Gender in Jobs Diagnostics
A Guidance Note

February 2020
ABSTRACT

The WBG’s Jobs Group has developed a standardized Jobs Diagnostics tool to help countries identify key challenges in the effort to create jobs, improve the quality of jobs, and provide access to jobs. One important dimension of a good jobs diagnosis is to uncover gender disparities in labor market outcomes and understand the underlying factors that cause those disparities. The Jobs Diagnostic tool enables the user to identify priority jobs-relevant gender challenges through the production of an extensive set of sex-disaggregated indicators and regression analyses, employing standardized household and enterprise data. Underlying constraints can be further explored, through complementary in-depth analysis of country-specific quantitative and qualitative information.
ACKNOWLEDGMENTS

This report was prepared by the World Bank Group’s (WBG) Jobs Group. The authors are Raquel Scarpari and Timothy Clay. The report was prepared under the general guidance of Eliana Carranza and Siv Tokle. The authors thank the manager of the Jobs Group, Ian Walker. Inputs on the Jobs Diagnostic approach were provided by Dino Merotto, Reyes Aterido, Michael Weber, and Adrian Scutaru. Contributions on country experiences were made by Yoonyoung Cho on Pakistan, Elizabeth Ruppert Bulmer on Paraguay, and Thomas Farole on Bangladesh. Knowledge management support was provided by Sonia Madhvani. The report has benefited from comments received from peer reviewers Kathleen Beegle (Lead Economist, Gender Group) and Indhira Santos (Senior Economist, Social Protection and Labor GP) and additional comments provided by Jennifer Keller (Lead Economist, IFC), Trang Van Nguyen (Senior Economist, Poverty and Equity GP), and Ugo Gentilini (Senior Social Protection Specialist, Social Protection and Labor GP).

This guidance note should be used in conjunction with the overall Jobs Diagnostics Guidelines and related tools provided by the Jobs Group. This report was prepared as part of the Analytics and Advisory Services Gender and Jobs Work (P164612) and reviewed as part of the Jobs Diagnostics guidance under the Knowledge Program for Jobs: From Jobs Analytics to Support for Jobs Operations (P170399). This report has been made possible through a grant from the World Bank’s Jobs Umbrella Trust Fund, which is supported by the Department for International Development/UK AID and the governments of Norway, Germany, and Austria, the Austrian Development Agency, and the Swedish International Development Cooperation Agency.
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<th>Abbreviation</th>
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<tr>
<td>FLFP</td>
<td>Female Labor Force Participation</td>
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<tr>
<td>FY</td>
<td>fiscal year</td>
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<td>GDP</td>
<td>gross domestic product</td>
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<td>HHS</td>
<td>Household survey</td>
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<td>I2D2</td>
<td>International Database of Income Distribution</td>
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<td>IDA</td>
<td>International Development Association</td>
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<td>ILO</td>
<td>International Labor Organization</td>
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<td>LIC</td>
<td>Low-income country</td>
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<tr>
<td>LFP</td>
<td>Labor Force Participation</td>
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<td>LSMS</td>
<td>Living standards measurement survey</td>
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<tr>
<td>MDTF</td>
<td>Multidonor Trust Fund</td>
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<tr>
<td>MIC</td>
<td>Middle-income country</td>
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<tr>
<td>NEET</td>
<td>not in education, employment, or training</td>
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<tr>
<td>OLS</td>
<td>ordinary least squares</td>
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<tr>
<td>SCD</td>
<td>systematic country diagnostic</td>
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<tr>
<td>SDG</td>
<td>Sustainable Development Goal</td>
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<tr>
<td>STEP</td>
<td>Skills Toward Employment and Productivity</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>WBG</td>
<td>World Bank Group</td>
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<tr>
<td>WDI</td>
<td>World Development Indicator</td>
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<tr>
<td>WITS</td>
<td>World Integrated Trade Solution</td>
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<td>WDR</td>
<td>World Development Report</td>
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EXECUTIVE SUMMARY

Gender equality in the labor markets is essential to achieve the World Bank Group (WBG) twin goals to eradicate extreme poverty and promote shared prosperity. Evidence indicates that increasing women’s access to quality jobs can improve welfare and economic growth even with losses in labor productivity that could occur as new workers enter the labor force (Aguirre and others 2012). Efforts to expand women’s access to good jobs can also increase women’s quality of life, improve children’s health and education, and promote better social cohesion. Thus, an understanding of structural economic barriers that bar women from good jobs and gender-focused jobs strategies are indispensable to achieve development goals, boost labor markets, and maximize jobs outcomes.

Jobs challenges are frequently characterized by gender disparities across multiple labor market indicators in every country. Although some progress has been made in the past decade, changes have not been uniform across the globe. Moreover, employment segregation often persists despite economic development, improved education, and higher female labor force participation. Given the pervasiveness of these gaps, the question is rarely whether gender equality in the world of work should be a priority, but rather where in the labor market to focus. To overcome gender inequality, one must understand local labor market dynamics and how women benefit from jobs and economic growth in different institutional, cultural, and economic contexts. The use of sex-disaggregated data in country-level analysis and in jobs diagnostics is an effective way to understand and develop strategic, coordinated actions to address multiple constraints.

Jobs Diagnostics is the multisectoral analytical work developed by the WBG to help countries identify key jobs challenges and prioritize strategies to address them. By drawing on a wide range of survey and administrative data, jobs diagnostics produce standardized macroeconomic, supply-side and demand-side descriptive and analytical indicators that are used to understand how labor outcomes respond to economic transformation over time and which groups of population benefit. The sex-disaggregation of all indicators and regressions, where technically feasible, serves as a standardized diagnostic instrument to investigate how women benefit from economic changes and what structural barriers hinder women’s participation in the economic activity. It contributes to the effort to effectively identify primary gender disparities, determine an agenda for deeper investigation, and enable the design of appropriate gender-informed jobs strategies.

Gender is an important dimension of jobs diagnostics that enables a more complete understanding of labor markets and macroeconomic dynamics at the core of the jobs challenges. Gender-informed jobs diagnostics tell a more complete story about the status of women and men in an economy than specific surveys and experiments do, because they allow for a more comprehensive and multisectoral approach that links analytical examination of core challenges to systematic, smart gender-focused policy solutions. Jobs diagnostics can help uncover barriers and gaps that are imposed by the market itself and that may fuel inequality across the life cycle of men and women. A diagnostic should identify first-level gender disparities, determine an agenda for deeper investigation, and inform the design of appropriate engendered jobs strategies.

The incorporation of gender in jobs diagnostics supports the WBG and the Jobs Groups strategic Gender priority of “removing constraints for more and better jobs.” Increasing women’s
participation in the labor force, their income-earning opportunities, and their access to productive assets is the second goal of the WBG Gender Strategy FY [Fiscal Year] 16–23 (WBG 2015). The WBG is committed to working with client countries to deliver on the 2030 agenda and the sustainable development goals (SDG) to achieve gender equality (Goal #5) and to achieve full and productive employment and decent work for all women and men (Goal #8). Gender equality is also a strategic priority in the Jobs Multidonor Trust Fund (MDTF) portfolio, specifically in the areas of labor market participation, employment segregation, and entrepreneurship. Gender-informed jobs diagnostics have been prepared by several different units at the World Bank, including the Social Protection and Jobs Global Practice; the Macroeconomics, Trade and Investment Global Practice; the Poverty Global Practice; and the Finance, Competitiveness and Innovation Global Practice.

**A good jobs diagnostic brings out key gender gaps and barriers specific to the country.** The diagnostic can either focus on known gender challenges from the outset or further investigate findings on gender gaps that may emerge from the initial standardized data analysis. In both cases, benchmarking and comparison with similar countries identify outliers in jobs outcomes for women. Jobs diagnostics should cover, at a minimum, analysis of these jobs challenges for women: labor force participation, earnings and wage gaps, and employment segregation.

By using the Jobs Diagnostics standardized outputs and additional country-specific data, a good gender-focused jobs diagnostic follows these four steps (figure ES.1):

**Figure ES.1 Suggested Steps for Gender-Focused Jobs Diagnostics**

1. **Assess the labor market through household and firm-level surveys.**
   The diagnostics starts by taking stock of and assessing the quality of the sex-disaggregated standardized data (labor market surveys, household surveys, enterprise surveys, and so on) and other data sources that could complement the gender analysis, according to common data sources (annex A).
2. **Map the profile of the female and male workforce using sex-disaggregated outputs.**
   The Jobs Diagnostic tools are used to produce sex-disaggregated standardized indicators, graphs, tables, and statistical analyses—to go beyond national averages and investigate gender differences across age groups, educational levels, geographic region, and urbanization level, among other segments. (See annex B on sex-disaggregated indicators.)
   The analysis may be complemented by the use of country-specific data, if available.

3. **Observe trends over time and analyze gender gaps.**
   This step focuses on the work to understand the underlying key determinants of the main gender gaps by using literature reviews, qualitative data, cross-country comparisons, analysis of legislation and regulatory frameworks, and the evaluation of other country-specific quantitative surveys. Gender gaps in jobs outcomes are interpreted in the context of the structure and functioning of markets, institutions, households, and the social norms that affect how men and women behave (WBG 2012).

4. **Identify priorities and policy recommendations.**
   In the analysis, the diagnostic Team identifies which gender jobs challenges have greater importance for the attainment of a country’s overall jobs priorities. Recommendations are formulated to address the determinants that significantly and substantively contribute to closing the gender gaps in jobs outcomes.

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1 In this note, the “Team” refers to the people undertaking a jobs diagnostic.
1. INTRODUCTION

Expanded access to more and better jobs for all men and women is essential to achieve the World Bank Group (WBG) twin goals to eradicate extreme poverty and promote shared prosperity. Work is the primary source of income for people, especially in the world’s poorest countries, and offers families and communities the means to escape poverty, increase consumption, and afford a high quality of life. Recognizing that jobs should play a central role in any development strategy, the WBG established the Jobs Group in 2014. The Jobs Group mandate is to help design and deliver comprehensive, integrated, and high-impact jobs strategies and interventions that focus on efforts to create more jobs, improve the quality of existing jobs, and include individuals in the labor markets. Expanding women’s access to more and better jobs is an important part of these strategies, being one of the priority areas of the Jobs Group.

Gender equality in the labor market is not only a matter of human rights and social justice, but it is also smart economics. Evidence indicates that gender gaps at work hinder economic growth and welfare. The 2012 World Development Report on Gender Equality and Development (WBG 2012) and the World Bank Group Gender Strategy (FY16–23) (WBG 2015) summarize this evidence and discuss the mechanisms by which gender equality affects economic development, and vice-versa. Expanding women’s access to quality jobs can improve per capita gross domestic product (GDP) growth, even if losses in labor productivity occur as new workers enter the labor force (Aguirre and others 2012). It can also yield different types of development payoffs, such as increased women’s quality of life, improved children’s health and education, enhanced poverty reduction, and better social cohesion. Although strategies directed toward economic growth or increased general education levels are needed to reduce gender economic gaps, they are insufficient alone. An understanding of the structural economic barriers that bar women from good jobs and the development of gender-focused jobs strategies are indispensable in order to boost labor markets, reduce gender gaps, and promote shared prosperity.

