

# REPORT: Vulnerabilities of Women Workers In Malaysia

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# Introduction

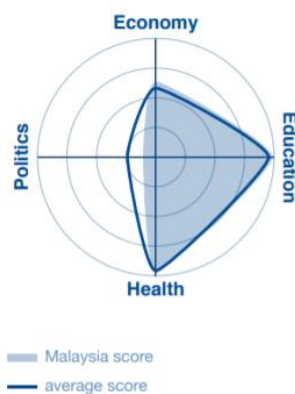
## Concept & Definitions

<p><b>Working age</b></p> 	<p><b>Labour force</b></p> 	<p><b>Employed</b></p> 	<p><b>Unemployed</b></p> 	<p><b>Outside labour force</b></p> 
<p><i>All persons aged between 15 to 64 years who are either in the labour force or outside the labour force.</i></p>	<p><i>All persons in the working age who are either employed or unemployed.</i></p>	<p><i>All persons who, at any time during the reference week worked at least one hour for pay, profit or family gain either as employers, employees, own account workers or unpaid family workers.</i></p>	<p><i>All persons who did not work during the reference week and are classified into two groups that are actively unemployed and inactively unemployed.</i></p>	<p><i>All persons not classified as employed or unemployed are classified as outside labour force. This category consists of housewives, students (including those going for further studies), retirees, disabled person and those not interested in looking for jobs.</i></p>

Terms used in this report will be as per above.

As per the Department of Statistics Malaysia, the implementation of Labour Force Statistics in Malaysia is based on the guidelines and recommendations of the **International Labour Organization (ILO)** with reference to the **Surveys of Economically Active Population, Employment, Unemployment and Underemployment: An ILO Manual on Concepts and Method.**

## Malaysia's Overall Gender Equality Reputation



### Global Gender Gap Index

Economic participation and opportunity  
 Educational attainment  
 Health and survival  
 Political empowerment

	2006 score	rank	2020 score	rank
<b>Overall</b>	<b>72</b>	<b>0.651</b>	<b>104</b>	<b>0.677</b>
Economic participation and opportunity	68	0.592	97	0.639
Educational attainment	63	0.985	86	0.989
Health and survival	80	0.970	84	0.974
Political empowerment	90	0.056	117	0.108

Source: Global Gender Gap Index 2020<sup>1</sup>

The Global Gender Gap Index report for 2020 shows Malaysia ranks 104th out of 153 countries, the second lowest among ASEAN countries. It places 97th in economic empowerment, a fall since 2018, in the same survey.

Although women in Malaysia have always been active economic participants to some degree, the dominant form of work-care arrangement in Malaysia has traditionally been that of a male breadwinner, female homemaker. However, recent government initiatives such as the 11<sup>th</sup> Malaysia Plan (2016 – 2020), the most recent plan at the time of this report's publication, focuses on promoting women's role in the country's development, with a target to achieve 59% women's participation in the labour force by 2020.

Unpaid care work remains a significant challenge for many Malaysian families, often preventing parents, particularly mothers, from participating in the labour force. In 2018, 2.9 million or 60.2% of women stayed out of the labour force due to housework/family responsibilities, compared with 81,000 or 3.6% of men. Several studies conducted around Malaysia also suggest that childcare issues are a major contributor for women opting out of the labour force. This is in line with findings from the 2014 Malaysian Population and Family Survey (MPFS-5), stating that 32.4% of married women between the ages of 15 and 59 who left the workforce cited childcare problems specifically as the main reason for quitting.

Further parts of this report will address these issues in depth.

<sup>1</sup> [http://www3.weforum.org/docs/WEF\\_GGGR\\_2020.pdf](http://www3.weforum.org/docs/WEF_GGGR_2020.pdf)

## Malaysian Female Labour Force Participation Rate

According to the World Bank<sup>2</sup> - Malaysia's FLFPR, the proportion of women who participate in work, remains low when compared to ASEAN countries, despite increasing from 46.4 percent in 2009 to 55.2 percent in 2018. Women comprised 39% of the total Malaysian labor force, with men representing the other 61%.

Based on the Department of Statistics Malaysia's table below, the female labour force participation rate (FLFPR) was the highest in 2019, which was 55.6%.

**Table 1: Principal statistics of labour force, Malaysia, First Quarter 2017 – First Quarter 2020**

Tahun Year	Kadar penyertaan tenaga buruh Labour force participation rate (%)			Tenaga buruh Labour force ('000)			Bekerja Employed ('000)			Penganggur Unemployed ('000)	Kadar pengangguran Unemployment rate (%)
	Jumlah Total	Lelaki Male	Perempuan Female	Jumlah Total	Lelaki Male	Perempuan Female	Jumlah Total	Lelaki Male	Perempuan Female		
<b>2019</b>											
S1	68.7	80.9	55.7	15,526.8	9,469.5	6,057.3	15,010.2	9,149.6	5,860.5	516.6	3.3
S2	68.8	80.8	55.8	15,598.8	9,492.5	6,106.3	15,078.2	9,175.5	5,902.7	520.6	3.3
S3	68.9	80.9	56.0	15,674.3	9,529.1	6,145.2	15,162.1	9,228.7	5,933.5	512.1	3.3
S4	69.1	81.1	56.1	15,766.7	9,589.2	6,177.5	15,254.5	9,290.8	5,963.7	512.2	3.2
<b>2020</b>											
S1	68.8	80.8	55.8	15,790.1	9,625.5	6,164.6	15,243.5	9,294.5	5,949.0	546.6	3.5

Source: Jadual Penerbitan Q1, Department of Statistics Malaysia (DOSM)

As you may be able to see, there is a slight upward trend for both female and male labour force participation rate.

### Impact of COVID-19 on LFPR

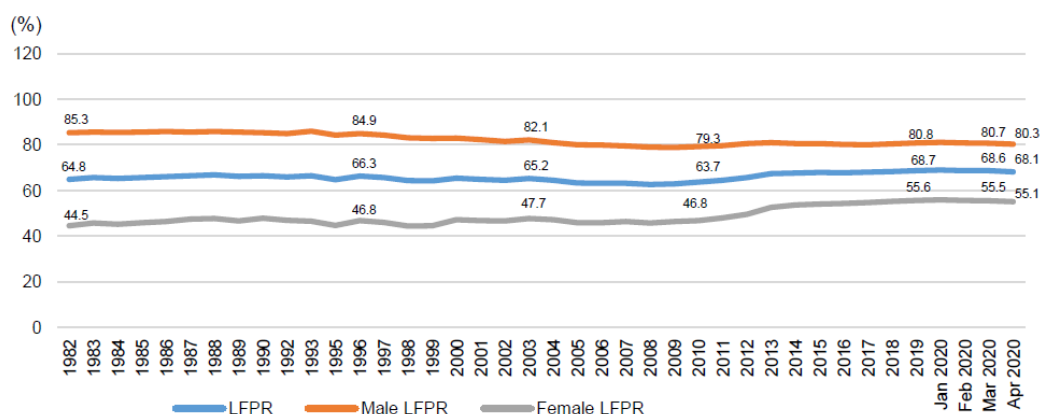
As per the 1st quarter of 2020, the labour participation rate has dipped slightly, possibly as a result of the Covid-19 pandemic. Although the female labour force participation rate has dropped from 56.1% at the end of 2019 to 55.8% in the first quarter of 2020, it is still higher than the same time last year. As for the male labour force participation rate, it dropped from 81.1% at the end of 2019 to 80.8% at the first quarter of 2020.

<sup>2</sup> Malaysia's Per Capita Income Could Rise by More Than 25 percent if Women Are Given Equal Economic Opportunities, World Bank Press Release, 27 September 2019

In average, male LFPR was always above 80.0 per cent, while for a number of years female LFPR has been well below 50.0 percent. The gradual increase in female LFPR can be seen to have begun in 2010.

In April 2020, male LFPR was 80.3 per cent, decreased 0.4 percentage points as against March 2020 (80.7%). Likewise, female LFPR also posted a decline of 0.4 percentage points to 55.1 per cent (March 2020: 55.5%)<sup>3</sup>.

**Chart 1: Labour force participation rate by sex, Malaysia, 1982-2019 and January – April 2020**



Source: Labour Force Report, Malaysia April 2020. Department of Statistics Malaysia

Female LFPR in the second quarter 2020 dropped an additional 0.8 percentage points from the previous quarter to 55.0 per cent at the national level.

**Table 2: Labour Force by Sex, Malaysia, First Quarter (Q1) 2020 & Second Quarter (Q2) 2020**

	Total	Male	Female
Q2 2020	15.68 million 100%	9.58 million 61.1%	6.09 million 38.9%
Q1 2020	15.79 million 100%	9.63 million 61.0%	6.16 million 39.0%

In the second quarter of 2020, the labour force comprised 61.1 per cent male (9.58 million persons) and 38.9 per cent female (6.09 million persons). The number of labour force for male and female decreased by 42,517 persons and 72,099 persons respectively as compared to the first quarter of 2020<sup>4</sup>.

<sup>3</sup> Labour Force, Malaysia, April 2020 Report Department of Statistics Malaysia

<sup>4</sup> Labour Force Survey Report, Malaysia, 2nd Quarter 2020, Department of Statistics Malaysia

### Distribution of women workers based on age

Based on the table below by DOSM, the largest percentage of employed females are generally within the 25-34 age group and next largest is within the 35-44 age group.

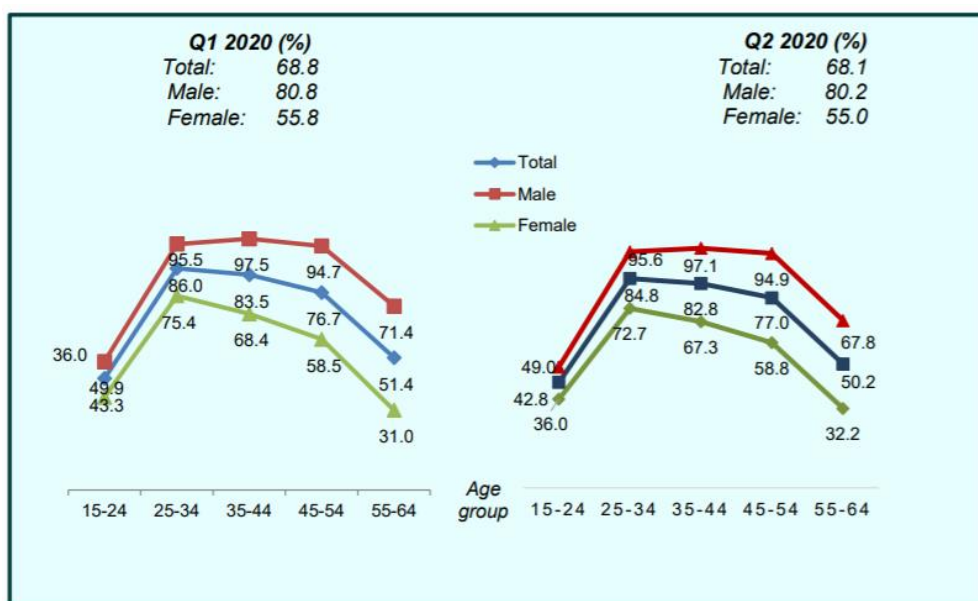
In the second quarter of 2020, the highest female LFPR in the labour market came from the age group of 25 to 34 years (35.2%) followed by 35 to 44 years (24.1%) and 45 to 54 years (24.1%).

A lot of past findings have shown that women leave the workforce according to their life cycle, e.g. when they start a family, thus the decrease of women in the workforce starting from age 35.

**Table 3: Employed persons by age group and sex, Malaysia, First Quarter, 2017-Second Quarter 2020**

Tahun Year	Jumlah/ Total	Kumpulan umur/Age group					Jumlah Total	Jumlah (%)				
		15-24	25-34	35-44	45-54	55-64		15-24	25-34	35-44	45-54	55-64
<b>Perempuan/Female</b>												
<b>2017</b>												
S1	5,682.1	1,008.3	2,082.0	1,304.9	923.5	363.3	100.0	17.7	36.6	23.0	16.3	6.4
S2	5,719.7	1,042.1	2,046.3	1,330.9	933.3	367.2	100.0	18.2	35.8	23.3	16.3	6.4
S3	5,757.6	1,015.4	2,060.9	1,345.9	938.4	397.1	100.0	17.6	35.8	23.4	16.3	6.9
S4	5,810.1	1,056.8	2,048.5	1,346.1	976.7	382.0	100.0	18.2	35.3	23.2	16.8	6.6
<b>2018</b>												
S1	5,917.9	1,063.3	2,135.7	1,360.8	972.8	385.2	100.0	18.0	36.1	23.0	16.4	6.5
S2	5,945.3	1,083.4	2,112.0	1,410.5	966.6	372.7	100.0	18.2	35.5	23.7	16.3	6.3
S3	6,006.7	1,057.8	2,077.1	1,420.5	1,049.4	401.9	100.0	17.6	34.6	23.6	17.5	6.7
S4	6,031.1	1,120.0	2,153.2	1,378.9	982.6	396.3	100.0	18.6	35.7	22.9	16.3	6.6
<b>2019</b>												
S1	6,057.3	1,054.5	2,188.5	1,431.9	971.8	410.6	100.0	17.4	36.1	23.6	16.0	6.8
S2	6,106.3	1,072.9	2,133.6	1,435.3	1,056.1	408.5	100.0	17.6	34.9	23.5	17.3	6.7
S3	6,145.2	1,080.0	2,155.7	1,483.9	1,024.6	401.1	100.0	17.6	35.1	24.1	16.7	6.5
S4	6,177.5	1,123.0	2,231.9	1,433.2	1,004.4	385.0	100.0	18.2	36.1	23.2	16.3	6.2
<b>2020</b>												
S1	6,164.6	1,049.8	2,221.8	1,488.8	1,000.3	403.9	100.0	17.0	36.0	24.2	16.2	6.6
S2	6,092.5	1,052.1	2,144.2	1,471.0	1,004.9	420.3	100.0	17.3	35.2	24.1	16.5	6.9

**Chart 2: Labour Force Participation Rate by Sex And Age Group, Malaysia, First Quarter (Q1) 2020 & Second Quarter (Q2) 2020**



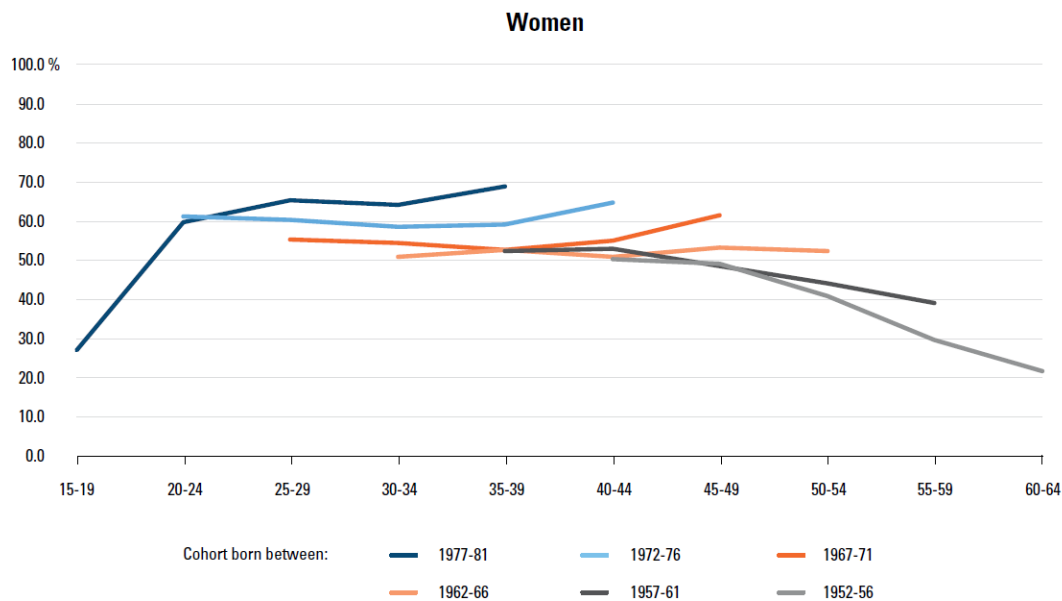
Source: Labour Force Survey Report Second Quarter, Department of Statistics Malaysia (DOSM)

However, there are other studies that refute this. Based on analysis on life-cycles and taking into account years of birth (cohorts) by Khazanah Research Institute (KRI), it is found that younger Malaysian women may not actually drop out permanently of the workforce after childbearing years, compared to older women. This finding is dissimilar with past research findings as well as general perception that suggest women generally phase out of the workforce after childbearing ages.<sup>5</sup>

These changes may be reflective of, among others, the shift in marriage and childbearing ages of women across generations to explain possible changes in women’s life-cycle patterns. Women from the younger generations are increasingly participating in the economy compared to the older generations at almost every age, signalling strong cohort effects at work.

