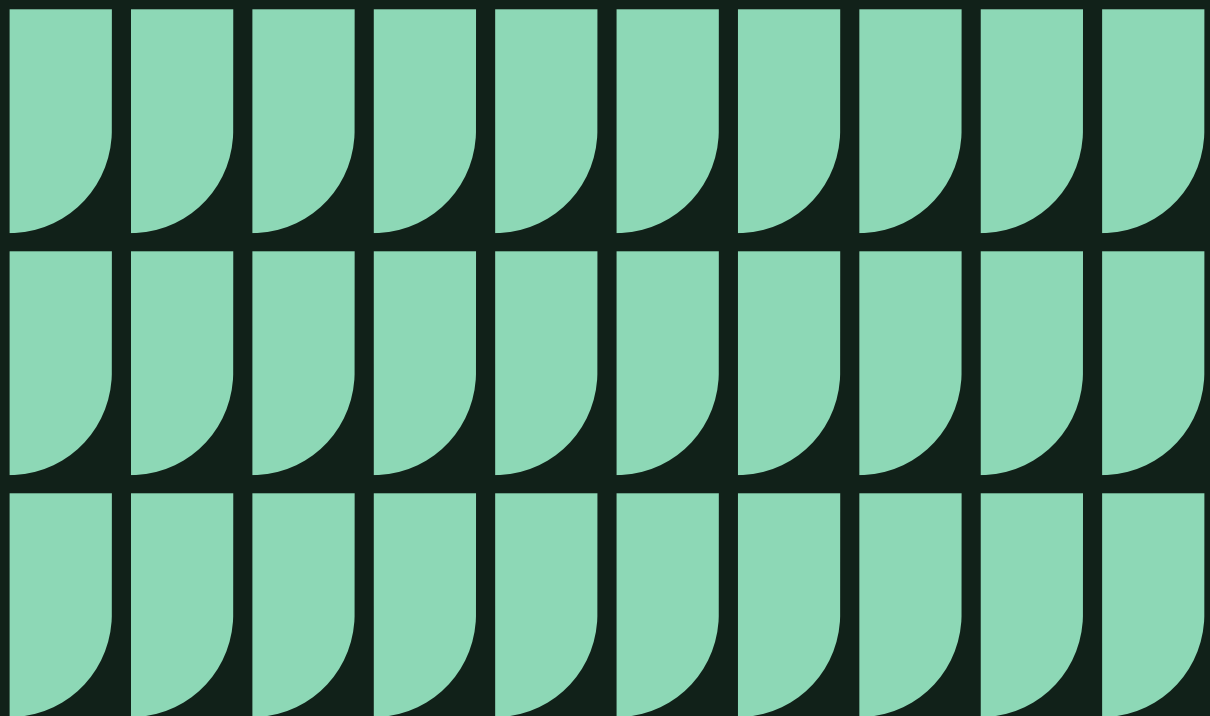


Counting Her In

Women's Contribution to Economic Growth in Norway

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Since the 1970s, women's participation in Norway's labour market, has increased sharply and now approaches parity with men. These changes reshaped family life, expanded the welfare state, and, by mobilising previously underused skills, contributed substantially to Norway's gross domestic product (GDP). This policy brief demonstrates how these outcomes resulted from political will and the interaction of welfare-state and gender-equality policies with broader social and economic restructuring.

Four key takeaways

- Women's increased employment has made a **substantial contribution to Norway's economic growth** since the 1970s.
 - This transformation was driven by **technology, education, welfare-state expansion, changing norms and political mobilisation, including women's participation in social movements and among the social partners.**
 - Norway's gender-equality and welfare-state policies have relied heavily on **evidence-based policymaking and sustained investment in research and statistics.**
 - While women's participation in the labour market is now high, **future growth potential lies in reducing occupational segregation and gender gaps in working hours and career opportunities.**
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A historical turning point: Women's entry into paid work

From the 1970s onwards Norway experienced a sharp increase in the participation of women in the labour market, particularly among mothers. Today the participation of women nearly equals that of men, even in age groups where family responsibilities are common. These changes reflect a dynamic interplay of push and pull factors that gained momentum in the 1970s, a decade characterised by innovative policies and increased public spending aimed at reshaping gender relations.

