

BHUTAN GENDER POLICY NOTE



Royal Government of Bhutan
National Commission for Women and Children
Social Development Team, South Asia Region, World Bank
AusAID

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THE WORLD BANK GROUP
BHUTAN GENDER POLICY NOTE

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ROYAL GOVERNMENT OF BHUTAN, NATIONAL COMMISSION FOR WOMEN AND CHILDREN,
SOCIAL DEVELOPMENT TEAM, SOUTH ASIA REGION, WORLD BANK AND AUSAID

Foreword

The National Commission for Women and Children (NCWC) is pleased to present the Gender Policy Note (GPN) 2013. This document is based on close collaboration between NCWC and the World Bank as well as consultation with gender stakeholders and interagency participation. Key objectives of this report are to review achievements on gender equality Bhutan has made and areas where more needs to be accomplished or understood in order to address remaining barriers to poverty reduction and sustainable economic growth. It also provides policy recommendations aimed at improving gender equality in Bhutan. The GPN has been jointly created as an evidence-based document to cover the critical gender issues of concern, in a way that helps NCWC and other key national agencies compellingly advocate for greater attention to gender equality and more action by all stakeholders.

Gender is a multi-dimensional issue and there is no single solution to achieve gender equality. The analysis of the GPN focuses on aspects of the economic empowerment of both men and women, applying the analytical framework of the 2012 World Development Report on Gender and Development to the Bhutan context. Specifically, the report focuses on two areas where gender gaps still persist: agricultural land holding and inheritance practices, and gender gaps in labor markets and job quality. Over the past few decades, Bhutan has made considerable strides in closing gaps in gender equality. As Bhutan's economy continues to grow and living standard of Bhutanese elevated under the Gross National Happiness philosophy, Bhutan must act to eliminate gender gaps and foster a society where both men and women can thrive equally. Given that the few deep-seated cultural restrictions, Bhutan can make remarkable achievement on gender equality and be on par with leading nations of the world.

Finally, NCWC would like to acknowledge with deep appreciation the support all the stakeholders in their continued collaboration. Our sincere thanks extend to the World Bank for the technical collaboration as well as financial support in developing the Gender Policy Note. We believe, that the GPN is just a beginning to many collaborations with the World Bank.



Phintsho Choeden
Director General

Acronyms, Abbreviations, and Glossary

BLSS	Bhutan Living Standard Survey
BMIS	Bhutan Multiple Indicator Survey
CBS	Center for Bhutan Studies
Dzongkhag	Districts
FGD	Focus Group Discussion
GNH	Gross National Happiness
GNHI	Gross National Happiness Index
GPN	Gender Policy Note
ICA	Investment Climate Assessment
LFS/LFSR	Labor Force Survey/Report
MoE	Ministry of Education
MoLHR	Ministry of Labor and Human Resources
NCWC	National Commission for Women and Children
NSB	National Statistics Bureau
NGO	Non-Governmental Organization
OECD	Organization for Economic Co-operation and Development
RGOB	Royal Government of Bhutan
RQA	Rapid Qualitative Assessment
RCSC	Royal Civil Service Commission
SAR	South Asian Region
SIGI	Social Institution and Gender Index
SQA	Supplemental Qualitative Assessment
TVET	Technical and Vocational Education and Training
UNDP	United Nations Development Program
WDI	World Development Indicators
WDR	World Development Report

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Executive summary

Bhutan has undergone a major socio-economic transformation over the past few decades. Today, as a middle-income country guided by the unique development philosophy of Gross National Happiness¹, it continues to develop rapidly and become more integrated into the global economy. Coinciding with its development, Bhutan has also made considerable strides in closing gaps in gender equality. However, given that there are few deep-seated cultural restrictions, Bhutan also has the potential and ability to make even greater achievements in gender equality and be on par with leading nations of the world.

The analysis of the GPN focuses on specific issues related to economic empowerment. It analyzes patterns related to specific aspects of the economic empowerment of both men and women by applying the analytical framework of the 2012 World Development Report on Gender and Development to the Bhutan context. For the areas of focus, the report examines overall indicators on gender and identifies areas where gender gaps persist: (i) agricultural land holding and inheritance practices, and (ii) gender gaps in labor markets and job quality.

Matrilineal inheritance and land holding

In Bhutan, most women acquire land ownership through inheritance, particularly in matrilineal communities. Unlike in other countries, the matrilineal inheritance practice offers economic opportunities for Bhutanese women and contributes to their relatively equal status with men. Particularly in rural areas, land is important for both men and women as it confers direct economic benefits as a key input into production, and as collateral for credit that can be used for either consumption or investment purposes. To reap full economic benefits from land, it is also essential for women to have “agency” over land. In addition, land holding through inheritance can also affect economic choices, particularly the decision to remain in one’s village.

¹ For additional information on Gross National Happiness, including a description and methodology, see CBS’s website. <http://www.grossnationalhappiness.com/articles/>

Gender gaps in labor markets and job quality

Bhutan has made tremendous progress in female labor force participation, but the quality of jobs for women is still an issue. Although women's participation in the labor force has increased, it has not translated into improvements in employment quality. The Labor Force Survey shows that Bhutanese women work in lower quality jobs than men—women who earn income from work outside the home, their earnings are only 75 percent of men's earnings. Not only would improving job quality and productivity for women enhance gender equality, but it also could contribute to economic growth.

Three main causes of the job quality gap are identified from the data analysis: education endowment at the higher secondary and tertiary levels, sex segregation in the labor market, and gender roles in household chores and child care. The analyses also drill down to the root causes of these factors. In sum, gender roles in household chores and childcare represent constraints to women's opportunities at various stages of life in that they limit girls' study time, affect career choice, and impede career advancement. On the other hand, perceptions about gender roles have changed and are now more supportive of gender equality; Bhutanese society as a whole is of the opinion that women should work outside the home and that men should play a greater role in child care.

The report recommends policy interventions in five main areas:

- First, it promotes equal ownership and agency over land. The policy appears to be working well in most areas of the country, and families are moving toward equal inheritance. However, the agency of women to use land could be further enhanced so that women could gain better access to finance and economic opportunities.
- Second, women's economic endowment could be augmented to increase labor productivity and earnings. This can be done by improving academic performance of girls at the secondary level.
- Third, child care, along with vocational and life-skills training tailored for girls could women's access to good jobs.
- Fourth, social norms that lead to gender inequality could be addressed by promoting a greater role for men as fathers and caregivers and men's participation in housework. Moreover, gender equal attitudes could

be introduced to children through the distribution of equal household responsibilities among sons and daughters. Basic literacy, especially among women, could also be improved to encourage more open attitudes, expand women's agency to exercise their land rights, and enable them to be more connected with larger community.

- Finally, the report recognizes the need to conduct further research to better understand the gender gap in happiness.

Report Team and Acknowledgements

This Report was prepared by a team led by Aphichoke Kotikula (PRMGE) under the guidance of Maria Correia (Sector Manager, Social Development).

John Henry Stein (Sector Director, SASSD) and Robert Saum (Country Director, Bhutan) provided overall guidance.

Core team members were: Jennifer Solotaroff (SASDS), and Krishna Parajuli (SASEP). Lynn provided editorial support. Muhammad Shafiq and Rita Soni (SASEP) provided administrative support. Thanks also are due to Ugyen Lham and her staff at the Druk Associates for qualitative data collection.

This report benefits greatly from guidance and inputs from Phintsho Choeden, (Executive Director), Sonam Penjor (Senior Gender Program Officer), and Tshewang Ihamo (Asst. Program Officer) of the National Commission for Women and Children (NCWC).

This report draws on insights from the rapid qualitative assessments on gender and economic decision-making that were carried out as background for the WDR 2012 in 20 countries. The team thanks Carolyn Turk, Ana Maria Munoz Boudet, Patti Petesch, and Chona Echavez who worked to refine the qualitative instruments and supported training for fieldwork.

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1

Introduction and rationale of the report

1.1. Why gender is an important issue for Bhutan

Bhutan has undergone a major socio-economic transformation over the past few decades. Today, as a middle-income country guided by the unique development philosophy of Gross National Happiness², it continues to develop rapidly and become more integrated into the global economy. Gender equality is a core development agenda, globally as part of the MDGs, and nationally as outlined in Bhutan's Five-Year Plans and the National Plan of Action for Gender.

Not only is gender equality a core development objective in its own right; it is also smart economics. Increasingly, evidence from many countries around the world indicates that gender equality contributes to economic growth. For example, greater gender equality can enhance economic efficiency and improve other development outcomes, and reducing barriers to a more efficient allocation of women's skills and talents can generate productivity gains (World Bank, 2011a).

Bhutan, as a middle income country, has the capacity to make further progress on gender equality. Coinciding with its development, Bhutan has also made considerable strides in closing gaps in gender equality. However, given that there are few deep-seated cultural restrictions, Bhutan also has the potential and ability to make even greater achievements in gender equality and be on par with leading nations of the world.

1.1.1. Bhutan's progress on gender equality issues

Over the past few decades, Bhutan has made tremendous progress toward gender equality and development. Regarding education, for example, in 1970 very few girls attended primary schools; for every 50 boys, only 1 girl was enrolled.

Since then, great strides have been made in educating both boys and girls; gender

² For additional information on Gross National Happiness, including a description and methodology, see [CBS's website](http://www.grossnationalhappiness.com/articles/). <http://www.grossnationalhappiness.com/articles/>

parity in primary enrollment was achieved in 2008, with 88 percent enrollment of primary school age children (World Bank, WDI). Significant progress has also been made toward gender equality in other areas of human development. This development trend coincides with Bhutan's dramatic economic growth and poverty reduction.

