

Gender pay gap - on average women earn less than men

The gender pay gap is a standard indicator to show the relative difference between the earnings of women and men for the same types of work across industries. On average, Timorese male workers earn \$553 USD per month while female workers earn \$461 USD. The gender pay gap is 16%, meaning that women earn 84% of what men earn.

There are many complexities influencing the gender pay gap. Factors may include the over-representation of women in typically lower paying industries, such as hospitality; and lower paying occupations, such as administration. Many women work part-time – 29% of employed women compared to 13% of men – most likely due to competing time pressures to fulfil household responsibilities, or for the same reason, work in occupations that allow flexible work hours.

While the new contributory social security scheme will improve social protection for women at old-age, pay differences will likely translate into a future gender pension gap of at least the 16% seen in wages. Adding to this, women usually have shorter periods of contribution and career breaks, and higher incidence of part-time work. These factors affect directly how women's pensions are

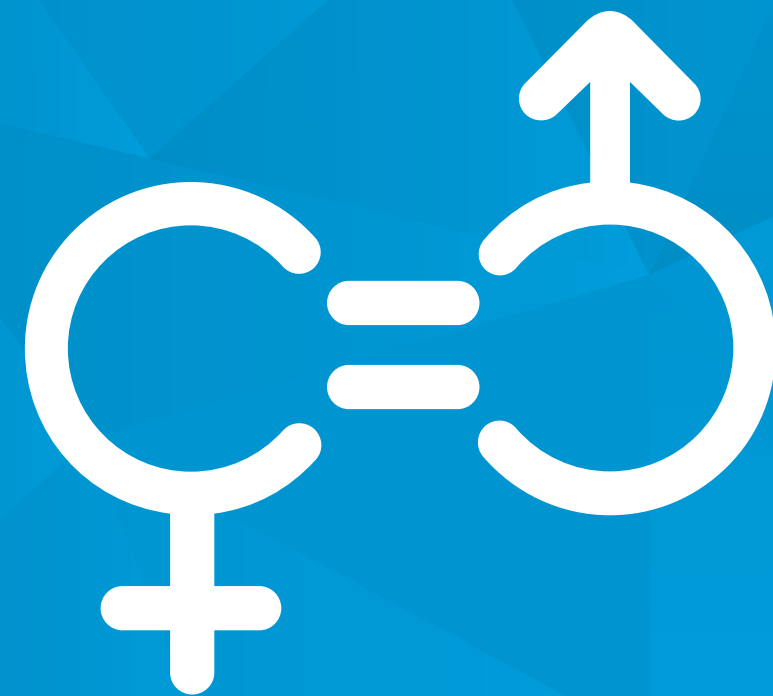
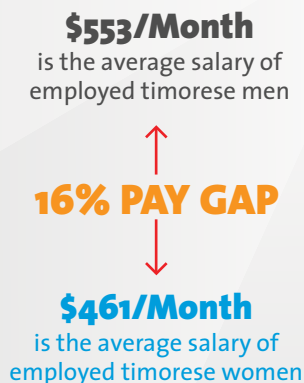
calculated – lower wages and fewer years of contribution. As women are more likely than men to be in vulnerable employment, they are less likely to be covered by contributory pensions schemes, and will have to rely more often on voluntary schemes or non-contributory pensions. The SAIL pension fortunately has a higher coverage rate among women (95%) than men (83%), which can partially help to balance pension's inequalities.

What can be done?

Regulation of the public sector human resources to ensure equitable recruitment and transparent promotion practices to improve women's access to management positions.

Large-scale awareness raising campaigns on the importance of workplace diversity, and highlighting existing gender-based discrimination practices to be eradicated. This may be coupled with an employers' award scheme for high female representation and fostering family friendly workplaces.

A national social protection scheme covering maternity/paternity leave will reduce parental leave costs for business, which may presently discourage employers recruiting or promoting women of childbearing age.



GENDER ANALYSIS OF THE 2013 TIMOR-LESTE LABOUR FORCE SURVEY

Gender Concerns in Labour Force Participation, Employment, and Subsistence Agriculture



Gender Concerns in Labour Force Participation, Employment, and Subsistence Agriculture

The 2013 Labour Force Survey (LFS) identified a clear difference in the percentage of women and men participating in the labour force. It uncovered inequalities in wages earned, and overrepresentation of women in vulnerable forms of employment.

In 2015-16, a gender analysis of the LFS data identified disparities in the labour force to inform formulation of policies tailored to address them¹.

