

Latin America's Progress on Gender Equality: Poor Women Workers Are Still Left Behind

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The Millennium Development Goals seek to achieve gender equality by the year 2015 (see MDG #3). The set of indicators proposed to track progress towards this goal encompasses the social, political and economic spheres. We focus on an important economic indicator, i.e., the share of women in wage employment in the non-agricultural sector.

The Latin American and Caribbean region has shown notable progress on all indicators of gender equality. Official data from the United Nations show that, within the developing world, this region has had the best performance on women's economic progress. For instance, women hold 42 per cent of wage jobs in the non-agricultural sector.

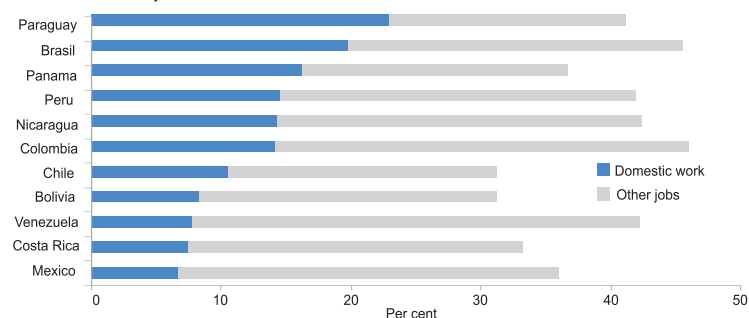
However, an assessment of the region's progress on gender equality cannot rely only on national averages. In the region in the world with the highest inequality, one should expect progress in gender equality to be inequitably distributed, and likely to be most limited for poor women.

We restrict our attention to *urban* areas, where this indicator is more relevant and data are more reliable. We then examine—by quintiles—the share of women in wage employment in the *urban* non-agricultural sector for 20 countries in Latin America (circa 2004). Data in EQxIS (www.iadb.org/xindicadores) allow us to see that this share is 48 per cent for the richest fifth and 40 per cent for the poorest. Hence, the participation of poor women in such employment is eight percentage points lower, on average, across all countries. In countries such as Bolivia, Chile, Honduras and Panama, the difference can be as large as 15 percentage points.

But let us disaggregate our data in order to get closer to the real story. Often, the main wage work that poor women in urban areas can find is performing domestic chores for rich or middle-class households, e.g., cleaning, cooking and baby sitting. What if we exclude these jobs from our analysis since they are usually low paid, lack benefits and offer few opportunities—hardly a basis on which to demonstrate gender equality? If we do, the disparities between rich women and poor women become striking.

Excluding domestic work does not alter the share of rich women in urban wage work. But the share of poor women drops dramatically, by 12 percentage points, from 40 to 28 per cent! This suggests that more than one in four poor women workers (12/40) who are in urban wage employment are domestic workers. Moreover, the domestic chores that they perform for rich and middle-income

Share of poor women in urban paid employment and in urban paid domestic work, selected countries in Latin America



Source: Author's calculations based on data from EQxIS.

households are likely to enable the women in these households to secure higher wage employment outside the household.

The importance of paid domestic work for poor women workers differs across countries in Latin America. For selected countries in this region, the Graph highlights: 1) the share of all poor women workers who are in urban paid employment and 2) the percentage of all poor women workers who are paid domestic workers.

The Graph allows us to gauge the share of poor women in urban paid employment who are domestic workers. This percentage is almost one half of all poor women in urban paid employment in Brazil, one third in Chile, a bit more than one fifth in Costa Rica and a little less than one fifth in Venezuela. Paraguay is an extreme case: more than half of poor women engaged in urban paid employment are domestic workers.

Thus, MDG-related policies aiming to reduce gender equality need to take into account the complexity of women's participation in labour markets, particularly in countries with high inequality such as those in Latin America. Access to non-agricultural wage employment, though important, does not necessarily expand significantly the economic opportunities of poor women.²

So indicators that focus solely on national averages might provide a misleading picture of progress in reducing gender equality. Disaggregating data, such as we have done for paid domestic work, should be an initial step in uncovering the real conditions of gender inequality.

Notes:

1. Former senior researcher at the International Poverty Centre and current staff member of the UNDP Poverty Group.
2. For a recent discussion of gender equality, see issue number #13 of IPC's *Poverty In Focus* magazine, published in January 2008. @