

Briefing 2 – Global supply chains: where do women work and under what conditions?

1. Introduction

The briefing looks at women's employment in global supply chains, the main sectors where they work and their conditions of work. (For definitions of gender-based violence please refer to Module 3).

Summary of key points about women's and men's work in global supply chains

- Global supply chains provide women with opportunities for paid work – but many women do not have decent working conditions.
- Women predominate in lower-skilled production jobs, whereas men predominate in higher-level jobs, managerial and supervisory positions.
- Women's jobs are often concentrated in the lowest paid and most insecure parts of global supply chains, often working as temporary or seasonal workers.
- There is a heavy reliance on migrant, young, female labour – these are workers with the lowest bargaining power and little union representation.
- The precarious nature of women's work in global supply chains makes them especially vulnerable to sexual harassment and violence.

“We now live in a fast-moving global world, linking large numbers of workers and consumers across developed and developing countries, which has important implications for the ways in which women and men organize their work and lives. This transformation has affected women and men in contradictory ways. It has opened up opportunities for women to enter new areas of paid employment, earn an income, gain independence and participate more actively in social life. But it has also created new challenges, as much of this employment is informal, with poor working conditions and a lack of labour rights, and has to be carried out in addition to household and family responsibilities.” (Barrientos, Kabeer & Hossain, 2004, p. 1)

The ILO's *World Employment and Social Outlook 2015* found that more than one in five jobs today are linked to global supply chains. Global supply chain-related jobs represent 20.6 per cent of total employment, up from 16.4 per cent in 1995. Taiwan and China have the largest share of jobs associated with GSCs, with more than half of the workforce involved in global supply chain jobs, followed by the Republic of Korea and the European Union, where around one third of workers hold a job related to GSCs. (ILO, 2015)

Approximately 190 million women work in global supply chain-related jobs in the 40 countries for which estimates were available. In emerging economies, women's share of supply chain-related employment is higher than their share in total employment. In 2013 women made up 41.9 per cent of total employment in global supply chains, although proportions are higher in developing countries. (ILO, 2015)

Many of the women working in factories and farms producing goods for global production work in countries where labour laws and international labour standards are poorly implemented, and where there are significant gender inequalities. As IMF (2013) research has found, some countries miss out on up to 27 per cent growth per capita due to gender inequalities in the labour market. In addition, women workers in global supply chains have also been affected by widening gender inequalities as a result of the recent global economic crisis, which fell disproportionately on poor women and girls, exacerbating pre-existing inequalities and women's over-representation in informal, vulnerable, and casual employment. (ILO, 2011) According to UN Women (2015) the combination of the economic crisis and austerity measures further jeopardized women's economic and social rights. Women in Asia, for example, have been more affected than men by job losses due to their concentration in the export-oriented manufacturing sector. (UN Women, 2015)



2. Women's employment in global supply chains: positive and negative perspectives

This section discusses two different perspectives about the impact of women's employment in global supply chains on economic and social development. Despite different perspectives, it is evident that wages and quality of employment are poorest in the lower levels of global supply chains and in firms that are on the periphery of production systems, for example, where there is no direct employment relationship, where production is sub-contracted to local factories or to home workers. (Dejardin, 2008)

2.1 The positive impact of women's access to employment on gender equality and economic and social development

The UN Sustainable Development Goals state that gender equality is crucial for economic and social development: "Providing women and girls with equal access to education, healthcare, decent work and representation in political and economic decision-making processes will fuel sustainable economies and benefit societies and humanity at large."