This brief highlights key results of the gender analysis and outlines possible steps forward to address current gender disparities in the Timorese labour force.

Women's labour force participation is low

Of the Timorese working-age population (15 years and above), only 21% of women (72,900) are participating in the labour force, compared to 40% of men (140,300). This is low by regional and international standards. The average participation rate in lower-middle income countries (of which Timor-Leste is one) is 34% for women and 77% for men. By comparison, in Cambodia, 78% of women and 89% of men are in the labour force.

¹The gender analysis was carried out by UN Women, in collaboration with the Secretary of State for the Support and Socio Economic Promotion of Women (SEM) and the Secretary of State for Employment Policy and Vocational Training (SEPFOPE), with technical inputs provided by the International Labour Organization (ILO). The full report is available for download at <http://asiapacific.unwomen.org/en>

Definitions of labour force participation and non-participation

Labour force

Everyone aged 15 or older who is employed or unemployed.

Employed

Producing goods or providing services for pay or profit.

Unemployed

Not employed, carrying out activities to seek employment or start a business and available if a job or business opportunity is offered to them.

Own-use production work

Work to produce goods, provide services to family including Subsistence agriculture.

Outside the labour force

Neither employed or unemployed because they are either:

1. In school or training
2. Family responsibilities or housework
3. Pregnancy, illness or disability
4. Retired or too old to work
5. Too young to work
6. No desire to work
7. Off-season
8. Other reason

Why is women’s labour force participation low?

The main reason women’s participation in the labour force is so low is that many are engaged in family responsibilities or house-work. Of the women outside the labour force, more than half (50%) do this form of work, compared to only a third of men (32%). Men outside the labour force are more likely to be studying or in training. Chart 1 (right) shows the top three activities impeding women’s and men’s participation in the labour force.

The 2013 LFS was important for Timor-Leste, and globally, as it was one of the first in the world to use the new international standards for statistics on work and employment. One of the major innovations of the new standards is that they provide a broad definition of work and different forms of work. Work to produce goods, such as growing food, or provide services to your own family is known as ‘own-use production work’. This includes subsistence agriculture, a major form of work for the Timorese population with 24% of women and 28% of men aged 15 and above engaged in it. The fact that rates are similar for women and men suggests it is not the dominant reason for women to be outside the labour force.

Men are more likely to access training, and therefore improve their employability. Notably, 8% of men indicated ‘no desire to work’, compared to only 3% of women.

What can be done?

Investment in women’s vocational training in the occupations where women want to work, and are most likely to gain employment.

Investment in microenterprise. As many women currently in the labour force are self-employed (‘own-account workers’), microenterprise development is likely to increase women’s labour force participation.

Support access to child and dependent care by providing services, resources and information to both women and men and support **interventions for behavioural change** to bring about men’s increased engagement in activities around the home.

ILO defines two types of vulnerable employment

Own-account workers
Those who are self employed and do not engage employees on a continual basis.

Contributing family workers
Those who work without pay to assist a family member.

More women than men are in vulnerable forms of employment

Situation

Some employment work is less secure than others due to variance in conditions and predictability of income. Workers in less secure (‘vulnerable’) employment are more at risk of losing their job without notice. They are unlikely to have formal work arrangements, such as a written contract, or access to social protection mechanisms, such as paid leave entitlements, pension, and medical insurance. In the LFS, vulnerable employment is the share of own-account workers and contributing family workers in total employment (see box 2).

Just over half (56%) of Timorese in the labour force are in vulnerable employment (own-account workers or contributing family workers), with the rate being significantly higher among women (69%) compared to men (47%), as shown in Chart 2 (right). Employed rural women are most at risk of being in vulnerable work (83%), compared to 62% of employed rural men.

The lowest rate of vulnerable employment is among men employed in urban areas (26%). Only 28% of women have access to more secure wage and salaried employment., compared to 49% of men.

Recent increases in secure wage paying jobs have been enjoyed mostly by men.

Total secure wage employment tripled between 2001 and 2010, from around 10% to 30%. Between 2010 and 2013 there was a further increase from 30% to 41%. However, as shown in Chart 3 below, the growth of wage paying jobs has been more rapid for men than for women. Women experienced only a 9% increase in secure employment from 2010 to 2013, while men experienced a 19% increase. Nearly half (49%) of employed Timorese men were in secure wage jobs by 2013 compared to only a quarter (28%) of employed women.

What can be done?