One pathway to understand and address the underlying constraints for women’s economic inclusion is the use of sex-disaggregated data in country-level analysis and diagnostics. Findings from international and regional comparisons show that although there has been some progress in the past few decades, change has not been uniform across countries. The sharp rise in women’s labor force participation rates in industrialized economies over recent decades has not happened with the same intensity and speed in other parts of the globe (Fogli and Veldkamp 2011). Moreover, employment segregation often persists despite economic development, improved education, and higher female labor force participation. To overcome gender inequality involves work to understand local labor market dynamics and to develop bold, coordinated actions to address multiple constraints. It is essential to investigate how women benefit from jobs and economic growth in different institutional, cultural, and economic contexts. Gender-focused and multisectoral country diagnostics can be useful to identify specific challenges that women face in different regions as well as to understand global trends in women’s access to productive jobs.

Jobs diagnostics analyze gender gaps in labor market outcomes to allow for a more comprehensive and systematic examination of core job challenges, to support the incorporation of a gender lens in jobs strategies, and to develop smart, gender-focused policy solutions. By
drawing on a wide range of survey and administrative data, the Jobs Group’s standardized Job Diagnostics tool automates the production of standardized macroeconomic, supply-side, and demand-side tabulations, indicators, and regressions. The resulting information can then be used to produce a jobs diagnostic to understand how labor outcomes (employment creation and productivity) respond to economic transformation over time and how different groups of the population—including men and women—benefit. The sex-disaggregation of standardized jobs indicators and jobs analysis, where it is technically feasible, serves to investigate constraints to women’s and men’s participation in economic activity and can contribute effectively to both identify first-level gender disparities and determine an agenda for deeper investigation.

This note describes how to use the Jobs Diagnostics tool on standardized data to identify, interpret, prioritize, and address gender gaps in labor markets. The main objective of this note is to highlight the types of gender-disaggregated analysis that can be produced using the standardized Jobs Diagnosis tool. However, this note also explains how to supplement the standardized sex-disaggregated jobs data and indicates possible directions along with examples of how jobs diagnostics may go deeper into the underlying drivers of gender gaps uncovered by the standardized Jobs Diagnostic tool. The note also describes how to use other quantitative and qualitative sources to advance country-specific data collection and analysis and to develop additional sex-disaggregated estimations to strengthen the gender lens in jobs diagnostics. Examples from Bangladesh, Pakistan, and Paraguay are provided. In addition, the note documents possible deficiencies in gender data, indicators, and visuals, and outlines possible solutions.

The note is divided into five sections. Section 2 provides an overview of gender and jobs in the World Bank Group. Section 3 discusses the importance of a comprehensive gender analysis in the jobs diagnostics, from both a gender and a labor markets perspective, with an overview of typical gender gaps as well as a description of the Jobs Diagnostic guided enquiry and global benchmarks. Section 4 comprises a four-step strategy on how to include gender in jobs diagnostics. Section 5 provides examples of good practice using the Bangladesh, Pakistan, and Paraguay jobs diagnostics, which use strong gender lenses to analyze gender gaps and identify solutions to address those gaps. Finally, section 6 concludes and provides recommendations to address methodological and data gaps and improve the gender focus of diagnostics.

2. GENDER AND JOBS IN THE WORLD BANK GROUP: AN OVERVIEW

The incorporation of gender into jobs diagnostics is part of a broader agenda of the WBG and the Jobs Group that focuses on the full integration of a gender lens in economic development strategies. The second goal of the WBG Gender Strategy FY16–23 (“Remove constraints for more and better jobs for women”) encompasses an increase in women’s participation in the labor force, their income-earning opportunities, and their access to productive assets (WBG 2015). The WBG has also committed to working with client countries to deliver on the 2030 agenda and the sustainable development goals (SDGs). SDG Goal 5 (“Achieve gender equality and empower all women and girls”) explicitly includes the need for equal access to decent work (UN General Assembly 2015). In support of these objectives and to maximize jobs outcomes, the Jobs Group is
deepening the knowledge of the constraints that impede women from gaining access to more and better jobs and is collecting evidence that will help in the development of possible solutions.

**Gender is also a strategic priority in the Jobs Multidonor Trust Fund portfolio.** The Jobs MDTF call for proposals highlights gender as a key criterion for both evaluation and selection of projects. Projects are expected to address possible gender-specific constraints and opportunities and provide gender-informed solutions across the full range of Jobs MDTF activities. Diagnostics and analysis using microdata are required to identify constraints that differentially affect men’s and women’s job outcomes. Policy recommendations should be gender informed and provide knowledge on which interventions are most effective. Finally, pilots, interventions, and evaluations of operational or investment projects are expected to (a) address the constraints that affect women’s jobs outcomes through multisectoral approaches, (b) track progress toward inclusive jobs, and (c) present gender-disaggregated results.

**Relevant discussions of gender gaps are required in the main analytical work of systematic country diagnostics (SCDs) and to inform country partnership frameworks.** The Operational Policy 4.2 requires that all country partnership frameworks be informed by a gender assessment. In the International Development Association (IDA) 18th Replenishment Final Report (World Bank 2017b), there is explicit commitment to strengthen the data and evidence base to enhance gender equality. Women in IDA countries are more likely to be out of the labor force, be unpaid family workers, engage in low-productivity activities, and work in informal employment. One of the pathways the IDA recognizes to close those gaps is to diagnose disparities between men and women in productivity and employment, to design and implement appropriate interventions to improve women’s productivity, and to track the results of those interventions.

**Jobs diagnostics can help the WBG achieve those goals.** The WBG has accumulated valuable experience through jobs and growth diagnostics, both of which have identified gender-specific constraints and informed policy design for gender equality in the world of work. Gender-focused jobs diagnostics can be conducted as a standalone advisory service and analytics project that informs policy and operations or can be part of a main jobs diagnostic or an SCD. Gender-focused jobs diagnostics can broaden the analysis included in an SCD, especially in countries where expanding job opportunities for women is identified as a priority. Gender-informed jobs diagnostics are prepared by a number of global practices across the World Bank, including the Social Protection and Jobs Global Practice; the Macroeconomics, Trade and Investment Global Practice; the Poverty Global Practice; and the Finance, Competitiveness and Innovation Global Practice.

### 3. GENDER IN JOBS DIAGNOSTICS: WHY IT MATTERS

**Jobs challenges are frequently characterized by gender disparities across multiple labor market indicators.** Given the pervasiveness of these disparities, the question is rarely whether gender equality in the world of work should be a priority, but rather where in the labor market to focus. Efforts to identify jobs priorities in a country involve diagnosing key constraints to good jobs for all.

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2 The Jobs Umbrella Multidonor Trust Fund (MDTF) is a financing instrument that supports the World Bank Group’s jobs strategy to contribute to the twin goals of reducing poverty and ensuring inclusive growth in the world’s poorest countries.
Gender-focused jobs diagnostics not only assess women’s access to jobs in identified key areas but also expand policy discussions on employment in an effort to broaden attention to the quality, inclusiveness, and productivity of jobs that are being created in an economy.

**Investigating and addressing gender gaps in the world of work can maximize jobs outcomes.** Jobs diagnostics are a valuable tool to understand and prioritize gender gaps related to recent economic transformations and to offer tailored solutions to clients’ gender and jobs challenges. Jobs diagnostics can be used to investigate mechanisms that not only make women worse off but also impair economic activity and jobs outcomes. The diagnostics investigate, for example, the country-specific characteristics of employment segregation, which is closely tied to job quality, wages, benefits, safety at the workplace, and opportunities for advancement. A better allocation of high-qualified women could increase productivity and value to the economy (Datta and Kotikula 2017). Therefore, a broader jobs strategy that centers on “quality jobs” or the issue of “productive inclusion” for the poor, women, and rural populations will benefit from efforts to address more directly the challenges related to employment segregation.

**Jobs diagnostics enable the understanding of countries’ labor market dynamics and recent economic transformations that are at the core of women’s access to more and better jobs.** Jobs diagnostics disclose the barriers and gaps that are imposed by the market itself and that may fuel inequality across the life cycle of men and women. Even if other aspects of gender inequality are solved—such as low access to education, restrictive legal and social norms, and lack of proper childcare—women will not succeed if the economic transformation happens in a way that is not favorable for them. The multisectoral approach of the jobs diagnostics provides insights on how structural changes (redistribution across sectors) affect the distribution of women in low-paying and low-performance sectors; how processes of urbanization and migration may make women more vulnerable to unemployment or informality; and whether women transit from inactivity or unemployment into employment and from low- to higher-productivity jobs.

**Jobs diagnostics tell a more complete story about the status of women in the labor markets than specific surveys and experiments do.** By drawing on a wide range of data, jobs diagnostics offer a broad view of the profiles of jobs, employers’ and workers’ overtime, and the ways in which men and women benefit or not from the creation of jobs in a country. Also, because it is a standardized analysis, the indicators produced can be compared and used to understand differences, for example, between countries in the same region or within the same income range. A jobs diagnostic is a fundamental first step toward better targeting the underlying constraints through the use of quantitative and qualitative methods, jobs pilots, or impact evaluations of effective and sustainable solutions. The diagnostics help determine which jobs challenges for gender equality are most pressing, which constraints need to be addressed first, and how gender-informed jobs policies and impact evaluations should be designed. The work to identify jobs challenges and offer solutions requires looking for empirical evidence that a problem exists and has the potential to be fixed. After the Team identifies main barriers and strategic areas in a country diagnostic, it can move to deeper analysis (nonstandardized and usually designed by gender specialists). The policy priorities identified in the jobs diagnostics can guide the design of national development strategies that are gender focused and the development of interventions in areas that affect gender equality in jobs outcomes.
Jobs diagnostics can also uncover the heterogeneous challenges faced by different groups of women. Women’s economic outcomes are marked by heterogeneity throughout their life cycle. Furthermore, age, race, ethnicity, religion, education, urban or rural area of residence, and access to opportunities intersect with gender and lead to different outcomes for different groups of women. Within and across countries, women also differ in their preferences and norms. Societal norms regarding marriage, childbearing, and domestic work play a crucial role to determine how women and men will participate in the labor market and benefit from labor market opportunities. These important differences in outcomes across women can be identified using the standardized tool. Complementary qualitative and quantitative in-depth analysis can further help identify specific needs of vulnerable groups among women and set common goals for all women’s well-being. Standardized studies of gender wage gaps account for such heterogeneities and compare men and women within homogeneous groups so as to minimize the effect of different characteristics across groups. When such characteristics are accounted for, the portion of the wage gap that remains unexplained and can be attributed becomes smaller relative to gaps found across heterogeneous groups of workers.