Figure 1 Bhutan's steady economic growth and progress toward gender equality

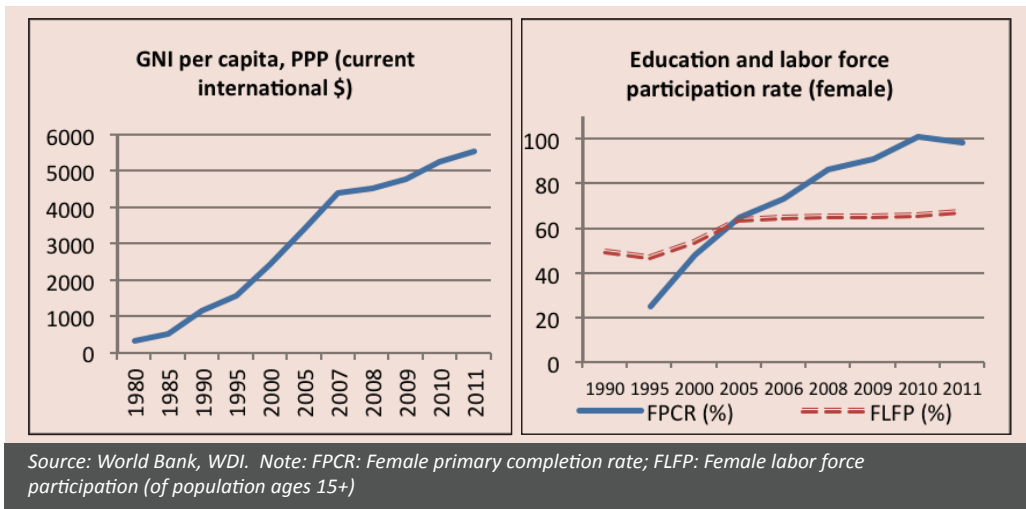


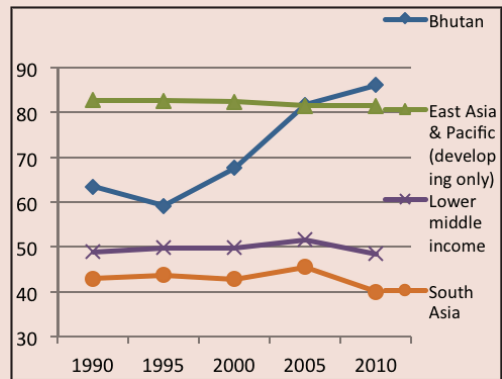
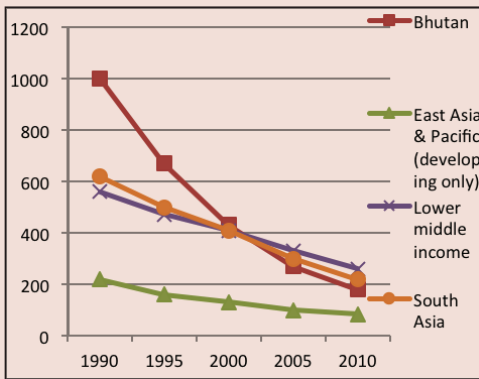
Figure 1 illustrates the **historical trends related to gender equality and development in Bhutan**. As seen above, per capita income has grown steadily over the past 30 years, from \$340 in 1980 to \$5,570 in 2011. During the same period, an increasing number of girls has received education and acquired skills. Increased investment of human capital in Bhutanese men and women has enabled them to become more productive members of the labor force and in turn, significantly contribute to the economy. In addition, more and more Bhutanese women are working in productive and diverse occupations. This trend suggests the importance of gender equality and development in Bhutan.

In the area of **health**, access to reproductive health services has improved. The use of modern contraceptive methods in Bhutan has increased sharply from 28 percent in 2003 to 65 percent in 2010 (BMIS 2010), higher than the South Asia and lower-middle income country averages of about 50 percent. Furthermore, as a result of improvements in health care for pregnant women, the maternal mortality rate has dropped dramatically over the past 20 years (Figure 2), from

1,000 in 1990 to 180 in 2010. It is worth noting that Bhutan has achieved this result at a much faster pace than the South Asia regional average and the lower middle-income countries average.

Figure 2: Maternal Mortality ratio, modeled estimates (per 100,000 live births)

Figure 3: Increasing trends toward equality in labor participation (Ratio of female to male labor force participation rate)



Source: The World Bank database, WDI

In terms of **economic opportunities for women, Bhutan has made considerable strides in women’s participation in the labor force.** The labor force participation rate of women is almost as high as that of men (67 percent vs. 72 percent) (WDI, World Bank). In addition, as shown in Figure 3, the ratio of the female to male labor force participation rate is about 86 percent, which is especially impressive if one compares this figure with those of other countries in the region or lower middle-income countries.

Yet despite this progress, women still face disadvantages in the labor market. While female labor force participation in Bhutan is high, there is a gender gap in employment quality; that is, jobs held by Bhutanese women compared to those held by Bhutanese men tend to pay less and are less secure. According to the 2011 Labor Force Survey (MoHLR, 2012), only 6 percent of female workers hold jobs as regular paid employees, compared to 18 percent of male workers (MoLHR, 2012). The share of women is even smaller at the top of the career ladder. Among executive-level civil servants, only 7 percent are women (RCSC Statistics).

Bhutan's matrilineal inheritance practice also presents a unique gender dimension. Under the matrilineal inheritance system, which is practiced in some regions of Bhutan, agricultural land and other property such as livestock is usually inherited by the eldest daughter. However, inheritance practices vary by region. In the western part of the country, the matrilineal practice is common; but in the southern region, and to a smaller extent the eastern region, the inheritance practice is from father to son. In the entire country, about 60 percent of rural women have land registered in their names. In addition, 45 percent of property titles in urban areas (shares, buildings, and licenses) were registered to women (SIGI, 2012).

1.2. Purpose and organization of the report

This Gender Policy Note (GPN) aims: (i) to review achievements made in addressing gender issues, highlighting good examples for other countries, and (ii) to review the areas where more needs to be accomplished or understood in terms of addressing remaining issues (labor markets and job quality, land inheritance), and (iii) to provide policy recommendations aimed at improving gender equality. The GPN relies on the analytical framework of the 2012 World Development Report on Gender and Development; along with quantitative and qualitative data collected in Bhutan.

The report is organized as follows. This Introduction discusses the rationale of the report and the status of gender equality in Bhutan. Chapter 2 presents a description of the data and methodology as well as the areas of focus, and Chapter 3 discusses key findings related to the matrilineal inheritance practice and job quality. Finally, Chapter 4 proposes policy actions to improve gender equality, and Chapter 5 concludes the report.

2

Methodology

Approach

The analysis of the GPN focuses on specific issues related to economic empowerment. It analyzes patterns related to specific aspects of the economic empowerment of both men and women by applying the analytical framework of the 2012 World Development Report on Gender and Development to the Bhutan context. For the areas of focus, the report examines overall indicators on gender and identifies areas where gender gaps persist. Specifically, the GPN focuses on the remaining gender gaps that have not been previously explored or studied.³ Based on the diagnostics, it will examine the following issues: (i) agricultural land holding and inheritance practices, and (ii) gender gaps in labor markets and job quality.

WDR framework: Gender equality and Economic Development

The 2012 World Development Report on Gender and Development (WDR 2012) features an intuitive analytical framework illustrating the relationship between gender equality and economic development (World Bank, 2011a - see Box 1). As shown in the framework, markets and institutions, which are driven by economic growth, affect individuals and households. Looking at individuals as workers, productivity gain is a channel through which gender equality can influence economic growth. The WDR 2012 also shows that in a range of countries, eliminating barriers that discriminate against women working in certain sectors or occupations can increase labor productivity by as much as 25 percent.

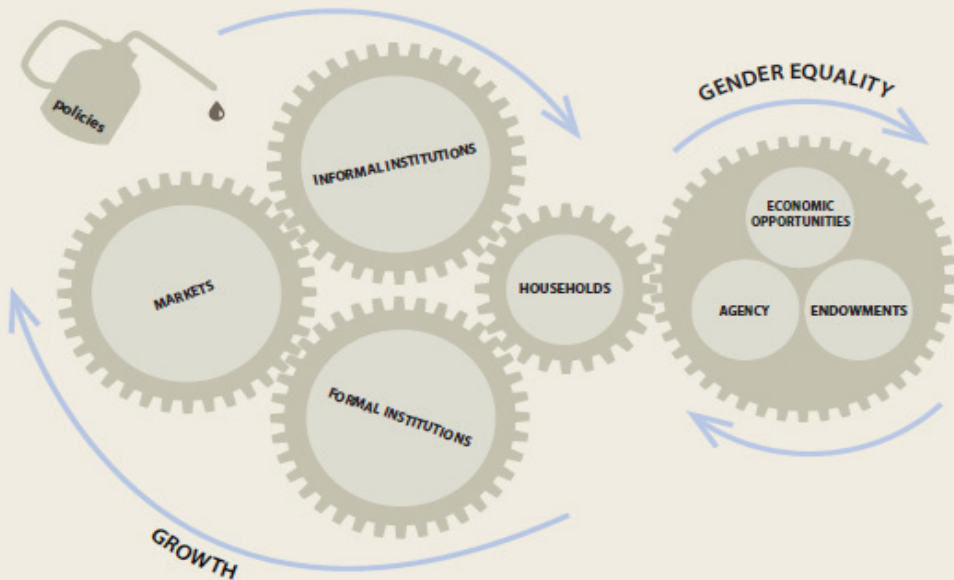
In Bhutan, women currently represent 48 percent of the country's labor force and 55 percent of its agricultural labor force. In this regard, productivity will be increased if their skills and talents are used more fully. Furthermore, additional productivity gains can be realized if more women are able to access labor markets and have greater career mobility.

³ *Issues related to political participation and gender-based violence, which have been addressed by NCWC with support from UNDP, are not examined in this Gender Policy Note.*

Box 1: 2012 World Development Report analytical framework

The 2012 World Development Report (WDR) framework is illustrated by interconnected gears representing markets, formal and informal institutions, and households. Propelled by economic growth, the gears representing markets and institutions turn, moving the household gear. The combined movement of these gears ultimately triggers the turning of the gear representing gender outcomes, thus increasing gender equality. One can also imagine the movement going in the opposite direction— that is, with the gender equality gear moving those representing households, markets, and institutions, ultimately generating higher economic growth.

FIGURE 1 Gender outcomes result from interactions between households, markets, and institutions



Source: World Bank, 2011a

Data sources

The GPN uses both quantitative and qualitative data in Bhutan to explore the determinants of gender differences in various forms of economic empowerment. In terms of *quantitative* data sets, the report uses the following: (a) the national household survey (BLSS 2007), (b) Bhutan Multiple Indicator Survey (BMIS) 2010, and (c) various rounds of Labor Force Surveys between 2009 and 2011.

In addition, the analysis in this report also uses two rounds of *qualitative* data: (i) the Rapid Qualitative Assessment (RQA) collected in 2010,⁴ and the Supplemental Qualitative Assessment (SQA) collected in 2012. The fieldwork for both rounds of *qualitative* data was conducted in four communities located in four Dzongkhag: Thimpu, Paro, Mongar, and Samtse (the actual names of the communities are being withheld for privacy reasons.) The locations were selected to cover three regions—western, eastern, and southern—as well as to cover both richer and poorer cities, as well as wealthy and poor villages. (See Annex 1 for a detailed description of the data.)

⁴ *The Rapid Qualitative Assessment was part of a World Bank initiative to collect comparable qualitative data related to women's empowerment. The surveys were conducted in about 20 developing countries, including Bhutan (see Turk and Pattesh, 2010 for the instrument and Boudet et al., 2012 for the global synthesis report).*

3

Findings

3.1. Matrilineal inheritance and land holding

Land is important for both men and women as it confers direct economic benefits as a key input into agricultural production, as a source of income from rental or sale, and as collateral for credit that can be used for either consumption or investment purposes. Studies in other countries also show that women's rights to land and natural resources can impact women's empowerment as well as household welfare (World Bank, 2005).

