

Female labour force participation around the world: trade-offs between preferences, gender norms, and socioeconomic constraints

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INTRODUCTION

- Gender gaps persist and slowdown of progress in the recent decade
- Indicates that women are still facing a multiplicity of constraints restricting their capabilities and freedoms to access the labour market
- **ILO-Gallup survey finding: 70 per cent** of women around the world in 2016 prefer to work a paid job (despite their labour market status)
- Analysis of ILO-Gallup survey questions designed to **capture the perception and opinions of women about their position in the labour market**
- **Some references:** Besamusca et al. 2015, Klasen and Pieters 2012, Mammen and Paxson 2000, Uysal 2004



WHAT ARE WE DOING?

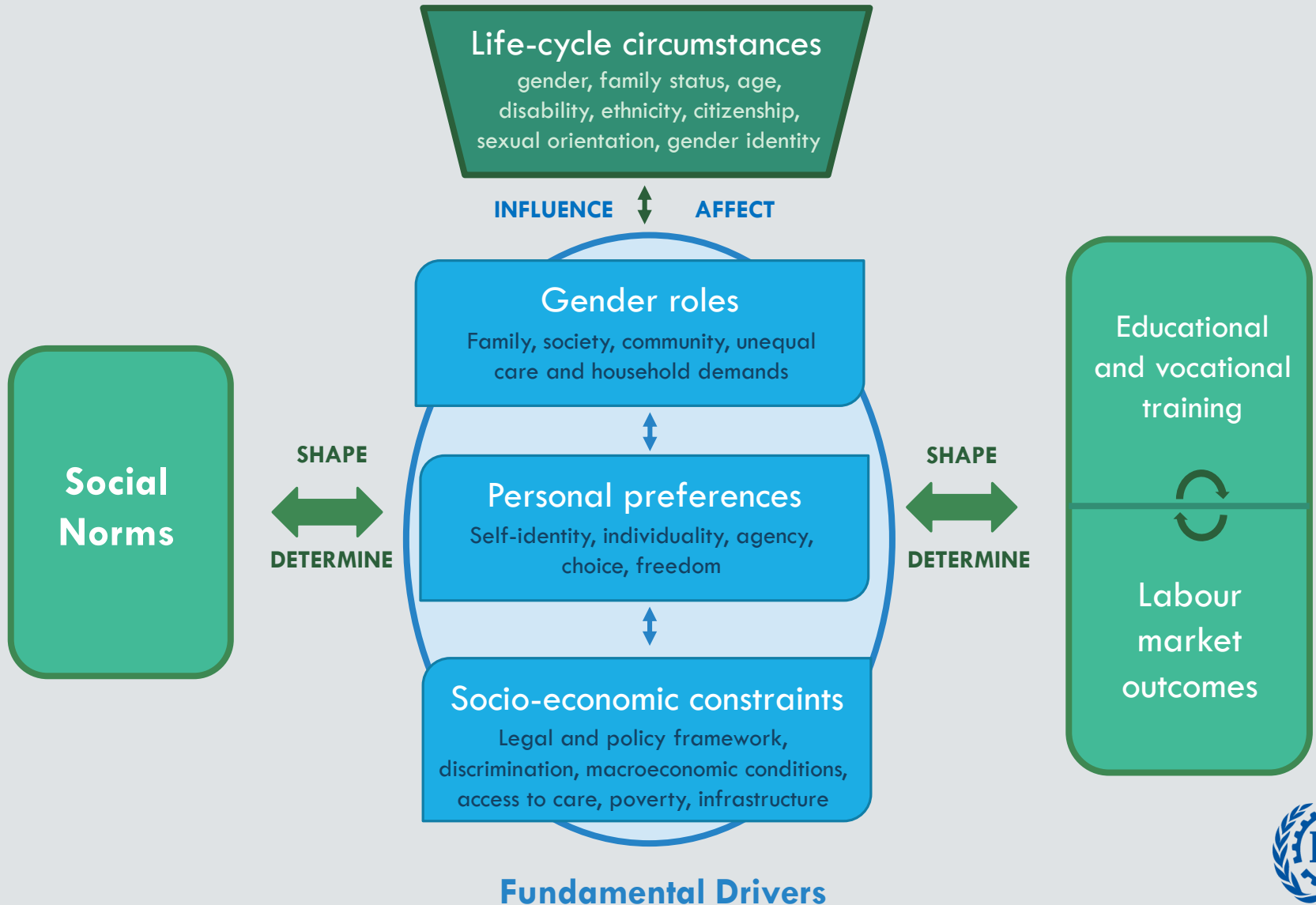
Estimate female labour force participation

