



# THE IMPACT OF THE ECONOMIC CRISIS ON THE SITUATION OF WOMEN AND MEN AND ON GENDER EQUALITY POLICIES

**Synthesis Report**

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### **List of acronyms**

CIG	<i>Cassa Integrazione Guadagni</i> (Wages Guarantee Fund)
ECB	European Central Bank
EEA	European Economic Area
EFTA	European Free Trade Association
ESF	European Social Fund
EU	European Union
FYROM	the former Yugoslav Republic of Macedonia
IMF	International Monetary Fund
GDP	Gross Domestic Product
GPG	Gender Pay Gap
NEET	Neither in Education nor in Employment or Training
p.p.	Percentage points
VAT	Value Added Tax

## Executive summary

### Purpose

Europe is experiencing a financial and economic crisis. This began with the ‘credit crunch’ in the financial services sector and evolved as a sovereign debt crisis. Fiscal consolidation and austerity measures have been deployed in response to the crisis to reduce public deficits and debt. This crisis is still unfolding so that the analysis and findings of this report must remain a work in progress.

This report aims to assess the impact of this crisis on the situation of women and men in Europe and on gender equality policies. This is important as economic crises are deeply gendered. Past experience cannot provide sufficient insight into the gender impact of this crisis as the position of women has changed considerably since the last major recession. This crisis offers opportunities for radical change, including a potential to advance equality for women and men. However, the crisis also poses challenges where gender equality may be seen as an issue only for the good times.

This report is a product of the EGGE and the EGGSI expert networks of the European Commission. It covers twentyseven Member States, the EEA-EFTA countries and three candidate countries: Turkey, Croatia and FYROM. The core reference period for analysis of the labour market impact is the (nearly) four years between the second quarter of 2008 - when the crisis technically started for the EU as a whole<sup>1</sup> - and the first quarter of 2012 - the latest quarter for which Eurostat data is available at the time of writing. Analysis of the social impact extends over the period between 2005 and 2010.

### Four Main Conclusions

Four main conclusions can be drawn from this report. *The first conclusion* is that there has been a levelling down of gender gaps in employment, unemployment, wages and poverty over the crisis. This however does not reflect progress in gender equality as it is based on lower rates of employment, higher rates of unemployment and reduced earnings for both men and women.

In the first years of the crisis labour market segregation has effectively sheltered women’s employment, labour market activity and pay during the crisis to date. This segregation involves over-representation of women in service employment (including public sector jobs) and under-representation in manufacturing, construction and male dominated branches of the financial sector. The overall level of segregation in a country associates positively and significantly with the difference in employment losses for men and women. Men experienced comparatively higher employment losses than women in countries where this segregation is greater. Further, labour market segregation may eventually expose women to a greater extent where fiscal consolidation significantly curtails public sector jobs.

*The second main conclusion of this report* is that the labour market behaviour of women over the crisis has been similar to that of men. The traditional view that women behave as employment buffers, called in when demand expands but pushed back when it contracts has been challenged for previous crises, but has been definitely refuted by the experience of this crisis. The contemporary ‘buffers’ are young men and women on temporary employment contracts and migrant workers.

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<sup>1</sup> See European Commission, 2010e: Table 1. A recessionary episode technically occurs when the GDP records quarter-on-quarter negative variations for two consecutive quarters.



This similarity of behaviour starts with the changed income role of women. Dual earner couples lost ground in the downturn almost exclusively to the advantage of female breadwinner couples that increased their share to almost 10%.

Similarity of behaviour is evident in that discouragement from seeking work affected men more than women, in percentage terms. There is further evidence in that no fewer women than men accepted part-time work 'involuntarily'. The increase in the numbers of involuntary part-time workers was actually larger among women, although in percentage terms the surge was stronger among men.

The worsening of employment conditions affected women and men differently rather than 'more' or 'less'. There is evidence of infringement and curtailment of rights over the crisis, but there is no clear indication whether men or women have been more affected. Men do report themselves as more affected by the crisis with more frequent complaints of heightened job insecurity, cuts in pay and having to accept less interesting work.

There are repercussions from the crisis that specifically concern women. The rights of pregnant women to maternity leave and benefits have been curtailed and discrimination against pregnant women has been documented in at least four countries.

There is limited evidence on developments in relation to unpaid work. However, in the depth of the first recessionary episode (2008-2009) household expenditure went down in most European countries for the consumption of items for which unpaid work may provide a good substitute.

*The third main conclusion of this report* is that, while there is evidence of contained but uneven retrenchment in welfare provisions in the first years of the crisis, there is a threat that fiscal consolidation may ultimately reduce both the welfare provisions being made and the related employment with associated gender equality impacts.

The crisis has slightly reduced the gender gaps in poverty in the first two years, albeit by increasing the risk of poverty among men more than among women. Without social transfers, the crisis would have produced larger increases in poverty rates in a large number of countries for both men and women. This redistribution has been important in reducing the gender gap in poverty rates.

Education and training appear to have been less affected by budget cuts until 2010. National strategies during the crisis have focused on extending pre-school and out of school programmes. Such schemes are advantageous not only for children but also for the caring parents and in particular for women. Vulnerable groups in the education and training domain include migrant women, the homeless and those at risk of early school leaving (among whom men are over-represented).

The housing crisis in some countries is seriously affecting the lives of the most vulnerable households, including single mothers and low-income households (among whom women are over-represented). Homelessness and long-term homelessness have increased during the crisis and this is a gendered phenomenon in several countries.

Men's and women's health status is reported to have deteriorated as a result of the crisis. Recent health reforms in several countries have focused on cost containment and new or higher prescription fees have been also introduced in several countries. Cost containment has a regressive effect since the cost of healthcare impinges proportionally more on people with lower incomes and this weighs more heavily on women. Budget cuts in the health sector also hit women harder than men on the supply side as more women are employed in the sector.

Some countries have boosted health and long-term care facilities but many others have raised fees or reduced health or care-related cash benefits as part of public expenditure cuts. In

countries that underwent the most significant fiscal consolidation long-term care allowances and monetary benefits have been reduced and this has a disproportionate impact on women.

Fiscal consolidation poses a risk for gender equality. The consolidation measures likely to have the most impact on gender equality include wage freezes or wage cuts in the public sector; staffing freezes or personnel cuts in the public sector; pension reforms; cuts and restrictions in care related benefits/allowances/facilities; reduction of housing benefits or family benefits; tightening of eligibility criteria for unemployment and assistance benefits or reductions in replacement rates; tax measures; VAT increases; and increases in fees for publicly subsidized services.

The most recent evidence gathered at country level suggests that the specific impact of fiscal consolidation on gender equality varies considerably among countries. While in some countries the impact is modest and not consistently pro-inequality, in others considerable retrenchment in employment, social transfers and social services may be rolling back past progress. It cannot be ruled out that disparities in gender equality within Europe may widen back as an unintended consequence of fiscal consolidation.

*The fourth main conclusion of this report* is that in the vast majority of countries gender mainstreaming has not been implemented in policy design and policy implementation over the crisis. Neither recovery nor consolidation measures have been assessed from a gender perspective in the vast majority of cases. Gender impact has been taken into account at all policy process stages in about one tenth of the policy initiatives announced or implemented in response to the crisis as part of the 2011 National Reform Programmes.

Fiscal consolidation packages have also impaired the functioning of the gender equality infrastructure in several Member States. A few countries have, however, taken steps to make the existing infrastructure more effective, and some Eastern European countries have introduced institutional innovations in the field of gender equality.

What follows reviews in greater detail the most salient issues underpinning these broad conclusions.

## **Paid Work Issues**

### *Employment and Unemployment*

There has been a levelling downwards of gender gaps in employment and unemployment over the downturn, as male employment fell more and male unemployment rose faster. The EU-wide gender gap in the employment rate has gone down some 3.2 percentage points from a 14.1 percentage points at (pre-crisis) peak level to 10.9 points in the first quarter of 2012. The gender unemployment gap reversed again in 2012, with women displaying marginally lower unemployment than men (-0.2 percentage points). Reversal had already occurred in the first recessionary dip.

The choice of indicators to measure the impact of the crisis on employment and unemployment is however important. Women were slowly catching up in employment with men before the recession set in, and still need to do so. Thus, potential losses rather than actual losses are relevant. If we take deviations from trends to measure potential losses, men appear to have suffered losses nearly twice as high as women at the bottom of the first recessionary episode (or 'dip'), and about one and a half times higher at the beginning of 2012 (first quarter). The comparison is bleaker in terms of actual losses, which are nearly three times as high among men between the peak and the bottom quarter of the first recessionary episode, and even higher over the entire four years of the recession.

Whichever way employment losses are measured, men did bear the brunt of the fall in employment more than women: nearly three times more according to conventional indicators, nearly twice as much if the indicator takes into account pre-crisis trends. This latter option makes more sense from a gender equality perspective because a given loss of employment is more costly for the group that is still catching up (women).

The choice of indicators is also important for examining developments in unemployment. If we look at changes in the unemployment rate since the recession began, women behaved as 'slow movers', with the advantage of less sharp rises when unemployment went up and the disadvantage of comparatively slower re-absorption when it went down. If we look at levels rather than changes, female unemployment was higher to start with, and may not be as easily absorbed once a lasting recovery sets in precisely because unemployed women are 'slower movers'.

Within each country the vulnerability of women and men differed primarily because of the role played by occupational and sectoral segregation. Output and employment contractions were larger where manufacturing, construction and selected financial branches were hit the most. Since women are consistently under-represented in these sectors, their comparative vulnerability was lower. The differences in peak-to-trough employment losses between men and women correlate positively with the level of sectoral segregation across countries, the correlation with occupational segregation also being significant but slightly lower.

The ongoing process of fiscal consolidation is increasingly involving job cuts in feminized areas such as public social services and education. This diminishes the prospects of a swift recovery for female employment in several countries.

Despite the leveling downward of employment and pay gaps, the integration of women in the labour market has been rolled back. At peak employment values, just before the recession began, 10 Member States were above the 65% employment rate mark for women aged 15 to 64, but the number was down to 6 in the first quarter of 2012.

### *Inactivity and Discouragement*

The labour market behaviour of women in the crisis reflects the fact that their income roles are in transition between traditional situations of marginal earners and modern situations of co-primary earner. At the macro level for the whole of Europe:

- Women, unlike men, increased their labour market participation. In the first quarter of 2012, twenty-two and a half out of a hundred men of working age were not in the labour market in Europe, slightly more than four years earlier (22.1% in 2008, second quarter for EU27). Many more women were inactive - 34.9 out of a hundred in 2012 - but less so than four years earlier (-1.5%). These divergent activity patterns between men and women partly reflect structural trends pre-dating the recession, partly stem from the behaviour of partnered women, some of them having entered the labour market or increased hours in order to offset the drop in earnings of the male partner (added worker effect).
- Discouraged workers are more commonly found among women. However if we take their numbers in ratio to the inactive population the rise following the crisis was more pronounced for men. In yearly terms, the EU27 share of discouraged workers in the inactive population rose from 3.3% to 5.3% among men between 2008 and 2011, and from 3.9 % to 5.1% among women.

- Male breadwinner households lost ground in favour of female breadwinner households. In 2007 dual earner couples were the vast majority of all working age couples where at least one member worked (74.1% on average in the 26 countries examined). Male breadwinner couples were a minority (21%) and female breadwinner couples were a small component (4.9%). In the first two years of the crisis, dual earner couples lost ground (-5.1 percentage points share), but almost entirely in favour of female breadwinner couples. This is not yet the demise of the male breadwinner issue however. Within the majority of dual earner couples women's contribution to the household's income remains significantly lower than their partner's, sufficiently so as to still qualify the female partners as 'secondary' earners.

#### *Involuntary Part-Time and Temporary Contracts*

The worsening of working conditions has spared neither men nor women, but has affected them differently.

In 2010 - the worst year of the crisis within our reference period, the involuntary share of total part-time work had risen to 38.1%, up 5.8 points from 2007. Among women the corresponding value was 24%, up 3.8 percentage points. Absolute figures tell a different story. In 2010 female involuntary part-time workers numbered 7.3 million as against 3.2 million for men. The growth from 2007 totalled 1.3 million for women against 773 thousand for men. One year later – 2011, the latest on record – involuntary part-time had decreased for both sexes, but remained considerably higher than pre-recession levels.

Temporary employment is fairly equally distributed between men and women, with a slight prevalence among the latter. The peak-to-trough share of male temporary employment declined from 13.7% to 12.5%, and a very similar contraction was recorded for the share of female temporary employment (from 15.2% to 14.1%). Uncertainty about recovery in some countries and protracted recession in other countries account for a mixed pattern after the first recessionary dip.

#### *In-Work Poverty*

Yet, between 2008 and 2010, the incidence of in-work poors rose very slightly and only among women. This suggests that better paid workers found it easier to retain their employment while the low paid suffered the worst job losses, at least among men. The incidence of in-work poverty remains, in fact, higher for men (8.9% compared to 7.8% for women). Estimates reported by the 2012 *Employment and Social Developments in Europe* indicate that all other things equal, being a man increased the odds of being in-work and poor by some four percentage points. Despite women's over-representation among part-timers, the low-paid and temporary employees, in-work poverty affects some women in these groups rather than all of them.

#### *Restrictions of Rights and Entitlements*

In the 2010 European Social Survey men reported cuts in pay, heightened job insecurity and worsening quality of the work content more frequently than women. Women reported more frequently than men having to reduce work hours. In Greece, Ireland and Portugal, Labour Inspections recorded a surge in the infringement of rights protecting pregnant women and mothers of young children during the crisis, while in Italy and the Czech Republic infringements are reported to have frequently occurred in 'normal times' as well.

#### *Age, Education and Nationality Diversity*

Across Europe as a whole, the younger the worker the higher the employment losses experienced during the crisis. This age pattern is common to men and women, though it is less pronounced for the latter.

In the current crisis, the average European worker with tertiary education was comparatively shielded from dismissals in the crisis, but this does not hold for equally educated women in some Baltic and Mediterranean countries. In these countries it was middle educated women who suffered the least and whose employment is recovering faster. Moreover, in countries where recovery is under way, employment growth is often stronger among middle educated women and men than among the top educated. This waning protection afforded by education may be contributing to swell the numbers of young people not in education, employment or training (the so called NEETs).

The most vulnerable group in this crisis is male migrants. Men from outside the EU were the worst hit by job losses, followed by mobile male workers from within the EU. Mobile female workers from within the EU were largely spared from job losses except in Ireland, Finland and the Netherlands. They proved less vulnerable to the crisis than local women in the EU27 as a whole. The converse holds for female migrants from outside the EU, but even among them the peak-to-trough fall in employment was not much higher than 3 percentage points compared with 8 points for male migrants from outside the EU. One plausible reason is, again, occupational and sectoral segregation.

### **Pay Gap Issues**

The gender pay gap decreased in the whole of the EU as well as in the majority of Member States for which data are available. According to Eurostat data, the unadjusted gender pay gap declined in 16 out of 25 Member States for which complete data are available between 2007 and 2010. National sources indicate that the instances of decline may be higher.

Three main factors contributed to the decline in the gender pay gap:

- Cuts in the extra wage components of the pay packet. Bonuses and premiums are first to be foregone in a crisis and tend to accrue disproportionately to men.
- Sectoral segregation with over-representation of women in the public sector –where the gender pay gap is generally lower- and under-representation in the sectors that shed more labour where men tend to earn well.
- A number of countries have had policy programmes designed to lessen the gender pay gap. In all these countries the gender pay gap declined or did not increase, indicating that equal pay policy may have contributed to the decline.

### **Unpaid Work Issues**

A decrease in expenditure by households is observable for 19 out of the 22 European countries for which the 2009 value can be compared to 2008. The fall in consumption in catering, outpatient services and routine maintenance can be substituted by unpaid work. It is therefore unlikely that unpaid work did not rise during the crisis.

The findings of time use surveys in four countries offer some evidence that the gender gap in the allocation of unpaid work may have gone up during the crisis in countries where gender disparities in housework and care work are especially pronounced.

## **Gender Mainstreaming, Employment Policies, Fiscal Consolidation**

### *Gender Mainstreaming*

The European Economic Recovery Plan made no mention of “gender”, “women” or “equality”. The absence of gender mainstreaming is symbolic of a low sensibility towards gender equality in responding to the crisis.

The European Commission’s Advisory Committee on Equal Opportunities for Women and Men has highlighted the low visibility of gender in European-level responses to the crisis, as well as the need to take into account the gender dimension in current and future initiatives to tackle the crisis. The Joint Employment Report adopted by Council in 2010 did identify women among the groups at risk in a period of rising unemployment and recognized the negative impact of the crisis on gender equality policies. It noted the need for gender mainstreaming to be more actively applied. A stronger recognition of the role that gender equality policies can play in recovery is still needed to ensure that gender gaps do not re-open.

### *Gender Equality Policies*

In some Member States the institutional framework for gender equality policy has been reinforced in Acts, action plans and strategies. However, the budget cuts imposed by fiscal consolidation measures entail the risk of downgrading the status of equality policies or reducing the budget allocated to them. This report found that in several Member States cuts in public budgets are seriously affecting the functioning of gender equality infrastructures. However, other Member States have decided not to reduce resources devoted to gender equality institutions and/or projects, or even to increase them.

### *Employment Policies*

Early recovery measures focused on the sectors first hit by the crisis, which were male-dominated in terms of employment. Counter-cyclical employment policies other than these temporary recovery measures focused on short time working programmes and the management of unemployment benefit programmes. The evidence to date suggests that men were the main beneficiaries of both types of programmes not only because they suffered job losses on a larger scale but also because of the design of these programmes. The ‘male bias’ in these programmes may have worked to date because of the corresponding ‘bias’ in employment losses. However, the design of counter-cyclical employment and income policies may need to be made more ‘universal’ in the future.

### *Fiscal Consolidation*

This report makes a first attempt at an assessment of the repercussions of fiscal consolidation from a gender perspective. The impact is not yet showing up fully in employment or wage statistics and ex-ante impact assessments have not been carried out from a gender perspective, with the exception of a few countries. This assessment therefore relies on two types of evidence, respectively the subjective evaluation of national experts in nineteen countries and a review of the latest developments in six countries.

According to the experts’ evaluation, the list of measures identified in the nineteen countries reviewed as more consequential for gender equality are, on the expenditure side:

- wage freezes or wage cuts in the public sector (10 countries),
- staffing freezes or personnel cuts in the public sector (9 countries),

- pension reforms: postponing retirement and/or bringing the age of retirement for women in line with that for men (8 countries),
- cuts and restrictions in care related benefits/allowances/facilities (8 countries),
- reduction of housing benefits or family benefits (6 countries),
- and tightening of eligibility criteria for unemployment and assistance benefits or reductions in replacement rates (5 countries).

On the revenue side the list of such measures are:

- tax measures (6 countries),
- VAT increase (6 countries),
- and increase in fees for publicly subsidized services (healthcare fees, transport fees, others) (3 countries).

Expectations that these measures will be disproportionately borne by women are qualified by the information gathered for six countries concerning the latest developments. Evidence from the countries with relatively limited fiscal consolidation programmes (the Netherlands and Finland) or those where the most severe contraction of public finances occurred early on in the recession (Latvia) does not entirely support anticipations. In these countries, the direct, short – run effects of fiscal consolidation on women’s employment and their access/use of care services do not appear to be so large, nor do women appear to be systematically penalized by cuts in social transfers. However, information is still very limited and the medium and long term effects are not known. There is much more cause for concern in all respects with regard to Ireland, Greece or Spain, where fiscal consolidation has grown in importance since the crisis began, taking on progressively dramatic proportions. In these countries not only was female employment comparatively low at the onset of the recession but it has declined fairly consistently ever since. Restructuring of social security (pensions), cuts in public services, and public sector wages, as well actual or planned downsizing of public employment are sizeable and the increase in poverty has been more pronounced for selected group of women, e.g. female pensioners in Greece.

### **Income Poverty Issues**

In almost all countries and years, women exhibit a higher at-risk-of-poverty rate than men. At the EU27 level, the gender gap tended to increase up to 2007 and to decrease thenceforth. Income poverty, measured by the share of population earning a yearly income lower than 60% the median income, has risen for the whole of Europe in the first years of the crisis although the rise was not dramatic. In 2009 the at-risk of poverty rate (anchored at year 2005) was higher than the 2007 rate by 2.3 points among men and by 1.7 points among women<sup>2</sup>. Higher increases were experienced in the countries severely hit by the crisis.

In all European countries and at all times in the period considered women suffer from a higher at risk of poverty rate before social transfers, to a degree that is considerably higher than the gender gap after social transfers (about 5% as opposed to 2%). Tax and welfare systems are fundamental in reducing the higher at risk of poverty rates that women face. A marginal worsening of men’s position before social transfers as a result of the crisis has slightly reduced the gender gap in at risk of poverty rates before social transfers from 5,1% in 2004 to 4,8% in

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<sup>2</sup> The figures refer to the risk of poverty calculated using the 2005 poverty line in order to avoid obtaining a reduction in poverty when bottom incomes decline more than the median income. Note that the 2007 figures are drawn from the 2008 EU-SILC survey while those for 2009 refer to the latest survey to be released to date carried in 2010.

2009.

As a result of the crisis, several countries experienced a remarkable increase in the number of beneficiaries of guaranteed minimum income schemes with a predominant share of women. Some countries raised their guaranteed minimum income payments through increased public expenditure.

Family-related benefits are formally gender-neutral measures with a significant gendered impact, as women dominate family-related payments recipients due to gender-specific division of care activities. Cuts in public expenditure due to the economic crisis affected existing family-related benefits in most countries with substantial gender effects. On the other hand, a small number of countries expanded their support to family-related benefits and allowances as a response to the economic crisis.

In the field of childcare, public expenditure on monetary allowances has been reduced more consistently than public expenditure on the provision of services. Thus, in several European countries the supply of childcare facilities has grown in the last few years, even in the face of the economic crisis. However, in a number of countries social expenditure retrenchments are felt also in the field of childcare services.

Increases in Value Added Tax rates are expected to have a negative impact on gender equality given the generally higher at-risk-of-poverty rate and the lower disposable income of women compared to men.

### **Social Exclusion Issues**

Women suffer from greater severe material deprivation in almost all years and all countries. The index of severe material deprivation is defined as the enforced inability to pay for a number of items considered necessary to a decent and adequate life. The crisis has slowed down the progress towards the reduction of material deprivation, with the levels recorded by the 2010 SILC survey higher than one year earlier but still lower than the pre-crisis average and than 2005 levels. The crisis has slightly reduced the gender gap, though worsening men's position rather than improving women's. Variations are on average small for the first years of the crisis, but to some extent they hide substantial heterogeneity between countries.

#### *Education*

Training and education appear to be less affected by budget cuts.

National strategies during the crisis have focused on extending pre-school and out-of-school time programmes. Such schemes are particularly advantageous for the children and for caring parents, among whom women in particular do the caring work. However, vulnerable groups have been affected including migrant women, the homeless and those at risk of early school leaving (where men are over-represented).

#### *Housing*

The economic crisis is exerting a substantial impact on the housing and mortgage markets of several European countries. In a number of countries there is already evidence of rising housing debts, payment default risks, and forced evictions. The countries that suffered a housing crisis (or risk facing one) are primarily offering housing debt management schemes in order to help people cope with over-indebtedness. While most of these measures tend to be gender blind, they indirectly favour women who are known to be more vulnerable in some key respects. For example, in those countries for which data are available, women tend to exhibit higher risks of rent or mortgage arrears than men. From a gender perspective, housing support measures are



particularly important for some groups of women such as single mothers, who often find it difficult to buy a home of their own due to inadequate income. Lack of affordable housing is one of the main causes of homelessness. While there are severe data limitations, in the countries supplying some data homelessness appears to have worsened during the crisis. In these countries men and women face apparently similar risks of homelessness, though women's risk is higher than men's at younger ages. Moreover, it is found that women are more often than men "invisibly" homeless, e.g. because they seek temporary solutions such as living with family, friends, "convenience partners" or casual acquaintances. While this reflects genuine differences in behaviour between women and men, in some countries it could also be due to a lack of policies specifically targeting women in this area.

#### *Health*

Recent health reforms in several countries have focused on cost containment. New or higher prescription fees have been also introduced in several European countries. Cost containment has a regressive effect since the cost of healthcare impinges proportionally more on people with lower incomes and weighs more heavily on women due to their higher risk of poverty.

Budget cuts in the health sector also hit women harder than men on the supply side. Women are primarily employed in the public sector and in the health sector. Cuts to public sector pay or staff reductions affect women disproportionately.

Countries have generally not reduced public social expenditure by cutting provision of long-term care services. Women constitute the majority of care recipients and caregivers. In countries that underwent the most significant fiscal consolidation long-term care allowances and monetary benefits have been reduced. In some countries long-term care allowances were raised.

#### **Recommendations**

Ten recommendations are made that seek to advance gender equality as a means of assisting the economy to emerge out of the crisis.

1. Reconsider the formulation of gender equality indicators. The apparent improvement in most gender gaps despite the worsening of employment, wages, working and income conditions for both men and women raises questions as to whether 'gender gaps' adequately capture trends in gender equality in recessionary times.
2. Encourage Member States to adopt effective gender budgeting systems for their main policy initiatives, including ongoing or future recovery plans and expenditure reviews. Statutory requirements that policies be vetted ex-ante from a gender perspective may not be sufficient, as the experience in Austria and the UK indicates.
3. Closely monitor the risk that fiscal consolidation may significantly erode welfare provisions as well as equality infrastructure.
4. Launch and support initiatives to raise the level of financial literacy among women (and the population at large) and to ensure a 'critical mass' female representation in key financial bodies of the European machinery. This crisis has made evident how far policy decisions that are traditionally associated with women such as welfare, schooling or reconciliation have come to depend on macroeconomic and financial decisions women have traditionally been excluded from and which they know little about.
5. Address the disproportionate burden of employment flexibility on young people. This includes re-designing customary counter-cyclical policies like short-time work schemes and unemployment benefit programmes. While both measures were important

to counteract the worst employment and wage effects of this crisis, they are often primarily geared to regular full-time workers.

6. Gender mainstream income support schemes. Social expenditure and tax expenditure should focus on women's financial independence as a central concern, especially if they are aimed at lifting men and women out of poverty.

7. Channel social expenditure so as to prioritize quality services over cash benefits in order to ensure a fair distributional impact of austerity programmes and alleviate the care burden for women. Channel recovery funds towards social and care infrastructure and not only physical infrastructure.

8. Strengthen the European Social Fund and review procedures therein. Several low female employment countries in Southern and Eastern Europe are also countries where the recession and fiscal consolidation are downsizing welfare, reconciliation and generally equality enhancing provisions. The European Structural Fund represents an important resource in these countries to compensate for cuts in local provisions and to sustain the 2020 employment goal. In some cases, however, ESF spending may need to be reviewed in order to warrant full effectiveness. In particular this review should ensure that: (i) procedures for accessing and spending funds are simple; and (ii) key programmes being implemented continue to operate after ESF funds have been withdrawn.

9. Increase surveillance and heighten public awareness of cases of violations of maternity and leave rights. Infringements of maternity/parental rights may be more frequent in small- and medium-sized firms because of higher organizational costs. Their specific needs/constraints should be addressed, as this is also a problem in 'normal' times.

10. Address the issue of poor integration of mobile and migrant workers, especially men.

## Résumé

L'Europe traverse actuellement une crise économique et financière qui a commencé dans le secteur des services financiers par ce qu'il a été convenu d'appeler le « resserrement du crédit » pour devenir aujourd'hui une crise de la dette souveraine. En réponse à cette crise et pour tenter de réduire la dette et les déficits publics, diverses mesures de consolidation et d'austérité budgétaires ont été mises en œuvre. Toutefois, cette crise étant toujours d'actualité, son analyse et par voie de conséquence les conclusions de ce rapport, demeurent matière à évoluer.

Le présent rapport a pour but d'évaluer les conséquences de cette crise sur la situation des femmes et des hommes en Europe et sur les politiques d'égalité femmes/hommes, sujet d'autant plus important que l'on sait les crises économiques profondément liées à la notion d'égalité entre les sexes. Or, il est évident que l'expérience du passé ne suffit pas à expliquer les conséquences de cette crise sur l'égalité entre les sexes, alors même que la situation des femmes a considérablement évolué depuis la dernière récession majeure. De fait, si toute situation de crise offre des opportunités pour un changement radical en termes de promotion de l'égalité des femmes et des hommes, il reste qu'elle comporte également des défis pour gérer l'égalité des sexes lorsque la situation est stable.

Ce rapport est un produit de l'EGGE et des réseaux d'experts EGGSI de la Commission européenne qui regroupe vingt-sept États, les pays de l'EEE-AELE et trois pays candidats : la Turquie, la Croatie et l'ARYM. Dans ce rapport, la période de référence pour l'analyse des effets sur le marché du travail est d'environ quatre années situées entre le deuxième trimestre de 2008, qui correspond techniquement au début de la crise à l'échelle de l'UE dans son ensemble<sup>3</sup>, et le premier trimestre de 2012, c'est-à-dire le dernier trimestre pour lequel Eurostat a pu disposer de données pour la finalisation de ce rapport. L'analyse des conséquences sociales couvre la période comprise entre 2005 et 2010.

### Quatre conclusions principales

Quatre conclusions principales peuvent être tirées de ce rapport. *La première conclusion* permet d'observer que l'écart se trouve réduit, en temps de crise, entre les femmes/hommes en ce qui concerne l'emploi, le chômage, les salaires et la pauvreté. Toutefois, cela n'induit en rien une éventuelle réduction de l'égalité entre les hommes et les femmes puisque celle-ci repose sur la réduction des taux d'emploi, l'augmentation des taux de chômage et la diminution des rémunérations tant pour les hommes que les femmes.

Au début de la crise et jusqu'à aujourd'hui, le marché du travail a efficacement protégé l'emploi des femmes, l'activité du marché du travail et la rémunération. Cette forme de disparité s'explique par la surreprésentation des femmes dans les emplois de service, y compris les emplois dans le secteur public et la sous-représentation dans la fabrication, la construction et les branches du secteur financier dominées par les hommes. La disparité globale dans un pays est associée positivement et significativement à la différence de pertes d'emplois entre les hommes et les femmes. Les hommes ont subi relativement plus de pertes d'emplois que les femmes dans les pays où cette disparité est plus grande. En outre, la disparité sur le marché du travail peut

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<sup>3</sup> Voir Commission européenne, 2010e: tableau 1. Techniquement, un épisode de récession se produit lorsque le PIB enregistre des variations négatives trimestre sur trimestre avec au moins deux trimestres consécutifs.

éventuellement exposer davantage les femmes lorsque les mesures de consolidation fiscale restreignent les emplois dans le secteur public de manière plus importante.

*La deuxième conclusion principale de ce rapport* permet de constater que, au cours de la crise, le marché du travail des femmes s'est comporté de manière similaire à celui des hommes. On pensait que l'emploi des femmes servait de tampon au marché de l'emploi, embauchées lorsque la demande augmente mais rejetées lorsqu'elle diminue, mais cela a été contesté au cours des précédentes crises et s'est avéré totalement inexact lors de l'actuelle. Pour l'heure, cette fonction de « tampons » est tenue par des jeunes, hommes et femmes, avec des contrats de travail à durée déterminée et par les travailleurs migrants.

Cette similitude de comportement est observée en premier lieu à travers le nouveau rôle du revenu des femmes. La proportion de couples vivant avec deux salaires a diminué au cours de la crise en faveur quasiment exclusive des couples dépendant du salaire de la femme, qui ont vu leur proportion s'accroître de presque 10%.

Cette similitude est par ailleurs d'autant plus flagrante que les hommes ont été plus découragés que les femmes dans leur recherche d'emploi, en termes de pourcentage que de valeurs absolues. On constate en effet, preuve supplémentaire s'il en fallait, qu'il y a eu autant de femmes que d'hommes pour se résoudre à accepter un travail à temps partiel. De fait, bien que les femmes aient effectivement été plus nombreuses, l'augmentation, en termes de pourcentage, a été plus forte chez les hommes.

On constate par ailleurs que l'aggravation des conditions de l'emploi affecte non pas plus ou moins les femmes que les hommes, mais différemment. Il est évident que, pendant la crise, les droits n'ont pas toujours été scrupuleusement respectés, mais il n'y a aucune indication claire pour en déduire que les unes plutôt que les autres ont été plus affectés, même si les hommes eux-mêmes indiquent être plus touchés par la crise, se plaignant plus souvent de précarité accrue, de réduction salariale et de l'obligation d'accepter un travail moins intéressant.

En revanche, certaines répercussions de la crise concernent spécifiquement les femmes. Ainsi, les droits et avantages liés au congé maternité des femmes enceintes ont été malmenés et on a relevé une plus forte discrimination à l'encontre des femmes enceintes dans au moins quatre pays.

Enfin, quelques données, mais en proportion limitée, ont pu être relevées concernant les développements du travail non rémunéré. Toutefois, au cœur de la première période de crise (2008-2009), les dépenses de consommation des ménages ont diminué dans la plupart des pays européens, souvent en lieu et place d'un travail non rémunéré.

*La troisième conclusion principale de ce rapport* permet de penser que, si l'austérité contenue mais inégale figure bien dans les dispositions de protection sociale dans les premières années de la crise, il reste qu'une consolidation fiscale représente une réelle menace en ce qu'elle pourrait faire baisser le niveau de protection sociale et de l'emploi et que cela aurait une influence sur l'égalité femmes/hommes.

Au cours des deux premières années, la crise a légèrement réduit les écarts entre les sexes en ce qui concerne la pauvreté, bien que l'on constate une augmentation du risque de pauvreté chez les hommes davantage que chez les femmes. Il apparaît également que, sans transferts sociaux, la crise aurait accru les taux de pauvreté dans un grand nombre de pays, pour les hommes et les femmes. Cette redistribution a été importante pour réduire l'écart entre les sexes en ce qui concerne les taux de pauvreté.

L'éducation et la formation semblent avoir été moins touchées par les contraintes budgétaires jusqu'en 2010. Les stratégies nationales pendant la crise ont mis l'accent sur le développement des programmes préscolaires et les programmes extracurriculaires. De tels programmes sont réellement importants non seulement pour les enfants mais aussi pour les parents responsables et en particulier les femmes. Les groupes vulnérables dans le domaine de l'éducation et de la formation sont les femmes immigrées, les sans-abri et les personnes à risque de décrochage scolaire (parmi lesquels les hommes sont surreprésentés).

La crise du logement, dans certains pays, affecte gravement la vie des ménages les plus vulnérables, y compris les mères célibataires et les ménages à faible revenu (parmi lesquels les femmes sont surreprésentées). Le nombre de sans-abri, à court comme à long terme, a augmenté pendant la crise, et ce phénomène est en lien avec la question de l'égalité des sexes dans plusieurs pays.

En outre, du fait de la crise, on observe que l'état de santé des hommes comme celui des femmes s'est détérioré. De récentes réformes de la santé, introduites dans plusieurs pays, ont mis l'accent sur la maîtrise des coûts et celle des frais supplémentaires sur les ordonnances. De fait, la maîtrise des coûts a un effet régressif puisque le coût des soins de santé freine proportionnellement plus les personnes à faible revenu et pèse plus lourdement sur les femmes. Les contraintes budgétaires dans le secteur de la santé ont touché davantage les femmes que les hommes dans le domaine de l'offre puisque plus de femmes travaillent dans ce secteur.

Certains pays ont investi dans la santé et les établissements de soins de longue durée, mais beaucoup d'autres ont augmenté les frais ou réduit les prestations liées aux soins ou à la santé dans le cadre de la réduction des dépenses publiques. Dans les pays qui ont subi la plus grande consolidation fiscale, les indemnités pour soins de longue durée ont été réduites et cela a affecté les femmes en majeure partie de façon disproportionnée.

La consolidation budgétaire constitue un risque pour l'égalité des sexes. Parmi les mesures décidées et engagées à ce titre, celles qui sont susceptibles d'avoir le plus de conséquences sur l'égalité des sexes comprennent le gel des salaires ou la réduction des salaires dans le secteur public, le gel du recrutement ou le licenciement de personnel dans le secteur public ; la réforme des retraites, les suppressions ou restrictions des prestations/allocations/aménagements pour les soins, le logement ou la famille, la révision des critères d'admissibilité pour les indemnités de chômage et les prestations d'aide ou les réductions des taux de compensation ; les mesures d'imposition, l'augmentation de la TVA et l'augmentation des frais pour les services publics subventionnés.

