WHY AREN’T MORE LEBANESE WOMEN WORKING?

If the gap in gender participation rate closed by 25%, Lebanon’s GDP would grow by 9% (PPP).1

By Angela Elzir Assy and Haneen Sayed2

“A woman is an entity, she’s a citizen, and it is her right to work” states an employed female adult in North Lebanon.

Introduction. Ensuring equitable access to jobs and reducing gender gaps is essential for putting MENA countries on the path to inclusive growth and stability. Giving women and girls the opportunity to succeed can transform societies and economies.3 Reducing gender gaps in employment can help economies diversify their exports; appointing more women onto banking supervision boards can challenge cozy group-think; and tackling gender inequality can reduce income inequality, which, in turn, can drive more sustainable growth.4 Improving access to jobs for women is also expected to generate positive externalities to the society, by facilitating human capital accumulation, health and nutrition gains for children through increased women-controlled incomes.5

However, the majority of women are economically idle in Lebanon. What are the reasons?

The results of a recent qualitative assessment in Lebanon shows different gender perceptions in the challenges faced by women in joining and remaining in the labor force and in finding a job. The qualitative assessment included: (i) 32 focus group discussions with women and men, segmented by region, gender, age, and labor market status; and (ii) 10 in-depth interviews with firms. Some of the striking results are summarized below.

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2 The gender diagnostic “Understanding Women’s Constraints and Barriers to Jobs in Lebanon” was financed by the Jobs MDTF and undertaken by a team led by Angela Elzir Assy and included: (i) Beth Zikronah Rosen and Soraya El Khalil for the literature review; (ii) Samantha Constant and Jonna Maria Lundvall for the qualitative work; and (iii) Gharam Alkastalani Dexter for the legal review. The team is also grateful for guidance and technical feedback from Eliana Carranza and Haneen Ismail Sayed.
3 https://www.weforum.org/agenda/2018/01/the-time-has-come-for-women-to-thrive-heres-how/
4 IMF Managing Director Christine Lagarde and the Prime Minister of Norway, Erna Solberg, WEF AM 2018 “Why 2018 must be the year for women to thrive”.
• Although, in general, Lebanese women want to work, participants (even women) provided significantly more reasons for them not to be working. Employment was considered an option for women but a necessity for men. The most notable divide in opinions between gender related to the impact of a working woman on the family: (i) female participants were more likely to offer positive impacts in terms of easing financial burdens, making the partnership between spouses more equal, and being independent and a role models for their children; (ii) male participants were more negative, questioning who would undertake traditional female roles such as childcare and cooking, worrying about the negative effects a more independent and successful woman would have on them and the concern of being neglected. Some male participants had more positive views, believing it would help them understand the value of money.

• Women had a higher number of factors affecting her decision to choose a given job. While women showed similarities with men in citing salary, working hours, and benefits as crucial factors when job seeking; other factors such as proximity to home, stability of employment, family approval, flexibility, long-term employment prospects were deemed extremely important. Both men and women argued that, especially for married women with children, working hours were amongst the most important factor in determining whether a job would be suitable.

• The main challenges for women to enter and remain in the labor market are two-folds: (i) home responsibilities: child and elderly care, housework; and (ii) societal pressures: attitudes of her family, especially male relatives, and being married, which points to the importance of non-wage related factors (working hours/flexibility, work conditions).

• Although most participants found childcare expensive and argued that quality came at a price, social norms also played an important role. Across all focus group discussions, there seemed to be a mistrust in the quality of available childcare and a strong preference to keep provision within the family. Many female participants and most male participants held the view that childcare, particularly in the early years of development, was detrimental to the bond between a mother and her child. However, most men expressed a dislike of childcare services, citing the mother’s duty to her child and the need for motherly affection. Nevertheless, there was a consensus amongst women that, increasingly, putting your child in nursery was no longer a stigmatized issue. Although more awareness raising, especially amongst men, needs to be done.

In fact, traditional and social norms of gender roles is a strong factor in determining the division of labor within the Lebanese family, especially for married women. Survey data shows that more than 70% reported that the wife performed domestic chores. This work is unpaid and invisible, thus women engaging in this work are recorded as “inactive”. It is still common for women to leave the labor force when they marry or have children, as they are expected to be responsible for childcare: most working women are young, with the highest percentage under 35 years, and never married. The State is not expected to ease this burden and is traditionally reluctant to intervene, existing care

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Institutions also play a critical role. Current laws and regulations in Lebanon contain discriminatory measures towards women which can act as a disincentive for economic participation. A desk review of the Lebanese laws and regulations revealed several discriminatory clauses. For example, the law does not mandate childcare support by employers and the government, paternity or parental leave, flexible/part-time schedule, equal remuneration for work of equal value, prohibition of asking about family status during interviews, protection from discrimination in selection criteria and job advertisements, protection from sexual harassment at work, or protection against discriminatory practices in access to loans and other financial services. As per Annex 1 of the Labor Law, women cannot work in certain tasks and sectors, such as fertilizers, energy and metal industry. Concerning maternity leave, although its period has recently been increased from 40 to 70 calendar days (10 weeks), it remains well below ILO’s Recommendation (No. 191, article 1) of at least 18 weeks. In addition, there is no guarantee for women to return to the same or to an equivalent position which can affect women’s career development. Introducing changes to address those discriminatory laws and regulations, with clear enforcement and accountability mechanisms, could incentivize more women to participate in the labor market.