In Bhutan, most women acquire land ownership through inheritance, particularly in matrilineal communities. Unlike in other countries, the matrilineal inheritance practice offers economic opportunities for Bhutanese women and contributes to their relatively equal status with men. To reap full economic benefits from land, it is also essential for women to have "agency"⁵ over land under their name. In addition, land holding through inheritance can also affect economic choices, particularly those related to education, occupation, and the decision to remain in one's village in order to look after aging parents and ancestral land. In this section, the GPN will discuss findings concerning economic benefits and constraints related to matrilineal inheritance practices.

Patterns of inheritance practices

Regional variations: In western and central Bhutan, inheritance follows matrilineal family systems by which land is usually inherited through the mother, while in the south, patrilineal inheritance norms are prevalent (SIGI, 2012). As mentioned earlier, an estimated 60 percent of rural women have land registered in their names, and 45 percent of property titles in urban areas (shares, buildings, and licenses) were registered to women (SIGI, 2012). Data from the qualitative survey conducted for this report show that parents prefer bequeathing land to female children in three survey sites--Paro, Mongar, and

⁵ "Agency" refers to an individual's (or group's) ability to make effective choices and to transform those choices into desired outcomes. Agency can be understood as the process through which women and men use their endowments and take advantage of economic opportunities to achieve desired outcomes. Thus, agency is key to understanding how gender outcomes emerge and why they are equal or unequal.

Thimphu--while preferences for bequeathing land to male children are prevalent in Samtse. In this regard, the rationale behind Bhutan’s traditional inheritance practices appears to be linked to the care of aging parents. This variation reflects local traditions and religions (Table 1). Regarding the question, “Have you inherited property from your parents?,” most women in dzongkhags other than Samtse inherited property except those whose families did not own any property. Among those male individuals who inherited property, some did not have sisters, and the property was divided among the sons.

Table 1 Property inheritance practices by survey sites: number of responses indicating gender of FGD participants who inherited land

Dzongkhags	Female	Male	None
Samtse	1	8	4
Monggar	10	2	2
Paro	11	1	1
Thimphu	8	3	1

Source: RQA, 2010. Note: The table shows the number of responses during all youth and adult focus group discussions. Responses can be collective, and therefore represent more than one respondent.

Generational variations: There is a shift toward gender equal inheritance. The practice among matrilineal communities is that the eldest daughter receives the largest share of the land because she will take care of elderly parents. However, the data, which is summarized in Table 2, show that the younger generation tends to favor inheritance by all children, regardless of gender. Both male and female elderly and adult groups cite the Land Inheritance Act as the main reason for the tendency of the younger generation to bequeath land to both male and female children equally. For example, during a focus group discussion, an adult male participant mentioned, “It can be very litigious because now that there are laws stipulating individual rights, compensation is larger, and people are aware of the law” (World Bank, 2011a). In some cases, participants in elderly focus groups also cited perceptions of justice as the reason for the shift towards gender equal inheritance (SQA, 2012).

Table 2: Changes in Bhutan's land inheritance practice over generations

	Males	Females
Elderly	<ul style="list-style-type: none"> · Strictly by local norms. · Matrilineal: men inherit only when parents have no daughters 	<ul style="list-style-type: none"> · Matrilineal: women inherit parental property. · The majority of property is passed down to the child who chooses to stay with parents
Adult	<ul style="list-style-type: none"> · Matrilineal: men inherit property equally when there is no daughter or a small portion of land is passed down to sons. · Patrilineal, few parents give a small portion of their land to daughters. 	<ul style="list-style-type: none"> · Prefer to distribute equally among their girls and boys, · But some will give a bigger share to the child who will look after them in their old age
Youth	<ul style="list-style-type: none"> · Matrilineal: both genders equally. · Patrilineal: prefer sons had it not been for the law 	<ul style="list-style-type: none"> · Matrilineal: equal share. · Patrilineal: larger share to boys because they are responsible for taking care of elderly parents

Source: SQA, 2012

Economic opportunities from matrilineal inheritance and land ownership

In order for women to reap the full potential of land ownership, they need to be able to exercise control over it. Because of matrilineal inheritance practices, women tend to be the legal owners of property (land and houses). Land ownership through inheritance provides an advantage for women in business. For example, the 2009 Enterprise Survey reports that female entrepreneurs did not cite access to land as an obstacle to establishing businesses and conducting business.

Despite land ownership, women receive limited economic benefits from land.

First of all, in Bhutan, land is often not used as collateral for lending.⁶ According to the 2009 Enterprise Survey, land and buildings are used less often than other assets; only 45 percent of businesses used land and building as collateral, while 73 percent used personal assets, and 63 percent used machinery and equipment. Moreover, difficulties to sell land or rent it out further limit economic benefits for women.

Second, decision-making power over land often remains with husbands. In this regard, the qualitative study shows that inheriting land does not necessarily empower women to make economic decisions. In addition, opinions on this issue vary by sex. According to focus group discussions, male participants said that they consult their wives and families when making decisions regarding land.⁷ But decisions are actually made either jointly or solely by men. When women are the sole decision-makers, it is mostly in cases when men are absent or incapable (sick or alcoholic).

The matrilineal inheritance practice as a constraint to women's economic opportunities

As Bhutan's economy grows, new opportunities emerge in urban areas. Among youth, a significant number of both female and male focus group participants said it was necessary to migrate to urban centers to get good jobs. They emphasized that opportunities to enhance their skills are limited in remote villages. Young people tend to migrate to cities following secondary school graduation; however, the emotional attachment related to inherited

property and the responsibility of looking after elderly parents limit women's

⁶ The Loan Act of 1981 provides women with independent access to bank loans and other forms of credit.

⁷ Participants also shared that the current law regarding the sale of land requires the consent of all family members above the age of 18.

migration and mobility, which in turn hinders their chances of pursuing higher education and getting better jobs.

Land ownership could be an obstacle to the migration of women for work opportunities and skill acquisition. According to both male and female focus group participants, the challenges for women in migrating for employment are greater than men's. According to Wangmo, a female youth participant in a focus group discussion in Paro, *"This is because men are usually independent and they usually do not inherit parents' property in our community."* (RQA, 2010). In addition, Parbati, a female youth participant in Samtse, added, *"A woman has obligations to her family before her marriage and after her marriage, she has obligation to her husband and in-laws. Her life is full of restrictions"* (RQA, 2010).

3.2. Gender gaps in labor markets and job quality

Bhutan has made tremendous progress in female labor force participation, and now surpasses the East Asia and Pacific average. However, the quality of jobs⁸ for women is still an issue. Jobs held by Bhutanese women compared to those held by Bhutanese men tend to pay less, be less secure, or lead to poverty. Not only would improving job quality and productivity for women enhance gender equality, but it also could contribute to economic growth. This section will discuss the gender gap in job quality and the reasons behind it.

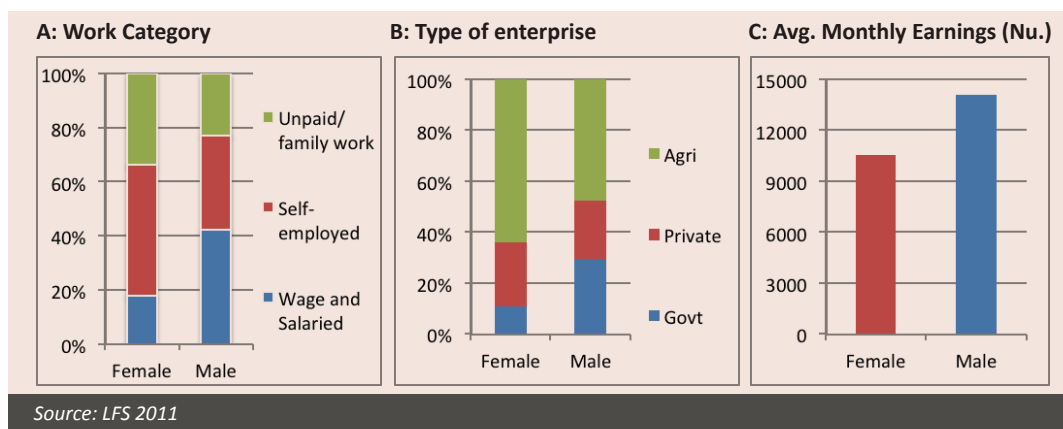
The discussion here begins by looking at the nature of the problem in the labor market, and the fact that while female labor force participation is high, women lag behind men in terms of the quality of jobs. It then focuses on three possible explanations of gender gap in job quality. First, it examines workers characteristics with an emphasis on education levels and the gender gap in tertiary education in particular. Then the discussion centers on gender segregation in Bhutan's labor markets and concludes with an examination of perceptions of gender roles and housework and how they affect women's career advancement.

⁸ In terms of job quality, better jobs are those associated with higher (average) wage rates and lower poverty rates (World Bank, 2011b).

Nature of the problem in the labor market

The Labor Force Survey shows that Bhutanese women work in lower quality jobs than men.⁹ Although women's participation in the labor force has increased, it has not translated into improvements in employment quality. According to the 2011 Labor Force Survey Report, there was little gender disparity in terms of overall employment (with labor force participation rates of 72.3 percent for males and 67.4 for females); however, the quality of jobs held by women tends to be inferior to that of men. This observation is supported by the fact that women tend to work in low-paying sectors such as agriculture, which accounts for 68 percent of all female workers (compared to only 53 percent of male workers (see Figure 4, panel B). Moreover, 34 percent of female workers are family workers (who are usually unpaid), as opposed to only 24 percent of male workers (see Figure 4, panel A). And most importantly, among the small percentage of women who earn income from work outside the home, their earnings are only 75 percent of men's earnings (see Figure 4, panel C).

Figure 4: Labor market profile shows that women hold lower quality jobs



⁹ The findings corroborate findings of the 2010 Investment Climate Assessment's workers survey that women tend to have lower job quality than men in the labor force.

Women also have poorer prospects for career advancement. In the public sector,¹⁰ for example, opportunities for careers are more limited for women.

In the public sector, women account for 32 percent of all civil servants, but fewer women hold high-level positions compared to their male counterparts. Only 4.76 percent of executive-level civil service positions (9 out of a total of 189 executive civil servants) were occupied by women. However, the trend is encouraging; since 1996, there has been a steady increase in the number of women entering the civil service. Between September 2000 and June 2011, the percentage of women in the civil service increased from 21 percent to 32 percent (RCSC, June 2011).

Explanations of gender gap in job quality

What explains the differences in job quality between men and women in Bhutan? Worker and job characteristics—such as education, age, locations, types of jobs, etc.—are the main factors in the gap in earnings. In addition to these observable characteristics, other factors that are not easy to measure quantitatively are also important. In this regard, focus group participants indicated that gender differences in physical strength, gender roles, and perceptions are significant factors related to the gender gap in employment. The following paragraphs discuss explanations beyond standard labor economic analysis that may explain the gender earnings gaps in Bhutan.