A good gender-informed jobs diagnostic brings out key gender gaps and barriers specific to the country. Typically, the diagnostic would focus on gender challenges that are known at the outset and would investigate them further. However, knowledge of gender gaps may also emerge from standardized data analysis. In both cases, the benchmarking and comparisons with similar countries steps could help identify outliers in jobs outcomes for women.

3.1 WHAT ARE THE TYPICAL JOBS CHALLENGES THAT WOMEN FACE?

The following section draws on The Pathways to Better Jobs in IDA Countries report (Merotto, Weber, and Aterido 2018), which contains cross-country findings from analysis on jobs diagnostics, and data on global benchmarks for key jobs outcomes. Jobs diagnostics should cover, at a minimum, analysis of these jobs challenges for women: labor force participation, earnings and wage gaps, and employment segregation. Educational differences are also relevant to cover.

A. Female labor force participation

Women’s participation in the labor force is essential to achieve sustainable economic growth and household welfare; yet, in nearly every country, women’s labor force participation is significantly lower than that of men. As figure 3.1 displays, there are noteworthy differences between men’s and women’s labor force participation. There is a U-shaped relationship between economic development and women’s participation in the labor force. Labor force participation rates tend to be highest in low-income countries for both males and females, with relatively small differences between the sexes. In contrast, in middle-income countries, the gap between male and female labor force participation is on average the widest, with a much larger share of the female working-age population out of the labor force.
There are several reasons for low female participation in the labor force. First, women are more likely than men to engage in domestic work (see figure 3.2). They are disproportionately tasked with the bulk of domestic responsibilities, including housework, childcare, and elderly care obligations. Second, women do not always have the skills or training to apply for all jobs. Even if they do have the right skills, because of the burden of unpaid domestic responsibilities, women may be less likely to have significant work experience with which to signal competence to potential employers. Third, women often are excluded from financial markets and savings opportunities. Some of this exclusion is due to legal restraints in opening a bank account, lack of access to assets to use as collateral for loans, or both. Fourth, social norms about the role of women in society and restricted mobility place barriers on female labor force participation. Fifth, wage differentials between men and women may discourage women from investing in human capital and entering the labor force. Sixth, inflexible work arrangements that require women’s physical presence in the office for long hours and the lack of pro-family public support and childcare facilities impair the ability of women to balance work and domestic responsibilities (Kinoshita and Guo 2015). Options such as flexible hours, opportunities to work from home, and part-time work could boost female participation in the labor force. However, such strategies could also inflate the gender wage gap. Research findings indicate that women pay a high cost for the ability to work flexible hours, work from home, or work outside the typical corporate schedule (Goldin 2014). Legal barriers, such as laws that prohibit women from working in certain types of jobs, also can impede their entrance. Data suggest that more equitable property rights and more equal rights to obtain a job or pursue a profession are associated with lower gender gaps in labor force participation, without significantly affecting male participation rates. Finally, a potential barrier is the low demand for female labor force participation because of discriminatory hiring practices.

Source: World Bank Group, International Income Distribution Data Set (I2D2) for 149 countries over the years 1999–2016.

Note: GDP = gross domestic product.
B. Earnings gaps

Even when gender disparities in participation rates are low, women tend to earn less than men. Figure 3.3 displays earnings regression results that demonstrate that female workers are significantly and systematically at a disadvantage in low-, lower-middle- and upper-middle-income economies. The average hourly earnings for women are 17–24 percent less than for men. Furthermore, women also systematically fare worse in terms of mean hourly earnings over different sectors of the economy (figure 3.4).

Source: World Bank Group, International Income Distribution Data Set (I2D2) for 149 countries over the years 1999–2016.

Note: The figure includes only wage income because self-employment income is not consistently available in the I2D2 data.
C. Employment segregation

Employment segregation, or the unequal distribution of men and women across positions and firm types, is often at the heart of gender disparities in labor market outcomes. It is responsible for much of the gender gap in wage, job quality, and employment trajectories. As displayed in figure 3.5, the proportion of women who work in agriculture, in self-employment, and in unpaid (family) work outside agriculture is considerably higher relative to men.

Source: World Bank Group, International Income Distribution Data Set (I2D2) for 149 countries over the years 1999–2016.

Note: GDP = gross domestic product.
Segregation of economic activities begins in the household, where women tend to perform domestic and care responsibilities while men often engage in tasks that contribute to the acquisition of marketable skills. The household not only determines the time allocation available to men and women for market activities but also shapes men’s and women’s actual and perceived comparative advantage and the social norms regarding their aspirations and roles.

Gender-based employment segregation in the workplace is generally pictured as horizontal segregation, particularly portrayed as women and men’s disparate concentration across industries and occupations. However, horizontal segregation can also take the form of women’s and men’s differential likelihood of being employed in the formal or informal sector, in paid or unpaid jobs, and in wage employment or self-employment. In addition, horizontal segregation represents women’s and men’s unequal representation in the cultivation of different crops and women and men entrepreneurs’ different business sizes, business types, and products. Furthermore, employment segregation can be vertical, thus representing gender disparities in positions and roles with different statuses or employment advancement potential.

D. Education

Educational choice and access to quality education are critical to improve employment outcomes for women (figure 7). Education raises the reservation wage and employment expectations. While the gender gap in primary education is closing in many parts of the world, gaps remain in secondary and tertiary education. Even in contexts where the gender gaps in educational attainment are negligible, gender differences in fields of education can contribute to employment segregation. Gender gaps persist in relation to educational choice and specialization in fields like science, technology, engineering, and mathematics (STEM), which continue to favor men.

![Figure 3.6 Employment, ages 15–64, by Educational Attainment (Pre-secondary vs. Post-secondary)](image)

Source: World Bank Group, International Income Distribution Data Set (I2D2) for 149 countries over the years 1999–2016.

3.2 UNDERSTAND THE DATA: THE GUIDED ENQUIRY AND GLOBAL BENCHMARKS

Jobs diagnostics allow identifying key gender gaps in specific countries through the use of the Jobs Diagnostic guided enquiry and global benchmarks. The guided enquiry is a set of structured questions for all aspects of the issues to analyze and helps identify a comprehensive set of “symptoms” or potential challenges from the data (see annex A of Lachler and Merotto,
To analyze the “symptoms,” the jobs diagnostic compares the country’s demographics and labor market indicators (share of working age population, labor force participation, employment by sector, urban and waged shares of employment, and so on) with those of other similar countries using global benchmarks. By benchmarking against comparator countries, the diagnostic identifies any challenges that are unique to a country’s context. (See Lachler and Merotto forthcoming.)

Many indicators found in the Jobs Diagnostics global data tools can be disaggregated by sex to provide a gender-focused analysis (annex B). The standardized jobs diagnostic outputs can be used with global benchmarks to identify outliers in jobs outcomes for women for a given country. In practice, identifying challenges that are unique to a country’s context requires benchmarking the country’s jobs outcomes and labor market structures with those of similar countries, and with those of countries with slightly higher and slightly lower GDP per capita.

4. PRODUCING GENDER-INTEGRATED JOBS DIAGNOSTICS

Gender can be integrated in jobs diagnostics through the use of standardized labor market indicators and analysis as follows (figure 4.1):

Figure 4.1 Suggested Steps for Integrating Gender in Jobs Diagnostics

1. Assess the labor market through household and firm-level surveys.
2. Map the profile of the female and male workforce using sex-disaggregated outputs.
3. Observe trends over time and analyze gender gaps.
4. Identify priorities and policy recommendations.

STEP 1. ASSESS THE LABOR MARKET THROUGH HOUSEHOLD AND FIRM-LEVEL SURVEYS.

The standardized jobs diagnostic uses a wide variety of sex-disaggregated data. A list of the most common data sources used in the standardized work can be found in annex A:

• **The labor supply analysis uses raw data from labor force surveys.** When labor force surveys are not available, or the data availability is spare, general household surveys or related datasets with labor market questions can also be used. However, a minimum of nationally or regionally representative data is required to enable good conclusions. There are some deficiencies in the standardized data. For example, only a few countries collect data on hours worked as part of employment or household surveys.

• **The labor demand analysis generally uses data that are more diverse with respect to source, coverage, and frequency.** The sources include administrative tax reporting data, annual surveys that inform national accounts, business censuses, business registries, or enterprise surveys. All of these have advantages and disadvantages in terms of coverage, number of variables, and timeframe. Some countries provide business census data with a panel structure that is ideal for the dynamic components of a jobs diagnostic. Coverage may be limited to certain sectors and locations and by thresholds in terms of firm size or sales level. Lack of institutional capacity, however, makes the availability of such data infrequent. The percentage of female permanent workers is not a required variable but is present for most of the countries. Some countries also have data on the gender of the owner of the firm, which allows for a more complete gender analysis of gender gaps in the private sector, business ownership, and access to capital.

However, the use of additional nonstandard country-specific data is key for gender-focused jobs diagnostics. Nonstandard data are typically needed to interpret the results related to gender, to understand the underlying key determinants of gender gaps, and to inform how to address them. Different types of data can be used to complement standardized gender statistics and provide more specific country context: sector studies, qualitative data, thematic household surveys, administrative data, available legislation, and other gender analysis conducted by the World Bank and other institutions—such as Country Gender Analysis (CGA) and the WBG’s Women, Business and the Law reports. Impact evaluations may also contain relevant gender-focused labor market information. See section 6 for examples of good nonstandardized gender jobs diagnostics.

Finally, it is important to identify data gaps to inform future data collection efforts, capacity building of local statistical offices, and policy dialogue with key stakeholders and statistical agencies. Good diagnostic and monitoring data on key labor market indicators for gender equality are unlikely to be available if national statistics offices lack strong data systems or valid and reliable indicators. Improving country-level indicators and monitoring is a particularly important area in which the World Bank Group can help clients build capacity. A key area to provide technical advice is the extension of household surveys to include, for example, questions about nonemployment time use, social norms, self-report barriers, availability of childcare, gender-based violence, sexual harassment, jobs preferences, and safety and transportation challenges related to access to work. On the demand side, governments would also be advised to include questions on employers’ biases and perceptions in enterprise surveys. There are some good examples of enterprise surveys in the South Asia region that include these type of questions (Kotikula and Islam 2019).
STEP 2. MAP THE PROFILE OF MALE AND FEMALE WORKFORCE USING SEX-DISAGGREGATED OUTPUTS

The outputs should include sex-disaggregated descriptive graphs, tables, visualizations, and regressions. It is important to go beyond national averages and investigate the differences across age groups, educational levels, geographic region, and urbanization level. Over time, indicators could be generated in the same way for different countries and undergo consistency checks. This process would ensure high data quality standards and enable country comparisons of jobs outcomes for women. Thus analysts would take an evidence-based step toward establishing what interventions work or do not work, and which labor market contexts make women better off.

