women and young people make important contributions to economic development, including through productive wage employment, entrepreneurship, and as unpaid workers in family businesses and reproductive work in households and communities. For example, rural women make major and multiple contributions to the achievement of food security and produce more than half of the food grown worldwide. Migrant women contribute substantially to the economic and social development in both countries of origin and destination, including through financial and social remittances and investment by diasporas.

Of roughly 520 million working people living in extreme poverty in 2005 (earning less than \$1 a day), 60 per cent are women. Women are less likely than men to be in regular employment, earn less for the same type of work, more often work in the informal economy, own fewer businesses and are less represented in managerial positions. Over 60 per cent of unpaid workers in family enterprises worldwide are women.

The most challenging factors that limit women’s contribution to the labour market, the economy and to development at large are gender stereotypes and discrimination, and horizontal and vertical segregation. The current socio-cultural attitudes and gender inequality in education, training and recruitment are at the base of the persistent gaps between men and women’s earnings. Horizontal segregation restricts women and girls from maximizing their potential, and prevents them from entering traditional “male occupations”, and vice versa. Vertical segregation

upholds gender discrimination in hiring and promotion, limits women's career development opportunities and prevents them from reaching managerial positions.

These factors not only have direct costs to women in form of high rates of unemployment and underemployment, lower earnings and higher poverty, but also societal costs in form of lost economic growth opportunities, tax-base erosion and increased welfare costs. It is, therefore, critical that women's empowerment in the labour market is kept high on the agenda during the High-Level Segment of ECOSOC in June 2006.

Many countries have already embarked on initiatives to deal with these issues. For example, in 2005, France passed a law to eliminate gender pay gaps. If desired results are not reached within three years, the Parliament would be requested to enforce a penalty on companies that violate the law.

In Malawi effort are made to train men and boys in non-traditional fields, such as nursing and home economics, and women and girls in engineering and law. Samoa increased the recruitment and representation of women in the police force.

In 2003, Norway adopted a law which requests 40 per cent women in private sector boards. From January 2006, the companies have to start recruiting more women into the board-rooms in a two years time, or they will be dissolved. A similar initiative has been carried out by Denmark, Estonia, Greece and Sweden, through a project funded by the European Commission called "Women to the Top". The project has created incentives to challenge the under-representation of women in top managerial positions, by raising awareness of key actors and initiating actions at company level.

With increasing numbers of women in the workplace in both the public and private sectors, there is an urgent need for more family-friendly policies. Such policies would not only benefit female and male employees by encouraging a better balance between work and family or personal life, but could also improve overall business productivity. An example of a good practice is the Icelandic Act that grants fathers a third of the whole parental leave.

Currently young people account for nearly 50 per cent of the world's unemployed. On average, young people are over three times more likely to be unemployed when compared to adults. And millions of young people cannot afford to be unemployed and are working long hours under informal, intermittent and insecure work arrangements that offer few benefits, limited protection and inadequate prospects for advancement. Some 106 million working youth, or one in five of all working youth, live in households with an income of less than US\$ 1 per day and do not earn enough to lift themselves out of poverty.

This problem is not going to disappear. Some 1.2 billion young people will enter the labour force in the next decade. The challenge we face is not only one of finding jobs for those youth who will be entering the labour market. But there is also an urgent need to find decent jobs for all young persons who are often underemployed and working in rural areas or the informal economy. Across the globe, young people bring energy, talent and creativity to our economies and societies. They are an untapped asset that we cannot afford to squander. What our young people do today will create the foundation for what our economies will do tomorrow. Unless we invest in this valuable human capital, we will surely lose the opportunity to use youth as a springboard for economic and social development and to realize the Millennium Development Goals.

Investing in youth employment is an investment in the future. Access by young people to productive work that generates an adequate income is the surest way young people can realize their potential, improve their life and work prospects and actively contribute to their communities. Decent work for young people provides economies with significant benefits in terms of increased wealth. The ILO estimates that halving the world's youth unemployment rate (from 14.2 to 7.2 per cent in 2003), bringing it closer to the adult rate, would add between US\$ 2.2 and US\$3.5 trillion to global GDP. And decent work for young people also benefits societies. Starting right at work can open the gates to the fulfilment of young people's responsibilities and aspirations, not only as workers, but also as citizens.