Contribution:

- capture the voices of women in the world of work
- global overview: **121** countries
- age groups (life-cycle of women)
- impact by different country groupings
- quantify the impact of drivers on female labour force participation



CONCEPTUAL FRAMEWORK



HYPOTHESIS

- **Children (–)**
 - Household #
- **Marriage (–)**
- **Age** (inverted u-shaped)
- **Poverty (+)**
 - No food or shelter
- **Gender roles (–)**
 - Religion, household acceptability, urban/rural
- **Preferences (+)**
- **Education (+)**
- **Challenges (–)**
- **ICT (+)**
- **Religion (-)**
- **Job Prospects (+)**

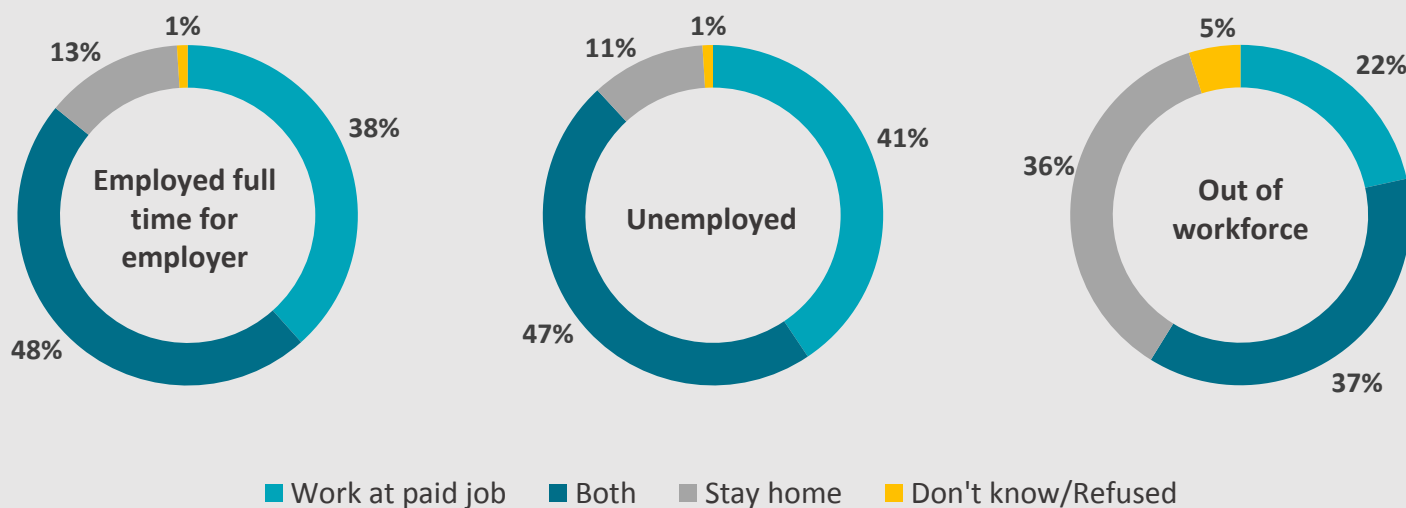


DATA DESCRIPTION

- 2016 Gallup World Poll, microdata covering 149,000 persons in 142 countries → Sample: **60,408 women, 121 countries**
- **ILO-Gallup joint survey designed 4 specific questions:**
 1. Would you PREFER to work at a paid job, or stay at home and take care of your family or both?
 2. It is perfectly acceptable for any woman in your family to have a paid job outside the home IF SHE WANTS ONE. Do you agree?
 3. Please think about women who work at paid jobs in [country/territory name] today. What do you think is the BIGGEST challenge these women face?
 4. If a woman has similar education and experience to a man, does she have a better opportunity, the same opportunity, or a worse opportunity to find a good job in the city or area where you live?



