



"Ntkozo"

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CHAPTER 4

Productive resources and employment, economic empowerment

Articles 15-19



Women breaking gender stereotypes: Petrol attendant Isabella Njolonde going about her daily routine - Lilongwe, March 2012.
Photo: Loveness Jambaya Nyakujarah

KEY POINTS

- Malawi with an SGDI score of 64% for gender and economy ranks 12th in the SADC region.
- Malawian citizens scored their country 55% based on their perceptions of the country performance towards meeting the targets in the SADC Gender Protocol on economy. Women were more generous at 57% compared to men who scored the government 54%.
- Women occupy 27% of economic decision making positions compared to 17% in 2011.
- The Constitution guarantees equal employment opportunities and equal pay for equal work for men and women. Over 73.9% of the population lives below the poverty line; women make up the majority of the poor.
- Women mainly work in the informal sector.

- Although Malawi has policies for women's economic empowerment, access to land and credit; many women are unaware of their rights.
- The penal code criminalises sexual harassment.

Table 4.1: SGDI and CSC scores on economy

	SGDI	CSC
Scores	64%	55%
Ranks	1	11

Table 4.1 shows a nine percentage point gap between the SDGI score of 64% and the CSC score of 55%. The SGDI score looks at women's share of economic decision-making, female to male labour force participation, female to

male unemployment rate, women's share of non-agricultural paid labour and the length of maternity leave. The SGDI does not measure women's access to land, to finance and to productive resources - all critical to this sector. This may account for the discrepancy between the SGDI score and the CSC scores.

Background

Malawi is the 29th poorest country out of 182 nations over the world. Over 73.9% of the population lives below the poverty line, according to the 2010 UN Human Development Report. Women comprise the largest proportion of those who live below the poverty line.

Most women have limited access to productive resources. Women also do not often participate in economic decision-making even when the decisions affect them directly. They also continue to play multiple roles in society, as home-maker, mother, and often carer for the sick, which limits their time for income-earning activities.

The current Malawi Growth and Development Strategy (MGDS II) 2011/12 - 2015/16, which is still in draft form at the time of compiling this report, recognises gender as a cross-cutting issue and includes economic empowerment as one of its strategies for achieving gender equality. The draft MGDS II Subtheme 1 on Gender has the goal 'to reduce gender inequalities and enhance participation of all gender groups in socio-economic development'.

Furthermore, the National Gender Policy under Poverty Eradication and economic empowerment policy

highlights the importance of women's participation in economic development.

There has been some visible progress. While the statistics are not available, women are beginning to occupy leadership positions as chief executive officers or supervisors in banks, private companies, and other institutions.



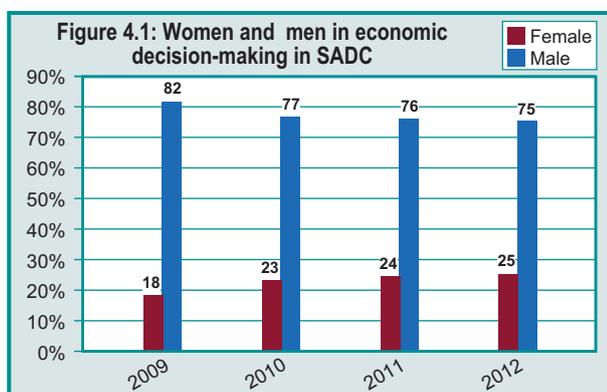
Women form the majority of those in the informal sector. Delifa Zulu sells her produce at a market in Blantyre. Photo: Trevor Davies