Among workers' characteristics, education has the largest impact on earnings, especially those above the secondary level. The regressions results show that all levels of education are statistically significant determinants of earnings. In addition, women's returns to education at the secondary and higher secondary levels are higher than those of men. That is, having a higher level of education helps mitigate the negative effect of the gender earnings gap. Furthermore, having vocational training also improves earnings among both male and female workers.

Direct wage discrimination is not the cause of the gender earnings gap. Even after accounting for observable differences in worker and job characteristics, a significant fraction of the gender earnings gap remains unexplained. This implies that there are other factors besides workers' characteristics behind it.

But qualitative survey results suggest that this unexplained earnings gap is not

¹⁰ Public sector jobs are the generally preferred jobs in Bhutan due to their prestige, job satisfaction, and high remuneration.

caused by direct labor market discrimination. Participants in adult and youth focus groups stated that there is no discrimination in wages and base salaries, and emphasized that wages depend on education levels and skills. They also suggested that the pay is equal in both the public and private sectors. According to participants in focus group discussions, the only exception to women and men earning equal wages has to do with unskilled labor jobs that require physical strength such as construction and farm work. Participants also explained that earning differences in white collar jobs occur because men can accept more lucrative assignments such as overtime or those that require travel. On the other hand, as women tend to have domestic duties, they cannot take advantage of those opportunities.

A. Education and other endowment aspects: Gender Gap in Tertiary Education

The gender gap in tertiary education still persists despite the fact that Bhutan has closed gender gaps in other levels of education. According to the most recent education statistics for 2012, the enrollment of girls in tertiary education is lower than that of boys, with only 5 girls for every 7 boys enrolled at the tertiary level. Moreover, only 40 percent of the students studying in colleges and institutes within the Royal University of Bhutan are girls, and girls make up only 38 percent of students receiving scholarships to study in India and abroad.

Reasons for the persistent gender gap in tertiary education. Youth focus group discussions reveal two main factors that prevent girls from studying in universities. The most important factor is poor academic performance due to the obligation to do housework that leaves little time for study, and other factor is early pregnancy. (RQA, 2010)

Housework: The data show that housework is the major cause of poor academic performance and lower tertiary enrolment. All youth focus group discussion participants ranked this as the number one reason preventing women from attending university. Usually, students at the middle and high school levels need adequate time to study. However, because girls are often required to do housework, they therefore do not have time to study after school, and have poor academic performance.

Table 3: Responses “yes” from youth FGDS: Do you have sufficient study time?

Dzongkhag	Male Youth	Female Youth
Thimphu	All	six out of 12
Mongar	all	seven out of 10
Paro	All but one	All
Samtse	All	five out of 10

Source: SQA, 2012

Table 3 shows the number of respondents who reported that they had sufficient study time after school. The evidence suggests that female youth lag behind their male peers in terms of study time after school. In response to the question, “Do you have enough time to study after school?,” Rinchin, a participant in the female youth group in Thimphu said, “Not really, I was always helping my younger siblings with their homework or busy with household work, so I didn’t get much time for myself” (SQA, 2012).

Early pregnancy: The 2010 qualitative survey suggests that early child-bearing is a contributing factor to the gender gap in tertiary education. Pema, a young woman from Mongar, said, “This year during the first term, one girl left school because she was pregnant, and last year we had two girls who left school” (SQA, 2012). The quantitative data also support this finding; the adolescent fertility rate¹¹ of Bhutan is 47 per 1,000 in 2010, more than twice the East Asia average though lower than India’s. This becomes a problem as secondary enrollment in Bhutan rises (the gross enrollment rate was 77 percent in 2012, while the SAR average was only 55 percent in 2011).

B. Gender segregation in labor markets

Employment segregation contributes to gender gaps in productivity and earnings. The term *employment (or labor market) segregation by gender* refers to differences in the kind of jobs men and women perform. Such a pattern may occur due to voluntary selection of men and women into different sectors and occupations, primarily in response to their different responsibilities. That is, women are more likely to choose jobs that allow them to adjust working hours and to exit and enter the labor market more frequently and at a lower cost.

¹¹ The number of births per 1,000 of women ages 15-19.

Moreover, women tend to hold jobs that pay less; thus, differences in types of jobs bring about gender gaps in job quality. The labor force data show that there is employment segregation and that it is non-trivial. The earnings regressions (Annex 2) control for sectors of employment, but still an earning gap persists.

Table 4: Women concentrate in low- paying occupations

Earning category (Nu. Per month)	Avg. female worker share in occupation (%)
Less than 7,000	40
7,000-10,000	26
10,000-15,000	31
15,000-20,000	25
More than 20,000	25
Total	30

Source: LFS 2011, own calculation.

The 2011 Labor Force Survey data also reveal that **women tend to concentrate in low-paying occupations**. In this analysis, all occupations¹² in Bhutan are divided into five groups according to the occupation's average earnings (as shown in Table 4). The results show that women tend to concentrate in occupations that pay less. Occupations that pay less than Nu. 7,000 per month, such as textile, hand loom, and child care workers, have the highest concentration of women. By contrast, occupations that pay relatively well tend to have fewer female workers.

This issue can be illustrated further by focusing on occupations in the same categories. For instance, an examination of men and women's jobs in the education sector, which has many level types of teaching professions, is instructive. The LFS shows that men tend to teach at a higher level and hence have higher quality occupations. Men account for 73 percent of higher education teachers and 61 percent of secondary school teachers. By contrast, women are over represented in the category of "other teaching professionals," and account for 69 percent of workers in that occupational category.

¹² Classified according to ISCO-rev4

What are the root causes of gender segregation? Analyzing the qualitative data, two main factors explain gender segregation in Bhutan: traditional gender roles and self selection.

First, perceptions of “men’s” and “women’s” jobs in current labor markets reflect traditional gender roles of men and women. With the aim of obtaining information about perceptions of preferred jobs for men and women, the qualitative survey asked “What determines whether certain jobs are more appropriate for men than women?” The qualitative data reveal that the key determinants of whether jobs are more appropriate for men or women are physical strength, mental toughness, and qualities such as being patient and persuasive and having a caring nature. In this regard, traditional attitudes toward gender roles are reflected in the association of occupations such as nurses and primary school teachers with women, which are usually at the lower rung of occupations in their respective fields. On the other hand, based on traditional gender roles, women are seen as being better at jobs in marketing, customer service, and negotiation. Other factors in people’s perceptions about what jobs are more appropriate for men and women include the location of jobs (in terms of distance from home), religious beliefs, existing norms that associate certain jobs with men, and whether or not there are precedents for men and women performing particular jobs.

Second, women self select into some types of jobs due to their role at home. A critical question is: “Are Bhutanese women choosing low-paying occupations?” The selection hypothesis relies on the notion that because of child care and other responsibilities, women are more likely than men to choose occupations that offer more flexibility and do not require large or continual investments in skills unique to a firm or group of firms, or occupations where skills do not depreciate significantly because of career interruptions (World Bank, 2011a). Furthermore, domestic duties such as child care and housework prevents women from taking on additional responsibilities that provide additional income such as overtime and travel per diems. As a result, men’s total earnings exceed those of women despite being paid an equal wage (RQA, 2010).

C. Perceptions of gender roles and career advancement

Women’s traditional responsibilities—most importantly, housework and child care— affect their dynamic labor market outcomes such as career advancement. In general, occupations are not static, but rather result from the dynamic process of career advancement and job changes. Investments are made in workers’ careers in the form of education, training, and professional achievement. But the constraint

related to time use for housework and child care often impedes women from such investments and therefore career development prospects. In this regard, the survey data reveal that norms and perception do affect women's ability to stay in the workforce and pursue career opportunities. A mini case study (see Box 2) illustrates the challenges that Bhutanese women currently face. Tshering's story also highlights the issue of the loss in the government's investment in human capital and the loss of productivity at the macroeconomic level.

Box 2: Mini case study: Balancing career and child care responsibility: the case of a mother's sacrifice

Tshering, who was born and brought up in a small town in south central Bhutan, is 38 years old and lives in Thimphu, the capital of the country. She comes from an affluent family by Bhutanese standards. Tshering's parents brought her up along with her three brothers, and provided their children with equal education and other opportunities. However, as Tshering was the only daughter in the family, her mother never missed an opportunity to remind her that "no matter how rich or educated a woman is; ultimately the responsibility of maintaining a home falls on her." Building on her own life experience, Tshering's mother drilled the message home of the importance for girls to do housework, gradually preparing Tshering for her future life. Therefore, Tshering was expected to help her mother in the kitchen and to carry out other household chores after school, even when they had several domestic helpers working in her house.

After Tshering earned her bachelor's degree from a reputable university in India, she moved to Thimphu in search of a good job opportunity. She started working in public sector, and within her first year on the job, she was offered several short-term opportunities to specialize in her work area, both inside the country and abroad. Gradually, Tshering proved herself and was soon considered one of the most capable employees in the organization. She moved up the career ladder quickly. She was also offered and accepted a government scholarship to pursue a master's degree at a renowned university in the US.

In her personal life, Tshering lived a routine life of a young working woman but never forgot what her mother had taught her over the years about women needing to be good homemakers and putting the family's interest before her own. She soon got married to a man who was also employed in the government sector. The young couple enjoyed happy times together and had a baby. Initially, as both Tshering and her husband were both working; they left their baby with a babysitter, who was untrained. However, Tshering always felt that she was neglecting her baby. Tshering recalled how she used to leave her office several times a day to feed her three-month old baby since there were no explicit office rules regarding the time frame related to breast-feeding. And although doctors had advised to breast-feeding her child until he was two years old, Tshering said that she had to stop breast-feeding her baby when he was about eight months old since her job required her to travel outside the country.

After another three years, she had her second child, an event which coincided with the peak of her career advancement. By then, she held a prestigious position in her office and had demanding job responsibilities. After three months of maternity leave, she and her husband took turns taking leave from the office since finding babysitters was very difficult and day care centers only accepted children only above three years of age. For Tshering, it became a daily struggle to balance work, child care, and household work. In addition, foreign domestic helpers, who were available in the past, were no longer allowed inside the country due to the government's new immigration policy. And hiring Bhutanese helpers was out of the question as no one was interested in doing such menial work.

Tshering's difficulty in balancing the demands of her work and child care responsibilities not only affected her personal life and health, but also impacted her work. Tshering could not meet a lot of work-related expectations, and it was a moral struggle to hang on to the job, while the children suffered from a lack of parental care. This left her with no choice but to quit her job, much to her disappointment. In addition, given the way she had been brought up, Tshering could not even consider asking her husband to quit his job even if he was not doing as well as she was career wise.