This may be evidence of the progress that has been made over time in lifting women’s participation in the economy at every stage of life.

**Chart 3: Synthetic labour force participation curves, by age group and cohort born from 1952 to 1981 generated by KRI**



Source: Department of Statistics Malaysia

Based on figures obtained by the Ministry of Women, Family and Community Development in 2018 indicated that women from the urban areas are generally more likely to participate formally in the labour force compared to women from the rural areas (Table 4).

<sup>5</sup> PART 2: THE MALAYSIAN WORKFORCE: A CHANGING LANDSCAPE, Khazanah Research Institute



**Table 4: Labour Force Participation Rates by Age Group, Stratum and Sex, 2018**

Kumpulan Umur Age Group	Jumlah Total			Bandar Urban			Luar Bandar Rural		
	Jumlah Total	Lelaki Male	Perempuan Female	Jumlah Total	Lelaki Male	Perempuan Female	Jumlah Total	Lelaki Male	Perempuan Female
Jumlah Total	68.3	80.4	55.2	68.6	79.7	57.0	67	83	48.6
15-19	18.7	23.6	13.3	16.8	20.7	12.7	24.3	32.5	15.2
20-24	66.2	75.1	56.4	65.5	72.8	57.7	68.7	82.6	51.8
25-29	85.5	95.4	74.2	86.7	95.0	77.6	81.0	96.9	60.4
30-34	85.9	97.9	72.8	87.2	97.8	76.0	80.8	98.0	58.9
35-39	84.2	98.1	68.9	85.0	98.3	70.9	80.9	97.4	59.3
40-44	82.4	97.1	66.7	82.9	97.3	67.9	80.4	96.5	61.8
45-49	79.8	96.1	63.4	80.2	96.2	64.3	78.2	95.4	59.9
50-54	73.3	92.3	53.8	73.1	91.9	53.9	73.9	93.5	53.5
55-59	59.2	77.1	40.6	58.1	74.9	40.1	63.1	85.2	42.2
60-64	36.0	49.3	22.7	32.5	44.8	20.0	47.9	64.5	31.7

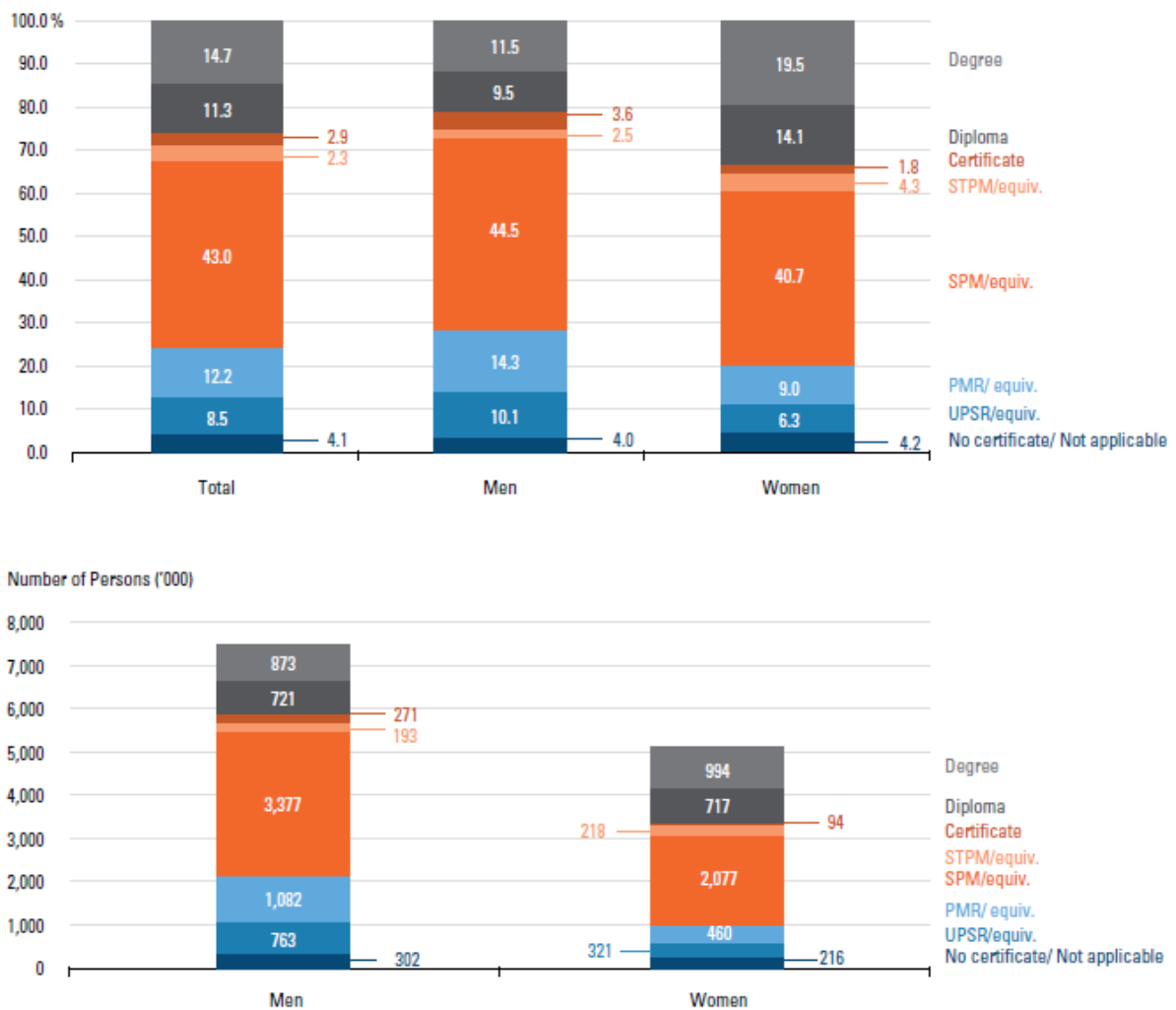
Source: Statistics on Women, Family and Community, Malaysia 2017 & 2018, Kementerian Pembangunan Wanita, Keluarga dan Masyarakat

### Women Workers and Educational Levels

Malaysian women labour force is, on average, higher educated than men. Almost 40% of the women obtained an STPM certificate and above, compared to only about 27% of men<sup>6</sup>. However, in absolute terms, they represent around the same number of persons, that is 2 million persons each.

In addition, labour force in urban areas are generally higher educated than those in rural areas, for both men and women. In both the rural and urban areas, women have a higher proportion of labour force with STPM qualification and above, although in absolute terms, again, they represent somewhat similar numbers as their male counterparts.

**Chart 4: Malaysian labour force education profile, by sex, 2017**



Source: Department of Statistics Malaysia

<sup>6</sup> PART 2:THE MALAYSIAN WORKFORCE: A CHANGING LANDSCAPE, KHAZANAH RESEARCH INSTITUTE

**Table 5: Labour Force Participation Rates by Highest Certificate Obtained, Stratum and Sex, 2018**

Sijil tertinggi diperoleh Highest certificate obtained	Jumlah Total			Bandar Urban			Luar Bandar Rural		
	Jumlah Total	Lelaki Male	Perempuan Female	Jumlah Total	Lelaki Male	Perempuan Female	Jumlah Total	Lelaki Male	Perempuan Female
Jumlah Total (%)	68.3	80.4	55.2	68.6	79.7	57.0	67.0	83.0	48.6
UPSR/UPSRA atau yang setaraf UPSR/UPSRA or equivalent	63.8	79.8	42.2	61.2	76.8	41.0	69.9	86.4	45.2
PMR/SRP/LCE/SRA atau yang setaraf PMR/SRP/LCE/SRA or equivalent	51.1	65.3	33.8	50.7	64.5	34.1	52.3	67.7	31.8
SPM atau yang setaraf SPM or equivalent	70.5	83.8	58.0	71.1	83.3	58.0	67.9	85.9	47.2
STPM atau yang setaraf STPM or equivalent	52.9	62.2	46.9	51.9	60.0	46.3	56.8	71.1	48.8
Sijil Certificate	87.3	92.2	76.2	87.7	92.4	77.0	85.6	91.7	73.2
Diploma	80.6	86.5	75.2	80.9	86.5	75.7	78.5	86.4	71.8
Ijazah Degree	89.0	92.0	86.6	89.0	91.8	86.6	89.5	94.0	86.2
Tiada sijil <sup>1</sup> No certificate	67.5	67.7	45.8	63.2	63.7	43.6	74.6	93.5	50.2
Tidak berkenaan <sup>2</sup> Not applicable	55.8	72.0	41.9	51.4	65.8	39.0	63.6	83.1	47.0

**Nota / Notes:**
<sup>1</sup> Tiada sijil / No certificate

 Merujuk kepada mereka yang masih di bangku sekolah atau telah tamat persekolahan tanpa memperoleh sebarang sijil.  
 Refers to those persons who are currently attending school or who have completed schooling without receiving any certificate.

<sup>2</sup> Tidak berkenaan / Not applicable

 Merujuk kepada mereka yang tiada pendidikan rasmi.  
 Refers to those persons who have no formal education.

 Sumber / Source: Jabatan Perangkaan Malaysia  
 Department of Statistics, Malaysia

Source: Statistics on Women, Family and Community, Malaysia 2017 & 2018, Kementerian Pembangunan Wanita, Keluarga dan Masyarakat

## Challenges Faced By Women In The Workforce

### Reasons for being outside the labour force

The 2018 Malaysian Labour Force Survey shows that 60.2% of women who are not employed cited housework, including child and elderly care, as the main reason for not seeking work. Housework, which includes family responsibilities, is also a common problem raised by women in the current workforce that prevents them from taking heavier responsibilities or leadership roles in the workplace.

In 2018, more than 60% of women who did not participate in the labour force cited housework, including child and elderly care, as the main reason for not seeking work. But only less than 4% of men not involved in the labour market gave housework as their main reason<sup>7</sup>

**Table 6: Number and Percentage Distribution of Persons Outside Labour Force by Reasons for not Seeking Work, Stratum and Sex, 2018**

Sebab-sebab tidak mencari kerja <i>Reasons for not seeking work</i>	Jumlah <i>Total</i>			Bandar <i>Urban</i>			Luar Bandar <i>Rural</i>		
	Jumlah <i>Total</i>	Lelaki <i>Male</i>	Perempuan <i>Female</i>	Jumlah <i>Total</i>	Lelaki <i>Male</i>	Perempuan <i>Female</i>	Jumlah <i>Total</i>	Lelaki <i>Male</i>	Perempuan <i>Female</i>
Masih belajar <i>Schooling</i>	2,949.0	1,433.0	1,515.9	2,346.1	1148.2	1197.9	602.9	284.9	318
	41.6	63.1	31.4	42.7	62.8	31.3	37.8	64.4	52.4
Kerja rumah <i>Housework</i>	2,998.5	81.0	2,905.5	2,228.9	70.5	2,158.3	757.6	10.4	747.2
	42.1	3.6	60.2	40.5	121.9	1.9	135.4	3.5	65.8
Akan melanjutkan pelajaran <i>Going for further studies</i>	154.6	71.3	83.4	120.3	55.9	64.4	34.4	15.3	19
	2.2	3.1	1.7	2.2	3.1	1.8	2.2	3.5	1.7
Hilang upaya <i>Disabled</i>	310.7	212.5	98.2	223.7	156.9	66.9	87	55.7	31.3
	4.4	9.4	2.0	4.1	7.7	1.9	5.7	12.7	2.9
Tidak berminat <i>Not interested</i>	85.4	52.7	32.7	64.8	39.0	25.8	20.6	13.6	6.9
	1.2	2.3	0.6	1.0	1.9	0.6	1.7	4.5	0.6
Sudah bersara <i>Retired</i>	608.3	420.8	187.5	516.9	358.3	158.6	91.4	62.5	28.9
	8.6	18.5	3.9	9.4	19.4	4.2	5.5	12.2	2.9
Jumlah ('000) <i>Total (%)</i>	7,094.4	2,271.3	4,823.2	5,500.7	1,828.8	3,671.8	1,593.8	442.5	1151.3
	100.0	100.0	100.0	100.0	100.0	100.0	100	100	100

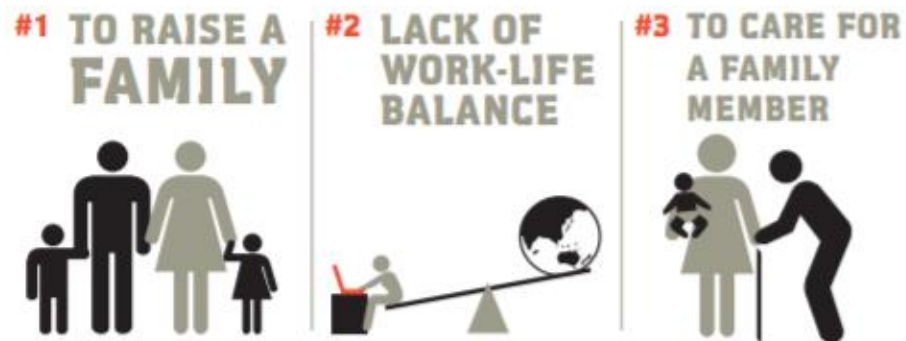
Source: Statistics on Women, Family and Community, Malaysia 2017 & 2018, Kementerian Pembangunan Wanita, Keluarga dan Masyarakat

<sup>7</sup> Breaking barriers: Toward better economic opportunities for women in Malaysia  
 ACHIM SCHMILLENMEI LING TAN | OCTOBER 28, 2019, World Bank Blogs  
<https://blogs.worldbank.org/eastasiapacific/breaking-barriers-toward-better-economic-opportunities-women-malaysia>

TalentCorp and ACCA mooted a joint survey on the state of female employment and retention in Malaysia in mid-2012, entitled “Retaining Women in the Workforce”. This survey is a critical element in TalentCorp and ACCA’s initiative to promote gender diversity and inclusion through sustainability reporting via the ACCA Malaysia Sustainability Reporting Awards (MaSRA) 2013.<sup>8</sup> Their findings were as per below:-

### 1) Why do women leave?:

According to the findings of the survey, the top three reasons “why women leave the workforce” are as follows:



### 2) Barriers to re-entry:

While many women on hiatus want to return to work, they face many barriers to re-entry such as career obsolescence and employer bias.