According to assessments of women's economic empowerment there is strong evidence that gender equality can promote economic and social development. Household poverty is reduced when women have access to employment and education opportunities, and when women have access to resources, the education and skills of other household members also improve. (DFID/IDRC 2012; UN Women, 2015) Women's higher labour force participation and employment rates have been associated with better educational achievements and improvements in women's pay. (Barrientos, Kabeer & Hossain, 2004) This has increased women's autonomy and bargaining position at home, given them greater influence over the distribution of household resources and enhanced their ability to act and defend their interests and those of their family and community. (Kabeer, 2000) In addition, the integration into global production through multinational enterprises (MNEs) and foreign investment has given access to new technologies and skills that are valuable for future economic growth and employment. (Dejardin, 2008) In particular, women's employment

conditions in MNEs are often better than in domestic enterprises. An OECD (2008) study indicates that MNEs promote higher pay in the countries in which they operate, although these positive effects are largely concentrated among workers that are directly employed by MNEs, compared to domestic companies that supply MNEs through a global supply chain.

The following examples show how women's employment in global supply chains can have a positive impact on expanding economic and social opportunities for women, and in changing social norms about women's economic participation:

- Call centres in India, which employ large numbers of young women, have influenced social norms through expanded economic opportunities for women. An increase in the recruitment of young women to work in call centres over a three-year period in randomly chosen villages led to significant gains in schooling and nutritional levels of girls between the ages of 5 and 15 years. Young women's call centre employment raised the value of girls in villages, changing traditional gender norms and reshaping family spending on both female and male children. (Jensen, 2010)
- Improving girls' access to education is important to their later economic empowerment. Girls' school enrollment rose faster in Bangladeshi villages that were within commuting distance of garment factories, where the majority of workers are female. No such effect was observed among boys. (Heath and Mobarak, 2011)
- In Guangdong province, where nearly 30 per cent of China's exports are made, women far outnumber men on labour intensive production lines, such as those at the toy factory in the city of Shenzhen. Rural women are hired for their supposed docility, nimble fingers and attention to detail. But in recent years Guangdong's workforce has changed. The supply of cheap unskilled labour has started to dry up. According to the Economist 'factory bosses are now all but begging their female workers to remain'. The women who have migrated to the factory towns have become better educated and more aware of their rights. In labour intensive factories, stereotypes of female passivity are beginning to break down. (The Economist, 2013)

- In Viet Nam, Jordan, Indonesia, Nicaragua, Haiti and Lesotho, the Better Work programmes have helped to create better conditions of employment for women. Business benefits include greater resilience, profitability, recruitment and retention. There are promising developments in the area of paid maternity leave, transport for women working at night, safety and health in the workplace and equal pay.

2.2 The not so positive impact...

Despite these promising stories, some commentators, development organizations and trade unions argue workers in global supply chains continue to face many problems of low pay and poor conditions of work, especially in ‘low-skill’ sectors such as agriculture and textiles. Some of the fastest growing developing countries show the least signs of progress on basic gender equality outcomes: “Formal regular waged work has the greatest transformative potential for women, but this potential has remained limited because of the lack of creation of decent jobs, and because of segmentation of labour markets.” (DFID/IDRC 2012, p.3)

In the context of global supply chains, MNEs rely on a largely flexible and mobile workforce. There is a heavy reliance on female, casual, migrant and contract labour in order to meet seasonal fluctuations in demand, or sudden changes in orders. (Dejardin, 2008; Staritz and Reis, 2013) Women are largely concentrated in lower segments of global supply chains, often beyond the reach of MNE corporate practices that provide legal and social protection for workers. In practice, where there is sub-contracting, jobs are insecure, wages are low, and working conditions are poor. (Barrientos, 2007) Work in global production systems also replicates and reinforces gender inequalities, where women are segregated into stereotypical “feminine occupations” and lower-skilled jobs, where a low value is associated with women’s work and skills.