Majority of women prefer to work a paid job, despite labour market status



Source: ILO-Gallup

- Globally, **70 per cent** of women prefer to work a paid job despite their labour market status. While, **59 per cent** of women outside the labour market would prefer to work at paid jobs.

EMPIRICAL METHODOLOGY I

Estimate individual probability to participate

- Binary dependent variable $Y=[0,1]$
- Probit model
- $\text{Prob}(Y = 1|X) = \Phi(X^T \beta)$
 - $\Phi()$ is cumulative distribution function of normal distribution

Specifying independent variables X

- Individual characteristics according to framework
- Pool countries
 - increase sample size
 - obtain more general results
- Insufficient country-level information → **country fixed effects**
- Different β for different groups
 - interaction terms



EMPIRICAL METHODOLOGY II

Group by age to account for life-cycle effects

- Young (15-24)
- Prime age (25-54)
- Older (55+)

Group by countries

- Low income
- Non-low income with low LFPR gap
- Non-low income with high LFPR gap

Interact both with all variables



EMPIRICAL METHODOLOGY III

1. Compute average marginal effect

- Taking all other variables at actual value

2. Order of discussion:

- Baseline group: prime-age women in low-gap countries
- Life-cycle effect on drivers
- Country characteristics effect on drivers
- Impact of combination of both

Endogeneity: cannot establish causality



Unconditional marginal impact of drivers on the probability to participate in the labour market

Prime-age, Low gap countries

Personal preference

Prefer paid work	0.18***
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Socio-economic constraints

Poverty	-0.01
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Opportunities: positive	0.01
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Opportunities: negative	0.00
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Job Climate	0.03***
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Married/partner	-0.03***
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Children	-0.04***
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Internet	0.08***
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Phone	0.07***
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Roads	-0.01
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Gender role conformity

Urban	0.01
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Acceptability	0.04***
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Religion: Islam vs non-Islam	-0.07***
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Education