Tshering's youngest child is two years old now and is still not old enough to go to a daycare center. She is not happy with how her life has turned out and regrets quitting her job, especially because she is aware that based on current policies, once a person has resigned from a job, he/she cannot go back to that job. In this regard, she regrets not persuaded her office to grant her "extraordinary leave." Tshering is a full-time housewife now and feels guilty about not being able to make the most of her education and skills. She even feels that she has not done justice to the scholarship that she generously received and is unhappy about not being able to serve her country.

When interviewed about the issue of female unemployment and women not occupying high positions in the government in Bhutan, Tshering said that there were three key factors that influenced her decision to leave her job. The first factor had to do with her upbringing. Tshering felt that the way she was brought up by her parents played a crucial role in her decision to quit her job in order to focus on child care, because she did not feel that she could ask her husband to quit his job. The second factor had to do with her maternal instinct and the guilt she felt about not being able to take proper care of her children. And the third factor she cited had to do with government policies and the lack of child care options for children below three years of age in her community.

Tshering thinks that if there are no improvements in these areas, women will be forced to leave the labor force, even if they complete higher level (tertiary) education and are able to find excellent jobs. She is also convinced that many working women are affected by the constraints she mentioned and that there should be flexibility in workplace policies to incorporate flextime and create a more supportive environment for women's career growth. In addition, she feels that she is fortunate economically and has therefore been in a position to choose, but cannot imagine the situations of women who might be less fortunate and have to go through situations similar to hers, as they would not even have the option to leave their jobs due to financial considerations.

Source: SQA, Mini case study, 2012. (Personal information has been changed to protect the privacy of the respondent.)

Notwithstanding these findings, it should be highlighted that while traditional norms do not directly impact women's decisions to participate in the labor market, they **do affect women's ability to stay in the workforce and pursue career opportunities.**

Evolution of gender roles in Bhutan

Perceptions of gender roles in Bhutan have evolved with economic growth. Over the past 30 years, Bhutan has seen an increasing number of women participate in the work force. Tshering's life story echoes Bhutan's development progress and also highlights the role of social norms in women's work and career advancement. Perceptions of gender roles have also changed. In this regard, evidence from qualitative surveys show that **women are now expected to work to supplement family income in the face of the rising cost of living.**

As more women are working, respondents representing three generations share a positive perception of working mothers (see Table 5). In all of the focus groups, especially in the female groups, participants expressed that working mothers are appreciated and respected except in situations when they are seen as neglecting their children.

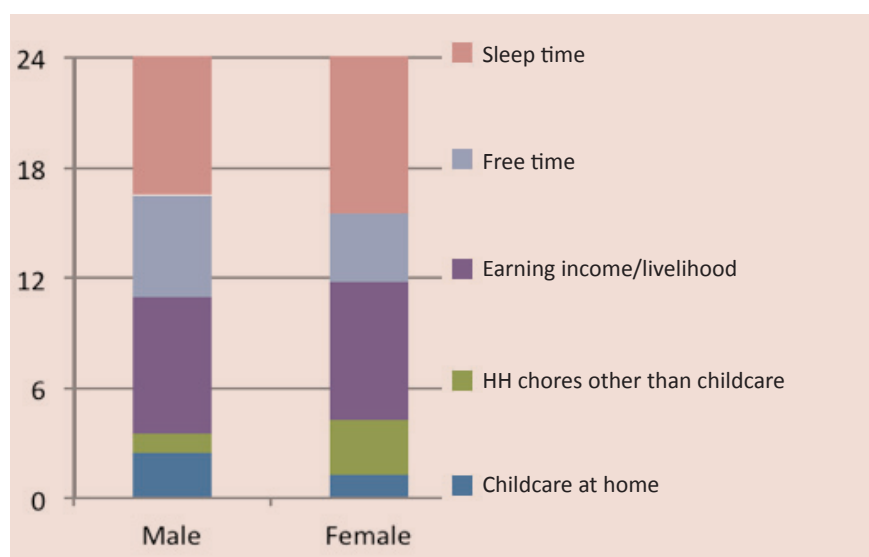
Table 5: View about working mothers across generations

	Male	Female
Elderly	<ul style="list-style-type: none"> · Today working women are encouraged to work and are also respected. · In the past, women were discouraged from going and were expected to work at home unless they held a high- profile job in government. People rarely expected mothers to work. 	<ul style="list-style-type: none"> · Today people are happy and proud of working women. They also admire and appreciate them. There is no problem as long as their children get proper care, and they do not neglect household responsibilities. · In the past, there were few working women, but they were respected and appreciated. However, in general women were expected to stay home and be involved in farm and household work.
Adult	<ul style="list-style-type: none"> · Today people appreciate and respect working women as long as they do not neglect their responsibilities of housework and child care. 	<ul style="list-style-type: none"> · Today most respondents shared that people see working women as capable, and respect and appreciate them. They consider women working normal and would wonder if educated women stayed home.
Youth	<ul style="list-style-type: none"> · Today people view working women with respect and encourage and, appreciate them. · Few people perceive working women negatively from an economic perspective. · In focus group discussions, some participants mentioned the desire to adhere to traditional norms, which has resulted in negative views of working mothers (Paro). 	<ul style="list-style-type: none"> · Today people respect, appreciate, and consider working women capable and responsible. · In focus group discussions, some participants said that working women were not paying enough attention to their household chores and child care (Paro).

Source: SQA, 2012

The robust economic environment is a driver to change social norms. In Bhutan, the qualitative data show that economic factors such as the rising cost of living constitute the main rationale for the acceptance of the new norm that both husbands and wives should work and earn income to support the family. Comments from participants in both elderly and adult focus groups further confirm this. On the other hand, the data also show that in parts of the country where the local economy has been less dynamic, such as in Samtse, opinions of both men and women tend to reflect traditional norms. For example, a female youth opined that, “Taking care of children is considered women’s responsibility and not men’s responsibility” (RQA, 2010).

Figure 5: Time use in a typical day among employed adults in urban areas (hours)



Source: SQA, 2012; Note: participants in urban areas-Thimphu and Mongar-who are employed

Men’s gender roles have also evolved and now include some household responsibilities. According to the qualitative data, traditional gender roles regarding housework have largely remained unchanged although some small changes are observed among working couples in urban areas. And while men engage in child care, they are not involved in other household chores (Figure 5). Men tend to have more free time compared to women, despite the fact that both men and women spend an equal amount of time earning income.

Women still bear more responsibility in the household and also have less rest time, facing the double burden of working both outside and inside the home. The data also reveal that educated women in urban areas would like men to take on more responsibility for household chores.

This section discusses the situation of women and men in the labor market and the gender gap in job quality. Three main causes of the gap are identified from the data analysis: education endowment at the higher secondary and tertiary levels, sex segregation in the labor market, and gender roles in household chores and child care. The analyses also drill down to the root causes of these factors. In sum, gender roles in household chores and childcare represent constraints to women's opportunities at various stages of life in that they limit girls' study time, affect career choice, and impede career advancement. On the other hand, perceptions about gender roles have changed and are now more supportive of gender equality; Bhutanese society as a whole is of the opinion that women should work outside the home and that men should play a greater role in child care.

4

Policies to promote gender equality

Promoting gender equality in Bhutan is an essential development issue that is aligned with the two overarching goals of the country: (i) gross national happiness and (ii) economic well-being. Furthermore, gender equality is an economic development issue because it improves the quality of women's jobs and increases the productivity of female workers, which can contribute to economic growth. Addressing gender gaps in the Gross National Happiness Index (GNHI) will contribute to the overall goal of pursuing gross national happiness. While the keen interest of the RGOB and stakeholders in discussing gender issues in recent years and the progress made to date in closing many gender gaps in the country are promising, more remains to be done.

By examining patterns related to specific aspects of the economic empowerment of men and women in the Bhutan context, this Gender Policy Note (GPN) aims to provide policy guidance for addressing the existing gender gaps in the country. In addition to identifying the main causes of gender gaps, it also proposes several policy actions which, if implemented, could improve gender equality.

This report identifies the root causes of gender gaps in Bhutan. Many of these causes are intertwined and affect more than one gender gap, particularly those that have to do with social norms, which influence all areas of gender equality in Bhutan. Moreover, measures aimed at correcting market failures and institutional constraints can yield significant productivity gains and broader economic benefits. Such measures are important, as in today's more competitive and integrated world, even modest improvements in how efficiently resources are used can have a meaningful effect on a country's competitiveness and growth.

4.1. Recommendation area 1: Promote equal ownership and agency over land

4.1.1. Continue to promote equality in inheritance and land holding

The distribution of inheritance should be carried out in an equal and transparent manner, and women, especially the eldest daughters, need not be the default recipients of all ancestral land.

It should also be noted that inheritance practices are not rigid in matrilineal communities. The survey data show that land inheritance practices are changing and becoming more gender equal. In recent years, there has been a shift toward gender equal inheritance, which the younger generations across all communities are increasingly in favor of. The practice of dividing property equally among all children is also gaining popularity, especially in urban communities. The main reasons that respondents of the SQA cited are the Land Inheritance Act and the fact that more people are aware of the laws governing property inheritance. Nevertheless, the application of this law in practice depends on parents' education and children's awareness of the law (SQA, 2012).

The Land Inheritance Act has been an effective tool in improving gender equality. In this regard, the government and stakeholders in communities should make further efforts to promote awareness of the law, particularly in communities that have not moved toward equal practices.

4.1.2. Foster women's agency to use land and improve access to finance and entrepreneurship

Women in Bhutan are in a fortunate situation as land is often registered in their names. In order to reap full benefits of land ownership, women should have the agency to use their land, which will enable them to have greater decision-making power and the ability to use land as assets to access loans and set up businesses. According to the 2009 Investment Climate Assessment (World Bank, 2010), almost a third of firms in Bhutan are owned by women. In addition, firms owned by women tend to be larger than firms owned by men and span across sectors.¹³ Furthermore, a recent survey on financial inclusion revealed that rural women often take charge of bringing the harvest to market in nearby cities where they manage the money from sales and make purchases. However, while women tend to be knowledgeable about the financial products available to them, they use those products less frequently than men (Niang et al, 2012).

Still Women's access to finance remains limited, and it has been cited as the number one obstacle to women-owned businesses (World Bank, 2010). Financial products and business line targeting women could be a solution to expand financial institutions' business and provide female entrepreneurs with improved access to finance. In this regard, IFC's Banking on Women Program is playing a catalytic role in working with partners and financial

¹³ According to the 2009 Investment Climate Survey, 12 percent and 5 percent of large firms owned by women are owned by women and men, respectively.

institutions worldwide to serve businesses owned and run by women.

Savings groups could also be promoted as a platform to reduce barriers to women's access to finance, empower women within the households, and increase children's education. International experience and impact studies show the positive roles that savings groups can play, not only in relation to resilience to shocks and increased poverty outreach, but also in terms of households' economic management, children's education, and the empowerment of women within households. In Bhutan, savings groups in communities are playing an increasing role. Welfare associations, in particular, are becoming more active, as some of them lend mobilized funds to their members.