<sup>8</sup> Retaining Women In The Workforce: 50 Champions of Gender Diversity, TalentCorp, ACCA February 2013 <http://flexworklife.my/wp-content/uploads/2013/07/ACC5-Retaining-Women-in-the-Workforce.pdf>

## Reasons for not returning to work after MCO

Both male and female labour force participation rates recorded a slight increase in the months of May and June after the relaxation of the Movement Control Order rules.

The population of outside labour force accounting for 7,350.5 thousand persons in the second quarter of 2020. The main reasons of not seeking for work among the population outside labour force was housework/family responsibilities (43.3%) and schooling (42.4%). Both groups have the potential to join the labour market if they are interested in working<sup>9</sup>.

**Table 7: Population Outside Labour Force by Reasons for Not Seeking Work, Malaysia, First Quarter (Q1) 2020 & Second Quarter (Q2) 2020**

<i>Reasons for not seeking work</i>	<i>Q1 2020 ('000)</i>	<i>Q2 2020 ('000)</i>	<i>Q1 2020 (%)</i>	<i>Q2 2020 (%)</i>
<b>Total</b>	7,163.1	7,350.5	100.0	100.0
<i>Schooling</i>	3,082.8	3,115.5	43.0	42.4
<i>Housework/family responsibilities</i>	3,036.4	3,179.1	42.4	43.3
<i>Going for further studies</i>	97.8	159.5	1.4	2.2
<i>Disabled</i>	306.6	283.1	4.3	3.9
<i>Not interested</i>	47.4	55.6	0.7	0.8
<i>Retired</i>	592.1	557.6	8.2	7.6

<sup>9</sup> Labour Force Survey Report Malaysia, Second Quarter 2020, Department of Statistics Malaysia

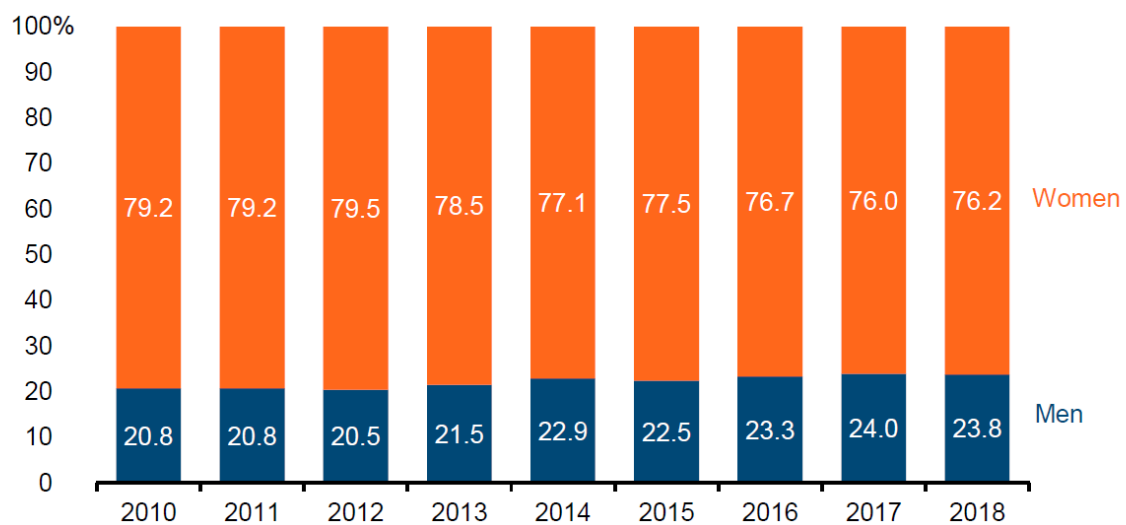
## Unpaid care and domestic work distribution between women and men

On average, women in Malaysia spend more hours than men on unpaid care and domestic work

According to UN Women, the proportion of time spent on unpaid domestic chores and care work is 19.1% for women compared to 6% for men<sup>10</sup>

The caregiving population outside the labour force was still predominantly women. In 2018, it was 76.2% women and 23.8% men. Although the proportion of men increased (14.4%) and the proportion of women decreased (-2.1%) between 2010 and 2018, care burden on those outside the labour force still fell disproportionately on women<sup>11</sup>.

**Chart 5: Caregiving population outside the labour force in Malaysia, by gender, 2010-2018**



Source: DOS (Various years-a), DOS (Various years-b) and authors' calculations

<sup>10</sup> UN Women <https://data.unwomen.org/country/malaysia>

<sup>11</sup> Khazanah Research Institute. 2019. Time to Care: Gender Inequality, Unpaid Care Work and Time Use Survey. Kuala Lumpur: Khazanah Research Institute. License: Creative Commons Attribution CC BY 3.0.

Based on research by Khazanah Research Institute (KRI), women spend over an hour (72.9 minutes) per day more than men on unpaid domestic services for household and family members.

**Table 8: Time Use Survey 2019 by Khazanah Research Institute<sup>12</sup>**

	Primary activities			Secondary activities		
	Men	Women	Overall	Men	Women	Overall
	(minutes per day)					
1 Employment & related activities	415.0	398.7	406.9	43.8	59.2	51.5
2 Production of goods for own final use	0.1	0.0	0.0	0.0	0.0	0.0
3 Unpaid domestic services for household and family members	64.7	137.6	100.9	4.0	17.6	10.8
4 Unpaid caregiving services for household and family members	68.9	78.5	73.7	32.1	58.5	45.2
5 Unpaid volunteer, trainee and other unpaid work	6.3	12.7	9.5	0.1	1.5	0.8
6 Learning	8.2	0.0	4.1	0.0	0.0	0.0
7 Socializing and communication, community participation and religious practice	152.6	120.9	136.9	205.9	182.9	194.5
8 Culture, leisure, mass media and sports practices	184.9	144.0	164.6	191.5	192.7	192.1
9 Self care and maintenance	539.4	547.5	543.4	24.4	26.1	25.3
<b>TOTAL</b>	<b>1440.0</b>	<b>1440.0</b>	<b>1440.0</b>	<b>501.9</b>	<b>538.5</b>	<b>520.1</b>

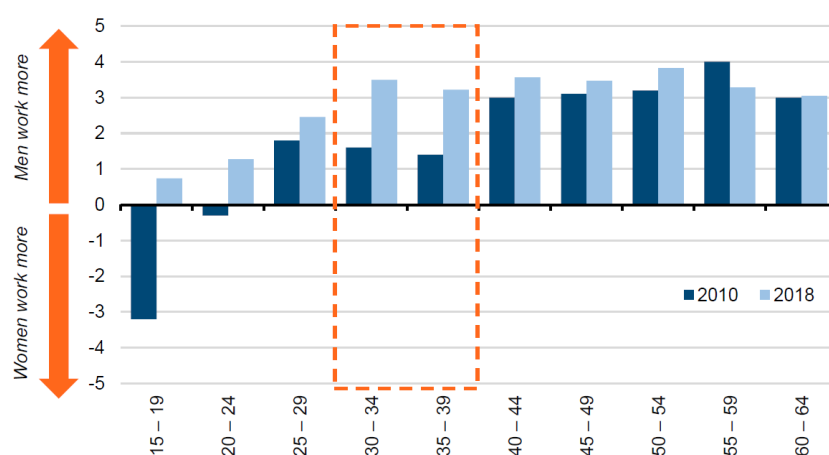
  

	Primary activities			Secondary activities		
	Men	Women	Overall	Men	Women	Overall
	(%)					
1 Employment & related activities	28.8	27.7	28.3	8.7	11.0	9.9
2 Production of goods for own final use	0.0	0.0	0.0	0.0	0.0	0.0
3 Unpaid domestic services for household and family members	4.5	9.6	7.0	0.8	3.3	2.1
4 Unpaid caregiving services for household and family members	4.8	5.5	5.1	6.4	10.9	8.7
5 Unpaid volunteer, trainee and other unpaid work	0.4	0.9	0.7	0.0	0.3	0.1
6 Learning	0.6	0.0	0.3	0.0	0.0	0.0
7 Socializing and communication, community participation and religious practice	10.6	8.4	9.5	41.0	34.0	37.4
8 Culture, leisure, mass media and sports practices	12.8	10.0	11.4	38.2	35.8	36.9
9 Self care and maintenance	37.5	38.0	37.7	4.9	4.8	4.9
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

As a result of women spending more time on unpaid domestic work, they have less time to contribute to formal jobs.

Statistics show that women on average worked fewer hours per week than men, and this gap also increased with age. The gender gap in hours worked was largest for those aged 50 – 54 in 2018, with women working on average 3.8 hours less than men.

**Chart 6: Gender gap in mean hours worked, 2010 and 2018**



Source: DOS (2011), DOS (2019)

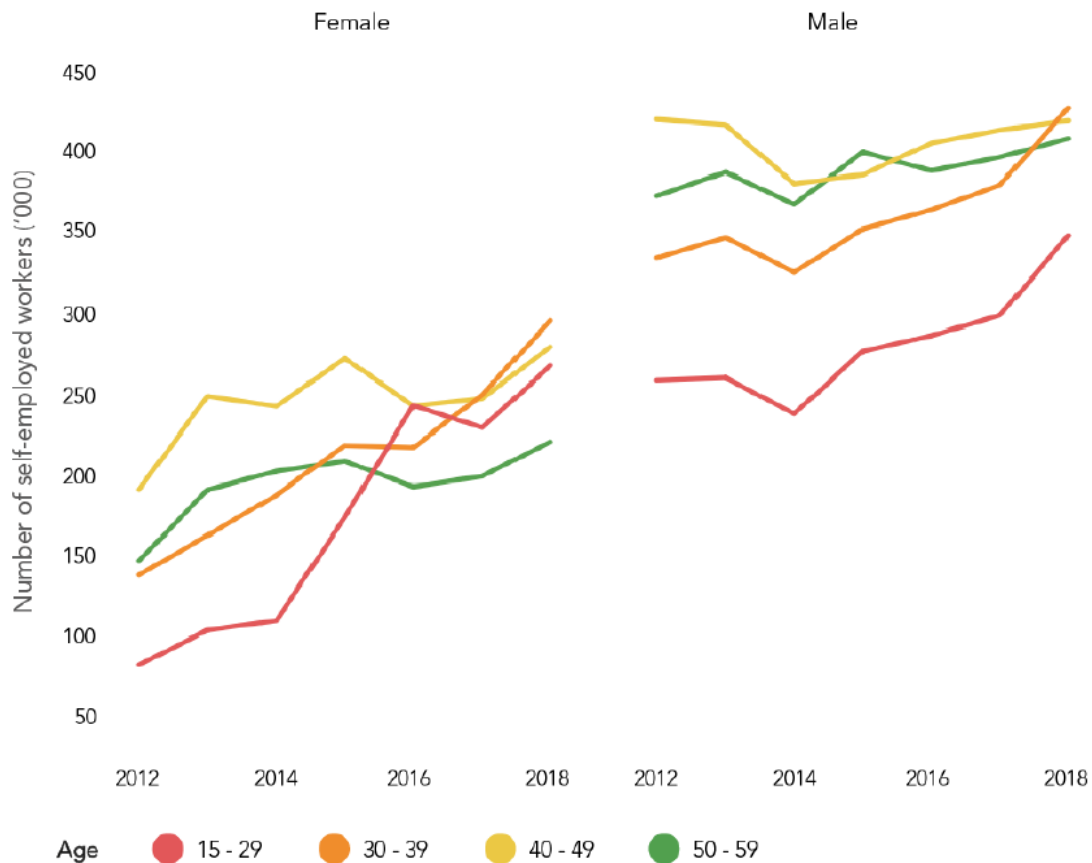
Those aged 30 – 34 and 35 – 39 experienced the largest increase in the gender gap of hours worked between 2010 and 2018. This spike coincides with the increasing LFPR gap after the ages of 25 – 29.

<sup>12</sup> Retrieved from [http://www.krinstitute.org/Publications-@-Time\\_to\\_Care-;\\_Gender\\_Inequality,\\_Unpaid\\_Care\\_Work\\_and\\_Time\\_Use\\_Survey.aspx](http://www.krinstitute.org/Publications-@-Time_to_Care-;_Gender_Inequality,_Unpaid_Care_Work_and_Time_Use_Survey.aspx)



### How Women Workers Cope: Flexible work

According to figures by DOSM, over the last six years there has been a sharp increase in self-employment status among women between the ages of 15 and 29. While women who enter these occupations may value the greater flexibility they offer—enabling them to cope with the double burden of (unpaid) caregiving and paid work— they sacrifice the social protection that comes with traditional employment. The extended period of social and physical distancing in post-MCO Malaysia will likely further accelerate the pace of deregulation of women’s employment<sup>13</sup>.



Source: Annual Labour Force Survey, DOSM (Multiple Years)

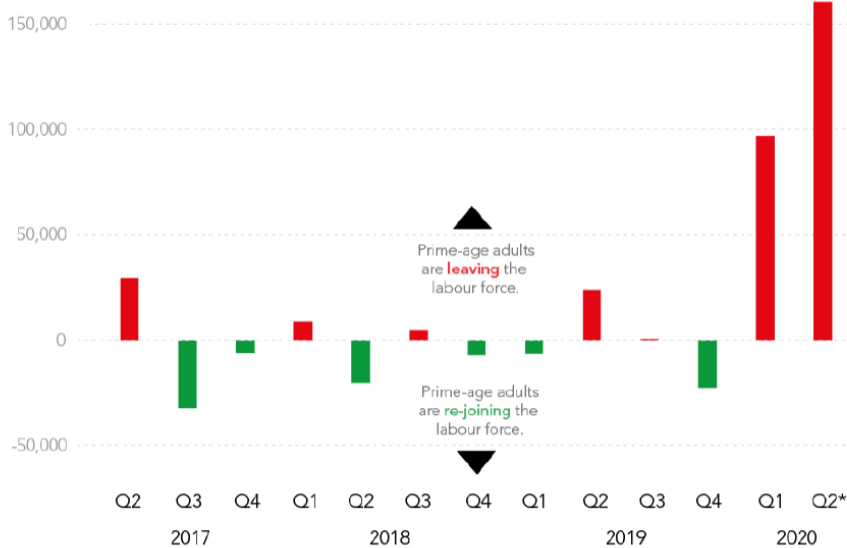
<sup>13</sup> July 21, 2020, Care Work in the Time of COVID-19: Women’s Unpaid Care Burden in Four Charts, Sri Ranjani Mukundan

## Caregiving and Impact During MCO

UNDP Malaysia COVID-19 Work From Home Survey’s preliminary report found that, overall, WFH options made caregiving easier. But women were more likely than men to report increased difficulty of caregiving (32% vs. 20%) due to working from home, and this was still higher among women of age group 35-44<sup>14</sup>.

**The number of prime-age workers who have given up employment has spiked, the majority of whom cite caregiving and family obligations for quitting the labour force.**

Figure: Net quarterly changes in working age population outside the labour force



Source: Author's own calculation with DOSM Labour Force Surveys (2020)  
 \*Data includes only figure for only April 2020, actual statistic for full quarter may be higher.