Women and men in economic decision-making



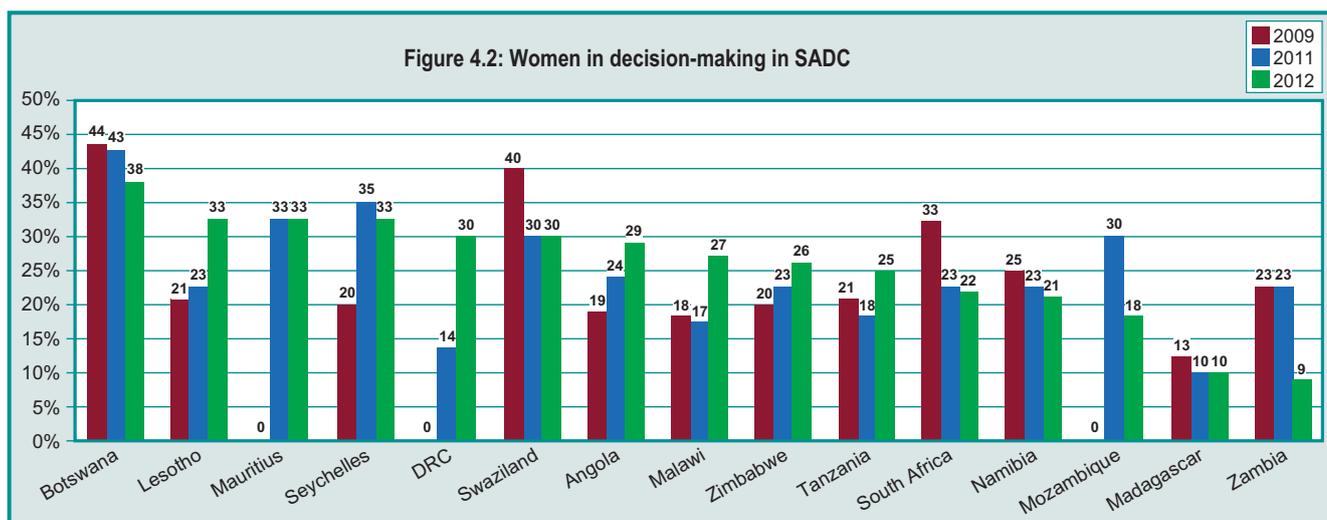
The Protocol provides that state parties shall, by 2015, ensure equal participation by women and men in policy formulation and implementation of economic policies.

Regional comparison of women and men representation in economic decision making



Source: 2012 SADC Gender Protocol Barometer.

Figure 4.1 shows that since the Barometer began tracking this indicator, overall there has been steady, albeit slow, progress towards achieving 50% of women in economic decision-making positions in SADC countries. From 2009 to 2012 women's participation in economic decision-making in roles such as ministers and deputy ministers, permanent secretaries in finance, economic planning and trade as well as governors of the reserve bank has gone up from 18% to 25%; that is seven percentage points increase.



Source: 2012 SADC Gender Protocol Barometer.

Figure 4.2 shows that Malawi performs relatively well in the region, ranking sixth out of the 15 SADC countries. Botswana, Swaziland and Lesotho top the list in terms of women representation.

Breakdown of women in economic decision making positions in Malawi

Table 4.2: Women and men in economic decision-making in Malawi

	Name	Male	Female
Minister of Finance	Hon Dr. Ken Lipenga	✓	
Deputy Minister of Finance	Hon. Ralph Pacharo Jooma, MP	✓	
Permanent secretary/DG	Radson Mwadiwa	✓	
Permanent secretary/DG	Dr. Ted Sitimawina	✓	
Minister of Trade and Industry	Hon John Bande	✓	
Permanent secretary/DG	Mr. Nuwby Kumwembe	✓	
Governor of the Central or Reserve bank	Mr. Charles Chuka	✓	
Deputy governors of the Reserve Bank	Mrs Mary Nkosi		✓
	Dr. Naomi Ngwira		✓
	Dr. Grant Kabango	✓	
President	Joyce Banda		✓
Total	11	8	3
Percentage		72.2%	27.2%

Source: Reference Group - 2012, Media Reports, Government website.

Table 4.2 shows that women hold only 27.2% of the economic decision-making positions. More needs to be done to ensure more women join the ranks, as with political will it is possible.

Policies and initiatives

Many policies recognise the relevance of gender and the need to empower women. The policy of the Trade and Industry Ministry regards a woman as a legal entity in fair trade. The small and medium enterprise policy encourages women to conduct businesses. Women engaged in cross border trading are not taxed for small quantities of goods. The Business Licensing Act and the Weights and Measures Act do not discriminate against

women but there are no affirmative measures. Women have difficulty in raising license fees for example, so affirmative measures would go a long way in assisting them start up larger scale ventures and join the mainstream economic sector.

The Gender Desk on trade issues in the Ministry of Industry and Trade is responsible for gender mainstreaming. The Federation of National Associations in COMESA (FEMCOM), which is chaired by the National Association for Business Women (NABW), promotes women's economic empowerment including initiatives such as micro financing for women, women entrepreneurship and business management.