Stricter regulation of public sector human resources, including recruitment quotas, and transparent selection and promotion policies.

Focus on the private sector. Invest in raising awareness of employers on the value of workplace diversity and methods for managing a mixed work force. Support to establish **family friendly working environments** through flexible working hours, provision of childcare, job sharing and managing off-site workers.

Ensure the health, safety and well-being of all workers: Taking into account different impacts on women and men, provide safe working conditions and establish a zero-tolerance policy towards all forms of violence at work, including verbal and/or physical abuse and prevent sexual harassment.

Chart 1
Top three reasons for women and men being outside of the labour force

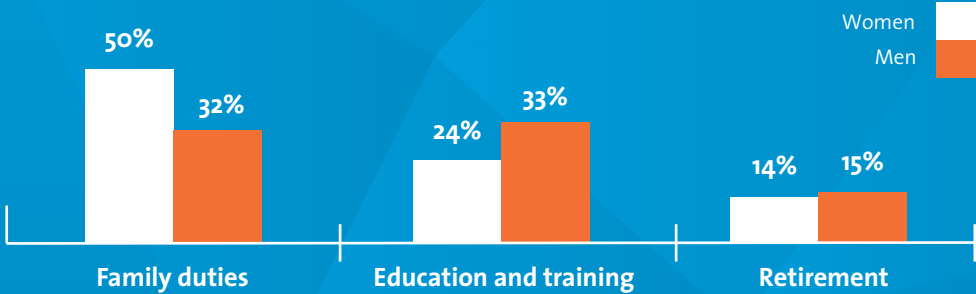


Chart 2
Types of employment for men and women

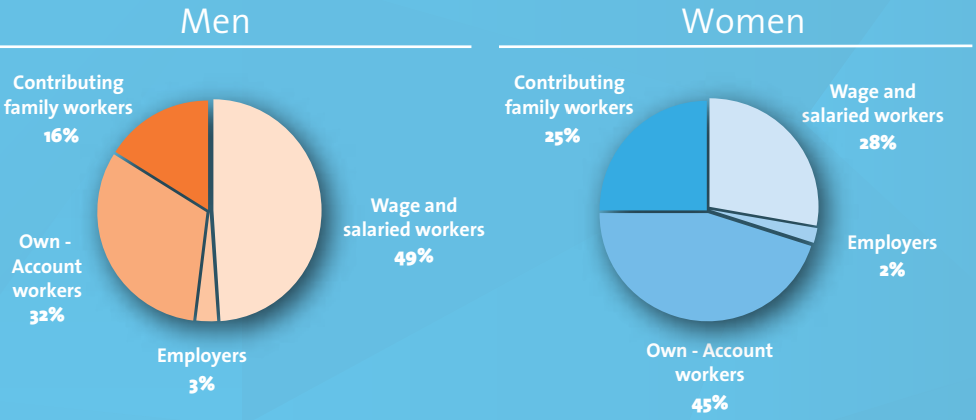
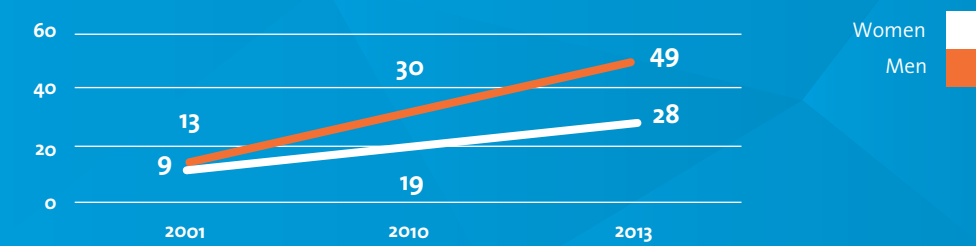


Chart 3
Growth in secure wage employment between 2001 and 2013



Industry segregation – women are underrepresented in most industries

Men dominate nearly all industries, particularly transportation and storage, construction, and mining. Women and men are nearly equally represented in only two industries, the human health and social work sector (1,800 women and 1,900 men), and the wholesale and retail trade sector (8,400 women and 7,500 men). The only female-dominated industry is the accommodation and food sector where 1,100 women and 200 men are estimated to be employed (87% women).

What can be done?

Public sector investment into education. Invest in workplace policies and programmes that open avenues for advancement of women at all levels and across all business areas, and encourage women to enter non-traditional fields through, for example, providing targeted scholarships.

Chart 5
Female versus male share (%) of each major industry group

