



# GENDER EQUALITY ISSUES IN LOCAL ECONOMIC DEVELOPMENT

## Policy Brief: Insights from Ukraine

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# Introduction

The Municipal Local Economic Development Program (MLED) is strongly committed to gender equality issues—both as a cross-cutting theme and as an area of programming. In addition to specific initiatives such as supporting women’s participation in local government, MLED works on gender equality issues in all areas of programming.

To help put this commitment into practice, this note describes what is meant by gender equality in local economic development (LED) and identifies concrete starting points.

“The overall aim of gender equality efforts will be to promote gender equitable local governance and economic development in which both women and men are active participants, sources of influence and beneficiaries of services.”

—MLED project inception report

## What do we mean by gender equality in MLED?

While there are debates around the terms “gender” and “gender equality”, MLED uses international definitions.<sup>1</sup> Our definition of gender equality refers to equality between women and men—in terms of opportunities, rights, benefits, responsibilities, security and access to and control over resources. It does not mean that women and men must be the same, but that their access to rights, and their responsibilities and opportunities, are not dependent on whether they are born male or female.

In the context of LED, gender equality means that participation in governance and the economy, as well as access to services, is not negatively influenced by being male or female.

<sup>1</sup>For United Nations’ definitions:

[www.un.org/womenwatch/osagi/conceptsanddefinitions.htm](http://www.un.org/womenwatch/osagi/conceptsanddefinitions.htm)

<sup>2</sup>European Commission, *Progress in Gender Equality Leads to Growth* (2012)

[ec.europa.eu/justice/newsroom/gender-equality/news/20120416\\_en.htm](http://ec.europa.eu/justice/newsroom/gender-equality/news/20120416_en.htm)

## Why is it important to consider gender equality issues in LED initiatives in Ukraine?

**It is just and fair.** Ensuring women benefit from investments in new jobs and participate in decision-making is fair. Women’s rights are acknowledged internationally.

**Gender equality is good for business.** Gender equality can drive economic growth and increase productivity. Discrimination against women is economically inefficient, based on strategies that do not build on the skills and contributions of *all* potential workers.

Companies with more women in leadership positions do better than companies with fewer women at the top. According to the European Commission, “a growing body of evidence points to significant economic benefits stemming from a better gender balance in economic decision-making. Having more women in top jobs can contribute to a more productive and innovative working environment and improved company performance overall.” The report concludes that while women make up 60% of new university graduates, “few make it to the top of companies. Opening the door to senior positions acts as an incentive for women to enter and stay in the workforce, helping to raise female employment rates and making better use of women’s potential as human resources.”<sup>2</sup>



**Empowering women economically can lead to other benefits such as reducing household poverty.** Studies show that when women have more money, families do better, children are healthier, and they stay in school longer: improving women's employment and earning prospects leads to substantial ripple effects.

**Ukraine has committed to gender equality and increasing women's participation in the economy and in decision-making.** In addition to gender equality provisions in its constitution, Ukraine passed a law in 2005 *On Ensuring Equal Rights and Opportunities of Women and Men*. While there have been challenges to the law's implementation, this law calls for gender analysis of new legislation and regulations as well as greater representation of women in decision-making. Ukraine has also signed international commitments, such as the *Convention on the Elimination of All Forms of Discrimination against Women* (CEDAW) and the Millennium Development Goals.

**Progress on women's economic empowerment is important for progress on women's rights generally.** Research demonstrates that when women improve their economic position, they advance politically and socially. Given Ukraine's overall commitments to gender equality, ensuring women take advantage of economic investments is crucial.

The preamble to the *Law of Ukraine On Ensuring Equal Rights and Opportunities of Women and Men* (2005) states, "The objective of this law is to achieve the equality of women and men in all spheres of social life by legally ensuring equal rights and opportunities of women and men, eliminating sexual discrimination and applying special temporary measures aimed at adjusting the imbalance between the opportunities of women and men to exercise the equal rights guaranteed to them by the Constitution and laws of Ukraine."

<sup>3</sup>For information on this gender equality policy: [www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/EMA-218123616-NN9](http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/EMA-218123616-NN9)

<sup>4</sup>The figure of 65.2% is quoted in Ministry of Economy of Ukraine, *Millennium Development Goals: Ukraine 2010, National Report* (Kyiv, 2010), p.57. Another report cites 27% for the wage gap, noting the real figure is likely larger: UNDP, *Women and Men on the Ukrainian Labour Market* (Kyiv, 2011), p.15. One study by the Amsterdam Institute for Advanced Labour Studies calculated the wage gap at 25%: Maarten van Klaveren et al, *An Overview of Women's Work and Employment in Ukraine* (Amsterdam, 2010), p.9.