Gender budgeting



The Protocol provides that State Parties shall ensure gender responsive budgeting at the micro and macro levels including tracking, monitoring and evaluation.

Budgets are a government's most important policy instrument, shaping social and economic development and reflecting priorities for action. They outline how much will be spent on health care, military or education, what taxes may be introduced, increased or decreased, strategies for increasing employment or access to housing, and every other activity of the government. Although budgets may appear to be gender-neutral policy instruments, expenditures and revenue collection can have different effects on women and men.

If governments and relevant stakeholder do not provide financial support to gender-related programmes and initiatives, the SADC protocol targets will not be reached. Malawi has is making some progress on the gender-responsive budgeting agenda. The Ministry of Gender,

Children and Community Development (MoGCCD) has provided gender budgeting awareness training to public sector officers at different levels, including principal secretaries, directors of planning and budgeting officers, and gender focal point officers. The ministry has also developed and disseminated guidelines on gender responsive budgeting. Officers from the Ministry of Gender were appointed to seven key ministries to provide technical support on gender budgeting.

However, so far initiatives on gender budgeting have been fragmented and have not had a huge impact. Fender focal points are yet to be established in the Ministry of Finance and Development Planning (MoFDPC).

Costing

Government/Agency allocation on responsive gender budgeting:

- In 2009, the government allocated K400, 000 equivalent to US\$ 1,331 to orientate gender focal point officers specifically on gender responsive budgeting (GRB).
- In 2010, the government allocated K97, 500 equivalent to US \$ 325 for GRB.
- In 2010, UNDP and UNFPA allocated K2, 800,000 equivalent to US\$ 9,320 to orientate 80 district council officers.
- In 2011, UNFPA allocated K1, 605,400 equivalent to US\$ 5,510 to implement a project on GRB within the ministry of Gender.



Women informal traders contribute significantly to the economy.

Photo: Frank Windeck

Time use



The Protocol provides that, by 2025, state parties shall conduct time use studies and adopt policy measures to ease the burden of the multiple roles played by women.

The 2010 national Gender Development Index (GDI) published by the National Statistical Office (NSO) and the Ministry of Gender, Children and Community Development showed that, women spent more time in domestic, care and volunteer activities compared with men. It also showed that there is a gap in the time spent in market activities as either paid employees or self-employed individuals. Here men recorded a higher number of hours spent than their female counterparts.¹

The 2005 NSO report also showed that among persons aged 15 or older, 90% of women undertook domestic tasks compared with 24% by men. Women spent 7.7 hours each day on household chores compared with men, who spent as little as 1.2 hours per day doing the same activities. The figures exclude time spent on childcare. The implication is that women compared with men spend less time on economic activities.

These population averages conceal the even higher proportion of hours spent on domestic tasks by women who are in the 25 to 45-year age group. Women in this age group do most of the reproductive and productive work, with heavy responsibilities for childcare, family care and for providing sustenance to their families. Although they are most in need to engage in economic activities, they have least time to do so.

Another study completed in 2010 as part of producing the GDI, confirmed findings of the 2005 studies that women spend more time in domestic care than men. That study included volunteer activities and found that men spend more time at the “market” (commercial activities). The GDI, however, is not sufficiently explicit in detailing the justifications for the greater number of hours that women spend on their triple roles. An outcome is that the National Gender Machinery and other stakeholders should dedicate more resources to time studies in a systematic way.



Women assume unpaid domestic tasks, which take up a lot of time from a young age. Right - a young girl carrying litter as she assists in cleaning the house - Lilongwe, March 2012. Photo: Loveness Jambaya Nyakujarah

Economic empowerment



The Protocol provides that state parties shall by 2015:

- *Adopt policies and enact laws which ensure equal access, benefits and opportunities for women and men in trade and entrepreneurship, taking into account the contribution of women in the formal and informal sectors;*
- *Review national trade and entrepreneurship policies, to make them gender responsive;*
- *Introduce affirmative action measures to ensure that women benefit equally from economic opportunities, including those created through public procurement processes.*

¹ Government of Malawi, (2010). Gender and Development Index, 2010. Ministry of Gender, Children and Community Development and the National Statistical Office, p. 9. Available at: [http://www.nso.malawi.net/images/stories/data_on_line/economics/Gender/MALAWI%20GENDER%20AND%20DEVELOPMENT%20INDEX%20April 2010_Final.pdf].