<sup>14</sup> UNDP IN MALAYSIA BLOG 2020 CARE WORK IN THE TIME OF COVID-19: WOMEN’S UNPAID CARE BURDEN IN FOUR CHARTS, Posted on July 21, 2020 , Sri Ranjani Mukundan, <https://www.my.undp.org/content/malaysia/en/home/blog/2020/care-work-in-the-time-of-covid-19--womens-unpaid-care-burden-in-0.html>

## Gender Wage Gap

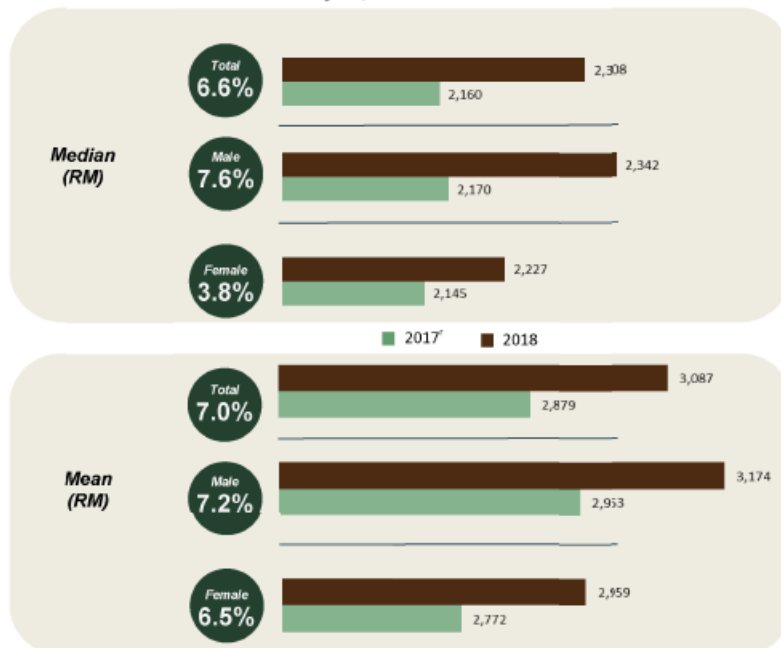
Based on 2018 figures from the Department of Statistics Malaysia (DOSM), females generally earn on average, 6.7% less than males. However, no hourly figures are given.

Sex	2017 Mean (RM)	2018 Mean (RM)
Total	2879	3087
Female	2772	2959
Male	2953	3174
Gender Pay Gap M vs. F Mean (RM)	181	215

### Monthly Salaries & Wages of Employees by Sex

The median monthly salaries & wages for male employees recorded a higher growth of 7.6 per cent as compared to female at 3.8 per cent in 2018. Mean monthly salaries & wages for both male and female employees increased to RM3,174 (7.2%) and RM2,959 (6.5%) respectively.

**Exhibit 2:**  
Median and mean monthly salaries & wages of employees by sex,  
Malaysia, 2017<sup>1</sup> and 2018



Notes:  
Percentage refers to compounded annual growth rate  
<sup>1</sup>Revised

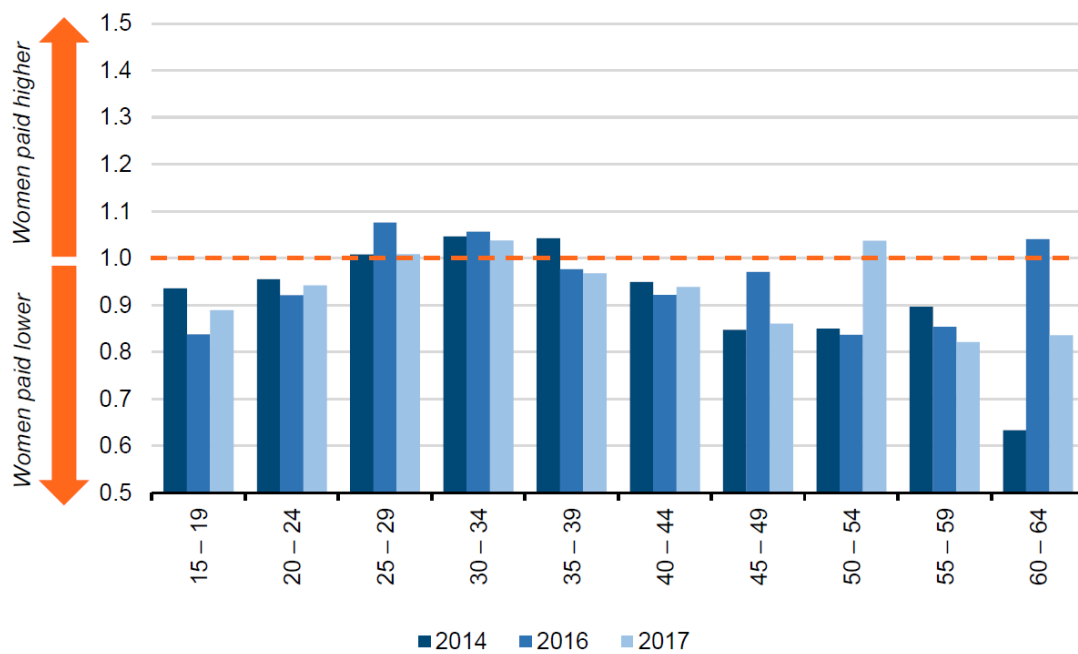
Source: *Salaries & Wages Survey Report 2018, Department of Statistics Malaysia (DOSM)*

As examined in the previous section, women are spending more time than men on unpaid domestic work, and this affects the amount of time they are able to commit to paid work.

Disparity in labour force participation is intertwined with wages and salaries.

Women in their early prime ages i.e. ages 25 – 34 generally earned more than men. This pattern, however, was reversed when they reached their later prime ages i.e. aged 35 and above, where men earned on average more than women<sup>31</sup>.

**Figure 1.7: Gender gap in mean wages and salaries, 2014, 2016, and 2017**



## Women in the Informal Sector and in Vulnerable Employment

### Definitions

#### Informal Sector<sup>15</sup>

Employment in the informal sector refers all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job.

An informal sector enterprise satisfies the following criteria:

- It is an unincorporated enterprise, which means that:
  - It is not constituted as a legal entity separate from its owners, and
  - It is owned and controlled by one or more members of one or more households, and
  - It is not a quasi-corporation (it does not have a complete set of accounts, including balance sheets);
- It is a market enterprise: this means that it sells at least some of the goods or services it produces. It therefore excludes households employing paid domestic workers;
- And at least one of the following criteria:
  - The number of persons engaged / employees / employees employed on a continuous basis, is below a threshold determined by the country
  - The enterprise is not registered
  - The employees of the enterprise are not registered.

#### Vulnerable Employment<sup>16</sup>

Vulnerable employment is defined as the sum of the employment status groups of own-account workers and contributing family workers.

Own-account workers are those workers who, working on their own account or with one or more partners, hold the type of jobs defined as a self-employment jobs (i.e. remuneration is directly dependent upon the profits derived from the goods and services produced), and have not engaged on a continuous basis any employees to work for them during the reference period.

Contributing family workers, also known as unpaid family workers, are those workers who are self-employed, as own-account workers in a market-oriented establishment operated by a related person living in the same household.

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<sup>15</sup> ILO Glossary of Statistical Terms. <https://www.ilo.org/ilostat-files/Documents/Statistical%20Glossary.pdf>

<sup>16</sup> Employment by status in employment. [https://www.ilo.org/ilostat-files/Documents/description\\_STE\\_EN.pdf](https://www.ilo.org/ilostat-files/Documents/description_STE_EN.pdf)

Formal vs informal workforce ratio  
 disaggregated by sex (the latest available data)

Year 2017		
Type of Employment	Sex	Total (absolute numbers)
Total	Total	9,817,307
	Male	6,581,719
	Female	3,235,588
Formal	Total	8,463,707
	Male	5,752,519
	Female	2,711,188
Informal	Total	1,353,600
	Male	839,200
	Female	524,400

Note: Formal employment figures taken from *Jadual Statistik Ekonomi Tahunan / Annual Economic Statistics (AES) 2018* by Department of Statistics Malaysia

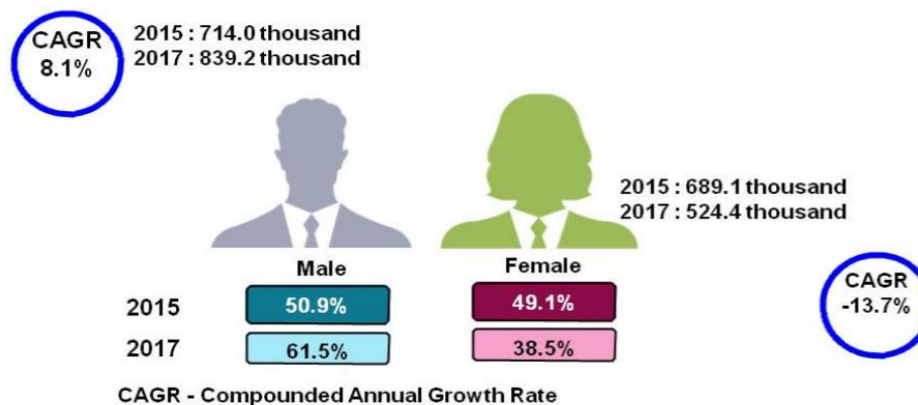
#### EMPLOYMENT IN THE INFORMAL SECTOR BY SEX

Employment in the informal sector for male in 2017 comprised of 839.2 thousand persons with an annual growth rate of 8.1 per cent. The percentage contribution for male employment increased 10.6 percentage points for that particular year to 61.5 per cent from 50.9 per cent in 2015.

Employment in the informal sector for female was estimated at 524.4 thousand persons with a contribution of 38.5 per cent. The annual growth rate of female employment decreased 13.7 per cent as compared to an increase of 2.0 per cent in 2015.

#### Exhibit 2:

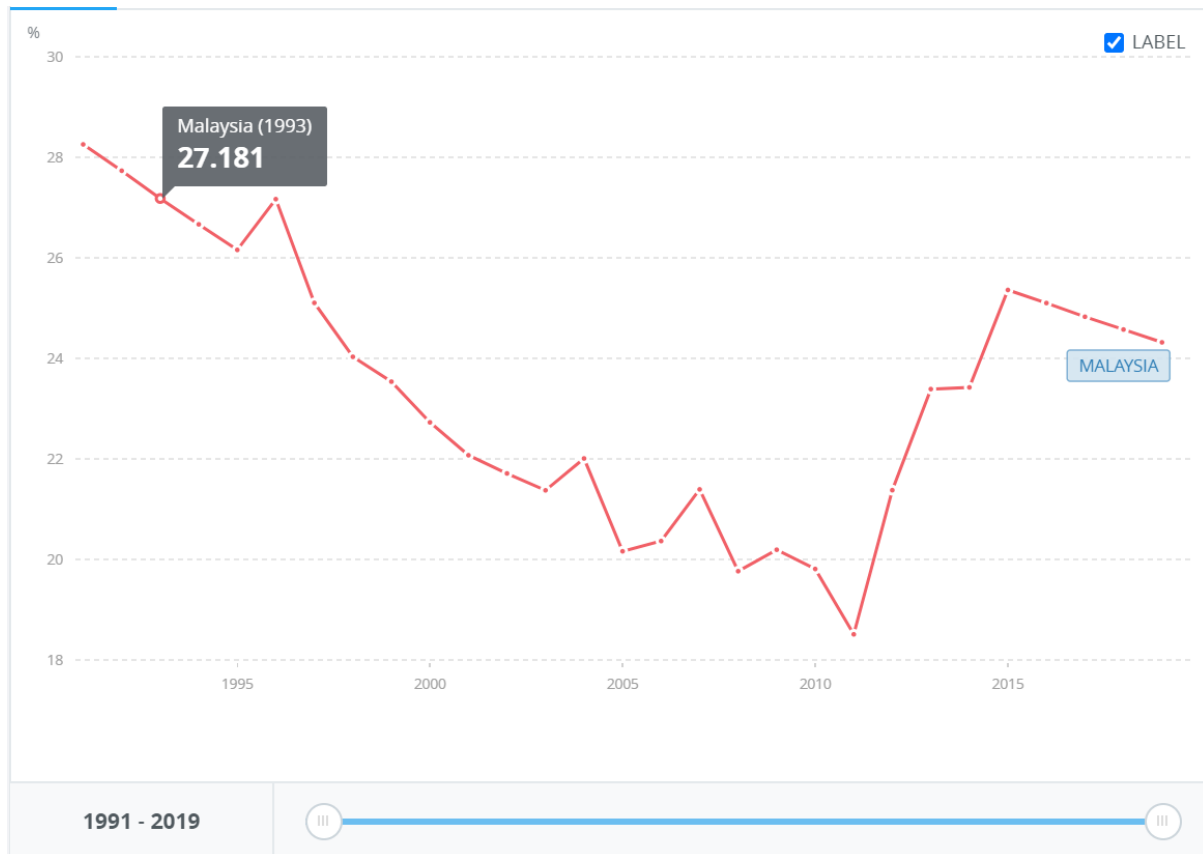
##### Employment in the informal sector by sex, Malaysia, 2015 and 2017



Source: *Informal Sector Work Force Survey Report, Malaysia, 2017*, Department of Statistics Malaysia

## Female vulnerable employment in Malaysia

Vulnerable employment, female (% of female employment) (modeled ILO estimate) – Malaysia from data.worldbank.org<sup>17</sup>



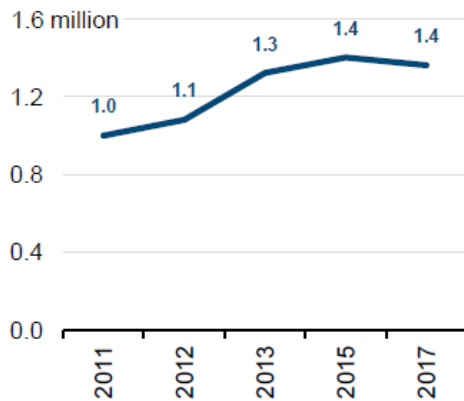
<sup>17</sup> Derived using data from International Labour Organization, ILOSTAT database. Retrieved in June 21, 2020. <https://data.worldbank.org/indicator/SL.EMP.VULN.FE.ZS?end=2019&locations=MY&start=1991&view=chart>

## Facts and Figures about the Informal Sector, Malaysia

Extracted from *Khazanah Research Institute's report*<sup>18</sup>

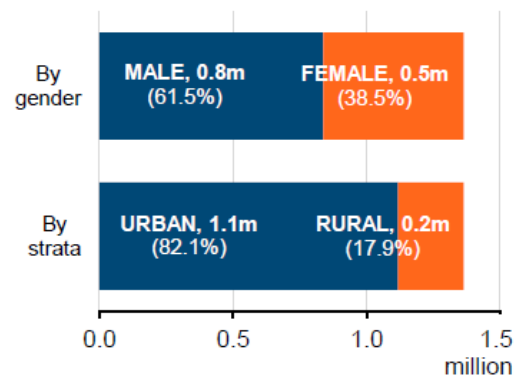
1. The proportion of employment in the informal sector has been steadily increasing since 2011.
2. There were more male workers in the informal sector compared to female workers. Total male workers in this sector have been steadily rising from 626,000 to 839,000 workers between 2011 and 2017. Total female workers in the informal rose from 375,000 in 2011 to 689,000 in 2015 but moderated to 524,000 workers in 2017.

**Figure 3: Employment in the informal sector, 2017**



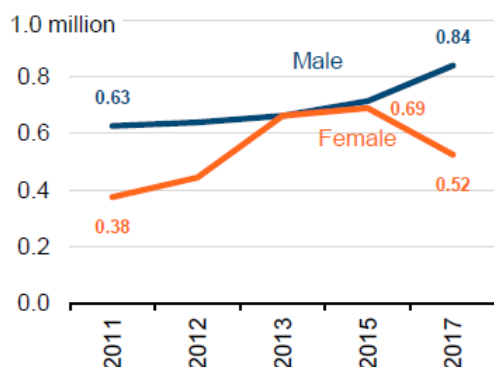
Source: DOS (2018a)

**Figure 4: Employment in the informal sector, by gender and strata, 2017**



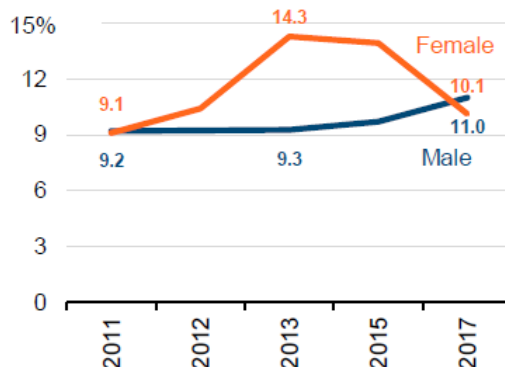
3. Per total workers in the non-agriculture sectors, the prevalence of informality was lower among male than female. In 2013, 14.3% of non-agriculture female workers were employed by informal firms, whilst this percentage was 9.3% for male workers. However, in 2017, this percentage was similar at 10.1% for female workers and 11.0% for male workers.

