



Trade and Gender: some initial thoughts

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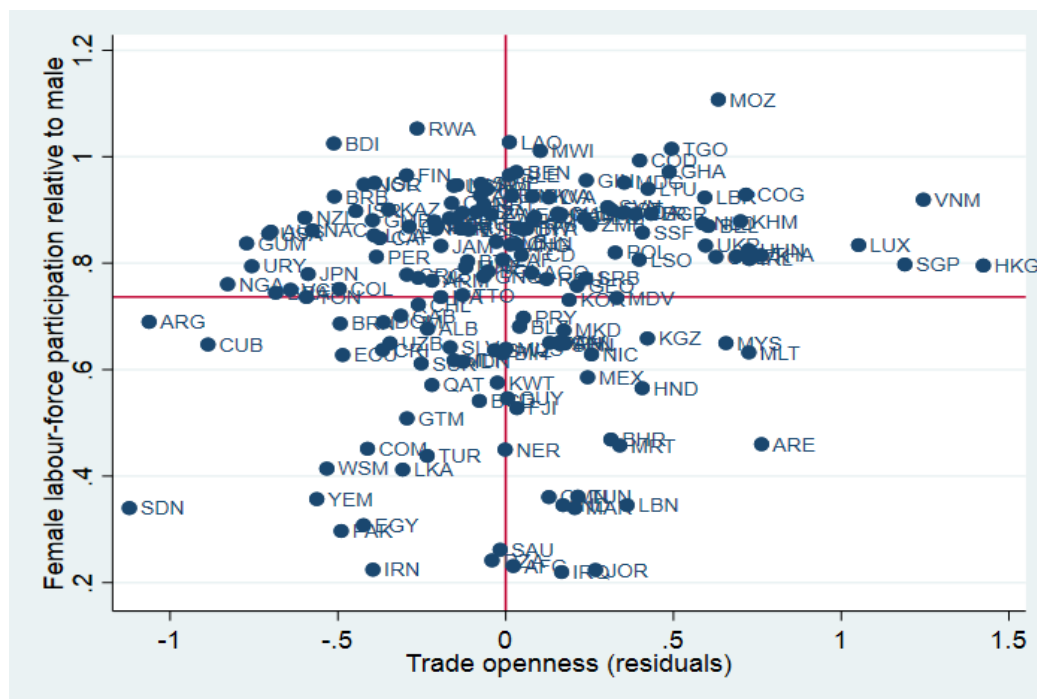
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It matters what question you ask

Figure 1. Female labour-force participation and openness to trade, 2015

(y-axis: ratio of female to male labour-force participation rate; x-axis: trade openness corrected for country size and GDP per capita)



Source: OECD calculations based on ILO data

It matters what question you ask

- What's the policy question?
 - What will promote women's economic empowerment (WEE) vs how can trade policy supports WEE?
 - Domestic policies matter
 - Does trade shift at the margin?
 - Where can trade contribute/impact?
 - More women participating in trade?
 - Benefitting from trade?
 - Managing adjustment from trade?
- What does it mean for policy priorities?
 - What should negotiations focus on (sectors)? What should priorities for policy action be (trade or other)?

Some thoughts on data

- What can data do now and what do we need?
 - What we can do...but not for women
 - Trade (and related) we can measure but we don't break out women
 - What we can't do...but maybe we should
 - Trade we are still trying to measure which may be important for women

» Breaking out women: adjustment

- Have **some evidence for some countries of displaced workers (DW) in general (not trade-related):**
 - **Women are generally no more likely to be displaced than men, once other factors such as the type of contract they hold** before displacement are taken into account.
 - However, **women are more likely than men to become disconnected** from the labour market and experience longer spells of inactivity after displacement.
 - But men suffer greater and more persistent earnings losses than women after displacement
- BUT this is all DW not just those displaced by trade...

» Are trade-displaced workers (TDWs) different from other DWs?

TDWs represent only a modest share of all DWs

Trade only one of many drivers of job losses

Only 2-3% of mass lay-offs in US because of trade

But difficult to assess role of trade behind each lay-off

adjustment difficulties

Longer spells out of work & greater wage loss in new job

TDWs concentrated in declining sectors and regions

TDWs often manual workers with few qualifications

» And are women different from other such DWs?

