

The Women's Economic Opportunity Index and the Pacific: Summary prepared by Mike Sansom, Development Manager: Cross Cutting Issues & Gender, New Zealand Aid Programme, Ministry of Foreign Affairs and Trade

What is the WEOI

Women's economic opportunity, as defined by the Economist Intelligence Unit, is a set of laws, regulations, practices, customs and attitudes that allow women to participate in the workforce under conditions roughly equal to those of men, whether as wage-earning employees or as entrepreneurs in the formal sector. The WEOI benchmarks and measures progress in the economic advancement of women by aiming to look beyond gender disparities to the underlying factors affecting women's access to economic opportunity in the formal economy. The result is a comprehensive assessment of the enabling environment for women's economic participation in 128 countries.

In 2011 the New Zealand Aid Programme funded the Economist Intelligence Unit to include six Pacific countries (Papua New Guinea, Samoa, Fiji, Tonga, Solomon Islands and Vanuatu) and Timor Leste in the 2012 Women's Economic Opportunity Index. We will continue funding this.

Criteria and Indicators

The WEOI is a dynamic, quantitative and qualitative scoring model, constructed from 29 indicators, that measures specific attributes of the environment for women employees and entrepreneurs in 128 economies. There are 5 categories calculated from 4 or 5 underlying and scaled indicators, providing the baseline overall score.

The 5 categories, with a summary of the respective indicators are:

Labour practice	Labour policy	Education training	Legal & social status	Business environment	Access to finance
Equal pay	Equal pay	Primary / secondary education	Violence against women	Regulatory quality	Building credit histories
Discrimination	Discrimination	Tertiary education	Citizenship rights	Starting a business	Women's access to finance programmes
De facto discrimination at work	Maternity leave	Mean years of schooling	Property ownership	Infrastructure risk	Delivering financial services
Childcare services	Job restrictions	Adult women's	Adolescent fertility	Access to technology and	Private sector credit

		literacy		energy	
	Retirement age	SME training programmes	Contraceptive use		
			CEDAW ratification		
			Political participation		

The data is drawn from a wide range of national and international agencies, statistical sources and gender based research programmes and measures indicators that determine opportunities for women employees and entrepreneurs. Indicator scores are normalised to a 0 – 100 score to make them comparable with other scores. These scores are then aggregated across categories so 100 represents the most favourable economic opportunity and environment for women and zero the worst.

Summary Findings

Fiji is the highest ranked Pacific country (81 out of 128 ranked countries). The Solomon Islands (125/128) and Papua New Guinea (126/128) are in the bottom 5, ranked lower than all Sub-Saharan African countries except Sudan. One of the key findings is that while the six Pacific countries are categorised as Low Middle Income, when it comes to women’s economic opportunity they track similarly to Low Income Countries (with the exception of Fiji, which nevertheless performs below the global average in every category and on most indicators.)

Pacific countries perform well on some indicators, primarily Citizenship Rights which includes freedom of social participation and movement, and education; PNG, however, ranks second worst in the world on education with the average woman able to expect only 5.2 years of formal education.

Of relevance to development programmes and policies are the indicators where the Pacific scores particularly badly:

- property ownership – equal legal ownership rights; customary law doesn’t take precedence over statutory law (PIC’s are the lowest group of countries in the world)
- equal pay, non-discrimination and legal protection in the workplace – enforcing of an equal pay policy.
- access to finance – includes outreach programmes, financial services and financial literacy
- political participation – share of women in ministerial positions, parliament and public office
- levels of violence against women – laws that protect women from domestic violence, rape, physical attacks and sexual harassment (these are not indicators of the incidence of violence against women)

- tertiary education – total number of years a woman could expect in tertiary education
- maternity and paternity entitlements – leave and provision
- infrastructure risk – risk that deficiencies will cause loss of income and business (Samoa and Fiji are exceptions)

Women's Economic Opportunity in the Pacific

Pacific countries are ranked as Lower Middle Income Countries however on nearly all WEOI indicators, apart from education and training, they track as poorly as, or worse than the average Low Income Country. (Scores; 0-100 where 100=most favourable)

