

Economic Empowerment

Women in the Pacific make significant contributions to their countries' economies. There is a growing recognition among Governments and in the private sector that investing in women and girls has a powerful effect on productivity, efficiency and economic growth.¹

Higher income for women and increased control over income leads to increased spending on food and education resulting in improved outcomes for children's education, health and nutrition, and leads to greater sustained poverty reduction.²

It is estimated that the Asia and Pacific region is losing up to US\$47 billion annually because of women's limited access to employment opportunities.³

A 2016 study found that a third of all Pacific exporting companies has a woman as a proprietor, with the number increasing in the last two years.⁴

In Solomon Islands the annual turnover at the Honiara Central Market is between US\$10-16 million with women responsible for about 90 per cent of this marketing activity – as both bulk buyers and as retailers.⁵

In Samoa, 80 per cent of the private sector is comprised of micro businesses, of which women are estimated to head over 40 per cent.⁶

Research also shows that if women had the same access to credit, markets and technology as men, the returns to women, particularly in the informal sector, would significantly increase.⁷

Yet, across the Pacific, men outnumber women in paid employment (outside the agricultural sector) by approximately two to one.⁸ In no Pacific country do women outweigh men in employment. Countries with the highest proportion of women employed in the non-agricultural sector include Cook Islands (47.3 per cent), Kiribati (47.4 per cent) and Tonga (47.9 per cent).⁹

In Melanesia, women occupy only a third of jobs within the formal economy, and men typically earn 20 to 50 per cent more than women because they are working in jobs that attract higher salaries.¹⁰ In

¹ UN News Centre (2010). [Women's Empowerment Vital for Economic Development and Peace. Migiro says](#), 17 May, citing UN Deputy Secretary General Asha Rose Migiro.

² World Bank (2011). World Development Report 2012: Gender Equality and Development. Washington.

³ International Labour Organisation and the Asian Development Bank (2011). [Women and labour markets in Asia](#).

⁴ [Pacific Export Survey \(2016\)](#).

⁵ International Finance Corporation in Partnership with AusAID (2010). Economic Opportunities for Women in the Pacific, p1.

⁶ vi S. Hedditch & C. Manuel, C (2010). [Gender and Investment Climate Reform Assessment, Pacific Regional Executive Summary, International Finance Cooperation](#), p.2.

⁷ OECD (2012). Women's Economic Empowerment: The OECD DAC Network on Gender Equality.

⁸ DFAT. [Development assistance in the Pacific](#).

⁹ Asian Development Bank (2016) [Gender Statistics: The Pacific and Timor Leste](#).

¹⁰ AusAID (2012). Women's Economic Empowerment in the Pacific: Gender Situation Analysis, Australian Agency for International Development, Canberra.

Papua New Guinea (PNG), although labour participation rates are relatively even¹¹, more women are engaged in subsistence farming than men.¹² Crops are cultivated separately by women and men, who reap different rewards with women's crops earning half that of men's.¹³

The 2012 Economist Intelligence Unit's Women's Economic Opportunity Index places both the Solomon Islands and PNG in the bottom five countries in the world (124 and 125 respectively out of 128). The highest ranked Pacific Island Country – Fiji – is ranked only 81 and performs below the global average in every category and on most indicators.¹⁴

By eliminating barriers to women's full participation in certain sectors or occupations, labour productivity could be increased by as much as 25 per cent in some countries through better allocation of skills and talent.¹⁵

In low-income countries, the average employment rate for women with disability is just 20.1 per cent compared to 58.6 per cent for men with disability (and 31.5 per cent of women without disability).¹⁶ Lower rates of labour market participation among people with a disability significantly impacts the link between disability and poverty.¹⁷

Access to livelihood opportunities is fundamental to break this cycle.

Whilst *Pacific Women* supports the transition of women into the formal economy, women are likely to continue to work largely in the informal economy. Barriers that women face in benefiting from the economy, particularly the informal economy, include lack of social and legal protections, and the absence of voice in decision-making around policies and legislation.¹⁸ This is why *Pacific Women* seeks to support activities that look at how regulations, policies and services, as well as social norms, affect how women gain from and influence both the formal and informal economies.

UN Women's six-year multi-country Markets for Change (M4C) program is one example of a *Pacific Women* investment that is supporting women's decision-making and enhancing safety, as well as building more inclusive markets that promote women's economic empowerment. The project works on the structural and systemic barriers that constrain women's full potential, such as gender-blind local government regulations, as well as supporting women's agency through offering market vendors new skills training in finance and leadership. M4C is one of the number of activities supported by *Pacific Women* that focuses specifically on the informal sector. Activities that target the formal sector include a Coffee Industry Support Project with CARE Australia in PNG that works at both the structural and individual level, influencing workplace policies in the coffee industry to be more inclusive of women. Many of these activities work strategically across multiple *Pacific Women* outcome areas to better leverage change, most commonly also working in the area of women's leadership and decision-making.

For more information on *Pacific Women*-funded activities underway with various partners in this area, visit our [interactive map](#).

¹¹ Asian Development Bank (2016) [Gender Statistics: The Pacific and Timor Leste](#).

¹² Pacific Community (SPC) [Stocktake of the Gender Mainstreaming Capacity of Pacific Island Governments \(2012\) Papua New Guinea](#).

¹³ World Bank et al (2013) Papua New Guinea Country Gender Assessment 2011–2012.

¹⁴ D. Cubers & M. Teignier Baqué (2011), 'Gender Inequality and Economic Growth' - background paper for the WDR 2012, as cited in WDR 2012, p.47.

¹⁵ *ibid.*

¹⁶ World Health Organisation & World Bank (2011). World Report on Disability. Geneva.

¹⁷ *ibid.*

¹⁸ V. Nagarajan (2016). Women and Business: Policy options for the economic empowerment of women, p.7.