The above contributed to most women being economically idle in Lebanon - representing a large untapped human resource. Inactivity and unemployment are significantly high amongst Lebanese women. Only 1 in 5 working age women participates in the labor market compared to 70% amongst working age men. The reported reasons differ greatly by gender. According to a recent survey in North Lebanon, most women (64%) reported being inactive due to house duties, while most men reported being inactive due to studies. Participation rates are bell-curved, especially for women: it is low amongst youth (20% amongst women and 40% for men), it increases for individuals aged 25-34 (40% for women and nearly 90% for men), then drops for women aged 35-45 back to 20%, while that of their men remains high (around 90%). Women are twice as likely as men to be unemployed (18% and 9%, respectively), although this does not necessarily imply a higher risk of dismissal among women. Women are more likely to leave jobs for childbearing (becoming inactive) and reenter the workforce at a later stage but with difficulty (becoming unemployed with outdated skills). They also consider more factors before accepting a job (working hours, proximity to home, flexibility).

Even when women do enter the labor force, they experience worse labor market outcomes compared to men, which might dissuade them from entering in the first place. Besides being more likely to be unemployed, women have lower returns to work in terms of wages and profit, and suffer from worse working conditions compared to men, e.g. leave discrimination, sexual harassment at the work place, and limited access/refusal to their maternity benefits. Excluding differences in endowments and personal characteristics, the average male employee has a wage 10.5% higher than the average female employee due to discrimination. The contribution of women to family work in agriculture is also expected to be both under-measured and unremunerated.

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14 ibid

Women also tend to be wage-employed and seem to be less attracted to self-employment. Based on a recent survey in North Lebanon, over 80% of women are wage employees while only 15% are self-employed or employers. The results of a 2010 survey also point to a very high dissatisfaction rate among low-skilled women who are self-employed, 30% of whom would like to change jobs, mainly for greater job security.19

Self-employed women face gender-based barriers to starting and expanding their business: their access to finance is limited, their businesses are concentrated in low productivity, stereotypically “feminine” activities. Women tend to use their own savings and/or loans from family and friends to start-up an enterprise and their retained earnings to develop the business. In fact, only 29% of female-owned firm access bank loans to finance capital or operations (versus 54% of male)20, and only 3% of bank loans go to female entrepreneurs21. Loans are highly collateralized and women lack property ownership22 as most of the 18 personal status laws put women at a disadvantage vis-à-vis their male counterparts with regards to access to property through inheritance23. Subsequently, women tend to over-rely on microfinance loans, which are expensive and limited in size and can make women vulnerability to a cycle of debt.24 As a result of gendered expectations, limited access to finance, as well as underdeveloped business development services encouraging microenterprises in traditionally “feminine” low productivity, low valued-added services, with very little growth potential, and very little prospect of formalization25, such as home-based food processing, clothing, and handicrafts.

The result of this analysis pointed to the importance of ensuring that interventions are gender informed and address the challenges that especially women face. It’s not enough to just target women or include a quota. In a $400 million Lebanon National Jobs Program for Results (PforR), currently under preparation, several interventions have been designed with a gender angle. Some of which are provided below:

- A Matching Grant Fund would be established where: (i) the fund manager will have outreach efforts targeting women-owned cooperatives; (ii) tailored training, mentoring, coaching, networking support for preparing applications and/or implementation, if applications are approved, would be provided.
- A communications campaign would be designed in a gender-sensitive way to attract and motivate women to participate in the Program’s initiatives and would target male relatives.
- An Entrepreneurship Grant Fund would: (i) encourage intermediaries to develop proposals that would incentivize women to submit ideas, through an application process/dedicated window for which only women can apply to as international evidence suggests that women tend to shy away from general competition. The scoring and revising processing will, however, be the same for the general window and the “women-only” one; (ii) hire intermediaries with a good track record in supporting women entrepreneurs.
- A profiling system would inform program design for women with dependents amongst other various profiles of beneficiaries.
- The pay by performance incentive system to private ALMPs providers could allocate a higher level of resources to boost employment opportunities for hard-to-serve women.

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22 UNESCO, 2016. Key gender statistics in Lebanon and Key UN messages.
24 Lebanese Microfinance Association (LMFA)
25 ibid