Les études les plus récentes faites à l'échelle nationale suggèrent que l'effet spécifique de la consolidation fiscale sur l'égalité des sexes varie de manière considérable selon les pays. Alors que dans certains pays cet effet reste modeste et pas toujours en lien avec quelque inégalité, dans d'autres pays en revanche, une diminution considérable dans le domaine de l'emploi, des transferts et services sociaux a un effet néfaste sur les progrès acquis par le passé. On ne peut exclure un retour mesuré de l'inégalité entre les sexes en Europe comme étant une conséquence involontaire de la consolidation fiscale.

*La quatrième conclusion principale de ce rapport* permet d'affirmer que, dans la grande majorité des pays, l'égalité femmes/hommes n'a pas été prise en compte dans la conception de la politique ou dans la mise en œuvre de la politique concernant la crise. Les mesures de relance ou de consolidation n'ont pas été évaluées d'un point de vue de l'égalité entre les hommes et les femmes dans la grande majorité des cas.

En réponse à la crise et dans le cadre des programmes de réforme nationales 2011, on observe que les conséquences sur l'égalité des sexes n'ont été prises en compte, sur l'ensemble des étapes des processus politiques, que pour un dixième des initiatives politiques annoncées ou mises en œuvre.

Les politiques de consolidation fiscale ont également eu des répercussions sur le fonctionnement de l'infrastructure en rapport avec l'égalité des sexes dans plusieurs États membres. Quelques pays ont toutefois pris des mesures pour améliorer l'efficacité des infrastructures existantes et certains pays de l'Europe de l'Est ont introduit des innovations institutionnelles dans le domaine de l'égalité des sexes.

Les questions les plus importantes sous-jacentes à ces conclusions générales vont être étudiées plus en détail ci-après.

## Questions concernant le travail rémunéré

### *Emploi et chômage*

Au cours de cette récession, on constate un nivellement par le bas des écarts entre les sexes dans le domaine de l'emploi et du chômage, et plus particulièrement une plus forte diminution de l'offre d'emploi et un chômage qui augmente plus rapidement chez les hommes. L'écart entre les sexes à l'échelle de l'UE au regard du taux d'emploi a diminué de 3 points par rapport aux niveaux maxima (avant la crise), passant de 14,1 à 10,9 points au premier trimestre de 2012. L'écart des taux de chômage entre les hommes et les femmes s'est inversé en 2012, quand les femmes ont subi légèrement moins de chômage que les hommes (-0,2 points). L'inversion s'était déjà produite lors de la première étape de la récession.

Le choix d'indicateurs pour mesurer les conséquences de la crise sur l'emploi et le chômage est cependant important. Avant la récession, le taux d'emploi des femmes tendait à se rapprocher de celui des hommes et il faut s'attacher à faire perdurer cette situation. De fait, les potentialités de perte d'emploi apparaissent comme nettement plus révélatrices que ne le sont les pertes d'emplois réelles. A lire les divergences des tendances en tant que mesure des pertes potentielles, au pire de la première période de crise (ou « creux »), les hommes semblent avoir subi presque deux fois plus de pertes d'emploi que les femmes et presque une fois et demie de plus au début de 2012 (premier trimestre). La comparaison est encore pire en termes de pertes réelles, lesquelles sont trois fois supérieures chez les hommes, du début à la fin du trimestre de la première période de récession et plus importantes encore sur les quatre années de la récession.

Quoi qu'il en soit et quelle que soit la manière de mesurer les pertes d'emplois, les hommes ont subi cette régression de l'emploi plus que les femmes, presque trois fois plus, selon les indicateurs classiques, et presque deux fois plus dans le cas de figure où l'indicateur prend en compte les tendances avant la crise. Dans la perspective d'une observation de l'égalité entre les sexes, il est à noter que cette dernière option est par ailleurs plus logique puisque une perte d'emploi donnée est plus coûteuse pour le groupe qui se trouve à devoir remonter l'écart.

Le choix d'indicateurs est également important pour examiner les développements du chômage. Si nous considérons les variations du taux de chômage depuis le début de la récession, les femmes sont dites « moins réactives », avec l'avantage de moins souffrir lorsque le taux de chômage augmente et le désavantage d'une moindre réabsorption lorsque ce taux baisse. A observer les chiffres en eux-mêmes plutôt que les variations, le taux de chômage des femmes est initialement supérieur à celui des hommes et elles ont plus de difficultés à réintégrer le marché du travail lorsque la reprise se présente puisque, précisément, elles sont dites « moins réactives ».

Dans chaque pays, la vulnérabilité des femmes et des hommes diffère principalement en raison du rôle joué par la disparité professionnelle et sectorielle. Les contractions de la production et de l'emploi étaient déjà plus fortes là où la fabrication, la construction et certaines branches financières ont été le plus touchées. Étant donné que les femmes sont toujours sous-représentées dans ces secteurs, leur vulnérabilité comparative en est donc moindre. Les différences de pertes d'emploi au vu des pics inférieurs entre les hommes et les femmes sont corrélées positivement en termes de disparité sectorielle à travers les pays, alors que la corrélation à la disparité professionnelle est également significative, mais légèrement inférieure.

Le processus de consolidation fiscale implique de plus en plus la réduction de l'emploi dans les secteurs féminisés tels que les services sociaux et l'éducation. Cela diminue les chances d'une reprise rapide de l'emploi des femmes dans plusieurs pays.

Malgré le nivellement par le bas de l'emploi et des écarts de rémunération, l'intégration des femmes au marché du travail a pu être sauvegardée. De fait, si l'on observe le pic supérieur d'emploi en termes de valeurs, on constate que, juste avant le début de la récession, dix États membres étaient au-dessus d'un taux d'emploi de 65 % pour les femmes de 15 à 64 ans, alors que six pays seulement conservent ces résultats au premier trimestre de 2012.

#### *Inactivité et recherche d'emploi*

Le comportement des femmes vis-à-vis du marché du travail pendant la crise reflète le fait que leur rôle en termes de revenu est en transition entre la situation traditionnelle de soutien marginal et la situation moderne de soutien paritaire. A l'échelle « macro » pour l'ensemble de l'Europe, on observe que :

- Contrairement aux hommes, les femmes ont augmenté leur participation sur le marché du travail. Au premier trimestre de 2012, vingt-deux et demi pour cent hommes en âge de travailler n'étaient pas sur le marché du travail en Europe, un peu plus que quatre ans auparavant (22,1% en 2008, deuxième trimestre pour UE27). Un plus grand nombre de femmes étaient inactives – 34,9 % en 2012 - mais moins que quatre ans auparavant (-1,5 %). Ces divergences apparentes entre hommes et femmes reflètent en partie des tendances structurelles antérieures à la récession, dues en partie au comportement des femmes en couple, certaines ayant réintégré le marché du travail ou augmenté le nombre d'heures travaillées pour compenser une baisse de revenu de leur partenaire (effet de travailleurs supplémentaires).
- Le nombre de travailleurs en recherche d'emploi est plus élevé chez les femmes. Toutefois, à percevoir ce taux comme celui d'une population inactive, l'augmentation du fait de la crise a été plus prononcée chez les hommes. En termes annuels, la part de l'UE27 des travailleurs en recherche d'emploi, au sein de la population inactive, a augmenté de 3,3 à 5,3 % chez les hommes entre 2008 et 2011 et de 3,9 à 5,1 % chez les femmes.
- Les ménages, dont le soutien de famille est un homme, sont en diminution par rapport à ceux dont le soutien de famille est une femme. En 2007 les ménages à deux salaires représentaient la majorité des couples en âge de travailler dans lesquels au moins un membre travaillait (74,1% en moyenne dans les 26 pays considérés). Les ménages ayant un homme pour soutien de famille étaient une minorité (21%) et les ménages ayant une femme pour soutien de famille représentaient un petit pourcentage (4,9%). Dans les deux premières années de la crise, la proportion de ménages à deux salaires a diminué (-5,1 points de pourcentage en part), mais presque entièrement en faveur des ménages dont le soutien de famille est une femme. Toutefois, on ne peut pas encore dire qu'il

s'agisse d'une disparition du soutien de famille masculin. Au sein de la majorité des couples à deux salaires, la contribution des femmes au revenu du ménage reste significativement inférieure à celle de leur partenaire, et cela dans une proportion telle que l'on est toujours tenu de qualifier les partenaires féminins de « soutiens secondaires ».

#### *Contrats temporaires et à temps partiel par fait de nécessité*

L'aggravation des conditions de travail n'a épargné ni plus ni moins les hommes que les femmes, mais les a affectés différemment.

En 2010, la pire année de la crise (2010) dans notre période de référence, la part du travail à temps partiel accepté par nécessité a augmenté de 38,1 %, en hausse de 5,8 points par rapport à 2007. Chez les femmes, la valeur correspondante était de 24 %, en hausse de 3,8 points. Les chiffres absolus démontrent également une autre chose. En 2010, les femmes travaillant à temps partiel sans l'avoir choisi étaient au nombre de 7,3 millions contre 3,2 millions pour les hommes. L'augmentation de ces catégories, depuis 2007, totalise 1,3 million pour les femmes contre 773.000 pour les hommes. Une année après – 2011, la plus récente année de référence – on observe que le travail à temps partiel par nécessité a baissé, pour les hommes comme pour les femmes, restant toutefois supérieur aux niveaux d'avant la récession.

L'emploi temporaire est également réparti entre les hommes et les femmes, avec légèrement plus de femmes. La part, au vu du pic inférieur, de l'emploi temporaire masculin a diminué, passant de 13,7 % à 12,5 %, tout comme on observe une contraction très similaire enregistrée pour la part de l'emploi temporaire féminin (de 15,2 à 14,1 %). Après le premier creux de la récession, il en résulte un schéma très contrasté entre l'incertitude quant à la reprise dans certains pays et une récession plus longue dans d'autres.

#### *La pauvreté de ceux qui ont un emploi*

Toutefois entre 2008 et 2010, le nombre de pauvres qui ont un emploi a augmenté légèrement et uniquement chez les femmes. Cela suggère que les travailleurs les mieux payés ont gardé leur emploi tandis que les employés moins bien payés ont été plus touchés, du moins pour ce qui concerne les hommes. La situation de pauvreté au travail est plus élevée chez les hommes (8,9% comparé à 7,8% pour les femmes). Comme souligné en 2012 dans *Emploi et développements sociaux en Europe*, tout bien considéré, un homme a davantage de probabilités d'être au travail et pauvre, et ce d'environ quatre points. Malgré la surreprésentation des femmes dans le travail à temps partiel, les salaires faibles et les emplois temporaires, la pauvreté au travail affecte certaines de ces femmes, mais pas toutes.

#### *Restrictions des droits et avantages*

Dans l'enquête sociale européenne de 2010, les hommes ont rendu compte plus fréquemment que les femmes de réductions salariales, d'une insécurité de l'emploi accrue et d'une baisse de la qualité du contenu du travail. Les femmes, pour leur part, ont plus fréquemment rendu compte que les hommes qu'elles avaient dû réduire le nombre d'heures de travail. En Grèce et au Portugal, des inspections du travail ont enregistré, au cours de la crise, une augmentation de la violation des droits de protection des femmes enceintes et des mères de jeunes enfants alors



qu'en Italie et en République Tchèque on relève que des violations auraient eu souvent lieu également en « temps normal ».

### *Âge, éducation et diversité de la nationalité*

À travers toute l'Europe, au cours de la crise, plus le travailleur est jeune et plus il subit la perte d'emploi. Ce profil lié à l'âge est commun aux hommes et aux femmes, bien que moins prononcé pour ces dernières.

Dans la crise actuelle, le travailleur européen moyen avec une éducation supérieure a été relativement protégé des licenciements, mais on observe que, dans certains pays baltiques et méditerranéens, cela ne s'applique pas aux femmes issues de l'éducation supérieure. Dans ces pays, ce sont les femmes avec un niveau de collège qui ont souffert le moins et qui retrouvent le plus rapidement un emploi. En outre, dans les pays où la récupération est en cours, la croissance de l'emploi est souvent plus forte chez les femmes et hommes de niveau collège que chez ceux qui bénéficient d'une éducation de niveau supérieur. Cette protection décroissante de l'éducation contribue peut-être à grossir le nombre de jeunes gens qui ont quitté les circuits de l'éducation, de l'emploi ou de la formation (appelés NEET).

Le groupe le plus vulnérable face à la crise est celui des hommes migrants. Les hommes issus de l'extérieur de l'Union européenne ont été les plus touchés par la perte d'emploi, suivi par les travailleurs mobiles au sein de l'UE. Toujours en termes de perte d'emploi, les travailleuses mobiles au sein de l'UE ont été en grande partie épargnées, sauf en Irlande, en Finlande et aux Pays-Bas. Elles se sont révélées moins vulnérables à la crise que les femmes locales dans l'UE27 dans son ensemble. L'inverse est vrai pour les migrantes de l'extérieur de l'UE, mais même parmi elles, la chute, au vu du pic inférieur en termes d'emploi, n'excède pas les 3 points, donc pas plus importante que celle de 8 points pour les hommes migrants venant de l'extérieur de l'UE. Une des raisons probables à cela reposerait une fois encore sur les problèmes inhérents à la disparité professionnelle et sectorielle.

### **Questions d'écarts de rémunération**

L'écart de rémunération entre les hommes et les femmes a diminué dans l'ensemble de l'UE ainsi que dans la majorité des États membres pour lesquels des données sont disponibles. Selon les données d'Eurostat, l'écart brut de salaires entre les sexes a diminué dans 16 des 25 États pour lesquels les données complètes sont disponibles entre 2007 et 2010. Les sources nationales indiquent que ces exemples de baisse peuvent être plus ou moins importants.

Trois facteurs principaux ont contribué à cette diminution de l'écart de rémunération entre les sexes :

- Des réductions dans les composantes de rémunération supplémentaire au salaire de base. Les bonus et primes sont les premiers sacrifiés en temps de crise et cela semble toucher davantage les hommes.
- Une répartition sectorielle avec une surreprésentation des femmes dans le secteur public (où l'écart est généralement inférieur) et une sous-représentation dans les secteurs qui offrent plus de travail et où les hommes ont tendance à bien gagner.
- Un certain nombre de pays ont connu des programmes politiques ayant pour objectif de réduire l'écart de rémunération entre les sexes. Dans tous ces pays, l'écart de rémunération entre les sexes a diminué ou n'a pas augmenté, ce qui indique que la politique salariale peut avoir contribué à la baisse.

## Questions liées au travail non rémunéré

On observe une diminution des dépenses des ménages dans 19 des 22 pays européens pour lesquels la valeur de 2009 peut être comparée à celle de 2008. Or, l'on sait que la diminution de la consommation en matière de produits touchant à la restauration, l'entretien de routine et aux services de déplacement peut être compensée par le recours à du travail non rémunéré. Il est donc probable que le travail non rémunéré ait augmenté lors de la crise.

Les conclusions des enquêtes sur l'utilisation du temps dans quatre pays offrent certains éléments qui tendent à prouver que l'écart entre les sexes dans la répartition du travail non rémunéré a probablement augmenté au cours de la crise, mais dans des pays où les disparités entre les sexes dans les tâches ménagères et services de soins sont particulièrement prononcées.

## Intégration de l'égalité des sexes, politiques de l'emploi, consolidation fiscale

### *Intégration de l'égalité des sexes*

Le plan de relance économique européen ne fait pas référence aux « sexes », pas plus que spécifiquement à la « femme » ou à l'« égalité ». L'absence d'intégration de l'égalité des sexes est symbolique d'une faible sensibilité à ce problème d'égalité femmes/hommes en réponse à la crise.

Le comité consultatif de la commission européenne sur l'égalité des chances pour les femmes et les hommes a mis en évidence la faible visibilité de l'égalité des sexes dans les réponses à la crise à l'échelle européenne, ainsi que la nécessité de prendre en compte la dimension femmes/hommes dans les initiatives actuelles et futures pour répondre à la crise. Le rapport conjoint sur l'emploi, adopté par le conseil en 2010, a identifié les femmes parmi les groupes à risque en période de hausse du chômage et a reconnu l'effet négatif de la crise sur les politiques d'égalité des sexes. Il a souligné qu'il était important d'intégrer plus activement les questions de l'égalité femmes/hommes. Une plus forte reconnaissance du rôle que peuvent jouer les politiques d'égalité des sexes dans la reprise est encore nécessaire pour s'assurer que les écarts entre les sexes ne réapparaissent pas.

### *Politiques d'égalité entre les sexes*

Dans certains États membres, le cadre institutionnel de la politique d'égalité des sexes a été renforcé dans les stratégies, les plans d'action et les actes. Cependant, les coupes budgétaires du fait des mesures de consolidation budgétaire risquent de réduire le statut des politiques d'égalité ou de réduire le budget qui leur est alloué. Ce rapport a conclu que, dans plusieurs États membres, les réductions budgétaires affectent sérieusement le bon fonctionnement des infrastructures d'égalité des sexes. Cependant, les autres États membres ont décidé de ne pas réduire les ressources consacrées aux organismes relevant de l'égalité des sexes et/ou projets, voire de les augmenter.

### *Politiques de l'emploi*

Les mesures de relance précoces se concentrent sur les secteurs initialement atteints par la crise, dominés par les hommes en termes d'emploi. Les politiques d'emploi qui ne suivent pas cette

ligne se concentrent sur les programmes de travail de courte durée et de la gestion des programmes d'allocations chômage. Les données relevées à ce jour laissent penser que les hommes seraient les principaux bénéficiaires des deux types de programmes non seulement parce qu'ils ont fortement subi les phénomènes liés à la perte d'emploi mais aussi en raison de la conception de ces programmes. Le « sexisme » présent dans ces programmes a pu fonctionner à ce jour en raison du sexisme correspondant dans lesdits phénomènes. Cependant, la conception des politiques de l'emploi et de revenu qui ne suivent pas la ligne préalablement décrite se devra d'être plus « universelle » à l'avenir.

### *Consolidation fiscale*

Ce rapport fait une première tentative pour évaluer les répercussions de la consolidation fiscale d'un point de vue de l'égalité des sexes. D'une part les conséquences n'apparaissent pas encore complètement dans les statistiques sur l'emploi ou les salaires et d'autre part les évaluations de ces conséquences n'ont pas été effectuées de ce point de vue, à l'exception de quelques pays. Cette évaluation s'appuie donc sur deux types de relevés de données, à savoir celui de l'évaluation subjective des experts nationaux dans dix-neuf pays et celui d'une observation des dernières évolutions dans six pays.

Selon l'évaluation des experts, la liste de mesures identifiées dans le 19 Pays pris en considération et considérées comme importantes pour l'égalité des sexes est la suivante, en ce qui concerne les dépenses:

- gel ou réduction des salaires dans le secteur public (10 pays),
- gel du recrutement ou réductions du personnel dans le secteur public (9 pays),
- réformes des retraites : report de la retraite et/ou un âge de la retraite des femmes égal à celui des hommes (8 pays),
- suppressions ou restrictions en matière de prestations de soins / indemnités/installations (8 pays),
- réduction des prestations de logement ou prestations familiales (6 pays),
- et un resserrement des critères d'admissibilité aux prestations d'aides et allocations chômage ou réductions des taux de remplacement (5 pays).

En ce qui concerne les recettes, la liste de mesures est la suivante :

- mesures fiscales (6 pays),
- augmentation de la TVA : (6 pays),
- et augmentation des cotisations pour les services publics subventionnés (soins de santé, transports, autres) (3 pays).

La prévision selon laquelle ces mesures affecteront principalement les femmes repose sur la collecte d'informations concernant les derniers développements, dans six pays. Certaines informations issues de pays avec des programmes de consolidation fiscale limitée (Pays Bas et Finlande) ou de ceux dont la contraction des finances publiques s'est fait sentir dès le début de la récession (Lettonie) ne vont pas dans le sens de cette prévision. Dans ces pays, les effets directs à court terme de la consolidation fiscale sur l'emploi des femmes et sur leur accès aux services sociaux ont été faibles. En outre, les femmes ne semblent pas être pénalisées par la réduction des transferts sociaux. Toutefois, l'information reste limitée et les effets à moyen et long terme ne sont pas encore correctement connus. Enfin, il y a des raisons de s'inquiéter à tous points de vue en ce qui concerne l'Irlande, la Grèce ou l'Espagne où la consolidation fiscale s'est fait sentir dès le début de la crise et dans des proportions dramatiquement croissantes. Dans ces pays, non

seulement l'emploi des femmes était comparativement bas au début de la récession mais il continue de baisser régulièrement depuis. La restructuration de la sécurité sociale (retraites), la réduction des services publics et des salaires, et la réduction effective ou prévue de l'emploi public est considérable et l'augmentation de la pauvreté a été plus prononcée pour certains groupes de femmes, dont par exemple les femmes retraitées en Grèce.

### **Questions liées à la pauvreté de revenu (2005-2010)**

Dans presque tous les pays et presque chaque année de la période de référence, les femmes présentent un taux de risque de pauvreté plus élevé que celui des hommes. A l'échelle de l'UE-27, l'écart entre les sexes a tendance à augmenter en 2007 et à diminuer par la suite. La pauvreté de revenu, mesurée par le taux de personnes gagnant un revenu annuel inférieur à 60 % du revenu moyen, a augmenté sur l'ensemble de l'Europe dans les premières années de la crise, bien que la hausse ne fût pas dramatique. En 2009 le risque de taux de pauvreté (établi en 2005) est supérieur au taux de 2007 de 2,3 points chez les hommes et de 1,7 point chez les femmes<sup>4</sup>. Des augmentations plus fortes ont été relevées dans les pays plus gravement touchés par la crise.

Dans tous les pays européens et tout au long de la période considérée, les femmes souffrent d'un plus haut risque de taux de pauvreté avant la mise en œuvre des transferts sociaux, à un degré plus élevé que l'écart entre les sexes après les transferts sociaux (environ 5 % par rapport à 2 %). Les régimes fiscaux et la protection sociale sont fondamentaux dans la réduction du taux de pauvreté en ce qui concerne les femmes. Du fait de la crise, une aggravation marginale de la position des hommes, avant la mise en œuvre des transferts sociaux, a légèrement réduit l'écart entre les sexes en termes de risque de taux de pauvreté, de 5,1 % en 2004 à 4,8 % en 2009.

Du fait de la crise, plusieurs pays ont connu une augmentation remarquable du nombre de bénéficiaires des régimes de revenu minimum garanti, avec une part prédominante de femmes. Certains pays ont vu leurs dépenses publiques augmenter pour avoir dû augmenter le nombre de paiements de revenu minimum garanti.

Les prestations familiales sont des mesures officiellement neutres et ce sont surtout les femmes qui bénéficient de ces versements, en raison de la répartition sexiste des activités de soins. Des réductions dans les dépenses publiques en raison de la crise économique ont touché les prestations familiales existantes dans la plupart des pays avec des effets importants sur la différence entre les hommes et les femmes. Cependant, un petit nombre de pays a élargi son soutien aux prestations et allocations familiales en réponse à la crise économique.

Dans le domaine de la garde d'enfants, les dépenses publiques pour allocation ont été réduites plus que les dépenses publiques pour la prestation de services. Ainsi, dans plusieurs pays européens, le nombre d'agréments de garderies a augmenté au cours des dernières années, malgré la crise économique. Toutefois, dans un certain nombre de pays la réduction des dépenses sociales se ressent également en ce qui concerne les services liés à ce domaine.

Une augmentation du taux de la taxe sur la valeur ajoutée devrait avoir un effet négatif sur l'égalité des sexes étant donné que le taux de risque de pauvreté généralement plus élevé et le plus faible revenu disponible touchent les femmes en proportion plus importante que les hommes.

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<sup>4</sup> Les chiffres font référence au risque de pauvreté calculé à l'aide de la ligne de pauvreté 2005 afin d'éviter d'obtenir une réduction de la pauvreté lorsque les revenus minima baissent plus que le revenu moyen. Notez que les chiffres pour 2007 sont tirés de l'enquête UE-SILC de 2008, tandis que ceux de 2009 se rapportent à la dernière enquête mise à jour et publiée en 2010.

### Questions d'exclusion sociale (2005-2010)

Presque chaque année de cette période et dans presque tous les pays, on observe que les femmes subissent davantage de privation matérielle. L'index de la privation matérielle grave est défini comme l'incapacité forcée à pouvoir payer un certain nombre d'éléments considérés comme nécessaires à une vie décente et adéquate. La crise a ralenti les progrès obtenus en ce qui concerne la réduction de la privation matérielle, où l'on peut constater une constante progression d'année en année, selon le sondage effectué par SILC en 2010, mais une progression qui demeure inférieure aux taux moyens relevés avant la crise et aux taux de progression en 2005. La crise a légèrement réduit l'écart entre les sexes, bien que cette constatation relève plus d'une aggravation de la position des hommes plutôt que d'une amélioration de celle des femmes. Les variations sont en moyenne peu importantes pour les premières années de la crise, mais dans une certaine mesure, elles cachent une hétérogénéité importante sur l'ensemble des pays.

#### *Éducation*

La formation et l'éducation semblent moins touchées par les réductions budgétaires. Les stratégies nationales pendant la crise ont mis l'accent sur une meilleure prise en compte du domaine préscolaire et sur les activités extracurriculaires. De tels mesures sont particulièrement avantageuses pour les enfants et pour les parents qui en ont la charge, le plus souvent d'ailleurs des femmes. Cependant, les groupes vulnérables ont été touchés, parmi lesquels les femmes immigrées, les sans-abri et les personnes à risque de décrochage scolaire (avec une surreprésentation masculine).

#### *Logement*

La crise économique a également des conséquences substantielles sur les marchés de l'immobilier et des hypothèques dans plusieurs pays européens. Dans un certain nombre de pays il existe déjà de relevés de données concernant une hausse des dettes pour le logement, des risques de défaut de paiement ainsi qu'une augmentation des expulsions forcées. Les pays qui ont subi une crise du logement (ou qui risquent d'y faire face) offrent principalement des plans de gestion de dette au logement afin d'aider les gens à faire face au surendettement. Alors que la plupart de ces mesures tendent à ne pas faire de distinction entre les hommes et les femmes, elles favorisent toutefois indirectement les femmes qui sont connues pour être beaucoup plus vulnérables. En effet, dans les pays pour lesquels des données sont disponibles, les femmes ont tendance à s'exposer plus que les hommes à des risques plus élevés d'arriérés de loyer ou d'hypothèque. Du point de vue de l'égalité des sexes, les mesures d'aide au logement sont particulièrement importantes pour certains groupes de femmes, comme celui des mères célibataires pour qui il est souvent difficile d'acheter un logement par manque de revenus. En outre, le manque de logements à des prix abordables est l'une des principales causes de l'itinérance. Bien qu'il y ait une absence importante de données, dans les pays disposant de données sur les sans-abri, la situation semble avoir empiré au cours de la crise. Dans ces pays, les hommes et les femmes encourent des risques d'itinérance de manière apparemment similaire, bien que, pour les plus jeunes, les risques pour les femmes soient plus élevés que pour les hommes. En outre, on observe que les femmes sont plus souvent que les hommes des sans-abri « invisibles », entre autre parce qu'elles cherchent des solutions temporaires comme vivre avec leur famille, des amis, des « partenaires de commodité » ou des connaissances. Bien que ceci reflète de véritables différences de comportement entre les femmes

et les hommes, dans certains pays cela pourrait également s'expliquer par l'absence de politiques ciblant spécifiquement les femmes dans ce domaine.

### *Santé*

Les réformes récentes de santé dans plusieurs pays ont mis l'accent sur la maîtrise des coûts. Les nouveaux frais d'ordonnance ou frais de dépassement ont également été pris en compte dans plusieurs pays européens. La maîtrise des coûts a un effet régressif puisque le coût des soins de santé freine plus les personnes à faible revenu, toute proportion gardée, et pèse plus lourdement sur les femmes en raison de leur risque plus élevé de pauvreté.

Les réductions budgétaires dans le secteur de la santé ont également atteint les femmes plus que les hommes en ce qui concerne les offres d'emploi. Les femmes sont principalement employées dans le secteur public et dans le secteur de la santé. La réduction des salaires du secteur public ou la réduction de personnel concerne les femmes de manière disproportionnée.

Les pays n'ont généralement pas réduit les dépenses sociales publiques en touchant au domaine des services de soins de longue durée. Les femmes représentent la majorité des patients comme aussi du personnel aide-soignant. Dans les pays qui ont subi la plus sévère consolidation fiscale, les indemnités pour soins de longue durée et les allocations ont été réduites, même si l'on a pu observer que les indemnités de soins de longue durée ont été augmentées dans certains pays.

### **Recommandations**

Dix recommandations sont formulées pour promouvoir l'égalité des sexes comme un moyen d'aide à l'économie pour sortir de la crise.

1. Réviser la formulation des indicateurs de l'égalité entre les sexes. L'amélioration apparente dans la plupart des écarts entre les hommes et les femmes, en dépit de la détérioration de l'emploi, des salaires, des conditions de travail et des revenus tant pour les hommes que les femmes, soulève des questions quant à savoir si les « écarts entre les sexes » que l'on peut relever sont bien significatifs des tendances de l'égalité des sexes en période de récession et analysables en tant que tels.
2. Encourager les États membres à adopter des systèmes de gestion budgétaires efficaces à réduire les écarts hommes/femmes dans leurs initiatives politiques principales, y compris dans l'examen des dépenses et dans les plans de redressement en cours ou à venir. Tenir compte de ce que la mise en place d'exigences légales pour que les politiques soient contrôlées dans une perspective d'égalité entre les sexes n'est peut-être pas une mesure suffisante, comme le prouve l'expérience en Autriche et au Royaume-Uni.
3. Surveiller de près le risque qu'une consolidation fiscale puisse nuire à la protection sociale ainsi qu'aux infrastructures égalitaires.
4. Lancer et soutenir des initiatives ayant pour objectif d'élever le niveau d'éducation dans les disciplines de la finance pour les femmes (comme pour l'ensemble de la population) afin d'assurer une représentation féminine plus importante dans les principaux organismes financiers de la machinerie européenne. Cette crise a montré clairement à quel point les décisions politiques traditionnellement associées aux femmes, comme la protection sociale, la scolarité ou l'harmonisation, viennent à

dépendre de décisions macroéconomiques et financières dont les femmes ont traditionnellement été exclues ou auxquelles les femmes ont peu accès par manque de formation.

5. Résoudre le problème de la flexibilité de l'emploi des jeunes, dont la charge est particulièrement lourde. Cela signifie qu'il faut revoir la conception des politiques traditionnelles qui tiennent compte des différentes périodes, comme les régimes de temps de travail à court terme et les programmes d'allocations chômage. Alors que les deux mesures sont importantes pour contrer les pires effets de la crise de l'emploi et des salaires, ils s'adressent pourtant souvent en priorité aux travailleurs réguliers à plein temps.
6. En ce qui concerne les mesures de soutien des revenus en accord avec l'intégration de l'égalité des sexes, les dépenses sociales et les plans d'imposition devraient avoir, parmi leurs préoccupations principales, celle de l'indépendance financière des femmes, surtout si elles ont pour but de sortir des hommes et des femmes de la pauvreté.
7. Les dépenses sociales doivent être canalisées afin de donner la priorité à la qualité de services sur les prestations d'allocations comme d'indemnités, afin d'assurer un résultat réel sur la répartition équitable des programmes d'austérité et pour alléger la charge des soins pesant sur les femmes. Canaliser les fonds de relance vers les infrastructures sanitaires et sociales et non pas seulement sur les infrastructures physiques.
8. Renforcer le Fonds social européen et ses procédures de recours. Plusieurs pays avec un faible taux d'emploi des femmes dans le sud et l'est de l'Europe sont aussi des pays où la récession et la consolidation fiscale réduisent la protection sociale, l'harmonisation et les mesures en faveur de l'égalité des sexes. Le Fonds structurel européen représente une ressource importante dans ces pays pour compenser les réductions des dispositions locales et pour maintenir l'objectif d'emploi pour 2020. Dans certains cas, toutefois, les dépenses du FSE devront être révisées afin de justifier leur pleine efficacité. En particulier, cette révision doit assurer que : (i) les procédures pour accéder aux fonds et les dépenser soient simplifiées ; et (ii) les programmes clés mis en œuvre continuent de fonctionner après que les fonds du FSE ont été retirés.
9. Accroître la surveillance et sensibiliser le public aux cas de violation des droits de congé de maternité et autres congés. Les violations des droits de maternité/parentaux peuvent être plus fréquentes dans les petites et moyennes entreprises en raison de coûts organisationnels plus élevés. Leurs besoins spécifiques et contraintes doivent être pris en charge, d'autant que c'est aussi un problème en temps « normal ».
10. Aborder la question de la mauvaise intégration de travailleurs mobiles et migrants, en particulier celle des hommes.

## Kurzfassung

### Zweck

Europa durchlebt derzeit eine finanzielle und wirtschaftliche Krise. Diese begann mit der „Kreditklemme“ im Finanzdienstleistungssektor und entwickelte sich in vielen Staaten zu einer Schuldenkrise. Als Reaktion auf die Krise wurden Konsolidierungs- und Sparmaßnahmen eingeleitet, um Haushaltsdefizite und Staatsverschuldung zu reduzieren. Die Krise wächst sich weiter aus, sodass die Analysen und Ergebnisse dieses Berichts als vorläufig angesehen werden müssen.

Dieser Bericht zielt darauf ab, die Auswirkung dieser Krise auf die Situation von Frauen und Männern in Europa und die Gleichstellungspolitik zu beurteilen. Dies ist wichtig, da Wirtschaftskrisen tiefgreifend geschlechtsspezifisch verlaufen. Erfahrungswerte aus der Vergangenheit erlauben keinen ausreichenden Einblick in die Auswirkungen dieser Krise auf die Geschlechter, da sich die Stellung von Frauen seit der letzten größeren Rezession beträchtlich verändert hat. Diese Krise bietet die Chance auf eine radikale Veränderung, die durchaus Potential für Fortschritte bei der Gleichstellung von Frauen und Männern haben könnte. Dennoch gehen mit der Krise auch Herausforderungen einher, bei deren Bewältigung die Berücksichtigung von Gleichstellungsfragen möglicherweise nur als ein Thema angesehen wird, das lediglich in guten Zeiten beachtet werden muss.

Dieser Bericht wurde von den Expertennetzwerken EGGE und EGGSI der Europäischen Kommission erstellt. Er deckt 27 Mitgliedstaaten, die EWR-EFTA-Staaten und die drei Beitrittskandidaten Türkei, Kroatien und FYROM ab. Kern-Referenzperiode für die zu analysierenden Auswirkungen auf den Arbeitsmarkt sind die (fast) vier Jahre zwischen dem zweiten Quartal 2008, als die Krise formal in der gesamten EU begann<sup>5</sup>, und dem ersten Quartal 2012, welches zum Zeitpunkt der Redaktion dieses Berichts das letzte Quartal ist, für das Eurostat-Daten verfügbar sind. Die Analyse der sozialen Auswirkungen erstreckt sich über den Zeitraum zwischen 2005 und 2010.

### Vier Hauptschlussfolgerungen

Aus diesem Bericht lassen sich vier Hauptschlussfolgerungen ziehen: Die erste Schlussfolgerung ist, dass sich die geschlechterspezifischen Unterschiede in Bezug auf Beschäftigung, Arbeitslosigkeit, Löhne und Armut während der Krise verringert haben. Dies deutet jedoch noch nicht auf Fortschritte in der Gleichstellung der Geschlechter hin, da diese Ergebnisse auf geringeren Beschäftigungsquoten, höheren Arbeitslosigkeitsquoten und reduziertem Einkommen sowohl für Männer als auch für Frauen basieren.

Seit Beginn der Krise bis heute hat die Arbeitsmarktsegregation von Männern und Frauen die Beschäftigung, die Arbeitsmarktaktivität und die Entlohnung von Frauen effizient geschützt. Zu dieser Segregation gehören die Überrepräsentation von Frauen in Dienstleistungsverhältnissen, einschließlich Stellen im öffentlichen Sektor, und die Unterrepräsentation in den Bereichen Fertigung und Bau sowie in männlich dominierten Zweigen des Finanzsektors. Das Gesamtniveau der Segregation in einem Land korreliert positiv und signifikant mit der Differenz

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<sup>5</sup> Siehe Europäische Kommission, 2010: Tabelle 1. Formal beginnt eine Rezessionsperiode, wenn das BIP in zwei aufeinander folgenden Quartalen negative Abweichungen gegenüber dem Vorquartal verzeichnet.



der Beschäftigungsverluste zwischen Männern und Frauen. Männer erlebten in den Ländern, in denen die Segregation größer ist, vergleichsweise höhere Beschäftigungsverluste als Frauen. Weiterhin kann die Arbeitsmarktsegregation dort Frauen letztlich stärker exponieren, wo die Haushaltskonsolidierung Arbeitsplätze im öffentlichen Sektor signifikant reduziert.