PIC Scores Compared to Low Income Country Average on Selected Indicators

OVERALL SCORE	
Fiji	48.5
Samoa	41.7
Vanuatu	39.1
WB: Low income	38.5
Tonga	38.3
Timor Leste	36.9
Solomon Islands	29.2
Papua New Guinea	26.6

1) LABOUR POLICY AND PRACTICE	
WB: Low income	44.8
Timor Leste	44.9
Fiji	41.0
Vanuatu	37.8
Tonga	30.9
Samoa	28.3
Solomon Islands	28.3
Papua New Guinea	25.7

1A) LABOUR POLICY	
Timor Leste	68.1
Fiji	60.3
WB: Low income	58.2
Vanuatu	53.9
Tonga	40.0
Samoa	34.7
Solomon Islands	34.7
Papua New Guinea	34.7

1B) LABOUR PRACTICE	
WB: Low income	31.4
Vanuatu	21.8
Samoa	21.8
Timor Leste	21.8
Tonga	21.8
Solomon Islands	21.8
Fiji	21.8
Papua New Guinea	16.7

2) ACCESS TO FINANCE	
Fiji	43.4
Vanuatu	35.4
Timor Leste	22.9
Tonga	22.9
Samoa	20.8
WB: Low income	19.9
Papua New Guinea	14.7
Solomon Islands	14.6

3) EDUCATION AND TRAINING	
Tonga	60.4
Samoa	60.0
Fiji	58.6
Vanuatu	41.6
Solomon Islands	37.0
WB: Low income	34.3
Timor Leste	27.3
Papua New Guinea	20.9

4) WOMEN'S LEGAL AND SOCIAL STATUS	
Timor Leste	62.0
WB: Low income	55.3
Fiji	55.0
Vanuatu	50.4
Solomon Islands	46.9
Samoa	46.0
Papua New Guinea	42.7
Tonga	37.5

5) GENERAL BUSINESS ENVIRONMENT	
Samoa	67.1
Fiji	51.9
Tonga	47.5
WB: Low income	32.0
Vanuatu	31.6
Papua New Guinea	30.1
Solomon Islands	20.2
Timor Leste	19.4

Lessons, Analysis and Conclusions

1. Women in the Pacific do not have equal ownership rights over moveable and immoveable property, in law and practice; the worst region in the world. A lack of property rights excludes women's ability to own assets, including land which in turn limits access to productive resources and the opportunity to use assets as capital or investment.
2. Very low levels of political participation by Pacific women in parliaments (3.6%, the lowest rates of any region in the world) and senior public office further entrenches women's disempowerment as it reduces women's opportunities to bring about legislative changes to increase women's economic opportunity.
3. A significant cause of women's economic lack of opportunity and disempowerment in the Pacific is labour practice, specifically unequal pay, inequality and discrimination in the workplace and availability of quality childcare.
4. On Education and Training PICs track as would be expected of Lower Middle Income Countries, with the exception of Papua New Guinea and Timor Leste. Female literacy rates in Tonga and Samoa are amongst the highest in the world. However it is in access to tertiary education where women are unequally represented.
5. Infrastructure risk is an indicator within the General Business Environment category that assesses access to transport, distribution networks, telephones, power, etc and its contribution to loss of income. Although not a gender sensitive indicator it is a significant and disproportionate obstacle to women accessing resources, markets, services and networks, particularly if coupled with high levels of violence against women. It scores very low in all indexed Pacific countries (except Samoa).
6. The extraordinarily high levels of ODA per capita in the Oceania/Pacific region, and New Zealand's role as a significant donor, does beg the question about whether more leverage and policy influencing couldn't be brought to bear to improve gender equality policies and practices.

Uses for the WEOI

The Index is an analytical tool that provides information and data on specific countries and across differentiated indicators. It can be used as a comparative tool within or across regions and between individual countries and regions.

As an analytical tool the WEOI can be correlated (and tested) against other external indicators and indexes, for example inequality coefficients, employment and income data as well as other standards of women's empowerment, for example the UNDP's Gender Empowerment Measure, levels of Country Programmable Aid, the World Economic Forum's Global Gender Gap Index, violence prevalence studies and the democracy index.