A variety of factors facilitated an increase in the participation of women in the labour market. Declining fertility rates and household technologies such as washing machines and vacuum cleaners, freed up time for paid work. Economic growth, rising wages, and higher levels of education among women made employment more rewarding. The restructuring seen in the 1970s, marked by the expansion of the service sector and the decline of agriculture and manufacturing, boosted the demand for labour in occupations where women were more likely to be employed. The further development of supportive policies, such as affordable childcare and paid parental leave, helped to improve the balance between work and family.

The women's movement played a crucial role in these transformations. Women's activism in social movements, including the social partners and political parties, interacted with shifting public attitudes, helping to reshape public opinion and set the political agenda (Hernes, 1987).

New government-funded policies were enacted. Welfare-state policies such as affordable childcare and parental leave have supported high employment rates for both men and women (Ellingsæter, 2024), linking gender equality to economic growth and societal development. Equality and anti-discrimination laws have helped to institutionalise these changes and ensure long-term sustainability (Hellum, Ik Dahl & Strand, 2023).

In the 1990s, the position and role of men in gender equality gained attention. This was reflected in a growing focus on men's involvement in family life, both in public opinion and on the political agenda (Ellingsæter & Kitterød, 2023). Starting in 1993, four weeks of parental leave were reserved for fathers, a policy that has been adjusted and expanded several times.

Drivers of change

Norway's experience reflects a dynamic interaction between:

- **Economic restructuring** towards service-sector employment.
- **Education and skill upgrading**, particularly among women.
- **Welfare-state expansion**, including childcare and parental leave.
- **Gender-equality policies**, equality and anti-discrimination legislation, prohibition against discrimination, and obligations to actively promote equality.
- **Political mobilisation**, driven by the women's movement, social partners and political parties.
- **Changing norms**, around parents' work and family roles, shaped by policy change and more gender-equal practices.

This combination reflects a broader social investment approach, in which gender equality is understood not only as a question of justice and autonomy, but also as a way to utilise society's productive potential.

Normative foundation: Equality, autonomy, and social investment

Gender equality fundamentally concerns justice and autonomy, emphasising the recognition of individuals' inherent freedoms and rights. It ensures equal opportunities for participation in society, regardless of gender, ethnicity, or social background. Gender equality has also been promoted as economically beneficial for productivity and growth.

This combination of justice, autonomy, and economic benefit is akin to what is termed the **social investment approach** (Morel, Palier & Palme, 2012). The approach emphasises the role of the state in promoting social inclusion and employment through active labour-market

policies, education, work-life balance arrangements, and care services. It contrasts with neoliberal ideas of a minimal state by highlighting how state policies can enhance individual and societal well-being, resilience, and productivity.

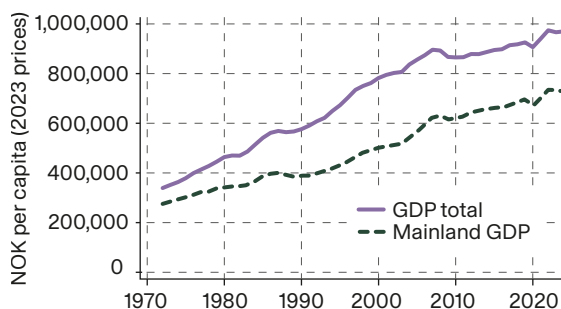
Gender-equality policies and accompanying norms play a crucial role in ensuring high employment rates and utilising the full productive potential of society. Policies aimed at reconciling work and family life, addressing the weaker levels of participation in the labour market among women in many countries, have placed gender equality at the centre of welfare policy agendas. Social investment underscores the importance of gender equality as both a societal and economic priority in modern welfare states.

What did it mean for economic growth?

Labour income is the primary source of disposable income for households and a major component of value added in the Norwegian economy. For this reason, high labour-market participation among both women and men has long been a central policy objective with broad political support.

Women's entry into paid work contributed to economic growth in two important ways: by shifting from unpaid to paid work and by allowing a more efficient use of skills and human capital in the labour market.