**Figure 24: Employment in the informal sector, by gender, 2011 – 2017**



Source: DOS (2018a)

**Figure 25: Share of informal sector employment out of total non-agriculture employment, by gender, 2011 – 2017**



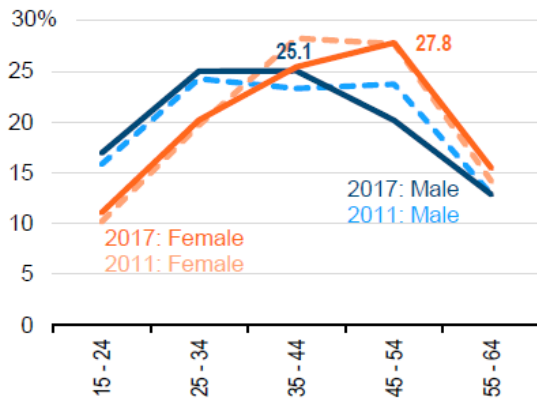
Source: Author's calculations based on DOS (2018a). Share per total employment in informal sector for each gender

<sup>18</sup> Siti Aiyssyah Tumin. 2020. Unregistered and "Invisible": Workers in Malaysia's Informal Sector. Kuala Lumpur: Khazanah Research Institute. License: Creative Commons Attribution CC BY 3.0.

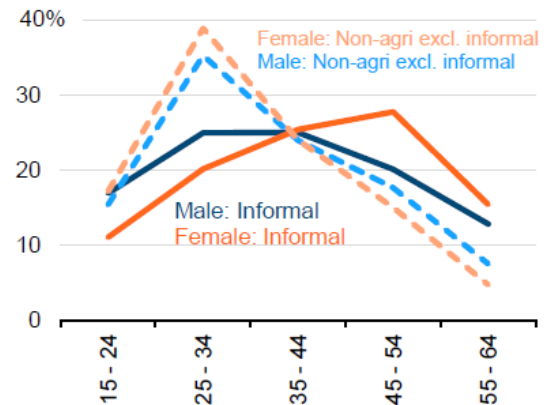


- Workers in the informal sector tend to be older. Among female workers in the informal sector, the age group 45 to 54 years old has the highest share of workers while among male, the highest share was a slightly younger age category, 35 to 44 years old. Compared to workers outside the informal sector, the informal sector's prevalence of older workers remained for both genders.

**Figure 26: Share of workers by age category in the informal sector, by gender, 2011 and 2017**



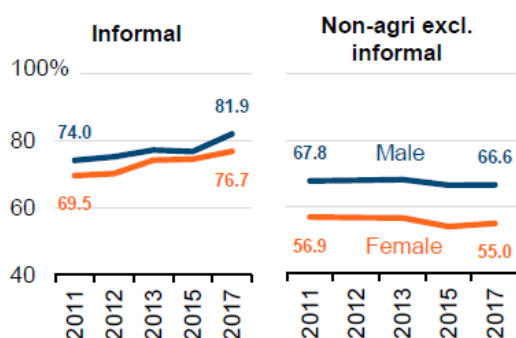
**Figure 27: Share of workers by age category, by sector and by gender, 2017**



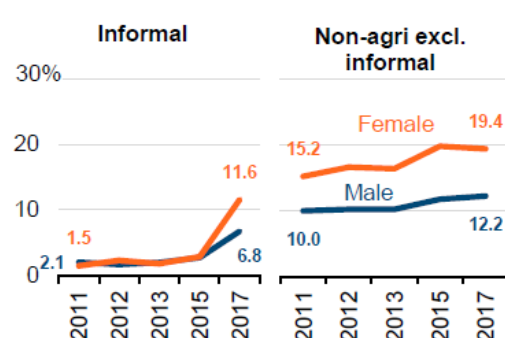
Source: Author's calculations based on DOS (2018). Non-agriculture excl. informal refers to total non-agriculture employment minus informal sector employment. Share per total employment in each sector for each gender

- For both sectors and genders, more than half of workers have SPM, although the total number of male SPM-holders was about 1.7 time higher than female SPM holders.
- The share of degree-holders was higher among female workers. In the informal sector, 11.6% of female workers have a degree, while only 6.8% of male workers have this qualification in 2017. Compared to employment outside the informal sector, the average share of degree-holders among female workers (average 17.5%) almost doubled male workers (average 10.9%)

**Figure 28: Share of workers with SPM, by sector and gender, 2011 – 2017**



**Figure 29: Share of workers with degree, by sector and gender, 2011 – 2017**

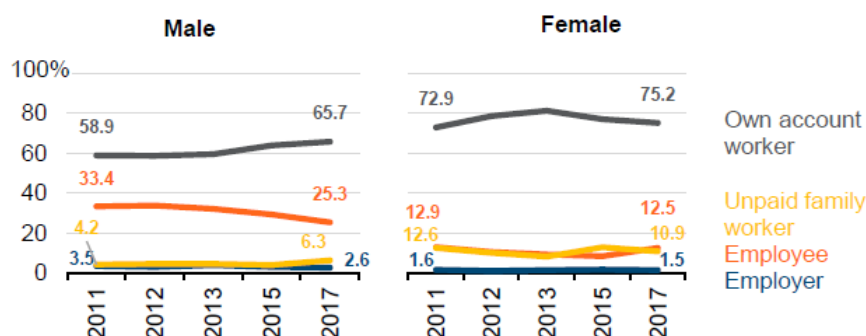


Source: DOS (2018a). Per total employment in each sector for the respective gender. Non-agriculture excl. informal refers to total non-agriculture employment minus informal sector employment

- By employment status, own account worker was most common among male and female workers in the informal sector, but the prevalence was higher among female.

- The share of female unpaid female workers was also higher, 10.9% of total female informal sector workers, compared to 6.3% male informal sector worker in 2017. On the flipside, the prevalence of employer and employee was higher for male workers. As noted in the earlier section, employment statuses such as own account workers and unpaid family workers tend to be more precarious, further amplified by being in the informal sector; and findings in this section reveal these risks could be more common among female than male workers.

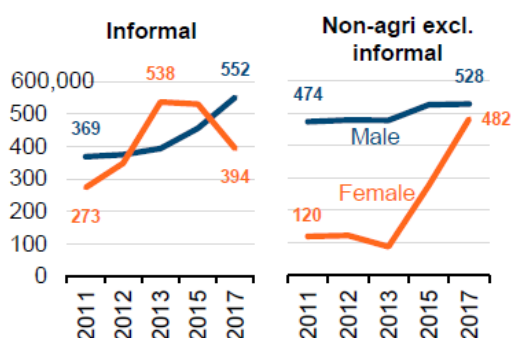
**Figure 30: Share of employment in the informal sector by employment status, by gender, 2011 – 2017**



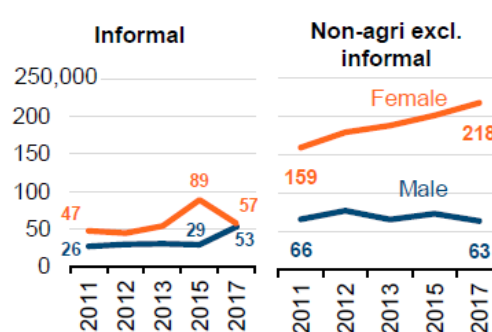
Source: Author’s calculations based on DOS (2018a). Note: Per total employment in informal sector

- In the informal sector, the total male own account worker rose by 49.6% while the rate was 44.2% for female from 2011 to 2017. Total female self-employed almost doubled from 273,000 in 2011 to 537,000 in 2013, before it moderated to 394,000 in 2017. The decline of the informal sector’s female own account worker also coincided with a dramatic rise of female own account worker in the remaining non-agriculture sectors—from 87,000 workers in 2013 to 482,000 workers in 2017.
- Female unpaid family worker in the informal sector declined from 89,000 workers in 2015 to 57,000 workers in 2017 (decline by 32,000 workers). In the same period, male unpaid family worker rose from 29,000 to 53,000 (increased by 24,000 workers).

**Figure 31: Total own account workers, by sector and gender, 2011 – 2017**



**Figure 32: Total unpaid family workers, by sector and gender, 2011 – 2017**

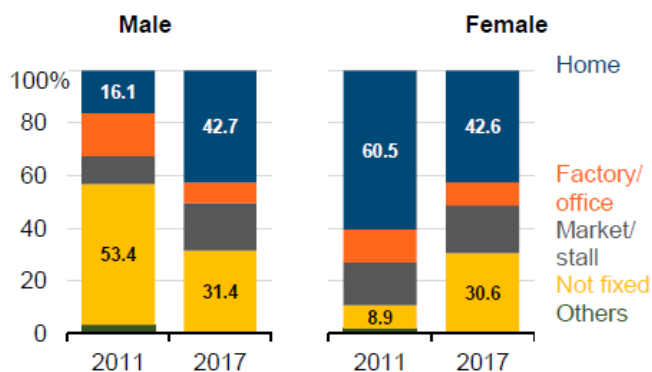


Source: Author’s calculations based on DOS (2018a). Non-agriculture excl. informal refers to total non-agriculture employment minus informal sector employment

- In 2011, the work place for half of the male workers in the informal sector was not fixed (53.4%), but in 2017, this declined to a lower proportion (31.4%). Instead, more male workers in the informal sector worked from home; the share of home-based male workers increased from 16.1% in 2011 to 42.7% in 2017. However, female workers experienced the opposite as work shifted from being home-based to not fixed. In 2011, 60.5% of female

workers in the informal sector worked from home and 8.9% had not fixed working location, but in 2017, the share of the former moderated to 42.6% and the latter expanded to 30.6%.

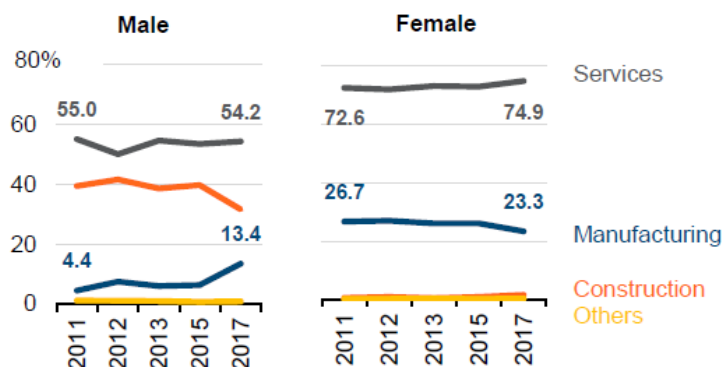
**Figure 33: Share of workers in the informal sector by work place, by gender, 2011 and 2017**



Source: Author's calculations based on DOS (2018a). Per total employment in informal sector

- Between 2011 and 2017, for male workers, the average share of workers employed by services was 53.4%, while for female workers, the average share was 73.2%. However, during the same period, the share of workers in manufacturing increased by 9.0 ppt for male workers but declined by 3.4 ppt for female workers in the informal sector.

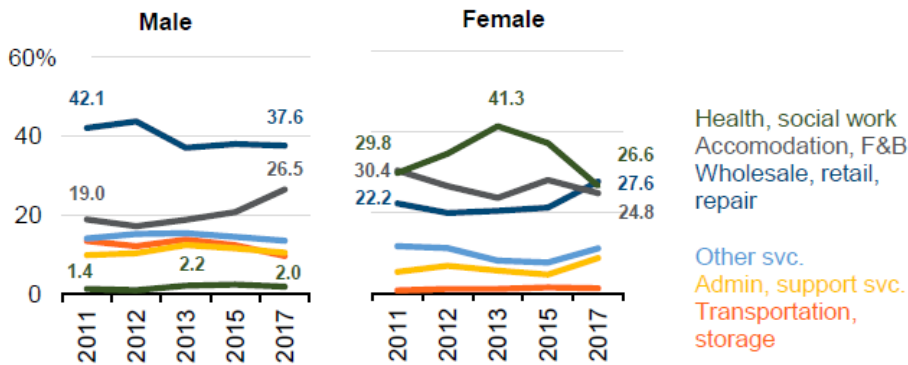
**Figure 34: Employment in the informal sector by main industry, by gender, 2011 – 2017**



Source: Author's calculations based on DOS (2018a). Per total employment in informal sector for the respective gender

- Within services, most male workers in the informal sector were employed in wholesale, retail trade & repair of vehicles, followed by accommodation and F&B for both genders. Among female workers in the informal sector, human health & social work activities was a key economic activity. In 2013, the informal human health & social work services sector employed 41.3% of female informal sector workers, compared to male's percentage of less than 3%.

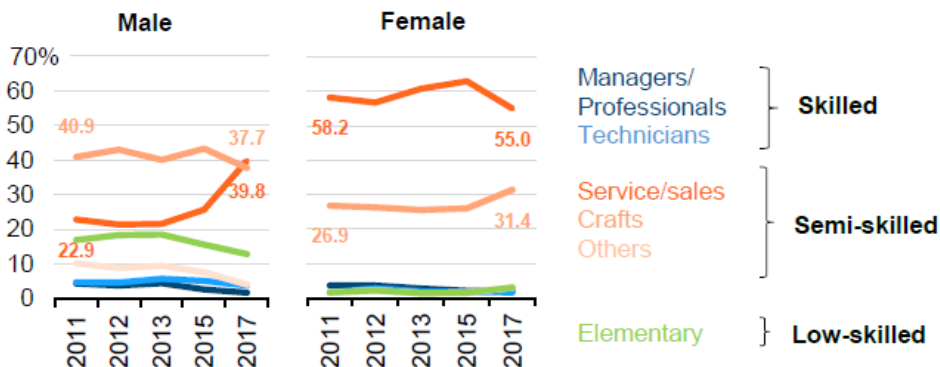
Figure 35: Share of workers by services industry, by gender, 2011 – 2017



Source: Author's calculations based on DOS (2018a). Per total employment in informal sector for the respective gender

14. Semi-skilled occupations were the most common jobs for male and female workers in the informal sector. Most male workers were in craft & related trades (40.9% in 2011) occupations, but their share of service & sales workers grew steadily between 2011 and 2017. By 2017 the share of service & sales workers among male employed by informal services firms almost doubled the share in 2011. That said, the share of female service & sales workers (average 58.8%) was higher than male workers (average 26.3%).

Figure 36: Share of workers in the informal sector by occupation, by gender, 2011 – 2017



Source: Author's calculations based on DOS (2018). Per total employment in informal sector for the respective gender

## Self-Employment in Malaysia

*Extracted from ISEAS<sup>19</sup>*

- The self-employed are now the second biggest group in the Malaysian workforce. In 2018, there were 2.86 million own-account workers, out of a total of 14.8 million working adults.
- The self-employed are more likely to be older males, Bumiputera, and located in urban areas. The Klang Valley (greater Kuala Lumpur) region and Sabah have the highest numbers of own-account workers in the country.
- The growth of self-employment may be due to an expanding services sector, the rise of the gig economy, the desire to “be your own boss”, and a more positive attitude towards entrepreneurship in the community.