Integrating the WEOI indicators into government plans, statistics and data sets, results frameworks and country strategies will help target and measure improved economic

opportunity for women. Of particular interest to development actors in the Pacific is the Index's potential application as a benchmarking tool to measure progress on women's economic opportunity across the region.

Some of the results will be contested; this is not surprising given the mixture of quantitative and qualitative indicators and weightings. This is a necessary risk, and means the WEOI can be used as a resource to stimulate development discussions and policy debates on gender equality and women's empowerment

Limitations of the WEOI

The WEOI uses a range of gender policy, economic, labour, human development and attitudinal indicators which give a deeper and broader analysis of the drivers of women's economic opportunity. Women's political participation has been usefully introduced as a new indicator in 2012, determined by the number of women in Ministerial positions and parliament. Including women's participation in local government would strengthen this indicator.

A source of confusion with the WEOI is the lack of a consistent definition of economic opportunity, with the terms economic opportunity, advancement and empowerment used interchangeably. The Index sees opportunity as "conditions that allow women to participate in the workforce equal to men" but elsewhere it "measures economic advancement of women". The tension between these definitions is further confounded by the Index focusing only on the formal economy – women in the Pacific are primarily engaged in the informal economy.

Valuing the Informal Economy

The Index states that women "are often less productive than men, which holds back the overall economy." This contentious statement (especially in gender equality discussions) highlights the fact that the WEOI is limited to the formal economy; it neither includes women's contribution to economic development in the informal nor to other opportunities for women's economic empowerment.

Women play important roles in the informal economy; food production, rent collecting, natural resource management, marketing, control over the household economy. The WEOI rightly uses access to formal childcare as an indicator of women's economic empowerment; however child care is often a key function of women in the informal economy. The informal economy allows women to "multitask", sometimes undertaking more than one economic activity at a time while also managing domestic responsibilities. The opportunity cost of women moving into the formal economy should be considered by development practitioners and policy makers.

Is Gender Equality Smart Economics?

There appears to be an assumption that more women in the formal economy is instrumentally a good thing for economic growth while also intrinsically a good thing for gender equality and women's empowerment. The Index sees "Women (as) a key driver of economic growth", "an undeveloped source of labour ...currently not active in the formal global economy" and "that getting women into the formal economy is increasingly important."

It cannot be assumed that economic growth is intrinsically good for gender equality. Gender equality may be smart for the economy, but only if appropriate policies, regulations and conditions are in place. The causal link between an increase in women in formal employment and sustainable economic development is tenuous; the poorest regions in the World (sub-Saharan Africa and East Asia and the Pacific) have the highest levels of female labour force participation. The Index acknowledges this but the normative argument that "Gender Equality is Smart Economics", as promoted by the World Bank Group, is explicit in the WEOI narrative. This tension is addressed in part by the diversity of indicators used to measure women's economic opportunity.

Validity and Weighting of the Indicators

The EIU acknowledges that the selection, validity and weighting of the indicators are contestable by allowing them to be changed in the database. This in itself is not a bad thing as discussion and debate can only improve the analysis and profile of gender equality. WEOI do review and update the range of indicators they use based on validity and availability of data sources. Women's rights to land, incidence of violence, access to the law and local government participation are new possible indicators.