*Die zweite Hauptschlussfolgerung* ist, dass das Arbeitsmarktverhalten von Frauen während der Krise dem der Männer ähnelte. Die traditionelle Sichtweise, dass Frauen sich als Beschäftigungspuffer verhalten – also vermehrt eingestellt werden, wenn die Nachfrage expandiert, aber wieder entlassen werden, wenn sie kontrahiert –, wurde bei früheren Krisen infrage gestellt, durch die Erfahrung dieser Krise aber definitiv widerlegt. Die heutigen „Puffer“ sind junge Männer und Frauen mit Zeitarbeitsverträgen und Arbeiter mit Migrationshintergrund.

Diese Ähnlichkeit des Arbeitsmarktverhaltens begann mit der veränderten Einkommensrolle von Frauen. So verringerte sich der Anteil doppelverdienender Paare im Abschwung fast ausschließlich zugunsten von Paaren mit weiblichem Alleinverdiener, die ihren Anteil auf fast 10 % erhöhten.

Ein ähnliches Arbeitsmarktverhalten wird auch darin offensichtlich, dass Männer prozentual stärker von Entmutigung aufgrund der Arbeitssuche betroffen waren als Frauen. Es gibt dafür weitere Hinweise, da nicht weniger Frauen als Männer „unfreiwillig“ Teilzeitarbeit akzeptierten. So erhöhte sich die Anzahl unfreiwilliger Teilzeitarbeiter bei den Frauen tatsächlich stärker, obwohl der prozentuale Anstieg bei den Männern höher ausfiel.

Die Verschlechterung der Beschäftigungsbedingungen betraf Frauen und Männer eher auf unterschiedliche Weise, als dass man von „mehr“ oder „weniger“ sprechen könnte. Es gibt Anzeichen für Verstöße gegen und Einschränkung von Rechten während der Krise, aber es gibt keine klaren Hinweise darauf, ob Männer oder Frauen stärker betroffen sind. Männer bezeichnen sich selbst als stärker von der Krise betroffen, klagen häufiger über erhöhte Arbeitsplatzunsicherheit, Lohnkürzungen und unfreiwillige Annahme einer weniger interessanten Arbeit.

Bestimmte Auswirkungen der Krise betreffen dagegen spezifisch Frauen. Insbesondere die Rechte schwangerer Frauen auf Mutterschaftsurlaub und soziale Leistungen wurden eingeschränkt, und in mindestens vier Ländern wurde eine Diskriminierung von Schwangeren dokumentiert.

Es gibt in begrenztem Maße Hinweise auf Entwicklungen in Bezug auf unbezahlte Arbeit. Jedoch gingen die Ausgaben der Haushalte für den Verbrauch von Gütern, für die unbezahlte Arbeit ein naheliegender Ersatz ist, im Tal der ersten Rezessionsepisode (2008 – 2009) in den meisten europäischen Ländern zurück.

Die dritte Hauptschlussfolgerung dieses Berichts ist, dass trotz Hinweisen auf eine zurückhaltende, aber ungleiche Senkung der Sozialleistungen in den ersten Jahren der Krise die Gefahr besteht, dass durch die Konsolidierungsmaßnahmen letztlich sowohl die gezahlten Sozialleistungen als auch die damit zusammenhängende Beschäftigung reduziert werden könnte, was entsprechende Auswirkungen auf die Gleichstellung der Geschlechter hätte.

Die Krise hat die geschlechterspezifischen Unterschiede von Armut in den ersten beiden Jahren geringfügig reduziert, allerdings durch eine Erhöhung des Armutsrisikos, die bei Männern stärker ist als bei Frauen. Ohne Sozialtransfers hätte die Krise in vielen Ländern sowohl bei Männern als auch bei Frauen zu höheren Armutsquoten geführt. Diese Umverteilung war für die Reduktion der geschlechterspezifischen Unterschiede in den Armutsquoten bedeutsam.

Weniger durch Sparmaßnahmen beeinträchtigt wurden bis 2010 scheinbar Bildung und Ausbildung. Nationale Strategien während der Krise konzentrierten sich auf die Verlängerung

von Vorschul- und außerschulischen Programmen. Derartige Herangehensweisen sind nicht nur für Kinder vorteilhaft, sondern auch für die betreuenden Eltern, insbesondere für Frauen. Zu den anfälligen Gruppen im Bereich Bildung und Ausbildung gehören Frauen mit Migrationshintergrund, Obdachlose und diejenigen, die Gefahr laufen, zu frühen Schulabbrechern zu werden (hier sind Männer überrepräsentiert).

Die in einigen Ländern herrschende Immobilienkrise führt darüber hinaus zu schwerwiegenden Beeinträchtigungen des Lebens in den anfälligsten Haushalten, unter anderem bei alleinerziehenden Müttern und Haushalten mit niedrigem Einkommen (hier sind wiederum Frauen überrepräsentiert). Daraus resultierend, sind Obdachlosigkeit und Langzeit-Obdachlosigkeit während der Krise angestiegen; wobei dieses Phänomen in vielen Ländern geschlechterspezifisch verläuft.

Berichten zufolge hat sich der Gesundheitszustand von Männern und Frauen als Folge der Krise verschlechtert. Bei den kürzlich in mehreren Ländern durchgeführten Gesundheitsreformen konzentrierte man sich auf Kostenbegrenzung, und in einigen Ländern wurden neue oder höhere Rezeptgebühren eingeführt. Diese Kostenbegrenzung wirkt sich negativ aus, da die Kosten der Gesundheitsversorgung für Menschen mit niedrigeren Einkommen eine größere Belastung darstellen, und hiervon sind in besonderem Maße Frauen betroffen. Auch auf der Angebotsseite treffen Sparmaßnahmen im Gesundheitssektor Frauen härter als Männer, da in dem Sektor mehr Frauen beschäftigt sind.

Einige Länder förderten Gesundheits- und Langzeit-Pflegeeinrichtungen, wohingegen zahlreiche andere Länder im Rahmen von Haushaltskürzungen Gebühren erhöht oder gesundheits- und pflegebezogene Geldleistungen reduzierten. In den Ländern mit den umfangreichsten Einsparmaßnahmen wurden Langzeitpflegebezüge und -leistungen gekürzt, wovon mehr Frauen als Männer betroffen sind.

Die Konsolidierung der öffentlichen Haushalte stellt eine Gefahr für die Gleichstellung von Männern und Frauen dar. Zu den Konsolidierungsmaßnahmen, die die Gleichstellung der Geschlechter am stärksten bedrohen, gehören Lohnstopps und Lohnkürzungen im öffentlichen Sektor, Einstellungsstopps und Personalabbau im öffentlichen Sektor, Rentenreformen, Kürzungen und Begrenzungen pflegebezogener Leistungen, Bezüge und Zuschüsse, Einschnitte bei Mietzuschüssen und familienbezogenen Leistungen, Verschärfung der Kriterien für die Gewährung von Arbeitslosengeld und Unterstützungsleistungen und Senkung der Neubesetzungsquoten, Steuermaßnahmen, Mehrwertsteuererhöhungen und Erhöhung der Gebühren für öffentlich subventionierte Dienstleistungen.

Die neuesten auf Länderebene gesammelten Belege legen nahe, dass es bei der konkreten Auswirkung der Haushaltskonsolidierung auf die Gleichstellung der Geschlechter zwischen den Ländern erhebliche Unterschiede gibt. Während die Auswirkung in einigen Ländern moderat ist und die Gleichstellung nicht dauerhaft gefährdet, kann der Abbau von Beschäftigung, Sozialtransfers und sozialen Diensten in anderen Ländern dazu führen, dass in der Vergangenheit erreichte Fortschritte rückgängig gemacht werden. Es ist somit nicht auszuschließen, dass geschlechtsspezifische Unterschiede sich innerhalb Europas als unbeabsichtigte Folge der Haushaltskonsolidierung wieder vergrößern könnten.

Die vierte Hauptschlussfolgerung dieses Berichts ist, dass das Gender Mainstreaming in der überwiegenden Mehrzahl der Länder während der Krise nicht in politischen Entwürfen und Umsetzungsmaßnahmen implementiert wurde. In der überwiegenden Mehrzahl der Fälle wurden weder Konjunkturbelebungs- noch Konsolidierungsmaßnahmen aus geschlechtsbezogener Sicht bewertet. Die Auswirkungen auf die Gleichstellung der Geschlechter wurden in etwa einem Zehntel der politischen Initiativen, die in Reaktion auf die Krise als Teil der Nationalen

Reformprogramme 2011 angekündigt oder umgesetzt wurden, in allen Stadien des politischen Prozesses berücksichtigt.

In mehreren Mitgliedstaaten beeinträchtigten die Haushaltskonsolidierungspakete auch die Funktion der Infrastruktur für die Gleichstellung der Geschlechter. Einige wenige Länder unternahmen jedoch Schritte, um die Wirksamkeit der vorhandenen Infrastruktur zu erhöhen, und einige osteuropäische Länder führten auf dem Gebiet der Geschlechtergleichstellung institutionelle Neuerungen ein.

Im Folgenden werden die drängendsten Probleme, die diesen umfassenden Schlussfolgerungen zugrunde liegen, genauer untersucht.

### **Probleme der Lohnarbeit**

#### *Beschäftigung und Arbeitslosigkeit*

Während des Abschwungs verringerte sich das geschlechtsspezifische Gefälle bei Beschäftigung und Arbeitslosigkeit, da die Beschäftigungsquote der Männer stärker zurückging als die der Frauen und die Männerarbeitslosigkeit stärker stieg. Die EU-weite Geschlechterkluft bei den Beschäftigungsquoten ging um etwa 3,2 Prozentpunkte zurück: von den Spitzenwerten (vor der Krise) von 14,1 Prozentpunkten auf 10,9 Punkte im ersten Quartal 2012. Die Geschlechterkluft bei der Arbeitslosigkeit drehte sich 2012, sogar zum zweiten Mal seit Beginn der Rezession um, was sich in einer geringfügig niedrigeren Arbeitslosigkeit von Frauen im Vergleich zu Männern äusserte (-0,2 Prozentpunkte).

Die Wahl der Indikatoren zur Messung der Auswirkung der Krise auf Beschäftigung und Arbeitslosigkeit ist jedoch bedeutsam.

Vor der Rezession waren die Frauen dabei, die Männer bei der Beschäftigung langsam einzuholen, und diese Entwicklung müssen sie fortsetzen. Daher sind eher potenzielle Verluste als tatsächliche Verluste relevant. Wenn wir die Abweichungen von Trends zugrunde legen, um potenzielle Verluste zu messen, scheinen Männer im Tal des ersten Rezessionszeitraums (oder „Delle“) fast doppelt so hohe Verluste erlitten zu haben wie Frauen, und etwa eineinhalb mal höhere als zu Beginn des Jahres 2012 (erstes Quartal). Düsterer ist das Ergebnis beim Vergleich der tatsächlichen Verluste, die bei Männern zwischen dem höchsten und dem niedrigsten Quartal der ersten Rezessionsepisode fast dreimal so hoch war, und über die gesamten vier Jahre der Rezession gesehen sogar noch höher.

Unabhängig davon, auf welche Weise die Verluste gemessen werden, waren Männer stärker vom Beschäftigungsrückgang betroffen als Frauen: fast dreimal so stark, wenn man die konventionellen Indikatoren zugrunde legt, fast doppelt so viel, wenn der Indikator die vor der Krise bestehenden Trends berücksichtigt. Diese letztgenannte Option ist im Hinblick auf die Gleichstellung der Geschlechter sinnvoller, weil ein gegebener Beschäftigungsrückgang diejenige Gruppe stärker belastet, die immer noch ihren Rückstand aufholen muss (Frauen).

Die Wahl der Indikatoren ist für die Untersuchung der Entwicklung der Arbeitslosigkeit also bedeutsam. Wenn wir uns die Veränderungen der Arbeitslosenquote seit Beginn der Rezession ansehen, so verlief die Entwicklung bei den Frauen weniger dynamisch, mit dem Vorteil eines weniger starken Anstiegs im Falle eines allgemeinen Anstiegs der Arbeitslosigkeit, und dem Nachteil einer vergleichsweise langsameren Neubeschäftigung bei einer Erholung des Arbeitsmarktes. Schaut man auf die jeweiligen Zahlen statt auf die Veränderungen, so war die Frauenarbeitslosigkeit schon von Beginn an höher und wird möglicherweise nicht so leicht

absorbiert, sobald eine Erholung einsetzt, und zwar gerade weil die Entwicklung bei arbeitslosen Frauen weniger dynamisch verläuft.

Innerhalb des jeweiligen Landes resultierten die Unterschiede bei der Anfälligkeit von Frauen und Männern hauptsächlich aus der geschlechtsspezifischen Segregation nach Beschäftigungssektoren und Berufsfeldern. Der Produktions- und Beschäftigungsrückgang war dort größer, wo verarbeitendes Gewerbe, der Bausektor und ausgewählte Finanzbranchen am stärksten betroffen waren. Da Frauen in diesen Sektoren durchgängig unterrepräsentiert sind, war ihre relative Anfälligkeit niedriger. Die Unterschiede des „Spitze-bis-Tal“-Beschäftigungsrückgangs zwischen Männern und Frauen korrelieren von Land zu Land positiv mit der geschlechtsspezifischen Segregation nach Beschäftigungssektoren, während die Korrelation mit der geschlechtsspezifischen Segregation nach Berufsfeldern ebenfalls signifikant, aber etwas geringer ist.

Der andauernde Prozess der Haushaltskonsolidierung bewirkt einen zunehmenden Beschäftigungsabbau in frauendominierten Bereichen wie öffentlichen soziale Dienste und Bildung. Dadurch verschlechtern sich in einigen Ländern die Aussichten auf eine schnelle Erholung des Frauenarbeitsmarktes.

Trotz des geringer werdenden Beschäftigungs- und Einkommensgefälles erlitt die Integration von Frauen in den Arbeitsmarkt einen Rückschlag. Bei den höchsten Beschäftigungswerten lagen 10 Mitgliedstaaten direkt vor Beginn der Rezession über der Beschäftigungsmarke von 65 % bei Frauen im Alter von 15 bis 64 Jahren, aber die Zahl ging im ersten Quartal 2012 auf 6 % zurück.

#### *Arbeitslosigkeit und Resignation*

Das Arbeitsmarktverhalten von Frauen in der Krise zeigt, dass ihre Rollen in Bezug auf das Einkommen sich in einer Übergangsphase zwischen der traditionellen Geringverdiener- Situation und der modernen Situation der Mit-Hauptverdienerin befinden. Auf der Makroebene sieht die Situation für ganz Europa folgendermaßen aus:

- Frauen erhöhten, anders als Männer, ihre Beteiligung am Arbeitsmarkt. Im ersten Quartal 2012 waren zweiundzwanzig von Hundert Männern im arbeitsfähigen Alter nicht auf dem europäischen Arbeitsmarkt beschäftigt. Diese Zahl liegt etwas höher als vier Jahre zuvor (22,1 % im zweiten Quartal 2008 in der EU27). Viel mehr Frauen waren inaktiv – 34,9 von Hundert im Jahr 2012 – aber weniger als vier Jahre zuvor (-0,5 %). Diese unterschiedlichen Aktivitätsmuster zwischen Männern und Frauen reflektieren zum Teil strukturelle Trends aus der Zeit vor der Rezession, teilweise ergeben sie sich aus dem Verhalten von Frauen mit Partnern, da einige von ihnen in den Arbeitsmarkt eingetreten sind oder die Stundenzahl erhöht haben, um den Einkommensrückgang des männlichen Partners auszugleichen („Added Worker Effekt“).
- Die Zahl entmutigter Arbeitnehmer liegt bei Frauen häufiger höher. Vergleichen wir aber ihre Zahl mit der Zahl der nicht Erwerbstätigen, so war der auf die Krise folgende Anstieg bei Männern höher. Zwischen 2008 und 2011 stieg der Anteil entmutigter Arbeitnehmer an der nicht erwerbstätigen Bevölkerung in der EU27 von 3,3 % auf 5,3 % bei den Männern und von 3,9 % auf 5,1 % bei den Frauen.
- Haushalte mit männlichem Alleinverdiener verloren an Boden zugunsten von Haushalten mit weiblichem Alleinverdiener. 2007 waren Paare im erwerbsfähigen Alter, von denen mindestens ein Partner arbeitete, in der Mehrzahl doppelverdienende Paare (durchschnittlich 74,1 % der 26 untersuchten Länder). Paare mit männlichem Alleinverdiener waren eine Minderheit (21 %) und Paare mit weiblichem Alleinverdiener hatten einen geringen Anteil (4,9 %). In den ersten beiden Jahren der Krise war bei

doppelverdienenden Paaren ein Rückgang zu verzeichnen (5,1 Prozentpunkte), dies aber fast ausschließlich zugunsten von Paaren mit weiblichem Alleinverdiener. Das Thema des männlichen Alleinverdieners bleibt jedoch weiter aktuell. Bei der Mehrzahl der doppelverdienenden Paaren blieb der Beitrag der Frauen zum Haushaltseinkommen signifikant niedriger als der ihrer Partner, und zwar in so umfassendem Maße, dass die weiblichen Partner immer noch als Zweitverdiener eingestuft werden.

#### *Unfreiwillige Teilzeit- und Zeitarbeitsverträge*

Von der Verschlechterung der Arbeitsbedingungen waren sowohl Männer als auch Frauen betroffen, jedoch auf unterschiedliche Weise.

Im Jahr 2010, dem schlimmsten Jahr der Krise (2010) innerhalb unserer Referenzperiode, ist der Anteil der Unfreiwilligen an der gesamten Teilzeitarbeit auf 38,1 % gestiegen, 5,8 Punkte mehr als 2007. Bei den Frauen betrug der entsprechende Wert 24 %, ein Anstieg um 3,8 Prozentpunkte. Absolute Zahlen ergeben ein anderes Bild. 2010 gab es 7,3 Millionen unfreiwillige Teilzeitkräfte bei den Frauen gegenüber 3,2 Millionen bei den Männern. Der Anstieg seit 2007 betrug insgesamt 1,3 Millionen bei den Frauen gegenüber 773 000 bei den Männern. Ein Jahr später – 2011, dem letzten, für das Daten vorliegen – ist die unfreiwillige Teilzeitarbeit bei beiden Geschlechtern zurückgegangen, blieb aber auf deutlich höherem Niveau als vor der Rezession.

Zeitarbeitsverträge sind ziemlich gleichmäßig auf Männer und Frauen verteilt, mit einem geringen Vorsprung bei den Frauen. Der Anteil männlicher Beschäftigter mit Zeitarbeitsverträgen ging nach dem „Spitze-bis-Talsole“-Indikator von 13,7 % auf 12,5 % zurück, und eine sehr ähnlicher Rückgang wurde für den Anteil weiblicher Beschäftigter mit Zeitarbeitsverträgen verzeichnet (von 15,2 % auf 14,1 %). Ungewissheit über die Erholung in einigen Ländern und die anhaltende Rezession in anderen Ländern erklären ein gemischtes Muster nach der ersten Rezessionsdelle.

#### *Armut trotz Arbeit*

Dennoch stieg der Anteil von Armut trotz Beschäftigung zwischen 2008 und 2010 leicht an, und zwar nur bei Frauen. Dies legt nahe, dass es für besser bezahlte Arbeitnehmer leichter war, ihre Stelle zu behalten, während die Niedrigverdiener die schlimmsten Arbeitsplatzverluste erlitten, und zwar insbesondere die männlichen. Der Anteil von Armut trotz Beschäftigung bleibt nämlich höher bei Männern (8,9 % im Vergleich zu 7,8 % bei Frauen). In der Studie *Employment and Social Developments in Europe 2012* enthaltene Schätzungen weisen darauf hin, dass die Tatsache, ein Mann zu sein, bei sonst gleichen Parametern, das Armutsrisiko trotz Beschäftigung um ca. vier Prozentpunkte erhöht. Trotz der Überrepräsentation von Frauen unter Teilzeit-, Niedriglohn- und Zeitvertragsarbeitskräften betrifft Armut trotz Beschäftigung eher einige Frauen in diesen Gruppen statt alle von ihnen.

#### *Einschränkung von Rechten und Ansprüchen*

Im *European Social Survey 2010* berichteten Männer häufiger als Frauen von Lohnkürzungen, erhöhter Arbeitsplatzunsicherheit und sich verschlechternder Qualität des Arbeitsinhalts. Frauen berichteten häufiger als Männer, dass sie gezwungen waren, die Arbeitsstundenzahl zu reduzieren. In Griechenland und Portugal wurde bei Arbeitsinspektionen während der Krise ein Anstieg von Verstößen gegen Rechte zum Schutz von Schwangeren und Müttern junger Kinder

verzeichnet, während in Italien und der Tschechischen Republik berichtet wird, dass auch in „normalen Zeiten“ häufige Verstöße auftreten.

#### *Unterschiede hinsichtlich Alter, Bildung und Staatsangehörigkeit*

In Europa als Ganzem ist der Arbeitsplatzrückgang umso größer, je jünger die Arbeitnehmer sind. Dieses Altersmuster ist bei Männern und Frauen gleich, obwohl es bei den Frauen geringer ausgeprägt ist.

In der aktuellen Krise war der durchschnittliche europäische Arbeitnehmer mit Hochschulbildung von krisenbedingten Kündigungen vergleichsweise sicher; dies gilt jedoch nicht für gleichermaßen gebildete Frauen in einigen Ländern des Baltikums und des Mittelmeerraums. In diesen Ländern waren es durchschnittlich gebildete Frauen, die am wenigsten betroffen waren und deren Beschäftigungsquote sich schneller erholte. Außerdem war das Beschäftigungswachstum in Ländern mit einer sich erholenden Konjunktur bei Frauen und Männern mit mittlerem Bildungsniveau häufig stärker ausgeprägt als bei den hervorragend ausgebildeten Arbeitnehmern. Dieses Schwinden des durch Bildung garantierten Schutzes trägt möglicherweise dazu bei, dass immer mehr junge Menschen weder die Schule besuchen, noch einen Ausbildungs- oder Arbeitsplatz haben (die so genannten NEET).

Die anfälligste Gruppe in dieser Krise sind männliche Migranten. Männer aus Nicht-EU-Ländern sind am stärksten von Arbeitsplatzverlust betroffen, gefolgt von mobilen männlichen Arbeitnehmern aus der EU. Mobilen weiblichen Arbeitnehmern aus der EU blieben Arbeitsplatzverluste weitgehend erspart, mit Ausnahme von Irland, Finnland und den Niederlanden. Sie erwiesen sich als weniger krisenanfällig als in der EU27 insgesamt ansässige Frauen. Der umgekehrte Fall gilt für weibliche Migranten aus Nicht-EU-Ländern, aber selbst unter ihnen lag der „Spitze-bis-Talsole“-Rückgang der Beschäftigung kaum höher als 3 Prozent verglichen mit 8 Prozent bei männlichen Migranten aus Nicht-EU-Ländern. Ein plausibler Grund ist wieder die geschlechtsspezifische Segregation des Arbeitsmarktes nach Beschäftigungssektoren und Berufsfeldern.

#### **Probleme im Zusammenhang mit dem geschlechtsspezifischen Lohngefälle**

Das geschlechtsspezifische Lohngefälle verringerte sich ebenso in der Gesamt-EU wie in der Mehrzahl der Mitgliedstaaten, für die Daten verfügbar sind. Gemäß Eurostat-Daten verringerte sich zwischen 2007 und 2010 das unbereinigte geschlechtsspezifische Lohngefälle in 16 von 25 Mitgliedstaaten, für die vollständige Daten verfügbar sind. Nationale Quellen deuten darauf hin, dass der Rückgang zahlenmäßig höher sein könnte.

Drei Hauptfaktoren trugen zum Rückgang des geschlechtsspezifischen Lohngefälles bei:

- Kürzungen bei den zusätzlichen Lohnkomponenten des Lohnpakets: Boni und Prämien werden im Krisenfall als erstes gekürzt und steigen tendenziell zugunsten der Männer
- Geschlechtsspezifische Segregation nach Beschäftigungssektoren mit Überrepräsentation von Frauen im öffentlichen Sektor, bei einem üblicherweise geringeren geschlechtsspezifischen Lohngefälle, und Unterrepräsentation in den Sektoren, die mehr Arbeitsplätze verlieren, wobei in letzteren Männern tendenziell besser verdienen.
- In einer Reihe von Ländern gab es politische Programme zur Verringerung des geschlechtsspezifischen Lohngefälles. In allen diesen Ländern ist das geschlechtsspezifische Lohngefälle zurückgegangen oder nicht gestiegen, was darauf

hindeutet, dass die Politik der Lohngleichheit zum Rückgang des Gefälles beigetragen hat.

### **Probleme im Zusammenhang mit unbezahlter Arbeit**

Ein Rückgang der Ausgaben privater Haushalte ist bei 19 von 22 europäischen Ländern zu beobachten, für die der Wert für 2009 mit 2008 vergleichbar ist. Der Rückgang des Verbrauchs in Gastronomie, ambulanten Diensten und routinemäßigen Wartungsdiensten kann durch unbezahlte Arbeit ersetzt werden. Daher ist es unwahrscheinlich, dass unbezahlte Arbeit während der Krise keinen Anstieg verzeichnet hat.

Die Ergebnisse von Zeitnutzungsstudien in vier Ländern deuten darauf hin, dass die geschlechtsspezifischen Unterschiede bei der Zuteilung unbezahlter Arbeit während der Krise in Ländern, in denen geschlechtsspezifische Unterschiede bei Haushaltsarbeit und Pflegearbeiten besonders ausgeprägt sind, gewachsen sein könnten.

### **Gender Mainstreaming, Beschäftigungspolitik, Haushaltskonsolidierung**

#### *Gender Mainstreaming*

Im Europäischen Konjunkturprogramm fanden die Begriffe „Geschlecht“, „Frauen“ und „Gleichberechtigung“ keine Erwähnung. Das Fehlen des Gender Mainstreaming symbolisiert eine geringe Sensibilität für die Gleichstellung der Geschlechter in der Reaktion auf die Krise.

Der Beratende Ausschuss für Chancengleichheit von Männern und Frauen der Europäischen Kommission wies auf die geringe Sichtbarkeit der Geschlechterproblematik in den Maßnahmen zur Krisenbewältigung auf europäischem Niveau hin, sowie auf die Notwendigkeit, die Geschlechterdimension bei aktuellen und zukünftigen Initiativen zur Bewältigung der Krise zu berücksichtigen. Der 2010 vom Rat angenommene Gemeinsame Beschäftigungsbericht ermittelte die Frauen als Risikogruppe in einer Periode steigender Arbeitslosigkeit und erkannte die negative Auswirkung der Krise auf die Politik der Geschlechtergleichstellung. Er wies auf die Notwendigkeit hin, das Gender Mainstreaming aktiver umzusetzen. Eine stärkere Anerkennung der Rolle, die die Geschlechtergleichstellungspolitik bei der wirtschaftlichen Erholung spielen kann, wird nach wie vor gebraucht, um sicherzustellen, dass die geschlechtsspezifische Kluft nicht wieder aufbricht.

#### *Geschlechtergleichstellungspolitik*

In einigen Mitgliedstaaten wurde der institutionelle Rahmen für die Geschlechtergleichstellungspolitik durch Gesetze, Maßnahmenpläne und Strategien gestärkt. Die im Rahmen der Haushaltskonsolidierung ergriffenen Sparmaßnahmen beinhalten jedoch die Gefahr der Abwertung des Status der Gleichstellungspolitik oder der Reduzierung der für diese zur Verfügung gestellten Mittel. Dem Bericht zufolge wird die Funktion der Infrastrukturen für die Geschlechtergleichstellung in mehreren Mitgliedstaaten durch Einschnitte in den öffentlichen Haushalten ernsthaft beeinträchtigt. Andere Mitgliedstaaten haben jedoch beschlossen, die Mittel für Einrichtungen bzw. Projekte, die sich der Geschlechtergleichstellung widmen, nicht zu reduzieren oder sogar zu erhöhen.

#### *Beschäftigungspolitik*

Frühe Konjunkturmaßnahmen konzentrierten sich auf die Sektoren, die zuerst von der Krise betroffen waren. In diesem waren vor allem Männer beschäftigt. Andere antizyklische beschäftigungspolitische Maßnahmen als diese vorübergehenden

Konjunkturbelebungsmaßnahmen konzentrierten sich auf kurzfristige Beschäftigungsprogramme und die Verwaltung von Arbeitslosenhilfeprogrammen. Bisherige Erkenntnisse legen nahe, dass Männer die Hauptnutznießer beider Arten von Programmen waren, und zwar nicht nur, weil sie in größerem Maßstab Arbeitsplatzverluste erlitten, sondern auch aufgrund der Ausgestaltung dieser Programme. Die „männliche Ausrichtung“ dieser Programme wirkt aufgrund der entsprechenden „tendenziöse Ausrichtung“ der Arbeitsplatzverluste möglicherweise bis heute nach. Die Ausgestaltung antizyklischer beschäftigungs- und lohnpolitischer Maßnahmen muss in Zukunft jedoch möglicherweise „universeller“ gestaltet werden.

#### *Haushaltskonsolidierung*

Dieser Bericht macht einen ersten Versuch der Beurteilung der Auswirkungen der Haushaltskonsolidierung aus einer Geschlechterperspektive. Die Auswirkungen zeigen sich noch nicht in ihrem ganzen Ausmaß in den Beschäftigungs- oder Lohnstatistiken, und Vorab-Beurteilungen der Auswirkungen aus einer Geschlechterperspektive wurden mit Ausnahme einiger Länder nicht durchgeführt. Diese Beurteilung basiert daher auf zwei Arten von Belegen, nämlich der subjektiven Bewertung durch nationale Experten in neunzehn Ländern bzw. einer Überprüfung der neuesten Entwicklung in sechs Ländern.

Auf der Ausgabenseite wurden gemäß der Bewertung von 19 Ländern durch Experten folgende Maßnahmen als für die Geschlechtergleichstellung folgenreicher identifiziert:

- Lohnstopps oder Lohnsenkungen im öffentlichen Sektor (10 Länder),
- Einstellungsstopps oder Personalabbau im öffentlichen Sektor (9 Länder),
- Rentenreformen: späterer Renteneintritt und/oder Anhebung des Renteneintrittsalters von Frauen auf das von Männern (8 Länder),
- Kürzung und Begrenzung pflegebezogener Leistungen, Bezüge und Zuschüsse (8 Länder),
- Einschnitte bei Mietzuschüssen und familienbezogenen Leistungen (6 Länder),
- und Verschärfung der Kriterien für die Gewährung von Arbeitslosengeld und Unterstützungsleistungen oder Senkung der Neubesetzungsquoten (5 Länder).

Auf der Einnahmenseite besteht die Maßnahmenliste aus:

- steuerlichen Maßnahmen (6 Länder),
- MwSt.-Erhöhung: (5 Länder),
- und Erhöhungen der Gebühren für öffentlich subventionierte Dienstleistungen (Gebühren für Gesundheitsdienste, Gebühren für öffentliche Verkehrsmittel u.a.) (2 Länder).

Erwartungen, dass diese Maßnahmen überproportional von Frauen getragen werden, werden durch die Informationen untermauert, die in sechs Ländern über die neuesten Entwicklungen gesammelt wurden. Erkenntnisse aus Ländern mit relativ begrenzten Haushaltskonsolidierungsprogrammen (Niederlande und Finnland) oder Ländern, in denen zu einem frühen Zeitpunkt der Rezession die schwerwiegendste Kontraktion der Staatsfinanzen stattfand (Lettland), stützen die Erwartungen nicht ganz. In diesen Ländern scheinen die direkten, kurzfristigen Auswirkungen der Haushaltskonsolidierung auf die Beschäftigung von Frauen und ihren Zugang zu bzw. ihre Nutzung von Pflegedienstleistungen nicht so groß zu sein, noch scheinen Frauen durch Kürzungen bei Sozialtransfers systematisch benachteiligt zu



werden. Dennoch sind die Daten noch sehr begrenzt und die mittel- und langfristigen Auswirkungen unbekannt. Viel mehr Grund zur Besorgnis in jeder Hinsicht gibt es in Irland, Griechenland oder Spanien, wo die Haushaltskonsolidierung seit Beginn der Krise an Bedeutung gewann und allmählich dramatische Proportionen annimmt. Nicht nur war in diesen Ländern die Beschäftigungsquote von Frauen zu Beginn der Krise vergleichsweise niedrig, sondern sie ist seitdem auch kontinuierlich zurückgegangen. Die Umstrukturierung der Sozialversicherung (Renten), Einschnitte bei öffentlichen Dienstleistungen und Löhnen im öffentlichen Sektor sowie der bereits erfolgte oder noch geplante Personalabbau im öffentlichen Dienst sind von erheblichem Umfang, und der Anstieg der Armut bei bestimmten Gruppen von Frauen, z. B. Rentnerinnen in Griechenland, war stärker ausgeprägt.

### **Probleme im Zusammenhang mit der Einkommensarmut (2005-2010)**

In fast allen Ländern und Jahren verzeichneten Frauen eine höhere Armutsrisikoquote als Männer. Auf der Ebene der EU27 ging die Tendenz zur Vergrößerung der Geschlechterkluft bis 2007; danach setzte ein Trend zur Verringerung ein. Einkommensarmut, gemessen am Anteil der Bevölkerung mit einem Jahreseinkommen von weniger als 60 % des Medianeinkommens, ist in den ersten Jahren der Krise in ganz Europa angestiegen, auch wenn der Anstieg nicht dramatisch war. 2009 war die Armutsrisikoquote (verankert im Jahr 2005) bei Männern um 2,3 Punkte und bei Frauen um 1,7 Punkte höher als 2007<sup>6</sup>. Ein stärkerer Anstieg wurde in den stärker von der Krise betroffenen Ländern verzeichnet.

In allen europäischen Ländern und zu jedem Zeitpunkt des untersuchten Zeitraums verzeichneten Frauen ein höheres Armutsrisiko vor Sozialtransfers, in einem Ausmaß, das erheblich höher ist als die Geschlechterkluft nach Sozialtransfers (etwa 5 % gegenüber 2 %). Steuer- und Wohlfahrtsysteme sind für die Reduzierung der höheren Armutsrisikoquote von Frauen von fundamentaler Bedeutung. Eine geringfügige Verschlechterung der Situation von Männern – vor Sozialtransfers – als Folge der Krise führte zu einer leichten Verringerung der Geschlechterkluft bei den Armutsrisikoquoten vor Sozialtransfers von 5,1 % im Jahr 2004 auf 4,8 % im Jahr 2009.

Als Ergebnis der Krise wurden mehrere Länder mit einem erheblichen Anstieg der Zahl der Leistungsempfänger im Rahmen von garantierten Mindesteinkommen konfrontiert, wobei überwiegend Frauen betroffen waren. Einige Länder erhöhten ihre Zahlungen für garantierte Mindesteinkommen durch eine Erhöhung der öffentlichen Ausgaben.

Familienbezogene Leistungen sind formal geschlechtsneutrale Maßnahmen mit eindeutig geschlechtsspezifischen Auswirkungen, da Frauen unter den familienbezogenen Leistungsempfängern aufgrund der geschlechtsspezifischen Aufteilung von Betreuungsaktivitäten dominieren. Einschnitte bei den öffentlichen Ausgaben aufgrund der Wirtschaftskrise führten in den meisten Ländern mit substanziellen geschlechtsspezifischen Beeinträchtigungen zu Kürzungen bei bestehenden familienbezogenen Leistungen. Auf der anderen Seite dehnte eine kleine Zahl von Ländern ihre Unterstützung für familienbezogene Leistungen und Bezüge in Reaktion auf die Wirtschaftskrise aus.

Im Bereich der Kinderbetreuung wurden öffentliche Ausgaben für monetäre Leistungen stärker reduziert als öffentliche Ausgaben für Dienstleistungen. Daher ist das Angebot an

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<sup>6</sup> Die Zahlen beziehen sich auf das mit der Armutslinie 2005 berechnete Armutsrisiko, um zu vermeiden, dass eine Reduktion der Armut berechnet wird, wenn die unteren Einkommen stärker abnehmen als das Medianeinkommen. Beachten Sie, dass die Zahlen für 2007 aus der SILC-Untersuchung 2008 stammen, während die für 2009 sich auf die letzte, heute noch herauszugebende Untersuchung beziehen, die 2010 durchgeführt wurde.