Secondary education	0.06***
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Tertiary education	0.13***
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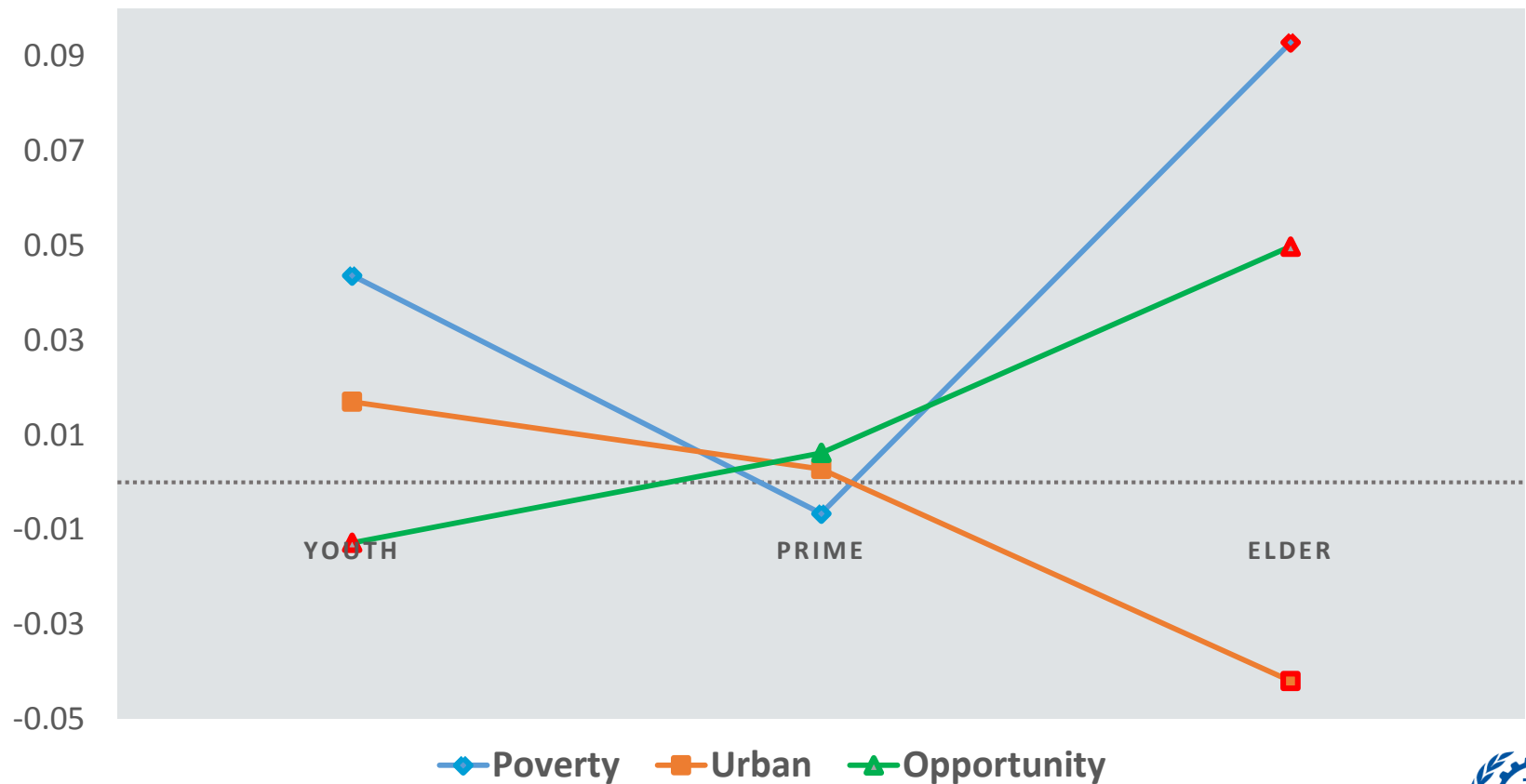
Observations	16,046
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RESULTS

- Preferences matter
- Tertiary education has the second largest impact
- Marriage and children negatively affects prime-age working women, highlighting their disproportionate care demands
- Household acceptability of women working has a positive affect
- Religion has a negative affect