In the context of this discussion, it should be highlighted that women's economic opportunities should not be measured only by employment and career advancement. Self-employment and entrepreneurship are important vehicles that allow women to become empowered within the family unit. Such vehicles enable them to generate income while maintaining flexibility with respect to family and work/life balance. Examples and case studies about ways to promote women's self-employment and entrepreneurship can be found in the Women's Economic Empowerment Resource Point¹⁴, which bundles and disseminates knowledge about interventions that promotes women as entrepreneurs and employees.

4.2. Recommendation area 2: Improve women's education endowment

Recent trends in higher secondary enrollment are encouraging as the ratio of girls' enrollment to that of boys in public schools is moving closer to gender parity. In order to maintain this momentum and ensure that it translates into tertiary level enrollment, possible policy actions could include providing more study time for girls attending secondary schools, promoting higher aspiration among girls, and reducing early pregnancy.

4.2.1. Improve academic performance of girls at the secondary level

Sufficient study time for female youth is essential to their academic achievement. As most girls surveyed reported that they have little time to study after school because they have household chore responsibilities, education interventions could be used to address this challenge. After-school programs could be considered.

¹⁴ The website for "resource point" can be found at <http://go.worldbank.org/UI27QY1330>

4.2.2. Reduce early pregnancy

Greater contraception use can reduce early pregnancy. In this regard, the data showed that adolescents and youth are less likely to use contraceptives than older women. The 2010 BMIS reported contraceptive use in women ages 15-19 is only 30.2 percent compared to 56.5 percent for the 20-24 year old age group and 70.9 percent for the 40-44 year old age group. It is worth noting that the promotion of contraception is far from controversial; participants in all focus group discussions, both elderly and youth focus groups, suggested that access to affordable contraceptives and increase awareness can be used as preventive measures to combat rising teenage pregnancy (SQA, 2012).

Interventions should be targeted. Early pregnancy is also highly negatively correlated with family wealth as the 2010 BMIS data reveal a correlation between families' wealth and early pregnancy. Girls from poorer families are much more likely to become pregnant and have children early. Furthermore, early pregnancy is higher in the East, which is one of the poorest regions of the country.

Box 3: The Adolescent Girls Initiative

Adolescent girls often find themselves in situations that are in between school and productive work. More than a third—34 percent—of young women in developing countries are jobless—out of the labor force and not in school. Although the gender gap in school enrollment has been closing, the gender gap in labor force participation is on the rise. Adolescent girls are often less qualified for jobs and lack the right skills for higher-wage jobs. When it comes to finding a job, young women struggle because they are more socially isolated, lacking confidence and contacts to help them search for jobs.

Launched on October 10, 2008, the Adolescent Girls Initiative (AGI) aims to help adolescent girls and young women make a successful transition from school to work. The program is being piloted in eight low-income countries—including some of the toughest environments for girls, with the common goal of discovering what works best in programming—with training focus on employable skills and life skills—to help adolescent girls and young women succeed in the labor market. Early results of evaluations are encouraging. In Lao, PDR, project monitoring data show that 37 percent of participants have started or expanded a small business seven months after business training. Furthermore, more than 40 percent of students who used Career Counseling Office (CCO) services found jobs within 2-3 months following graduation/ In Liberia, the program led to a 50 percent increase in employment and a 115 percent increase in average weekly income among project beneficiaries, compared to those in the control group.

Source: AGI Status of Pilot Implementation, October 2012¹⁵

¹⁵ Information on results of AGI can be found at <http://go.worldbank.org/>

4.3. Recommendation area 3: Improve women's job quality and career advancement

4.3.1 Vocational and life-skills training tailored for girls

Vocational training should be tailored to meet women's needs and the challenges they face in the labor market. The regression results show that receiving training can marginally reduce the probability of unemployment among urban female youth. According to participants in youth focus groups, lack of education and employment-related skills are key factors in the gender gap in employment. In addition, a lack of confidence among young female job seekers hampers their chances in the labor market, and both male and female youth have little knowledge of or confidence that technical and vocational skills training will lead to employment. In this regard, the SQA suggested negative attitudes toward Vocational Education and Training (TVET) programs, and young people seem to have limited information about the details of such programs.

The design of future training programs could benefit from implementation knowledge generated by the Adolescent Girls Initiative (AGI). AGI could offer lessons learned about what works and what does not concerning skills development for girls and young women (see Box 3).

4.3.2. Improve access to child care

Focus group discussion participants across age groups and locations cited child care as the main challenge facing women in the labor force. Traditional gender roles affect responsibilities for child care, which impacts women's labor force participation by limiting women's time to participate in the labor market and disrupting the continuity of their participation in market work, which in turn affects career advancement. Thus, improving access to child care would be helpful in addressing women's time constraints.

Overall, the qualitative surveys show that there is widespread support for improved child care options, particularly in Thimphu; however, access is still limited. The general argument in support of child care is economic as educated women are expected to work to supplement family income. On this basis, men are becoming increasingly supportive about using child care services, such as day care centers. In addition, female focus group discussion participants expressed that men should play a more active role in child care. But some focus group discussion participants living in areas outside Thimphu said that mothers should stay home and take care of their children when they are young (until they are 2

years old). In addition, some women were of the opinion that men are not good at caring for young children.

Access to child care in Bhutan is still limited. Options for child care in Thimphu include grandparents, babysitters, daycare centers, or siblings. Onsite child care facilities rarely exist in workplaces. Furthermore, focus group discussion participants viewed day care as expensive and inconvenient. While the policy environment encourages childcare, the normal practice is that child care centers only take children age above 3 years old.

Many middle-income countries, especially in Latin America, have made significant public investments and subsidize child care services to support working mothers. In addition to the direct economic benefits from higher female labor force participation, the rationale for these programs can be justified by redistribution or other externalities. Another consideration is whether the increase in labor force participation is comparable to the net cost of the policy (subsidies offered minus new tax revenue collected). An impact evaluation of Rio

Box 4 Rio de Janeiro's public daycare program

Rio de Janeiro's public daycare program is an integrated early childhood development program for children ages 0-3 living in low-income neighborhoods. The program consists of a variety of center-based interventions, including full time daycare, health services, meals, and the provision of instructional toys and materials for children. As of January 2008, there were 244 daycare centers providing these services in most of the low income neighborhoods of Rio de Janeiro. In addition, the program foresees involvement by parents as a way of improving knowledge about good parenting practices. In sum, it is expected that access to these well-equipped and managed daycare centers, which provide a nurturing and stimulating environment for disadvantaged children, will: (i) boost human capital accumulation by the poor; and (ii) encourage mothers to seek employment and increase their earnings, thereby improving their own well-being and the well-being of their households.

A randomized control trial was conducted to evaluate the impact of this program. It was found that access to free publicly provided child care services led to a very large increase in the use of care (from 51 to 94 percent), a considerable increase in mothers' employment (from 36 to 46 percent), and an almost doubling in the employment of mothers who were not working previously (from 9 to 17 percent). However, it was also determined that the cost of care exceeded the short-term income impact (Olinto et al, 2011)

de Janeiro's public day care program methodically addresses these questions (Box 4) and shows that the program increased mothers' labor force participation. Turkey is another example. In 2010, the government included a prior action to launch universal preschool education (initially in 32 of 82 provinces) with the hiring of 15,000 preschool teachers in conjunction with a \$1.3 million World Bank Development Policy Loan. In any event, fiscal considerations and externalities from subsidized child care should be taken into account in the design of publicly provided child care programs.

4.4. Recommendation area 4: Address social norms that lead to gender inequality

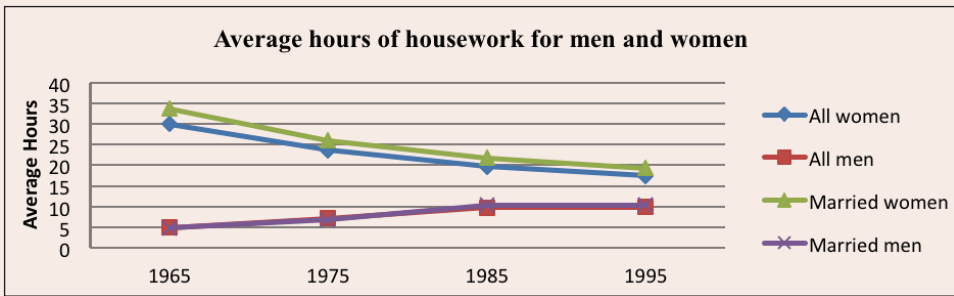
4.4.1. Promote men as fathers and caregivers, and promote men's participation in housework

Bhutanese men are increasingly taking on more responsibility as fathers, where they already have a significant role. Men in urban areas spend time taking care of their children, which is a highly positive trend. In this regard, it is essential to further promote the greater role of men as fathers and caregivers to all types of families across Bhutan, and also encourage greater participation of men in housework. An example from the US shows that over time, against the backdrop of women entering the workforce, the amount of housework carried out by husbands and wives becomes more equal, and men participate more in housework (Box 5).

Box 5: Changing attitudes concerning gender roles and housework in the United States

A time use study from the United States offers a promising prospect that the distribution of household chores between husbands and wives are becoming more equal, although the adjustment process may take time. The number of overall hours of domestic labor (excluding child care and shopping) has continued to decline steadily since 1965 while men's hours of housework are increasing. The trend of weekly housework hours by married adults shows that over time, married men spend more time doing housework, from 4.7 hours per week in 1965 to 10.4 hours in 1985 and 1995. On the other hand, women spend less time on housework. The authors suggest that this increase has occurred in conjunction with changing attitudes about men's contribution to household maintenance. According to the author, this increase

also indicates some degree of cultural change in ideas about “women’s work,” and greater acceptance of men doing cooking and cleaning.



Source: Suzanne M. Bianchi; Melissa A. Milkie; Liana C. Sayer; John P. Robinson (2000), *Is Anyone Doing the Housework? Trends in the Gender Division of Household Labor, Social Forces, Volume 79, Issue 1 (Sep., 2000)*.

Changing norms related to gender roles in housework is neither quick nor easy.

International experience shows that social change begins with negotiation and conversations at the individual level with community support. Dialogue and harmonious relations have an instrumental, beneficial value, not only for family life, but also for economic decision-making within households. Notably, the task of initiating more open dialogue is placed on men. It is both seemingly contradictory and expected, given that men are the main power holders and traditional leaders of households.

4.4.2. Promote gender-equal upbringing of children: equal household responsibility among sons and daughters

Assigning an equal workload of household chores to boys and girls could be an effective measure, especially as perceptions about gender roles are usually passed on to and formed by children at an early age. In this regard, the qualitative surveys include numerous examples regarding focus group discussion participants whose parents socialize girls with gender roles related to housework and being child care providers. Moving forward, parents also need to play an important role in teaching their sons about gender roles and can be key agents for change in their sons’ attitudes and behaviors. Furthermore, the willingness of mothers and fathers to embrace gender equality in their children’s education may result in significant change and could make gender relations in the next generation more equitable and harmonious (Boudet, et al, 2012).