Kinderbetreuungseinrichtungen in mehreren Europäischen Ländern in den letzten Jahren trotz der Wirtschaftskrise gewachsen. In einer Reihe von Ländern ist die Kürzung der Sozialausgaben jedoch auch im Bereich der Kinderbetreuungsdienste spürbar.

Aufgrund der allgemein höheren Armutsrisikoquoten und des geringeren verfügbaren Einkommens von Frauen im Vergleich zu Männern wird von einer Erhöhung der Mehrwertsteuersätze eine negative Auswirkung auf die Gleichstellung der Geschlechter erwartet.

### **Probleme im Zusammenhang mit sozialer Ausgrenzung (2005-2010)**

Frauen leiden in fast allen Jahren und allen Ländern stärker unter schwerer materieller Entbehrung. Der Indikator schwere materielle Entbehrung wird definiert als erzwungene Unfähigkeit, eine Anzahl von Dingen zu bezahlen, die für ein würdiges und angemessenes Leben für notwendig erachtet werden. Durch die Krise hat sich der Fortschritt in Richtung einer Reduzierung materieller Entbehrung verlangsamt, wobei die von der SILC-Studie 2010 gelieferten Zahlen höher sind als ein Jahr zuvor, aber immer noch niedriger als der Mittelwert vor der Krise und die Zahlen von 2005. Die Krise hat die Geschlechterkluft etwas reduziert; allerdings passierte dies durch die Verschlechterung der Situation der Männer und nicht durch die Verbesserung der Situation der Frauen. Die Schwankungen in den ersten Jahren der Krise sind im Mittel gering, aber in gewissem Maße verbergen sie substanzielle Disparitäten zwischen den Ländern.

#### *Bildung*

Der Bereich der allgemeinen und beruflichen Bildung scheint durch Sparmaßnahmen weniger beeinträchtigt zu werden.

Nationale Strategien haben sich während der Krise auf die Verlängerung von Vorschul- und außerschulischen Programmen konzentriert. Solche Herangehensweisen sind besonders vorteilhaft für die Kinder sowie für betreuende Eltern, bei denen insbesondere die Frauen die Betreuungsarbeit leisten. Dennoch wurden anfällige Gruppen beeinträchtigt, unter anderem Frauen mit Migrationshintergrund, Obdachlose und potenzielle Schulabbrecher (unter denen Männer überrepräsentiert sind).

#### *Wohnsituation*

Die Wirtschaftskrise hat substanzielle Auswirkungen auf die Immobilien- und Hypothekmärkte mehrerer europäischer Länder. In einer Anzahl von Ländern gibt es bereits Hinweise auf steigende Immobilienschulden, Zahlungsausfallrisiken und Zwangsräumungen. Die Länder, in denen es zu einer Immobilienkrise kam (oder die davon bedroht sind), bieten hauptsächlich Immobilienschulden-Managementpläne an, um Menschen zu helfen, Überschuldung zu bewältigen. Während die meisten dieser Maßnahmen eher geschlechtsneutral sind, fördern sie indirekt Frauen, die bekanntermaßen in einigen Schlüsselaspekten anfälliger sind. In denjenigen Ländern, für die Daten verfügbar sind, weisen Frauen beispielsweise tendenziell höhere Risiken aus Miet- oder Hypothekenzahlungsrückständen auf als Männer. Aus der Geschlechterperspektive besonders wichtig sind Wohnunterstützungsmaßnahmen für einige Gruppen von Frauen, wie etwa alleinerziehende Mütter, für die es aufgrund unzureichender Einkommen oft schwierig ist, eigenen Wohnraum zu kaufen. Das Fehlen erschwinglicher Immobilien ist eine der Hauptursachen von Obdachlosigkeit. Trotz der stark begrenzten Datenverfügbarkeit gibt es Hinweise darauf, dass Obdachlosigkeit in denjenigen Ländern, die

einige Daten liefern, während der Krise einen Anstieg verzeichnet hat. In diesen Ländern sehen sich Männer und Frauen anscheinend ähnlichen Obdachlosigkeitsrisiken gegenüber, obwohl im jüngeren Lebensalter das Risiko der Frauen größer ist als das der Männer. Darüber hinaus wird deutlich, dass Frauen öfter als Männer „unsichtbar“ obdachlos sind, weil sie vorübergehende Lösungen suchen, wie etwa das Leben mit Familienmitgliedern, mit Freunden, in „Zweckpartnerschaften“ oder mit flüchtigen Bekannten. Wenngleich sich darin echte Verhaltensunterschiede zwischen Frauen und Männern widerspiegeln, könnte in einigen Ländern die Ursache auch im Mangel an politischen Maßnahmen, die in diesem Bereich spezifisch auf Frauen ausgerichtet sind, liegen.

### *Gesundheit*

Bei den kürzlich in mehreren Ländern durchgeführten Gesundheitsreformen stand die Kostenbegrenzung im Mittelpunkt. Daneben wurden in mehreren europäischen Ländern neue oder höhere Rezeptgebühren eingeführt. Die Kostenbegrenzung wirkt regressiv, da die Kosten der Gesundheitsversorgung proportional mehr Menschen mit niedrigeren Einkommen belasten, was wiederum bedeutet, dass Frauen aufgrund ihres höheren Armutsrisikos stärker betroffen sind.

Kosteneinschnitte im Gesundheitssektor treffen Frauen auch auf der Angebotsseite härter als Männer. Frauen werden hauptsächlich im öffentlichen Sektor und im Gesundheitssektor angestellt. Von Lohneschnitten oder Personalabbau im öffentlichen Sektor sind Frauen überproportional häufig betroffen.

Die Senkung der öffentlichen Sozialausgaben erfolgte in der Regel nicht durch Kürzungen bei der Bereitstellung von Langzeitpflegediensten. Frauen stellen die Mehrheit der Pflegeempfänger und Pflegedienstleister dar. In den Ländern mit den umfangreichsten Haushaltskonsolidierungsmaßnahmen wurden die Langzeitpflegebezüge und -zuschüsse gesenkt. In einigen Ländern wurden die Langzeitpflegebezüge erhöht.

### **Empfehlungen**

Die folgenden zehn Empfehlungen haben zum Ziel, die Geschlechtergleichstellung als ein Mittel zur Förderung der wirtschaftlichen Erholung nach der Krise voranzubringen.

1. Die Festlegung der Indikatoren für die Geschlechtergleichstellung muss überprüft werden. Die scheinbaren Verbesserungen bei den geschlechtsspezifischen Unterschieden bei gleichzeitiger Verschlechterung der Beschäftigungs-, Lohn-, Arbeits- und Einkommensbedingungen sowohl bei Männern als auch bei Frauen wirft Fragen darüber auf, ob „geschlechtsspezifische Unterschiede“ die Entwicklungen bei der Geschlechtergleichstellung in Zeiten der Rezession adäquat erfassen.
2. Die Mitgliedstaaten müssen angeregt werden, wirksame „Gender Budgeting“-Systeme für ihre wichtigsten politischen Initiativen einzuführen, auch für die laufenden oder zukünftigen Konjunkturprogramme und Ausgabenüberprüfungen. Gesetzliche Anforderungen, politische Maßnahmen vorab aus einer geschlechtsbezogenen Perspektive zu überprüfen, sind möglicherweise nicht ausreichend, wie die Erfahrungen in Österreich und dem Vereinigten Königreich zeigen.

3. Das Risiko der grundlegenden Aushöhlung von Sozialleistungen und Infrastrukturen für die Geschlechtergleichstellung durch die Haushaltskonsolidierung muss genauestens überwacht werden.
4. Initiativen zur Verbesserung der Finanzkenntnisse von Frauen (und der Bevölkerung insgesamt) müssen eingeführt und gefördert werden, und eine „kritische Masse“ weiblicher Vertreter in finanziellen Schlüsselinstitutionen der EU muss sichergestellt werden. Diese Krise hat gezeigt, wie weit politische Entscheidungen, die traditionell mit Frauen in Verbindung gebracht werden, wie etwa in den Bereichen Sozialfürsorge, Beschulung oder Vereinbarkeit von Familie und Beruf, inzwischen von makroökonomischen und finanziellen Entscheidungsprozessen abhängen, von denen Frauen traditionell ausgeschlossen waren und über die sie wenig wissen.
5. Das Problem der überproportionalen Belastung junger Menschen durch die Anforderung der Beschäftigungsflexibilität muss in Angriff genommen werden. Dies schließt die Neugestaltung gängiger antizyklischer politischer Maßnahmen wie Kurzarbeitsplänen und Programmen für Arbeitslosenhilfen mit ein. Während beide Maßnahmen eine wichtige Funktion erfüllten, indem sie die schlimmsten Auswirkungen der Krise auf Beschäftigung und Löhne abfederten, sind sie oft vorrangig auf reguläre Vollzeit Arbeitnehmer ausgerichtet.
6. Es müssen Pläne zur Einkommensunterstützung im Sinne des Gender Mainstreaming entwickelt werden. Sozialausgaben und Steuerausgaben sollten auf die finanzielle Unabhängigkeit von Frauen als zentrales Anliegen ausgerichtet sein, insbesondere wenn sie zum Ziel haben, Männer und Frauen einen Weg aus der Armut zu bahnen.
7. Sozialausgaben müssen so eingesetzt werden, dass Qualitätsdienstleistungen Vorrang erhalten vor Geldleistungen, um eine faire Verteilung der Auswirkungen von Sparprogrammen sicherzustellen und die Belastung von Frauen durch Betreuungsarbeit abzumildern. Konjunkturmaßnahmen müssen auf die soziale und Pflegeinfrastruktur und nicht nur auf die materielle Infrastruktur ausgerichtet werden.
8. Der Europäische Sozialfonds muss gestärkt und seine Verfahren müssen überprüft werden. Mehrere süd- und osteuropäische Länder mit geringer Frauenbeschäftigung sind auch diejenigen Länder, in denen die Rezession und die Haushaltskonsolidierung zur Reduzierung von Sozialleistungen, Vereinbarkeitsprogrammen und allgemeinen Maßnahmen zur Förderung der Gleichstellung führen. Der Europäische Strukturfonds stellt in diesen Ländern ein wichtiges Instrument dar, um Kürzungen lokaler Leistungen zu kompensieren und das Beschäftigungsziel für 2020 zu fördern. Allerdings müssen die Ausgaben des ESF in einigen Fällen möglicherweise überprüft werden, um seine volle Wirksamkeit zu garantieren. Diese Überprüfung sollte insbesondere sicherstellen, dass: (i) die Verfahren zur Mittelfreigabe und Mittelverwendung einfach sind; und (ii) die laufenden umgesetzten Schlüsselprogramme nach Beendigung der Mittelzuteilung des ESF fortgesetzt werden.
9. Die öffentliche Sichtbarkeit von Fällen des Verstoßes gegen Mutterschutz- und Mutterschaftsurlaubsrechte muss besser überwacht und erhöht werden. Verstöße gegen Mutterschutz bzw. Elternrechte kommen in mittleren und kleinen Unternehmen wegen höherer organisatorischer Kosten möglicherweise häufiger vor. Ihre spezifischen Bedürfnisse bzw. Einschränkungen sollten berücksichtigt werden,

da dies auch in „normalen“ Zeiten ein Problem darstellt.

10. Das Problem der mangelhaften Integration mobiler Arbeitnehmer und Arbeitnehmer mit Migrationshintergrund, insbesondere der männlichen, muss gelöst werden.

## Preface

The aim of this report is to assess the impact of the ongoing economic crisis on the situation of both women and men and on gender equality policies in Europe. The study is inspired by concerns about current and future prospects for gender equality.

Why an analysis of the crisis from a gender equality perspective? The first reason is that economic crises are profoundly gendered. On the demand side, paid work is still considerably gender-typed despite more than a century of change: women and men continue to show a certain tendency to be concentrated within given sectors, occupations and capacities. On the supply side intra-household roles, especially the income roles of men and women, are still in transition between a traditional male breadwinner regime and an adult, dual-earner regime where responsibilities for income and housework are shared on more or less equal terms. There is therefore still room for men and women to behave differently in the face of the crisis.

The second reason is that past recessionary experiences may not offer sufficient guidance, since the labour market for women and their household and social positions have changed considerably since the last major recession, the so-called oil crisis of the 1970s.

The third reason is that crises, as the old adage goes, are times of challenges and opportunities. This crisis too has been described as a “transformative moment”, since it offers opportunities for radical change in the organization of the labour market and in the institutions that promote equality of outcomes for men and women.<sup>7</sup> As the Advisory Committee on Equal Opportunities for Women and Men warned early on in the recession (Advisory Committee 2009) challenges arise because in the face of hardship and drastic policy choices, gender equality may be seen as a fair weather issue, a luxury to be set aside while we wait for better times. Yielding to this attitude while the crisis forces long-lasting structural change may roll back progress in gender equality permanently. Yet this very structural change might open up new and faster avenues in the direction of equality.

It may be misleading to talk of a ‘single’ crisis, since at least two different episodes can be distinguished. The first began in 2008, in the wake of the ‘credit crunch’ that spread from the financial services sector and resulted in the first dip in 2009. The recovery proved fragile and short-lived, however. By 2010, the credit crunch crisis had become a sovereign debt crisis that pressed for fiscal consolidation to reduce public deficits and debts. Now, in the autumn of 2012, the sovereign debt crisis is still unfolding, and a second dip is developing.

At the time of completing this report (in the autumn of 2012), not only have the prospects of recovery drifted further away, but also a few macroeconomic data series only extend as far as the first quarter of 2012. This means that the analysis and findings included in this report are very much a work in progress. The final impact of the crisis on women and men will not be discernible for some time to come.<sup>8</sup>

### *Structure of the report*

This report undertakes extensive analysis of the repercussions of the economic and financial crisis on the labour market position and social situation of women and men in Europe. It builds

<sup>7</sup> See Seguino (2010), “The global economic crisis, its gender and ethnic implications, and policy responses”, *Gender & Development*, vol.18, no. 2, pp. 179 - 199.

<sup>8</sup> An analysis of the impact on women’s employment of policy changes from the recession of the 1990s showed that the repercussions extended almost into the next decade. See Smith M. (2009), *Analysis Note: Gender Equality and the Recession*, prepared for the European Commission, Brussels.

Available at: <http://ec.europa.eu/social/BlobServlet?docId=2839&langId=en>

on an investigation by two experts groups serving the Unit of Gender Equality – respectively the EGGE and the EGGSI networks. It covers 33 European countries comprising EU Member States, EEA-EFTA countries and candidate countries Turkey, Croatia and FYROM. The core reference period for the analysis of labour market and macroeconomic developments is the four years between the second quarter of 2008 – when the recession officially began for the EU as a whole – and the first quarter of 2012 – the latest quarter available from Eurostat at the time of writing. However, some analyses extend further back in time either because some countries entered recession before the EU as a whole, or because a comparison with earlier years and recessionary episodes is warranted. The analysis of poverty and social developments spans the five years between 2005 and 2010.

Chapter I reviews macroeconomic and labour market trends. It extensively examines statistical and qualitative evidence on issues ranging from the employment and unemployment responses to the crisis to job search discouragement and inactivity, short-time and temporary working, and working conditions.

Chapters II, III and IV address specific questions. Chapter II investigates change in the gender pay gap during the recession and how it might affect longer-term prospects of pay equality. Chapter III investigates whether the recession favoured an increase in unpaid work without significantly re-directing it to men. Chapter IV is primarily devoted to assessing policies enacted during the crisis (2008-2012) from a gender perspective, including recovery programmes and fiscal consolidation. As these three chapters make large use of data and information from the EGGE national reports, the analysis is sometimes focused on a different subset of countries although the wider European context remains in the background.<sup>9</sup>

Arguably, of the three policy programmes prompted by the crisis – financial rescue plans, stimulus packages and fiscal consolidation – it is the third of them that is likely to have the longest lasting structural impact on European economies and the widest repercussions on gender equality. This justifies our devoting the greater part of Chapter IV to assessing the actual or likely repercussions of fiscal consolidation packages on labour market and social outcomes. The specific repercussions on the equality infrastructure of European countries are also reviewed.

The analysis in Chapter IV sets the stage for Chapters V and VI, which delve deeper and more comprehensively into the social impact of the crisis. Chapter V looks at income poverty both separately and as a constituent part of the wider concept of social exclusion. Attention is devoted to policies and measures in this field from 2005 till 2010, with a distinction being made between income support schemes and consumption support measures (especially with respect to specific categories of consumption such food and drugs).

Chapter VI looks at multidimensional poverty and social exclusion, focusing on those factors that appear to have driven gender imbalances during the crisis (2005-2010). These include education, entitlement and take-up of welfare state services and benefits, housing, health and - last but not least - long-term care provisions. In a life-cycle perspective, all of these issues impact on men and women differently - both as recipients and as providers of care.

Chapter VII brings together all the different threads and draws the main conclusions. It also provides a short list of recommendations on specific actions or policy directions that may be worth pursuing to keep gender equality high on policy agendas in coming years.

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<sup>9</sup> National experts have been allowed to delve deeper into the specific topic they thought was the most relevant for their countries, rather than covering all the topics.

## 1 Impact of the crisis on paid work

### 1.1 Introduction: concepts and past findings

This chapter and the one that follows analyze labour market patterns and outcomes for men and women in the first four years of the crisis that struck Europe in 2007/2008. The extensive and detailed review offered by these chapters encompasses developments in employment, unemployment, activity, discouragement, and pay and working conditions during this period. The primary data sources are Eurostat Labour Force detailed survey data, microdata from EU-SILC, and the Structure of Earning Survey. Secondary - and especially national - sources are also used extensively.

Any analysis of statistical or narrative evidence needs to be guided by theoretical concepts and hypotheses in order to clearly examine and interpret the information. Socio-economic theorizing has long recognized that female and male workers may behave differently and be differently affected by a recession. Prior to delving into a factual analysis, we briefly recall hypotheses and concepts from the earlier literature and summarize the findings from studies of previous recessions that these hypotheses have inspired. Included in this succinct review are the added versus discouraged workers controversy, the buffer versus substitution hypothesis, and the segregation and segmentation hypotheses.

*Added and discouraged workers.* The added versus discouraged controversy dates back to the previous ‘Great Depression’ of 1929, but has regained the limelight in the great depression that we are currently experiencing. Aldrich Finegan and Margo (1993) have summarized the arguments in contention:

*“According to W.S. Woytinsky, the depression created a large population of ‘added’ workers, persons who entered the labour force when the head of the household was thrown out of work. Woytinsky suggested, however, that added workers would leave the labour force as recovery progressed in the late 1930s so that “the number of jobs necessary to reduce unemployment ... [was] less than the reported volume of unemployment would suggest”. Disagreeing with Woytinsky, Clarence Long asserted that the number of added workers was negligible compared with the number of ‘discouraged’ workers – “persons who would enter the labour market only when unemployment began to fall [...]”.* (Aldrich Finegan and Margo 1993, p.1)

If the added worker effect prevails, women’s behaviour is counter-cyclical and results in increased activity (labour market participation) during a recession. If the discouraged worker effect is dominant, inactivity increases. In both cases it is workers’ behaviour – that is, the supply side – that drives the outcome. In alternative theorizing, employers’ behaviour – the demand side – is deemed more important, and the focus is on employment and unemployment rather than on flows to and from inactivity.

*Buffers and substitutes.* The labour reserve or buffer hypothesis is a case in point. It is rooted in Marxian theory, and like the added/discouraged worker effect it posits a male breadwinner economy. The claim, however, is that women constitute a labour reserve that is pushed back by employers when demand slows down and called out when demand is booming. It has been challenged by the substitution hypothesis, whereby the pressure to lower labour costs during



recessions may give an incentive to employers to substitute women for men, as the secondary income role means they remain cheaper.<sup>10</sup>

*Segregation and segmentation.* According to the proponents of the segmentation hypothesis, the important divide is not so much between male and female labour but rather between primary and secondary jobs. Women are a part of the secondary job segment, alongside ethnic minorities and other groups. Depending on the theoretical variant, the dividing line between primary and secondary is rooted in employers' reliance on 'internal market' rules for the workers they are interested in retaining - the skilled, primary segments - while unskilled, secondary segments face ruthless competition in an unregulated labour market;<sup>11</sup> or else it may rest on the unions' fight against de-skilling,<sup>12</sup> or else it may rest on employers' tendency to hire women to do unstable jobs because they are socially more 'disposable' (that is, firing them elicits less opposition from the workforce and society at large<sup>13</sup>). The predictions common to all these variants are limited competition between and limited mobility across the segments, with the secondary segment playing a buffer role in a recession.

On the contrary, says the segregation hypothesis, female employment may be sheltered in a crisis.<sup>14</sup> The core argument is that sex-typing of occupations is both strong and rigid in the short run. Thus, the comparative behaviour of female employment over the cycle is not determined *a priori*, but is strongly affected by the sectoral and occupational patterns of employment losses in a downturn, but sectoral more than occupational, given that crises tend to have a distinctive sectoral impact.<sup>15</sup> Segregation also affects the gender pay gap in a recession as, for example, male wages may be higher (lower) than average in the most cyclically sensitive occupations and sectors, and vice versa.

It is tempting to dismiss all these hypotheses as 'outdated'. One reason for possible obsolescence is the assumption of the male breadwinner economy that many of them share, especially the added/discouraged worker debate and the buffer role hypothesis. A male breadwinner economy no longer reflects reality. Moreover, unemployment benefits and other income cushioning provisions are now far more common during a recession than they were in the past, which weakens the added worker phenomenon. Also, trade union membership is still male-dominated but less so than in the past<sup>16</sup>, and education and skill are no longer male prerogatives. Last but not least, occupational and sectoral segregation still shape the allocation of jobs to men and women, but much less so than in the sixties or seventies.

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<sup>10</sup> See Gardiner J. (1976), "Women and Unemployment", *Red Rag*, no. 10, pp. 12-15; Humphries J. (1988), "Women's employment in restructuring America: the changing experience of women in three recessions" in Rubery J. (ed.), *Women and Recession*. London, New York: Routledge and Kegan Paul.

<sup>11</sup> See Doeringer P. and Piore M. J. (1971), "Internal Labor Markets and Manpower Analysis", New York: Heath Lexington Books.

<sup>12</sup> See Edwards R.C., Reich M. and Gordon D.M. (eds) (1975), *Labor Market Segmentation*, Lexington, Mass.: D. C. Heath.

<sup>13</sup> See Edwards R.C., Reich M. and Gordon D.M. (eds) (1975), *Labor Market Segmentation*, Lexington, Mass.: D. C. Heath.

<sup>14</sup> See Milkman R. (1976), "Women's Work and Economic Crisis. Some Lessons of the Great Depression", *Review of Radical Political Economics*, vol. 8, no. 1, pp. 71-97.

<sup>15</sup> See Bettio F. (1988), "Women, the state and the family in Italy: problems of female participation in historical perspective" in Rubery J. (ed.), *Women and Recession*. London, New York: Routledge and Kegan Paul.

<sup>16</sup> According to the latest (March 8, 2012) annual survey of the European Trade Union Confederation (<http://www.etuc.org/t/1368>), female representation is growing among union members, while progress is still rather slow as one looks further up the organizational and decision-making ladders.

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Yet the hypotheses retain relevance. Consider gender income roles. In 2007, just before the recession set in, an average of 70 out of 100 couples with at least one working-age partner were dual-earning in the 25 countries covered by the EU-SILC survey (see Table 1.3 below). While this can be read as the demise of the male breadwinner myth, in the majority of dual-earner couples, the woman's contribution was lower (less than 45% of the combined income of the couple). Perhaps not so low as to qualify all these couples as 'one and a half earners', but still low enough to qualify the female partners as 'secondary' earners. Thus, there are enough secondary earners and non-earners among women to allow for the possibility of an added worker effect. In modern times, an added worker effect can materialize at the extensive margin (non-earners entering the labour force) or at the intensive margin (secondary earners increasing their hours of work).

Let us now examine the role of unemployment benefits. While most European countries provide unemployment benefits or offer other types of income support schemes, coverage may be selective or replacement rates low depending on the country.<sup>17</sup> This leaves scope for the added worker effect (or for discouragement). With regard to the role of segregation, a long-term decline has been documented in most of the countries for which appropriate evidence is available.<sup>18</sup> However, current levels are still high across European countries and the declining trend has apparently halted in the European Union as a whole over the past decade.<sup>19</sup> Thus, there is still scope for segregation to play a protective role.

The idea of segmentation has also come back in fashion as a tool for analyzing the repercussions of the present crisis. In current theorizing however, segmentation opposes 'protected' labour segments with 'unprotected' ones.<sup>20</sup> The basic idea is that if differential employment protection is granted, particularly against dismissal, the disparity in bargaining power between 'insiders' in a firm (tenured/adult/skilled workers) and 'outsiders' (younger/untentured/in need of training) can be reinforced by legislation. Women are sometimes included among 'outsiders' because of their more frequent exits and entries into the labour market. They may also be included as insiders however, because they are well represented among (tenured) public employees. In the current recession scenario, segmentation sets young workers entering (and re-entering) the labour markets on temporary contracts against adult workers on standard contracts, and migrant or foreign workers on temporary work permits against national workers. When a downturn strikes, the groups with less employment protection are the natural candidates for a buffer role, men and women alike.

In the empirical literature, a revisitation of earlier theoretical ideas and concepts is not confined to segmentation or the buffer role. The added versus discouraged worker controversy is still popular, as is the hypothesis of segregation. All of them have been used in research analysing the most significant recessionary episodes of the recent past. With the downturn dragging on in several countries and many of the data that would be valuable for a detailed investigation still in the pipeline, what we know about women, men and current crises comes largely from past recessionary experiences around the world. Only a few concern the current experience.

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<sup>17</sup> See, among others, Figari F., Salvatori, A. and Sutherland, H. (2010), "Economic downturn and stress testing European welfare systems", *ISER Working Paper*, Series 2010-18, Institute for Social and Economic Research.

<sup>18</sup> See Bettio F. (2008), "Occupational segregation and gender wage disparities in developed economies: Should we still worry?" in Bettio F. and Verashchagina A. (eds), *Frontiers in the economics of gender*, Routledge, Siena Studies in Political Economy, pp. 267–285.

<sup>19</sup> See Bettio F. and Verashchagina A. (2009), "Gender segregation in the labour market: root causes, implications and policy responses in the EU", EGGE report, Brussels.

<sup>20</sup> See Bentolila S. and Bertola G. (1990), "Firing costs and labour demand: How bad is the Euroclerosis?", *Review of Economic Studies*, vol. 57, no. 3, pp. 381-402; Boeri T. and Garibaldi, P. (2007), "Two Tier Reforms of Employment Protection Legislation: A Honeymoon Effect?", *Economic Journal*, no. 117, pp. 357–85.

Let us now look at some of the salient findings on the added versus discouraged controversy in the post-war period. Research focusing on the crisis of the early 1980s and late 1990s in Latin American countries found that female participation moved counter-cyclically as the added worker effect prevailed among middle-to-high income households.<sup>21</sup> On inspecting the data from 1968 to 2005, Juhn and Potter (2007) found that the value of marriage as a risk-sharing arrangement - where she can obtain work if he loses his - has diminished parallel to the increase in positive co-movement of employment within couples. For a group of middle-income countries, Cho and Newhouse (2011) also found that the added worker effect was weak during the first two years of the current crisis.

With regard to the role of occupational and sectoral segregation, the investigation conducted by various authors into the impact of recessions in Europe and the USA during the early post-war period found that women's employment did not consistently move pro-cyclically in Europe or the USA, but attributed the finding to the protective role of segregation.<sup>22</sup> This role may be waning, according to Mishel *et al.* (2007) as well as Smith (2009), who show that in post-war USA the impact of each subsequent recession on women's employment rate became higher.

While this raised expectations that the impact might be even higher in the present recession, Sierminska and Takhtamanova (2011) created the term 'mancession' to underwrite the finding that men faced higher job-separation probabilities, lower job-finding probabilities, and higher unemployment rates than women in the early years of the present crisis in the USA. In his study of the early impact of the current crisis in Australia, Richardson (2009) also finds that recession has affected men's employment and unemployment more seriously, but emphasizes the discouragement and buffer-like effects. In his findings, women account disproportionately for hidden unemployment (up to 80 per cent in key age groups) and "*are more likely to move directly from being defined as employed to being defined as out of the labour market entirely and then back in again*" (Richardson: Table 2, p.8).

The concepts and hypotheses forged by earlier economic theorizing will also inform our analyses in this report. From the standpoint of gender equality that we have adopted here, however, attention cannot be focused solely on comparative levels of employment, unemployment, inactivity, and wages, as in the literature we have just mentioned. The quality of employment such as involuntary part-time, temporary employment, and the infringement or relaxation of acquired rights (such as maternity leave) also matters, as do poorly-visible responses to loss of income and heightened uncertainty such as increases in unpaid work or decreases in fertility. Last but not least, policy-induced effects are as important for gendered outcomes as the responses of employers to demand shocks and those of workers to loss of income. The combination of early rescue packages mainly directed towards salvaging financial concerns, of stimulus packages mainly directed towards supporting the worst-hit industries, and of austerity policy is unique to this crisis, and has potentially far-reaching consequences on labour market outcomes and gender equality.

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<sup>21</sup> Less so among poorer families, see Sabarwal S., Sinha N. and Buvinic M. (2011), "How Do Women Weather Economic Shocks? What We Know", *Economic Premise*, no. 46.

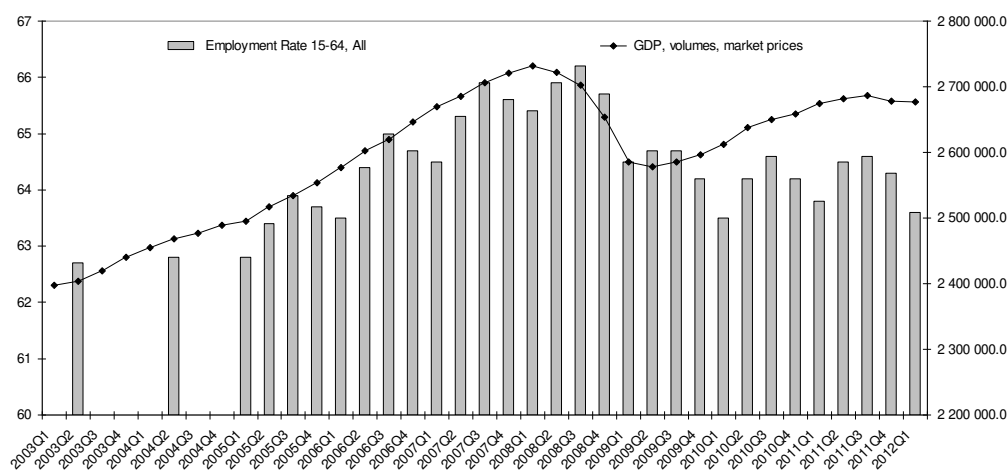
<sup>22</sup> See Rubery J. (ed.) (1988), *Women and Recession*, London, New York: Routledge and Kegan Paul.

## 1.2 Employment, unemployment and sectoral segregation

Deep recession, some ‘jobless growth’ and the unfolding of a new downturn: what happened to the European economy between 2008 and (early) 2012 is clearly detectable from a simple charting of two macroeconomic series over the last ten years, respectively for GDP and the overall employment rate (from 15 to 64) (Figure 1.1). The main stylized facts are well known. Officially, the crisis dates from the second quarter of 2008 for the whole of the EU (EC 2010e: Table 1, p. 22). The response from employment was somewhat delayed, with a fall starting in the last quarter of 2008 and reaching a ‘trough’ in the first quarter of 2010. Output recovered slowly from the first half of 2009, while employment has been oscillating around a flat trend since reaching its own ‘trough’ (lowest) point in the first quarter of 2010. By early 2012 (first quarter), the overall employment rate was again dangerously close to the 2012 trough value. This justifies expectations of another major employment dip in the months to come, the second of this protracted recession.

The patterns are also very different for men and women. If we look at the period from the official onset of the recession (second quarter 2008) until the latest known developments at the time of writing (first quarter 2012) the male rate went down by 3.8 percentage points, from 72.9% to 69.1%, and the female rate by 0.7 points, from 58.9% to 58.2%. But while these figures have the advantage of simplicity and tell the headline story for this Section – that gender gaps have narrowed – in no uncertain terms, they can be misleading on various counts. First, the timing and the severity of the crisis differ between output and employment, as we have noted. Pronounced differences also exist among different countries: some countries experienced the onset of the downturn earlier than others, and a few have entered sustained recovery, while others have never really exited the first recessionary episode. Timing and severity also differ between men and women, with aggregate figures thereby hiding a complex interweaving of gender, country, and timing effects.

**Figure 1.1. Employment and GDP 2003Q1-2012Q1. EU27**



Source: Eurostat, online database

In order to be able to single out the specific labour market effects of the crisis on men and women in each of the 33 countries included in this report, we therefore need to deploy more specialized indicators. One conventional indicator is the peak-to-trough variation in employment in a downturn: that is, the difference between the highest employment value around the onset of the recession and the lowest value ('trough' value or 'trough' for short) reached since. Subsequent developments can be measured by trough-to-latest variations, which are the difference between the latest figure available for the employment rate and the trough value. An alternative method is to look at employment deviations from pre-recession trend values - the difference between the actual level of employment in a given year and the level that would have been reached had the pre-recession trend continued unabated. We shall use both indicators: peak-to-trough and deviations from trend.

Tracking peak and trough points (quarters) is equivalent to charting the different phases of the crisis, and we have done this in Table 1.1 on a country-by country basis, using the criteria spelt out in Box 1.1. Our reference indicator for this mapping exercise is the overall employment rate (15-64).

#### **Box 1.1 - The timing of the crisis in European countries**

Using an analogy with conventional definitions for cyclical output movements, we term the maximum level of employment rates reached between 2007Q4 and 2008Q4 a 'peak' value. Recession is entered if a fall in the employment rate(s) is recorded for two consecutive semesters after the peak has occurred, while a 'trough' occurs when the employment rate reaches its lowest level since the recession began and is followed by at least two consecutive quarters of increase. For countries with no sign of recovery, we have made the trough point coincide with the lowest value reached since the recession first struck.

With these definitions in mind, the following taxonomy of countries can be identified:

1. *One dip countries* (AT, BE, CZ, EE, LT, LU, LV, HU, MT, NL, PL, RO, SI, SK, FI, SE, UK, IS, NO, FYROM, TK): these countries have witnessed a recession and some subsequent recovery. By this we mean either a consistent increase in the employment rate or oscillating movements. The corresponding row in the table includes P and T symbols. The vast majority of countries fall into this group, as does the EU27.
2. *Protracted recession countries* (EL, IE, IT, HR and PT): here the recession was not followed by a recovery. In the corresponding row, a P and an L are marked, where L denotes the fact that the lowest value of employment rate was observed in the latest available quarter. In these computations, we have treated L values as 'troughs'.
3. *Countries heading for a double dip* (BG, ES, DK, FR, CY): here, the first dip is clearly identified, and the second is unfolding at the time of writing, since the latest employment rate value is also the lowest since the recession struck. The corresponding row includes P, T, and L symbols.
4. *No recession countries* (DE): countries that, technically, have not experienced a recession in the overall employment rate but where a trough can be detected for the male employment rate, denoted by a T\*.

In the vast majority of countries, therefore, the 'peak-to-trough' indicator spans the period between well-identified peak trough quarters. In protracted recession countries however it spans the whole period since the onset of the recession. In countries heading for a second, major dip, peak-to-trough variations are computed for the first dip as the second is still unfolding.

**Table 1.1. Peaks and troughs in the employment rate (all, aged 15-64)**

Country (total)	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1
EU 27			P							T								
BE	P						T											
BG				P						T								L
CZ					P					T								
DK			P							T								L
DE				P						T*								
EE				P						T								
IE	P																	L
EL				P														L
ES	P									T								L
FR				P						T								L
IT			P															L
CY	P									T								L
LV	P									T								L
LT				P							T							
LU			P		T													
HU				P						T								
MT				P		T												
NL					P					T								
AT				P						T								
PL					P					T								
PT			P															L
RO				P						T								
SI				P									T					
SK				P						T								
FI			P							T								
SE				P						T								
UK	P									T								
IS			P			T												
NO				P									T					
HR				P														L
FYROM				P						T								
TK				P		T												

Note: P: 'peak'; T: 'trough' (also shaded in grey); L: 'lowest' value since the peak, observed during the latest quarter.

