

Women's Employment in the Extractive Industry

The importance of investing in women's employment

In areas impacted by extractive industry operations, employment is considered one of the principal economic benefits for individuals and households. However, these benefits have traditionally gone predominantly to men. Indeed, women currently make up only 10% of employees in large-scale operations globally (with variations regionally and by operation) (PwC, 2013). In countries with a higher economic dependence on the mining, oil and gas sectors (the extractive industries), some research indicates that women much less likely to be in leadership positions (ministerial and senior managers) and have gainful employment (in any sector) than countries with a low dependency. However, global evidence shows that increasing employment opportunities for women can have major dividends for companies, as well as for development outcomes.

Hiring women: good for business, good for development

World Bank research highlights that increasing women's employment opportunities is good both for business, as well as for local economic development. IFC research indicates that higher female labor force participation can increase profits by 6-20 percent, drive innovation, raise attendance and retention rates, and reduce organizational risks within businesses (IFC, 2013). An IFC case study of Anglo American's El Solado mine in Chile, found that specifically targeting women as part of recruitment drives broadened the pool of background

and experience of potential applicants. Managers cited that greater gender diversity fostered innovation, and improved team dynamics and communications. Increasing opportunities for women in the workplace also improved relations with the community, improved perceptions of how the mine benefits the community. (IFC 2013)

Creating opportunities for women also gave these women access to jobs that drastically increased their earning potential. (IFC 2013) OECD research estimates that on average a 50 percent reduction in the gender gap in labor force participation could boost countries' GDP an extra 6 percent by 2030, with a further 6 percent gain if gaps closed entirely (World Bank, 2014) At the community level, while it has traditionally been assumed that men's earnings would benefit the entire community, evidence suggests that men and women use money gained from the extractives industry differently (Brouwer, E. Harris, B., & Tanaka, S. 1998). Women who are employed are more likely to invest in education, shelter, health and family nutrition – improving human development and community wellbeing; evidence indicates that men are more likely to invest salaries in disposable commodities, tools and shared social consumer goods. For example, in Papua New Guinea, men have shown to spend 80-92 percent of a mining wage on beer, cars and entertainment activities (sex workers, gambling and sports), leaving a proportionally small amount for wives and children. In comparison, women were found to predominately spend their income (gained from selling garden and small products) on household items and costs like oil, soap, mobile phones and health (Singh, S., Nadarajah, Y.2012).

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" ..women are an untapped source of talent and productivity: when the potential of almost half the workforce is not fully realized, this has considerable implications for efficiency and growth at the enterprise, sectoral and national level."

– Investing in Women's Employment: Good for Business, Good for Development, IFC

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BOX 1: Women's leadership and governance behaviors

A recent study of the top 500 mining companies found that:

"Boards with three or more women showed different governance behaviors to those with all male boards. The more gender-balanced boards were more likely to ensure better communication, adhere to a code of conduct, identify criteria for measuring strategy and monitor its implementation. They were also more likely to focus on gender diversity, employee satisfaction and corporate social responsibility." (PwC, 2013)

What are the challenges to women's employment?

As a traditionally manual labor-intensive industry, the extractive industries have, until recently, been a heavily male-dominated field. Women's participation has been minor and often in support and administrative roles. Some of the common challenges to women's participation include:

Historical biases informing current hiring and advancement of women:

Outdated social stereotypes that only men can work in risky, dirty and difficult environments continue to undermine the capabilities of women, deter women from seeking employment and misrepresent the significant changes in the industry. Historically, women have been underrepresented in fields like engineering and geology, meaning that there has been a smaller pool of women with the technical skills to work in the mining sector. However, many companies are increasingly finding that expanding the recruitment pool not only brings in higher quality candidates, but also can make them an 'employer of choice.' (IFC 2013)

Lack of women in leadership roles:

The mining, oil and gas sectors represent some of the lowest rates of women in leadership, at only 7.9 percent of women on the board of directors in the top 500 mining companies globally (PwC, 2013). However, experience has shown that including women in managerial positions has a positive impact on social development, workplace culture and productivity (see Box 1). For this reason, many multi-national mining companies are setting targets to increase women in managerial and executive roles.

Limited flexibility for family:

The extractive industries do not often promote a family friendly workplace. This barrier tends to be more widely felt by women who are generally primary caregivers. Due to the traditionally male-dominated culture, the often-remote location and long shift rosters, women with families can often not negotiate employment opportunities in the extractives industry. However, IFC research has shown that increasing family friendly policies, like childcare, parental leave, and health policies can be cost-effective interventions. (IFC 2013)

Increased discrimination and harassment:

Women report higher rates of discrimination and harassment in the extractive industries than do their male counterparts, including verbal, physical, and/or sexual harassment, ranging from intimidation to sexual violence against female employees. Indeed in some regions, women report that keeping their jobs or being promoted relies on sexual favors and remote areas where women have limited protection or recourse, women report being even more susceptible to sexual harassment (See Box 2).

Higher levels of economic vulnerability:

The recent 'commodities boom' has been a significant catalyst for changing biases and improving gender equality in the extractives industry. However, the ensuing downturn and coinciding drop in participation rates of women compared to men is a worrying trend. For instance, during contraction, support and administration roles (predominantly held by women) tend to be the first to go, along with part-time, casual or maternity leave positions (see Box 3).