## Impact of COVID-19 to Informal Employment in the Informal Sector

*Extracted from Department of Statistics Malaysia Newsletter DOSM/BPTMS/3.2020/Series 51: Informal Sector in Malaysia<sup>20</sup>*

According to the Informal Sector Workforce Survey, almost 70 per cent of informal employment in the informal sector comprised of self-employed. Based on the Labour Force Survey for the first quarter of 2020, there was 2.66 million persons working as self-employed or 17.4 per cent of total workforce in Malaysia. Meanwhile, unpaid family worker accounted for 0.62 million (4.1%). It was estimated that almost half of self-employed employees have lost their jobs and 0.62 million unpaid family worker might be directly affected by the Movement Control Order (MCO) from 18 Mac-28 April 2020 due to COVID-19 outbreak.

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<sup>19</sup> [https://www.iseas.edu.sg/wp-content/uploads/2020/02/ISEAS\\_Perspective\\_2020\\_20.pdf](https://www.iseas.edu.sg/wp-content/uploads/2020/02/ISEAS_Perspective_2020_20.pdf)

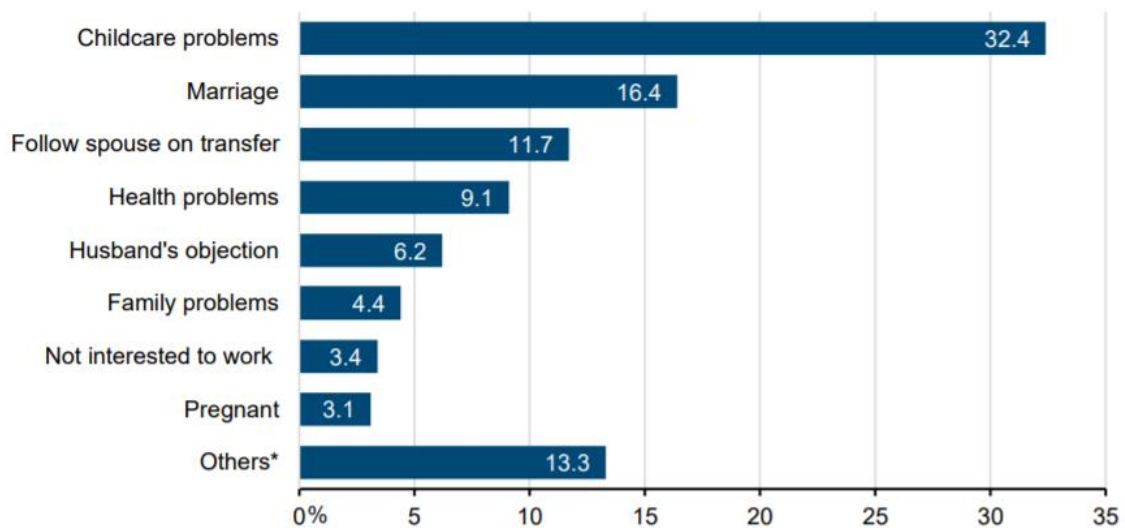
<sup>20</sup> [https://www.dosm.gov.my/v1/uploads/files/6\\_Newsletter/Newsletter%202020/DOSM\\_BPTMS\\_3-2020\\_Series-51.pdf](https://www.dosm.gov.my/v1/uploads/files/6_Newsletter/Newsletter%202020/DOSM_BPTMS_3-2020_Series-51.pdf)

## Other Issues

### Maternity leave vs paternity leave

Childcare responsibilities are seen to be primarily or solely the mother’s responsibility by default. As can be seen in the chart below by KRI, the main reasons for married women to leave the workforce is due to the lack of accessible or affordable childcare<sup>21</sup>.

**Figure 3.3: Main reasons for married women leaving the workforce, 2014**



Note: Other reasons include further education, do not need to work as income is sufficient, workplace closed down, transport problems and termination of contract.

Source: LPPKN (2016)

Currently, Malaysian fathers employed in the public sector are entitled to seven days of paid paternity leave. Meanwhile, new fathers employed in the private sector do not have any legally-mandated paid paternity leave. Although the Ministry of Human Resources (MOHR) has proposed to amend the Employment Act to introduce three days of paid paternity leave in the private sector, the Malaysian Employers Federation (MEF) has voiced out concerns regarding the cost of introducing paternity leave at the expense of employers. While Malaysia is debating between introducing two, three or seven days of paid paternity leave, other countries have moved towards family leave policies, including shared parental leave<sup>22</sup>.

In contrast, it was announced during the tabling of Budget 2020 that the government intends to review the Employment Act 1955, which includes increasing maternity leave from 60 days to 90 days effective 2021. Since the change of government in March 2020, there has been no further news on legally-mandated paid paternity leave.

<sup>21</sup> Khazanah Research Institute. 2019. Time to Care: Gender Inequality, Unpaid Care Work and Time Use Survey. Kuala Lumpur: Khazanah Research Institute. License: Creative Commons Attribution CC BY 3.0. Retrieved from: [http://www.krinststitute.org/Publications-@-Time\\_to\\_Care-;\\_Gender\\_Inequality,\\_Unpaid\\_Care\\_Work\\_and\\_Time\\_Use\\_Survey.aspx](http://www.krinststitute.org/Publications-@-Time_to_Care-;_Gender_Inequality,_Unpaid_Care_Work_and_Time_Use_Survey.aspx)

<sup>22</sup> Nazihah Muhamad Noor. 2019. Maternity Leave in Malaysia: The March to 90 Days. Kuala Lumpur: Khazanah Research Institute. License: Creative Commons Attribution CC BY 3.0 Retrieved from [http://www.krinststitute.org/assets/contentMS/img/template/editor/Views\\_Maternity%20Leave%20in%20Malaysia%20-%20The%20March%20to%2090%20Days.pdf](http://www.krinststitute.org/assets/contentMS/img/template/editor/Views_Maternity%20Leave%20in%20Malaysia%20-%20The%20March%20to%2090%20Days.pdf)

## Laws Protecting Women Workers in Malaysia

### International and regional conventions, treaties and initiatives

- 1) Universal Declaration of Human Rights (UDHR) 1948 - Malaysia by virtue of being a member of the United Nations has subscribed to the philosophy, concepts and norms provided by the Universal Declaration of Human Rights, which sets out the minimum and common standard of human rights for all peoples and all nations<sup>23</sup>.
- 2) Beijing Declaration and Action Plan 1995 – Malaysia has signed
- 3) Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) - Malaysia acceded to CEDAW in 1995, with reservations on a number of Articles. On 6 February 1998, it withdrew its reservation in respect of Articles 2(f), 9(1), 16(b), 16(d), 16(e) and 16(h). As of 28 July 2012, Malaysia considered itself bound by CEDAW subject to the understanding that the provisions of CEDAW do not conflict with the provisions of the Islamic Syariah law and the Federal Constitution of Malaysia; and it did not consider itself to be bound by the provisions of Articles 9(2), 16(1)(a), 16(1)(f).
- 4) Malaysia signed Convention No. 100 of the International Labour Organisation (ILO) on Equal Remuneration in September 1997. However, Malaysia is not a party to the important 1958 ILO Convention No. 111 (Discrimination (Employment and Occupation) Convention), nor to the 1989 ILO Convention No. 169 on Indigenous and Tribal Peoples, which is of particular concern given the disadvantaged position of many of Malaysia's indigenous groups. Nor has Malaysia become a party to ILO Convention No. 189 on Domestic Workers (2011)<sup>24</sup>.
- 5) Apart from the UDHR, subject to the provisions of the Malaysian Constitution and the applicable laws and policies, Malaysia also adheres to the principles laid down in various international human rights instruments, which include the International Covenant on Civil and Political Rights (ICCPR) and International Covenant on Economic, Social and Cultural Rights (ICESCR)<sup>25</sup>
- 6) Sustainable Development Goals - In September 2015, the then Prime Minister of Malaysia, Dato' Seri Mohd. Najib Tun Abdul Razak reaffirmed Malaysia's commitment to support and implement the 2030 Agenda for Sustainable Development during the United Nations Summit for its adoption in New York.  
Source: Voluntary National Review Report 2017 on Sustainable Development Goals, Published by the Economic Planning Unit  
<https://sustainabledevelopment.un.org/content/documents/15881Malaysia.pdf>  
The goals has also been incorporated into the 11<sup>th</sup> Malaysia Plan.
- 7) Violence Against Women Migrant Workers, General Assembly Resolution, 2000 - According to a response by the Permanent Mission of Malaysia to the United Nations, the Government of Malaysia has undertaken strategies, policies and programs in accordance with this resolution<sup>26</sup>.

<sup>23</sup>[http://www.agc.gov.my/agcportal/index.php?r=portal2/left&menu\\_id=L2YvK3oycE5FSlg1NGNmTGFJdINldz09](http://www.agc.gov.my/agcportal/index.php?r=portal2/left&menu_id=L2YvK3oycE5FSlg1NGNmTGFJdINldz09)

<sup>24</sup> Washing the Tigers: Addressing Discrimination and Inequality in Malaysia, The Equal Rights Trust in Partnership with Tenaganita, Published November 2012.

<sup>25</sup>[http://www.agc.gov.my/agcportal/index.php?r=portal2/left&menu\\_id=L2YvK3oycE5FSlg1NGNmTGFJdINldz09](http://www.agc.gov.my/agcportal/index.php?r=portal2/left&menu_id=L2YvK3oycE5FSlg1NGNmTGFJdINldz09)

<sup>26</sup> <https://www.un.org/womenwatch/daw/vaw/responses/MALAYSIAweb.pdf>

## Significant national laws, policies, programmes, and services

To date, Malaysia has yet to formalise laws that can protect women from gender bias, discrimination and sexual harassment.

Several Bills, including the Sexual Harassment Bill, Anti-Discrimination Against Women Bill and anti-stalking laws, are scheduled to be tabled at the next Parliament sitting.

However, here are existing laws to protect women workers in Malaysia:-

- 1) The Employment (Amendment) Act 2012 was passed in January 2012 has introduced a number of provisions relating to sexual harassment. Prior to this new legislation, Malaysia had no law governing sexual harassment, and victims could rely only on the 1999 Code of Practice on the Prevention and Eradication of Sexual Harassment in the Workplace, whose stated aim was “to provide guidelines to employers on the establishment of in-house mechanisms at the enterprise level to prevent and eradicate sexual harassment in the workplace
- 2) The Employment (Amendment) Act 2012 also acknowledges that the termination of service of a female employee during the time period for maternity leave is an offence (section 37(4)).
- 3) National Women Policy adopted in 1989<sup>27</sup>:
  - a. To ensure an equitable sharing in the acquisition of resources, information, opportunities and benefits of development for men and women. The objectives of equality and justice must be made the essence of development policies which must be people oriented so women, who constitute half the nation’s population, can contribute and realise their potentials to the optimum;
  - b. To integrate women in all sectors of development in accordance with their capabilities and needs, in order to enhance their quality of life, eradicate poverty, ignorance and illiteracy, and ensure a peaceful and prosperous nation. The NWP includes as one of its major principles the elimination of “all forms of adverse discrimination on the basis of gender” in “all matters of decision making and subsequent action”. Another principle of the policy is that “the special needs and interests of women and the special virtues of femininity [sic] shall not be jeopardized”; the responsibilities of motherhood and family life shall neither be compromised nor neglected; and the dignity, morals and respect due to women shall not be sacrificed.
  - c. The NWP requires that at least 30% of decision-making positions in the public sector should be held by women, and states that it aims to encourage private and third sector organisation.
- 4) In Malaysia, the Childcare Centre Act 1984 was passed to maintain the standards of childcare centres in the nation. The Act covers issues on registration; monitoring and inspection of the childcare centres; and protecting the interests and safety of the children [against any negligence and abuse]<sup>28</sup>. The Childcare Centre Act 1984 has then been reviewed and passed by the Parliament, giving rise to the Childcare Centres (Amendment) Act 2007. It is mandatory that all childcare centres must register with the Department of Social Welfare (DSW) or more popularly known as Jabatan Kebajikan Masyarakat Malaysia (JKM) under the Ministry of Women, Family, and Community Development (MWFCD)

<sup>27</sup> Source: Washing the Tigers: Addressing Discrimination and Inequality in Malaysia, The Equal Rights Trust in Partnership with Tenaganita, Published November 2012

<sup>28</sup> <https://www.3ecpa.com.my/resources/industry-guide/guide-for-starting-a-childcare-centre-in-malaysia/>



In Malaysia, childcare centres fall into four categories:

- i. Government-owned childcare centres (Taska dalam komuniti since 2006) in urban and rural areas to benefit low-income families in urban and rural area with quality childcare services.
- ii. Workplace childcare centres - MWFCDC also encourages the private sector to provide childcare facilities at the workplace for their employees. Incentives include 10% tax exemption on the cost of building the childcare centres for a period of 10 years.
- iii. Institution-based childcare centres with 10 children or more
- iv. Home-based childcare centres with less than 10 children

**Currently there is no provision for the registration of childminders**

- 5) The Domestic Violence (Amendment) Act 2017 is enforced throughout Malaysia.
  - a. A Domestic Workers Act was proposed to be tabled in 2020 as reported by the The Star Online on 1 September 2019<sup>29</sup>. However, with the sudden change of government in March 2020, there has been no further news on this matter.
- 6) PERKESO Self-Employment Social Security Scheme was previously only available for the Passenger Transportation Sector (ie e-Hailing drivers), but as of January 2020 have since been extended to cover 19 more informal sectors<sup>30</sup>.

Significant government incentives to increase the number of female labour force participation.

- 1) TalentCorp, an agency under the Ministry of Human Resources (MOHR), has hosted Career Comeback Programme<sup>31</sup> workshops with companies who are looking to attract women to return to the working world since 2015.
- 2) Career Comeback Tax Exemption<sup>32</sup> (For Women Who Returned to Work) 2020 - To encourage our women to return to work, the Government will give an individual income tax exemption of up to 12 months to eligible women returnees.
- 3) Human Resources Development Fund (a body under the Ministry of Human Resources) – Housewives Enhancement And Reactivate Talent Scheme (HEARTS)<sup>33</sup> is a programme to train educated housewives in the latent workforce in specialised fields that would enable them to work from home or under flexible working arrangement.
- 4) NAM Institute for the Empowerment of Women Malaysia (NIEW) - the NAM Institute established by the Malaysian Government is dedicated to training, research and management in collaboration with the diploma community, international bodies, private sector, academia and civil society to ensure empowerment of women and achieve gender equality in NAM Member Countries<sup>34</sup>.