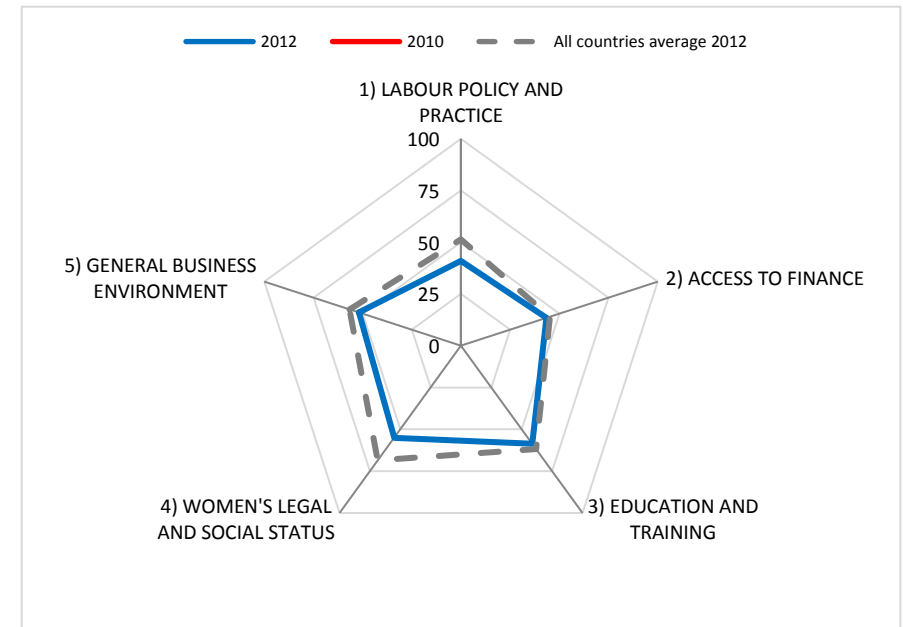
For a copy of the full report go to:

http://www.eiu.com/site_info.asp?info_name=womens_economic_opportunity&page=noads

Appendix 1: Women's Economic Opportunity Index – Country Profiles (summary)

Fiji

	2012 Rank / 128	2012 Score
OVERALL SCORE	81	48.5
1) LABOUR POLICY AND PRACTICE	=90	41.0
1A) LABOUR POLICY	70	60.3
1B) LABOUR PRACTICE	=113	21.8
2) ACCESS TO FINANCE	66	43.4
3) EDUCATION AND TRAINING	81	58.6
4) WOMEN'S LEGAL AND SOCIAL STATUS	97	55.0
5) GENERAL BUSINESS ENVIRONMENT	76	51.9



EXCELLENT: Scores 75 or more

Differential retirement age	100.0
Citizenship rights	100.0
Literacy rate, women	93.4
Adolescent fertility rate	85.3
Mean years of schooling	78.8
Non-discrimination; ILO Convention 111, Policy	77.8

NEEDS IMPROVEMENT: Scores less than 25

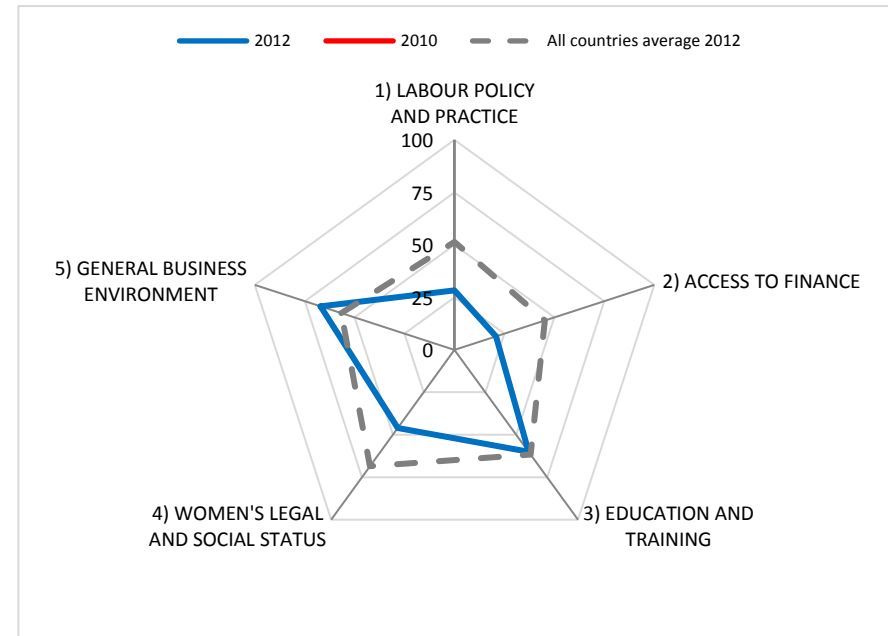
De facto discrimination at work	20.5
Political participation	17.6
Tertiary education, women	15.8
Maternity and paternity leave and provision	11.1
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
Women's access to finance programmes	0.0
Property ownership rights	0.0