Interventions that aim to promote more equal responsibilities among men and women should take into account sentiments related to traditions. Qualitative surveys show that some participants in focus group discussions appear to confuse “traditions” that are related to Bhutanese cultural heritage—such as traditional sports, community festivals, artisan skills—with practices prevalent in the past like the traditional role of women doing housework. With a broad desire to preserve Bhutanese culture and traditions, this confusion could complicate efforts to promote equal responsibility between the sexes. In possible interventions, it would therefore be important to address this confusion by making a clear distinction between cultural traditions and perceptions about gender roles.

4.4.3. Improve basic literacy among women of all age groups

Table 6: Illiteracy rates (%)

Age group	Male	Female	Total
less than 10	43	45	44
10 to 19	11	18	15
20 to 29	25	44	35
30 to 49	42	78	61
50 to 69	60	94	77
70 and older	78	96	87
Total	36	53	45

Source: BLSS 2007

Women lag behind men in literacy¹⁶ and knowledge; illiteracy data in Bhutan reveal a large gender gap. Women have higher illiteracy rates than men across all age groups; the difference is largest among women between 30 to 70 years of age (Table 6). Improving literacy would allow people to be more open and receive new ideas. It would also improve women’s agency to exercise their land rights, connect with the larger community, and use new technology

4.5. Recommendation area 5: Conduct further research to better understand the gender gap in happiness

Bhutan leads the world in quantitatively measuring the gross national happiness (GNH). According to the 2010 GNH survey, men are happier than women. About 49 percent of men are happy, while only one third of women are happy, a result

¹⁶ According to GNHI methodology, a person is considered literate if he or she is able to read and write in one of the following languages: English, Dzongkha, or Nepali.

which is both striking and statistically significant. The RQA also attempted to study the factors affecting happiness by gender. In general, men attributed their happiness to factors such as safety, public services, infrastructure, and employment opportunities, and their unhappiness to the nature of their jobs, low earnings, unemployment, and declining business performance. By contrast, female focus group participants indicated that factors affecting women's happiness are related to family income, spouse behavior and support, family relationships, children's educational attainment and support, and adequate fulfillment of basic needs.

5

Conclusion

The body of knowledge about gender differences in happiness and how policies affect men and women is still limited. As gross national happiness is the overarching development philosophy of Bhutan, more attention should be paid to the gender difference in happiness. In this regard, Bhutan should conduct further research to better understand this subject as part of the RGOB's effort to promote GNH as a development goal. This type of research is also timely. As UN member states are engaging in the MDGs/post-2015 process and are seeking cutting-edge development ideas, Bhutan could contribute its unique knowledge about GNH to the international community.

This Gender Policy Note has investigated economic and social factors behind the gender gaps in Bhutan. Overall, Bhutan has made tremendous progress toward gender equality. The report identifies two main areas of focus: gender gaps related to job quality and land. Due to the maternal inheritance practice, Bhutanese women tend to own land. In this regard, the agency to use the land still needs to be enhanced. Land holding can limit women's mobility and constrain their access to new economic opportunities. In terms of the gender gaps in job quality, the report identifies three key factors: education endowment, gender segregation in the labor market, and gender roles in the households. The diagnosis and policy framework is shown graphically in Figure A.3 of Annex 3.

The report recommends policy interventions in five main areas. First, it promotes equal ownership and agency over land. The policy appears to be working well in most areas of the country, and families are moving toward equal inheritance. However, the agency of women to use land could be further enhanced so that women could gain better access to finance and economic opportunities. Second, women's economic endowment could be augmented to increase labor productivity and earnings. This can be done by improving academic performance of girls at the secondary level. Third, child care, along with vocational and life-skills training tailored for girls could women's access to good jobs. Fourth, social norms that lead to gender inequality could be addressed by promoting a greater role for men as fathers and caregivers and men's participation in housework. Moreover, gender=equal attitudes could be introduced to children through the distribution of equal household responsibilities among sons and daughters. Basic literacy, especially among women, could also be improved to encourage more

open attitudes, expand women's agency to exercise their land rights, and enable them to be more connected with larger community. Finally, the report recognizes the need to conduct further research to better understand the gender gap in happiness.

Policy interventions should be targeted. Given Bhutan's diverse geography and cultural practices, policy interventions should target specific populations and tailor the design of interventions to fit their conditions in order to maximize effectiveness. Analyses in the report also identify target groups of interventions based on a combination of qualitative and quantitative data. For example, women in rural areas who hold agricultural land will benefit from the expansion of access to finance and entrepreneurships. Working couples in urban areas, on the other hand, could benefit from provision of child care where economy of scale allows. A summary matrix of interventions and target groups can be found in Annex 3.

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Annex 1: Data Description

The Gender Policy Note (GPN) examines patterns related to specific aspects of the economic empowerment of both men and women (e.g., access to and use of labor, land, financial and product markets), by using the analytical framework of the 2012 World Development Report on Gender and Development and applying it to the Bhutan context. It analyzes existing quantitative and qualitative data in Bhutan.

In terms of *quantitative* data sets, the report mainly relies on the following: (a) the Bhutan Living Standard Survey 2007 (BLSS). The BLSS, the national household survey, contains data related to poverty, education, labor, agriculture, access to infrastructure, etc. Since the survey also collected data at the individual level, it is possible to generate sex-segregated information. (b) Bhutan Multiple Indicator Survey, which was conducted between March and August 2010. The survey's main objective is to provide up-to-date information on the situation of children and women with the goal of improving data and monitoring systems in Bhutan. (c) Various rounds of the Labor Force Surveys (LFS), which provide information related to earnings, unemployment, occupations, and other labor market outcomes. The LFS are generally conducted in April of every year.

In addition to *quantitative* data, the task team also analyzed qualitative data from the Rapid Qualitative Assessment (RQA) and the Supplemental Qualitative Assessment (SQA). The rapid qualitative assessments were undertaken in Bhutan and 18 other countries around the world to examine trends in gender roles and norms, and what women and men say drive their major economic decisions and inform the WDR 2012. The samples of the survey were designed to capture a mix of urban and rural contexts as well as more modern and traditional gender norms. The fieldwork covered both middle income and poorer neighborhoods of cities and towns, as well as prosperous and poor villages.

RQA data description

A rapid qualitative assessment (RQA) on gender and economic decision in four communities of Thimphu, Paro, Samtse and Mongar in Bhutan was carried out in December 2010 through January 2011. The main purpose of the assessment was to explore: i) women's and men's subjective views of and experiences with making key economic decisions, such as how to make a living and how to build and protect major assets; and ii) whether and how the gender norms that surround these choices have changed due to factors such as expanded educational opportunities,

more developed and complex economy, and better connectivity. Although extensive quantitative analysis on some gender dimensions of development is possible from household surveys, their insights are limited because most do not examine intra-household and community-level dynamics. In addition, they often cover only a limited set of economic, demographic, and human development factors.

The information was collected by using: (i) a community questionnaire, (ii) three focus group discussions of adults for ladder of power and freedom; youth for making economic choices; and adolescence for reaching for success and family and community life; health and safety; supported by (iii) a mini case study. It should be noted that in this RQA, adolescents were referred to population ages (12-16yrs), youth, ages 18 – 24, and adult, 25 – 60 years old.

The four communities were chosen based on the rural and urban divide and economically more vibrant and economically less vibrant as follows:

- Urban (more economically vibrant) – Thimphu Town (West)
- Urban (less economically vibrant) – Mongar Town (East)
- Rural (more economically vibrant) – Community in Paro (West)
- Rural (less economically vibrant) – Community in Samtse (South)

Figure A.1: Districts (Dzongkhag) where surveys were conducted

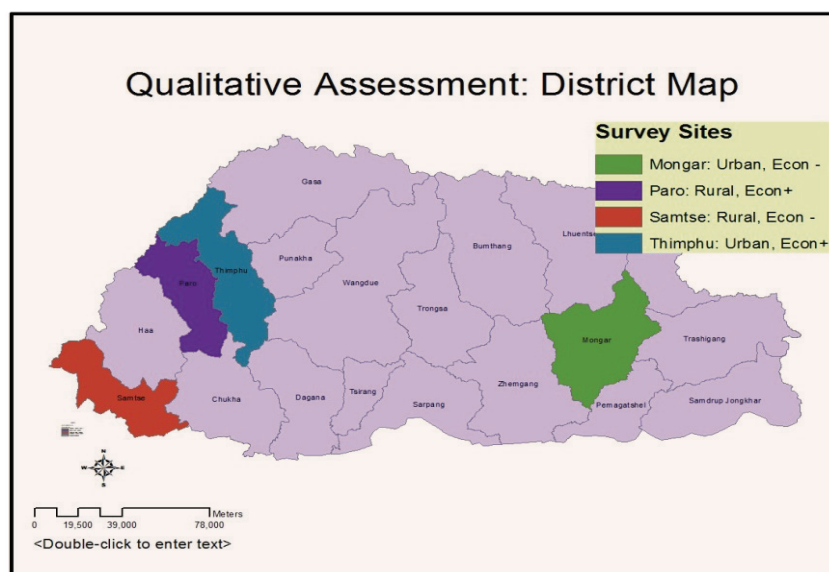


Table A1: Sample of focus group discussions

Age Groups	Communities				
	Thimphu	Paro	Samtse	Mongar	Total
Adult (Male)	8	9	11	12	40
Adult (Female)	11	10	11	12	44
Youth (Male)	10	10	8	8	36
Youth (Female)	8	7	8	8	31
Adolescent (Male)	10	9	8	8	35
Adolescent (Female)	8	7	7	8	30
Total	55	52	53	56	216

A total of 24 focus group discussions were held in four communities of Thimphu, Paro, Samtse, and Mongar. The total participants recorded was 216, of which 55 participants were from Thimphu, 52 participants from Paro, 53 participants from Samtse and 56 participants from Mongar. In the category of gender, 105 participants were female and 111 participants were male. Apart from the focus group discussions, four interviews for community questionnaire and five mini case studies were carried out.

SQA data description

The methodology adopted for collecting information for the SQA is designed to enable rich and detailed discussions of the factors and processes shaping economic decisions and outcomes for men and women, and to provide a basis for comparative analysis across gender, generations, and community contexts. It is expected to provide better insights into intra-household and community-level dynamics, and supplement the available quantitative information on economic, demographic, and human development factors.