<sup>29</sup> <https://www.thestar.com.my/news/nation/2019/09/01/maid-protection-law-in-the-works>

<sup>30</sup> <https://www.humanresourcesonline.net/socsos-self-employment-social-security-scheme-extends-to-19-sectors>

<sup>31</sup> <https://www.talentcorp.com.my/initiatives/career-comeback-programme> and <http://flexworklife.my/about/overview>

<sup>32</sup> <https://www.talentcorp.com.my/initiatives/career-comeback-tax-exemption>

<sup>33</sup> [https://www.mohr.gov.my/pdf/NBOS/HOUSEWIVES\\_ENHANCEMENT\\_AND\\_REACTIVATE\\_TALENT\\_SCHEME.pdf](https://www.mohr.gov.my/pdf/NBOS/HOUSEWIVES_ENHANCEMENT_AND_REACTIVATE_TALENT_SCHEME.pdf)

<sup>34</sup> <http://niew.gov.my/about-us/>

- 5) Malaysia Digital Economy Corp (MDEC) - an agency under the Ministry of Communications and Multimedia Malaysia (KKMM), in a collaboration with Ministry of Women, Family and Community Development (KPWKM); the Ministry of Communications and Multimedia (KKMM, Department of Women Development (JPW), National Cyber Security Agency (NACSA) and TalentCorp, launched the “Empowering Women in Cyber Risk Management Programme for women returning to work”<sup>35</sup> in June 2019. The programme welcomes all Malaysian citizen with 3 years corporate experience and have been on more than 6 months career break

The key benefits of Empowering Women in Cyber Risk Management are to:

- i. Address the fast-growing industry demand of local and regional corporation to fill the mid-tier position;
- ii. Offer a sustainable ecosystem to women to make a successful career comeback and help to attract higher pay from new role.
- iii. Promote workforce diversity as hiring women in cybersecurity will allow creative innovation to address complex cybersecurity challenges, multiple ways of thinking, bring more views to the table and offer different range of skills that will benefit the industry.

To date, the Empowering Women in Cyber Risk Management programme has brought back 9 qualified women to return to work upon the completion of the programme<sup>36</sup>.

- 6) The International Maritime Organization (IMO), in collaboration with the Ministry of Transport Malaysia and Women in Maritime Association Malaysia (MyWIMA), delivered a regional conference in April 2019 to support the Women in Maritime Association, Asia (WIMA Asia)<sup>37</sup>. This is to provide support to women managers in the maritime and port sectors of Asia including increasing employment opportunities for women in national maritime administrations, port authorities and maritime training institutions.

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<sup>35</sup> <https://www.digitalnewsasia.com/digital-economy/career-comeback-programme-women-cyber-risk-management>

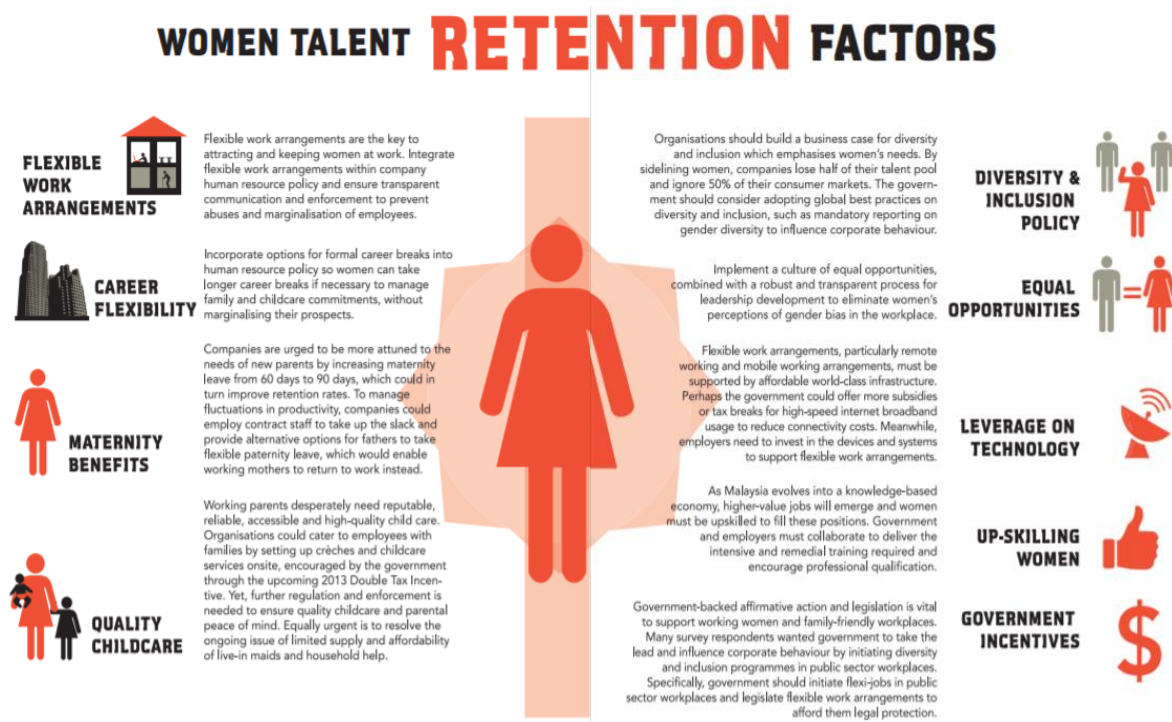
<sup>36</sup> <http://www.talentmatters.com.my/stories/women/empowering-women-in-cyber-risk-management-a-talentcorp-collaboration-to-re-integrate-women-back-into-the-workforce>

<sup>37</sup> <http://www.coraltriangleinitiative.org/events/women-maritime-asia-regional-conference-theme-%E2%80%9Cempowering-women-maritime-bridging-gap%E2%80%9D>

## Recommendations

### To improve Female LFPR

1. Khazanah Research Institute (KRI)<sup>38</sup> - Government subsidies and cash transfer programmes can be introduced to stimulate demand for formal childcare as well as enacting labour policies that encourage mothers and fathers to share care responsibilities. Childminding standards for informal and unregistered childcare providers can also be improved through incentivising training and registration.
2. Talentcorp - ACCA<sup>39</sup>



3.

<sup>38</sup> Khazanah Research Institute. 2019. Time to Care: Gender Inequality, Unpaid Care Work and Time Use Survey. Kuala Lumpur: Khazanah Research Institute. License: Creative Commons Attribution CC BY 3.0.

<sup>39</sup> Retaining Women In The Workforce: 50 Champions of Gender Diversity, TalentCorp, ACCA February 2013 <http://flexworklife.my/wp-content/uploads/2013/07/ACC5-Retaining-Women-in-the-Workforce.pdf>

## To protect women workers and their rights

### World Bank<sup>40</sup>

To ensure equal access to productive jobs, Malaysia should look towards policy directions that facilitate economic opportunities for women. These include:

- Expand the availability, quality and affordability of care services. For children, coverage of care should be expanded to ages 0 to 17 years, rather than the current limited range of 0 to 6 years.
- Strengthen the protection of informal workers and the productivity of workers. Scaling up the government's matching of voluntary pension contributions and introducing a social pension can help protect informal workers.
- Pursue planned legal reforms to explicitly recognize equal rights for women and men in the workplace. This can also involve advancing new bills such as the Gender Equality Act, in line with other developing and developed countries.
- Improve support for working parents, in line with international legal norms. Mandating paid paternity leave and increasing the maternity leave to 98 days, in line with international standards is key to enabling fathers to be more hands-on in parenting.
- Address gender norms and attitudes through education and awareness in schools and among the wider population. Societal attitudes towards shared parenting and care do change over time, which education and media can help develop.

### International Labour Organization (ILO)<sup>41</sup>

#### a. Access to employment

Equal opportunities for access to employment must be guaranteed, to workers of both sexes, before and during the hiring process. Employment agencies, both public and private, should promote equal employment opportunities by:

- encouraging applications from all eligible workers, men and women, and reviewing the recruitment records for both sexes;
- rejecting discriminatory requests from prospective employers, and informing them of the law and national policies on equal opportunities;
- informing applicants of their right to equal employment opportunities;
- Informing applicants of any policies and practices concerning work–family reconciliation measures.

#### b. Advertising for workers

Advertising should not indicate any preference for applicants of one sex or any other particular personal attribute unless the preference is clearly justified as job-related and necessary. The following are some general guidelines to gender-aware job advertisement:

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<sup>40</sup> Breaking barriers: Toward better economic opportunities for women in Malaysia

ACHIM SCHMILLENMEI LING TAN | OCTOBER 28, 2019, World Bank Blogs

<https://blogs.worldbank.org/eastasiapacific/breaking-barriers-toward-better-economic-opportunities-women-malaysia>

<sup>41</sup> ABC of women workers' rights and gender equality, Second edition, International Labour Office Geneva (2007). [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms\\_087314.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_087314.pdf)

- Illustrations which suggest that the job is only for men or for women should be avoided.
- Applications from both women and men should be encouraged, for example by using wording such as “applications from women as well as men are welcomed”. In specific sectors or professions where one sex is under-represented, wording encouraging members of the under-represented sex to apply may be helpful.
- Advertisements should state that the employing entity is an equal opportunities employer.
- Advertisements should not contain irrelevant job requirements which could limit women’s applications.
- Selection criteria should be objective, related to the requirements of the job and consistently applied to all applicants; criteria such as sex, age, appearance and physical characteristics should not influence selection.
- Advertisements should reach the widest range of potential applicants; they should, for instance, be distributed where potential applicants of either sex gather or will hear about the job.
- Qualifications required should be based on a current job description which accurately identifies the purpose and function of the job.

c. Breastfeeding workers

According to Article 3 of Convention No. 183, member States shall, after consulting the representative organizations of employers and workers,

- adopt appropriate measures to ensure that pregnant or breastfeeding women are not obliged to perform work which has been determined by the competent authority to be prejudicial to the health of the mother or the child, or where an assessment has established a significant risk to the mother’s health or that of her child.

The Convention and its accompanying Recommendation (No. 191) also stipulate that the breastfeeding worker should be provided with the right to one or more daily breaks or a daily reduction of hours of work to breastfeed her child. She should have the right to interrupt her work for this purpose, and such interruptions or reductions in daily hours of work should be counted as working time and remunerated accordingly.

d. Career opportunities

All employees, irrespective of their sex, should be informed equally about promotion, mobility and training opportunities and equally encouraged to pursue suitable opportunities. It should specifically be ensured that:

- all employees are informed of forthcoming vacant positions in a systematic and equitable manner;
- application requirements and procedures for mobility, promotions and training programmes are clearly defined and followed, and information on them is made available to all employees;
- restrictions deriving from agreements or arrangements of custom and practice are removed when they operate to exclude workers of one sex from promotion, transfer and training opportunities, or affect them disproportionately;
- a career progression plan is introduced whereby all job promotion opportunities are made known to encourage the participation of all employees,
- particularly those who have traditionally been excluded from career progression;

- training and mobility opportunities are available to all employees to avoid occupational segregation in the workplace;
  - training programmes are developed and regularly reviewed to assist all employees, in particular women, in overcoming obstacles to their development in employment, specifically in adjusting to structural change and technological innovation, with a view to increasing management and other skills;
  - efforts are made to reduce inequalities in participation in training
- e. Conditions and benefits of employment
- All conditions and benefits of employment, including remuneration, invalidity benefit, employment injury benefit, and other benefits, should be made available on equal terms (e.g. pro-rata basis for part-time work) to all employees, irrespective of their sex or other attributes. It should specifically be ensured that:
- terms, benefits and conditions available to some workers in a particular classification are allocated to all workers in the same or similar classification, irrespective of sex;
  - eligibility for and participation in retirement and pension schemes are allocated on an equal basis;
  - working conditions and work stations are provided on an equitable basis;
  - workers irrespective of sex are protected in the case of invalidity (inability to engage in any gainful activity that is likely to be permanent or that persists after the exhaustion of sickness benefits);
  - workers are insured under an employment injury benefit system in case of an accident or disease resulting from employment.
- f. Discrimination
- Discrimination is defined in Convention No. 111 as:  
any distinction, exclusion or preference based on race, colour, sex, religion, political opinion, national extraction or social origin which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation (Art. 1 (1a))
- Essential strategies for combating indirect discrimination include:
- the modification of work organization and distribution of tasks so as to avoid negative effects on the treatment and advancement of women;
  - the adoption of measures (such as social services accessible to all workers) to allow a balance in sharing family and professional responsibilities between the sexes;
  - measures such as sensitization campaigns to combat the use of stereotypes about “male” and “female” tasks and roles
- g. Glass Ceiling
- Eliminating sex discrimination by law will naturally weaken the glass ceiling; but the following specific practical strategies may also help:
- enhancing senior managers’ awareness of obligations and rights related to gender equality;
  - affirmative action, mentoring and monitoring for women;
  - placing more women in strategic sectors and positions that provide them with good career prospects;
  - increasing and refining work–family balance measures to enable both parents to combine family and career more harmoniously;
  - improving women’s access to training, in particular in technical and management fields and in business skills and enterprise development to help them run their own businesses;

- fostering the creation of women’s formal and informal work- and businessrelated networks;
- reviewing human resource development practices so as to recognize the potential value of non-conventional career paths and facilitate women’s access to managerial positions;
- sensitizing policy-makers and employers to gender equality issues so that they contribute to creating a gender-equitable organizational culture and socio-economic environment.

h. Maternity leave

Maternity leave is the leave from work to which a woman is entitled for a continuous period before and after giving birth. Convention No. 183 (2000) on maternity protection extends the provisions of Convention No. 103 (1952) by providing that all employed women, including those in atypical forms of dependent work, shall be entitled to a period of maternity leave of not less than 14 weeks (Art. 4.1), at least six of which must be taken after the child is born unless otherwise agreed at the national level by the government and the representative organizations of employers and workers (Art. 4.4) The elements of maternity protection covered by the most recent standards concerned with maternity protection, Convention No. 183 and Recommendation No. 191 (2000), are:

- maternity leave – the mother’s right to a period of rest in relation to childbirth;
- cash and medical benefits – the right to cash benefits during absence for maternity;
- protection of the health of mother and child during pregnancy, childbirth and breastfeeding;
- the mother’s right to breastfeed a child after her return to work;
- employment protection and non-discrimination – guaranteeing the woman employment security and the right to return to the same job or an equivalent one with the same pay

i. Sexual Harassment

Policies and procedures to eliminate sexual harassment should include:

- a policy statement;
- a complaint procedure adapted to sexual harassment that is confidential and provides protection from retaliation;
- progressive disciplinary rules;
- a training, awareness-raising and communication strategy.

j. Unpaid Work

Recommendation No. 165 on workers with family responsibilities recommends (Para. VII. 32) that the competent national authorities should promote such public and private action as is possible to lighten the burden deriving from the family responsibilities of workers, including adequate and affordable home-help and home-care services.

Post 2015 Women’s Coalition (coordinated by The Center for Women’s Global Leadership)<sup>42</sup>

“Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies, and the promotion of shared responsibility within the household and the family as nationally appropriate”

The final target should include recognition of the following:

1. The state’s role in ensuring accessible, quality public services for all, and universal social protection, should be recognized as central to reducing the burden of unpaid care.
2. Investment in infrastructure (especially water) and in labor saving domestic technology should be part of the response.
3. Any target should specifically mention a transfer of responsibility for the provision of care from women and girls to include men and boys.
4. The contribution of unpaid care should be made visible in policy making spaces
5. Targets on unpaid care should be universal – without a clause around what is nationally appropriate.

WEIGO

Four key areas that need to be taken into account and addressed in the design, financing and implementation of quality childcare services for informal working women<sup>43</sup>:

- **Reduce high user fees for quality childcare.** Women informal workers’ earnings are low and irregular. They will never be able to pay high user fees to cover the considerable costs of running quality childcare centers. Governments must invest in free, quality, public childcare services through infrastructure, personnel, training, equipment and public subsidies.
- **Invest in maternity benefits and child grants.** The majority women informal workers are self-employed and do not receive a work-related maternity benefit or maternity leave. They may return to work a couple of weeks after giving birth to support their families, reducing the ability to breastfeed and sometimes exposing the child to harsh conditions for lack of choice. Governments should invest in maternity benefits and child grants to boost the positive impacts of childcare services on children’s nutrition and health. New mothers can breastfeed for longer if they have a maternity benefit that replaces their income. In addition, childcare services should be available for children from birth to the start of primary school.
- **Incorporate childcare centers into municipal plans,** particularly for informal worker who work in public spaces. In a rapidly urbanizing world, women in cities work as home-based workers, construction workers, street vendors, market traders, waste pickers and domestic workers. These workers look towards the municipality to establish childcare services in their workplaces or in their neighbourhoods so they are accessible.

