

# WOMEN, BUSINESS AND HUMAN RIGHTS

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Integrating a  
gender  
perspective in  
UNGP on  
business and  
human rights

Side event HRC  
26<sup>th</sup> Session

# GENDER EQUALITY IN ECONOMIC LIFE

- **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 LAW AND PRACTICE

- **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.

# NORMATIVE FRAMEWORK IS LACKING

- **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**

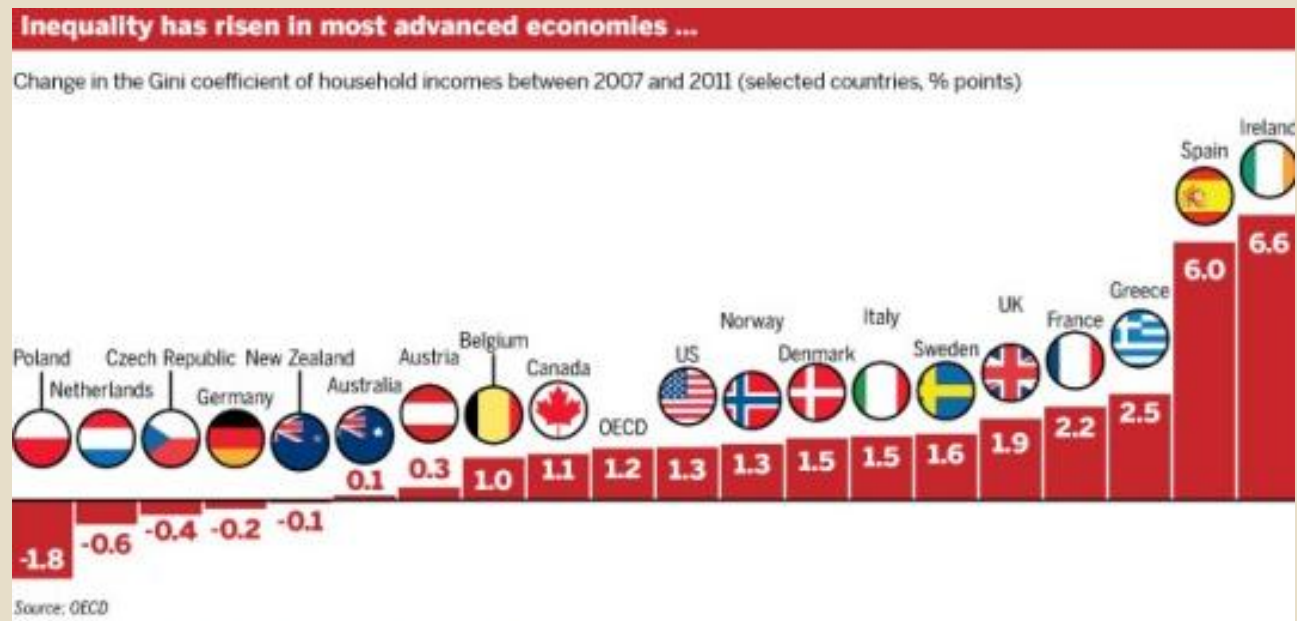
- Land dispossession affects small farmers – 70-80% women
- Compensation to landowners – male
- Women are last in line for formal employment in the industries
- Transient, largely male workforce increases prostitution, sexual violence and sexually-transmitted disease.



