

ISSUE BRIEF



ADVANCING GENDER EQUALITY IN MALAYSIA

Gender equality is not only a basic human right, but is also critical in accelerating progress on sustainable development. The empowerment of women and girls is closely linked to several of the Sustainable Development Goals, including education, poverty, and climate change). One of the significant structural barriers to women's economic empowerment is the disproportionate burden of domestic unpaid work that restricts women from undertaking paid jobs, advanced education and skills training, and—most importantly—participation in public life. While household work has economic value, it is not counted in traditional measures of GDP. It is estimated that unpaid work undertaken by women today “amounts to as much as \$10 trillion of output per year, roughly equivalent to 13 percent of global GDP.” Social and cultural norms often limit the capacity of women to engage in the formal economy due to restricted mobility and lack of access to quality education, training, and finance, among other factors.

Does Gender Gap Exist in Malaysia?

Malaysia has made notable progress on gender equality and women's economic empowerment. The economic role of women was highlighted in several places in the 11th Malaysian Plan. ‘Pillar 2: Enhancing Inclusive Development and Wellbeing’ explicitly acknowledged the need to provide integrated support systems and conducive environment to increase participation of women, in economic and community activities as well as ensuring the wellbeing and resilience of family. ‘Pillar 4: Empowering Human Capital’ outlined the need to encourage quality employment that contributes to greater efficiency and productivity. While relevant actions have been adopted to strengthen the institutional and policy framework for gender equality in recent years, structural challenges still exist.



Photo: Zachary Yoong

Equal Opportunities for Economic Participation

Gender inequalities remain persistent in Malaysia's labour market. Women make up half of Malaysia's population, but only two-fifths of the workforce. Only 55.6% of working age Malaysian women were employed or looking for jobs in 2019, compared to 80.8% of men [11th Malaysian Plan target: 59%]. As the Malaysian economy continues to grow, it is increasingly important to narrow the gap in meaningful economic participation between men and women. The 2020 Global Gender Gap report published by the World Economic Forum (WEF), ranks Malaysia 97 out of 153 countries in terms of economic participation and opportunity.

Female Labour Force Participation Rate (LFPR).

Malaysia's female labour force participation rate (LFPR) is one of the lowest among ASEAN countries, only marginally ahead of Indonesia. The rate of female LFPR growth has slowed down substantially to only 0.02% in the current five-year period. However, there has been slight positive progress over time in female LFPR as the rate increased from 54.7% in 2017 to 55.6% in 2019, while male LFPR increased from 80.6% to 80.8% in the same period. Consequently, the LFPR gap between women and men recorded small improvement over time, decreasing from 26.5% in 2015 to 25.2% in 2019.

Women's exclusion from labour market has direct implication towards economic benefit and workforce profile in Malaysia.

The gender wage gap in Malaysia mirrors global patterns, with women earning less than men. In 2019, women earned an average annual income of RM 37,248 compared to RM 39,648 earned for men. This implies for every RM 100.00 in salaries and wages received by men, women only received RM 93.90. One telling reason for this is the position of women in the workforce profile in Malaysia. In 2019, women only made up 24.7% of Legislature, Senior Officer, and Managerial positions while men occupied the remaining 75.3%. Only a quarter of higher-level positions are occupied by women. The same trend was observed for Professional and Technical Workers, with only 30.6% of these positions held by women, with 69.4% occupied by men. This trend is alarming, especially considering potential long-term economic losses due to gender gaps in Malaysia's labour market.

Education and work

Malaysia is ranked 104 in 2020 in the Gender Gap Report (published by the WEF) well below every other ASEAN country. The country ranks highly in the 'Educational Attainment' sub-index (score 0.989), but its more moderate achievement in 'Economic Participation and Opportunities' is conspicuous given its strong educational and economic progress. In 2019 the difference in literacy rate between men and women was 0.7%, with a slightly higher literacy rate for men than women at 97% and 96.3% respectively. Although the participation of girls in primary education has gradually increased over the years, the transition to higher levels of education remains a challenge, with female absenteeism and dropout rates commonplace. Around 69.3% of men outside of the labour force do so to pursue education, which corresponds to the proportion of men between 15 and 24 years of age; as for women, 58.0%, or 2.6 million women, do not join the labour force due to family responsibilities. By contrast, only 3.2% or 69,800 men do so for the same reason. Girls who are subject to patriarchal social roles at home or who are heavily involved in family and household care activities are the most at-risk of having their education disrupted.