Women may face different types of disadvantages at the same time. For example, women may be more likely to be in informal jobs, work fewer hours, or be employed by firms that have lower average wages. The combination of outputs produced in the macro, labor-supply, and labor-demand analyses provides a more complete picture of how multiple constraints block economic development and women’s access to good jobs.

Following, the note discusses important outputs that can be produced at each level of analysis and how they could enhance understanding of the ways that gender gaps contribute to and are affected by local economic dynamics. A list of all sex-disaggregated standardized outputs produced for jobs diagnostics and recommended additional outputs can be found in annex B.

A. Macroeconomic context

The macro analysis places women’s employment in the context of the country’s growth, productivity challenges, and labor market demographic transitions. Trends in real GDP, aggregate demand, and household demand establish the macro context for labor demand and supply and can inform how women are affected by economic and demographic changes. When growth is not consistent with shared prosperity from work for all groups of the population, the labor demand and supply analysis will provide more in-depth analysis to understand why jobs outcomes are not improving.

Understanding a country’s ongoing economic and demographic transformations is important to identify gender gaps, especially in countries where the labor force composition is changing. Recent changes in fertility rate, life expectancy, family size, and women’s access to education can lead to an increase in female labor force participation and can have large impacts on the future supply of labor and on economic growth. Higher levels of education among women, for example, can affect growth in the medium term by raising human capital levels (direct effect) and in the long term by reducing fertility and generating a demographic dividend (indirect effect). Along with urbanization processes, these economic and demographic transformations can add considerable pressure for faster job creation. On the other hand, they have the potential to create demographic dividends derived from increases in human capital and savings. Whether demographic dividends occur will depend on the country’s ability to create job opportunities and access to productive jobs for women and youth entering the labor force.

Efforts to understand and address gender gaps in labor outcomes can benefit economic growth and lead to more positive economic transformations. In almost every region of the world, evidence
shows that low female labor force participation constrains growth (Elorgh-Woytek and others 2013) and reduces the productivity of the total labor force by substituting male workers of relatively lower productivity for more productive female workers (Esteve-Volart 2004). An efficient distribution of human capital is necessary to sustain a positive growth trend. Evidence also shows that growth in aggregate output per person is largely explained by the improved allocation of talent and high levels of human capital in a country.  

The types of structural changes and regulatory frameworks also impact how women benefit from labor market outcomes. Structural economic changes across sectors and between informal and formal sectors lead to different types of development and jobs outcomes that may be positive or negative for women. For example, if an ongoing economic transformation is shifting employment from the agriculture to the services sector, and a higher share of women are employed in the services sector, this may imply that women may benefit from job creation in the service sector. Women can also be helped or hurt by policies such as trade deals, outsourcing, and privatization if these are tied to industries with a higher concentration of women. Proper legal and regulatory frameworks can also support greater economic inclusion for women and improve women’s access to jobs, assets, and financial services. Investments can also be regulated in a certain way to ensure they do not damage women’s livelihoods and female-owned household enterprises (figure 4.2).

Figure 4.2 The Circular Flow between Economic Transformations, Jobs Outcomes, and Gender

There is a trade-off between types of growth and opportunities for inclusion. Growth narrowly based in extractive or agricultural sectors tends to have limited employment creation or opportunities for including women (WBG 2017a). For example, in the Zambia Jobs Diagnostic, the macroeconomic analysis showed that jobs had been created but primarily in low-productivity

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1 Hsieh and others 2019. The authors examine the effect on aggregate productivity of the high convergence in occupational distribution between 1960 and 2010 in the United States by using the prism of a Roy model when black men and black and white women started to pursue their comparative advantage. Roughly one-quarter of growth in aggregate output per person over this period can be explained by the improved allocation of talent.

4 The publication Women, Business and the Law (WBG 2018) is a good reference for understanding what types of legal and regulatory barriers inhibit women’s entrepreneurship and employment. The 2018 edition compiles quantitative measures of laws and regulations that affect women’s economic opportunities in seven areas: accessing institutions, using property, getting a job, providing incentives to work, going to court, building credit, and protecting women from violence.
activities such as in the informal sector. Moreover, productivity gains came from shifts out of the agricultural sector into services and industry, whereas most Zambians—especially women—remain farmers. Consequently, gender gaps are widening in labor market outcomes and earnings across Zambia related to the recent macroeconomic transformations and to gender-based employment segregation (Merotto 2017).

The standardized JobStructures tool developed by the Jobs Group automates the production of key macro jobs indicators for countries. The tool is composed of the JobStructures demography and the JobStructures sectoral tools. The JobStructures demography tool provides indicators that relate the aggregate economic growth in a country to demographics, gender-disaggregated labor force participation, and employment measures. Using population projections, the tool makes predictions of future jobs challenges based on assumptions about changes in fertility rates, labor force participation rates, unemployment, and productivity. While the standardized projections are not currently sex-disaggregated for labor force participation and unemployment, they can be produced with the available data.

The second tool, the JobStructures sectoral tool, analyzes transitions across sectors as well as economic transformations over time and compares them with other countries. It provides the user with decompositions of structural changes in employment and labor productivity over time and by sector. It can also be used to make sectoral projections for productivity and employment. Where data are available for more detailed sectoral disaggregation of employment by gender, it is possible to answer whether the sectors in which women tend to work are expected to have higher or lower productivity, aggregate value and job creation in the near future.

B. Labor supply

The labor supply analysis examines the sociodemographic characteristics of workers and the distribution of jobs outcomes from the worker’s perspective. It evaluates whether there are gender gaps in the labor force participation rate, in the unemployment rate, in the types of jobs that are being created for men and women, in what determines earnings and allocation among sectors, regions, and formal/informal jobs, and in what individual characteristics (including gender) determine the probability of waged employment. As economies grow and transform and firms contract and expand, female and male workers transition across occupations, places, and firms. The labor supply analysis looks at whether the labor market facilitates these transitions effectively, whether job search and matching functions are working well, and the characteristics of those taking advantage of these transformations. The analysis further investigates different factors that can help explain wage levels and gaps, including age, education, location, sector, and number of hours worked.

Trends in workers’ profiles over time and transitions of men and women across employment types and sectors can provide insights into whether gender differentials in employment are correlated to gaps in skills, human capital, or preferences for (that is, self-selection into) particular types of work. The trends show whether jobs outcomes in an economy are becoming more (or less) inclusive for women and if the status of women in the economy is changing. Moreover, trend

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5 The JobStructures tools were designed by Dino Merotto, lead economist, World Bank Jobs Group, and built by Hild Rygnestad, consultant, World Bank Jobs Group.
analysis provides information on the determinants for women to improve their access to quality jobs. Because the quality of jobs is hard to measure, examining the trends in full-time wage employment among women, for example, could be a strong predictor of higher earnings, benefits, rights, and opportunities for skill development that could expand women’s well-being and, at the same time, help a country achieve its development objectives.

The jobs diagnostics supply-side standardized work comprises descriptive statistics and inferential analysis. All current standardized indicators and estimations are sex-disaggregated. The core descriptive analyses in the standardized jobs diagnostics produce descriptive indicators, tables, and graphs. They examine key female and male workers’ characteristics (education, age, region, urbanization) and their relationship with the following labor market outcomes:

- Labor market participation rates
- Employment status (employed versus unemployed)
- Employment type (unpaid, farmer, self-employed, formal and informal wage worker, employer)
- Hours worked
- Sector
- Earnings

When information is available for several years for one country, the outputs are created for each year separately but also over time. This process enables the evaluation of recent trends and changes in the profile of workers. The analysis provides, for example, graphs with trends in unemployment for men and women, share of female and male workers across types of employment, density graphs that contrast the distribution of female earnings with male earnings, and differences in the hierarchy of informal employment (employers, self-employed workers, unpaid workers, and so on). Frequency plots allow for disaggregation of one indicator, such as gender, along with other dimensions, such as urban or rural location or unemployment rates. Line diagrams show changes in earnings for men and women in different sectors. Area plots display multiple categories over a continuous variable—for example, transitioning from school to work for men and women. Unless panel data are available, such graphs typically represent a cross-section—that is, data spanning the observations from a single survey.

Inferential statistics evaluate the determinants of labor market outcomes for men and women. The results are reported in tables as well as graphs that show marginal effects of observable characteristics. Multinomial logit estimations simultaneously estimate the correlation between different observable characteristics, such as gender, education level, or household location of individuals, and the determinants of labor force participation, employment status, employment type, and earnings. It is therefore possible to calculate the estimated effect of being a woman on the probability of being in the labor force, of a specific employment status (employed, unemployed, and out of the labor force) and of being in a specific employment category (public sector, private sector, self-employed in agriculture, self-employed in nonagriculture, and others). Magnitude and average of marginal effects of observable characteristics of individuals, such as gender, are shown in graphs.
All results are repeated on subsamples of males only and females only to evaluate the explanatory power of distinct demographic characteristics for men and women. The results are useful for stakeholders to understand if there is a significant impact of observables between men and women on their labor market decisions and jobs outcomes, such as wages and occupation. Probit estimations explain the probabilities of men and women being waged or nonwaged, in the formal or informal sector, in the public or private sector, in agriculture or not, and in the rural or urban sector. Aside from gender and other individual characteristics, the regressions estimate the impacts of variables such as education and marital status on employment status. Both coefficient values of average marginal effects are calculated and reported, the latter for ease of interpretation. In all cases, the estimations are presented separately for both sexes.

Wage estimations are used to evaluate the returns to education and to being in specific sectors and regions. The returns to education using OLS (ordinary least squares) uses a logarithmic wage variable as outcome variable and includes observable characteristic such as age, education, gender, urban/rural as independent variables in a first variation. In addition to the simple variation, industry, occupation, formality, and public sector indicators are included in further specifications. Gender specific results are also estimated. However, OLS estimations might produce biased estimates of coefficients in wage estimations because wage is observable only for individuals who are employed. If selection into employment is not random but based on observable characteristics, OLS estimation of wages leads to biased results of gender coefficients in the wage estimation. A Heckman type selection correction model is applied to tackle the problem of selection into employment and to present additional information for wage estimations.

Finally, wage decompositions using the Oaxaca-Blinder model are used to estimate the gender component of wage differentials. When the results show that gender wage gaps are not explained by differences in human capital or sectoral distribution, they may indicate misallocation or discrimination and different returns to factors. In this case, further investigation is required to determine what is driving wage differentials. For example, women with high education could have lower returns because they have more domestic responsibilities or they are employed in the government, and this affects their productivity. Also, if women are concentrated in less productive sectors, a large share of the wage gap might come from sector segregation. Another explanation is that the residual or unexplained share of the results is large and may be related to unobservable variables that are not being controlled for in the model (for example, work effort, which is unobservable, or differences in hours worked, which may not be measured precisely).

