WOMEN, BUSINESS AND HUMAN RIGHTS

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Integrating a gender perspective in UNGP on business and human rights

Side event HRC 26th Session
Women’s right to equality in economic and social life is a basic human right of immediate application and there is a due diligence obligation to prevent violation by private persons.

Women’s participation in economic activities and leadership expands the talent pool and gender diversity makes an important qualitative contribution to economic sustainability. There is a need for positive action.

Corporate responsibility for gendered harm should be identified in the emerging formulation of human rights standards for business. There is a need for gender-mainstreaming.
WOMEN’S CONTRIBUTION TO BUSINESS - QUANTITATIVE AND QUALITATIVE

QUANTITY
- 224 million women globally operating businesses.
- SMEs – female ownership in over 30% in emerging markets
- Informal traders – women contribute value added between 40-60% in many African countries and 70% of SADC cross-border trade
- Women constitute a large percentage of members of production cooperatives

QUALITY
- Companies with women on boards outperformed companies with zero women board directors—by 84% return on sales, 60% return on invested capital, and 46% return on equity (Catalyst) & reduction in bankruptcy (Univ. of Leeds)
- US women entrepreneurs brought 20% more revenue with 50% less investment
- In economic crisis in Europe, greater stability for companies with women on boards (Credit Suisse)
LEADERSHIP GAP

- **International financial institution**
  - GATT/WTO senior management, 0% women, 1948-2013
  - Senior Officials of the International Monetary Fund 5 out of 31, 2014
  - Cf World Bank – fairly high participation of women

- **State financial institutions**
  - Governors of central banks – less than 10% in 2012

- **Corporations**
  - In 2,000 top performing companies, 1.5%, had female CEOs, 2009.
  - Fortune 500 companies – 4% CEOs 16.66% board seats
  - Under-represented in leadership of cooperatives and trade unions
Discriminatory legislation
- World Bank claims 90% of 143 economies have discriminatory laws – these are particularly evident in personal law systems which restrict women’s autonomy and access to resources

Negative gender stereotypes

Lack of mentoring for women by senior male business leaders

Lack of information
- ILO research shows male exclusiveness of Chambers of Commerce

Underinvestment in women entrepreneurs

Gender pay gap widens in senior positions
- Research in a WEOG country shows women’s average bonuses are 50% of men’s, 2011.
CEDAW and ILO Conventions are the most comprehensive international tool for tackling discrimination in this area. But:

- Economic leadership often lies beyond the reach of equal employment opportunity
- Bonuses, options and shareholdings are not wages

UN Guiding Principles on Business and Human Rights

- Although there is mention of gender as one of the issues of reference, there has been no special attention to gender issues.
INITIATIVES FOR INCREASING WOMEN’S LEADERSHIP - FIRST SMALL STEPS

- UNIFEM and the Global Compact – 604 companies globally
- Quotas for membership of corporate boards - 13 countries (Nordic countries, France, Israel, Rwanda, India, Malaysia)
  - quota min 1-member to 40%
  - sanctions for non-compliance
- ILO Job Creation in SMEs Recommendation 1998
- Business Women in International Trade - Canada
- The Malaysia External Trade Development Corporation – women exporters program, 2005
- ILO's Women's Entrepreneurship Development and Gender Equality Program
- Global Banking Alliance for Women
- India - Mann Deshi Mahila Sahakari Bank for Women
- Procurement policies targeting women – US: 5% of federal contracting for WOSBs, 2011
NEED FOR GENDER-MAINSTREAMING OF CORPORATE RESPONSIBILITY

- UNGP has not yet incorporated gender analysis into its analysis of corporate human right violations.

- Gender mainstreaming of corporate responsibility can produce new perspectives:
  - Corporate governance has produced a dramatic increase in inequalities of resources and income.
  - The harm to women as victims is often invisible.
THE HARM TO WOMEN

- **Export processing zones**
  - Feminised work enclaves
  - Excluded from full labour law regulation or union organisation
  - Women’s wages are lower by 20-50%
  - Hours of work – 25% longer
  - Maternal health hazards

- **Sweatshops**
  - Women are between 85-90% of workers.
  - Safety abuses – Bangladesh garment factory
  - Maternity health abuses.

- **Extractives industries**
  - Land dispossession affects small farmers – 70-80% women
  - Compensation to landowners – male
  - Women are last in line for formal employment in the industries
  - Transient, largely male workforce increases prostitution, sexual violence and sexually-transmitted disease.
The 2012 Dhaka fire in the Tazreen Fashion factory in the Ashulia district on the outskirts of Dhaka, Bangladesh
Increasing global inequality is a gender issue

- 1988-2008 top 1% had 60% increase in incomes – bottom 5% no change
- US companies pay gaps = 500:1
- Women constitute 60-70% of the world’s poor

Inequality has risen in most advanced economies ...

Change in the Gini coefficient of household incomes between 2007 and 2011 (selected countries, % points)

Source: OECD
Trends in income inequality in rich countries

Source: OECD. Unity: Gini Coefficient

- **United States**
- **United Kingdom**
- **OECD Average**
- **Germany**
- **France**
- **Sweden**


Gini Coefficient:
- United States: 0.35 to 0.4
- United Kingdom: 0.35 to 0.32
- OECD Average: 0.31 to 0.32
- Germany: 0.29 to 0.32
- France: 0.29 to 0.3
- Sweden: 0.25 to 0.2
PRELIMINARY ATTEMPTS TO INTRODUCE CORPORATE RESPONSIBILITY FOR HARM TO WOMEN

- **CEDAW Committee**
  - Employment practices in EPZs and discrimination by health service providers

- **International trade agreement**
  - US-Cambodia trade agreement - female garment workers
  - General Electric – refusing technology for sex selective abortion

- **Civil society**
  - Business and Human Rights Reference Group
  - Cambodia Women’s Agenda for Change drop-in centres
  - US - Imokalee Tomato farms
  - Spain – Morrocan women strawberry pickers – no transport, no unions, no minimum wages - International Federation of Human Rights (FIDH)

- **Problems of accountability and access to justice in the era of transnationals**
Proposals to allow private companies to sue governments for legislating in the public interest:

e.g. Transatlantic Trade and Investment Partnership
Tools for gender equality in economic leadership must be developed at international and state levels.

Women must be included in economic, financial and trade policy making at all levels – diversity is one of the keys to sustainability.

Implementation of UNGP must be gender mainstreamed.

Corporate responsibility for gendered harms must be recognised, prevented and redressed.

MORE WOMEN LEADERS + FEWER WOMEN VICTIMS