Better Work argues that while a garment job for a woman is a positive development by virtue of its existence, it does not necessarily result in empowerment or even equality. Dan Rees, Director of ILO Better Work believes these (mainly female) jobs are important: “paid factory work can provide a better alternative to workers than other options available, such as unpaid family agriculture or domestic work.” Improved working conditions for women can

have a domino effect, leading to greater investment by women in children’s health and education and household income. In Viet Nam, family remittances from workers in the factories where Better Work operate are increasing over time: 70 per cent of workers send money to family members, and women send home 24 per cent more than men. For further information see: Better Work: http://www.ilo.org/global/about-the-ilo/newsroom/comment-analysis/WCMS_237435/lang--en/

Providing good conditions for women workers has an impact that stretches significantly beyond the factory floor. Ultimately, factory work will not be empowering for women workers unless the disadvantages they often face are tackled head on. Paid work can and should create opportunities for women to realize their rights, express their voice and develop their skills.

3. Where do women work in global supply chains?

Below there is a snapshot of global supply chains and sectors where women work, with examples from different countries. All of these sectors are characterized by occupational segregation, where women are primarily low-skilled workers at the bottom of global supply chains, often with few opportunities to work in higher paid jobs.

3.1 Women’s employment in the lower tiers of global supply chains: examples from different sectors

Textiles and garments

- Women represent over three-quarters of workers in the garment sector, with higher levels in developing countries. Women represent 90 per cent of garment workers in Cambodia, 85 per cent in Bangladesh, 70 per cent in China and 63 per cent in Jordan.
- In Jordan, for example, approximately 65 per cent of women working in the garment industry are migrant women.

Agriculture and horticulture

- Gender discrimination plays a central role in reinforcing the genderbias in the assignment of

jobs and often prevents women from accessing higher-paying, more specialized jobs in the agricultural sector. This can have a significant impact on productivity, which in turn reduces the competitiveness of producers on the global market. (Bamber and Fernandez-Stark, 2013)

- Women represent around 45 per cent of workers in horticulture, mainly as lower-skilled workers in farms and plantations in global supply chain networks across Africa, Asia, East and Central Europe and South America. (Christian, Evers and Barrientos, 2013)
- Women predominate in floriculture, where they are an estimated 75-80 per cent of the workforce. (Christian, Evers and Barrientos, 2013)
- In banana plantations and agro-industrial farms throughout Latin America and West Africa women represent up to a third of the workforce. (Banana Link)

Electronics

- In mobile phone production women represent 50 per cent of the workforce. (Christian, Evers and Barrientos, 2013)

Tourism

- In tourism women represent an estimated 70 per cent of the workforce, mainly in lower-level positions. (Christian, Evers and Barrientos, 2013)

3.2 Gender inequalities in global supply chains

Women experience a range of gender-related issues that affect their employment and working conditions in global supply chains. Women's working conditions, including precarious work and low union representation, make them particularly vulnerable to violence and sexual harassment.

These issues are affected by cultural attitudes where women hold less power than men at work, in the home and across societies. In particular, women carry out a higher share of unpaid work in the home and as primary carers for children, the sick and older relatives. Lack of access to maternity protection and childcare further push women into lower-level jobs, with few opportunities for progression into better jobs. Below are some of the features of women's employment and working conditions in global supply chains.

a) Occupational segregation

“Women tend to be more concentrated in low-status work and men in higher-status jobs. In horticulture, women dominate in poorly paid/insecure casual work. In apparel, they make up the majority of lower-status assembly workers and seldom rise above supervisor level into management; the vast majority of line, production and senior managers are men. In tourism men, or women from the global North, typically carry out the higher-status jobs of tour operator, excursion worker and manager. However, women are making inroads into low-level management, for example as supervisors in apparel and team leaders in horticulture and in pack houses, which are higher-pay/status jobs.” (Christian, Evers and Barrientos, 2013)

In horticulture supply chains, women are concentrated in the production and packing segments. In both segments, women are preferred because of their perceived dexterity and attention to detail. Female participation ranges from 50 per cent in production, 70 per cent in packing and storage, and 50 per cent in processing. (Bamber and Fernandez-Stark 2013) In the fruit and vegetable export sector in Honduras some jobs are dominated by women (nursery work, transplanting, quality control, washing, grading and packing), which require skills of attention to detail, careful handling of the product and the ability to identify defects. Jobs that are dominated by men involve operating machinery, such as transportation and logistics. (Bamber and Fernandez-Stark, 2013) In addition, many women work as unpaid family labour in small-holder operations. In some parts of Africa women spend 60-80 percent of their time devoted to agricultural activities. Smallholder farmers play an increasingly important role in global supply chains, particularly in the production of coffee, cocoa, tea, bananas, and sugar. (BSR Herproject, 2015)