If applicable, international comparisons can be produced. The countries for comparison may be determined by looking at criteria such as employment structure, urbanization level, or county income classification. Variables with noncomparable units, such as earnings in a local currency, should be transformed. Depending on the set of comparator countries chosen, key indicators and

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6 In statistics, OLS is a type of linear least squares method for estimating the unknown parameters in a linear regression model. Under the additional assumption that the errors are normally distributed, OLS is the maximum likelihood estimator.

7 The Heckman correction is a statistical technique, using Stata, to correct bias from non-randomly selected samples.

8 The Oaxaca-Blinder model explains the gap in the means of an outcome variable between two groups (such as between the poor and the non-poor). The gap is decomposed into that part that is due to differences in the mean values of the independent variable within the groups, on the one hand, and group differences in the effects of the independent variable, on the other hand.
regressions can be made in comparator tables and graphs. This enables country benchmarking and provides hints of whether certain labor market indicators stand out in an international comparison.

C. Labor demand

The labor-demand component of jobs diagnostics investigates who creates jobs and for whom, from a firm perspective. It focuses on different characteristics of firms, industries, and sectors, such as employment (size and jobs creation), longevity (age), productivity (output), and wages. The current standardized work produces a limited number of sex-disaggregated graphs and tabulations and the gender lens can be strengthened both in the standardized indicators and in the on-demand additional analysis of gender gaps.

The standardized labor demand work starts by enquiring the profile of the country’s private and formal sector. It displays averages and the distribution of firms’ characteristics (size, age, sector, location, ownership). The two variables used for female employment where available are (a) the share of female permanent workers and (b) a dichotomous variable that indicates if a firm has 50 percent or more of female workers. The main firms’ characteristics are not always crossed with the share of female employees and which types of firms are driving female employment and in which locations. The inclusion of sex-disaggregation in all descriptive analyses can also uncover the dynamics of business growth (measured by the age and size of companies) and the interactions between the demand for female labor among formal sector firms and the firms’ output, productivity, and average wages.

The labor demand analysis also questions the determinants of firm performance and how different firms’ characteristics—including the share of female employees—affect productivity and wages. Regressions estimate the marginal effects of firms’ characteristics in average output, productivity (output per worker), wages, and the probability of exit, among others. The regressions also combine the share of females with other variables—such as region, sector, and type of ownership—to evaluate if having 50 percent or more of female employees in a certain sector or if region determines various outcomes in the markets. If the coefficient is significantly positive (or negative), that would indicate that firms with a female majority in a specific sector are larger (or smaller), more (or less) productive, or have higher (or lower) wages.

Given a country’s needs, nonstandardized analysis can provide a more in-depth understanding of a country’s profile and can include additional questions regarding specific sectors or locations, or questions related to female employment. This analysis may include more regressions with different specifications or analysis of the data from different angles for better understanding. For some countries, the gender of firm owners is disclosed to provide additional information that can be used to examine performance, profitability, and access to training and finance of male- and female-owned firms. In some other countries, especially in low-income countries, women are more heavily concentrated in the large urban or rural informal sectors, either working as farmers or owning small household enterprises. In those contexts, additional data could be used to provide information on the differences between female- and male-owned enterprises (by sector and capital use, for example) and between female and male farming profiles (type of crop, input use, and productivity).
For a detailed picture of possible employment segregation, examine the profile of firms that hire a larger share of female workers and how that relates to differentials in jobs creation, productivity, and wages. Segregation is closely tied to job quality, earnings, and opportunities for advancement. A strong gender lens in the labor demand analysis of a jobs diagnostics is a first step to further understand which types of private sector dynamics, local and workplace culture, and hiring and promotion processes lead to employment segregation and gender gaps in the private sector. Where data exist, sex-disaggregated analysis by region can give valuable insights on local dynamics that may be affected by social norms, for example. Understanding female employment patterns and increasing female participation in high-productivity and high-return firms can create a virtuous cycle of development by changing social norms and improving aspirations for female youth. This sequence can result in greater human capital investments in women, reduced skills mismatch in the labor market, and increased productivity and incentives for firms to adjust work environments to women’s needs.

STEP 3. OBSERVE TRENDS OVER TIME AND ANALYZE GENDER GAPS

At this stage, the diagnostic analyzes the resulting statistical outputs and other important country-specific data to understand the key underlying determinants of the main jobs challenges and gender gaps identified in the previous stage. Several factors can affect women’s labor decisions and returns. The evaluation of all these possible factors is essential to interpret, prioritize, and address gender gaps in labor markets. Gender gaps should be understood in the context of the structure and functioning of markets, institutions, households, and the social norms that affect how women and men behave (WBG 2012). Markets influence the incentives that determine the returns to household investments in women’s and men’s education and their decisions on how and where to enter the labor market. Those incentives—along with cultural values, gender roles, and social networks—shape preferences, possibilities, and outcomes. Finally, institutions and regulatory frameworks establish the rules that affect incentives, preferences, and outcomes. It is crucial to examine these aspects to capture what is driving the identified gender gaps.

The assessment should address

- Macroeconomic and fiscal policies that affect women’s decisions to work,
- Social dynamics that affect educational attainment and choice,
- Policies and social norms on domestic and care responsibilities,
- Safety and mobility aspects,
- Immigration patterns,
- Investment climate and legislation that affect access to finance,
- Recruitment, hiring, and promotion practices in the private sector, and
- Legislation that prohibits female work in certain occupations.

Those fundamental areas can indicate how different types of regulatory systems and socioeconomic dynamics stimulate jobs outcomes for women. Tax systems, for example, can hinder women’s decisions to work when there are high tax wedges on secondary earners. Evidence shows that the female labor supply is more responsive to taxes than the male supply is (IMF 2012). Therefore, replacing family taxation with individual taxation can reduce the tax burden for
(predominantly female) secondary earners and potentially create incentives for women to decide to work, generate large efficiency gains, and improve aggregate labor market outcomes (Elborgh-Woytek and others 2013). Childcare policies and legislation—such as obligatory and nonflexible maternal leave, the absence of childcare facilities, and the lack of paternity leave—can reinforce the role of women as primary caretakers, thus women reduce their participation in the labor market, self-select into part-time flexible occupations, and face employers who are discouraged from hiring women.

Efforts to interpret results can use literature reviews, cross-country comparison, analysis of legislation and regulatory frameworks, and the evaluation of existing qualitative and quantitative specific surveys. Literature reviews help shed light on the possible reasons for certain statistical outputs. Cross-country comparison helps improve understanding of the extent that certain indicators stand out. A set of reasonable comparator countries could be selected using relevant structural indicators, such as income level, the relative distribution of main sectors, the degree of urbanization, population size, or geography. The legislation and regulatory frameworks could be analyzed either by studying a country’s legislation or using existing studies, such as the WBG’s Women, Business and the Law.

STEP 4. IDENTIFICATION OF PRIORITIES AND POLICY RECOMMENDATIONS

Finally, the Team prioritizes challenges to address and considers solutions that can effectively tackle multiple dimensions of gender-related jobs constraints. Priorities can be identified according to the expected payoffs in well-being and economic considerations relevant to the country and through the policy dialogue and operations supported by donors, including the World Bank Group. One way to start is to estimate the cost of gender gaps and then assess the impact of this cost on the economy and prospects of development. The diagnostic Team may include recognition of trade-offs and arguments for prioritizing specific gaps and interventions.

The following list of questions can help select priorities:

- Which gender inequalities have the largest costs in terms of welfare and sustainable growth in the country?
- Which gender inequalities persist despite economic growth?
- What are the largest gaps that have not changed in the past few years?
- What are the gaps that stand out when compared with data from similar countries in the region?
- Which topics have received less attention and could benefit from greater attention?
- Where are the largest knowledge gaps on gender and development?
- Which topics could be picked up in the broader country policy dialogue?
- In which areas are forthcoming projects and operations focused, and in which can or will gender considerations be mainstreamed?
- Which of the constraints are most easily addressed and for whom?
- Which female population subgroups have the most severe barriers? What are these barriers?
For each key challenge and underlying cause identified, a good policy option may be suggested. Recommendations on gender-responsive policies and interventions result from the analysis of the country gender profile, the underlying determinants of gender inequalities, and the in-depth study of priority areas. The set of policies recommended might include how to create more formal-sector jobs for women, how to connect women to more-productive sectors, how to improve the quality of informal-sector jobs, or what changes in legislation could be beneficial. The goal is to identify the best strategies to increase women’s access to economic opportunities and to maximize women’s contribution to the country’s jobs agenda.

Policy recommendations can also focus on efforts to improve data collection and monitor gender gaps. For example, before specific policies are proposed, a policy recommendation could be to improve the national statistics and obtain additional data to understand the nature of the gender gaps. Another possibility is to include monitoring and evaluation processes to monitor the progress of gender equality policies.

5. NONSTANDARD APPROACHES: GOOD PRACTICE

This section provides examples of diagnostics that probe deeper on gender issues by supplementing the standard statistical outputs with additional nonstandard data and analysis. These good-practice cases have been supported by the Jobs Group to explore more gender-focused jobs diagnostics that specifically target gender gaps.

5.1 BANGLADESH JOBS DIAGNOSTIC

Several jobs diagnostics have produced important information related to gender gaps in specific countries. The Bangladesh Jobs Diagnostic (Farole and Cho 2017) provides a good example of how to include a gender lens into a jobs diagnostic. The diagnostic highlights the social and economic dynamics behind the different types of gender gaps in the labor market of Bangladesh, and the report especially reviews how social norms lead to low female labor force participation rates and concentration of women in agriculture in rural areas and the garment industry in urban areas. Table 5.1 summarizes the main findings and recommendations.
Table 5.1 Example of a Gender-Focused Jobs Diagnostic: Bangladesh

