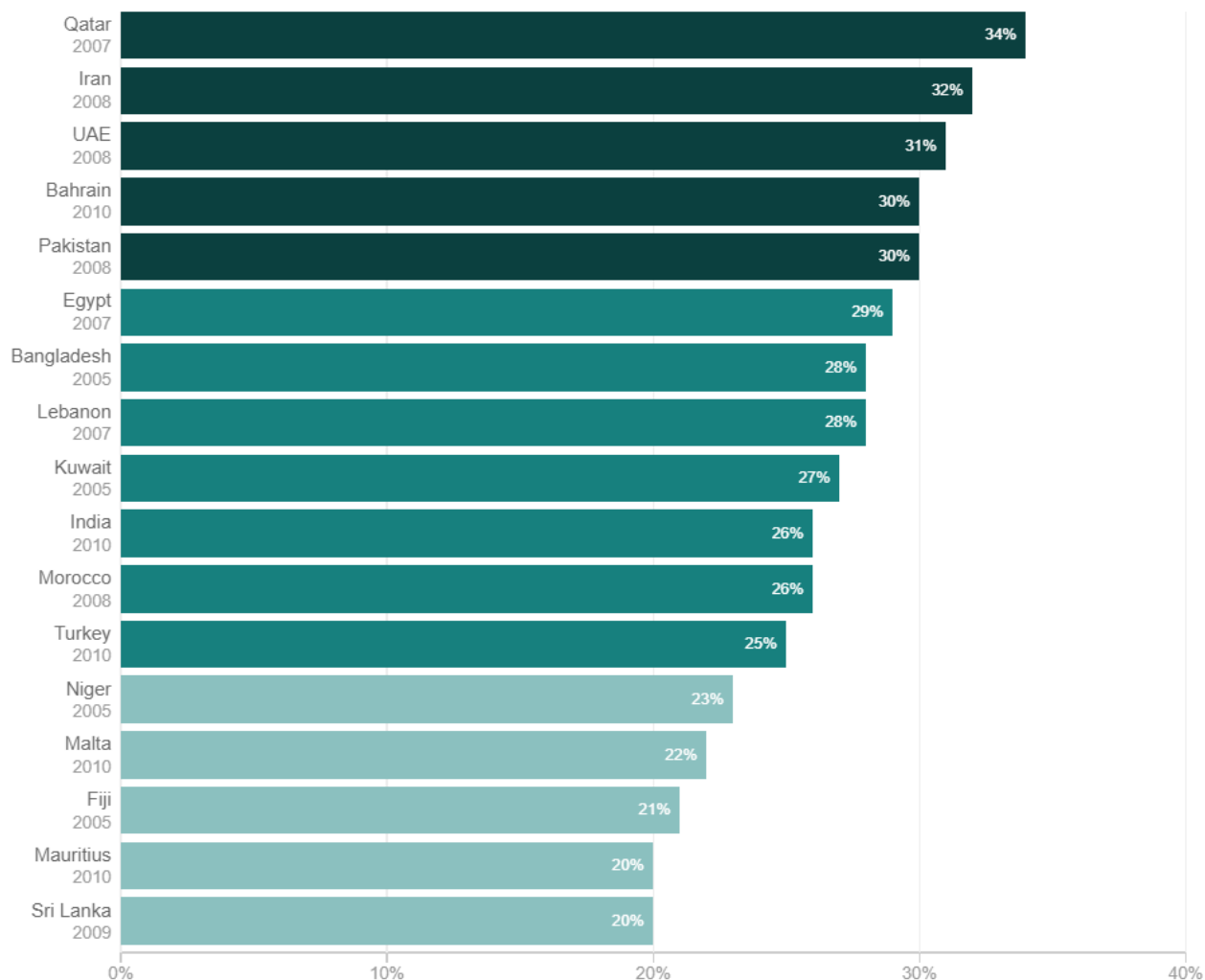


Equality in Employment: Women in the workforce is simply good economics

In the words of [U.N. Women](#)'s deputy executive director, Lakshmi Puri, "[Gender equality is humanity's biggest project](#)". Men's experience with work and employment differ substantially from women's ([Baird et al., 2012](#)). Women experience inconsistencies, barriers to participation, and inequities in earnings when it comes to employment ([Barns, 2009](#)). It is true that women have come a long way in the workforce. But, there is still a long way to go. Women account for half of the world's population and half of its talent. The [economic costs](#) of not using this talent for a country are huge. On the other hand, improved gender equality has a [positive effect](#) on GDP per capita and employment in a country.

Why is gender equality in employment important?

The case for gender equality puts emphasis on economic achievements at a [macro level](#). Equal employment opportunities not only bring benefits to women. It is beneficial to the advancement of a country's economy as well. The [University of Barcelona's analysis](#) of the International Labour Organization shows that many countries have lost their share of GDP due to economic gender gaps.



The University of Barcelona's analysis of the [International Labour Organization](#). Source: [UB Economics](#).

A [report](#) by the International Monetary Fund (IMF) shows that closing the gender gaps in the labour markets boosts GDP. This report looked at 126 countries. They found that eliminating barriers for women to join the workforce increases the monetary value of their goods and services. On average, IMF predicted that the boost in GDP from closing gender gaps would be 13.5%.

Barriers to equality in employment

Yet, there are still barriers to reaching this goal. Perhaps the biggest is that women generally have the responsibility of caregiving. Such as raising children, taking care of the elderly, and the ailing. However, a [study](#) by ActionAid showed that women in South Asian countries would be \$9 trillion better off if they get paid employment equal to men's. Additional gross domestic output worldwide can also be generated by alleviating gender-based employment gaps. Therefore, economic potential can be achieved by narrowing the global gender gap.

Benefits of women in the workforce

[The benefits of having women in the workforce](#) have been summarised below:

1. Higher employment rates and more jobs for the economy.
2. Increased GDP.
3. Gender equality leads to an increase in the productive capacity of the economy and lower prices.
4. Businesses with at least 30% women in leadership positions are 15% more profitable.
5. Gender equality prevents violence against women and girls.



Women in the workplace. Source: [GQR](#).

How does gender inequality impact the economy?

Gender inequality is not only an important moral and social issue. It is also a critical economic challenge. The lack of women in the workforce leads to [decreased productivity](#) for the economy. The [potential productive capacity](#) of a country is not fully utilised if women remain out of the workforce. A precondition for sustainable development is to utilise the full productive capacity of a country's labour force. Having both men and women work achieves this goal. Therefore, leaving women unemployed may lead to financial losses.

A summary of the negative effects that unemployment of women has on an

economy:

1. Leads to declining employment rates for any economy. Lower employment and the gender pay gap increases poverty among women. This gives rise to national poverty level.
2. Unemployment of women deprives societies of the full economic potential of their labour force. Resulting in declining GDP per capita.
3. Countries may lose competitiveness in international markets and foreign investments due to lack of productive capacity.

What can be done to promote gender equality in the workplace?

Eliminating employment inequalities are essential. Especially if a country chooses to remain an [influential player](#) in the global economy. Paid parental leave, flexible work arrangements, and providing families with work/life balance are necessary ingredients for [economic prosperity](#). Many a time, restrictions on women's work opportunities stem from [cultural and religious beliefs](#). Therefore, changes in legislative, societal, and cultural contexts can [improve gender equality](#) and equal opportunities in the labour market.

The UN's Sustainable Development Goal 5 focuses on gender equality. They set the ambitious target of [achieving gender equality and empowering women and girls everywhere](#) by 2030. Large [gender gaps](#) remain across the world. The [only way](#) to meet SDG 5 is for all of us to work together on solutions to beat gender inequality. To know more about building a sustainable economy, take a tour around [Thrive](#).