- It depends where and it depends when:
 - Women concentrated in sectors experiencing steepest drops in employment -- apparel, textiles, and electrical manufacturing.
 - But may be more readily re-employed in services.
 - In US, female employment in manufacturing has risen little since 2010, but male employment up by nearly 800,000 jobs, reflecting sectors of job growth
 - Some studies find in the US that men and women experience similar consequences from an increased exposure to import competition
 - But other studies find the opposite in Brazil

Back to the policy question

- Need to know more about what's happening at the micro level to be able to anticipate and tailor adjustment responses
 - Speed matters
- But question about whether the trade lens is the best one
 - Trade-specific adjustment may not be the answer, especially for women....
 - Is it tech or trade?

» And what does that mean for women?

- **Skill-biased technological change (SBTC):** women now outstrip men in most areas of educational attainment;
- Most job growth has been on the high-skill end. In US, Europe and a whole and Japan women have benefited from this more than men.
 - But more women also now work in LS jobs.
 - Larger share of growth in LS jobs to men in the US; to women in Europe.
 -
- **Automation** previously in male manufacturing, but now in female services (retail).
 - **Across all industries, the average risk of automation is just over 40%, which is shared almost equally between men and women.**
 - Less at risk in education, social work and health care from automation; but absolute number of female workers at risk of being displaced is still high.

Source: OECD Directorate for Science, Technology and Industry

» Breaking out women as consumers

- Limited evidence: given consumption patterns, women may be more affected by measures that increase prices on basics (food, clothing).
- Rising food prices harm female-headed households, both rural and urban, more in welfare terms than male-headed households .
- Female expenditure vs household expenditure
- Maybe look at concentration of female-headed single parent households among low-income households
- Some products are female specific
 - High tariffs on sanitary products
 - US study and female clothing that higher rates apply on women's clothing than on men's apparel (Furman et al., 2017).
- BUT: often these effects also reflect differences in women's access to productive resources in the first place (allow them to become net sellers of food, vs net buyers; access to childcare and labour markets).

» The hidden women: what we're not capturing

- Women are often concentrated in SMEs often participate in GVCs indirectly by supplying intermediate goods and services to larger firms
 - Work is combining sector-level data sources with firm level data to get at gender
- Women are concentrated in services, which are harder to measure
 - Trade in services data often mostly mode 1
 - But could be very important mode 3, mode 2
- In value added terms also, services are also 30% of value of manufacturing exports and around 25% of agriculture exports
 - Will “servicification” mean higher involvement of women in trade?