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>STEP 1: FINDINGS FROM STATISTICAL OUTPUTS</th>
<th>STEP 2: INTERPRETATION OF RESULTS</th>
<th>STEP 3: POLICY RECOMMENDATIONS</th>
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<tbody>
<tr>
<td>Macro</td>
<td>JOBS CREATION:</td>
<td>JOBS CREATION:</td>
<td>INCREASING EMPLOYMENT AMONG</td>
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<td></td>
<td>- Annual increase of 4.4 percent in female</td>
<td>- Inclusive, high job creation in the</td>
<td>YOUNG WOMEN:</td>
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<td>employment (twice the growth of the working-</td>
<td>country increased opportunities for</td>
<td>- Reform technical training systems to</td>
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<td>age population) is driven by an increase of 5.7</td>
<td>everyone, and</td>
<td>enhance female youth employability.</td>
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<td>percent in the garment sector in urban areas</td>
<td>women captured more than 70 percent</td>
<td>- Launch educational campaigns and</td>
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<td>and agriculture in rural areas.</td>
<td>of all new jobs, mainly in the garment</td>
<td>provide training to promote females and</td>
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<td>UNEMPLOYMENT RATE:</td>
<td>sector.</td>
<td>youth into nontraditional employment.</td>
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<td>- Among female youth, however,</td>
<td>UNEMPLOYMENT RATE:</td>
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<td>unemployment rates increased.</td>
<td>- Limited counseling, job search assistance,</td>
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<td>Labor</td>
<td>LOW FEMALE LFP RATE:</td>
<td>or intermediation services, as well as</td>
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<td>Supply</td>
<td>- Female LFP rate grew from 27.5 percent</td>
<td>inadequate training opportunities.</td>
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<td>in 2003 to 37 percent in 2010 but decreased to</td>
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<td>32.6 percent in 2016. Male LFP rate</td>
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<td>remained high at 85 percent, increasing in</td>
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<td>the past few years.</td>
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<td>- Low female LFP rate and high NEET</td>
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<td>associated with</td>
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<td>- Social norms: high rates of early</td>
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<td>marriage and concentration of</td>
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<td>household responsibilities. Rural</td>
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<td>women are more likely to be NEET than</td>
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<td>urban women when young, because they</td>
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<td>tend to get married earlier.</td>
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<td></td>
<td>- Mobility constraints.</td>
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<td>- Employer constraints.</td>
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<td>LOW-QUALITY JOBS FOR WOMEN:</td>
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<td>- 39 percent of working women in unpaid</td>
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<td>work, as opposed to 5 percent of working</td>
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<td>men. 70 percent of unpaid employment is</td>
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<td>concentrated in female employment in rural</td>
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<td>areas.</td>
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<td>- Wage employment for men increased from 15</td>
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<td>percent to about 24 percent between 2003</td>
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<td>and 2016, accompanied by a decline in unpaid</td>
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<td>work. For women, few changes have been</td>
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<td>seen over time.</td>
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<td>- Rates of formality have increased for</td>
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<td>urban women (not for men and rural areas).</td>
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<td>- Education has a positive effect on the</td>
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<td>probability to be a wage employee for men,</td>
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<td>but primary education for women is not</td>
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<td>strongly associated with positive outcomes.</td>
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<td>Location and living in an urban area matter</td>
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<td>most, especially for women.</td>
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<td>Labor</td>
<td>SECTORAL SEGREGATION:</td>
<td>SECTORAL SEGREGATION:</td>
<td>SECTORAL SEGREGATION:</td>
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<td>Demand</td>
<td>- A larger share of working females than</td>
<td>- Demand-side constraints: in surveys,</td>
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<td></td>
<td>working males is employed in agriculture.</td>
<td>employers still express reservations about</td>
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<td>- Women are concentrated in manufacturing,</td>
<td>hiring women for a variety of reasons,</td>
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<td></td>
<td>especially in garments.</td>
<td>including additional expenses for providing</td>
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<td>- Higher-productivity services such as</td>
<td>separate workplace facilities and potential</td>
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<td>transport and communications are not a</td>
<td>implications in workplace dynamics.</td>
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<td>source of employment for women.</td>
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</table>

Note: LFP = labor force participation; LIC = low-income countries; MIC = middle-income countries; NEET = education, employment, or training.
5.2 FEMALE LABOR FORCE PARTICIPATION IN PAKISTAN: WHAT DO WE KNOW?

This section is based on the note “Female Labor Force Participation in Pakistan: What Do We Know?” (Amir and others 2018), which is a product of the Pakistan Gender and Social Inclusion Platform and is structured to complement the Pakistan Jobs Diagnostic. It is also a precursor to the upcoming study Women in the Workforce, which will collect primary qualitative and quantitative data on urban women’s labor force participation in key cities in Pakistan.

Pakistan’s development road map, “Vision 2025,” sets an ambitious target of an increase in female labor force participation (FLFP) from its current level of 25 percent to 45 percent by 2025. Women’s labor force participation is rising across the country; however, significant challenges remain. The Team explored the dynamics of FLFP by analyzing data from the Enterprise Survey (2013), two rounds of the Labor Skills Survey (2013 and 2015), and multiple rounds of the Labor Force Survey. The note provides a picture of trends in FLFP, identifies reasons for low FLFP, and highlights key knowledge gaps. Key findings based on the survey data are presented in this section.

A. Patterns and trends in female labor force participation since 1992

Although female labor force participation is rising, current growth will not be enough to ensure that Pakistan reaches its national gender equality targets. Urban female labor force participation in Pakistan is particularly low and has risen little over the past two and a half decades. While rural FLFP doubled from 16.0 percent to 32.9 percent over that period, urban FLFP rose only from roughly 7.0 percent to 11.0 percent. Figure 5.1 shows the aggregated male and female labor force participation rates during the period.

![Figure 5.1 Trends in Pakistan Labor Force Participation since 1992](image)

Source: Amir and others 2018; World Bank analysis of multiple Labor Force Surveys.
Education improves women’s chances to enter the labor market. Between 1999 and 2014, women’s labor force participation rose for all levels of education, but most significantly after post-secondary education. Post-secondary education has a stronger positive effect on urban women’s LFP than on rural women’s; yet, at all education levels rural women are more likely to be in the labor force than urban women are (figure 5.2).

**Figure 5.2 Female Labor Force Participation in Pakistan, by Education and Residence**

![Graph showing female labor force participation in Pakistan by education and residence.](image)

**Source:** Amir and others 2018; World Bank analysis of multiple Labor Force Surveys

B. Barriers to female labor force participation

Data and analysis are limited on barriers to women’s labor force participation, and—even more so—on the constraints that women face, once employed, to be able to work effectively and advance in their jobs. The analysis deepens the understanding on some of the barriers to FLFP to the extent allowed by existing surveys—the Labor Force Survey, Labor Skills Survey, and Enterprise Survey.

Marriage, housework, and childcare responsibilities hamper female labor force participation. Marriage appears to be increasingly associated with lower levels of FLFP. Multivariate analysis of Labor Force Surveys over multiple years suggests that the association between marital status and FLFP increases over time (figure 5.3).
Limited mobility and safety concerns constrain household work choices. A significant proportion of female respondents in the 2013 Labor Skills Survey reported that they could not travel alone for basic services, social reasons, or to the local market. For example, only about 30 percent of women could go to local markets or to a local health facility alone. About one-fifth of women reportedly never go to the local market, while 13 percent say they never go to local health facilities. This lack of mobility for women constrains their flexibility to travel to work and conduct business, thus affecting their labor force participation. Women with greater mobility, at least in terms of being able to go to local markets alone or accompanied, are more likely to be in the labor force.

Safety concerns dampen women’s economic activities. Closely related to mobility is the perception of safety when one is outside. Less than half the women in the 2013 Labor Skills Survey reported that they feel safe walking around in their neighborhood, whether during the day or at any other time. The relationship is also confirmed by regression analysis, which shows that women who feel safe walking alone in their community at least during the day are significantly more likely (3 percentage points) to be in the labor force than women who do not feel safe, even after controlling for characteristics of women and their households.

More than half of Pakistani working-age women have not attended school. Although the proportion of working-age women with no formal education has declined from over three-quarters (77 percent) to slightly more than half over the past two and a half decades, still a significant number of women remain uneducated. For a comparison, the percentage of men with no formal education has declined from about 47 percent in 1992 to just over 25 percent of men in 2014. The gender gap in education, however, has not improved over this period. At the same time, only a small minority has had access to higher education. This indicates a weak foundation on which individuals can build skills and accumulate human capital for higher-quality employment.

Women enjoy less employment diversity than men do and face gender-biased attitudes from firms. Firms themselves express a preference for not hiring women. About two-thirds of firms surveyed in Pakistan’s Enterprise Survey in 2013 agree with gender-discriminatory attitudes as reasons for not hiring women in managerial or nonmanagerial capacities (figure 5.4).
C. Gaps in data on female labor force participation

Despite the findings presented and the knowledge generated thereby on trends, patterns, and barriers, several aspects of FLFP remain unknown. More accurate measures of women’s work and a deeper understanding of the dynamics of individual, household, firm, and structural barriers are still lacking. Some important knowledge gaps include the following:

- Existing surveys typically underestimate women’s work as they tend to focus on work for pay and overlook women’s economic contributions inside and outside the home; more experimentation is needed to improve ways to measure those contributions.
- Data are limited regarding women’s aspirations for their lives, how labor force participation fits into these aspirations, and how aspirations correlate with opportunities.
- The analysis suggests that household attitudes and behavior, along with social norms, play an important role in determining whether, what, when, and how women can work for pay. For instance, the multivariate analysis of the Labor Skills Survey strongly suggests that husbands’ attitudes play an important role in women’s labor force participation, as do mobility and perceptions of safety. However, existing national datasets such as the Labor Force Survey include little information to measure such factors.
- The lack of available firm-side data limits knowledge on the demand for female labor in different sectors, their work environment, and workplace safety issues.
- Not enough information is available about sexual harassment, discrimination, and other aspects of the workplace that employed women encounter. A likely critical barrier—sexual harassment on the way to and in the workplace—remains woefully under researched. We know little about how conflict and uncertainty affect women’s choices and experiences of labor force participation.
- There are limited data and analysis on the gender dynamics in the workplace that influence women’s performance at work.
D. Further research

An upcoming study on women’s economic empowerment in Pakistan that focuses on major cities seeks to address many of the gaps in data and analysis identified here. The study will use qualitative and quantitative methods to investigate deeper women’s economic empowerment. Given the particularly low levels of female labor force participation within urban areas, the study will focus on select metropolitan areas in urban Pakistan — specifically, Lahore and other urban areas in Punjab province, Karachi in Sindh province, Peshawar in KP province, and Quetta in Balochistan province (Amir and Pande 2019).

5.3 STUBBORN GENDER GAPS IN PARAGUAY’S LABOR MARKET

“Stubborn Gender Gaps in Paraguay’s Labor Market” (Ruppert Bulmer, Scarpari, and Garlati 2019) deepens the Paraguay Jobs Diagnostic (Ruppert Bulmer and others 2017) by providing a more gender-separate analysis and bringing a gender focus to the policy discussions. Extending the Jobs Diagnostic approach, the Team analyzed household survey data and firm-level data to measure gender gaps in employment outcomes over the past 15 years. Patterns in labor supply and its correlates were examined separately for men and women to capture different drivers of labor supply decisions and their impact on future labor market outcomes. In addition, the Paraguay gender note explores the degree to which private sector labor demand and firm productivity differ by gender; this is done using firm-level data to examine the drivers of firm performance and employment growth in majority-female firms compared with majority-male firms. The main findings are summarized in the following sections.

A. Macrostructural trends: Changing demographics

Paraguay is currently undergoing a demographic transition that has social and economic implications. Paraguay’s population is growing at a high but slowing rate, and the country’s age composition is changing, driven by two offsetting demographic factors: declining fertility rates and rising life expectancy. Falling fertility rates have led to a decrease in the dependency ratio and a rise in the share of the working-age population from 63 percent in 2002 to 69 percent in 2015, and to a projected 73 percent by 2025.