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<sup>42</sup> <http://feministallianceforrights.org/wp-content/uploads/2017/01/An-Issue-Brief-Unpaid-Care-and-Post2015.pdf>

<sup>43</sup> Four Key Points to Ensure Childcare Reaches the Poorest Working Women, WIEGO blog, 6 October 2019, Rachel Moussié, <https://www.wiego.org/blog/four-key-points-ensure-childcare-reaches-poorest-working-women>



Municipalities have an important role to play in planning, building, and regulating childcare centres. Urban plans demarcate spaces for schools and clinics, but rarely set aside space for childcare centers. Finding space in crowded informal settlements or central marketplaces is impracticable without the support of the municipality, and rent is one of the highest costs of running a childcare center in the city.

- **Increase incomes for childcare workers to improve quality and working conditions.** Many childcare workers are themselves women informal workers, earning low wages without any labour or social protections. The huge societal value of quality childcare services should be reflected in the value we attribute to the work done by all childcare providers, including domestic workers caring for their employers' children; women caring for children out of their own homes for a fee; and waged workers in childcare centers. If the childcare sector is to attract and retain workers, while also addressing persistent gender inequalities in the labour market, it must offer better incomes and working conditions for all childcare providers.

Social protection from women informal workers' perspective must include<sup>44</sup>:

- i. **Fair financing for informal workers:** Not all informal workers are poor, but there is a higher risk of poverty for workers in the informal economy. Contributory, voluntary social insurance schemes are a common method of extending social protection to informal workers, but access is limited to those who can contribute. The most vulnerable informal workers who are primarily self employed women (i.e. own account workers, industrial outworkers, and contributing family workers) often cannot afford these schemes. Furthermore, self-employed informal workers do not have an employer who can co-contribute to social insurance schemes and may end up paying a proportionally higher share of their income to join these schemes than employees in the formal sector. Social assistance schemes, such as cash transfers, financed through regressive tax systems may also hinder greater income redistribution, particularly in the absence of quality public services and labour protections.
- ii. **Services adapted to the specific needs of informal workers:** Services such as health, childcare, water and sanitation are often designed with little regard for the way they may impact on the income security of informal workers. This downloads risks and costs onto poor workers, undermining incomes. Women informal workers experience this more intensely because of their disproportionate responsibility to care for children, the ill and elderly in their own households, which is made more difficult in the absence of basic social services such as healthcare and child care. For example, women workers pay for additional support when child care services open and close before and after working hours. Long waiting times at healthcare facilities result in a loss of daily income and are a deterrent for informal workers seeking care.
- iii. **Integrated benefits packages:** Informal workers do not benefit from paid maternity leave or sick leave. When they cannot work, they lose income. Yet extending access to maternity leave through a cash grant, for instance, does not address all the risks women informal workers face when they take time off work. Without employment contracts or municipal trading licenses securing their economic activity, informal workers do not have a guarantee that they can return to work after maternity leave or sick leave. Therefore, social security benefits must operate across different levels of the state, linked to measures to secure employment through labour law in the case of informal wage workers, such as domestic

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<sup>44</sup> WIEGO briefing note: Extending Social Protection to Informal Workers (March 2019).  
[https://www.wiego.org/sites/default/files/publications/files/Social%20Protection%20Informal%20Workers%20for%20web\\_0.pdf](https://www.wiego.org/sites/default/files/publications/files/Social%20Protection%20Informal%20Workers%20for%20web_0.pdf)

workers, and urban management systems in the case of self-employed workers operating in urban public spaces, such as street vendors, market traders and waste pickers.

- iv. **Decent work for all informal workers engaged in care and social provision:** Informal workers are involved in the delivery of social services as community healthcare workers, domestic workers, or care cooperative members.<sup>7</sup> Their organizations may also provide community outreach services to connect informal workers to public services and social protection schemes. Governments and private providers should be promoting decent work for all workers associated with service delivery, whether they are seeking formalization as employees, are in a cooperative, or prefer to remain as self-employed workers.
- v. **Representation of informal workers:** Informal workers are often excluded from tripartite structures between government, employers, and trade unions because they are not recognized as workers or are prohibited from organizing. Informal workers must be represented in the mechanisms governing the design, implementation and management of social protection schemes. Within informal workers' organizations, women should be equally visible at all leadership levels to ensure social protection policies address the specific risks they face as women workers.

Noting these concerns, there are four key ways in which governments can extend social protection coverage to informal workers:

1. **Universal social assistance programmes that are non-contributory, such as cash transfers or fully subsidized insurance schemes**, can reach informal workers and their households. The ILO defines social assistance as, "the provision of social security benefits financed from the general revenue of the government rather than by individual contributions, with benefits adjusted to the person's needs. Social safety nets are different from universal social assistance grants as they are limited in their scope aiming to reach only the very poor and primarily targeted at those outside of the labour market such as children, the elderly, and people living with disability. Many informal workers do not qualify for safety net programmes because they are not deemed sufficiently poor or, as adults of working age, are not included within targeted groups. Conditional cash transfers, such as child grants tied to education and health outcomes, may also place an additional burden on women to meet the conditions while also working to earn an income. Therefore, governments should prioritize extending universal cash transfers, rather than safety nets, to provide a source of income to informal workers across their life cycle. This is particularly important for poorer informal workers with limited or no contributory capacity. As women are concentrated in low paid informal work, social assistance in the form of universal child grants, maternity benefits and social pensions can redress some of the gender inequalities reproduced in the labour market. For instance, a child grant can support women with child care costs when they have young children in their care. A maternity benefit and social pension can provide them with some income during periods when they cannot work. Universal social assistance programmes are financed through tax revenue and should be complemented by contributory social insurance schemes in order to build a financially sustainable national social protection system.
2. **Extending social insurance schemes to include informal workers** is another possible avenue, particularly suited to those informal workers with some contributory capacity. Social insurance refers to "the provision of social security benefits financed by contributions, which are normally shared between employers and workers, with perhaps government participation in the form of a supplementary contribution or other subsidy."

In the absence of an employer, self-employed workers must take on full responsibility for social security contributions themselves, and this often poses a significant financial barrier. Voluntary contributory schemes aimed at encouraging informal workers to join social insurance programmes often fail due to this reason. Voluntary schemes also fail when they have cumbersome and inappropriate registration procedures, and workers are unsure of the benefits they will receive in return from the state. Governments must explore contributory schemes that do not only rely on contributions from informal workers themselves, but also from other actors such as public authorities, those who profit from their work, and cross subsidies from formal sector contributions. Extending social insurance to informal workers is complicated, but not impossible. The way in which this can be achieved depends on i) the status in employment of the worker, and ii) the size and shape of the informal economy.

- In economies where there are many informal wage workers, an employment relationship can be established and contributions from employers enforced through the labour machinery. For example, domestic workers in South Africa are covered by the Unemployment Insurance Fund into which their employers must contribute. Self-employed informal workers in countries with high levels of formal employment may be cross-subsidized by the social security contributions of formal workers and their employers. For example, in Uruguay, the microentrepreneurs who sign up to the monotax are entitled to the benefits of the contributory social security system (except unemployment benefit). It has proven to be an effective tool for extending social security coverage to women independent workers in particular.
  - Self-employed workers in countries with high informality perhaps present the greatest challenge. However, there are examples of creative solutions, many of them developed by organizations of informal workers themselves working together with the state. In India, Mathadi Boards provide social protection for headload porters, which is financed through an additional charge levied onto the cost of hiring the headload porter. In another example from Pune, India, the Pune Municipal Corporation pays the health insurance premiums of registered self-employed waste pickers. In Togo, social contributions for motor taxi drivers have been attached to cooperative credit payments. Importantly, across all the schemes mentioned above, there is some form of co-contribution — i.e. informal workers are not the sole contributors to their own social protection and these schemes do not rely only on voluntary individual contributions. An important question is how informal workers can leverage economic relationships outside of the traditional employer-employee relationship so that those who profit from their work also contribute to their protection.
3. **Improving access to and quality of public services** is the bedrock of effective social protection policies. The impact of social assistance programmes and social insurance schemes on poverty alleviation and gender inequality are greatly enhanced if women informal workers have access to quality public services such as healthcare and child care. Long waiting times, high user fees and poor quality services mean informal workers either do not seek out or do not have access to preventative care. The costs of healthcare and child care can lead to debt for informal workers with low earnings. When these public services are not available, it is women informal workers who take time away from work to care for the ill and young children, thus reducing their daily income and savings over the long-term.
  4. **Aligning urban policies with social protection systems** is the next challenge in a rapidly urbanizing world. Urban policies and regulations govern the workplaces and conditions of work for the many informal workers operating from their own homes or on roadsides and

markets in cities. Urban policies often undermine informal workers' incomes, thereby contradicting the goals of social protection to provide income security. For instance, urban health regulations can lead municipalities to shut down informal markets or home-based businesses. For social protection policies to be effective, there is a need for greater policy coherence with urban planning, policies and regulations. Sustainable and effective national social protection systems that provide universal coverage must extend a combination of social assistance, social insurance and social services to informal workers. Social protection systems, though largely administered at the national level, must engage with informal worker organizations and local administrations in coordination with urban policies to protect informal workers' incomes across the life cycle.

## COVID-19 Responses

### Specific Malaysian government measures/provisions in relation to COVID-19 and the gendered implications

- 1) Contributors to Employee Provident Fund (EPF) who aged 55 and below could withdraw their savings from Account 2 at a rate of RM500 per month for a period of 12 months.

Womens Aid Organization (WAO) is concerned that only a very small working population qualifies under this policy, comprising 4.9 million active male EPF contributors and even more narrowly, 3.3 million active female EPF contributors. Together, this covers only 54 per cent of our labour force, leaving a sizable minority behind.

In terms of total savings, 26.51 per cent of these active female contributors and 25.05 per cent of the male contributors have less than RM10,000 in their EPF accounts. As this lower income group is most likely to rely on i-Lestari, a withdrawal of RM6,000 effectively depletes 60 per cent of all pension savings for a quarter of all active EPF contributors<sup>45</sup>.

- 2) The Employment Insurance System (EIS) has been expanded to include those who are instructed to take unpaid leave by their employers who are economically affected by Covid-19. Those who are registered and contributing to EIS and with a monthly salary of RM4,000 and below would be entitled to RM600 a month for a maximum of six months. The training fee is also increased from RM4,000 to RM6,000 while training allowance is increased from RM10 to RM30 per day.

Based on WAO's response, EIS only covers private-sector workers who are registered and contributing to EIS. It is a social insurance fund, which means that it could not be extended to those in the informal sector who have not been contributing to the fund.

Over one-fourth of working women — 25.88 per cent — fall under the category of vulnerable employment including the self-employed, informal workers, and unpaid family workers, who are disproportionately women., as compared to the 20.9 per cent of the male labour force that comprises this category<sup>46</sup>.

- 3) The announcement of the RM35 billion stimulus package titled “Pelan Jana Semula Ekonomi Negara” or “PENJANA” is primarily aimed at helping businesses recover from the impact of COVID-19 on 5<sup>th</sup> June 2020. Among measures included is the childcare subsidy which aims to ease the transition into the new normal of working-from-home, the Government will support working parents through the subsidy of childcare expenses<sup>47</sup>:
  - eVouchers of RM 800 per household for mobile childcare services, to be utilised from now until end of August 2020

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<sup>45</sup> <https://www.nst.com.my/opinion/letters/2020/04/581106/widen-aid-help-women-who-are-most-risk>

<sup>46</sup> <https://www.nst.com.my/opinion/letters/2020/04/581106/widen-aid-help-women-who-are-most-risk>

<sup>47</sup> <https://www2.deloitte.com/content/dam/Deloitte/my/Documents/tax/my-tax-penjana-short-term-economic-recovery-plan.pdf>

- Increase in income tax relief for parents on childcare services expenses, from RM 2,000 to RM 3,000 for Years of Assessment 2020 and 2021
- There will also be incentives to encourage childcare centres to comply with the new normal and to incentivise certification of early education practitioners.
- One-off grant of up to RM5,000 per childcare centre registered with the Ministry of Women, Family and Community Development (up to 31 December 2020) to comply with new healthcare SOPs
- Incentive to train new practitioners for child nursing and early education course under Ministry of Women, Family and Community Development  
Effective: Beginning June 2020

## Recommendations related to COVID-19

### Feminist Alliance for Rights

Key Focus Areas for a Feminist Policy on COVID-19<sup>48</sup> on Economic inequality.

People are experiencing unemployment, underemployment, and loss of income due to the temporary closure of businesses, reduced hours, and limited sick leave, vacation, personal time off and stigmatization. This negatively impacts their ability to meet financial obligations, generates bigger debts, and makes it difficult for them to acquire necessary supplies. Due to closures and the need for social distancing, there is also lack of care options and ability to pay for care for children, the elderly, and people with disabilities. This produces a labor shift from the paid or gig economy to unpaid economy as family care providers. In response to this challenge, we call on governments to:

- Implement moratoriums on evictions due to rental and mortgage arrears and deferrals of rental and mortgage payments for those affected, directly or indirectly, by the virus and for people belonging to vulnerable groups
- Implement moratoriums on the disconnection of utilities including water, electricity, telephone, and internet services regardless of inability to pay and payment histories
- Provide Universal Basic Income for those with lost income
- Provide financial support to unhoused people, refugees, and women's shelters
- Provide additional financial aid to elderly people and people with disabilities
- Expedite the distribution of benefits
- Modify sick leave, parental and care leave, and personal time off policies
- Direct businesses to invite employees to work remotely on the same financial conditions as agreed prior to pandemic
- Distribute packages with necessities including soap, disinfectants, and hand sanitizer

### United Nations

In their policy brief on the topic of gender-inclusive economic response and recovery<sup>49</sup>, it is recommended that national measures could include:

<sup>48</sup> <http://feministallianceforrights.org/blog/2020/03/20/action-call-for-a-feminist-covid-19-policy/>

<sup>49</sup> United Nations Policy Brief: The Impact of COVID-19 on Women, 9 APRIL 2020

- Ensure continuity of care for older persons, persons with disabilities and those who recover from COVID-19:
- Exempting unpaid family caregivers from lockdown restrictions and providing them with the support and equipment necessary to do their jobs safely.
- Preparing unpaid caregivers and community health workers with information, training, adequate equipment and livelihood support to respond to the COVID-19 pandemic effectively.
- Expand and provide inclusive social protection for caregivers to mitigate the effects of the overload of unpaid care work by:
  - Expanding access to paid family leave and paid sick leave.
  - Introducing paid reductions in working time / work-sharing for workers with care responsibilities.
  - Expanding the reach and benefit levels of social assistance programmes that disproportionately target women, such as cash transfers and social pensions, and suspending all conditionalities for the duration of the COVID-19 crisis.
  - Introducing new cash transfers, including for women with care responsibilities.
  - Provide additional bonuses, subsidies and vouchers to hire child services for workers unable to telecommute and extend this to informal workers.
- Prioritize investments in and access to basic accessible infrastructure and public services, including in rural areas, informal settlements and IDP and refugee camps, by:
  - Expanding childcare support for working parents where schools, childcare and respite care services are closed, with a particular focus on safe and accessible services for essential workers.
  - Continuing school feeding programmes and adapt them to the crisis context by preparing rations for delivery or pick-up.
  - Ensuring access to sufficient and affordable water, sanitation, and hygiene services for vulnerable groups of women, including in informal settlements, rural areas, and refugee camps.
  - Procuring goods and services for infrastructure and public services from women-owned enterprises.