Samoa

	2012 Rank / 128	2012 Score
OVERALL SCORE	99	41.7
1) LABOUR POLICY AND PRACTICE	=120	28.3
1A) LABOUR POLICY	=117	34.7
1B) LABOUR PRACTICE	=113	21.8
2) ACCESS TO FINANCE	=110	20.8
3) EDUCATION AND TRAINING	=74	60.0
4) WOMEN'S LEGAL AND SOCIAL STATUS	115	46.0
5) GENERAL BUSINESS ENVIRONMENT	47	67.1

EXCELLENT: Scores 75 or more

Differential retirement age	100.0
Citizenship rights	100.0
Literacy rate, women	98.4
Adolescent fertility rate	85.9
Infrastructure risk	82.7
Starting a business	76.7



NEEDS IMPROVEMENT: Scores less than 25

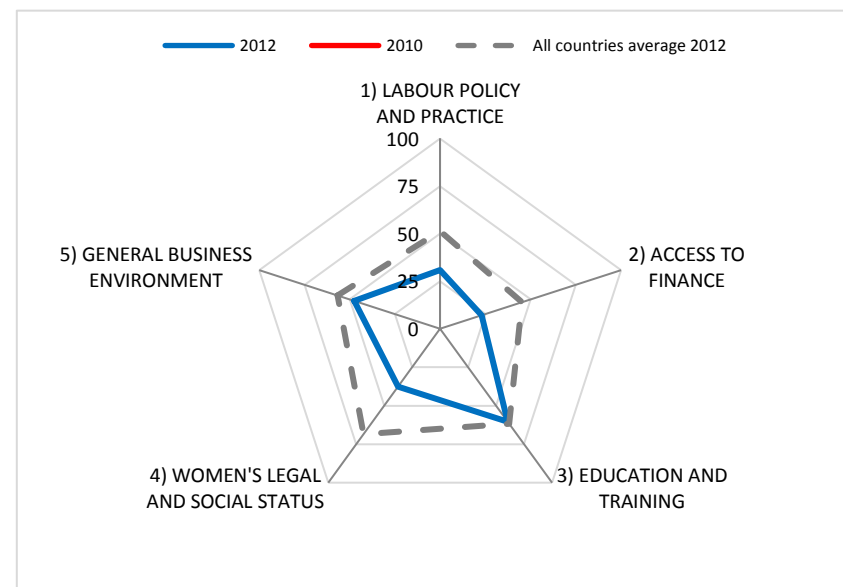
De facto discrimination at work	20.5
Equal pay for equal work; ILO convention 100, policy	12.5
Non-discrimination; ILO Convention 111, Policy	11.1
Tertiary education, women	6.1
Maternity and paternity leave and provision	0.0
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
Building credit histories	0.0
Women's access to finance programmes	0.0
Addressing violence against women	0.0
Property ownership rights	0.0

Tonga

	2012 Rank / 128	2012 Score
OVERALL SCORE	110	38.3
1) LABOUR POLICY AND PRACTICE	117	30.9
1A) LABOUR POLICY	113	40.0
1B) LABOUR PRACTICE	=113	21.8
2) ACCESS TO FINANCE	=101	22.9
3) EDUCATION AND TRAINING	71	60.4
4) WOMEN'S LEGAL AND SOCIAL STATUS	123	37.5
5) GENERAL BUSINESS ENVIRONMENT	=79	47.5

EXCELLENT: Scores 75 or more

Legal restrictions on job types	100.0
Differential retirement age	100.0
Citizenship rights	100.0
Literacy rate, women	99.1
Adolescent fertility rate	92.7
Primary and secondary education, women	81.7