The growth of the working-age population has put considerable pressure on the labor market, creating a need for faster job creation. As women have fewer children, the resulting smaller families are less taxing on women’s time and result in more women entering work, although the effects are tempered by increasing elder care demands. The projected increase in the labor supply could be enhanced in the long term by further increases in the share of women entering the workforce.

B. Supply of labor

B.1. Gender gaps in labor force participation

Despite significant gains in the past two decades, female labor force participation has stagnated at levels far below the rate for men. Female labor force participation has increased almost 10 percentage points since 1997, hovering around 55–57 percent in recent years. However, when women are compared with men, the participation gap is large, equivalent to 27 percentage points
Women in Paraguay are much more likely than men to be neither in employment nor in education or training (NEET) (figure 5.6). In 2016, one-fourth of women ages 15–29 were neither studying nor working, compared with only 5 percent of men. Since 2001, some improvement has been observed among women, but the gap is closing slowly. Rural residents have much higher NEET rates, especially rural women. Women in rural areas are more likely to be out of school and out of work compared with women in urban areas and compared with men in rural areas. The high NEET rate for women is especially worrying because it is so difficult to transition into productive work. Even for women who are economically inactive due to education or training, the NEET population risks opportunities to women because it degrades human capital, reduces the chances that women will find skilled work, and increases the prospects for social exclusion.

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9 Known by the acronym NEET in many countries, “disconnected youth” in the United States, and “ni-ni” (neither-nor) in Spanish-speaking countries.
B.2. Gender gaps in work status

Women are significantly more likely to work informally, whether in self-employment, as informal wage workers, or as unpaid family workers. Women are also more likely than men to be employed by informal firms. One-third of women are in informal wage work, slightly lower than the share for men. Nearly a quarter of employed women are self-employed, and 11 percent are in unpaid family work, both considerably higher than the rates for men (15 and 7 percent, respectively).

One important determinant of formality status for women is being a mother. Women with children, especially young children, have greater home-based demands, leading women to seek
informal work that requires fewer or more flexible work hours. Having children younger than 13 years old in the household decreases women’s probability of formal work by 2 percentage points. In addition, the presence of an elder person in the household decreases women’s probability of formal employment by 3 percentage points. Parenthood has the opposite effect for men, for whom the presence of children in the household modestly increases their likelihood of formality.

Work status has implications for the number of hours worked. Women in Paraguay are more likely to hold multiple jobs and work fewer hours in each. Most working women have at least two jobs. On average, women work five hours less than men in their main occupation and one hour less in their secondary occupation.

Education is a powerful determinant of being formally employed for both men and women but plays a larger role for women. Having a secondary education increases the probability of working in a formal job by 20 percent for women and 17 percent for men; entering college increases the probability by 30 percent for women and 26 percent for men; and having a bachelor’s degree increases the probability by 32 percent for women and 26 percent for men.

B.3. Gender differences in the distribution across sectors

Distinct patterns emerge with respect to the sectoral distributions of men and women. Women are concentrated in the commerce sector, other services, and, to a lesser extent, agriculture—all sectors with relatively low productivity and earnings. Those three sectors together employ nearly three-quarters of total employed women, compared with just over half of employed men. By selecting into more accessible but less productive sectors such as retail, hotels, and restaurants and into other service sectors that accommodate self-employment when wage work is unavailable, women in effect limit their output and earnings. Men are more evenly distributed across sectors but are most prominent in agriculture, commerce, manufacturing, and construction.

Sectoral patterns of employment growth during 2005–15 were more diversified for men than for women and favored higher productivity sectors for men. For working males—including the large number leaving farm work—more jobs were added in the relatively higher-productivity sectors of government, manufacturing, construction, and financial services sectors. For women, most added jobs were in retail, followed by government jobs (which have relatively high productivity). Nearly a fifth of new jobs for women were in other services, the least productive sector.

B.4. Gender Gaps in Job Quality and Earnings

The gender wage gap is high, driven mostly by differences in employment status and sector. The female share of total annual earnings in Paraguay was around 30 percent in 2015, a figure that has changed little over time (figure 5.7). Earnings differences across employment type are significant. Employers and public sector employees have the highest earnings on average, while farmers, self-employed, and informal wage workers earn significantly less (figure 5.8). Even within each work status, women earn less on average than men. Sectoral segregation also explains part of the gender wage gap, although even within sectors, women earn less. Commerce, other services, and agriculture, which employ three of every four working women, have the lowest average female

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10 In this Note, the commerce sector includes wholesale and retail trade, hotels, and restaurants, unless otherwise indicated.
earnings. Mincer-type regressions to control for individual characteristics were used to estimate the effects of work status, education level, and sector, among other factors, on workers’ earnings. The gender wage gap is estimated at 43 percent for monthly earnings when all workers—formal and informal, wage workers, and self-employed—are considered, thus indicating a large earnings advantage in favor of men. Other factors shown to be significant to earnings are formality status, education, experience, sector of work, region, and ethnicity. Informal work carries a larger monthly wage penalty for women (63 percent) than for men (47 percent). Sectoral returns also vary by gender. For example, manufacturing employment for women is not as well paid as for men, likely because of the low wages prevalent in apparel manufacturing. Women in manufacturing earn 17 percent less than women in commerce, whereas men in manufacturing (and mining) earn 10 percent more than men in commerce. In a more specific comparison of wages for the same hour of work (that is, regressing hourly wages of full-time wage workers on the same set of explanatory variables), the gender wage gap is still large, at 19 percent.

![Figure 5.7 Total Annual Earnings by Gender, in billions 2005 USD PPP](image)

**Source:** Encuesta Permanente de Hogares data.

**Note:** USD = U.S. dollars; PPP = purchasing power parity.
C. Labor demand

Paraguay’s structural transformation from an agricultural to a services-based economy over the past 15 years was accompanied by strong job growth, but many of the added jobs were of low quality or low productivity, limiting the positive spillovers to economic growth. Looking at different segments of the private sector helps to understand the sources of labor demand. For example, of the 211,000 firms identified in the 2011 Economic Census, 80,000 are informal and an equal number comprise registered self-employed. Only 51,000 firms are formal and have at least one paid employee, although those generate two-thirds of all firm-based jobs. The following analysis provides a sex-disaggregated snapshot of Paraguay’s private sector firms to illustrate the links between their formality status, firm size, firm productivity, and firm growth rates, and whether gender patterns play any role in those outcomes.

C.1. Gender differences in firm-type, firm-size, firm-productivity and wages

Consistent with the supply-side analysis, women are more likely to be employed by informal firms or engaged in self-employment than men are (figure 5.9). Considering the distribution of workers across firm type, nearly 22 percent of women are employed by informal firms, almost twice the share for men. And within formal firms, employment is dominated by men by a ratio of two-to-one.
The female employment share is highest in micro-sized firms and declines as firms get larger. Among informal firms with fewer than 10 employees, two-thirds are majority female and one-third are majority male. In the formal sector, the gender gaps are narrower, but most firms remain male dominated. Regression analysis confirms a negative correlation between female employment share and firm size. Among formal firms with at least one paid employee, a 10 percent increase in the share of paid female employees is associated with a 1.2 percent decline in overall firm size.

Small firm size is correlated with lower productivity and slower job creation within firms. Smaller firms struggle to grow, possibly due to a lack of scale economies, making it difficult to compete with larger, more productive firms. The limited growth of micro-sized firms affects women more than men and will intensify the gender divide in job quality due to dynamic effects. The higher allocation of women in micro-sized firms and the micro firms’ lower productivity and wages translate into significantly lower female earnings, consistent with the labor supply analysis.

Average wages are lower in small firms and in firms that employ more women. Average labor cost per paid worker rises with firm size, according to regression analysis, and the average wage in firms that are majority female is 23 percent lower than in majority-male firms. Controlling for sector, firm size, firm age, and region, average firm wages decline by 0.28 percent for every 1 percentage point increase in the female employment share.

C.2. Gender differences in sector of work

Paraguay’s private sector exhibits large differences in the sectoral employment patterns of men and women. Consistent with the household survey data, the economic census shows that women are more likely to hold jobs in less productive sectors such as commerce and certain types of services. Regression analysis finds that textile and apparel manufacturing, hotels and restaurants, and other services—all sectors with a high concentration of female employment—have relatively
high labor intensity and therefore low labor productivity. Textile and apparel manufacturing has the highest share of female employees (65 percent) and is among the least productive subsectors when comparing average productivity across subsectors (figure 5.10). Construction, by contrast, is one the most productive subsectors, but less than 8 percent of the construction sector’s paid workforce is female. Whereas some of the observed lower productivity of female-dominated firms is explained by sector selection (that is, the different sectoral allocations of men and women), there is nevertheless a negative correlation between firms’ female employment share and productivity level even when controlling for sector effects.

![Figure 5.10 Gender Breakdown of Employment within Subsectors](image)

**Source:** Based on Censo Economico 2011 data.

D. Policy options

Policy options and programs to reduce segregation and increase women’s access to and ability to compete for good jobs could be designed to address supply-side constraints or demand-side constraints, given that employment is the result of a match between labor supply and labor demand. Increasing the economic contribution of women may be considered through four main policy channels: (a) enhance the capacity of women to obtain better jobs; (b) reduce the barriers that face women’s ability to obtain quality employment; (c) increase the productivity and earnings of informally employed women; and (d) stimulate the creation of new service-sector jobs that will be attractive to women in the future.
6. CONCLUSIONS

Jobs diagnostics provide a good overview of the status of women in countries’ labor markets. The comprehensive and multi-sectoral approach allowed by jobs diagnostics reveal the barriers and gaps that are imposed by the market and core challenges to the current macroeconomic trends and smart gender-focused policy solutions. Diagnostic should include all available standardized sex-disaggregated indicators, complement the analysis with country-specific data, and ideally go beyond the disaggregation to a broader reinterpretation of how gender differences are related to structural and sectoral transformations.

6.1 USING CURRENTLY AVAILABLE STANDARD GENDER-DISAGREGATED INDICATORS

Jobs diagnostics contain a full suite of gender-disaggregated labor supply indicators that can be used to illustrate gender differences at various levels of aggregation. The inclusion of tables and graphs that show gender gaps in different labor market outcomes such as wages, hours worked, and distribution across sectors allows for interpretation of how gender differences may affect the returns to economic activity and investment on an aggregate level. For example, a Team might look at how sex-disaggregated demographic and employment trends affect and are affected by recent growth trends and changes in productivity and investment in specific sectors. When examining how many jobs are needed to accommodate youth entering the workforce, the analysis also includes the number of jobs needed to accommodate women entering the workforce and relates that data to the decline in the fertility rate or the growth in human capital for women. When assessing whether and how growth reduces poverty, the analysis could also look to differences in labor income and poverty rates for men and women.