LIFE-CYCLE EFFECTS



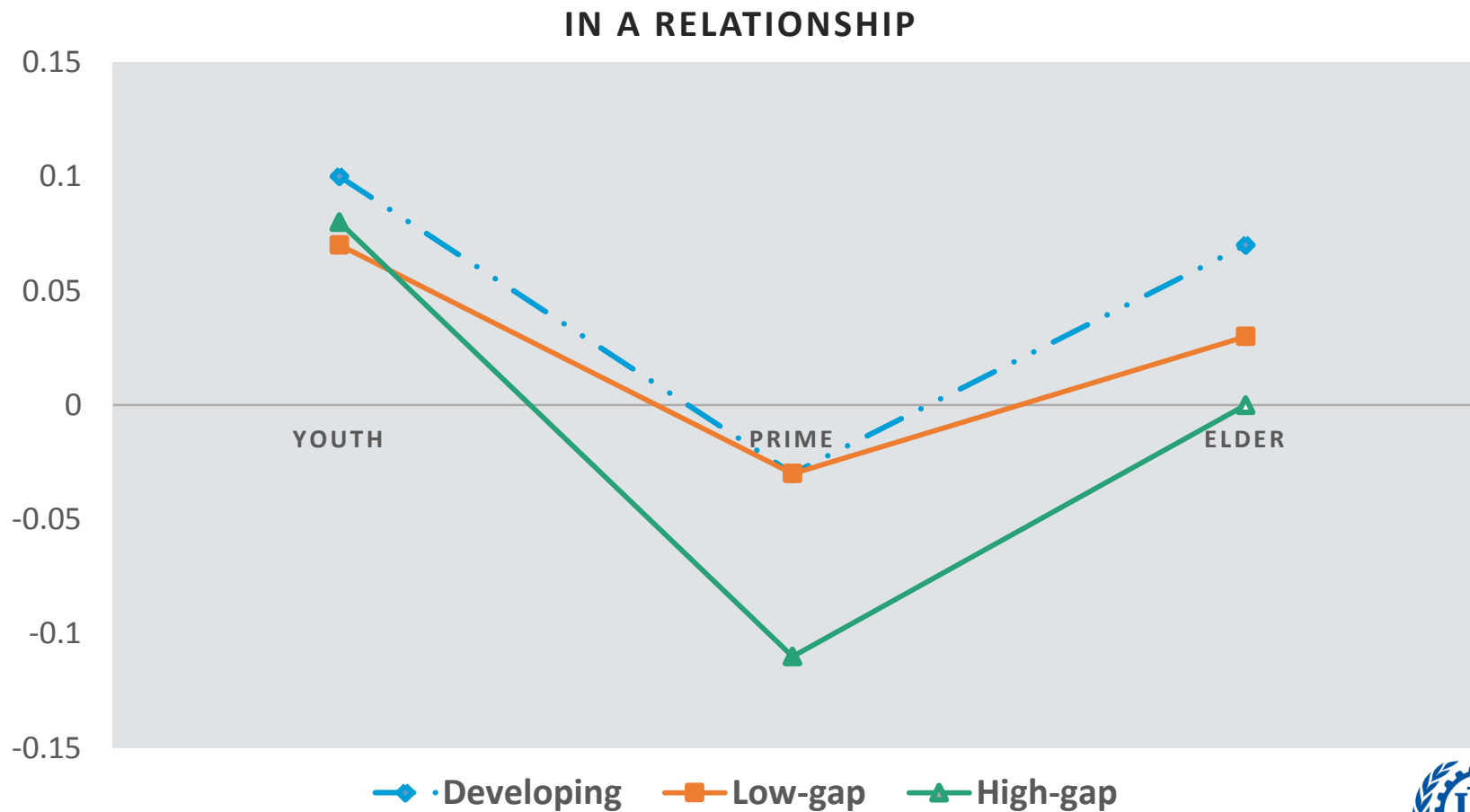
REPORTED CHALLENGES IN THE LABOUR MARKET