NEEDS IMPROVEMENT: Scores less than 25

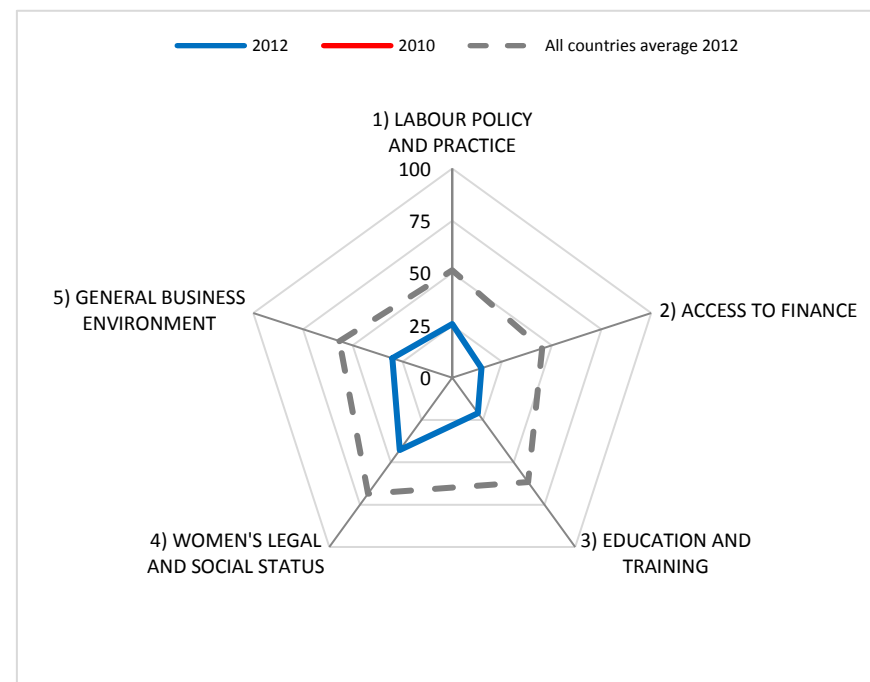
De facto discrimination at work	20.5
Infrastructure risk	18.4
Political participation	11.0
Tertiary education, women	6.9
Equal pay for equal work; ILO convention 100, policy	0.0
Non-discrimination; ILO Convention 111, Policy	0.0
Maternity and paternity leave and provision	0.0
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
Building credit histories	0.0
Women's access to finance programmes	0.0
Property ownership rights	0.0
CEDAW ratification	0.0

Vanuatu

	2012 Rank / 128	2012 Score
OVERALL SCORE	106	39.1
1) LABOUR POLICY AND PRACTICE	100	37.8
1A) LABOUR POLICY	=85	53.9
1B) LABOUR PRACTICE	=113	21.8
2) ACCESS TO FINANCE	82	35.4
3) EDUCATION AND TRAINING	105	41.6
4) WOMEN'S LEGAL AND SOCIAL STATUS	=104	50.4
5) GENERAL BUSINESS ENVIRONMENT	110	31.6

EXCELLENT: Scores 75 or more

Differential retirement age	100.0
Citizenship rights	100.0
CEDAW ratification	100.0
Literacy rate, women	76.2



NEEDS IMPROVEMENT: Scores less than 25

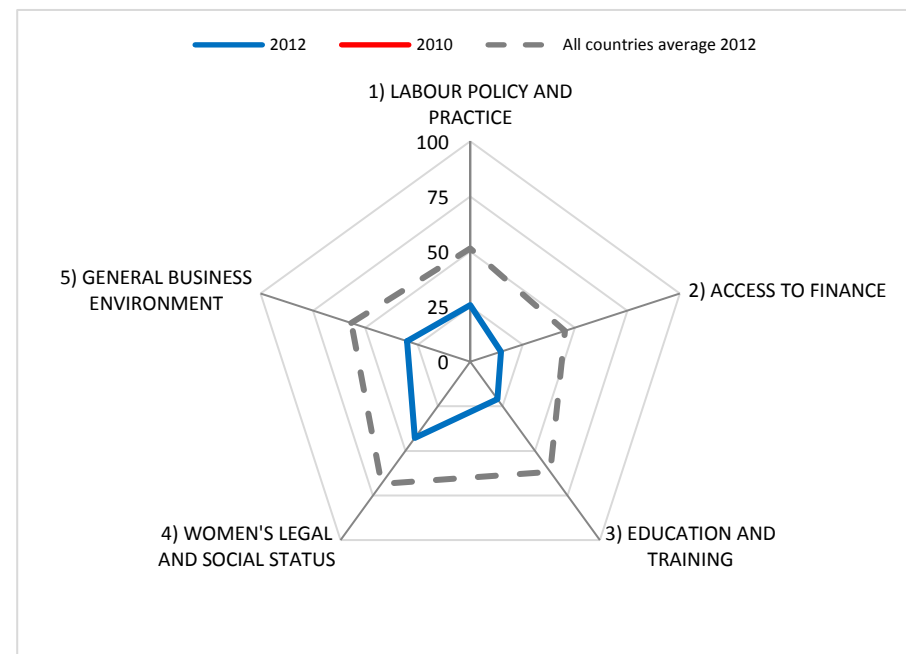
De facto discrimination at work	20.5
SME support/development training	20.0
Maternity and paternity leave and provision	11.1
Infrastructure risk	6.1
Political participation	3.7
Tertiary education, women	2.5
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
Building credit histories	0.0
Women's access to finance programmes	0.0
Property ownership rights	0.0