The Bangladesh Jobs Diagnostic is a good example of how standardized indicators can strengthen the gender lens in the broader macroeconomic and labor market analysis. The Bangladesh country team used standardized indicators from the World Bank World Development Indicators and national Labor Force Surveys, Economic Censuses, and Surveys of Manufacturing Industries to produce a large number of gender-disaggregated outputs and to show how gender gaps are connected to macroeconomic and labor market trends. Growth in urban manufacturing jobs, for example, contributed to 4.4 percent annual growth in female employment, more than twice the rate of growth of the working-age population, bringing millions of women into the labor force. Wage employment grew by 5.7 percent annually between 2003 and 2016—driven, in particular, by large-scale job creation in manufacturing, mostly in urban areas—and also contributed to growth in female employment. The report identifies and highlights first-level gender disparities, determines an agenda for deeper investigation, and proposes appropriate engendered jobs strategies.

6.2 GOING BEYOND STANDARDIZED INDICATORS

There is also room to deepen the knowledge of underlying gender constraints by using country-specific data and secondary sources. Sex-disaggregated country-specific estimations, reports, and academic papers can contribute to advance the country-specific analysis and strengthen the gender lens.

The analysis should be supplemented with country-specific data whenever information is available. In some cases, going beyond standardized indicators is recommended. For example, in
countries where women are more concentrated in small or micro enterprises—either in the formal or informal sector—the use of supplementary surveys can be crucial to understand labor market outcomes for women. Standardized Jobs Diagnostics indicators primarily cover medium and large formal firms. Thus, some important areas regarding the economic inclusion of women are excluded (such as the informal market and female business ownership). If the main source of income for women is female entrepreneurship, using secondary sources and nonstandard surveys may be useful to capture gender gaps in access to productive assets and inputs, which is related to firm start-up, growth, and productivity and which affects labor market productivity and economic growth. While data on financial access and legal constraints are growing, knowledge about the constraints for female entrepreneurs remains limited. Publications such as Women, Business and the Law (WBG 2019) and other country gender reports can help to explain how different legal, institutional, and cultural contexts affect how women benefit from jobs and economic growth.

Another situation in which supplementary sources should be used for jobs diagnostics is when standard data on gender are not available because the government has not collected sex-disaggregated information in surveys and administrative data. Some possible missing indicators are (a) sex of the employees in firm censuses and administrative data, (b) the number of hours worked in employment and household surveys, and (c) sex of the employer in firm censuses and administrative data. The lack of good disaggregated data hampers the production of standardized outputs and country comparisons that are the base of the jobs diagnostics. In the medium term, a recommendation is to help governments gather basic sex-disaggregated data and attempt to include new sex-disaggregated variables. Government statistical offices can use the United Nations Gender Statistics Manual to improve the quantity and quality of available data in key areas. The manual is targeted primarily to statisticians working with less developed national statistical systems. It can be used as resource material for training in gender statistics and. for many important indicators, to measure outcomes and constraints related to gender equality in the world of work.

All the jobs diagnostics summarized in section 5 are good examples of how to use country-specific data to go beyond the standardized indicators. The note Female Labor Force Participation In Pakistan: What Do We Know? (Amir and others 2018) departs from the standardized Jobs Diagnostic methodology and uses the country’s Enterprise Survey 2013, two rounds of the Labor Skills Survey (2013 and 2015), and multiple rounds of the Labor Force Survey to explore the dynamics of female labor force participation. It is also a precursor to the study Women in the Workforce (Amir and Pande 2019), which collected primary qualitative and quantitative data on urban women’s labor force participation in key urban cities in Pakistan. Stubborn Gender Gaps in Paraguay’s Labor Market (Ruppert Bulmer, Scarpari, and Garlati 2019) deepens the Paraguay Jobs Diagnostic (Ruppert Bulmer and others 2017) by providing a more gender-separate analysis that relies primarily on micro-level data from the annual Encuesta Permanente de Hogares for 2001 through 2016, the Encuesta Continua de Empleo for 2010–14, the Censo Economico 2011, a census of firms, and the 2015–16 Encuesta de Empresas (a follow-up firm survey).

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11 The manual is both a publication and a wiki platform, at http://unstats.un.org/unsd/genderstatmanual.
12 Those surveys were carried out by Paraguay’s Dirección General de Estadística, Encuestas y Censos.
BIBLIOGRAPHY


# ANNEX A: COMMON DATA SOURCES USED IN JOBS DIAGNOSTICS (STEP 1)

<table>
<thead>
<tr>
<th>LEVEL OF ANALYSIS</th>
<th>DATABASE</th>
</tr>
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</table>
| **Macroeconomic analysis** | - WDI data  
- Jobs Data portal  
- ILO Key Indicators of the Labor Market  
- UN demographic projections  
- National accounts surveys  
- Migration Facts Book  
- WITS |
| **Labor supply** | - I2D2  
- Labor Force Surveys  
- Household survey (HHS/LSMS)  
- STEP Household Surveys |
| **Labor demand** | - Firm census  
- Enterprise Surveys  
- STEP Employer Surveys |

**Notes:** HHS = household survey; I2D2 = International Database of Income Distribution; ILO = International Labour Organization; LSMS = living standards measurement survey; STEP = Skills Toward Employment and Productivity; UN = United Nations; WDI = World Development Indicators; WITS = World Integrated Trade Solution.
## ANNEX B: AVAILABLE SEX-DISAGGREGATED INDICATORS (STEP 2)

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>AREAS</th>
<th>STEP 2 - DESCRIPTIVE AND ANALYTICAL OUTPUTS</th>
</tr>
</thead>
</table>
| Macro | Demographic transition | ▪ Growth rate of working-age population*  
▪ Fertility rate over time and projections*  
▪ International comparison of fertility rate and life expectancy at birth  
▪ Average age of a women at first child (and regional comparison) |
| | Human capital development | ▪ Sex-disaggregated enrollment and graduation rates by level of education  
▪ Share of men and women graduated and enrolled rates by fields of study |
| | Macro and fiscal policies | ▪ U-shaped relationship between female labor force participation and GDP per capita* |
| Labor supply | Labor force participation | ▪ Female and male LFP rates over time for total population* and by rural and urban pop; age cohorts; and educational levels.  
▪ Regional comparison of gender gaps in LFP  
▪ Composition of inactive workers over time by gender and by location (rural/urban and regions), age, and educational level  
Correlates of being active versus inactive using sex as one of the correlates (probabilities expressed as average marginal effects)  
▪ Gender differences for NEET rates over time, for total population, and by rural and urban population; age cohorts; and educational levels.  
▪ Snapshot of the working-age population by gender* |
| | Employment status | ▪ Unemployment rates for men and women over time for the whole population, rural and urban populations, for different age cohorts  
▪ Average length of unemployment for men and women  
▪ Regional unemployment rate comparison for men and women  
▪ Regressions: logit estimates of the marginal effects of socioeconomic characteristics in the probability of being employed versus inactive  
▪ Regression: marginal effect of being female/male in the probability of being employed |
| | Employment type | ▪ Sex-disaggregated distribution accross employment type for primary and secondary occupations (unpaid, informal wage, formal wage public sector, formal wage private sector, self-employed, employer, farmer)  
▪ Average hours worked by men and women per week in the main and the second occupations  
▪ Average hours worked by men and women per week by employment type  
▪ Regression: marginal effect of being female/male in the probability of being wage employed controlling by other variables  
▪ Regression: marginal effect of being female/male in the probability of being informal controlling by other variables  
▪ Regression: logit estimates of the marginal effects of socioeconomic characteristics in the probability of being informal  
▪ Regression: logit estimates of the marginal effects of socioeconomic characteristics in the probability of being wage employed  
▪ Map of sex-disaggregated paid employment by department |
<p>| | Sectoral distribution | ▪ Distribution of female and male workers across sectors |</p>
<table>
<thead>
<tr>
<th>LEVEL</th>
<th>AREAS</th>
<th>STEP 2 - DESCRIPTIVE AND ANALYTICAL OUTPUTS</th>
</tr>
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<tr>
<td><strong>Labor supply</strong>&lt;br&gt;(cont.)</td>
<td>▪ Net formal and informal jobs created for men and women by sector (in the last year or decade)&lt;br&gt;▪ Change in the share of women and men employed per sector&lt;br&gt;▪ Change in female and male employment by sector versus relative productivity</td>
<td><strong>Earnings</strong>&lt;br&gt;▪ Gender gap in monthly earnings by different age cohorts&lt;br&gt;▪ Gender gap in hourly earnings by different age cohorts&lt;br&gt;▪ Sex-disaggregated share of country's total annual earnings&lt;br&gt;▪ Sex-disaggregated average monthly wage by employment type&lt;br&gt;▪ Sex-disaggregated distribution of monthly wages for full-time workers&lt;br&gt;▪ Sex-disaggregated average monthly wage by sector (snapshot)&lt;br&gt;▪ Sex-disaggregated average monthly wage by sector over the years&lt;br&gt;▪ Sex-disaggregated distribution of hourly wages for part-time and full-time workers&lt;br&gt;▪ Regressions: estimate effects of being female on monthly wage controlling by other characteristics&lt;br&gt;▪ Regressions: estimate effects of being female on hourly wage controlling by other characteristics&lt;br&gt;▪ Time trends for gender wage gap and regional comparison&lt;br&gt;▪ Regression: Mincer-type regressions for men and women to estimate the effects of experience, employment type, education level, region, and sector on female and male workers' monthly earnings separately&lt;br&gt;▪ Regressions: Oaxaca-Blinder model to estimate the effect of observable and nonobservable component of wage differentials</td>
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<td><strong>Labor demand</strong></td>
<td>▪ Share of female and male employees by firm age, sector, size (micro, medium, and large firms)&lt;br&gt;▪ Share of firms that have more than 50 percent of female employees by sector, age of firm, and region&lt;br&gt;▪ Average size of firms that have more than 50 percent of female employees compared with firms that have less than 50 percent of female employees&lt;br&gt;▪ Average age of firms that have more than 50 percent of female employees compared with firms that have less than 50 percent of female employees&lt;br&gt;▪ Firm survival rate by share of female workers, and across sectors and regions</td>
<td><strong>Characteristics of firms</strong>&lt;br&gt;▪ Average wage of firms that have more than 50 percent of female employees compared with firms that have less than 50 percent of female employees (within different sectors and regions)&lt;br&gt;▪ Average productivity rate of firms that have more than 50 percent of female employees compared with firms that have less than 50 percent of female employees (within different sectors and regions)&lt;br&gt;▪ Wage regressions: estimates of firm characteristics, including share of female employees, in the firm's average wage&lt;br&gt;▪ Productivity regressions: effects of firm characteristics, including share of female employees, in the level of productivity (output per worker, value added per worker, or total factor productivity)</td>
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**Note:** * identifies standard indicators applied in all jobs diagnostics. GDP = gross domestic product; LFP = labor force participation; NEET = not in education, employment, or training.