Almost every country in the world has sought to address the youth employment challenge, and a wealth of approaches has been implemented. However, many interventions have been confined to specific programmes that are narrow in scope and limited in time. In addition, the emphasis has often been placed on labour market entrants, with less attention to the poor working conditions of many young workers.

What has now become clear is that such approaches are not producing sustainable results. What is needed is an integrated approach – one that combines supportive macroeconomic and targeted measures, and addresses labour demand and supply, as well as the quantity and quality of employment. This means that policies should stimulate aggregate demand and create additional employment opportunities for young people coming onto the labour market. Also, broader employment and other economic and social policies should be complemented by targeted measures to overcome the specific disadvantages many young people encounter in entering or remaining in the labour market. Initiatives to create more jobs for youth should go hand in hand with measures to enhance the employability of young people. But again, it is not just a matter of more jobs but also of better jobs.

Since we are gathered here at the United Nations, I would like to recall that the UN recognises the vital importance of youth employment for the development agenda. In 2001, the Secretary-General created the Youth Employment Network (YEN) – an inter-agency partnership between the UN, the ILO, and the World Bank – to operationalize the Millennium Declaration commitment of “developing and implementing strategies that give young people everywhere a real chance to find decent and productive work”. And we are fortunate to have a representative of the YEN Youth Consultative Group on our panel today. Together with delegates of Governments, the world of work represented by workers' and employers' organizations, complemented by the academic community and the larger multilateral family, we have a wealth of knowledge and experience in this room.

This broad mix of policy-makers, experts and practitioners is what is needed to strengthen dialogue and mobilize partnerships to promote productive employment and decent work for women and youth. This requires concerted action among various government ministries. It also needs effective coordination between central and local institutions as well as public and private agencies. Social dialogue between governments, employers' and workers' organizations is key to ensuring sustainable changes for women and youth at work. Cooperation and alliances with representatives of civil society, such as parliamentarians, human rights' advocates, women's and youth organizations, and the private sector can highlight and replicate good practices and durable solutions, participation in and commitment to measures and reforms affecting employment prospects.

And now, I have the honour of introducing our panellists and discussant:

Dr. Martha Chen is a Lecturer in Public Policy at the Kennedy School of Government and Co-ordinator of the global research policy network Women in Informal Employment: Globalizing and Organizing. She lectures and writes widely on gender and poverty alleviation, with a focus on issues of employment and livelihoods.

Dr. Kanchana Ruwanpura is an Assistant Professor of Economics at Hobart and William Smith Colleges. She teaches and writes extensively on labour market issues, political economy, gender and development. Dr. Ruwanpura completed her Ph.D. (2001) at Newnham College, University of Cambridge, where she explored her research interests in gender, ethnicity, development and feminist methodology through her dissertation.

Mr. Budi Tjahjono is the Rapporteur of YEN Youth Consultative Group. Mr. Tjahjono has represented the YEN in diverse fora ranging from the UN General Assembly discussions on youth to the UNESCAP Committee on Emerging Issues. He has authored a number of papers on the role and activities of the Youth Consultative Group as well as coordinating youth groups to produce a global analysis of youth participation in over 40 National Action Plans on youth employment submitted to the UN in 2005.

Mr. Robert Holzmann is the Director of the Social Protection Department at the Human Development Network of the World Bank. Mr. Holzmann's research and operational involvement extends to all regions of the world, and he has published extensively on social, fiscal and financial policy issues.

Ms. Barbara Byers will serve as the discussant for this roundtable. Ms. Byers, who is now serving a second three-year term, was first elected Executive Vice-President of the Canadian Labour Congress in 2002 after more than a decade as President of the Saskatchewan Federation of Labour. Her 17 years with the Saskatchewan Social Services brought Ms. Byers face-to-face with issues that remain at the centre of labour's agenda, workers' rights; poverty; Aboriginal concerns; youth unemployment; and justice for equality-seeking groups.

I now give the floor to Dr. Martha Chen.

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I now give the floor to Dr. Kanchana Ruwanpura.

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I now give the floor to Mr. Budi Tjahjono.

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I now give the floor to Mr. Robert Holzmann.

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I now give the floor to our discussant, Ms. Barbara Byers, for some closing remarks.

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