Solomon Islands

	2012 Rank / 128	2012 Score
OVERALL SCORE	124	29.2
1) LABOUR POLICY AND PRACTICE	=120	28.3
1A) LABOUR POLICY	=117	34.7
1B) LABOUR PRACTICE	=113	21.8
2) ACCESS TO FINANCE	=119	14.6
3) EDUCATION AND TRAINING	108	37.0
4) WOMEN'S LEGAL AND SOCIAL STATUS	113	46.9
5) GENERAL BUSINESS ENVIRONMENT	125	20.2

EXCELLENT: Scores 75 or more

Differential retirement age	100.0
Citizenship rights	100.0
CEDAW ratification	100.0



NEEDS IMPROVEMENT: Scores less than 25

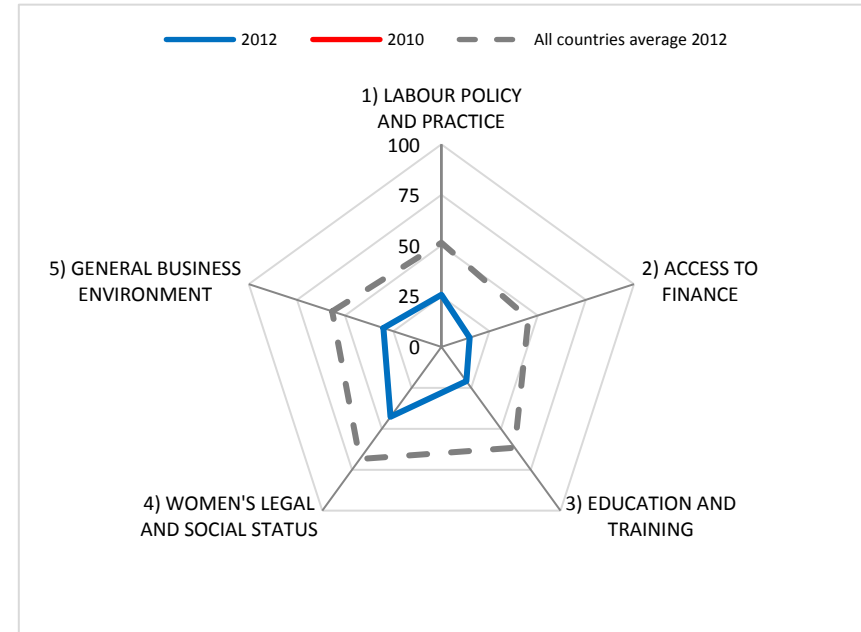
Regulatory quality	20.9
De facto discrimination at work	20.5
Equal pay for equal work; ILO convention 100, policy	12.5
Infrastructure risk	11.2
Maternity and paternity leave and provision	11.1
Access to technology and energy	8.9
Tertiary education, women	8.2
Non-discrimination; ILO Convention 111, Policy	0.0
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
Building credit histories	0.0
Women's access to finance programmes	0.0
Property ownership rights	0.0
Political participation	0.0