## What is meant by gender equality issues in LED?

"Gender equality" covers different themes and issues. It can mean using a gender analysis. It can mean focusing on the goal of equality between women and men, women's empowerment, or even strengthening the rights of women and girls. It can mean paying attention to narrowing the gaps and inequalities between and among women and men.

Academic debates continue about definitions and analytical constructs, but MLED is drawing on Ukrainian commitments and federal policy<sup>3</sup> to focus on three LED issues:

### Women and men as workers

There are many differences between male and female workers in Ukraine. Women and men tend to work in different sectors (men in mining and women in social sectors for example), with women dominating lower-paid professions and more often working part-time. There is a significant wage gap between women and men. One survey concluded that women's average income is only 65.2% of men's, although estimates vary.<sup>4</sup>

Women suffer explicit and hidden discrimination in recruitment and professional advancement, with gender stereotypes coupled with ageism often influencing hiring decisions. The focus should be on expanding "decent work" opportunities for women as well as men. This includes expanding permanent, safe and dignified employment that provides a living wage.

Consider these questions related to investment strategies:

- Do women have equal opportunities with men to take advantage of new investments in economic development?
- Are investments made in sectors where women work?
- Are there strategies to help women move into non-traditional fields?
- Is there equitable access to new training opportunities, including information and communication technologies?

## Opportunities for women as entrepreneurs and business owners

In Ukraine, women's businesses tend to be smaller and less profitable than those run by men. They are concentrated in the service and hospitality sector (e.g. hotels, restaurants, catering).<sup>5</sup> Women find it more difficult than men to access credit, particularly in rural areas.

Think about the following questions:

- Are specific barriers and challenges facing female business owners known and understood?
- Are there concrete strategies to overcome these barriers?
- Are female entrepreneurs consulted on their needs and priorities for entrepreneurial support programs?

## Participation in local decision-making around economic issues

Women tend to be under-represented in political decision-making throughout Ukraine, although participation levels are higher at the local level. It is important to understand and support women's voices collectively and individually on what type of economy and city they want to live in. Women's participation as citizens, local leaders and members of civil society organizations is crucial for change.

Consider how women are consulted:

- Are women equitably represented on decision-making bodies that make economic policy and set priorities?
- Do local authorities have the capacity to reach out to and consult both women and men, including a diversity of ages, economic classes and ethnicities?

To support change in these three broad areas, dig deeper to look at some specific issues:

## Sex-disaggregated data

To understand and analyze what is happening in local economies from a gender perspective, sex-disaggregated data is essential. Without this information, it is impossible to know where disparities and inequalities exist and what action may be required.

<sup>5</sup>International Finance Corporation, *Investment Climate in Ukraine as Seen by Private Businesses* (Kyiv, 2011), p.92.



Analyses can ask questions about other differences such as age, rural/urban divisions, ethnic background, class and ability/disability. Ideally, any analysis should explore these dimensions in tandem with gender differences.

## Capacities of local authorities

Using a gender lens or gender analysis involves new skills for local governments. Leaders require knowledge of national commitments and legislation so they can implement at the local level. Both men and women require skills in carrying out public consultations that ensure all voices are heard.

## Capacities of women's organizations

Women's organizations often require support in articulating priorities and gender issues in economic development discussions. Capacity building may be needed for organizations to understand the issues and involve their membership in economic discussions. Additional skills may be required in public speaking and negotiation. It is important to look at a range of organizations, from parents involved in schools to women's business associations.

## Balancing family and work responsibilities

Even when women take on more paid work as employees and business owners, they continue to do the majority of work inside the home. Looking

after children and the elderly, preparing food, cleaning and shopping continue to be mainly women's responsibilities.

"Parental leave facilities are on paper generous but in reality difficult to use, *inter alia*, because of the frequency of informal employment and discrimination against those who use parental leave. Men are rarely using parental leave because of the traditional division of domestic labour but also because the government has failed to promote and inform about the possibility for men to use parental leave."

—United Nations Development Program (UNDP),  
*Women and Men on the Ukrainian  
Labour Market* (2011)

## Gender stereotypes

Stereotypes regarding appropriate behavior, careers and work are prominent throughout the country; for example, it is still legal to ask questions about family status during job interviews.

## Gender-based violence

Violence, or the threat of violence, can influence women's work options. Women who face violence in their homes are often absent from work and can experience crises of confidence. There is no legal protection against sexual harassment in the workplace. In addition, fear of violence on the way to work may influence decisions regarding night work or appropriate workplaces.



# What can be done by local governments?

Local authorities can address gender equality issues in LED strategies in many different ways. These points are options to consider; however, the relevance of each action depends on the local situation. Examples of Canadian initiatives are provided for inspiration.

## Examine actions and investments for their differential impact on women and men

A key question is: will investments provide jobs and opportunities for both women and men? Even initiatives that appear not to have a gender-differentiated impact often do. For example, streamlining registration processes has been shown to increase the number of women-run businesses.