**The 2012 Dhaka fire in the Tazreen Fashion factory in the Ashulia district on the outskirts of Dhaka, Bangladesh**

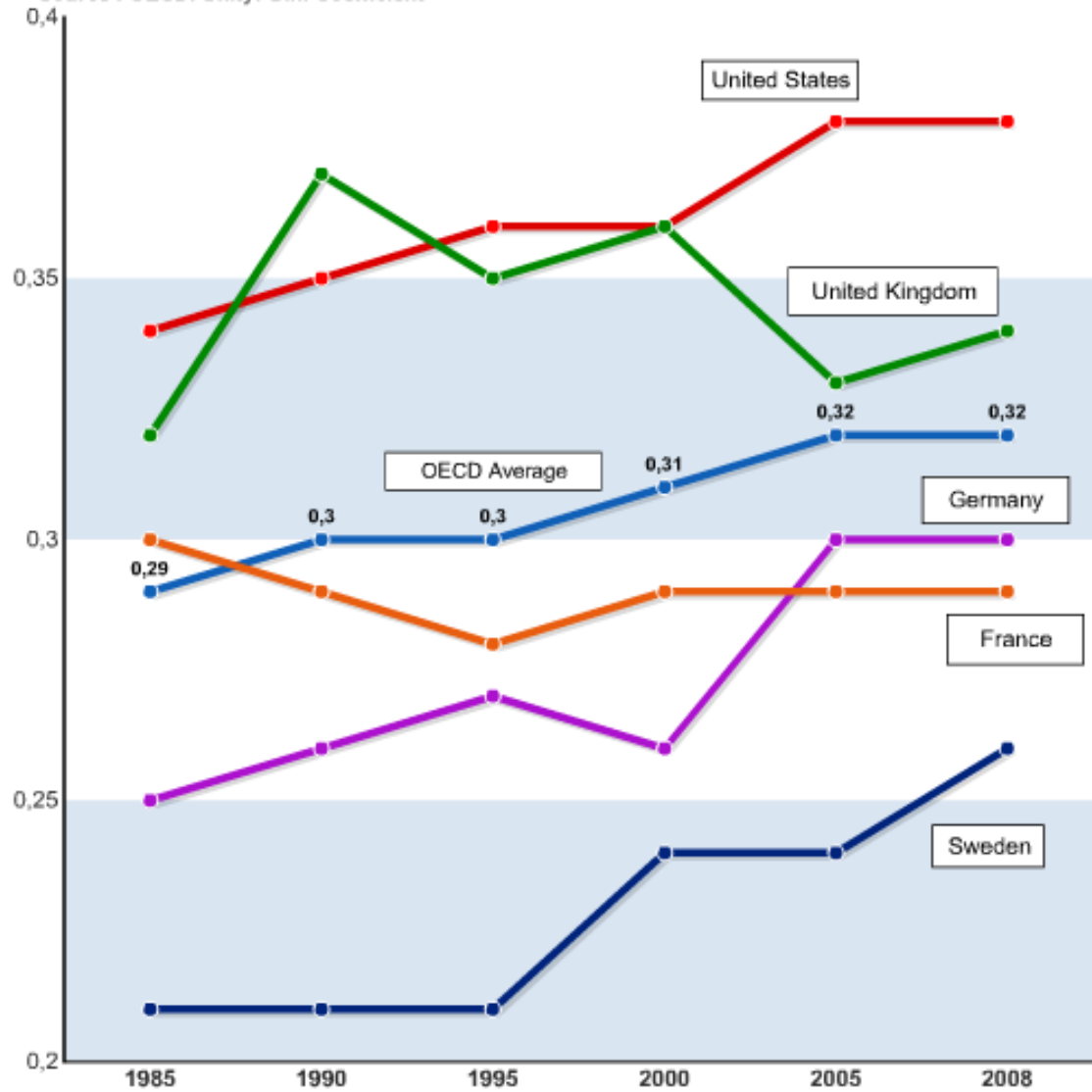
# GLOBAL INEQUALITY AND NON-ACCOUNTABILITY

- 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



# Trends in income inequality in rich countries

Source : OECD. Unity: Gini Coefficient



# 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 – Moroccan 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**

# COUNTER-TRENDS

Proposals to allow private companies to sue governments for legislating in the public interest:

e.g. Transatlantic Trade and Investment Partnership

# **MORE WOMEN LEADERS + FEWER WOMEN VICTIMS**

- **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.**