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**Press Release**

## **UN urges policies to increase women's economic empowerment**

### **Report calibrates consequences of unequal distribution of economic and financial resources between women and men**

(United Nations, New York, 26 October) – A substantial reordering of women's place in the economic world is long overdue and is made more urgent in the context of the current financial and economic crisis, the United Nations said today in its *World Survey on the Role of Women in Development*, published every five years by the United Nations Department of Economic and Social Affairs.

The 2009 *Survey*, dedicated to the theme of "women's control over economic resources and access to financial resources, including microfinance", makes the argument that increasing women's access to resources exerts strong multiplier effects on a range of development goals, including poverty reduction, child welfare and economic growth.

"Appropriate responses [to gender discrimination] will facilitate both achievement of gender equality and empowerment of women and economic growth and long-term prosperity," said Under-Secretary-General for Economic Affairs Sha Zukang.

Long-standing inequalities in access to economic and financial resources have placed women at a disadvantage in relation to men in economic development. Despite their increased participation in the workforce, women are disproportionately represented in informal work, which is generally precarious, poorly paid, and not covered by labour legislation or social protection. Women's wages, according to the International Trade Union Confederation, are 16.5 per cent less than men's. The persistent unequal sharing of unpaid work between women and men, including caregiving, influences women's choices in the labour market.

#### **Access to financial services needed**

Women also require access to a range of financial services – including savings, insurance, remittance transfers and credit – to allow them to fully benefit from economic opportunities. Many women remain excluded from the formal financial sector, due to collateral requirements and perceived risks associated with lending to them. Microfinance institutions, which emerged in response to the failure of the formal financial system to reach the poor, have been successful in reaching out to women, in particular because they have specifically addressed the constraints women face. Despite this, the *Survey* notes there is no consensus on the impact of microcredit on empowering women. Microfinance has failed to meet the needs of women entrepreneurs in business growth and expansion. The *Survey* also points to the increasing risk to women's access to finance in the growing commercialization of microfinance.

Women's livelihood strategies in many parts of the world require access to a range of productive resources. In many parts of the world, however, women continue to face discrimination in access to land, housing and property, as well as the infrastructure, services and technologies needed to facilitate their effective use of these resources. And without access to the economic resources provided through social protection, many women around the world are unable to insure themselves against contingencies arising from old age, ill-health, disability, unemployment and other life crises.

The *Survey* emphasizes that even when economic rights for women exist, they may not be enforced or women may not be able to claim these rights because of socio-cultural norms and practices. Efforts are needed to make judicial systems more accessible and responsive to women and to provide legal aid to women seeking to claim their rights.

Macroeconomic analyses have not adequately addressed the structural constraints to women's economic empowerment and have failed to develop and build on the human capital of women. This has a significant impact on economic growth. The *Survey* notes with particular concern the neglect in macroeconomic policies of the unequal distribution between women and men of paid and unpaid work.

The *Survey* stresses the need for growth strategies which focus on gender-responsive employment promotion, informed by the interdependency between economic and social development, and the recognition that labour is "produced" by the mainly unpaid work of women, who are expected to take on primary responsibility for nurturing and sustaining the workforce. Economic growth strategies should give attention to the real economy, considering the totality of economic activities – productive and reproductive, paid and unpaid, formal and informal, and including social as well as economic objectives.

## Women absent from decision-making

The *Survey* notes with concern women's absence from key decision-making bodies influencing the distribution of resources in both public and private sectors, despite evidence on positive impacts of women's representation in decision-making. Equal representation of women in all areas of economic decision-making, including at the highest levels in Government ministries, international organizations, corporate boards and the banking sector, needs to be pursued.

The urgency of rethinking economic growth strategies and increasing attention to women's economic empowerment is even greater in the current financial and economic crisis. The impact of the crisis can exacerbate the challenges women face in many parts of the world and reduce resources for gender equality. Stimulus packages should be directed at equal employment opportunities and at social as well as physical infrastructure. Gender-responsive budgeting is required to ensure adequate levels of funding for gender equality and empowerment of women to withstand the effects of the crisis.

**For more information, see <http://www.un.org/womenwatch/daw/ws2009/>**

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