### CANADIAN EXAMPLE

#### Gender analysis of local economic development

Historically, the small Canadian city of Thompson has been reliant on natural resources and mining. In 2010, the major employer in the nickel industry announced the elimination of 500 jobs, a major blow to the local economy.

To ensure that women's voices were part of economic discussions, a women's group carried out consultations, research and analysis. Their report, *Women, Economic Development & Restructuring in Thompson*, brings together facts and issues to enrich discussions on local economic restructuring and development. See the report here: [www.criaw-icref.ca/report-women-economic-development-and-restructuring-thompson-2012](http://www.criaw-icref.ca/report-women-economic-development-and-restructuring-thompson-2012)

## Ensure consultations involve both women and men

Analyze inputs so that the priorities and needs of women are visible. For example, women business owners should be consulted on their perceptions and views of what would facilitate the expansion of their enterprises.

## CANADIAN EXAMPLE

### Ensuring local consultations include women

The CAWI (City for All Women Initiative) in Ottawa brings together women from diverse communities, organizations, and academia with municipal decision-makers to create a more inclusive city and promote gender equality.

One initiative promotes consultation methods to ensure women's voices from across the city and from different communities are heard in local decision-making processes: [www.cawi-ivtf.org/sites/default/files/publications/econsultation.pdf](http://www.cawi-ivtf.org/sites/default/files/publications/econsultation.pdf)

## Collect and analyze sex-disaggregated data

Basic data (such as ownership, businesses by size and sector, workers in different sectors, wages and unemployment) should be broken down by gender. Data related to categories such as sick leave, unregistered employment, childcare and parental leave should also be publically available. This data should be collected consistent with international standards to facilitate comparisons and analyzed for key trends and gaps. Data can be used to research indirect discrimination in the labor market, intra-family distribution of power and resources, family violence and illegal labor migration.



<sup>6</sup>Ministry of Economy of Ukraine, *Millennium Development Goals: Ukraine 2010, National Report* (Kyiv, 2010), p.62.

## Invest in services and incentives that reduce domestic work and support better work/family balance

Public investments in childcare and social services can ease domestic burdens. Paternity and family care leave for men could be promoted and expanded. Education campaigns in schools can also help change the attitudes of future generations.<sup>6</sup>

“Lack of quality assistance in childbearing and housework remains the major factor in hindering the professional activities of women. The lack of easy-to-access infrastructure to provide housing services, the reduced number of pre-school institutions and the low quality of their educational services and insufficient consideration by employers of women's family obligations put women under a double workload—in the labour market and in the household.”

—Ministry of Economy of Ukraine,  
*Millennium Development Goals:  
Ukraine 2010, National Report*

## Promote increased participation of women in decision-making structures

Work with men to change attitudes that block women's progress. Build the capacity of women to run for office and function as successful politicians alongside men. Consider temporary quota measures to facilitate more women in office.

## Ensure that programs aimed at entrepreneurs meet the needs of women-owned businesses

Offer specific training programs and mentorship initiatives for women. Develop women's business associations, networks and start-up incentives. Simplify registration processes and expand credit/loan options for women's businesses.

## CANADIAN EXAMPLE

### Women's Enterprise Centre of Manitoba

Established in 1994, the Women's Enterprise Centre of Manitoba assists women in starting and growing their businesses. Understanding that women face specific challenges when starting businesses, the centre focuses on women entrepreneurs and provides three key services: business advice, financing, and training and skills development. The centre has achieved considerable success with 75% of clients in operation after five years. See [www.wecm.ca](http://www.wecm.ca)

## Strengthen the capacity of local authorities to work on gender equality issues

Politicians and local government employees are often unaware of gender equality issues and lack skills to carry out gender analysis or implement national commitments to gender equality. Awareness raising and training are often required.

## Provide support for women workers to move into non-traditional sectors

This could include vocational training, placement counselling, job-seeking support, and employment incentives. Particular attention may be needed to support young women (including the school-to-work transition) as they often have higher unemployment rates than older women.

### CANADIAN EXAMPLE

#### Training women in non-traditional occupations

The Women Unlimited initiative in Halifax helps unemployed and underemployed women explore, prepare for, obtain and maintain employment in trades or technology. Working with local educational institutions, this program exposes women to career options in fields they may not have considered, such as carpentry, welding, drafting and machinery repair, and provides support to help them qualify for work in these trades.

Visit [www.weesociety.ca/index.php/Programs/Women\\_Unlimited/C12](http://www.weesociety.ca/index.php/Programs/Women_Unlimited/C12)

## Monitor and improve working conditions for women and men

Ensure equal pay for work of equal value and address discriminatory practices such as dismissal due to pregnancy and stereotypical hiring practices. Examine the difficulties women face returning to work following time off for child-rearing, introduce paternity leave benefits, and adopt new measures to address sexual harassment.

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