\* 'imputed' trough, coincides with the quarter when the trough was observed for men, as in Appendix 1.

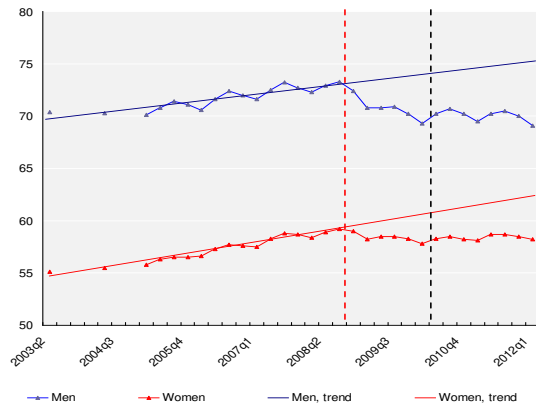
Source: own elaboration using Eurostat online database.

With the help of these specialized indicators we can deepen our analysis of gendered labour market patterns during the past ten years and in particular since the crisis began. Figures 1.2 and 1.3 give the 'big picture' of how employment, unemployment and inactivity behaved for men and women in the Union as a whole. Quarterly values for employment and inactivity rates are displayed in Figure 1.2 alongside computed trend values, where the trend has been estimated over pre-recession years.<sup>23</sup> Using the peak-to-trough indicator, the employment fallout was 4 percentage points for men (69.3% in 2010, 1<sup>st</sup> quarter, compared with 73.3% in 2008, 3<sup>rd</sup> quarter). The corresponding figure for female employment was 1.4 percentage points (57.8% compared with 59.2%). The most recent developments have brought the male employment rate down further, to 69.1% in the first quarter of 2012, while the female employment rate gained 0.4 percentage points on its trough value, reaching 58.2%.

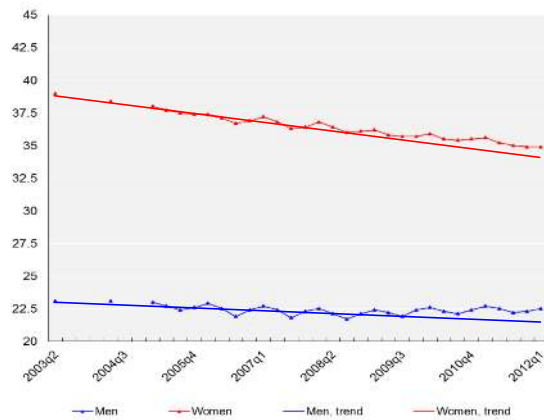
<sup>23</sup> The trend was computed between first quarter 2003 (the first available values) and second quarter 2008. Missing quarter values for the first two years of the series were replaced using standard procedures in STATA. Of course, trend values vary depending on the period over which the trend is computed, but the choice in this case was straightforward, namely to use all available data, since they cover a period of uninterrupted growth.

**Figure 1.2. Employment and inactivity rates in EU27, quarterly values and trends 2003Q1 – 2012Q1**

A. Employment rates



B. Inactivity rates



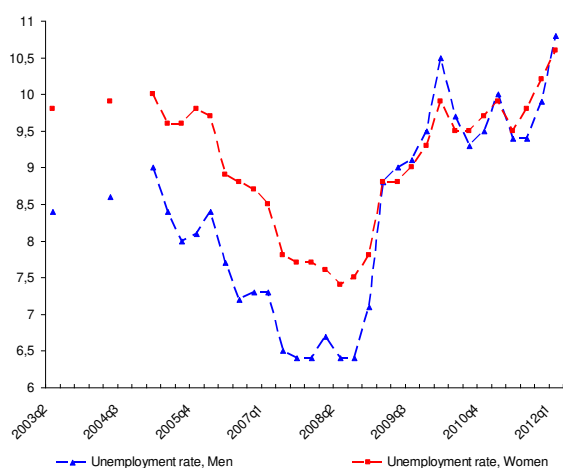
Note: Vertical dotted lines indicate peak and trough values.  
Source: Eurostat, own elaborations.

While resorting to the conventional peak-to-trough measure in order to quantify losses and gains has the advantage of being transparent and simple, it can also bring about a backward-looking perspective. When female employment is experiencing a strong rising trend before a recession and the trend in male employment is weaker, peak-to-trough variations *de facto* underestimate the fall in potential employment for women. An alternative indicator that avoids this difficulty is deviation from trend values. Villa and Smith (2011) view this deviation as capturing the

‘opportunity cost’ of the recession for women or men.<sup>24</sup> If we take this view, the deviation computed at the trough point (2010Q1) may be interpreted as the highest employment opportunity cost incurred during the recession. Deviations from trend in the depths of the recession amounted to 2.6 percentage points for women and 4.6 for men.<sup>25</sup>

To sum up, whichever way we measure loss of employment, men did bear the brunt of the fallout in employment during the recession more than women. How much more, however, depends on the measure that is chosen: nearly three times more according to conventional, but ‘backward-looking’, indicators, and nearly twice as much if the indicator takes into account pre-recession trends. This latter option makes more sense from a gender equality perspective, because a given loss of employment is more costly for the group that is still in the process of catching up (women). It also makes sense from the perspective of the European Employment strategy because the success of this strategy also hinges on women’s ability to catch up.

**Figure 1.3. Quarterly unemployment rates, 2003Q2-2012Q1, by sex**



Source: Eurostat, own elaborations.

The choice of indicators is also important for examining developments in unemployment. If we look at changes in unemployment, a mirror image of that found for employment emerges. By the first quarter of 2012, the male rate had risen 4.4 percentage points since the onset of the recession, with men entering unemployment faster and experiencing wider fluctuations than women. The corresponding rise was 3.2 points for the female rate, with unemployed women behaving as ‘slower movers’. The advantage of this was a less sharp increase when unemployment was on the rise, while the disadvantage was slower re-absorption when unemployment declined. However, if we look at levels rather than changes, female unemployment was higher to start with, and may not be as easily absorbed once a lasting recovery sets in precisely because unemployed women are ‘slower movers’. On two occasions, the male rate rose above that for women – in early 2010 and again in early 2012 – but only just.

<sup>24</sup> Perhaps the main disadvantage of ‘opportunity cost’ statistics is that they are sensitive to the period over which the trend is taken.

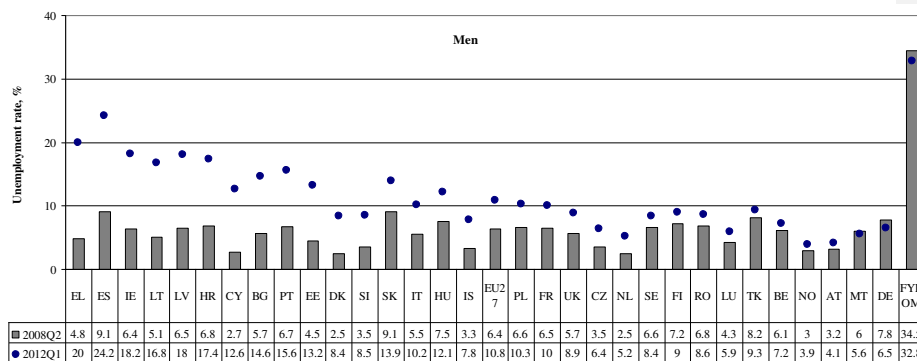
<sup>25</sup> Bottom values of the employment rate for both men and women in Europe as a whole (EU27) were reached in 2010Q1.



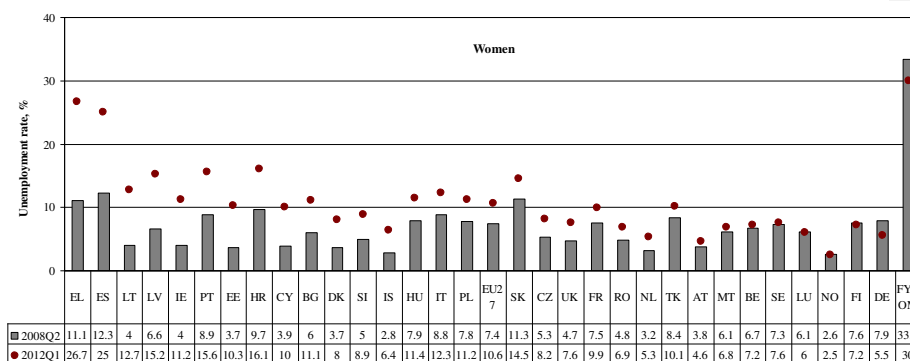
The top ten countries for percentage point increases in unemployment from the onset of the recession are the same for men and women, although the order may differ (see Figure 1.4). The list comprises Greece, Spain, Ireland, Lithuania, Latvia, Croatia, Cyprus, Bulgaria, Portugal, and Estonia. In many of these countries output contractions were also among the largest. This aggregate pattern of a greater increase for men is repeated across the vast majority of countries but the exceptions are worth noting. In Greece, Malta, Romania and Turkey, unemployment among women grew more in percentage terms. While the impact of the recession was rather uneven in these countries, all of them score below the EU27 average for level of female employment. This sends out a warning that the crisis may have curtailed women's job opportunities more where they are scarcer to start with. At the same time, it also indicates that even in low-opportunity countries, women held on to the labour market rather than acting as buffers.

Figure 1.4. Unemployment rates 2008Q2-2012Q1, by country and sex

A. Men



B. Women

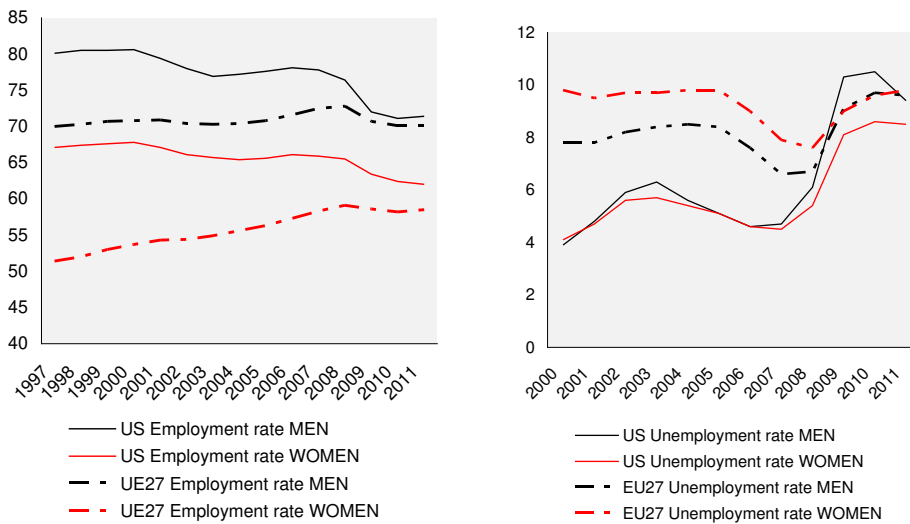


Note: countries are ordered by increase in unemployment.  
Source: Eurostat, own elaborations.

A comparison with the USA brings out the importance of area-specific versus gender effects. Figure 1.5 plots employment and unemployment up to 2011 for EU27 and the USA (yearly

figures). As can be gauged from the chart, female employment has been comparatively sheltered in both the USA and Europe, and in both areas female unemployment was stickier. The main purpose of the comparison, however, is to show that overall employment vulnerability in this crisis has been influenced by area-specific factors at least as much as gender. To say it with numbers, in 2009 – the worst year for employment losses on both sides of the Atlantic – the men’s rate in Europe fell as much as the women’s rate in the USA (-2.1 points with respect to 2008), and about half as much as the men’s rate in the USA. Yet GDP recorded a larger drop on this side of the Atlantic.

**Figure 1.5. Employment and unemployment in the USA and in Europe 2000-2011, by sex**



Source: Eurostat, own elaborations.

Country differences in the employment response to the cycle are considerable also within Europe. Figure 1.6 displays peak-to-trough declines and trough-to-latest variations in the employment rate for men and women in each Member State. Consider, for example, employment contraction in relation to output in the first two years of the recession. The Baltic States, Bulgaria, Denmark, Ireland, Portugal and Spain witnessed the highest contractions relative to output (Employment in Europe 2010), and all of them also exhibited some of the highest peak-to-trough declines, for both men and for women. In fact, employment responsiveness for men correlates strongly with that for women across countries (Box 1.2). Conversely the countries with the strongest male employment recovery to date, including the Baltic States and Turkey, again tend to coincide with those where female employment is picking up faster. Both findings underscore the importance of country effects.

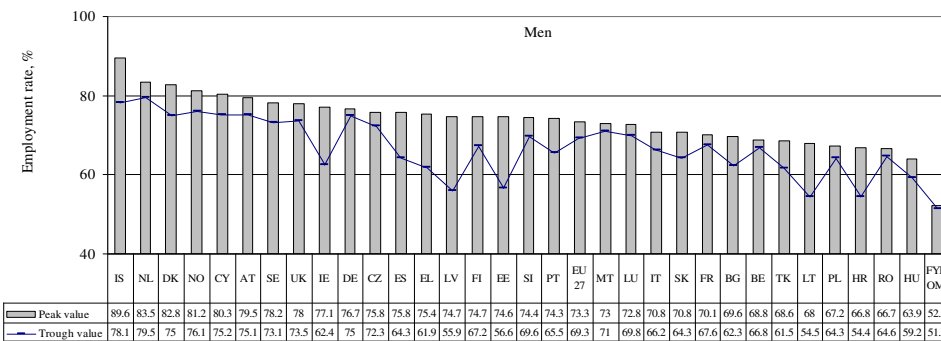
The quite influential literature on Employment Protection Regimes (Bentolilla et al. 2008; Boeri and Garibaldi 2007) underpins a widespread perception that country effects in employment responsiveness reflect the ‘flexibility’ regime present in each country, where ‘regime’ is understood to be the set of regulations, collective agreement practices and income support

policies that makes hiring and firing easier and less costly for firms. In particular, recourse to reductions in hours worked and selective retention of personnel (the so-called ‘internal flexibility’) as an alternative to mass firing – ‘external flexibility’ - has apparently coincided with the far greater employment resilience in the EU versus the USA (EiE 2010: Box 2, p. 27 and Section 3.1.3). To some extent, these country effects were shared by female and male employment, not least because women and men are fairly equally represented in the largest ‘flexible’ labour segment, that of employees on temporary contracts (Section 1.4 below).

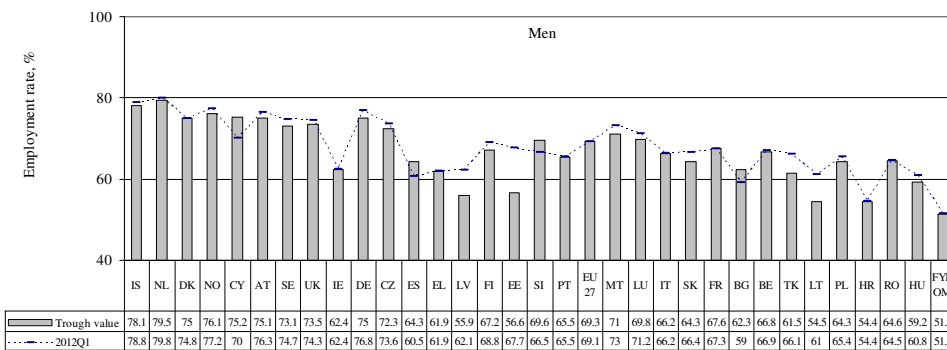
In all countries however the vulnerability of female and male workers differed, primarily because of the sheltering role played by occupational and sectoral segregation. When the recession first struck, output and employment contractions were larger where manufacturing, construction, and selected financial branches were hit the most. Since women are consistently under-represented in these sectors, their comparative vulnerability was lower. In the joblessness and uncertain recovery that followed, female employment was relatively sheltered by comparatively rigid demand in sectors like social and health care, or even education. To date, the negative effects of fiscal consolidation on employment in these sectors have shown up in just a few countries and only partially (Chapters IV and V), but they cannot be ruled out for the future.

**Figure 1.6 Peak-to-trough and trough-to-2012Q1 variations in employment, by country and sex**

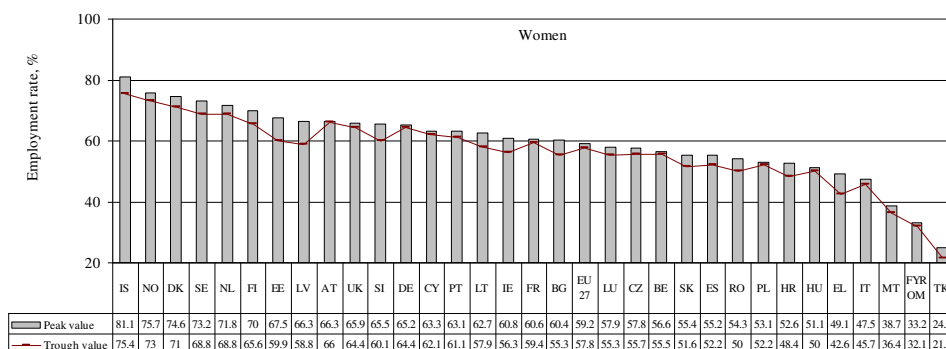
A. Employment rates: peak level and fall to the 1st trough. Men



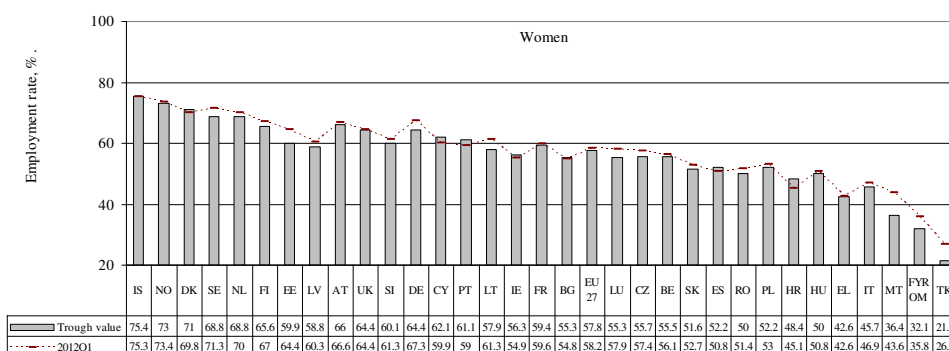
B. Employment rates: trough value and 2012Q1. Men



C. Employment rates: peak level and fall to the 1<sup>st</sup> trough. Women



D. Employment rates: trough value and 2012Q1. Women



Note: sorted by peak value.

Source: Eurostat, own elaborations

In Box 1.2, we explore the role of segregation in protecting female employment. A simple measure of association – the Pearson correlation – between the strength of segregation on the one hand and gender differences on the other in peak-to-trough variations turns out to be statistically significant and positive. This indicates that countries with more sex-typed employment branches recorded comparatively larger employment losses for men, as expected. The value of the Pearson correlation is slightly higher for sectoral than it is for occupational segregation, indicating that employment losses had a more marked sectoral than occupational profile.

To broadly summarize developments in employment and unemployment during the last four years, the evidence is of a downward leveling of the gender gaps through greater employment losses and higher unemployment expansions among men. This holds for the whole of the EU and for most European countries, though not for all. Sectoral segregation has apparently protected women, as it has been found for previous recessions.

The exceptions are worth noting. Unemployment rose more among women in some of the countries where they are poorly integrated in the labour market – in Greece, Malta, Romania, and Turkey in particular, but also in the Czech Republic. Although this may be taken as a sign of

women's determination to stay in the labour market, it also indicates that the crisis may have disproportionately curtailed employment opportunities for women in these countries.

While there is a clear finding of a considerable downward leveling of gender gaps in employment and unemployment, a few qualifications are warranted. The first is that the extent of the 'disadvantage' suffered by men during downturns may be exaggerated by the use of conventional indicators of employment variations during a recession. Specifically, peak-to-trough variations do not account for potential losses stemming from the fact that the crisis interrupted a rising employment trend. European women were experiencing a stronger positive employment trend before the recession began, and thus potential losses are higher for them. In order to capture potential losses, we measured employment variations by taking deviations from pre-recession trends and found that they too are higher for men in the downturn, but not to the same extent as actual losses.

**Box 1.2 - Employment vulnerability in the downturn. Segregation and country-level factors**

A simple way of examining the role sectoral gender segregation has played in the current recession is to ascertain whether within-country gender differences in employment in the downturn correlate with the level of segregation. The higher the degree of protection that segregation affords female employment in a country, the larger the expected difference from male employment. Of course, the correlation is meaningful as long as patterns of sectoral segregation are similar across countries, which is broadly confirmed by recent research (Bettio and Verashchagina 2009). Peak-to-trough declines in employment measure within-country employment vulnerability in the downturn, while segregation is measured by the 2009 IP segregation index computed by Eurostat. For the 27 Member States, the value of the correlation between gender differences in peak-to-trough values and the index of sectoral segregation is 0.50 and falls to 0.40 for occupational segregation. Both values are statistically significant (Table 1.2). Although caution is needed in assessing correlations, as they need not indicate causality, the results conform to the experience of past recessions, when over-representation in certain service occupations and the public sector worked in favour of women.

Segregation may thus have made some difference for female (or male) employment within each country. Across countries, however, national rather than gender differences appear to matter: that is, where the responsiveness of male employment to a given contraction in output was higher, so was that of female employment. Employment responsiveness to output variations is measured by elasticities<sup>26</sup>, and Table 1.2 sets out peak-to-trough employment elasticities separately for men and women. The cross-country correlation between the two sets of elasticities is very strong (0.91), indicating close similarity of behaviour.

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<sup>26</sup> Employment elasticity with respect to output takes the percentage variation in employment in ratio to the percentage variation in GDP.

**Table 1.2. Employment vulnerability in the downturn**

Country	Employment/ output elasticity peak-to-trough, WOMEN (1)	Employment/ output elasticity peak-to-trough, MEN (2)	Absolute gender difference in employment peak-to-trough variations (3)	IP index of occupational segregation, 2009 (4)	IP index of sectoral segregation, 2009 (5)
BE	0.258	0.469	0.9	25.5	19.58
BG	0.575	0.823	2.2	29.4	21.84
CY	0.402	1.707	3.9	29	19.72
CZ	0.356	0.594	1.4	28	20.69
DE	0.118	0.250	0.9	26.2	19.46
DK	0.445	0.964	4.2	25.5	19.71
EE	0.398	0.942	10.4	31.8	25.36
EL	0.648	1.345	7	22	16.02
ES	0.560	2.147	8.5	27	20.84
FI	0.426	0.726	3.1	29.3	24.15
FR	0.279	0.582	1.3	26	19.02
HU	0.132	0.564	3.6	28.4	20.84
IE	0.418	1.365	10.2	27	22.13
IT	0.256	0.654	2.8	24.4	19.76
LT	0.302	0.849	8.7	29.2	22.67
LU	0.333	0.384	0.4	23.7	16.48
LV	0.314	0.787	11.3	28.5	23.58
MT	0.503	0.437	0.3	23.4	16.35
NL	0.595	0.793	1	24.9	18.73
PL	2.149	6.924	2	26.2	20.62
PT	0.311	1.368	6.8	27.1	21.61
RO	0.498	0.243	2.2	23.1	17.26
SE	0.594	0.689	0.7	26.1	21.86
SI	0.566	0.503	0.6	26.1	18.53
SK	0.452	0.773	2.7	30.4	24.63
UK	0.239	0.717	3	24.7	19.47
<b>EU 27</b>	<b>0.247</b>	<b>0.706</b>	<b>2.6</b>	<b>25.8</b>	<b>19.83</b>
Correlation					
1,2	0.91				
3,4	0.40				
3,5	0.50				

Source: own elaboration using Eurostat online database.

One additional qualification concerns timing. As noted, employment stickiness is an advantage during the downturn, but the downside is that unemployment absorption may be slower when a generalized recovery finally sets in. This concern adds to the risk that ongoing financial consolidation in feminized areas such as public administration, social services, or education will hinder future prospects of swift employment gains for women in several countries. We shall come back to the issue of fiscal consolidation in Chapter IV.

As we have argued throughout this Section, gender differences are of central importance for an understanding of the way the labour market has behaved during the crisis, but they should not be over-emphasized. We would argue, in fact, that one of the novelties of this crisis is a growing similarity in behaviour on the part of men and women. A close investigation of patterns of inactivity, involuntary short-time working, discouragement from job-seeking, and income roles will bear this out in the discussion to follow.

### 1.3 Inactivity and discouragement

Did the fall in household income push women out in search of employment, or did lower job opportunities discourage many of them from searching? The stylized fact at the macro level and for the whole of Europe is that (i) unlike men, women increased their labour market participation; (ii) male breadwinner households lost ground in favour of female breadwinner households; (iii) discouraged workers are (and remain) higher among women, but the rise in the aftermath of the recession was greater for men, if anything.

All this is consistent with the possibility that both added and discouraged worker effects were at play. However, while the typical worker pushed into the labour market by the recession may still be female, the 'typical' worker discouraged by the recession is no longer a woman.

Here are the details. Some support for the added worker effect is found in gender patterns of labour market participation. In the first quarter of 2012, twenty-two and a half out of a hundred men of working age were not in the labour market in Europe, slightly more than four years earlier when the recession officially began (22.1% in 2008, second quarter for EU27). Many more women were inactive - 34.9 out of a hundred in 2012 - but less so than four years earlier (-1.5%). In other words, labour market participation has risen among women and fallen among men<sup>27</sup>.

This difference in activity patterns may partly reflect structural trends: women's activity was following a stronger rising trend in the pre-recession years. However, there is also evidence that the crisis may have turned some women into added workers. According to the latest 2011-2 *Labour Market Developments in Europe*, (EC 2011: Box 1.1.1, Table 2) this has happened among married women with children, as the theory predicts. It is recognized, however, that analysis would be needed at a country level for conclusive proof. Ghignoni and Verashchagina (2012) provide qualified evidence for Italy. They find that the added worker hypothesis holds for the Central and Southern regions of the country. In these regions female labour force participation is lower than in Northern Italy where women's participation patterns are closer to those observed in Europe as a whole. It is therefore conceivable that an added worker effect has emerged in the EU as a whole primarily thanks to developments in low female employment regions.

EU-SILC data on income roles within households are also not inconsistent with the possibility that the crisis may have triggered an added worker effect. Table 1.3 sets out the typology of couples by the partner's contribution to earnings from employment. In 2007, just before the crisis struck, dual-earner couples accounted for 74.1%<sup>28</sup> of the all couples with at least one working age partner in the 25 European countries included in the SILC survey (simple average). The pure 'male' breadwinner typology, where only 'he' earns, made up little over one-fifth of the total (21%), while female breadwinner couples accounted for a 4.9% share. By 2009, dual-earner

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<sup>27</sup> It should be recalled, however, that women's activity was rising faster before the recession. The same structural factor pushing for an increase in pre-recession years may thus explain part of what happened during the recession.

<sup>28</sup> Note, the EU-SILC figures refer to income earned in the year preceding the survey. Thus 2009 figures are drawn from the 2010 survey. The values are weighted average.

couples had lost ground (-5.1%), mainly to the benefit of female breadwinner couples (+4.7%), while male breadwinner couples more or less retained their share (+0.4%).

The shift from dual to female breadwinner couples was more pronounced in some of the countries worst and first hit by the crisis – mainly the Baltic countries (Estonia, Latvia, and Lithuania). Without further investigation of flows between household types, however, we cannot know to what extent these changes reflect loss of jobs for the male partner in dual-income households versus some added worker effect.

**Table 1.3. Couples by partner's income role, 2007-2009**

Country	2009			2009-2007 (%)		
	Male breadwinner couples	Dual-earner couples	Female breadwinner couples	Male breadwinner couples	Dual-earner couples	Female breadwinner couples
AT	22.14	68.29	9.57	-5.95	-1.44	7.39
BE	19.49	75.54	4.98	-3.36	2.72	0.65
CZ	27.16	64.43	8.41	4.24	-7.67	3.43
DE	22.36	65.62	12.02	-1.87	-4.60	6.47
DK	11.25	81.37	7.31	3.77	-7.34	3.50
EE	20.95	66.10	12.94	3.43	-10.64	7.21
ES	30.40	63.28	6.33	-4.60	1.40	3.22
FI	12.67	76.79	10.53	3.36	-6.92	3.55
FR	16.34	74.21	9.45	-1.51	-3.09	4.60
GR	37.04	54.23	8.73	-5.36	-1.46	6.83
HU	27.06	60.20	12.74	1.40	-4.47	3.07
IS	8.96	86.30	4.74	1.05	-3.92	2.87
IT	35.86	53.76	10.38	-1.67	-4.97	6.64
LT	18.75	66.82	14.43	2.65	-10.23	7.58
LU	29.26	61.45	9.29	-1.89	-3.45	5.33
LV	20.69	65.73	13.58	6.61	-15.63	9.02
NL	18.15	75.21	6.64	-1.78	-1.61	3.49
NO	10.58	82.58	6.84	0.34	-2.30	1.96
PL	30.97	58.16	10.87	-0.51	-0.18	0.69
PT	25.14	63.17	11.69	0.16	-6.89	6.72
SE	10.67	80.05	9.28	1.97	-6.22	4.24
SI	16.41	72.15	11.42	3.36	-7.13	3.75
SK	19.53	72.59	7.87	3.69	-8.24	4.54
UK	20.75	67.98	11.27	2.34	-8.73	6.39
Simple average	21.4	69	9.6	0.4	-5.1	4.7

Note: Couples with at least one of the partners working.

Source: EU-SILC surveys for 2008 and 2010; own elaborations.

At the same time as it pushed additional women into the labour market, the crisis also pushed out of it almost a million and a half discouraged workers – persons who were not seeking work because they believed that none was available. Between 2008 and 2011, slightly more men than women (respectively 762 and 632 thousand) exited on the grounds of discouragement. As a result, the EU27 share of discouraged workers in the non-active population rose by two percentage points for men, and by slightly more than one point for women, although the starting value was (and remains) higher for the latter (Figure 1.7). Once again the gender gap closed, but not in all countries. In a sizeable minority of Member States – Cyprus, Greece, the Netherlands,



Portugal, the Slovak Republic and Spain – the increase in the share of female discouraged workers was actually more pronounced.

These developments tell a story in no uncertain terms: that the behaviour of women in the recession reflects the fact that their income role is in transition between traditional conditions as marginal and secondary earners and modern conditions as co-primary earners. Thus, a few may still fit within the added worker concept, but the majority behaves much like men.

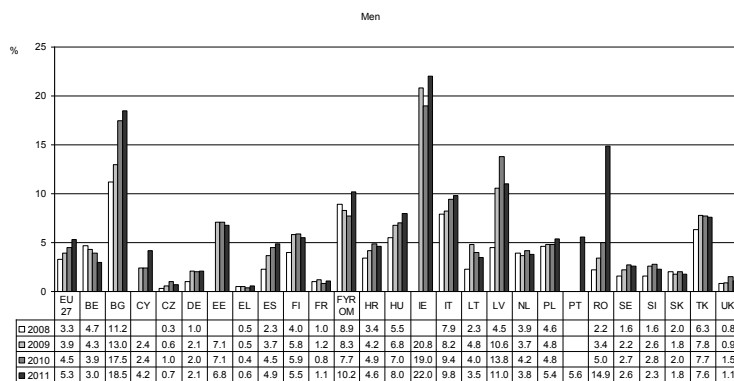
The increasing representation of men among the so-called NEETs underscores this conclusion. As is well known, the term applies to young people aged 15-24 who are not in education, employment, or training. Discouraged workers have contributed to swelling the ranks of the NEETs during this recession. In 2010, this share amounted to 12.8% of the population of those aged 15 to 24 in the EU27, which corresponds to approximately 7.5 million young people. The size of the problem varies across the EU Member States, with values ranging from 4.4% in the Netherlands to 21.8% in Bulgaria (European Foundation for the Improvement of Living and Working Conditions, 2012: Figure 3).

In 17 out of the 27 EU Member States, the share of NEETs is higher for women, resulting in approximately a 1 percentage point gender gap for the EU27. The gap is particularly marked in Greece and Romania. In Bulgaria, the country with the highest incidence of NEETs, almost every fourth woman aged 15-24 belongs to this category. The Baltic States, Ireland, Spain, the three Scandinavian countries (Denmark, Finland and Sweden), as well as Luxembourg, the Netherlands and the Slovak Republic exhibit the opposite pattern. Here, the men's share of NEETs is higher, though in some Member States (such as the Scandinavian countries), gender differences are fairly limited.

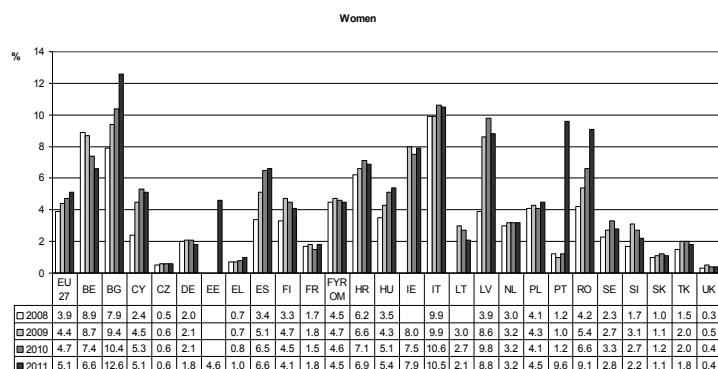
As the recent Eurofound investigation on the NEETs states: “*With the exception of Luxembourg, all the Member States have seen a considerable rise in the number of NEETs since the onset of the crisis; in 2010 in Italy and the UK, the size of the NEET population has reached approximately 1.1 million of those aged 15–24 years. Factors which primarily affect the probability to be in the group include: some kind of disability, immigration background, a low education level, living in remote areas, low household income, unemployed and divorced parents, as well as low educational background.*” (European Foundation for the Improvement of Living and Working Conditions, 2012: p.3).

**Figure 1.7. Discouraged workers, 2008-11, by country and sex**

A. Male discouraged workers as a ratio of the inactive male population



## B. Female discouraged workers in ratio to the inactive female population



Source: Eurostat data, own elaborations

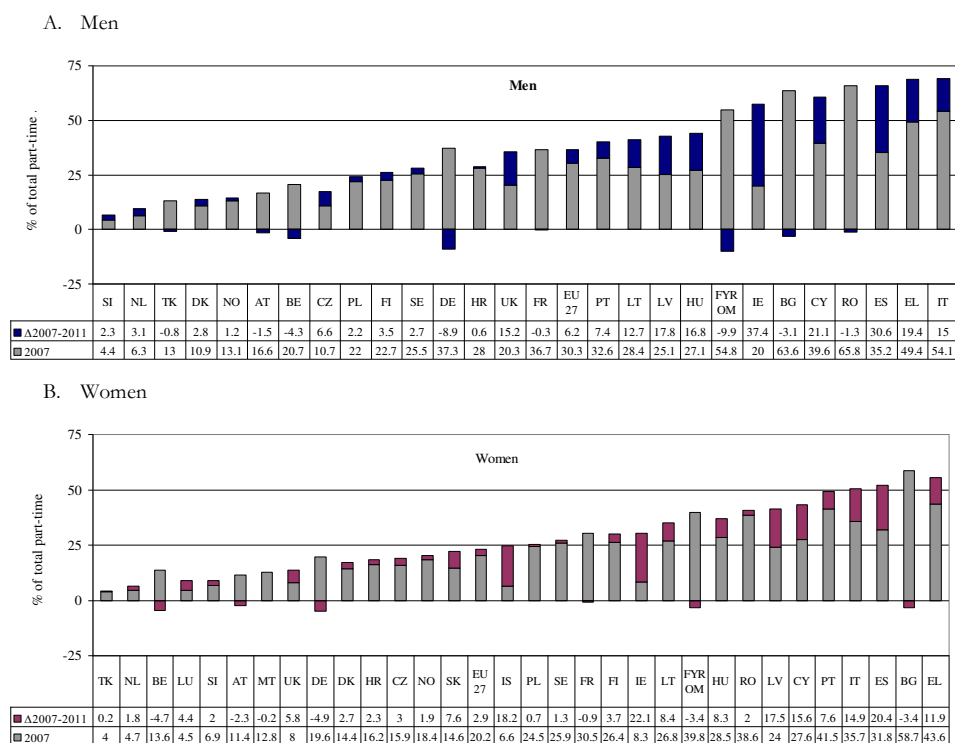
### 1.4 Employment conditions: involuntary part-time and temporary contracts

Economic crises heighten the risk that the ‘quality’ of employment will decline because employers impose inferior conditions in an effort to curtail costs, or because employees are more willing to accept some worsening if it helps them stay in employment. Quality of employment has several dimensions, first and foremost pay. Chapter II will investigate the pay issue. In this and the following sections, we focus on the deterioration of employment conditions other than pay in particular the rise in involuntary part-time, the use of temporary employees as buffers and the weakening of workers’ rights. The overall indication is that the worsening of working conditions has spared neither men nor women, but has affected them differently. It is also perceived differently, making issues of ‘more’ or ‘less’ rather questionable.