Figure 1: GDP per capita in Norway and mainland Norway, 1972–2024 (2023 prices)



Source: Statistics Norway's national accounts (Statistics Norway, 2025).

Table 1: Growth accounting for all, and by men and women separately.

	1973–2024	2014–2024
GDP growth	1.91	1.06
Labour prod.	1.76	0.96
Labour input	0.15	0.10
Working hours	-0.18	-0.04
Employment	0.33	0.14
Men:		
Labour input	-0.04	0.01
Working hours	-0.14	-0.05
Employment	0.11	0.07
Women:		
Labour input	0.17	0.08
Working hours	-0.02	0.01
Employment	0.18	0.07

Source: Statistics Norway's national accounts and Labour Force Survey (LFS). Authors' own calculations. For additional periodic growth measures, see Bjørkheim & Østbakken (2026).

Norway's GDP per capita more than doubled between 1972 and 2024 (Figure 1). Growth accounting estimates show that women's increased employment made a substantial contribution to this development.¹ While labour productivity was the main driver of GDP growth over the period, the contribution from labour input came entirely from women's increased employment. Men's labour input declined somewhat over the period, mainly because standard working hours were reduced over time. To estimate these contributions, GDP growth is decomposed into labour productivity and labour input, with labour input further divided by gender, employment, and working hours (Table 1).

Women's rising employment levels have remained an important source of growth in recent years. From 2014 to 2024, women's increased employment and working hours

accounted for more than 80 per cent of the total labour-input contribution to GDP growth.

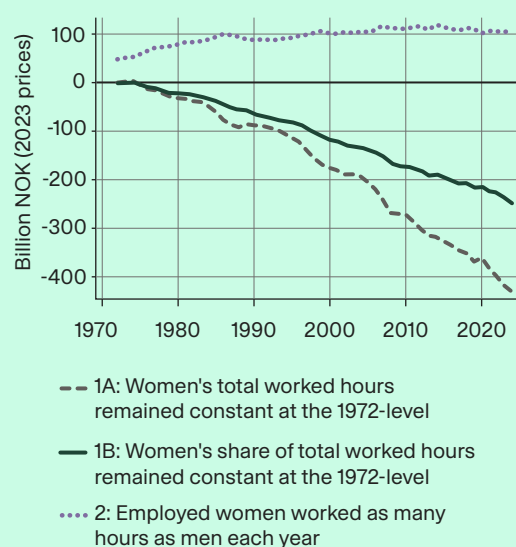
Despite this, the remaining gender differences in working hours persist: among workers aged 25–54, women work part-time more often than men and are less likely to work long hours. However, full-time work among women has become increasingly common, and part-time work is now concentrated mainly among young and elderly workers (Statistics Norway, 2026a).

What if women's employment had not increased?

Counterfactual scenarios illustrate the magnitude of the contribution of women.

- If women's total worked hours had remained at their 1972-level, mainland GDP in 2024 would have been around **NOK 400 billion lower**.
- If women's share of total worked hours remained constant at the 1972-level, mainland GDP would have been **NOK 200 billion lower**.
- By contrast, eliminating the gender gap in working hours could have increased current GDP by around **NOK 100 billion**.

Figure 2: Three scenarios: what if...?



¹ For a detailed description of the growth accounting method, the underlying data sources, and a more extensive discussion, we refer readers to the methodological chapter by Bjørkheim & Østbakken (2026). See <https://hdl.handle.net/11250/5531520>.