Women's tourism related activities are generally in lower-level positions than men – for example in Africa women are not usually tour guides, missing out on higher tips and training opportunities. (Christian, Evers and Barrientos, 2013) In developing-country destinations women are overrepresented in the accommodation and excursion segments, mainly in low- to mid-skill work in hotels (for example, housekeeping, laundry, food and beverage, and clerical work). Women are more likely to be used as flexible labour; as casual workers they are vulnerable to poor working conditions and sexual harassment. (Christian, 2013)

b) Workers who are vulnerable

Young migrant workers and indigenous people

Many workers in factories and farms are young first generation migrant workers and indigenous people from rural areas who seek a route out of poverty. Their youth and migrant status means they are at risk of exploitation in the workplace, particularly if their accommodation is tied to employment. In the export-oriented garment industry in South India young migrant women from other Indian states live in dormitories owned or leased by the employer. Some are vulnerable to sexual harassment and are unable to complain because they fear they will be punished or will lose their job. Immigrant female farmworkers also experience discrimination and poor working conditions, and do not complain for fear of losing their jobs and immigration status (See Case Study 3.1 on the vulnerability of female farmworkers.

In Turkey, migrants from Eastern Europe and Central Asia have been working in the textile and garment industry for many years. They are a source of cheap, unregistered and therefore extremely vulnerable labour. However, the arrival of 1.6 million Syrian refugees in Turkey has created a new wave of unregistered employment, including Syrian refugee children. These Syrian refugees are particularly vulnerable to various forms of labour exploitation. They are often paid far below the minimum wage, do not receive social security and other legally mandated benefits and work in unhealthy and dangerous conditions. SOMO Fact Sheet on migrant labour in the textile and garment industry provides recommendations for buying companies to minimize the risk of exploiting migrant workers in their supply chain. See: <http://www.somo.nl/news-en/migrant-labour-in-the-textile-and-garment-industry>

Trafficking for forced labour

In addition, trafficking for forced labour is still found in some of the labour intensive parts of global supply chains, for example, in the cotton picking and spinning and weaving stages of the supply chain. Globally, agriculture is one of the high-risk sectors into which workers are trafficked for the purpose of forced labour.

For further information see ILO Webinar on forced labour in global supply chains: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/meetingdocument/wcms_322422.pdf

Child labour

Despite a reduction in child labour globally, child labour can still be found in the lower tiers of the supply chain. Child labourers, both boys and girls, experience poor working conditions and are particularly vulnerable to physical and sexual violence due to their dependence on adults. In Turkey and other countries bordering Syria there are increasing numbers of young refugees working as child labourers in factories. According to UNICEF UK, child labour is a huge problem in India, for example, in the embroidery industry. (UNICEF 2005) Homeworking is another way in which child labour is present at the bottom of global supply chains. (Buttle, 2008)

For further information: SOMO Fact Sheet on child labour in the textiles and garment industry: http://www.somo.nl/publications-en/Publication_4230/

➔ See Case Study 2.1 on child labour and young women garment workers in Tamil Nadu, India.

Child labour in the garment sector

According to the ILO around 260 million children are in employment across the world. Of these it is estimated that 170 million are engaged in child labour. Although there has been a reduction in child labour in recent years, today 11 per cent of children are deprived of the right to attend school without interference from work.

Many child labourers are working in the garment supply chain. Research by SOMO found that recruiters in southern India convince parents in impoverished rural areas to send their daughters to spinning mills with promises of a well-paid job, comfortable accommodation, three nutritious meals a day and opportunities for training and schooling, as well as a lump sum payment at the end of three years. The research shows that “in reality, they are working under appalling conditions that amount to modern day slavery and the worst forms of child labour.”