Part-time working has risen during the recession, and in early 2012 it was slightly higher than at the onset of the crisis. Much more so than in the USA, part-time has been used in Europe to avoid the harder option of firing (European Commission, 2010e; Hijzen and Venn 2011). According to the results of the European Social Survey conducted in 17 Member States to investigate working conditions during the recession (Box 1.4), more than 10% of female respondents reported having to work shorter hours in 14 of these countries - 13 in the case of men.

Given the use of shorter hours as an alternative to lay-offs, any increase in part-time during this recession may be considered a mixed blessing. However, when workers self-identify as ‘involuntary part-timers’ it is the sense of loss that prevails. In 2010, when the first employment dip occurred, the share of involuntary over total part-time had risen to 38.1%, up 5.8 points from its 2007 level (Figure 1.8). Among women, the corresponding value was 24%, up 3.8 points. One year later - the latest on record - the share decreased for both sexes, but remains considerably higher than pre-recession levels. Again, however, percentage variations may be misleading because many more women are part-timers. Absolute figures tell a different story. In 2010, female involuntary part-timers numbered 7.3 million against 3.2 million for men. The respective upsurge from 2007 totalled 1.3 million, against 773 thousand. This is a clear case where the choice of indicators colours the perception of outcomes.

Figure 1.8. Involuntary part-time, 2007-2011



Note: Sorted by level in 2011.

Source: Eurostat data, own elaborations

Of course country-specific patterns vary, but those worst hit by the upsurge in involuntary part-time also tend to be those where there was more of it already. Specifically, Mediterranean countries such as Greece, Italy, Spain and Cyprus are at the high end of the range with the largest share of involuntary part-time, as well as some of the strongest rises for both women and men. In percentage terms however, it is Ireland that leads the league for increases, although its starting value was comparatively low among women. Nordic countries are more frequently found at the opposite end to Mediterranean countries, while Eastern countries are found at both ends.

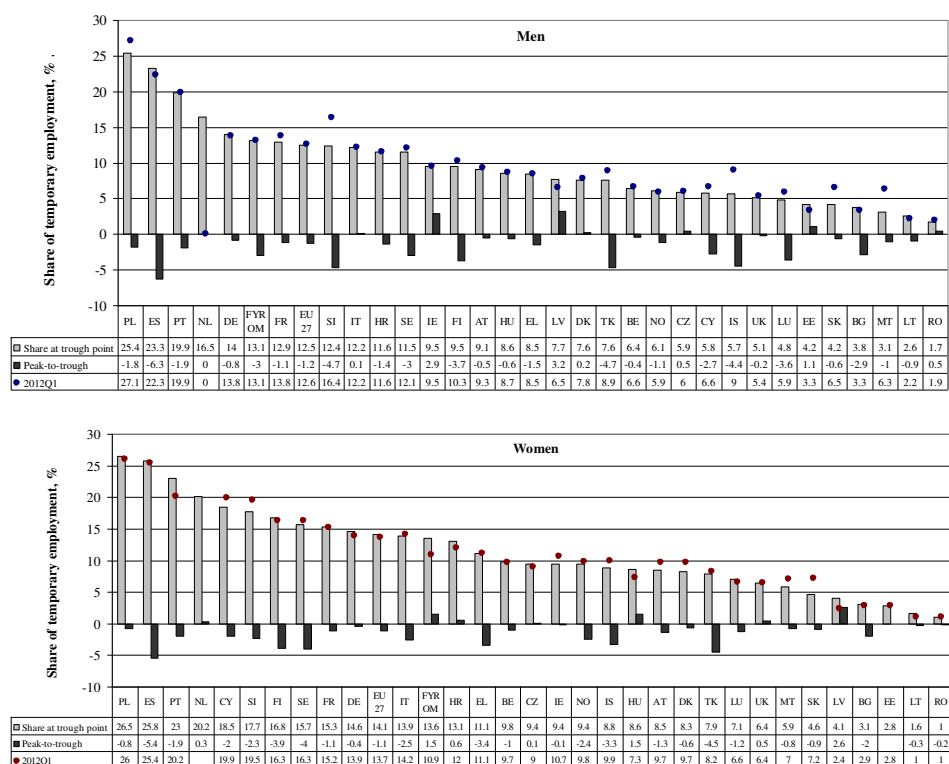
Unlike part-time, temporary employment is distributed fairly equally between men and women, with a slight prevalence of the latter. In EU27, men on temporary contracts reached 12.6% of total male employment in the first quarter of 2012, while the figure for women was 1.1 percentage points higher (13.7%). A modest gender gap also characterizes most Member States, the exceptions being Bulgaria, Latvia, Lithuania, and Romania.

In the downturn, a last-in-first-out principle prevailed, as firms found it more difficult to fire tenured employees than to stop renewing temporary contracts. The peak-to-trough share of male temporary employment declined from 13.7% to 12.5% in EU27, and a very similar contraction was recorded for the share of female temporary employment (from 15.2% to 14.1%). Uncertainty about recovery in some countries and protracted recession in other

countries account for a mixed pattern after the first dip. At the EU level, there was a slight decrease in the share of temporary female employment, while substantial stability prevailed for men. By early 2012, the (small) gender gap had grown smaller than it had been in 2008, but the change is marginal (Figure 1.9).

It is well known that temporary employees are disproportionately concentrated among younger workers. Given their low employment protection, young workers have been used to cushion the employment fallout among adult and older workers, as highlighted by the segmentation debate. Temporary employment may bring some advantages to young workers, including more opportunities to shop around for better jobs; however, this crisis added higher cyclical sensitivity to the list of disadvantages for this type of labour relations. The average young worker on temporary employment in the EU experienced a wage penalty of 14.4% in 2010 in comparison to a worker on a standard contract with similar characteristics. Moreover his/her chances of transiting to a standard, open-ended work contract were barely over one-third in the same year (34.6: European Commission 2012b: Table 2, p. 146).

Figure 1.9. Temporary employment. Peak-to-trough change and current values



Source: Eurostat data, own elaboration

This has an important gender twist. Temporary contracts may preclude access to full maternity benefits, for example if the woman becomes pregnant during a spell of unemployment.

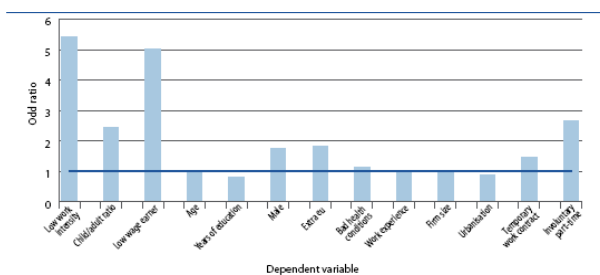
Moreover, uncertainty about the timing and conditions of the next (sequence of temporary) jobs creates a specific disadvantage for young women, as it has been found that fertility is delayed when labour market prospects are unclear (see, for example, Adsera 2004, Modena and Sabatini 2010). While this holds true in good and bad economic times, for the young female cohorts affected by the crisis uncertainty may lower fertility altogether (Sobotka et al. 2010), since a postponement of a few years will significantly shrink a woman's reproductive period.

### 1.5 In-work poverty: differences among women matter

Part-time and temporary work are among the employment characteristics that contribute to in-work poverty, especially when it is involuntary. So is low pay too. But despite women's over-representation among part-timers, the low-paid, and temporary employees, in-work poverty besets selected segments of women rather than all working women, and remains higher among working men. This is because job and contractual characteristics matter for working people's exposure to the risk of poverty, but so do the characteristics of the family they belong to. For example, a single mother with one child increases her odds of in-work poverty by roughly 2.4 times when she has a second child (European Commission 2012b: Chapter 4, p. 153). Young, single working women are also at greater risk of in-work poverty on account of low starting salaries and temporary contracts, but they largely share this risk with young men. For partnered women, however, notably many of those that could be classified as 'secondary earners', the partner's income often counters the risk of in-work poverty. Commission Services estimated for the interval 2007-2009 that, all other things being equal, being a man increased the odds of being in-work and poor by some 4 percentage points compared to being a woman (Figure 1.10).<sup>29</sup>

Between 2008 and 2010, in-work poors rose very slightly and only among women within the EU, although the incidence remains higher among men (8.9% compared to 7.8% among women)<sup>30</sup>. A plausible explanation is that job losses were stronger among the low paid, and given the sectoral profile of the recession, among men.

**Figure 1.10. Determinants of in-work poverty, EU level, survey years 2007-2009**



Note: Odd ratios of Logit estimates of the impact on in-work poverty (see Box for the specification). The estimation includes country, time and occupation dummies. See Annex for detailed results.

Source: European Commission (2012b): Chart 17, p. 153.

<sup>29</sup> Technically, the odds ratio (the ratio of the likelihood of being in-work poor versus that of not being in this condition).

<sup>30</sup> Eurostat, online database

## 1.6 Working conditions: infringement and restrictions of rights and entitlements

Restrictions of rights that protect pregnant women or mothers of young children are not confined to employees on temporary contracts. In at least three countries Greece, Ireland<sup>31</sup> and Portugal Labour Inspectorates recorded a multiplication of the instances of infringement of such rights during the crisis, while in Italy and the Czech Republic infringement is reported to have occurred frequently in 'normal times' as well. The Netherlands is a welcome exception: take-up of parental leave actually increased in recessionary years and among both men and women (Box 1.3).

Besides pregnancy and maternity, restrictions of rights contributed to deteriorating working conditions in other respects. Delayed wage payments are frequently alleged for Eastern European countries (Bulgaria, Estonia, Latvia, Lithuania and Poland) and also for Greece, whilst in other countries allegations range from specific instances of discrimination against women (Portugal) to occupational downgrading (UK), the conversion of standard into 'atypical' contracts and increases in irregular work (Greece), increased work pressure and harassment at work (Finland and France), and more frequent violations of health and safety regulations (Latvia, Lithuania, and Slovenia), of working schedules (Poland) or of the right to unionize and strike (Turkey). As might be expected, there is no clear sign that male or female workers were more frequent targets, although this may be the case for individual countries or for specific allegations.

### Box 1.3 - Infringement of rights of pregnant and would-be pregnant women during the recession

**Greece.** Infringements of the right of pregnant women to a full period of maternity leave and of the right of mothers to childcare leave or a reduced working day immediately after maternity leave were frequent in the private sector before the crisis. Highly sensitive issues are also increased instances of discrimination in hiring, lay-offs in the case of pregnancy etc. Between 2007 and 2009, the number of disputes on gender equality at work in which the Labour Inspectorate was called to intervene increased from 11 in 2007 to 79 in 2010. The primary reason for intervention is illegal dismissals of pregnant and breast-feeding women. The second most important reason is the detrimental change in the employment conditions of mothers returning after completion of maternity leave.

**The Czech Republic.** Discrimination against mothers with small children is an "institutionalized feature" of the Czech labour market. The three-year parental leave, together with low availability of childcare services for children under six years of age, gives employers grounds to discriminate against all women, with or without children. These tendencies already existed before the crisis, and these groups of women are more likely to be affected by a worsening in working conditions and cuts in social benefits during the crisis.

**Italy.** According to the surveys carried out in 2008-2009 by the National Statistical Institute, there is a tendency for the working conditions of young mothers to become more stringent. In 2008-2009, about 800,000 mothers who were working or had worked in the past declared that they had been dismissed or forced into a position where they resigned because of pregnancy during their working life course. This amounts to about 8.7% of the total in the 15-64 age group, but the percentage peaks at 14.1% for mothers born after 1973: that is, those who entered the labour market during this decade.

**The Netherlands.** From a gender perspective, it is interesting to see if access to leave schemes has become more restricted during the crisis. Data from 2002 to 2010 show that while the take-up rate decreased between 2006 and 2008, it has increased even further since then. Among men, take-up was almost 23% in 2010, and among women almost 43%. This seems to suggest that the crisis did not prevent parents from taking up parental leave.

**Portugal.** According to the last official Report of the Commission for Equality in Labour and Employment (CELE), one of the most frequent reasons for CELE's intervention is giving legal opinions in cases of the dismissal of pregnant, puerperal and breastfeeding women. Requests for legal opinions increased from 87 in 2008 to 94 in 2009.

Source: EGGE national reports

<sup>31</sup> For further details on Ireland see Russell H and F McGinnity (2011), 'Workplace Equality in the Recession? The Incidence and Impact of Equality Policies and Flexible Working'. Dublin: Equality Authority & ESRI.

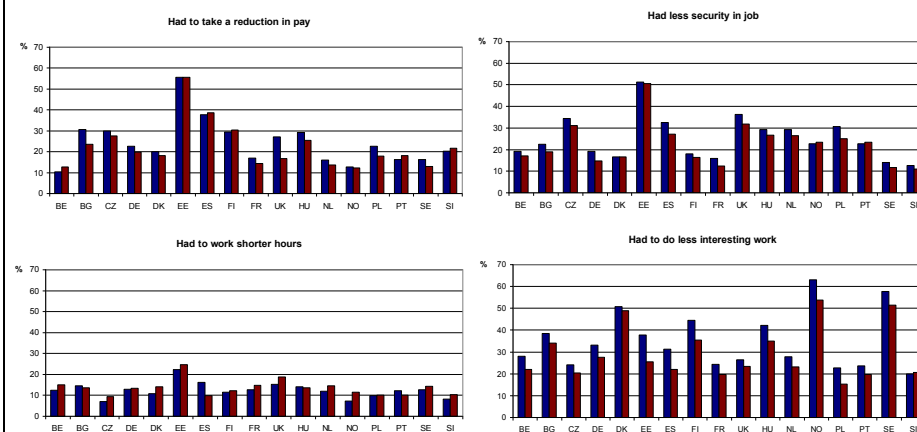
Men voiced complaints more frequently (Box 1.4). The above-mentioned 2010 ESS survey gathered subjective evaluations of changes in working conditions that had taken place in the preceding three years. The questions administered to the respondents focused on four aspects: (i) experiencing a reduction in pay; (ii) having to work shorter hours; (iii) having less security in the job; and (iv) doing less interesting work. Men reported cuts in pay, heightened job insecurity, and worsening quality of the work content more frequently than women. Women reported having to reduce work hours more frequently than men. While more frequent complaints of job insecurity and pay cuts among men reflect higher jobs losses on their part, more frequent grievances about the quality of work content may also reflect the fact that in ‘normal’ times, men are less likely to be induced to accept compromises relating to the quality of their work content on account of family commitments.

**Box 1.4 - The effect of the crisis on working conditions, a subjective evaluation**

The European Social Survey conducted in 2010 investigated the impact of the crisis on working conditions. The survey was conducted in 20 countries - 17 from the EU, plus Israel, the Russian Federation and Switzerland. The main results for the EU countries are as follows (Figure 1.11):

- in 10 European countries out of the 17 covered by the survey, at least 20% of male respondents reported having to take a reduction in pay, while for women the corresponding number of countries is 7.
- at least 20% of men reported having less job security in 10 countries, compared to 9 for women.
- at least 10% of men reported having to work shorter hours in 13 countries, compared to 14 for women.
- at least 30% of male respondents reported to be doing less interesting work in 9 countries, compared to 6 for women.

**Figure 1.11. Subjective evaluation of change in working conditions during last three years, 2008-2010**



Note: blue bars represent men, and red bars women. Design weights have been applied

Source: own elaboration on ESS data, round 5, year 2010 (first release: 26.10.2011)

In some contrast to the picture emerging from the ESS investigation, the survey conducted in 2011 by the European Trade Union Confederation (ETUC 2011) among its members documents a widespread perception that women suffered losses across the board, indicating that

that the lack of gender disaggregated statistics may have contributed to underestimate the scope of such losses.

### 1.7 Buffer and sheltered groups: the age, nationality and educational divides

Temporary employees are among those bearing the repercussions of the crisis to a disproportionate extent. The segmentation debate suggests that there are other candidates – the unskilled and migrants in particular – and it is of interest to investigate gender patterns for these groups. For this purpose, we have chosen to focus on three possible dimensions of segmentation in this Section: age, education, and nationality.

**Age.** Peak-to-trough losses in employment for young workers (15-24), adult workers (25-49) and older workers (50-64) bear out the finding that in Europe as a whole (i) the younger the worker the higher the employment losses during recession, and (ii) this age pattern is common to men and women, though less pronounced for the latter (Figure 1.12).

Prima facie differences among countries in the employment vulnerability profile by age group are consistent with the hypothesis that vulnerability also depends on the type and strength of employment protection in the country (or on the type or strength of flexibility). Compare the pattern for Spain and Estonia in Figure 1.12. Spain, where the incidence of temporary employment is one of the highest in Europe (25.4% for women and 22.3% for men in 2012Q1), well illustrates the buffer role of young workers, men and women. In Estonia however the labour market is fully flexible for both young and older workers. This caused extremely high losses in the recession, but not primarily to the detriment of younger men. In fact, the worst hit groups were adult male workers. The pattern for this country is repeated in other Baltic and Eastern European countries (Latvia, Bulgaria, Hungary, and Poland). No clear picture emerges for countries with contained losses, including Germany, Belgium, and France.

On average for Europe, however, job losses for workers older than 55 were more contained than for younger workers. Among older women employment has never stopped growing, though it slowed down as the crisis unfolded (see also EC, 2012: Chart 4, p. 206). Unlike in earlier recessions, therefore, the employment of older workers was apparently spared from the worst effects of the downturn. However, this is likely to reflect the fact that a number of European countries postponed the pensionable age in the attempt to curb public deficits (see Chapter 5) rather than the willingness on the part of employers to hoard their more experienced manpower.

For buffer-role-groups like young workers (men and women) the expectation is that employment recovery should be more pronounced. In the vast majority of countries that are experiencing some level of recovery, however, employment gains up to the first quarter of 2012 are too uncertain and slim to yield any firm indication.

**Education.** A common finding for previous recessions was that the less educated a worker was, the higher her/his risk of losing the job, and vice versa. In the current recession, this holds for the 'average' EU male and female worker, but not for all workers or in all countries (Figure 1.13).

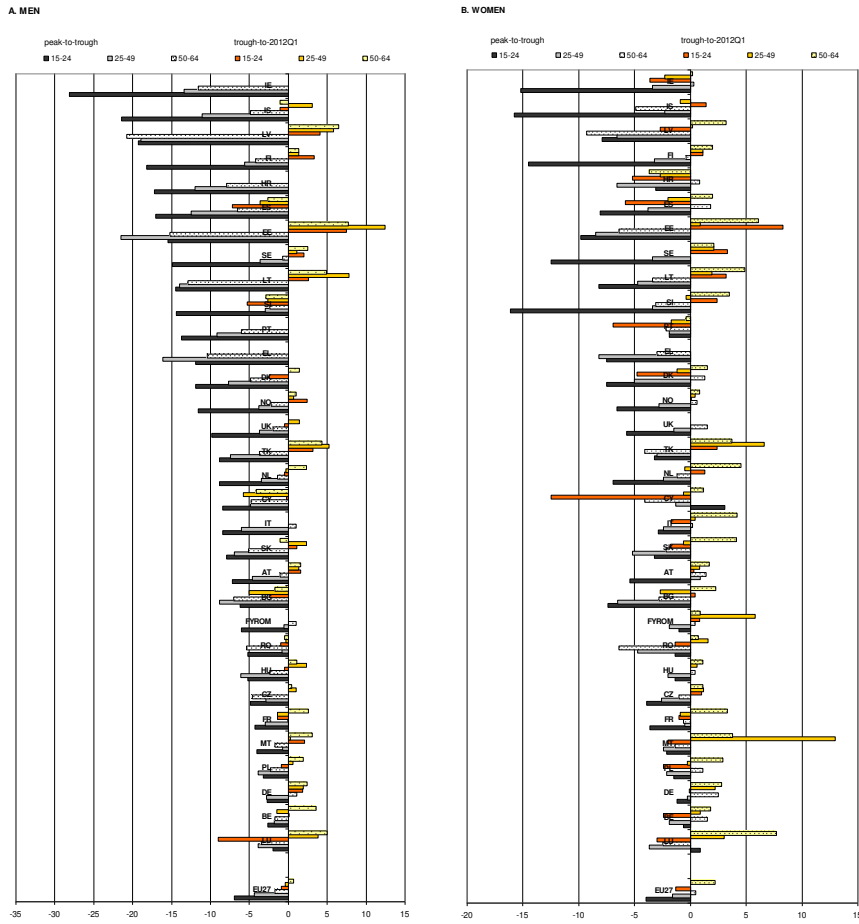
For example, the average European worker with tertiary education was still comparatively shielded from dismissals, but this did not apply to women in some Baltic and Mediterranean countries. In Estonia, Latvia, Italy and France, it was low-educated women who suffered lower employment losses. Moreover, in countries where some recovery is underway, employment growth is often stronger among middle-educated women and men than it is at the top end of the educational range, although there are exceptions to this pattern (Latvia and Malta), and the order of magnitude is still too small for any safe conclusion to be reached. This waning degree of protection afforded by education has presumably contributed to the emergence of NEETs as a large, worrying phenomenon among men as well as women (see above).



**Nationality.** There is little doubt that the most vulnerable group in this crisis is male migrants, and in a fairly consistent geopolitical order. Male workers from outside the Union were the worst hit by job losses, followed by mobile male workers from within the Union: that is, male citizens of the Union working in a European country other than their own. In EU27, the peak-to-trough drop in the employment rate reached 5.2% among male mobile EU workers, and 8.6% among third countries male migrants. By comparison, the figure for local (national) male workers is 3.8% (Figure 1.14). In 14 out of the 22 countries for which relevant data exist, the highest employment fallout was, in fact, for outside migrants. However, in Ireland, Denmark, Austria, Poland and Luxembourg mobile workers from within the Union fared slightly worse than migrants from outside.

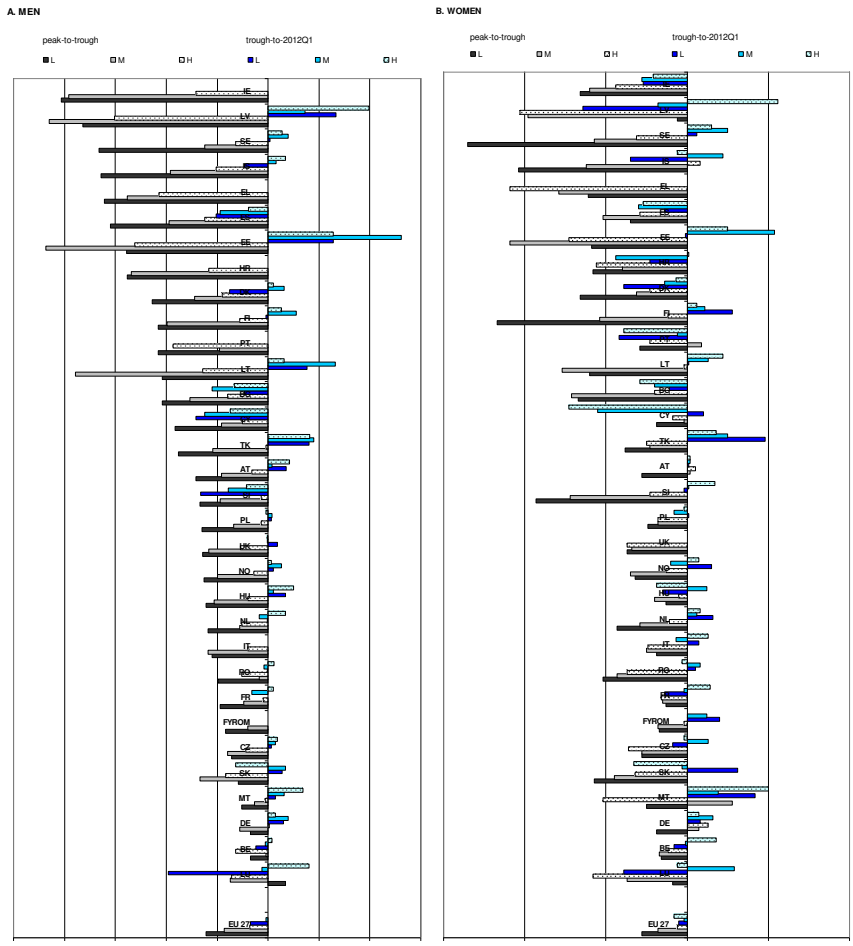
The pattern is rather different for female workers. Mobile women workers from within the EU were by and large spared, except in Ireland, Finland, the Netherlands, and Portugal. In fact, they proved less vulnerable to the recession than national female workers in EU27 as a whole. The converse holds for third countries female migrants, but even for this group the fall in employment was at 3.7 percentage points. One plausible reason is, again, occupational and sectoral segregation. So called ‘independent’ female migration from Eastern Europe and from outside Europe has grown considerably over the past decades, filling shortages of local workers in service and care jobs, and in elderly care in particular (Morokvasic 2003; Bettio et al. 2006; Kofman and Raghuram 2007). The recession has not halted the ageing process, and demand for elderly care has continued to grow. In fact, shortages of skilled and semi-skilled care workers were reported in several European countries just before the recession (Bettio and Verashchagina 2009). Since then, the growth in demand for elderly care may have decelerated due to falling private and public funds, but this is unlikely to have cancelled out the shortages altogether.

Figure 1.12. Age profile of employment change. Peak-to-trough and trough-to-2012Q1 variations in the employment rate.



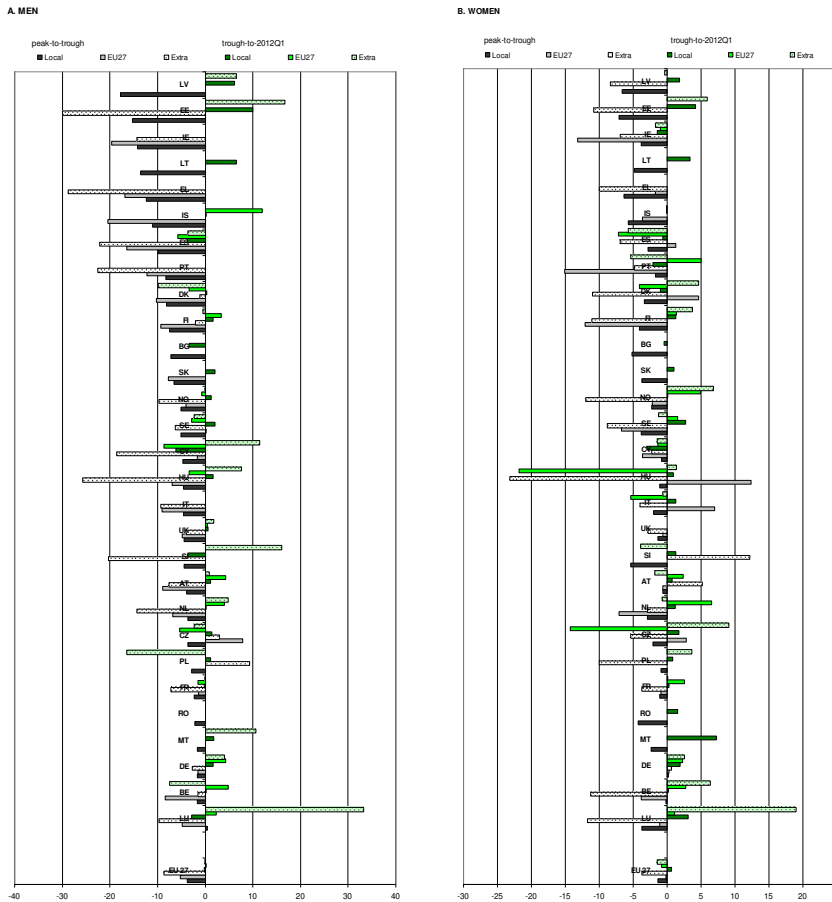
Note: Countries are sorted in decreasing order of the fall in the young (15-24) men's employment rate.  
 Source: own elaboration using Eurostat data

Figure 1.13. Education profile of employment change. Peak-to-trough and trough-to-2012Q1 variations in the employment rate.



Note: \* by Note: the highest level of education obtained. L – low (ISCED 0-2), M – medium (ISCED 3-4), H – high (ISCED 5-6). Countries are sorted in decreasing order of the fall in the low-educated men’s employment rate.  
 Source: own elaboration using Eurostat data

Figure 1.14. Nationality profile of employment change. Peak-to-trough and trough-to-2012Q1 variations in the employment rate.



Note: local – declaring country, EU27 – EU27 countries except declaring country, extra – extra EU27. Countries are sorted in decreasing order of the fall in the local men's employment rate. Source: own elaboration using Eurostat data

## 1.8 Concluding remarks

In this summary, we will primarily draw attention to outcomes at an EU level, despite the fact that aggregate trends invariably conceal different – and sometimes opposite – patterns across countries, as we have frequently pointed out in this chapter.

In fact, the variety of country experiences makes it difficult to chart the timing of the crisis. At the time of writing, a second major employment dip is expected in the EU as a whole, which has technically re-entered recession in GDP terms. But this imminent second dip hides the fact that some countries have never actually exited the first recessionary episode (Ireland, Greece, Portugal, Italy, Spain and Croatia), other countries have been on a consistent pathway to employment recovery for some time (the clearest examples is that of the Baltic States), and perhaps the majority of countries experienced a fragile and uncertain recovery.

The overriding connotation of the present crisis is the downward leveling of gender gaps in activity, employment, unemployment, and wages. Male employment dropped earlier in the recession and faster, spurred by a severe contraction in output in manufacturing, construction, and some branches of the financial sector. In the few cases where recovery is taking place, male employment has also picked up faster, but the lost ground has not yet been fully regained. As a result, the EU-wide gender gap in the employment rate has gone down some 3.2 percentage points: from the 14.1 points pre-recession peak to 10.9 points in the first quarter of 2012. As short-time working was used across countries to cushion the fall in employment, the gender gap in the full-time-equivalent employment rate also shrank, although evidence is only available for early in the recession (from 20 percentage points in 2008 to 18.4 in 2009).

Female unemployment displayed a stickier pattern, with the advantage of a less sharp increase in the downturn compared to male unemployment, and the disadvantage of slightly slower re-absorption where and when recovery set in. With the second major employment dip in this recession approaching, the gender unemployment gap turned reversed again in the first quarter of 2012, standing at -0.2 percentage points. The first reversal of the gap had occurred in 2009.

This does not imply progress in gender equality or success towards reaching the employment target that has been set in the Europe 2020 Employment strategy. At peak values, just before the recession began, 10 Member States were above the 65% employment rate mark for women aged 15 to 64, but the number was down to 6 in the most recent quarter, as Estonia, Latvia, the UK and Slovenia slipped below this mark. In the vast majority of Member States, the new target set for 2020 looks further away now than it did four years ago. As for unemployment, it is a cause for universal concern that both men and women are now very close to the 10 percent mark.

Like in previous recessions, occupational and sectoral segregation has protected female employment (and unemployment). We found that the differences in peak-to-trough employment losses between men and women correlate positively with the level of sectoral segregation across countries, the correlation with occupational segregation also being significant, but slightly lower. In simpler terms, the higher concentration of men in traditionally male sectors (occupations) made male employment more vulnerable to the recession.

However, the extent to which female employment was shielded should be de-emphasized on three counts. Firstly, the vulnerability of male employment (or the resilience of female employment) is sometime exaggerated by the indicator that has been chosen. Women were slowly catching up in employment with men before the recession set in, and still need to do so. Thus, potential losses rather than actual losses are relevant. If we take deviations from trends to measure potential losses, men appeared to have suffered losses nearly twice as high as women at the bottom of the first dip, and about one and a half times higher at the beginning of 2012 (first quarter). The comparison is bleaker in terms of actual losses, which are nearly three times as high among men between the peak and the bottom quarter of the first recessionary episode, and even higher over the entire four years of the recession.

Moreover, employment segregation has made a difference for men and women within individual countries. Across countries, however, employment responsiveness to the cycle (vulnerability for short) was largely influenced by country-specific factors, including labour market (de)regulation or flexibility. Using employment elasticities to measure vulnerability, we found that the vulnerability of female and male employment associates very strongly across European countries, despite differences in segregation. As a result, female vulnerability in one country was sometimes higher than male vulnerability in another country, despite similar contractions in output. The comparison between the USA and Europe well illustrates this case.

Finally, Europe is not yet 'home and dry'. At the time of writing, the sovereign debt crisis is still menacing the future of the common currency, the euro, although the outlook is brighter than it was a few months ago. Renewed efforts to consolidate debts in the countries at risk or to prevent debt deterioration may avert the menace, but fiscal consolidation brings with it cuts in welfare services and public employment, where jobs tend to be feminized. Owing to fiscal consolidation, the tail of this recession may affect jobs and employment conditions for women unfavourably, with the added complication that the countries with the greatest need for consolidation tend to score rather low in female employment. We will explore this issue in Chapter IV.

In early theorizing, employment segregation was seen to restrict the tendency for female employment to act as a cyclical buffer. The idea of a buffer role for women still lingers in some literature and in the media. This recession conclusively refutes this idea as regards Europe. The buffer role can no longer be tracked along sex lines. The modern 'buffers' are male migrants, especially from outside the EU, together with young men and women in temporary employment. In the downturn, firms found it easier to cut employment by slowing down the renewal of temporary contracts and a result, total temporary contracts declined in proportion to total employment from 12.2% to 11.1% at the trough point, with few differences between men and women. In the jobless recovery that has prevailed since, temporary employment, too, oscillated around the trough value for both men and women.

As emphasized by the literature on segmentation and Employment Protection Regimes, the dividing line for temporary contracts (and hence for exposure to the cycle) is not sex, but age. In the large majority of the countries reviewed here, the age profile of peak-to-trough employment variations followed a clear age ordering, with the youngest being the most exposed by far. However, in several Eastern and Baltic countries, where the labour market is less segmented along age lines, it was primarily middle-aged workers who were hurt by the recession, both men and women. The comparative employment resilience among older workers may, however, reflect postponement of the pensionable age rather than indicating lower, individual risk of job loss.

In comparison to migrant workers, male local supplies have been relatively shielded from loss of employment. Male migrants from outside the EU recorded the highest employment fallout in the Union as a whole. In contrast, outcomes for mobile workers from within the EU appear to differ across countries.

Like their male counterpart (but to a lesser extent) female migrants from outside the EU were hit by the recession more than local, female employment was. One notable difference concerns female migrants originating from within the EU. This group was largely shielded from the downturn in employment. Many of them had migrated from Eastern to Western Europe to find work in the care sector, which is a highly-feminized labour market segment where demographic aging continues to sustain demand for personal services. With the welfare cuts imposed by fiscal consolidation, however, the resilience of demand for care services may be jeopardized.

Flexibility, the sectoral profile of output contraction and employment segregation are all factors operating primarily on the demand side. On the supply side, what makes this crisis different from previous ones is the greater labour market entrenchment on the part of women. Income roles for women are still in transition between a secondary role and a co-primary role, but the crisis may have accelerated the transition.

In 2007, dual-earner couples formed the absolute majority (almost three-fourths) of all working-age couples in which at least one of the partners worked. Male breadwinner and female breadwinner couples shared the remained fourth unequally (respectively 21% and 8% of all couples). This could be read as the demise of the male breadwinner myth, but this would not tell

the whole story. Within dual-earner couples, the women's contribution to household (labour) income was significantly lower than their partners', perhaps not so low as to qualify all these couples as 'one and a half earner' couples, but low enough to still qualify the female partners as 'secondary' earners.

This transitional state showed up in women's behaviour during the crisis. On the one hand, they showed no greater signs of discouragement than men did. If anything, the opposite occurred, as more men than women exited the labour market out of discouragement. On the other hand, there is evidence in favour of the added worker effect among women, both at the EU level and in some regions (the Centre- South of Italy in particular). The combined result is a rise in labour market participation among women, and a fall among men. Also, the share of dual-earner couples dropped by 3.7 percentage points, largely in favour of an increase in couples where the woman is the sole earner (+3.4%). It remains to be seen whether the additional women the crisis has drawn into the labour market will remain there if and when a robust recovery finally materializes.