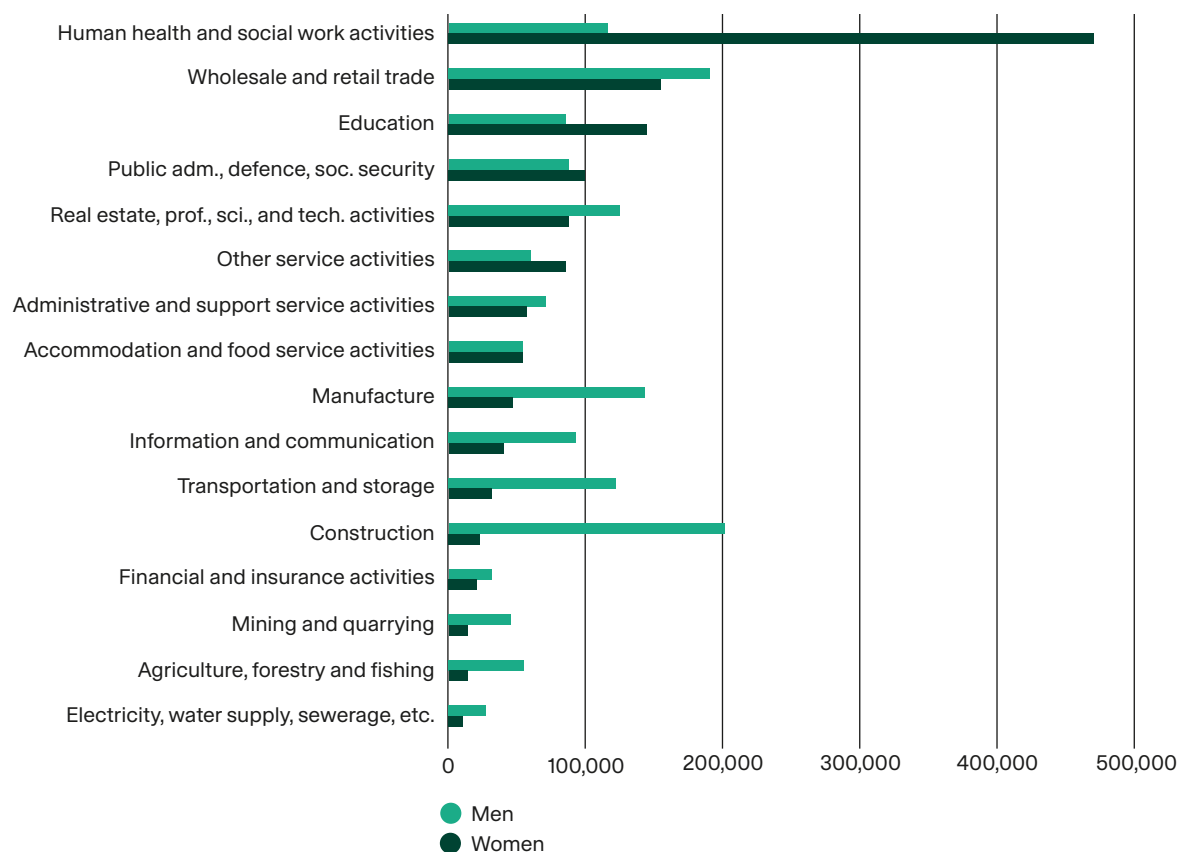
Persisting challenges and future potential

Despite high employment rates among both women and men, challenges remain. Women still work part-time more often, are underrepresented in top positions, and the labour market continues to be gender-segregated – a pattern closely related to the high level of employment among women (Barth, Reisel & Østbakken, 2023). With limited scope for further growth through higher participation alone, future gains are likely to depend on reducing gaps in working hours, career opportunities, and the distribution of paid and unpaid work.

Since the 1970s, the participation of women in the labour market in Norway, especially among mothers, has increased markedly, bringing female employment rates close to parity with men. Nonetheless, one of the clearest persisting differences is that women and

men still tend to work in different occupations and sectors (Figure 3). In recent years, this form of gender segregation has declined somewhat, mainly because more women have entered male-dominated occupations, while men's education and occupational choices have changed less (Reisel & Seehuus, 2025). Immigration has also contributed, with more men from an immigrant background now working in low-wage occupations traditionally dominated by women, which has further reduced measured segregation (Østbakken, Orupabo & Nadim, 2022). Nevertheless, gender equality is far from complete: men still dominate the top of Norway's power hierarchies, notably in the business sector (Teigen, Skjeie & Karlsen, 2019; Halrynjo, Teigen & Wik, 2026), and that matters because occupational segregation shapes wages, career opportunities and access to senior positions.

Figure 3: Number of women and men in different industries, 2025.



Source: Statistics Norway 2026b

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