For further information see the infographic produced by the Guardian (UK) which presents information about why child labour exists in the garment sector and what businesses can do to stop it. <https://labs.theguardian.com/unicef-child-labour/>

c) Precarious work

Women predominate in work that is casual, temporary and insecure, often in small workplaces that are invisible in the supply chain. The majority of women do not earn a living wage or even have equal pay for equal work with men. (ITUC 2011a) In certain industries, like the sugar cane industry in South America, women clean the sugar cane, cut by their husbands, without receiving any salary. Their work is included in the salaries (based upon piece work) that their husbands receive. Globally, 53 per cent of women work in vulnerable jobs, which can increase the risk of experiencing violence. According to the United Nations: “In sub-Saharan Africa and South Asia, the problem is even greater where more than 80 per cent of women work in vulnerable jobs.” (United Nations, 2014, p. 10)

d) Poor access to maternity rights and childcare

Women also face different challenges at work to men, including discrimination and failure to protect their maternity rights. This can result in maternity leave not being granted, the termination of a contract for pregnant women or even forced abortions. An example is the notorious practice of pregnancy testing women applicants in maquila factories in Central America and dismissing women when pregnant.

➔ **See Case Study 2.2: Forced pregnancy testing in maquiladoras in Central and South America.**

An additional barrier to women’s full economic participation is their domestic responsibilities and childcare responsibilities. (Barrientos, Kabeer & Hossain, 2004; UN Women, 2015) Addressing these gender divisions requires greater attention to be paid to how women can combine paid and unpaid work through childcare provisions, health care provisions, maternity and paternity leave, and transport to and from work. (Staritz and Reis, 2013)

e) Working hours

Long working hours and overtime exist because of the need to meet production deadlines and to cope with last-minute changes to orders. (Institute of Development Studies, 2006; FWF 2014; Better Work, undated) Workers tolerate such long hours because

the payment they receive for a regular working week does not amount to a living wage. The effects of long and unreasonable hours of work on women workers, who are often also responsible for household tasks and raising children, can be extreme. Working late into the night also poses safety risks, particularly if women have to take public transport or walk in unlit areas. This issue of long working hours to meet tight deadlines is explored in more detail in Module 3.

f) Unsafe Working Conditions

Unsafe working conditions continue to be a problem in many production countries. Workers face unsafe, cramped and hazardous conditions at work which can lead to health problems for the workers and to factory hazards such as fires and building collapses. Women’s occupational safety and health is discussed further in Module 3 and Module 8.

g) Lack of freedom of association

Many workers have difficulties to exercise the right to freedom of association because of hostility to trade unions and where the right is respected, workers often do not join unions because they fear dismissal. Because women workers predominate in factories and farms producing goods at the bottom of global supply chains, they are particularly affected by a lack of freedom of association. (Staritz and Reis, 2013; Barrientos, Kabeer & Hossain, 2004)

This issue is discussed in more detail in Modules 4 and 8, with examples of how social dialogue and sound industrial relations can benefit business competitiveness as well as improve the rights and protection of workers in global supply chains.

“The International Trade Union Confederation (ITUC) has documented an alarming increase in gender inequality, precarious work and gender-based violence in the workplace, mobilization for which has taken place through the ITUC-led annual World Day for Decent Work. (ITUC, 2014) In addition, the ITUC has documented widespread abuses of freedom of association. (ITUC, 2015).”

