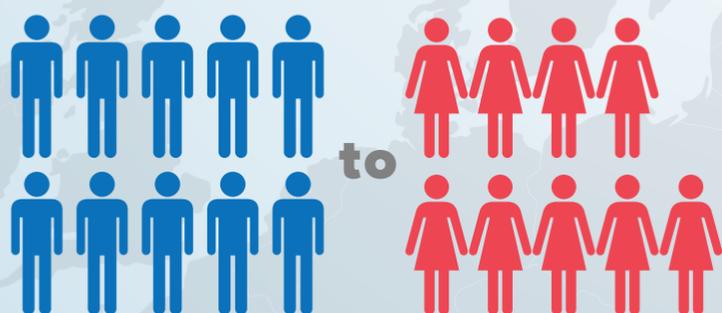


WOMEN, WORK, AND EUROPEAN ECONOMIC GROWTH

Europe faces serious challenges to increasing future output growth. Improving women's participation in the overall labor market and their representation in senior corporate positions is one important strategy European countries could pursue to help mitigate the projected slowdown in growth.

EUROPE'S LABOR MARKET



For every **10** men in Europe's labor markets, there are on average **8.9** women. The growth rate in women joining the workforce has dropped a great deal from its peak in the 1990s to today.

WOMEN IN SENIOR CORPORATE POSITIONS



Currently only **2** of every **10** senior corporate positions are held by women.



Increasing that number by even one woman to 3 out of 10 is associated with a **3–8% increase** in a company's return on assets.

FACTORS INFLUENCING WOMEN'S LABOR MARKET PARTICIPATION

For women in Europe, the decision to work does not simply depend on demographics and personal attitudes—policies also matter.

DEMOGRAPHICS & ATTITUDES



NUMBER OF CHILDREN

lower birth rates = higher labor force participation



SOCIAL NORMS & ATTITUDES

more favorable attitudes = higher participation rate



EDUCATIONAL ATTAINMENT

higher levels = higher labor force participation



MOTHER'S EMPLOYMENT

daughters of working moms = more likely to enter labor market

POLICIES



TAXATION

Higher tax rates on a family's second earner discourages women from working, especially full time.



PUBLIC SPENDING

Public investment in early education and child care programs increases likelihood of women working.



PARENTAL LEAVE

More parental leave is associated with higher likelihood of employment.

Source: IMF Department Paper *Unlocking Female Employment Potential in Europe: Drivers and Benefits* (March 2016).