The behaviour of involuntary part-time is another sign of higher employment entrenchment among women. In 2010, the worst year of the recession, involuntary part-time rose sharply for men, as short-time working was often a way to avoid dismissals. The percentage rise in the share of involuntary part-time was in fact about two points higher for men (+5.8 against +3.8). However, because of the large gender disparity in the prevalence of part-time, the increase in the numbers of involuntary part-timers was actually much larger among women: almost double.

Comparison in terms of 'more' and 'less' are far less meaningful with regard to developments in working conditions. The worsening of working conditions may have affected women and men differently, rather than simply in terms of 'more' or 'less'. Curtailments of rights have apparently intensified during the crisis across the spectrum of working conditions. Some instances have concerned pregnant women and mothers of young children. Specifically, the right of pregnant women to maternity leave or benefits or to resume their job after maternity is documented (or believed) to have risen in the wake of the crisis in at least four countries (Greece, Portugal, Italy and the Czech Republic). These instances are worrying not only *per se*, but also for their repercussions on fertility (Sobotka et al. 2010).

Working conditions have reportedly deteriorated in many other respects for men and women alike. The list includes delays in wage payments, occupational downgrading, violations of health and safety regulations or (normal) working schedules and trade union rights, pressure and harassment at work and downright discrimination.

Overall, there is no conclusive, objective evidence showing which of male or female workers were the most frequent targets of such infringements, although this may be the case for individual countries or for specific allegations. According to the results of the recent European Social Survey on working conditions, however, men voiced complaints more frequently in at least three respects: increased job insecurity, cuts in pay and having to accept less interesting work. While greater job insecurity and more frequent pay cuts may well have accompanied higher jobs losses among men, more frequent grievances about the quality of work content may also reflect the fact that in 'normal' times, men may be forced to compromise on work content less often in order to meet family commitments.

## 2 The Gender Pay Gap in the current recession

The risk of worsening employment conditions during a crisis is first and foremost the threat of wage reduction. There are, however, no *a priori* reasons why a downward trend in pay should affect male and female wages differently. Economic theorizing does not offer strong *a priori* guidance in this respect.<sup>32</sup> However, if male employment is disproportionately affected, as in the current recession, theoretical expectations are clearer. When this occurs, simple supply and demand analysis or more sophisticated job search theories (Mortensen and Pissarides 1999) generate the expectation that the downward pressure will be higher for men's wages. The same outcome may be brought about by compositional effects if occupational segregation is widespread. A typical instance is when wage losses accrue disproportionately to industries and occupations with higher than average male pay.

This chapter reviews evidence on wages and the gender wage gap since the beginning of the recession. EU-level data are combined with local information for nine countries: Belgium, Denmark, Estonia, Finland, Croatia, Lithuania, Norway, the Slovak Republic and Cyprus. Section 2.2 focuses on the decline of the gender wage gap. Sections 2.3 and 2.4 investigate the main factors behind this decline including segregation, the composition of the pay packet and national policy programmes designed to curb wage disparities between men and women. Section 2.5 concludes.

Decades of research on gender pay disparities have argued in favour of analyzing the 'adjusted' wage gap alongside the 'unadjusted' gap. However, ascertaining the magnitude of the adjusted gap is costly, procedures are not standardized, and results are not rapidly available. Inevitably, information on the behaviour of the adjusted wage gap is scant, and this chapter is no exception.

### Box 2.1 - Adjusted and unadjusted wage gap. Eurostat definitions

The *unadjusted Gender Pay Gap* (GPG) represents the difference between average gross hourly earnings of male and female employees expressed as a percentage of average gross hourly earnings of male employees. The GPG recorded by Eurostat covers all economic activities except agriculture, fishing and public administration (NACE Rev. 2, Sections B to S, excluding O) and businesses with at least 10 employees. Gross hourly earnings include paid overtime and exclude non-regular payments (such as bonuses); part-time workers are included. Average earnings used for the GPG are calculated as arithmetic means. This indicator is 'unadjusted' because it does not account for individual characteristics that may explain part of the earnings difference, such as differences in education, age or labour market experience between men and women.

<sup>32</sup> For example, in the added worker situation, some women are willing to revise their minimum pay aspirations downwards in order to gain entry into employment. This does not, however, mean that average female wages will fall, as the story is about those women who might have been out of employment precisely because their wage aspirations were higher than the wages they could be paid. Thus, the entry of these women need not lower the average wage for those already in employment. Under the substitution hypothesis, heightened competition during the recession induces employers to hire women, who are cheaper than men to start with. But even here it is hard to see why stronger demand for women during a recession should lower their wages more than men's. One alternative possibility is that because of gender segregation in employment, a lowering of wages in, say, feminized branches do not spread to male-dominated branches. However, segregation is a two-way process, and the converse is equally possible. In principle, the segregation hypothesis is compatible with gender wage differentials moving in any direction during a crisis. What matters in practice is whether feminized or male-dominated sectors are affected the most.



The adjusted gap measures the disparity in hourly wages that would exist if employed women and men were similar as regards certain key personal characteristics, such as education or age. This gap is of special interest for policy action, since the wage disparity that is measured cannot be justified on grounds of productivity.

## 2.1 The decline in the Gender Pay Gap

The latest ESS survey on working conditions indicates that at least 10 per cent of male workers and 6 per cent of female workers had their hourly earnings reduced in the first three years of the recession.<sup>33</sup> Against this backdrop of falling earnings, the story for women is of strength in weakness. The gender wage gap decreased in the EU as a whole, as well as in the majority of member countries for which data are available (Tables 2.1 and 2.2). The basic facts are as follows:

- According to Eurostat data, the unadjusted GPG declined between 2007 and 2010 in 16 out of 25 member countries for which data are available, with the greatest reductions (between 3 and 5%) being in Lithuania, the Netherlands and Slovenia, moderate reductions in Denmark, Cyprus, Malta, Poland, Sweden, the Slovak Republic and the UK, and a less than 1% decline in Belgium, France, Finland, Luxembourg, Romania and Spain. However in four of these countries – the UK, the Slovak Republic, Romania and Spain – a pre-recession declining trend is observable since 2002.
- According to national level data, the list of countries witnessing a decline in the unadjusted GPG is longer. National sources indicate a decrease for Norway (Table 2.2)<sup>34</sup> and for two countries for which Eurostat data are not available, Croatia and Estonia.
- There is also evidence that the adjusted wage gap declined alongside the unadjusted gap, but only for one country: the Slovak Republic. The Trexima research institute conducted a survey on behalf of the Ministry of Labour, Social Affairs and Family. Values for the adjusted wage gap were estimated to range between 8% and 12% in 2007, depending on the level of occupational disaggregation, down to 7.8-11.3% in 2011. The 2011 value of the unadjusted gap varied from 16.6 in the non-business sector to 20.8 in the business sector.

Overall, a downward leveling of pay disparities between men and women was the most common outcome, although there are several instances to the contrary. As with developments in employment, the recession is making everybody worse off, men a little more so than women.

The following example of Denmark will put some flesh on the bare numbers of deteriorating wage (and career) prospects for men and women, and may echo the experiences of other

<sup>33</sup> According to the findings of the European Social Survey 2010 (ESS), one-fifth of female workers (20.0%) and slightly under one-quarter of all male workers interviewed in 17 European Member States (23.8%) report having accepted a reduction in pay in the last 3 years (2008-2010). In both cases, the proportion of interviewees reporting a reduction in hours is lower, around 13% for men and 14% for women. Since 'a reduction in pay' is generally understood to be a reduction in earnings over a period (weekly, monthly, yearly), at least some 10% of working men and at least some 6% of working women appear to have accepted a reduction in hourly earnings (data in Figure 1.9 above).

<sup>34</sup> The discordance between Eurostat and national data for Norway stems primarily from the different sectoral coverage. The GPG reported in Table 2.1 does not cover all sectors, as it excludes the public administration, defence, and compulsory social security. Alternative GPG figures are available from Eurostat which cover these sectors, but they exist for fewer countries and not at all for EU27. With few exceptions, these alternative GPG figures depict similar trends to those reported here for the recessionary years. Two notable exceptions are Norway and Denmark: in the former, the alternative GPG shows a downward trend between 2008 and 2010, and in the latter the trend is upwards.

countries. With the advent of the crisis, Danish male early school leavers and drop-outs who had been lured out of school into fast-expanding industries like construction during the boom years faced few prospects of formal apprenticeship, but high prospects of unskilled jobs for life, or worse. Among Danish women, the threats to their wages and careers originated primarily from within the public sector. Allegedly, "...[the] restructuring of the public sector [has meant] that direct 'hands-on' services have been rationalized, but more personnel is engaged in the development, rationalization and control of the public sector. Overall, this has favoured younger, well-educated women and men, and made the working conditions of social and health personnel more stressful". This personnel comprises "older or middle aged women, who typically work in the public sector and are receiving lower salaries in real terms than before the crisis".

**Table 2.1. Gender pay gap in hourly earnings, unadjusted 2002-2010**

Country	2002	2006	2007	2008	2009	2010	$\Delta$ 2007-2010
AT	:	25.5	25.5	25.5	25.4	25.5	0.0
BE	:	9.5	9.1	9	8.8	8.6	-0.5
BG	18.9	12.4	12.4	13.6	15.3	15.7	3.3
CY	22.5	21.8	23.1	21.6	21	21	-2.1
CZ	22.1	23.4	23.6	26.2	25.9	25.5	1.9
DE	:	22.7	23	23.2	23.2	23.1	0.1
DK	:	17.6	17.7	17.1	16.8	16.0	-1.7
EE	:	29.8	30.9	27.6	:	:	
EL	25.5	20.7	21.5	22	:	:	
ES	20.2	17.9	17.1	16.1	16.7	16.7	-0.4
FI	:	21.3	20	20	20.1	19.4	-0.6
FR	:	15.4	16.9	17.1	15.5	16	-0.9
HU	19.1	14.4	16.3	17.5	17.1	17.6	1.3
IE				12.6	12.6	12.6	
IT	:	4.4	5.1	4.9	5.5	5.5	0.4
LT	13.2	17.1	20	21.6	15.3	14.6	-5.4
LU	:	10.7	12.5	12.4	12.5	12.0	-0.5
LV	:	15.1	15.4	13.4	14.9	17.6	2.2
MT	:	5.2	7.6	8.6	6.9	6.1	-1.5
NL	18.7	23.6	23.6	19.6	19.2	18.5	-5.1
NO	:	16	15.7	17.2	16.7	16.1	0.4
PL	7.5	7.5	7.5	9.8	9.8	5.3	-2.2
PT	:	8.4	8.3	9.2	10	12.8	4.5
RO	16	7.8	12.7	9	8.1	12.5	-0.2
SE	:	16.5	17.9	17.1	16	15.8	-2.1
SI	6.1	8	8.3	8.5	3.2	4.4	-3.9
SK	27.7	25.8	23.6	20.9	21.9	20.7	-2.9
TK	:	-2.2	:	:	:	:	
UK	27.3	24.3	21.1	21.4	20.6	19.5	-1.6
EU27	:	17.7	17.6	17.4	16.9	16.4	-1.2

Source: own elaboration using Eurostat data.

## 2.2 Factors driving the GPG decline

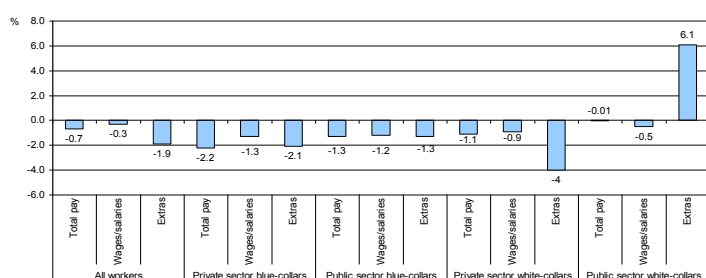
Three main factors have contributed to the decline in the gender pay gap: cuts in the extra wage components of pay packets, sectoral segregation and in some countries, equal pay policy. The first two may not outlast the crisis, while the third may maintain longer-lasting progress.

Wage reductions typically develop from cuts to the more volatile component of pay packets, those ‘extra’ payments that include bonuses, premiums for overtime and the like, and that move pro-cyclically (Box 2.2). Experts from countries with labour market structures as varied as those of Belgium, Finland, Lithuania, and the Slovak Republic maintain that a major driver of the GPG decline has been the downsizing of extra wage components, since the latter are typically more important for men’s pay. The Belgian experts provide hard evidence on this point, showing that the wage component of the pay packet contributed to the decline in the GPG much less than did the extra wage components (Box 2.2).

### Box 2.2 - Non wage components drive the decrease of wage disparities between men and women

Evidence from **Belgium** clearly illustrates that the dampening of the GPG was driven primarily by the reduction of disparities in the extra-wage components of pay rather than the wage itself. Overall, the gender gap in wages/salaries has witnessed a small reduction of 0.7% between 2007 and 2009. The reduction in the basic wage component of the gap was even lower (-0.3%) but was compensated by a much larger reduction of the bonuses components (-1.9%). This pattern tends to hold across sectors but is more typical of manufacturing where the gap in bonuses decreased more than two percentage points. An evident exception occurred among white collars in the public sector where bonuses are a fairly small component of pay: the disparity in favour of men increased notably.

Figure 2.1. Change in the composition of the gender pay gap. Belgium, 2007-2009



Source: Belgian national report based on data from the Belgian social security records.

<http://www.onssrsz.lss.fgov.be/fr/statistiques/publications/emploi-salarie>

A larger cut in the extra components of men’s pay has apparently contributed to dampening gender disparities in wages and earnings in other countries beside Belgium.

In **Finland**, the reduction in gender pay disparities has accelerated during the crisis. According to the Finnish expert “...part of the very recent development may relate to the fact that less payments by productivity have been made during the crisis; since men tend to receive such bonuses more frequently than women, this has resulted in lower income especially among men, compared to previous years”.

In **Lithuania**, the comparatively larger reduction in average monthly earnings for men ‘...was influenced by a decrease in irregular bonuses, premiums and one-off monetary allowances as well as by a reduction in overall employment in agricultural, construction and other enterprises, accompanied by lower hours worked.

In **the Slovak Republic** the GPG is comparatively high and has fallen primarily in the business sector between 2007 and 2011. The Slovakian expert “... speculate[s] that the existing development in the gender wage gap is influenced by the structural elements of male and female salaries. Usually, the salary consists of a fixed, basic wage and a variable component - i.e. overtime pay, bonus, premium, etc. The former weighs more in women’s pay packet: in the first quarter of 2011 the basic wage accounted for more than 80% of the female average salary compared with

61% of the male salary. During the economic crisis the variable part of salaries fell significantly. This may have contributed to a slight reduction of the gender wage gap”.

Source: EGGE national reports

An additional factor driving the GPG decline is employment segregation. The uneven distribution of male and female workers among different sectors, as well as between private and public concerns is an important dimension of gender pay differentials. This is because the gender pay gap tends to be wider in private concerns, which lost weight during the recession in favour of public concerns, where the gap is more contained, and women are over-represented. Within the private sector, moreover, men tend to earn well in the industries that suffered the highest employment losses, such as manufacturing, construction and branches of the financial sector.

Evidence that the private/public employment divide may have over-exposed male wages to decline is available for four countries: Belgium, Finland, Norway, and the Slovak Republic, where the GPG decline was consistently larger in the private sector (Table 2.2A).

**Table 2.2. Gender pay gap, unadjusted, hourly earnings 2007-2011**

By public/private sector

Country Sector	2007	2008	2009	2010	2011
<b>Belgium</b>					
All sectors	13.2	12.6	12.5		
Private sector	16.5	15.8	15.9		
Public sector	4.9	4.7	4.6		
<b>Estonia</b>					
All sectors		31.4	27		
<b>Finland (Indexes)</b>					
All sectors	Men: 100	Men: 105.4	Men: 109.4	Men: 111.7	
	Women: 100	Women: 105.5	Women: 109.8	Women: 113.2	
Private sector	Men: 100	Men: 105.3	Men: 109.1	Men: 111.4	
	Women: 100	Women: 105.2	Women: 109.7	Women: 112.6	
<b>Croatia</b>					
All sectors		11.1	10.6		
<b>Norway*</b>					
Private sector		14.7	14.5	14	
State sector		7.1	6.8	6.8	
Municipal sector		8.7	9.1	8.7	
<b>the Slovak Republic§</b>					
Business sector	24.11				20.8
Non-business sector	16				16.6

Source: EGGE national reports.

Evidence on the importance of the sectoral dimension comes from Croatia. Here, the GPG would have declined by 0.2 points in the first year of the recession had the sectoral distribution of employment remained unchanged, whereas the actual decline totalled 0.6 points. The order of

magnitude is inevitably small, as the decline spans one year only, but the implication is that segregation accounted for the lion's share.<sup>35</sup>

On balance, this evidence is consistent with the presumption that segregation has protected women's wages rather than men's. However, the strength of this protection is uncertain and may have varied considerably from country to country.<sup>36</sup> The slashing of bonus payments and, more generally, the uneven decline of wages across sectors could be redressed if and when a solid recovery sets in. If this happens, we may expect the GPG decline to be reversed. Early signs of this can be seen in Latvia and the Slovak Republic, where the GPG rose in 2010 after a very marked fall in the two preceding years.

### 2.3 The role of Equal Pay policy

Equal pay policy is another factor behind the GPG decline. Belgium, Luxembourg, Finland and Cyprus had been running policy programmes specifically designed to lessen the gender pay gap before or during the crisis. In all these countries, the GPG declined or did not increase, indicating that equal pay policy may have contributed to the decline. However, the available information offers no clear indication that would allow us to separate out the actual part that policy played.

A review of these countries' experience (Box 2.3) suggests that while equal pay policy may have

#### Box 2.3 - Equal pay policies and the decline in the GPG

Good practices have been implemented in **Belgium** starting from 2008, and the government remains committed to bringing down the GPG to 5% by 2020; the same is true in **Luxembourg**, where the government has pledged to take concrete action between 2010 and 2014. During the recession, the modest decline that took place in Belgium is not explained by segregation; thus we cannot rule out that policy mattered.

In **Finland**, the GPG has remained pegged at about 20% per cent during the past decades, and the issue has recently become a policy priority: in 2006, a national Equal Pay Programme was launched in the country to reduce the gender pay gap to 15 per cent by 2015, and a full mainstreaming approach has been set up for this purpose. According to the Finnish expert, assessments must be sober. Pre-crisis progress was below expectations, with the gap only falling from 20% in 2000 to 19% in 2008, according to national statistics. The crisis accelerated a fall to 17.5% in 2010, but this, too, may not be enough to ensure compliance with the targets set for 2015.

In response to the EU2020 Strategy, the Cyprus National Reform Programme 2012 has announced Cyprus' commitment to reducing the 23% gender pay gap in 2009 to 18% by 2015. To date, however, progress has been slow. According to the Cypriot expert, reasons for the sluggish improvement are: lengthy procedures for ESF co-funding, inadequate budget to address comprehensive measures, lack of coordination and synergy with education and training system policies, and absence of associated targets to address vertical and horizontal gender segregation in the labour market. Reliance on ESF may generate the perception that this approach does not amount to a long-term equal pay strategy, as it will only last for the duration of the programme.

Source: EGGE national reports

<sup>35</sup> This finding was obtained by means of a counterfactual: that is, the value of the gap that would have been observed in 2009 had wages been allowed to change in each sector while the sectoral composition of (male and female) employment remained the same as in 2008. An equivalent counterfactual exercise conducted on Belgian data between 2007 and 2009 yields a different result. In Belgium, the wage gap would have declined by 0.7 percentage points had the sectoral composition of employment remained unchanged from 2007; this is practically the same decline that actually took place. In other words, sectoral segregation played no role. One possible explanation is that the influence of segregation may have been nullified by an ongoing high-profile policy programme to reduce the GPG (discussed in the text).

<sup>36</sup> See previous footnote.

contributed to reducing the GPG, the order of magnitude of the decline was modest. Rapid effectiveness may be hindered by the fact that the main policy tools for fighting the gender pay gap rely on moral suasion or on increasing the transparency of wage-setting mechanisms, both of which need time to prove effective. Alternatively, it may be due to the way the European Structural Funds are perceived and used in some countries, as the Cypriot expert indicates.

## 2.4 Concluding remarks

'*Strength in weakness*' is the term that best summarizes the behaviour of women's wages relative to men's during the first years of the current recession. *Weakness* because the setting is one of loss of earnings affecting some twenty per cent of all workers, men and women, in the Union as a whole, with limited variations across countries, and including the countries where the recession has bitten less. *Strength* because women's earnings have been comparatively sheltered, overall and on a per-hour basis.

This chapter has reviewed developments in the gender pay gap in European countries during the recession, using EU level data in combination with country-level information from the national reports from Belgium, Denmark, Estonia, Finland, Croatia, Lithuania, Norway, the Slovak Republic and Cyprus. The gender wage gap declined in the majority of countries in the Union during the first year of the recession. At the aggregate level (EU27), the decline has prevailed, although the reduction has been modest. Trend factors played some role in this decline, as a pre-recession downward trend is clearly visible for four countries since the early 2000s. But in the assessment of the national experts, the recession may have accelerated the decline in these countries as well.

Sectoral and occupational segregations have offered a protective shield. Protection worked through the over-representation of female employment in the public sector and its under-representation in those sectors that shed more labour: manufacturing, construction or finance. It also worked indirectly through widespread cuts in the variable and most volatile components of the pay packet: those bonuses and premiums that tend to be more common in male occupations, but which are the first to be foregone in a recession. Experts from Belgium, Finland, Lithuania and the Slovak Republic all report hard evidence or widespread perceptions that one of the drivers of the decline in the GPG has been cuts in the extra wage components of pay.

However, the extent to which segregation has mattered is uncertain. One reason for uncertainty has to do with statistics, since the information needed for a more in-depth analysis is still inadequate. Not surprisingly, the findings from the scant evidence available are mixed. In one instance - Croatia - segregation accounted for the larger part of the decline, while in another - Belgium - it played practically no role.

A more substantive reason for uncertainty is that factors other than segregation may have protected women's relative pay, including equal pay policy programmes. In four countries that were running policy programmes specifically designed to lessen the gender pay gap before or during the crisis (Belgium, Luxembourg, Finland, and Cyprus) the GPG declined or did not increase in the first three years of the recession. However, available information offers limited indications that would allow one to extricate the part that policy played in this decline. In Belgium, the (modest) decline that has taken place since 2007 apparently cannot be attributed to sectoral segregation, which means that equal pay policy might have mattered. In Finland, the crisis accelerated an otherwise slow downward trend, which again does not rule out the possibility that equal pay policy was unimportant. From all available indications, while equal pay policy may have contributed to reducing the GPG, the order of magnitude of the decline was

modest. This may be due to the fact that the main tools for fighting the gender pay gap rely on moral suasion, or on increasing the transparency of wage-setting mechanisms, both of which need time to prove effective. Alternatively, it may be due to reliance on external funds, including the European Structural Funds, which may detract from a strong commitment on the part of the local government.

### 3 Unpaid work in the current recession

What do people do after they lose their jobs, other than look for a new one? Widespread perceptions that ‘The Great Depression was a Great Vacation’ still linger in the economic profession, supported by evidence from previous studies of the impact of unemployment on time allocation that showed little effect (Folbre 2011).

This is an outdated story, however. Traditionally, the research focus has been on men becoming unemployed and deciding what to do with their time. Earlier evidence that they simply enjoyed more ‘leisure’ on becoming unemployed was consistent with the ‘added worker’ story. This conjured up the idea of a traditional family in a recession where the man frittered away his time waiting for the labour market to improve, while the woman might have gone out to work to make up for loss of income. Alternative scenarios where ‘she’ or ‘he’ makes up for loss of income by increasing their unpaid work received less research attention.

A fresh, authoritative study for the USA by Aguiar et al. (2011) challenges traditional ideas. Through an analysis of several recessionary episodes, the authors find that about 30 per cent of foregone market working hours during a recession were reallocated to housework, and about 5 per cent to child care. Education, health care, and civic activities took up an additional 10 per cent. Sleep and leisure time increased alongside time devoted to job searches, but the latter remained low. The study finds that gender differences are not statistically significant, with two important exceptions: women were more likely than men to increase the time they devoted to housework and sleeping. This more than proportional increase in housework among women and men who lost their job does not, however, necessarily mean that the share of unpaid housework done by women went up in the aggregate, but it might.

Gender disparities in participation in unpaid work are larger in Europe (Burda et al. 2008), and so if the findings for the USA of a significant rise in unpaid work in recessions and a greater increase in housework for women were to apply to Europe, there would be reason to expect a worsening of gender disparities on this side of the Atlantic. However, time-use data are not collected annually in Europe, and no direct evidence on reallocation of working hours during recessions is available.

This represents a serious limitation for this chapter, in which we ask whether the crisis forestalled progress towards more equal participation by men and women in unpaid work. Indirect evidence at a European and country level can nevertheless offer relevant indications. Specifically, we use Eurostat data on household expenditure to gauge trends in unpaid work. Data are currently available up to 2010 for a subset of European countries, but we focus on change between 2008 and 2009 when output and employment fell the most on a yearly basis. We also use periodic country-level data on time use to investigate intra-household re-allocation between paid and unpaid activities. Four countries are part of this investigation: Italy, Slovenia, Spain and Turkey. Given the limitations in the data the findings are indicative, but they are consistent with the possibility that unpaid work increased and slowed down pre-recession trends in the direction of redistribution towards men.

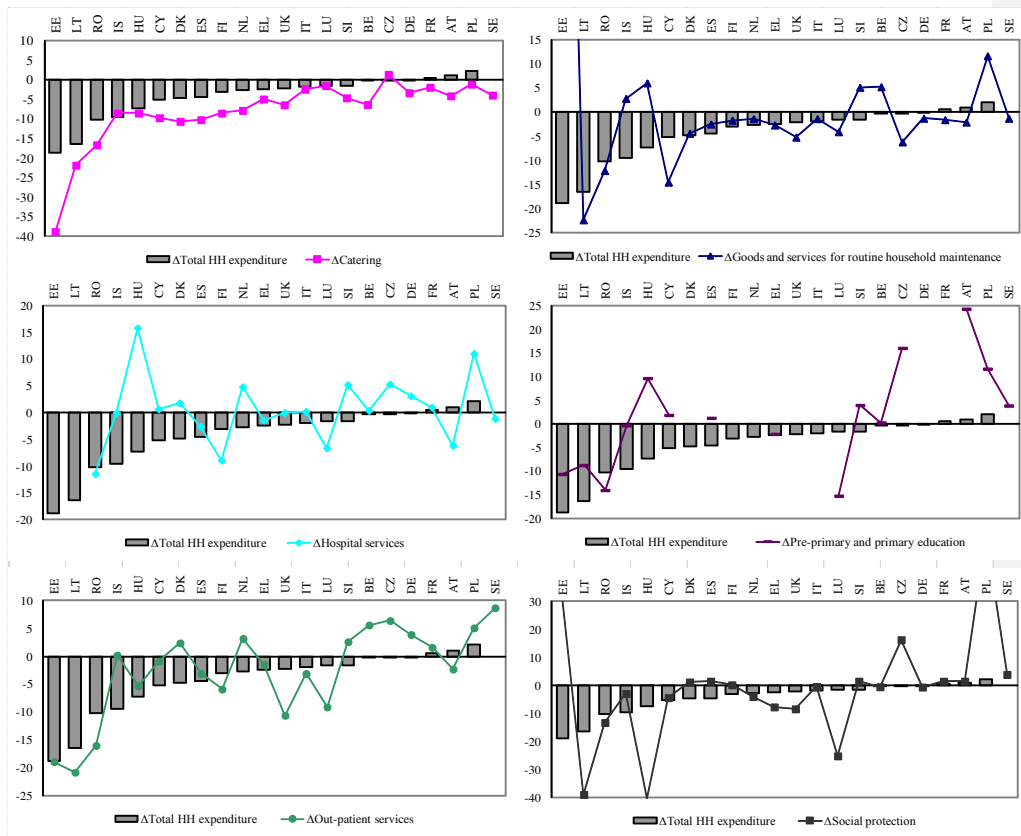
Section 3.2 reviews macro developments in unpaid work during the recession. Section 3.3 discusses country-specific evidence on the impact of the recession on the allocation of unpaid work between men and women, and Section 3.4 offers some conclusions.



### 3.1 Changes in household expenditure in the recession

Between 2008 and 2009, European households felt the pinch of the recession and cut their expenditure. A decrease in expenditure is observable for 19 out of the 22 countries for which the 2009 value can be compared to that for 2008. The exceptions are France, Austria, Sweden and Poland, where the recession was delayed, short-lived, or mild (Figure 3.1).

**Figure 3.1. Household expenditure by consumption purpose (selected COICOP items), % change 2008-2009 (volume)**



Source: Eurostat online data base; our elaboration

As expected, the reduction is not evenly distributed across consumption items. In an attempt to smooth out a decline in basic standards of living, households restricted consumption of luxury items or items that can be more easily substituted with unpaid work. Figure 3.1 charts changes in total household expenditure against changes in each of the following sub-categories: eating and drinking out, or having foods and drinks brought to one's premises and 'catering'; goods and services for household maintenance; hospital services; pre-primary and primary education; out-patient services and social protection.

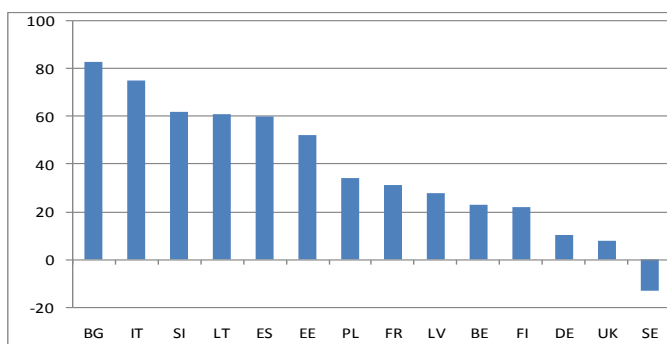
The fall in consumption was greater for catering, social protection, goods and services for routine maintenance, outpatient services, and maintenance and repair of dwellings, in decreasing order. Education, hospital services and medical products recorded an increase.<sup>37</sup> To a great extent catering, outpatient services and routine maintenance can be substituted by unpaid housework and care work. It would therefore be surprising if unpaid work did not rise during the recession. The question is ‘more unpaid work for whom?’, and the next Section looks at the experience of Italy, Slovenia, Spain and Turkey in an attempt to obtain some answers.

### 3.2 Unpaid work in Italy, Slovenia, Spain, and Turkey

In comparison to other European countries, the 2009 fall in household expenditure was high in Spain (-4.5%), but modest in Italy, Slovenia and Turkey (respectively -1.9, -1.6, and -2.3%), partly reflecting the different timing of the recession. In both Spain and Italy, expenditure dropped for catering, routine maintenance services, and outpatient services, though to different degrees. Slovenia and Turkey exhibit a different pattern. In Slovenia, only catering recorded a significant contraction, while in Turkey it was pre-primary and primary education as well as outpatients services – in short, care services – that were cut (Ozar 2011: Fig.4).

The extent of gender disparities in unpaid work in the four countries under examination is worth emphasizing. Figure 3.2 shows the difference in total working time between men and women for the countries covered by the Harmonized European Time Use Survey (HETUS), which include Italy, Slovenia and Spain. Total working time is the sum of paid and unpaid working time, with unpaid activities covering both care and housework. Measured in minutes per day, total working time is higher for women in all the HETUS countries except Sweden, with the difference being entirely accounted for by unpaid work. Italy, Slovenia, and Spain are among the five countries (out of 14) with the widest gender gap, and with a positive difference of men in total working time of at least 60 minutes per day.

**Figure 3.2. Difference between total work of women and men (20-74 years) in the EU (Mean minutes per day)**



Source: reproduced from Francavilla et al. (2009: Fig.1); based on HETUS data, various years between 1998 and 2005.

<sup>37</sup> This ranking order is based on the simple average percentage variation for all the countries included in the figure, except Estonia, which was excluded because of abnormally high percentage variations compared to the other countries (when the simple average is computed, ‘outlier’ values can be distortive).

Turkey is an extreme case within Europe, with a gap of about two hours. According to the results of the first time use survey conducted in 2006, the average employed woman in Turkey worked approximately 9 hours per day, almost half of which (47%) were allocated to unpaid work. The average employed man worked a total of 7 hours per day, only 10% of which was devoted to unpaid work (Ozar 2011: Fig. 2 and commentary).

To see how the recession may be having an impact on these high-disparity countries, we need to take a country-by-country approach and exploit local information fully. Italy offers (some) evidence that the recession may have slowed down the tendency for unpaid work to re-balance between men and women. Something similar may also have occurred in Slovenia and Spain, but the evidence is inconclusive in both cases. Turkey offers more conclusive evidence of a significant increase in unpaid work among women in the wake of the recession.

**Italy**<sup>38</sup>. In Italy, the behaviour of female and male employment during the recession largely mirrors the aggregate pattern for Europe, except for a later, milder surge in unemployment due to the *Cassa Integrazione Guadagni*, a selective but comparatively generous income support scheme that retains employment status for people temporarily out of work.

Three time use surveys have been carried out since 1988. The latest was conducted between 2008 and 2009, when the recession had just started delivering its blow on household income. Analysis of the results from these three surveys suggests that the recession may have slowed down a clear trend in the direction of a re-balancing of unpaid work towards men. The evidence is set out in Table 3.1.

**Table 3.1. Yearly change in paid work, unpaid work, and housework: Italy, 1988-2009**

	Share of participants in activity				Minutes per day in activity			
	<i>yearly</i>	<i>yearly</i>	<i>yearly</i>	<i>yearly</i>	<i>yearly</i>	<i>yearly</i>	<i>yearly</i>	<i>yearly</i>
	<i>change</i>	<i>change</i>	<i>change</i>	<i>change</i>	<i>change</i>	<i>change</i>	<i>change</i>	<i>change</i>
	1988/9-	2002/3-	1988/9-	2002/3-	1988/9-	2002/3-	1988/9-	2002/3-
	2002/3	2008/9	2002/3	2008/9	2002/3	2008/9	2002/3	2008/9
<b>25-44 years of age</b>								
	Men		Women		Men		Women	
<b>unpaid work</b>	0.24	0.40	-0.02	-0.13	1.21	1.50	-1.64	-2.33
<b>of which:</b>								
<b>housework</b>	0.41	0.78	-0.03	-0.28	0.29	0.67	-3.36	-2.83
<b>paid work</b>	-0.20	0.07	-0.13	0.23	2.00	-0.17	-0.50	2.33
<b>45-64 years of age</b>								
	Men		Women		Men		Women	
<b>unpaid work</b>	0.77	0.20	-0.09	0.12	1.14	1.67	-1.71	-3.00
<b>of which</b>								
<b>housework</b>	0.96	0.62	-0.14	0.08	1.00	0.50	-2.50	-2.83
<b>paid work</b>	-0.49	0.02	-0.43	0.58	-0.79	2.00	-0.57	3.17

Source: ISTAT (2011: Tabs 3.21 and 3.22), own elaboration

<sup>38</sup> See Bettio F. and Verashchagina A. (2011), *Fiscal system and female employment in Europe*, Brussels: European Commission, Available at: [http://ec.europa.eu/justice/gender-equality/document/index\\_en.htm#h2-2](http://ec.europa.eu/justice/gender-equality/document/index_en.htm#h2-2)

The columns to the left set out the yearly changes in participation in paid work, unpaid work and housework for men and women in young and central age groups, respectively. The columns to the right set out the changes in daily minutes spent on each activity. Participation is defined as the share of respondents reporting to take part in the activity. Housework is a sub-category of unpaid work, and has been singled out because it often shows the trends at work more clearly.

The share of household members participating in unpaid work - housework in particular - has been increasing among men and declining among women since the late 1980s. Among older men, however, this increase has slowed notably in the last five-year period compared to the previous 12 year period, while the decline among older women actually reversed. Time (minutes) spent on housework also increased at a slower pace in recent years among older men as well as among young women.

Given that the latest time use survey was conducted in the first two years of the recession, the slower progress in the re-balancing of housework (and unpaid work) between 2002/3 and 2008/9 might be attributable to the fact that the recession induced an increase, particularly among women. While this does not represent strong evidence, it is consistent with the findings on housework for the U.S.A. (Aguiar *et al.* 2011), as well as with those from Turkey (see below).