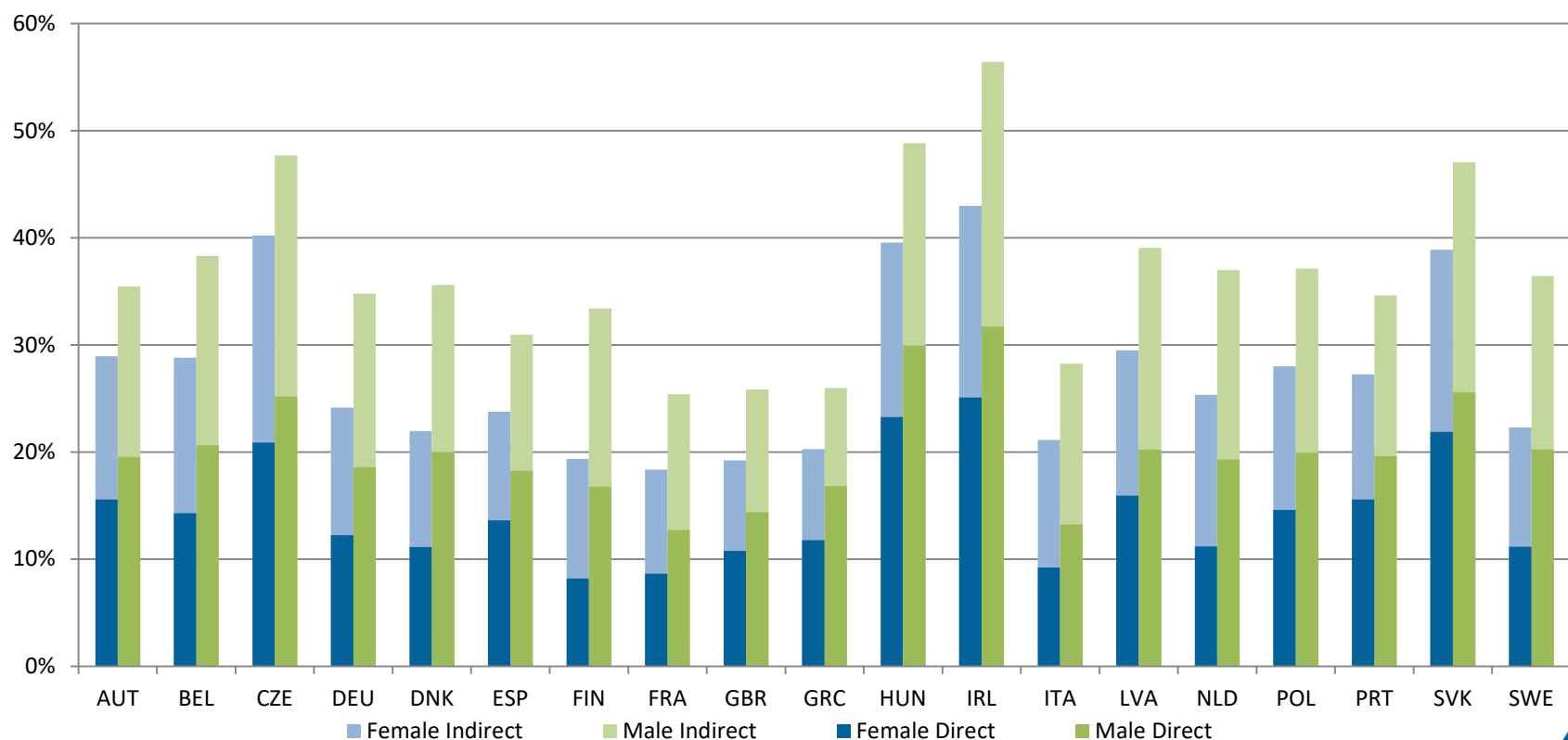
Some very initial efforts at measuring women in GVCs

- Uses TiVA ICIO (2008-2014) and labour input by industry.
- Measured in hours worked as reported in the National Accounts
 - broken down by gender using Labour Force Surveys
 - combination of total employees (male/female) broken down by industry
 - corrected for the average weekly working hours to adjust for the fact that in many countries, women work fewer hours on average.

Source: OECD SDD (forthcoming)

The share of female employment embodied in exports is lower than that of male employment

Figure 2. Shares of male and female employment embodied in exports, 2014



Source: OECD SDD (forthcoming)