Trade and entrepreneurship

Although women benefit from entrepreneurship training they cannot always put into practice what they learn. Some banks allow women to take out loans with less restrictive conditions, but most still require high collateral.

Informal trade

The Trade and Industry policy (1998) mentions the importance of informal sector in domestic trade. The policy statement provides that government shall: (a) Take remedial measures such as countervailing duties, anti-dumping measures and safeguards to protect domestic manufacturers and traders; (b) Ensure decentralisation of the registration of business names under the Business Names Registration Act; and (c) Ensure flexibility in the period of validity of business licenses. However, the policy does not have specific interventions for women in the informal sector.

Women are largely engaged in informal trade, because many lack the means to progress to higher levels of trade. The 2002 Micro finance Policy and Action Plan puts in place non-discriminatory conditions for financial loans. However, even when women obtain loans, men sometimes continue to control businesses owned by women.



Men too are involved in the informal sector. A man selling eggs and cooking oil at an informal market in Lilongwe. Photo: Gender Links

Moreover, women in the informal sector have become even more vulnerable during the economic recession, suffering the impact high prices of raw materials and taxes increases.

Procurement

Malawi's Public Procurement law does not segregate between women and men when it comes to public procurement. Women are increasing breaking into new areas; for example, the government has awarded contracts in the construction sector to many women though exact figures are unavailable.

Property and resources



The SADC Protocol provides that by 2015 state parties shall review all policies and laws that determine access to, control of, and benefit from, productive resources by women.

Access to credit is difficult for poor families, particularly poor women. The Malawi Poverty Vulnerability Assessment Report (2006) indicates that 12% of the households reported that both formal and informal credit institutions prefer to lend households that are more endowed in both land and income.

The 2002 Malawi National Land Policy requires that individual and family titles to customary land be registered in the names of all nuclear family members (husband, wife, and children). In the event of death of a husband or wife, the spouse inherits the land. This deals with land tenure insecurity associated with the household land in the cases of matrilineal or patrilineal marriages.

Property grabbing or dispossession has been a major problem, denying the woman of her matrimonial property rights. The amendments to the Wills and Inheritance Act made provision for the prosecution of 'property grabbers'. See Chapter one to read more about the Act. However, evidence shows that the provision has not been effective because the requisite public prosecutors have not yet been appointed.

The 2006 Food Security Policy recognises women's role in food production and has helped in facilitating access to credit for farmers.

Policies and Initiatives

Malawi has a number of economic empowerment

policies. For example, the micro finance policy provides for the development of micro finance and identifies the major stakeholders critical to implementation of the policy. However, it falls short of making specific affirmative action for women entrepreneurs.

The Micro Finance Act stipulates that the primary business of micro finance institutions is the provision of micro finance service to small or micro enterprises, low- income customers, financially undeserved customers. The assistance should include microcredit, micro insurance and micro leasing. There is no clear definition of the beneficiaries or the disadvantaged groups. Women are not specifically mentioned as a disadvantaged group.

In addition, the Financial Cooperatives Act 2010 does not create specific savings and credit cooperatives (SACCOs) for women or disadvantaged groups. There is no mention of any affirmative action for disadvantaged groups, such as women. However, the Act provides for the regulation and supervision of financial savings and credit cooperative societies. The Act should help women to invest and borrow money and conduct business. In particular, Section 19 provides for permissible activities of SACCOs.

There are some innovative initiatives specifically for women, such as 'Pamtongo', which is linked to SACCO and the Malawi Union of Savings and Credit Cooperatives (MUSCO). Women are supposed to mobilise 10-15 members. They contribute money and open a bank account with a SACCO.

The Ministry of Gender, Children and Community Development (MoGCCD), in collaboration with stakeholders, are reviewing the Malawi National Economic Empowerment Policy. This policy is a tool to ensure that women's economic empowerment is mainstreamed in economic interventions.

Overall, there has been progress, but one of the major challenges is that most women have little or no knowledge of land laws and policies. According to a baseline survey on women and land rights conducted by ActionAid and NiZA in Dowa district, 84% of women had no knowledge of land laws and policies. Likewise, in Mzimba district, 72% of women farmers were unaware of their rights to land. Moreover, 27% of women who claimed to know their land rights actually knew only about traditional land laws and not statutory ones.