Age group proportions and estimated coefficients, 2016

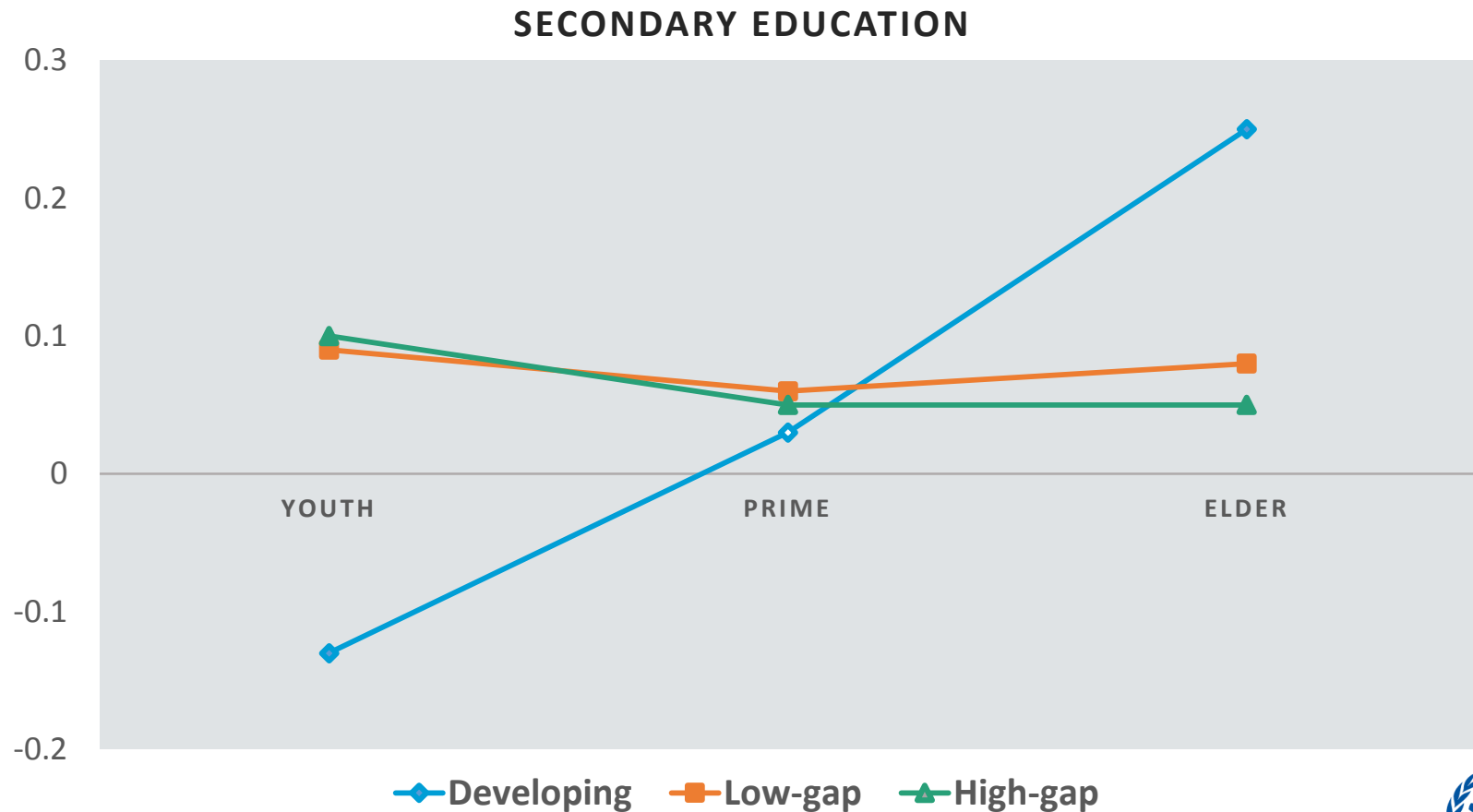
Low-gap countries						
Challenges	Youth		Prime-age		Elder	
	Frequency (per cent)	Coefficient	Frequency (per cent)	Coefficient	Frequency (per cent)	Coefficient
Lack of Flexibility	7.2	N/A	7.4	N/A	5.9	N/A
Work and family balance	20.1	-0.08***	28.8	-0.01	29.6	-0.01
Lack of affordable care	6.5	-0.06**	8.0	-0.03**	6.8	0.004
Family member don't approve	3.3	-0.07**	2.2	-0.06***	1.2	-0.01
Abuse, harassment, discrimination	12.5	-0.06**	8.7	-0.02*	6.6	-0.01
Lack of good paying jobs	12.1	-0.05*	13.0	0.01	11.4	-0.01
Unequal pay	8.4	-0.03	8.8	0.01	10.1	0.01
Lack of transportation	1.5	-0.12**	1.3	-0.06**	1.3	0.04
Men preferred in job	3.3	-0.08*	2.5	-0.01	2.7	0.02
Lack of skills	2.1	-0.03	1.6	-0.02	1.3	0.05

**Note: This table accounts for the survey sample of a total 56,750 observations representing the survey responses of women in 114 countries.