h) Limited access to education and skills development

Many women working in factories and farms have low levels of education and have poor access to skills development, which further reduces their opportunities to progress into better-skilled and higher-paid jobs. Therefore women predominate in lower-skilled jobs in global supply chains, whereas men predominate in higher-value segments and business operations. Overcoming this requires sustained efforts to ensure that women can participate equally in vocational training to improve their skills and to access decent jobs (Barrientos, Kabeer & Hossain, 2004) In case studies from horticulture, tourism and call centre industries, an increase in women's access to training was identified as a key priority to enable women to access the education, skills development and training required to participate in higher segments in global production processes. (Staritz and Reis, 2013)

i) Sexual harassment and violence

Sexual harassment, including name-calling, verbal abuse and hair pulling, among other forms of gender-based violence, are likely to be more pronounced when women have few rights and bargaining power, and when there are unreasonable pressures to meet production targets. (Fair Wear Foundation, 2013; Better Work, 2015) Gender inequalities are perpetuated by traditional gender roles and norms that are embedded in a culture that tolerates sexual harassment in the workplace and across society. (Cruz and Klinger, 2011)

➔ **Case Study 2.3 gives an example of extensive gender-based violence in mining communities in the Democratic Republic of Congo.**

A more detailed discussion of gender-based violence in the workplace can be found in Module 3.

Viet Nam: garment export industry brings differing economic gains for women and men

There has been significant and sustained improvements in conditions in Viet Nam's garment export industry but improvements for women are lagging behind – around 80 per cent of Viet Nam's 700,000 factory workers are women. Women tend to be sewers and helpers, while men are usually in higher-paid occupations such as cutters and mechanics, and men are three times more likely than women to be supervisors. Women tend to work longer hours than men and are less likely to be promoted or receive training (even when they have been working at the factory longer than men). Women are also in poorer health and women's hourly wages (excluding bonuses) are, on average, about 85 per cent of men's wages. Female Vietnamese garment workers also report less leisure time than men, because gender dynamics at home remain the same and they end up working full-time while keeping up their responsibilities in the home. A considerable share of the female garment workforce has young children and appropriate childcare and health facilities can provide them with essential support and makes business sense. A good example comes from a factory in Viet Nam, which established a kindergarten and health clinic for workers, and found that this investment reduced staff turnover and absenteeism, contributed to a fall in industrial disputes, saved costs and sustained productivity over several years. (Better Work, 2013)

3.3 Working conditions in global supply chains: examples from different sectors

Textiles and garments

- Workers in Cambodia's garment factories experience discriminatory and poor labour conditions. Short-term contracts make it easier to dismiss and control workers, poor government labour inspection and enforcement, and aggressive tactics against independent unions make it difficult for workers, the vast majority of whom are young women, to assert their rights. (Human Rights Watch, 2015)

- Research on labour conditions in the garment sector in the greater Delhi area found evidence of high turnover, long working hours and low unionization. (Centre for Development, Policy and Research, SOAS, 2014)

Agriculture and horticulture

- Women waged workers have different wages and employment conditions to men, flexible employment heightens uncertainty, there is limited access to training and sexual harassment by male supervisors is common. (Bamber and Fernandez-Stark, 2013)
- Vulnerable women may be subject to significant levels of sexual harassment, while discrimination against women often prevents promotion to better positions. Given the scarcity of job opportunities and limited labour mobility in some countries, sexual harassment often goes unreported. (Tanzania Plantation and Agricultural Workers Union, 2011)
- In banana plantations and agro-industrial farms in Latin America and West Africa, women struggle against instability, inequality and discrimination in

the workplace. Women working in banana plantations often work 14 hours a day without overtime pay, without the freedom to organize and without their rights being respected. Women are dismissed for being pregnant, have no ante- or post-natal maternity rights and many suffer sexual harassment in the workplace. According to Banana Link an exceptionally high level of toxic agrochemicals are used in the banana industry, placing pregnant women and nursing mothers at risk.

Electronics

- In China's Guangdong province, one of the world's fastest growing industrial areas, young women endure 150 hours of overtime each month in the garment factories – but 60 per cent have no written contract and 90 per cent have no access to social insurance. (Oxfam, 2004)
- In India, where women are employed in lower-level jobs in the electronics sector, women received lower wages and social security benefits than men; union representation is also at a lower level for women than for men. (Shree, 2015)