Papua New Guinea

	2012 Rank / 128	2012 Score
OVERALL SCORE	125	26.6
1) LABOUR POLICY AND PRACTICE	125	25.7
1A) LABOUR POLICY	=117	34.7
1B) LABOUR PRACTICE	125	16.7
2) ACCESS TO FINANCE	118	14.7
3) EDUCATION AND TRAINING	123	20.9
4) WOMEN'S LEGAL AND SOCIAL STATUS	=120	42.7
5) GENERAL BUSINESS ENVIRONMENT	=114	30.1

EXCELLENT: Scores 75 or more

Differential retirement age	100.0
Citizenship rights	100.0



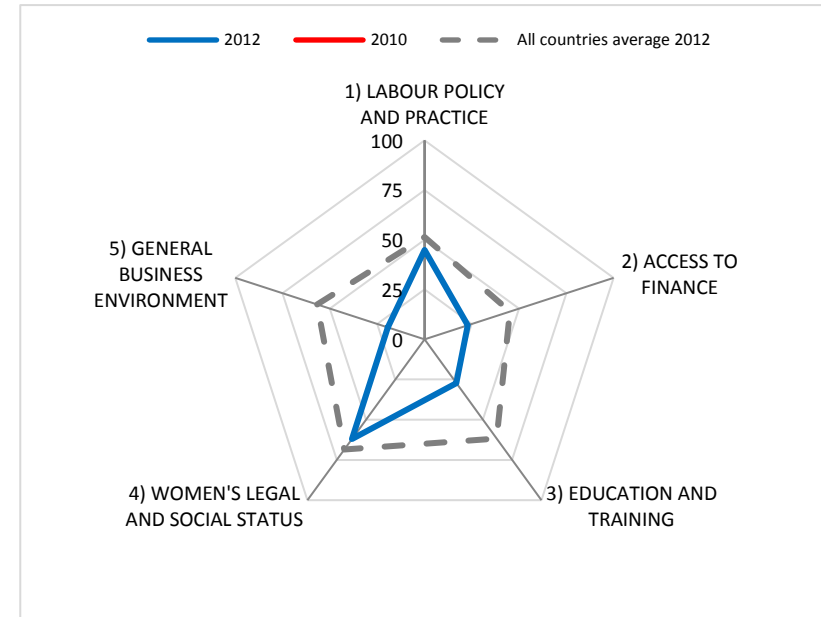
NEEDS IMPROVEMENT: Scores less than 25

Prevalence of contraceptive use - modern methods	22.0
SME support/development training	20.0
Infrastructure risk	15.3
Access to technology and energy	13.4
Non-discrimination; ILO Convention 111, Policy	11.1
Primary and secondary education, women	4.9
Political participation	4.5
Building credit histories	0.5
Tertiary education, women	0.4
Maternity and paternity leave and provision	0.0
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
De facto discrimination at work	0.0
Women's access to finance programmes	0.0
Property ownership rights	0.0

Timor Leste

OVERALL SCORE	=111	36.9
1) LABOUR POLICY AND PRACTICE	74	44.9
1A) LABOUR POLICY	=53	68.1
1B) LABOUR PRACTICE	=113	21.8
2) ACCESS TO FINANCE	=101	22.9
3) EDUCATION AND TRAINING	119	27.3
4) WOMEN'S LEGAL AND SOCIAL STATUS	88	62.0
5) GENERAL BUSINESS ENVIRONMENT	126	19.4

EXCELLENT: Scores 75 or more		
Legal restrictions on job types		100.0
Differential retirement age		100.0
Citizenship rights		100.0
CEDAW ratification		100.0



NEEDS IMPROVEMENT: Scores less than 25

Regulatory quality	23.4
Prevalence of contraceptive use - modern methods	23.2
Mean years of schooling	21.6
De facto discrimination at work	20.5
SME support/development training	20.0
Infrastructure risk	18.4
Tertiary education, women	16.0
Maternity and paternity leave and provision	11.1
Starting a business	10.6
Equal pay for equal work; ILO convention 100, practice	0.0
Non-discrimination; ILO Convention 111, practice	0.0
Building credit histories	0.0
Women's access to finance programmes	0.0