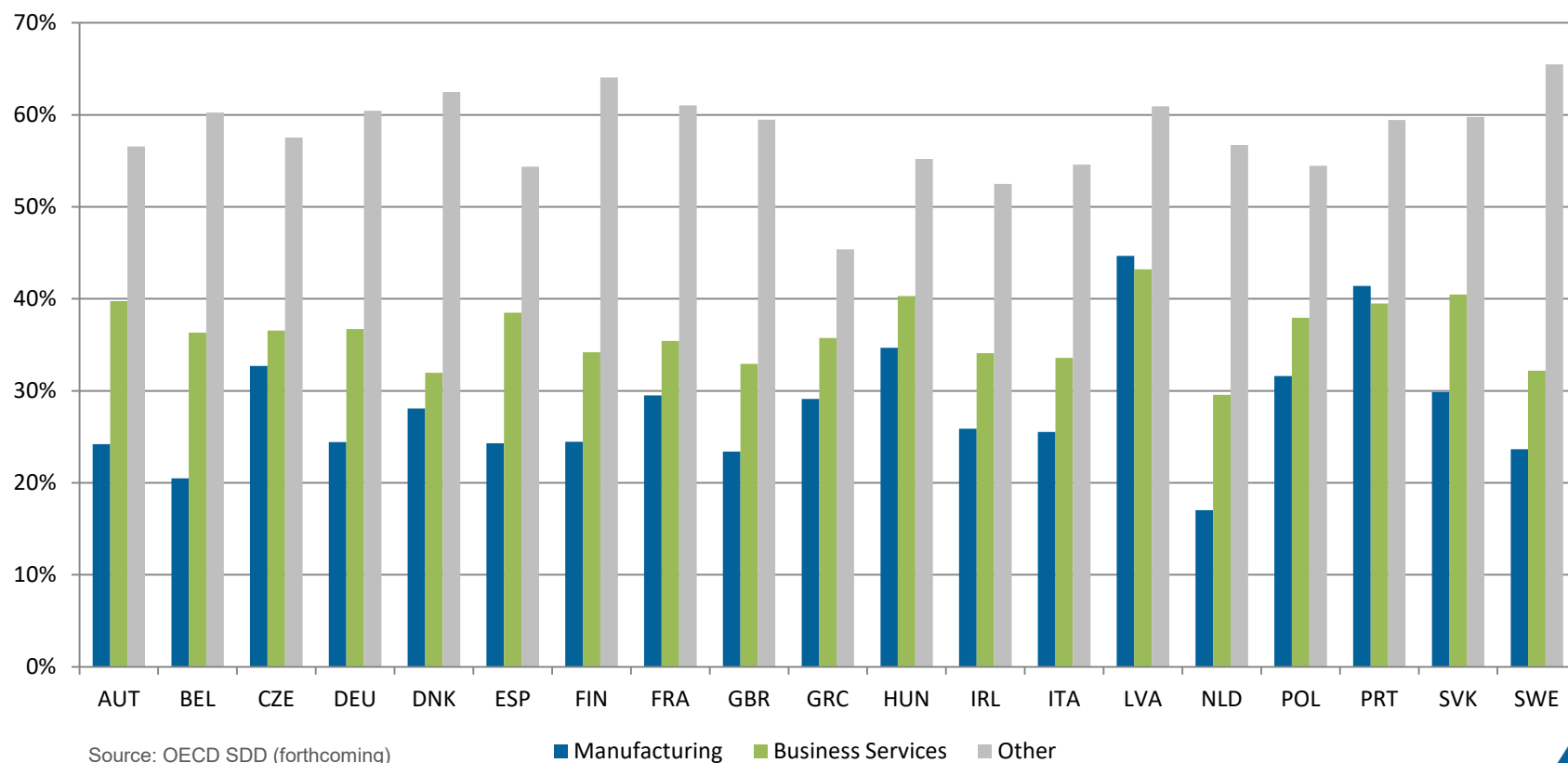
» But this reflects fact that women are in other sectors, especially services

- Women more likely to be participating indirectly in exports
 - Across OECD countries, on average 48% of all female employment embodied in exports is upstream, vs 45% for male employment
- Largely reflects fact that **women predominantly work in services**
 - The share of female labour input in the total is much higher for business services and other (mainly non-market services) than in manufacturing, where in OECD countries on average only 1 in 4 employees is female.

Source: OECD SDD (forthcoming)

Women are in other sectors, especially services

Figure 3. Share of female labour input, by industry



» The hidden women: digital trade

- Digital trade could reduce some traditional barriers to participation in trade.
- Future of Business Survey (Facebook, WBG, OECD), 40 countries, developed and developing, looking at online entrepreneurs:
 - Indicates a **percentage gap between male and female owned firms trading internationally** ranging from 14% in Portugal to 3% in the US.
 - Of the exporters, **women managed businesses are more likely to be exporting to individuals**, than to other firms. The picture is reversed for men.
- But some traditional barriers persist...
 - Update 2018 focuses on differences in access to finance: less access to finance
 - Which reduces scope for starting up, and then for scaling up, and also for trading, given the relationship between size and trade....

Concluding thoughts

- Can we compare across countries in data?
- Or do we create frameworks that allow us to do same things at our national levels?
 - Compare policy approaches as priority
- BUT...can compare approaches to getting data also
 - Joining the dots on the existing data we have is part of the key – there's lots of separate stuff out there that needs to be combined (carefully....) to get a story
 - And supply creates demand
 - Importance of starting...
- Focus on the policy question
 - Trade and domestic policies



Contact us

We look forward to hearing from you!



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