More favourable economic policies are required for women to scale up their businesses. A woman hairdresser. Photo: Gender Links

Employment



The Protocol provides that by 2015, state parties shall review, amend and enact laws and policies that ensure women and men have equal access to wage employment in all sectors of the economy. It also provides for equal pay for equal work, eradication of occupational segregation and maternity and paternity benefits.

According to the 2011 National Statistics Office (NSO), 437,577 men are in formal employment compared to 107,980 women. Therefore, women only make up 20% of the formal employment workforce. Malawi's minimum wage is only MK178.25 (about U\$1.17) per

day. The Malawi Congress of Trade Unions notes that the wage is extremely low.

According to the 2008 population census of 13 million people, a total of 5,787,769 people are economically

active. Out of this population, 5,615,918 are employed and 1,718, 51 are unemployed. Out of the working age population, 50.2% were males and 49.8% were females. The 2008 Population and Housing Census also highlights that manufacturing, construction, electricity and water are male-dominated, while more women worked in agriculture and fishing making up 53% of those employed in the sector. Wholesale and retailing records more males at 56%. However, women make up 62% of those employed in hotel and food services.

Labour force participation of women and men

Labour force participation, which is the number of people employed within an economy, and those who are unemployed but are looking for a job. These people

of “working-age” are between the ages of 16 - 64 years. Students, homemakers and retired people under the age of 64 are not counted as part of the labour force. In Southern Africa, labour force participation for women continues to lag behind that of men.

Employment policies, laws and initiatives

The Constitution of Malawi (No. 24 of 1994) is specific in mandating gender equality (section 13) and prohibiting discrimination (section 23). Section 24 elaborates the rights of women. However, how these rights are to be enforced is not specified other than in the general provisions of section 46 of the Employment Act, referring to the Ombudsman and the Human Rights Commission.



Women pushing the boundaries as they break gender stereotypes in employment. From right front: Fanny Chigunda, Newton Chirara, Isabel Njolonde, Mabvuto Ntala and Dennis Tsamvu - Lilongwe, March 2012.

Photo: Loveness Jambaya Nyakujarah

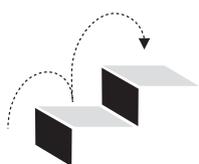
Table 4.3: Conditions of employment

Provision	Yes/No	Provisions
Maternity leave	Yes	Employment Act Section 47.
Paternity leave	No	Public debate on the issue.
Sexual harassment	Yes	Penal code criminalises sexual harassment.
Night work	Yes	No restrictions.
Same retirement age and benefits for women and men	Yes	Section 5(1) No person shall discriminate against any employee or prospective employee on grounds of race, colour, sex, language, religion, political or other opinion, nationality, ethnic or social origin, disability, property, birth, marital or other status or family, responsibilities in respect of recruitment, training, promotion, terms and conditions of employment, termination or other matters arising out of the employment relationship.

Source: The Employment Act.

The Employment 1999 Act (No. 6 of 2000) has some encouraging clauses:

- maternity leave and maternity allowance: a female employee shall be entitled, within every three years, to at least eight weeks maternity leave on full pay (section 47).
- paid holiday: every employee shall be entitled to a period of annual leave with pay of not less than (a) 18 working days if he/she works six days a week, and (b) 15 working days if he works five days a week, of paid leave is given per year (section 40).
- paid sick leave: an employee shall be entitled, after completing 12 months' continuous service, to at least four weeks sick leave on full pay and eight weeks sick leave on half pay during each year (section 46).
- overtime payment: for each hour of overtime an employee shall be paid at the hourly rate of no less than one and one-half his/her wage for one hour and four each hour of day off overtime, an employee shall be paid at the hourly rate of no less than twice his wage for an hour (section 39).



Next steps

- Women need to be empowered to take up more economic-decision making positions perhaps through affirmative action measures in institutions and government is needed.
- Initiatives to increase women's access to credit and training need to be scaled up.
- A campaign is needed to raise public awareness about existing land policies and legislations, particularly focusing on women's rights to land.
- Intensify gender responsive budgeting training and encourage all line ministries to allocate resources for gender mainstreaming.
- Economic literacy for women and men in informal trade in particular.