The methodology features three key data collection tools, which use a mix of focus group discussions and individual interviews with a selected number of key participants. The details concerning how the tools are administered are as follows:

Focus group discussions with three different age groups: i) Youth Group (age 18 to 24 years – both male and female); ii) Adult Group (age 25 to 55 years – both male and female); and Elderly Group (over 55 years old – both male and female);

Individual informant interviews in each of the survey sites to update community information, through a structured community questionnaire; and

Mini case study through individual interviews (both in rural and urban communities).

Annex 2: Statistical tables

Table A2.1: Probit regression results for unemployment, Bhutan 2011 (LFS)

Factors affecting unemployment

	RURAL	
	All	Female
Age	0.04123	0.04056
	(1.03)	(0.67)
Age squared	-0.00098	-0.00089
	(1.00)	(0.60)
Married	-0.02639	-0.04170
	(2.25)**	(2.24)**
Region: Western	-0.03587	-0.04655
	(2.99)***	(2.80)***
Region: Eastern	-0.01320	-0.01698
	(1.12)	(1.02)
Migration during past year	0.14446	0.22331
	(1.20)	(1.31)
Education: Primary	-0.00849	0.02305
	(0.53)	(0.80)
Education: Secondary	0.08385	0.14692
	(2.92)***	(2.95)***
Education: Higher Secondary	0.11886	0.05729
	(1.46)	(0.91)
Education: University	0.15522	0.14511
	(0.73)	(0.60)
Received training	0.11107	0.29749
	(1.97)**	(2.15)**
Female	0.03276	
	(2.49)**	
Female x high school	-0.01279	
	(0.55)	
R2_P	0.1717	0.2322
N	1,038	591

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

		URBAN		
	Male	All	Female	Male
	0.06639	0.31392	0.33972	0.17595
	(1.05)	(4.84)***	(3.95)***	(2.05)**
	-0.00163	-0.00781	-0.00830	-0.00462
	(1.04)	(5.01)***	(4.02)***	(2.24)**
	-0.03269	-0.04537	0.01853	-0.14856
	(1.75)*	(2.47)**	(0.77)	(6.34)***
	-0.03336	0.01540	0.03606	-0.00216
	(1.52)	(0.62)	(1.27)	(0.06)
	-0.00600	-0.05775	-0.06419	-0.02377
	(0.26)	(2.15)**	(1.92)*	(0.65)
		0.01943	0.05962	-0.03247
		(0.68)	(1.47)	(1.16)
		0.10377	0.14049	0.08677
		(2.58)***	(2.68)***	(1.21)
	0.01569	0.13333	0.10514	0.20322
	(0.57)	(4.74)***	(3.15)***	(3.45)***
	0.09752	0.27549	0.18670	0.27554
	(1.40)	(5.80)***	(4.41)***	(4.12)***
		0.26935	0.11073	0.37116
		(4.11)***	(1.75)*	(3.61)***
	0.03542	-0.04404	-0.04546	-0.02341
	(0.65)	(2.18)**	(1.66)*	(0.98)
		0.09130		
		(4.26)***		
		-0.07176		
		(2.44)**		
	0.1019	0.0647	0.0453	0.1862
	354	2,280	1,420	860

Table A2.2: Earnings Regressions

	OLS			Heckman
	All	Female	Male	All
Female	-0.10813 (7.36)***			-0.09936 (17.21)***
Age	0.06789 (14.55)***	0.08718 (9.38)***	0.05951 (10.92)***	0.6545 (36.92)***
Age squared	-0.00072 (11.96)***	-0.00101 (7.98)***	-0.00061 (8.83)***	-0.00069 (29.99)***
Married	0.06259 (3.45)***	-0.05418 (1.74)*	0.14510 (6.41)***	0.05541 (8.46)***
Urban	-0.04946 (2.60)***	-0.24338 (5.57)***	0.00926 (0.45)	-0.05435 (8.28)***
Region: Western	0.02216 (1.02)	-0.18758 (3.78)***	0.08286 (3.53)***	0.01822 (2.47)**
Region: Eastern	0.10318 (7.09)***	0.05011 (1.56)	0.12074 (7.58)***	0.0947 (16.68)***
Migration during past year	-0.00751 (0.28)	-0.05848 (1.01)	0.01424 (0.49)	-0.0099 (1.1)
Education: Primary	0.07784 (3.64)***	0.01606 (0.25)	0.07937 (3.63)***	0.07369 (10.13)***
Education: Secondary	0.35271 (18.74)***	0.42420 (9.80)***	0.31655 (15.50)***	0.34503 (50.58)***
Education: Higher Secondary	0.57146 (23.34)***	0.59250 (11.56)***	0.54130 (19.42)***	0.5622 (64.05)***
Education: University	0.88626 (33.57)***	0.86159 (14.49)***	0.87847 (30.55)***	0.87520 (91.08)***
Received training	0.13497 (9.27)***	0.07532 (2.25)**	0.14976 (9.50)***	0.12437 (20.41)***
Access to finance	0.00447 (9.65)***	0.00514 (5.41)***	0.00405 (7.76)***	0.00443 (28.57)***
Work for government enterprise	0.09081 (1.88)*	0.15409 (1.86)*	0.06132 (1.01)	0.08934 (5.54)**
Work for private enterprise	0.04448	0.02686	0.05447	0.04309

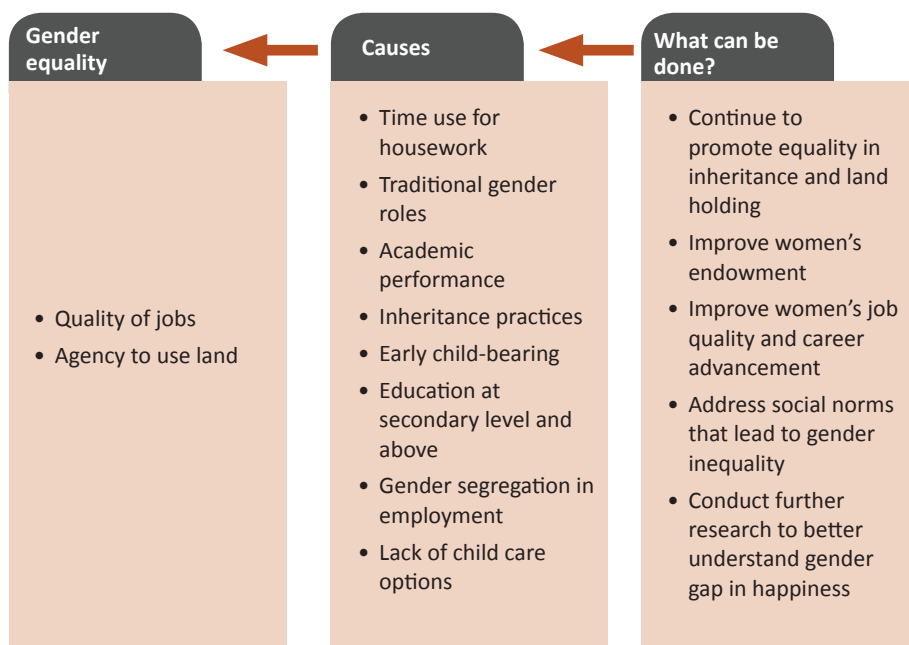
	OLS			Heckman
	All	Female	Male	All
	(0.92)	(0.33)	(0.90)	(2.68)***
Occupation: Legislators, senior officials & managers	0.23566	0.38019	0.19875	0.23570
	(6.25)***	(5.10)***	(4.46)***	(18.73)***
Occupation: Professional	0.24221	0.23124	0.26575	0.24213
	(8.91)***	(5.00)***	(7.67)***	(26.69)***
Occupation: Technician and associate professional	0.06976	0.20695	0.03756	0.06988
	(2.50)**	(4.01)***	(1.09)	(7.52)***
Occupation: Service worker & shop & market sales workers	-0.01199	0.00904	0.00477	-0.01171
	(0.40)	(0.17)	(0.13)	(1.17)
Occupation: Skilled agriculture workers	-0.40370	-0.32072	-0.44339	-0.40261
	(8.03)***	(3.77)***	(6.85)***	(23.99)***
Occupation: Craft & related workers	-0.02510	-0.06137	-0.01753	-0.02510
	(0.74)	(0.86)	(0.44)	(2.21)**
Occupation: Plant & machine operators & assemblers	0.08003	0.01570	0.07640	0.07993
	(2.44)**	(0.14)	(2.04)**	(7.31)***
Occupation: Elementary occupation	-0.18759	-0.25504	-0.15583	-0.18731
	(6.08)***	(4.24)***	(4.16)***	(18.19)***
Occupation: Armed force	0.12413	0.18725	0.12477	0.12342
	(3.58)***	(0.85)	(3.19)***	(10.66)***
Constant	6.97528	6.78503	7.02826	7.06195
	(72.05)***	(37.75)***	(60.41)***	(160.00)***
R ²	0.4179	0.4194	0.4179	
N	9,664	2,795	6,869	31901

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Note: In the earning regression, log of earning for all working population ages 15-64 years whose income is more than zero was taken as the dependent variable. The relevant independent variables used were demographic characteristics such as sex (female=1& 0 otherwise), age in completed years, square of age, marital status (whether married or not) migrated (those who migrated within 1 year=1& 0 otherwise), Education (Primary, Secondary, Higher secondary, and graduate =1& 0 otherwise, where no education is the reference variable), trained (received vocational training more than one month = 1, 0 otherwise); spatial characteristics such as region (western, eastern=1& 0 otherwise, and central is the reference variable), area (rural=0; urban=1). The number of individual accounts as a proportion of adult population was also used. The employment-related variable includes enterprises categorized as government, private and agriculture, and agriculture was used as reference variable. For occupation, clerk was used as a reference variable.

Annex 3: Framework and targeting policy interventions

Figure A.3: Diagnosis and policy framework



Policies to promote gender equality	Target groups
Recommendation area 1: Promote equal ownership and agency over land	
Continue to promote equality in inheritance and land holding	Patrilineal communities
Foster women's to use land and improve access to finance and entrepreneurship	All women who own land, particularly in rural areas
Recommendation area 2: Improve women's education endowment	
Improve academic performance of girls at the secondary level	Girls in secondary and higher secondary level
Reduce early pregnancy	At risk girls in secondary schools: focus on eastern region and in poorer households
Aspirations and education: role model for female youth	Girls in rural areas and economically stagnant communities
Recommendation area 3: Improve women's job quality and career advancement	
Vocational and life-skills training tailored for girls	Girls who do not perform well academically
Improve access to child care	All working families, particularly in urban areas
Recommendation area 4: Address social norms that lead to gender inequality	
Promote a greater role for men as fathers (where they already have a big role) and caregivers, and promote men's participation in housework	All working families, particularly in urban areas
Promote gender-equal upbringing of children with an emphasis on distributing equal household responsibilities among sons and daughters	All families
Improve basic literacy among women of all age groups	Women age between 20 -50 years old
Recommendation area 5: Conduct further research to better understand gender gap in happiness	Research institutions