Unemployment rates

The unemployment rate for women age 18-24 was around 11%, above the national average of 3.3% in 2019. The unemployment gap is larger compared to urban areas: for the 20-24 age group, the unemployment rate of women and men were 12.4% and 6.6% respectively; for the 25-29 age group, it was 6.6% and 2.3% respectively; for those 30 and above, the gap narrows, with unemployment at 0.4% for women and 0.3% for men. The gender gap is larger in rural

area as rural women recorded higher rates of unemployment compared to urban women regardless of educational attainment. Among tertiary level graduates in rural areas, 8.3% of women were unemployed compared to 4.9% of men. The scenario likely arises because of the traditional roles of women in the care economy and in non-remunerated family activities is especially prominent in rural settings.

Decision-making powers

Malaysia's democratic landscape and progress on political movement have created new opportunities for women to engage in the political arena. However, the presence of women in public institutions is still quite limited, especially at the administrative level. Women are still a small minority in the Malaysian legislature, holding only 14.4% of elected parliamentary seats. Women representation in ministerial positions was also lower compared to men, at 17.9% compared vs. 82.1%. Given that progress towards achieving gender equality has been slow, it is important that women are in positions to table issue of gender and women's rights in Malaysia development policy and influence political and economic development.

WHAT ARE THE CHALLENGES TO ACHIEVING GENDER EQUALITY?

Access to Economic Opportunities

Enhancing economic opportunities includes expansion of markets to deliver jobs, lift incomes, and drive growth. The main barrier preventing women from accessing the full benefits of economic opportunity is that they bear the burden of domestic responsibilities, which are not valued by the current economic system. This are also been influenced with other economic factors such as:

- **Inequality of labour market.** Countries are often unable to fully utilise their large, untapped pool of educated talent. Women with post-secondary qualifications are much more likely to be unemployed or out of the labour force compared to their male counterparts. Additionally, most women workers are in low-skilled jobs in labour-intensive manufacturing, agricultural, or extractive industries. This creates wide gaps in labour force participation rates, wages, and representation in senior positions and leadership levels.
- **Future of Work Challenges.** The Fourth Industrial Revolution (4IR) may bring about the emergence of new gender gaps arising from job displacement, market disruption, and product or services changes. Economic dividends from 4IR will be few for women with little or no digital skills and competencies, compounding existing shortcomings in access to work.
- **Financial inclusion.** Several barriers faced by women that limit their access to and use of financial services include lack of an ID to prove identity, lack of required

collateral for loans, mobility constraints, and low financial literacy. These factors limit women's access to the full range of financial services, increasing the vulnerability of women-led households and businesses. Women often have low autonomy in economic decisions, resulting in lower consumption and purchasing power, reduced savings, and limited access to investment and business opportunities.

- **Unpaid Domestic Work.** Women tend to perform the majority of unpaid tasks (i.e. housework, household care and other unpaid activities). The disproportionate responsibility for unpaid care work borne by women has a direct and resounding impact on women's labour force participation rates. The expectation that women will perform unpaid care work and are not primary breadwinners reduces women's access to diverse jobs, progression into senior level positions, and even the wages that they earn relative to men for the same type of work.



Photo: TalentCorp Malaysia website

Representation in decision making and politics

Despite the progress made by women in Malaysia in different spheres of society, women remain seriously underrepresented in parliament and in decision-making positions. There are several factors that limit women participation. First, cultural barriers including, but not limited to, religious values and cultural stereotypes. Second, institutional factors such as the inclusivity of political and electoral systems. Third, economic conditions in general and women's socio-economic condition in particular, including education level and labour force participation. There is a direct link between education and labour force participation, and the opportunity to develop skills and networks that enable women representation in politics.

Women's climate resilience

Women are disproportionately affected by climate change and disasters, both because of the roles they play in growing food and providing for the energy and water needs of their families, and because they comprise a large number of low-income communities that depend on natural resources for

Box 1. Work from Home

The UNDP ran a survey on the work from home (WFH) experience during the COVID-19 pandemic and the resulting movement restrictions to assess how the trade-offs impacted the wellbeing of workers.

A common narrative about WFH was the challenges that working mothers faced in balancing work and childcare as schools and kindergartens were closed. However, the survey showed that most caregivers found WFH neutral or beneficial to quality of life and productivity. The challenges of balancing work and childcare were present regardless of WFH arrangements—and may have been still more difficult without.