What are strategies to encourage gender equality in the workplace?

Governments and industry can both take proactive steps to support women's employment opportunities in the extractives. Governments can support Equal Employment Opportunity laws (EEO), as well as proactively supporting relevant educational opportunities for women and girls. For companies, the World Bank, in collaboration with Lonmin, has developed a comprehensive "Guide to Integrating Women in the Workforce".

Strategies for government and industry to increase women's employment opportunities include:

Improving women's access, participation and leadership in the workplace

- Support and encourage female students to study in traditionally male-dominated fields through scholarships and gender-sensitive marketing strategies
- Create job skills training and scholarship programs for women
- Introduce targets or quotas to recruit women in the workplace, in man-

agement roles and on the board of directors

- Develop clear career pathways for advancement for women in the workplace
- Cultivate mentor programs within the workplace and community that provide advice, extend networks and build leadership skills for women
- Ensure equal pay for men and women in the workforce.

Generate flexible and family-friendly working conditions

- Design work rosters that accommodate family commitments
- Allow job share arrangements for working women with family commitments
- Provide child care and parental leave and encourage men to take paternity leave options
- Explore emerging technology and innovation, for example, automation hubs that may provide more off-site career opportunities for women.

BOX 2: CASE STUDY: Sexual harassment, career advancement and safety in the workplace, South Africa

Gender based violence and sexual harassment of women in the workplace is a global issue, but may be more prevalent in male dominated organisations like mining, oil and gas sectors. In Marikana, South Africa, several rapes and murders of women working in underground mines has led to a potential class action against the company.

Female workers have claimed that sexual harassment is not taken seriously and few incidents go reported due to fear of losing jobs. Often the managers who are responsible for employee safety perpetuate the abuse. With very few women already in management roles, and women asserting they have to provide sexual favours to advance in their career, sexual harassment becomes normalised and little is done to change the culture. A lack of female friendly amenities (toilets and secure change rooms) has also been associated to the heightened risk of sexual harassment. As one employer noted:

"There are only two toilets in the section. One for men and one for women. For 70 workers. But it's so far to walk and it's dark, dark, dark. Even if you scream, no-one is going to hear you."

Tackling this issue is complex. However, creating safe work environments, increasing numbers of women on a shift together and providing leadership opportunities for women would go a small way to addressing these risks (Rawoot, I, 2015; Partland 2015).



Women small scale miners in Lao PDR

Create a safe and secure organization for women and men

- Implement national legislation and/or corporate guidelines to protect the rights of women in the workplace, including forms of sexual and racial discrimination
- Raise awareness in the private and public sector of the zero tolerance of sexual harassment and other forms of employment discrimination
- Promote healthy images of masculinity and identify gender champions to speak out against gender discrimination and abuse.

Resources:

“Women in Mining: A Guide to Integrating Women in the Workforce.” The World Bank (IFC), 2009.

“Investing in Women’s Employment: Good for Business, Good for Development.” The World Bank (IFC), 2013

“Mining for Equity: The Gender Dimensions of the Extractive Industries.” The World Bank, 2009.

“Extracting Lessons on Gender in the Oil and Gas Sector.” The World Bank, 2013

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International Finance Corporation, Commddev, Lomin, (2009) *Women in Mining: A guide to integrating women into the workforce*, Washington

Kotsadam, A. Tolonen, A. (2015) *African Mining, Gender, and Local Employment* Policy Research Working Paper 7251, World Bank Working Group, Washington

Pantland, W. (2015), *Another woman miner raped*, <https://usilive.org/another-woman-miner-worker-raped-in-south-africa/>

Pattenden, C.A., D. Brereton, J. Plavina, and J. Terrill (2015), *Women in mining 1997 to 2013 – a generation of change*. The University of Queensland: Brisbane, Australia.

Singh, S., Nadarajah, Y., *School Fees, Beer and “Meri”*: Gender, Cash and the Mobile in the Morobe Province of Papua New Guinea RMIT University, Australia

Rawoot, I., (2015) *Mining while female: The perils of Marikana*

Women in Mining (UK) (2013). *Mining for Talent: A study of women on boards in the mining industry* by Women In Mining (UK) and Price Waterhouse Coopers, London

World Bank, (2013). *Mongolia - Gender disparities in labor markets and policy suggestions*. World Bank, Washington

BOX 3: Effects of the mine life cycle on women’s employment

Mining as an industry is cyclical both in terms of economic peaks and troughs and the lifespan of the ore body. A recent 17 year longitudinal study of women in the mining industry in Australia demonstrated that women are less likely to survive lay-offs and cut backs due to downturns in the industry (Pattenden, Brereton et al 2015).

Similarly, in Sub-Saharan Africa, research of 800,000 individuals suggests that when a mine is developed, labor patterns shift from traditional employment (namely agriculture) to mining based employment. During these times, women either cease traditional employment or move into the service sector. At the closure of the mine, men are more likely to return to traditional employment or new labor roles, whereas women do not have these opportunities (Kotsadam, A. Tolonen, A. 2015).

These cases suggest that the structural changes in labor patterns are not equally beneficial (for men and women) over the long-term, nor are they irreversible at the end of a mine. This suggests that mining operations have a disproportionate and long-term impact on the economic capacity of women that needs to be considered across the life cycle of the mine.

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