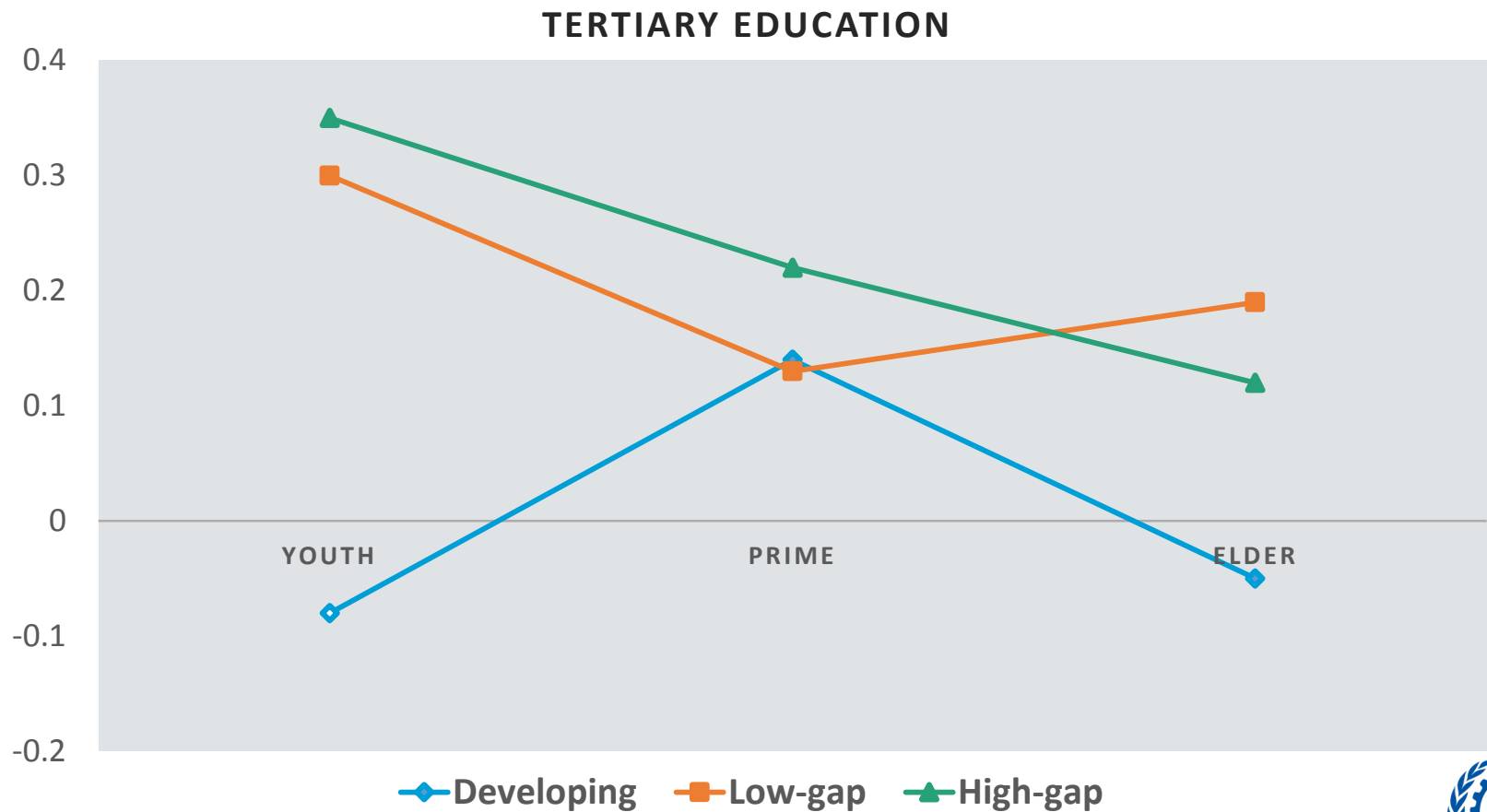
LIFE-CYCLE EFFECTS: RELATIONSHIP STATUS



LIFE-CYCLE EFFECTS: EDUCATION



LIFE-CYCLE EFFECTS: EDUCATION



CONCLUSION

- Preferences matter, but other constraints set by gender roles and socioeconomic conditions are very important
- Considerable interconnectivity and interdependence among drivers
- The challenges women face have a considerable affect on their decision to participate suggesting targeted efforts necessary to address constraints set by gender roles and socio-economic conditions.
- Depending on the position of the woman in the life-cycle, the magnitude of effects differ. Also, in regards to the environment she inhabits.



THANK YOU