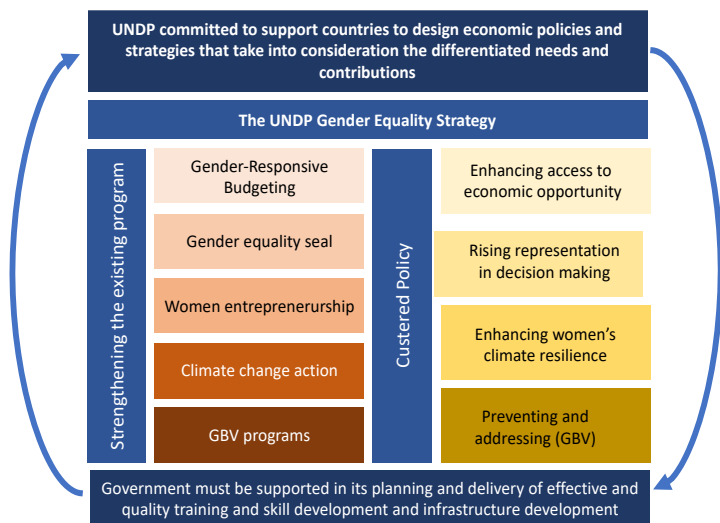
Nonetheless, survey results clearly showed that women caregivers carried much more of the caregiving burden during WFH than men, reflected in quality of life and reported difficulties in managing domestic responsibilities. WFH was helpful to all—including women—but did not reduce the gender gap on its own.

As we rethink work arrangements in light of the COVID-19 experience, there have been calls to increase WFH and other flexible work arrangements (FWAs). These are important and overdue steps necessary to increase women's opportunity to participate in the labour force. However, these must also go hand-in-hand with equitable division of labour in the home.

their livelihoods. At the same time, women's strong ties to the environment and roles in natural resource management make them powerful agents of change with knowledge and skills for building resilience to climate change and disaster and for supporting low emission development. Hence, design of both mitigation and adaptation programmes must leverage women's unique position vis-à-vis the environment.

UNDP's SUPPORT TO THE GENDER AGENDA

UNDP is committed to support countries in designing economic policies and strategies that take into consideration the differentiated needs and contributions of women and men, and that address gender-based disparities based on challenges described above. This support is translated in three broad areas. First, implementing the UNDP's global gender strategy for 2018-2021. Second, strengthening existing programmes in four areas: gender-responsive budgeting, gender equality seal, women entrepreneurship program, climate change action, and programmes on gender-based violence (GBV). Third, providing policies recommendations, including direct actions, across these areas.



Female Labour Force Participation

UNDP Malaysia in collaboration with Ministry of Women, Family and Community Development embarked on an initiative titled ‘Study to Support the Development of *National Policies and Programmes to Increase and Retain the Participation of Women in the Malaysian Labour Force: Key Findings and Recommendations*’ in 2014 and highlighting the key supporting infrastructure in the community to enable and empower women to participate in formal employment and recommendations on removing the barriers so that women can continue to contribute to nation building.

Gender-Responsive Budgeting

As part of this work, UNDP helps partners to inform their economic policies and plans with sound gender analysis; to collect, analyze and use gender-disaggregated data; and to develop and implement gender-sensitive budget processes. Gender-Responsive Budgets (GRB) assist in monitoring and evaluating government expenditure against gender and development commitments made at the national, regional, and international levels. GRB allows one to examine the impact of every part of the budget on women and men, and on girls and boys. A gender-responsive budget consciously considers the differences in situations, roles, contributions, and needs of different groups of males and females and ‘responds’ accordingly. Instead of aiming for equal resource allocation for men and women, gender budget work aims for equitable resource allocation in which the different needs of women and men in different age-groups can be satisfied so that everyone is able to reach their full potential in society. GRB also encourages policy makers to ensure that the burden of unpaid work does not prevent people (mainly women) from contributing economically and socially outside of their homes.

Gender-Equality Seal

To close persistent gender equality gaps in the workplace, UNDP has pioneered the Gender Equality Seal (GES) for Public and Private Enterprises. The Gender Equality Seal supports companies in meeting gender equality standards in areas such as: eliminating gender-based pay gaps; increasing women’s roles in decision-making in middle and upper management positions; developing and implementing work-life balance policies; eradicating sexual harassment at work; enhancing women’s access to non-traditional jobs; and adopting inclusive and non-sexist communication inside and outside of the company.

Women Entrepreneurship

UNDP also works closely with UN-Women and the International Labour Organization (ILO) to promote decent work; and with agencies such as UN-Women and United Nations Capital Development Fund to unlock private capital for gender-sensitive investment projects and to expand women’s access to financial services, leadership training for women, tracking systems to monitor rates of female recruitment, and the inclusion of gender data in bids for supplier contracts.

