

WOMEN AND TRADE

The Obama Administration is committed to empowering women, encouraging women's participation in the U.S. and global economy, and promoting gender equality. The President's trade agenda makes concrete progress on these goals by creating new export opportunities for American businesses, supporting higher-paid jobs in the U.S., and strengthening worker protections abroad, including non-discrimination.

Exports by Women-Owned Businesses Mean More Higher-Paid Jobs for American Workers

On average, women-owned firms that export **pay more, are more productive, employ more workers, and report higher average sales** than women-owned firms that do not export.

- Pay more. Average pay at women-owned exporters is approximately 1.6 times higher than average pay at non-exporting female-owned businesses. This “exporter premium”—the amount by which exporters pay more than non-exporters—is larger than the equivalent premium for male-owned businesses, suggesting that increasing export participation by women-owned businesses may be one route to higher middle-class incomes.
- More productive. Women-owned businesses that export are, on average, over 3.5 times more productive than women-owned businesses that do not export. In addition, women-owned exporters are also about 1.2 times more productive on average than male-owned exporters.
- Hire more. Women-owned businesses that export employ an average of 42 people, compared to just 8 employees on average at their non-exporting counterparts.
- Earn more. Women-owned businesses that export report average sales of \$16.3 million, compared to \$816,000 in average sales for women-owned businesses that do not export.

Even though women-owned businesses make up over 20% of all American businesses, only 14% of exporters are women-owned businesses. And, less than 2% of women-owned businesses export. These numbers should – and can – be higher, and that is one reason we are negotiating the **Trans-Pacific Partnership (TPP)**.

TPP Means Expanded Opportunities for Women-Owned Businesses, Higher Living Standards for Women Consumers, and Better Protections for Women Workers

- Opening Markets. By reducing high tariffs, eliminating non-tariff barriers, encouraging electronic commerce, and preserving a free and open Internet, TPP will help women entrepreneurs, farmers, artists, and inventors find new sales opportunities and reach millions of customers around the world. Liberalizing services trade is especially important, as women make up 53% of service sector employment, as compared to 22% of the goods-producing sector.
- Raising Real Incomes. Lower tariffs also lower prices, raising real incomes and reducing the scope of poverty. This is particularly relevant for women, who are slightly more likely to be represented among the poor. In addition, an extensive body of research suggests that increasing female incomes increases child education and health outcomes, especially so for girls, leading to potentially longer-term, multi-generational benefits for women and girls.

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- Protecting Vulnerable Workers. TPP will include the strongest labor standards of any trade agreement, more than quadrupling the number of people around the world covered by higher enforceable standards. TPP will level the playing field for American workers and require other countries to protect the freedom to form unions and collectively bargain, end child labor and forced labor, set a minimum wage, and put in place other important labor protections, including protections against gender discrimination in employment. TPP countries also have agreed to work cooperatively to promote equality and non-discrimination.
- Increasing Formal Employment. In addition to the enforceable labor standards in TPP, expanding access to U.S. markets promotes higher-quality employment in less-developed countries, as workers shift from the informal sector (where many women work) to formal employment. Jobs in the formal employment sector are more likely to offer access to women to key supplementary benefits, such as medical coverage and skills development.
- Promoting Development. For the first time in any trade agreement, TPP will include a development chapter, which commits each of the signatories to help women workers and business-owners more fully realize the benefits of trade, and to coordinate public and private sector resources to support these efforts. In addition to the specific commitments in our trade agreements, expanding trade offers another force for social inclusion; research shows that gender wage gaps decrease and human rights conditions improve with increases in trade.
- Encouraging Good Governance. Evidence suggests that women are often disproportionately impacted by the harmful effects of corruption. TPP will help support good governance by promoting transparency and encouraging public participation.

Through these efforts, TPP will help create economic growth, support jobs, raise incomes, and improve living standards for workers, businesses, and families at home and abroad.