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Global Health Security COVID-19 & Its Impacts

Rebuilding Regional Economies: Role of Female Labour

By Tamara Nair and Phidel Vineles

SYNOPSIS

Increasing women's participation in regional economies will result in ASEAN's sustainable economic growth, as part of post COVID-19 rebuilding. Hence, greater efforts must be made to advance women's broader economic participation to achieve dynamic, resilient, and inclusive regional economies.

COMMENTARY

THE ROLE of women in ASEAN economies cannot be underestimated. In fact, women are the world's <u>largest reservoir of talent</u>. For instance, it is estimated that women could contribute a whopping <u>US\$280 billion</u> to Southeast Asia's e-commerce by 2030.

Against this backdrop, it becomes evident that the region's economy has a vast potential to grow if more women participate in its labour force. This is what is needed, forging ahead in a post-pandemic world.

Economic Gender Gap: A Bird's Eye View

Workplace equality should be a policy choice to achieve sustainable economic growth. This means that greater investments are necessary to enhance the skills of women for strengthening the region's labour quality. In fact, around <u>61 per cent</u> of ASEAN's workforce are represented by females. However, several gender gaps need to be addressed in the region.

Although ASEAN has successfully reduced traditional gender gaps in education (e.g., literacy rate), this type of inequality persists in least developed countries in the region. For example, in Laos, the literacy rate difference between <u>females (79.4 percent)</u> and <u>males (90 percent)</u> is still wide open.

On the other hand, ASEAN economies nearly closed the gender gap in terms of literacy rate but did poorly in STEM (Science, Technology, Engineering and Mathematics) education uptake. For instance, in Thailand, the literacy rates of females (91.2 percent) and males (94.7 percent) are almost the same, but the gender gap in STEM education is wide open where males represent 44.26 per cent of the uptake while females are only 14.98 per cent.

Other challenges include gender bias in employment opportunities. Women dominated sectors related to caregiving duties, counselling, teaching, and the frontlines of sales and marketing. More female labour is concentrated in services, sales and clerical support, agriculture and fishery.

Add to this the number of women in the informal labour economy. These are some of the first jobs likely to be replaced by automation and machines and/or where workers can be easily laid off, as in the case of COVID-19.

Remote Working & Gender Equality in SE Asia

These statistics already presented a problem for women in the workforce prepandemic. Now with the stress on digitisation and the importance on STEM occupations, women are at a greater disadvantage. With traditional 'female occupations' like teaching, sales, administrative work and even counselling increasingly moving online, first as a necessity in pandemic times, and now possibly, as a mainstay, those without the resources and training, most often women, can easily be replaced.

Although it is possible that remote working might be good for women, especially those with increased care duties, this becomes a double-edged sword – they receive less assistance for reducing their burdens of care and, such opportunities are only available for those who have the proper digital resources. Unless this is also factored into the new remote working policies, it does little to alleviate the economic gender gap faced by women.

According to McKinsey's report, all countries in the Asia Pacific will benefit economically from advancing women's equality. More specifically, eight countries in ASEAN are projected to experience an increase in GDP growth by 2025 if gender equality for women is promoted. Thailand and Cambodia got the top spot in the forecast, which are predicted to gain an 11.9 per cent increase in GDP by 2025 if gender equality is improved.

They are followed by Vietnam (9.8 percent), Indonesia (8.9 percent), Malaysia (8.2 percent), Myanmar (7.7 percent), the Philippines (7.2 percent), and Singapore (5.4 percent). However, the report said that this significant boost to economic growth will require three economic levers: increase women's labour force participation; raise women's productivity; and increase the number of paid hours for women work.

Women are also active participants in ASEAN's burgeoning e-commerce. According to the <u>International Finance Corporation's report</u>, if major online shopping marketplaces do more to involve women entrepreneurs, e-commerce market in ASEAN could grow by more than US\$230 billion by 2030. In fact, half of all the active e-commerce vendors in the region are women.

In Indonesia, about a third of businesses on the Lazada platform are women-owned. If the pandemic has taught us anything, is how we all have become more dependent on online retails services. Being able to partake in that without worry of harassment or abuse, will be quite a boost for women's economic participation.

Policy Measures: Inclusive Economic Policies

Against this backdrop, several policy measures must be put in place to maximise the opportunities for women. Gender gaps in education must be reduced by providing financial incentives.

Many girls are dropping out early from school due to immediate loss of income in these times. They cannot afford to remain in school because these girls are already financially supporting their families at an early age, especially in the current environment of economic downturns.

To encourage the retention of female students, it is necessary to create more apprenticeship programmes, specifically for girls, especially in STEM jobs, where they will be trained to have a competitive advantage in future employment.

Moreover, barriers that constrain women's participation in the STEM occupations must be removed. Training programmes must be provided to bridge the gender divide in STEM-related sectors. Provision of STEM scholarships must be given as well to deserving individuals so that more women will benefit.

Protecting Women Workforce

It is also necessary to create protective measures for women in the workforce. One way to do it is by heavily subsidising quality childcare education, as it provides incentives for women to return to their work, post-pandemic. Allowing more flexible work arrangements, in consultation with women, would be a necessary step.

Governments and businesses must work together to ensure acceptable workplace practices. Through this partnership, a strict and enforceable code of conduct on gender equality can be universally implemented.

Setting up an ASEAN Economic Community (AEC) regional task force that will look at the increasing female workforce participation rates post COVID-19 is another possible policy measure. The sharing of expert knowledge and best practices among ASEAN member states will encourage the development of the female labour force, especially in the increasing participation of women in high-value segments of the digital economy.

Diversity is the key to resilience, innovation and sustainable development. ASEAN needs to do more to encourage greater economic equality where women are

encouraged, now more than ever, to take their rightful place in broader economic activities.

Tamara Nair is Research Fellow at the Centre for Non-Traditional Security Studies and Phidel Vineles is Senior Analyst, both at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University (NTU), Singapore.

S. Rajaratnam School of International Studies, NTU Singapore
Block S4, Level B3, 50 Nanyang Avenue, Singapore 639798
T: +65 6790 6982 | E: rsispublications@ntu.edu.sg | W: www.rsis.edu.sg