Climate Change Action

UNDP supports partners in engaging women as stakeholders and planners in action on climate change and disaster resilience and ensures that women have equal access to and control of the resources they need to adapt to and mitigate the effects of environmental changes. This work includes ensuring women’s access to clean energy and securing their rights and tenure to land water, forests, housing, and clean and green alternative livelihoods. As part of this work, UNDP is supporting 10 countries in integrating gender equality into their Nationally Determined Contributions (NDCs), which sets out how they will reach goals under the Paris Agreement. This integration of gender will help countries better address inequalities that prevent women from fully contributing to climate-related planning, policymaking, and implementation, and that undermine women’s ability to adapt to climate impact or contribute to a zero-carbon economy.



MOVING FORWARD

Enhancing Women's Access to Economic Opportunities

Development decisions result in economic and spatial restructuring that not only affects growth but also generates implications for equitable inclusion. Accordingly, decisions for growth and development must be inclusive, equitable and sustainable. To overcome the barriers for women to fully participate in labour market and to access to the financial institutions, it is very important to have policies including:

1. Promotion of labour market that are more flexible and family-friendly.
2. Wage systems that have fair and transparent scheduling.
3. Reduction of trade and labour restrictions, greater competition, and greater ease of doing business to support private sector development.
4. Provision of support facilities for mothers, such breastfeeding room and childcare
5. Improvement of women skill through training.
6. The reduction of entry access, usage costs, and other barriers to financial services for women.
7. The creation of women's business associations and networks, to raise their voice and visibility. This needs to be enabled in ways that allow them to bring the attention of regulators and FSP (traditional financial institutions and fintechs) to the barriers and issues affecting women-led business development.

Raising women's representation in decision making and politics

Measures includes developing a program to identify women, especially those from vulnerable groups, that have an interest in public service, help them take on leadership roles at the political level, and train them in leadership. Several policies could improve women's participation in decision making and politics, such as:

1. Using a quota system or setting of targets for women as decision makers and as members of parliament.
2. The establishment of independent bodies with legislative power to effectively monitor and censor negative campaigning.
3. The development of a gender equality code of conduct for political parties and requiring them to field a specified minimum number of women candidates.

Box 2. Gender Mainstreaming Framework

A Gender Mainstreaming Framework is one of the outputs from a UNDP-supported project in Malaysia, *Strengthening and Enhancing the Inclusiveness of Women Towards an Equitable Society*. There is an obvious deficit in the understanding of gender and gender equality concepts which needs to be addressed. Amongst others, the proposal recommends setting up office for Gender Equality in government ministries to support Gender Focal Teams's work. Starting with a Gender Audit an organization will be able to address issues regarding understanding of gender equality goals, capacity and gender-related skills. Following this, a Gender Action Plan can be developed including to ensure that gender perspectives are integrated into all planning and budgeting functions, sex-disaggregated data are used and that opportunities and benefits of extending partnerships and pooling resources are explored fully. Going forward, it is imperative that the government and the society at large must understand and embrace the link between gender mainstreaming with the country's wider goals of inclusivity.

4. The reformation of electoral laws that put female candidates at a disadvantage.
5. The improvement of social awareness on women leadership.
6. Building the capacity of female leader candidates through training and mentoring systems.

Enhancing women's climate resilience

These measures are aimed at recognizing women's valuable knowledge and experience and how they can contribute to strategies for natural resource management, climate change adaptation, and mitigation. One such proposed policy is integrating gender into agriculture-related climate change activities and policy. This will enable women to become important agents of change and innovators. There are further applicable gender strategies for planning and implementing climate resilience activities:

1. Create diversification for women's productive activities.
2. Provide women the same economic resources as men.
3. Empower women to be change agents for climate resilience activities in the community.
4. Address general gender inequalities in the community to improve climate resilience.

CONCLUSION

Gender equality will become an even more important policy objective for Malaysia in the coming years. A dynamic policy design is needed to promote increase participation of women in the labour force and reduce the negative factors that hinder women's labour force participation. The application of gender responsive approaches in programme planning, design, budgeting, implementation, monitoring, and evaluation can aid in ensuring that the overall development outcome is achieved. In tackling these challenges, UNDP recognizes that strengthening of enablers is part of the critical process towards gender equality in the economy. Strategies include educating the younger generation in schools about gender equality, using mainstream and social media to convey gender sensitivity and using role models (individual or community) to demonstrate how elimination of gender bias has benefited society at large. Enhancing investments in endowments and ending the rural-urban divide is critical, through subsidies, academic and financial support, and skills levelling programmes that cater to their needs. In a similar vein, the Government must be supported in its planning and delivery of effective and quality training and skill development, entrepreneurship resources, eco-systems that ensure availability of reliable and affordable childcare and elderly care services, and provisions to ensure safe commutes and workplaces for women.

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Contact Information:

haniza.khalid@undp.org