**Spain.**<sup>39</sup> In 2009, the recession in Spain was already severe, and this showed up in a fairly pronounced drop in household expenditure, as noted. Perhaps the strongest evidence for Spain that unpaid work went up in the recession is the fall in expenditure on items like catering (-10%), goods and services for routine household maintenance (-2.5%), and outpatient services (-3.1%). However, the presumption that household members partly offset lower purchases of market services with own, unpaid time cannot be proved right or wrong on the basis of available statistics.

The first Spanish time use survey was conducted in 2003, and the second in 2010. As in Italy, the data show that the recent tendency is for men to increase their participation in unpaid work and for women gradually to reduce theirs, though at a much slower pace (Table 3.2). Unlike in Italy, however, there are no data on earlier trends to be used for comparison. Overall, the Spanish evidence from time use surveys is silent on the possible impact of the recession.

**Table 3.2. Change in paid and unpaid work by sex (2003-2010): Spain**

	Year	Men	Women
Total unpaid work time	2003	4:02	6:31
	2010	4:42	6:20
Total paid work time	2003	8:22	6:51
	2010	7:55	6:43
Total work time	2003	12:24	13:22
	2010	12:37	13:03

Source: Reproduced from González Gago (2011: Tab. 3)

**Slovenia.**<sup>40</sup> Like Italy, Slovenia had not yet felt the full impact of the crisis in 2009. The drop in household expenditure was moderate and entirely attributable to catering. While unpaid working

<sup>39</sup> Based on González Gago E. (2011) 'Crisis and Recovery in Spain. Labour market impact on men and women', EGGE National Report, European Commission.

<sup>40</sup> Based on Kanjuo-Mrčela (2011) 'Crisis and Recovery in Slovenia. Labour market impact on men and women', EGGE National Report, European Commission.

time on cooking and food preparation may have gone up as a result, it is unclear how unpaid care work behaved during the crisis. On the one hand, demand for elderly care continued to increase and was not met by adequate public provisions. On the other, the crisis has not weakened the government's commitment to maintaining and further developing childcare infrastructure. The number of children enrolled in kindergartens increased by 7.5% in 2008/9 compared to the previous school year, which brings Slovenia very close to meeting the 2002 Barcelona target of 33% coverage for children under 3 years of age, while the target for older children has already been met. However, child-care policies and practices influence developments in the medium and long run. As to the impact of the recession, there are no data or research from Slovenia that provide clear indications.

**Turkey.**<sup>41</sup> Female labour market participation in Turkey is very low, and the welfare and care infrastructure very poor. With the male breadwinner family still largely prevailing, an added worker effect contributed to limiting the decrease in working time among women in the downturn. At the same time, unpaid work is estimated to have increased, probably to compensate for lower expenditure on formal care services. The combined result is a likely and sizeable worsening of the gender gap in total working time.

Supporting evidence comes from two sources. The first is the quoted household expenditure pattern. Whereas expenditure on catering, maintenance and repair services, as well as hospital services and social protection, increased in the course of 2009, the fall in pre-primary and primary education expenditure as well as in outpatient services was the main contributor to the overall decline in expenditure. Lower purchases of pre-primary and primary education mean that children spend more time at home, and lower purchases of outpatient services mean that the sick and the disabled need more family care. In a traditional society, the demand is for additional female, unpaid time in both cases.

The second source of evidence is econometric forecasting. Bahçe and Memiş (2010) investigated the relation between women's care work and economic crises, using the 2006 time use survey to forecast the effects of the 2008 economic crisis on unpaid work in Turkey. In their forecast, the average paid working time per day decreased by 4% (2 minutes) for women and by 3% (8 minutes) for men. Also, the total workload (unpaid + paid) increased by 12.5% (45 minutes) for women, but by only 5 minutes (1.7%) for men. As a result, the difference between the average total working time for women and men increased by 108 minutes, to the detriment of the former, with the gap in care work went up by 51 minutes (from 47 to 98).

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<sup>41</sup> Based on Ozar (2011) 'Crisis and Recovery in Turkey. Labour market impact on men and women', EGGE National Report, European Commission.

### 3.3 Concluding remarks

Recent analysis of 30 recessionary episodes in the USA has revealed that both men and women made redundant during these episodes engaged more in unpaid work, but the study found no significant gender difference, except for housework and sleeping time: women devoted proportionately more time to additional housework and additional sleep.

This chapter has addressed a similar question for Europe in the present recessionary episode, namely whether unpaid work has gone up, and whether the increase has been unevenly distributed among men and women. Greater gender imbalance in housework and care work in Europe compared with the USA makes uneven distribution of a possible increase in unpaid work much more likely on this side of the Atlantic. Since time use surveys are not available for European countries on an annual basis, we have relied on indirect evidence, respectively patterns of household expenditure within the EU, and periodic time use surveys or other research information in four countries: Italy, Slovenia, Spain and Turkey.

Within the EU, household expenditure dropped between 2008 and 2009 in three categories of goods and services for which unpaid work may provide a good substitute: catering, goods and services for routine household maintenance, and outpatient services. Although the order of magnitude differs, the majority of countries that were experiencing recession in 2009 recorded lower purchases in these items, thereby establishing the premise for an increase in unpaid work.

In Italy, redistribution of unpaid work towards men and away from women was greater in the 1990s and early 2000s than it was between 2002/3 and 2008/9, which may reflect the fact that housework increased even at the beginning of the recession, and more so for women. Spain is also witnessing a tendency for unpaid work to be redistributed among the sexes: care work more than housework. The specific impact of the recession cannot be gleaned from time use data, but the fall in expenditure for routine maintenance goods and services, care services, and meals and beverages was sufficiently pronounced to support the conjecture that unpaid women's work primarily contributed to offset lower purchases. In Slovenia, an unfaltering commitment on the part of the government to develop childcare infrastructure has probably continued to relieve women from unpaid childcare work, but the demand for elderly care continued to increase during the recession without being met by an adequate expansion of subsidized formal services. In view of these contrasting developments, what has happened to unpaid care work during the recession and to unpaid work in general is a matter for speculation. The evidence for Turkey is more conclusive. Based on the latest time use survey, unpaid work was forecast to rise during the recession, with the increase accruing disproportionately to women. These forecasts are reinforced by country-level evidence that expenditure actually dropped for care services (pre-primary education and outpatient services).

Overall, these findings offer some evidence that the gender gap in the allocation of unpaid work may have widened during the recession in countries where disparities in housework and care between men and women are especially pronounced, as in the countries investigated in this chapter. The case of Slovenia, where childcare coverage increased by 7.5% during the recession, shows however that policy can successfully counter the tendency for deep-seated gender disparities in unpaid work to re-surface in times of crisis.

## 4 Fiscal consolidation, employment policies and gender equality

### 4.1 Crisis, Governance and gender

This crisis is different from previous ones. Fears of a desperate 1929-style scenario did not materialize at first, as the initial liquidity and financial crisis in 2008 was quickly averted by massive aid to the financial sector and subsequent stimulus packages. Paradoxically, however, the very scale and, in many respects, the success of these early policy interventions established the premise for a sovereign debt crisis. In an attempt to appease financial speculation on sovereign debt and in the hope of improving long-term growth prospects, the EU countries united on the implementation of austerity measures and fiscal consolidation programmes. The ensuing deflationary effects have been stronger than anticipated when policy was being formulated. The recovery of 2010 proved selective, fragile and short-lived: four years after the recession officially began, the EU is witnessing a second dip in 2012, with this crisis becoming one of the longest as well as one of the deepest on record.

The gender impact of the crisis is transmitted and mediated through a number of general governance issues. These have to do not only with the impact of the crisis itself, but chiefly with the reactions of policy-makers and policies as the crisis unfolds.

- A. *Direct effects.* The most visible effects are brought on by the crisis itself. Women may be profoundly affected by crisis developments. The reaction to the sovereign debt crisis is budgets cuts that threaten important elements of the welfare state, including the gender equality machinery. The second phase of the crisis signalled changing effects on economic activity, causing increasing challenges to women rather than men. The direction of economic activity in the context of the crisis is changing in the direction of posing increasing challenges to women rather than men: whereas in the first stage of the crisis construction was hit hardest which translated into greater increases to unemployment for men, in subsequent phases the crisis has spread to services and even the public sector, implying a greater impact on women.
- B. *Crisis, governance and the EU level.* The unfolding of the crisis and the policy response to it has resulted in a number of fundamental changes in governance at the EU level. As a consequence of these changes, the EU will henceforth play a more active role in macroeconomic and fiscal management. This is potentially important for gender. Transferring decisions from the national context to the EU level, where gender has a firmly embedded place in policy-making, could imply that gender can receive greater relevance in the formation of macroeconomic policy. However, this is only a potential gain. In order to be effective in this changed policy scenario, therefore, gender equality machineries may require revision, both at the EU and the national levels. More generally, the need to mainstream gender into macroeconomics has gained urgency.
- C. *Threshold effects and gender vigilance:* Protracted or recurrent recessions are likely to trigger threshold effects as they progressively eat away at the accumulated savings and resources possessed by households and firms. In many real-life situations, a negative impact may seemingly be absorbed easily, until a particular value (a threshold) is reached; beyond that level, the same cause can appear to have a greater impact. The most well known example of this is bankruptcy: a company continues in business until it becomes insolvent, but a small deterioration is enough to push it over the edge. This is important for gender effects, as a number of gender-sensitive outcomes depend on cumulative effects and would begin to appear after a certain length of time; many of the gender gains have been secured recently and

progress could be rolled back. This consideration implies that generalising from the past may be misleading and that there should be vigilance against complacency in the field of gender.

- D. *Gender as collateral damage of filling budgetary gaps*: A similarly important (if indirect) phenomenon concerns gender vulnerabilities related to policy formation during the crisis. These arise as policy adjusts to take in factors not fully foreseen in its initial formulation. These types of reactions are especially common in issues regarding structural reforms. These reforms have acquired an urgency they did not possess before the crisis; similarly, *implementing* reforms is harder during a recession. Thus, while more and more national budgets rely on structural reforms in order to attain fiscal targets, shortfalls in attaining these targets are becoming more common. The question then arises, “*How is the shortfall to be made up?*”

**Box 4.1 The point of comparison – What is the gender impact of excessive debt?**

In assessing policy responses a crucial point to grasp has to do with the point of comparison. The actual policy response has to be compared with what *would have happened, had the policy not taken place*. This must be contrasted with an approach assessing the situation with what existed before (the status quo ante), *without* projecting trends with what would have taken place if matters were left on their own. Examining policy responses on their own, must presume that the world could have stood still and that the situation prevailing before the fiscal interventions could have continued unhindered. Neither of these conditions hold.

This general observation is particularly relevant for the case of fiscal consolidation, as the alternative at least for those countries in the bailout procedure, has been conclusively shown to be unsustainable. The undoubted gender implications of fiscal consolidation programmes have to be seen against a gender analysis of the effects of fiscal and macroeconomic destabilisation. As any counterfactual analysis, such an analysis cannot be definitive. As a general point, it is as well to remember that the rapid progress towards gender balance of the last two decades were associated with conditions of macroeconomic stability. In contrast, the period of stagflation of the 1970s was associated with threats to gender balance (which galvanised the women’s rights movement). More worrying still, the period of the Depression in the 1930s led to significant backtracking on many gains made in the twenty preceding years.

Making up these shortfalls may have gender implications which will appear as ‘*unintended consequences*’ of the shortfall and are an important part of crisis dynamics: decisions have to be taken on how to fill budget gaps that become evident, frequently halfway through the budget cycle. These decisions must be taken under pressure of time and in an atmosphere of crisis. The kinds of measures considered have to be easy to design must yield budget results quickly and must not clash with domestic veto points. Pensions are an obvious candidate, as are across-the-board (‘horizontal’) cuts in earnings. Expenditure of relative low visibility, such as social services supplied by local authorities, can also be a frequent target. In those countries where there is a lack of gendered data, or where gender sensitivity is at a relatively low level, gender-sensitive expenditure may be at greater risk. Equally, in cases where the ‘male breadwinner model’ is (implicitly) seen as the norm, then kinds of expenditure prioritising ‘heads of household’ may be seen as more important than social services supporting women’s entry in the labour market, which could implicitly be treated as luxuries.

The operation of ‘unintended consequences’ of this kind implies that gender may well be something like ‘collateral damage’ of gender blindness in governance. These gender costs will by hypothesis, only become apparent once gendered data become available, i.e. sometime in the future and only *ex post*. This means that they cannot be measured at this stage of the crisis and will only be apparent later – when it may well be too late.



It is precisely because policy and governance issues and developments are so important to gain understanding of the course of this crisis that we have devoted this chapter to a detailed analysis of the main policy responses to the recession. Not only is this analysis relevant *per se*, but it also sets the stage for the next chapters, which will address issues of poverty and social exclusion.

The first question that we address in this chapter is whether and to what extent the coordinated EU response to the crisis reflects the principle of gender mainstreaming. We then use recent research findings and the subjective evaluations of experts to assess the main types of policies that were enacted during this crisis from a gender perspective: early-recovery measures, counter-cyclical employment policies, fiscal consolidation packages, and policies affecting the gender equality machinery. Our main focus will be on fiscal consolidation policies.

## 4.2 The EU response to the crisis and gender mainstreaming

The integrated nature of European economies supports the logic of a coordinated response from the European Union to the crisis. However, the competencies of the European Union in this area are relatively limited. The European Economic Recovery Plan (EERP) is a clear example of an attempt to coordinate a macroeconomic response to the crisis while relying heavily on Member States for funding, development, and implementation (European Foundation for the Improvement of Living and Working Conditions 2009b).

The European Economic Recovery Plan aimed at restoring consumer and business confidence, boosting lending and investment, creating jobs, and helping the unemployed back into work. Action was envisaged in four areas – monetary and credit policies, fiscal policy, Lisbon-type structural reform, and external co-operation. The resulting document was more of a framework to encourage Member States to reach a rapid agreement when they met in December 2008. The 200 billion euro agreement was an unprecedented response in terms of the coordination it required among Member States as well as the financial commitment it involved (85% of which comes from Member States). The labour market measures in the Recovery Plan included reducing social security contributions on lower incomes, reducing indirect taxation on labour-intensive services, accelerating investments in infrastructure, and investments in R&D, innovation, and education. The most common policies currently enacted by Member States include public works programmes, reduced VAT in some countries, and reductions in social benefits in many Member States.<sup>42</sup>

Although existing guidelines require policies coordinated at the EU level to be gender mainstreamed, the European Economic Recovery Plan makes no mention of “gender”, “women”, or “equality”.<sup>43</sup> The Commission’s Advisory Committee on Equal Opportunities for Women and Men clearly exposed the low visibility of gender in these European-level responses, as well as the need to take the gender dimension into account in current and future initiatives to tackle the crisis. Some of the recommendations of the Advisory Committee are especially relevant to the management of the crisis, for example:

- to emphasize the importance of maintaining the current commitment to gender equality;

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<sup>42</sup> See European Commission (2010e), *The Commission’s assessment of the European Economic Recovery Plan*, European Commission Directorate-General for Employment, Social Affairs and Equal Opportunities, Unit G.1., DOI 10.2767/6547 Brussels.

<sup>43</sup> See Villa P. and Smith M. (2010), *Gender Equality, Employment Policies and the Crisis in EU Member States*, EGGE Report for the European Commission, DG Employment, Social Affairs, and Equal Opportunities, Brussels. Available at: <http://ec.europa.eu/social/BlobServlet?docId=5630&langId=en>

- to take into account the gender dimension in future initiatives to counteract the crisis or limit its impact;
- to ensure that a gender perspective is built into the future revision of the Lisbon Strategy after 2010;
- to shape the post-2010 framework for gender equality with a clear priority on measures to promote gender equality in the economic and financial crisis (including a commitment to equal pay);
- to ensure that all proposed policies are routinely subject to gender impact assessment, as a matter of good policy-making;
- to build a gender budget mechanism into the Commission's work;
- to improve women's participation at all levels of decision-making (including the European Central Bank);
- to adapt the European Structural Funds to focus on additional support for the areas of women's employment likely to be affected by the crisis.

Despite these and other recommendations of the Advisory Committee, the “urgency” of a response to the crisis seems to have pushed gender mainstreaming further down the priority list. For example, one of the simplest gender mainstreaming tools is to present gender-disaggregated statistics, yet many analyses and documents have failed to do so.<sup>44</sup>

The missing gender dimension is not simply a presentational concern, but rather symbolic testimony to a low sensibility towards this issue in the documentation relating to the crisis over the past months. Yet the draft Joint Employment Report adopted by the Council at the beginning of 2010 had embraced a stronger position on gender, with women being identified among the groups at risk in a period of rising unemployment, and with a clear preoccupation to avoid permanent inactivity and losses of human capital.<sup>45</sup> Similarly, the Commission recognized the impact of the crisis on gender equality policies, stating that “some measures for gender equality have been delayed or cancelled and no new measure have [sic] been taken except support to new jobs in the care sector”. The need for gender mainstreaming to be “more actively applied in employment policies, notably when defining and implementing recovery policies” is also explicitly recognized.

### 4.3 Employment policies

This crisis staged three main types of labour market policies: short-time working, public sector downsizing and income support for the unemployed. The timing varies: short-time working epitomizes widespread efforts to prop up employment in the early recessionary phase (the first dip), while public sector downsizing is part of the austerity measures leading to the second dip, and support for the unemployed spans the entire length of the recession. Public works programmes and other stimulus measures enacted as part of the European Economic Recovery Plan were generally temporary and targeted at those very male branches of industry that were

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<sup>44</sup> See, for example, Bradshaw J. and Mayhew E. (2011), *The Measurement of Extreme Poverty in the European Union*, report for the European Commission, DG Employment, Social Affairs, and Equal Opportunities, Brussels. Available at: <http://ec.europa.eu/social/BlobServlet?docId=6462&langId=en>

<sup>45</sup> See European Commission (2010f), *Joint Employment Report 2009/10*, Council (Employment, Social Policy, Health and Consumer Affairs) Brussels.

first hit (for example, car scrapping schemes targeted at the automotive industry). Despite a high public profile, however, these were not the most important employment measures.

*Short-Time Working (STW)*. Support for Short-Time Working in an attempt to avoid dismissals was widespread, as witnessed by the surge in short working hours (see above). Training and income replacement for lost hours of work are typical ingredients of SWT schemes. In Italy, for example, the main STW scheme is the *Cassa Integrazione Guadagni*, a wage supplementation fund that is activated when a firm resorts to mass dismissals. The fund largely compensates for lost hours of work, avoids termination of the employment contract (that is, it formally keeps workers in employment even when they work zero hours), and can last for more than a year, depending on the agreement struck by the social partners. It may be flanked by re-training or mobility schemes.

According to a recent OECD study on STW schemes enacted during the recession in 19 member countries, “take-up was highest in Belgium, Turkey, Italy, Germany and Japan, accounting for over 3% to almost 6% of all employees in 2009” (Hijzen and Venn 2011, p. 6). Although the OECD study lacks a gender perspective, the conclusions it reaches have gender implications: “The largest impacts of STW on employment among the 16 countries considered<sup>46</sup> were in Germany and Japan. However, the positive impact of STW was limited to workers with permanent contracts, further increasing labour market segmentation between workers in regular jobs and workers in temporary and part-time jobs.” Since women are significantly under-represented among regular full-timers, STW programmes benefitted men in the first place. Having said this, it was among men that employment losses were higher.

*Downsizing of the public sector*. A notable development in the second phase of the crisis (2010-12) is that moves to downsize the public sector, and with it public employment, have been gaining momentum. Employment in central government and public corporations is of a magnitude that is crucial for public expenditure plans in the current crisis. Across the OECD, compensation of government employees represented about 24% of general government expenditure in 2009 (OECD 2012). Reducing the overall size of the public payroll is thus one of the most lasting and effective ways of controlling the fiscal pressure the government places on the economy. Given that public workers cover a very wide variety of skills and supply a multitude of services, the public sector has to prepare for new demands and roles as old roles and functions either become obsolete or are devolved out of the public sector.

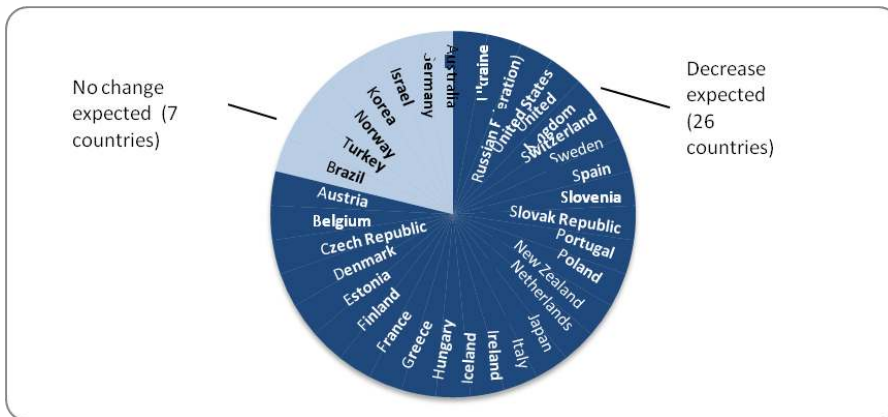
Why is women’s employment in the public sector important for overall gender balance?

- Women tend to be over-represented in public sector employment.
- Gender equality policies often start in the public sector and are always implemented much more strictly in the public sphere due to visibility, employment stability, the strength of the unions and -very often in the past - soft budget constraints.
- In principle, high employment in the public sector is associated with the supply of abundant social services.

In a recent OECD study on future employment plans, over three-quarters of OECD countries indicate that they are planning reforms that will decrease it, while none are planning an increase (Figure 4.1). It is interesting to note that among EU countries, only Germany is *not* planning to shrink employment. Further details on the downsizing of the public sector and how this may affect women’s labour market position are given below in the six countries’ accounts of the impact of later consolidation (Section 4.3).

<sup>46</sup> A subset of those included in the study.

**Figure 4.1. Anticipated changes in employment levels in more than 50% of governmental agencies and ministries (2010)**



Source: 2010 OECD Survey on Strategic Human Resources Management in Central/Federal Governments.

*Income support for the unemployed.* Due to a more discontinuous and lower labour market commitment, female workers also tend to be comparatively penalized by unemployment benefit schemes where entitlement is conditional on contributions and replacement is proportional to earnings rather than at a flat rate. However, flat-rate schemes tend to offer comparatively low replacement rates to all (Bettio and Verashchagina 2009: Chapter 1). How, then, did the various European unemployment benefit programmes fare in this recession from the standpoint of gender equality? To our knowledge, no comparative study has yet addressed this question head on, and the fragmentation of unemployment protection programmes in the different countries makes it difficult to find a clear answer on the basis of country-specific evidence.

Figari *et al* (2010) throw some light on the issue. Their study analyses the implications for the living standards of those most likely to lose their jobs over the first two years of the economic downturn (the ‘new unemployed’). Five countries are considered - Belgium, Italy, Lithuania, Spain, and the UK – with Lithuania and the UK being closer to a flat-rate system than the remaining countries. Two main findings are worth noting from a gender perspective. First, in none of the five countries were all the ‘new unemployed’ protected against loss of income. However, the risk of falling below the poverty threshold was found to be much lower in Belgium and Spain, where income replacement rates are generous, and higher in Lithuania and the UK, where they are flatter. Although the study does not make this explicit, men are likely to be over-represented among the ‘new unemployed’ for two concurrent reasons, namely the (fairly consistent) tendency for women to be prevalent among the long-term unemployed, and the more severe employment losses for men in the first years of the recession.

The findings from the study, therefore, tell an old story in a new guise: the higher the replacement rate, the less female workers benefit from the system, whereas the flatter the benefits, the more the system tends to be ‘fair’ to women, especially if benefits are flatter but last longer, as tends to be the case in the U.K. This may in turn imply an unpleasant trade-off between poorer income protection for all and greater gender balance. The study also confirms that the best insurance against falling into poverty is being a part of households where someone else works. This is one of the strongest reasons for supporting greater integration of women into

the labour market from an income equality as well as a growth perspective. Chapter V below will delve more deeply into an analysis of poverty.

#### 4.4 Fiscal consolidation and its likely impact on gender equality

##### 4.4.1 *Fiscal consolidation: macroeconomic background and basic facts*

The European Economic Recovery Plan was initially estimated to amount to some 2% of GDP on average in the EU for the period 2009–2010, but more recent estimates suggest a higher figure. The differences in the size of the stimulus packages across countries are considerable, with Spain, Austria, the UK, Germany, and Poland having adopted the largest packages in 2009 or 2010.<sup>47</sup> However impressive this may seem, the EERP has drawn on fewer public resources than was the case for the Financial Rescue Packages that were hastily approved after the demise of Lehman Brothers in September 2008 in an attempt to prevent chain bankruptcies. Between 2008 and 2011 (September), the European Commission approved financial aid amounting to little more than one-third of the Union GDP. Not all of this aid was used. Between 2007 and 2010, the financial aid actually used amounted to 13.1% of 2010 GDP, and for the most part was accounted for by financial guarantees. But even if we confine our attention solely to capital injections, relief of impaired assets, liquidity and bank funding, the actual aid reached about 4% of GDP.<sup>48</sup>

The combination of financial rescue and stimulus plans, rising expenditure on unemployment (and other welfare benefits), dwindling revenue due to the fall in output and jobs as well as the fall in house prices, all concurred to boost public deficits and debts across countries, setting the stage for the sovereign debt crisis.

In some countries, such as Iceland, Ireland, the UK or Spain, it was the sheer size of the rescue or stimulus packages that unbalanced public finances, whereas in countries with more long-standing debts, such as Italy or Greece, the deterioration was largely an indirect effect of the recession and unresolved issues in the architecture of the monetary union. Under pressure from financial markets and the EU monetary authorities, since 2009 the vast majority of European countries have undertaken or announced consolidation plans as a pre-emptive action to rebalance public finances or avoid the risk of a sovereign debt crisis.<sup>49</sup>

OECD (2011) defines fiscal consolidation as “concrete policies aimed at reducing government deficits and debt accumulation”. It is achieved by cutting public expenditure or raising fiscal revenue through increased taxation, social security contributions, and the like. The repercussions of fiscal consolidation on economic growth and labour market outcomes are hotly debated in economic research and policy circles,<sup>50</sup> but there is hardly any in-depth research or even awareness of gender repercussions.

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<sup>47</sup> Van den Noord P. (2011), quoting data from European Commission services.

<sup>48</sup> EC data available at [http://ec.europa.eu/competition/state\\_aid/studies\\_reports/expenditure.html#II](http://ec.europa.eu/competition/state_aid/studies_reports/expenditure.html#II) (accessed September 2012)

<sup>49</sup> See OECD (2011), *Restoring Public Finances*, OECD Working Party of Senior Budget Officials, Public Governance and Territorial Development Directorate, Paris.

<sup>50</sup> For a concise and recent overview see Kerdrain C. and Lapègue, V. (2011), “Restrictive fiscal policies in Europe: what are the likely effects?”, INSEE, Paris; see also Barrios S., Langedijk S. and Pench L. (2010), “EU fiscal consolidation after the financial crisis. Lessons from past experiences”, *European Economy - Economic Papers*, no. 418. Brussels.

Of special interest for this report is the composition of consolidation packages. In 2010, the OECD carried out a Fiscal Consolidation Survey on thirty countries (OECD 2011). While the survey ended in November/December 2010 and was not updated with the events of 2011, it collected prospective information about consolidation plans until 2015 (Figure 4.2).

The survey found that:

- in the vast majority of countries, consolidation is achieved primarily through expenditure cuts (rather than increases in fiscal revenue): cuts account for half or more of cumulative consolidation in all the European countries in the survey, with the exceptions of Belgium and Sweden. Within Europe in particular, governments appear to share in the analysis (as in Commission 2012) that expenditure reduction, rather than revenue increase, is the most efficacious way to proceed.<sup>51</sup>

- cuts affecting health, welfare, pensions, and infrastructure provisions take the lion's share of the planned expenditure reduction, whether they are measured by the share of GDP accounted for or by the number of countries implementing the cuts. Taking the latter indicator, 18 countries in the survey planned cuts in welfare provisions, 15 in health, 14 in pension benefits and 13 in capital infrastructures. Education, culture, and the environment were comparatively spared, but so was defence spending.<sup>52</sup>

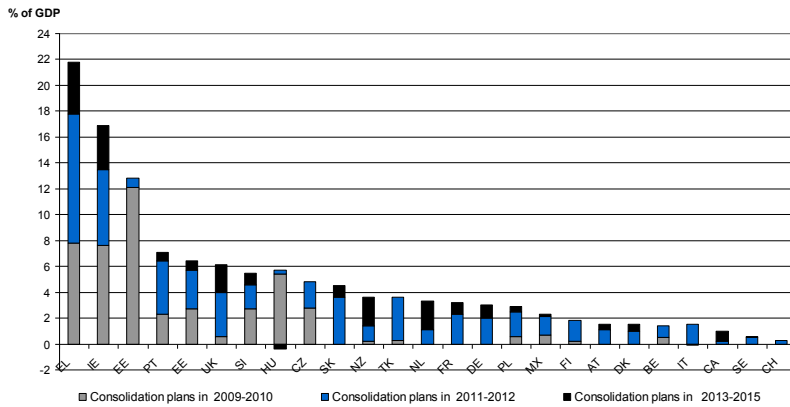
- cuts in government running costs are the second largest item in expenditure reduction, and comprise reductions or freezes in wages and staffing. Twenty countries announced wage cuts for public sector personnel, while 15 announced staff reductions.

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<sup>51</sup> Moreover, in Denmark, Portugal, and Spain, the consolidation package is fairly evenly split between expenditure cuts and increases in revenue.

<sup>52</sup> See OECD (2011), *Restoring Public Finances*, OECD Working Party of Senior Budget Officials, Public Governance and Territorial Development Directorate, Paris.

**Figure 4.2. Announced Consolidation plans as % of GDP**



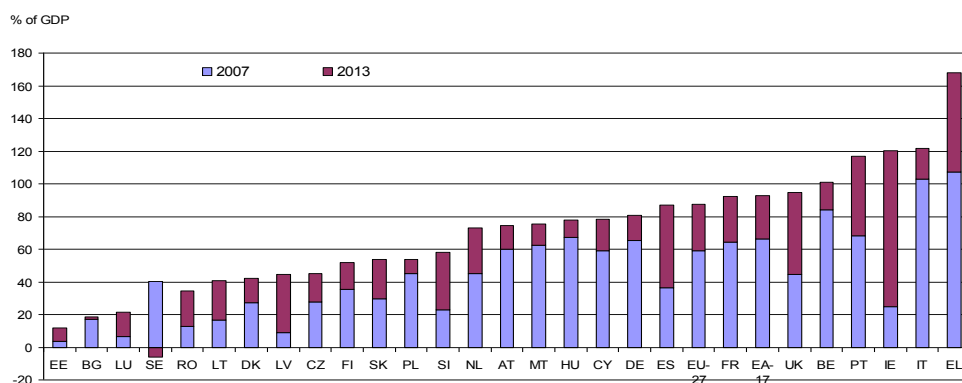
Note: The figures are the sum of annual incremental consolidation for 2009-2015 as reported by the national authorities and/or calculated by the OECD Secretariat. The figures include Estonia's and Ireland's 2009 consolidation. Hungary's 2007-2008 consolidation is not included. Canada and the Netherlands report consolidation until 2015.

Source: OECD (2011), 'Restoring Public Finances', OECD Working Party of Senior Budget Officials, Public Governance and Territorial Development Directorate, Paris, (p. 29: Fig. 1.8).

Commission services document that there has been considerable fiscal progress in the EU, however we might define that progress (European Commission 2012c). The overall budget deficit for the Eurozone has been almost halved, from 6.2% of GDP in 2010 to an expected 3.2% in 2012. This development is echoed for EU27 – from 6.5% to 3.8%. Even adjusting for the stage in the economic cycle (the structural balance), there is still improvement, and the structural *primary* balance – that is, subtracting interest payments – is actually expected to shift into a *surplus* for the Eurozone as a whole (1.1% of GDP), a development which also carries over into EU27<sup>53</sup>.

<sup>53</sup> See European Commission (2012), 'Report on Public finances in EMU', European Economy, 4/2012, Directorate-General for Economic and Financial Affairs, Brussels: p. 16 in particular.

**Figure 4.3. Short-term fiscal impact of the crisis. General government debt in ratio to GDP**



Note: 2012 and 2013 are forecast data. Differences between the sum and the total of individual items are due to rounding.

Source: European Commission (2012c), 'Report on Public finances in EMU', European Economy, 4/2012, Directorate-General for Economic and Financial Affairs, Brussels (p. 19: Graph I.1.2)

However and despite progress in fiscal consolidation, (expected) debts to GDP ratios are considerably higher in 2013 than in 2007 throughout the EU, with the single exception of Sweden (Figure 4.3). The increase is especially great in Ireland, Greece, Portugal, and Spain, where large falls in GDP are an important part of the story behind soaring debt ratios. A key question that cannot yet be answered is whether this deflationary effect of consolidation in the short run will pay off with higher growth in the medium and longer run.

#### 4.4.2 Ex ante impact assessment of Fiscal Consolidation

Like the Recovery and Financial Rescue Plans, consolidation programmes have scarcely benefitted from preliminary gender impact assessment, as clearly stated by Villa and Smith (2011) in their analysis of National Response Plans during crisis years.<sup>54</sup> This is also the allegation that most experts from the EGGE and the EGGSI networks raise with respect to their own countries (Box 4.2).

#### Box 4.2 – Gender-blindness of public cuts in EU Member States

**Austria.** All ministries have been asked to contribute to the budget consolidation by cutting their own. Additional taxes (taxes on capital and environmental taxes in a wider sense) will be levied, and the government plans 'offensive measures' for the period 2011-2014 targeting science, energy-saving construction, and the expansion of all-day schools. With the reforms to the Austrian Federal Constitution and federal budget law adopted in 2007, factual gender equality has been anchored in public budgets. Thus, as of 1st January 2009, the Austrian federal state and its provinces and municipalities are committed to mainstreaming their budgets towards gender equality. However, an institutional implementation including a transparent and consistent description of the gender effects of revenues and expenditures is lacking.

<sup>54</sup> See Villa P. and Smith M. (2010), *Gender Equality, Employment Policies and the Crisis in EU Member States*, EGGE Report for the European Commission, DG Employment, Social Affairs, and Equal Opportunities, Brussels. Available at: <http://ec.europa.eu/social/BlobServlet?docId=5630&langId=en>



**Bulgaria.** Measures to stabilize public finances and rescue the financial system have included a 15% reduction in expenditure in the 2009 budget and again in 2010, a 15% to 20% reduction in administrative staff in the various ministries, and more stringent controls of the financial system. None of these policies has been gender mainstreamed.

**Cyprus.** A new package of measures prepared by the Government in the context of the Stability and Growth Plan (March 2010) aims to stabilize the deficit for 2010 and bring it down by 2013. Measures include a hiring freeze in the public sector and a progressive reduction in the number of government employees, to be achieved by leaving vacated positions unfilled.<sup>55</sup> However, it is important to note that the sectors of education, health care, and social welfare have been exempted from the hiring freeze. No documented information is available on the gender repercussions.

**Czech Republic.** Crisis-specific employment and social policies focus primarily on cuts in public spending, including support for families with small children. Policy plans announced by the new government go further in tightening support for the most vulnerable groups of the population. New policies are not gender mainstreamed, nor are they implemented with a clear conception or strategy.

**Denmark.** In 2010, a 24 billion DKK (3.2 billion euros) austerity plan was accepted in Parliament (*Genopretningspakken*). Leschke and Jepsen (2011) comment that there is an apparent lack of gender assessment of the impact of both the stimulus and austerity packages in Denmark, which is surprising, given that Denmark otherwise has a good reputation for ensuring gender equality. The authors attribute this state of affairs to the general policy of gender mainstreaming, but also to the fact that the Department of Equality was downgraded in 2008 to an office of the Ministry of Employment.<sup>56</sup>

**Estonia.** The state budget was heavily cut in order to cope with the crisis. There was no gender impact analysis of the cuts made, and gender budgeting is unknown in Estonia. The largest cuts affected the Ministry of Social Affairs, whose actions have especially significant consequences for women.

**France.** Public cuts risk being the primary targets of public sector reductions, which contradicts the spirit of the Europe 2020 strategy. Alongside a reduction of 64,000 civil servants by 2013, the government plan is to freeze their pay. Moreover, the number of subsidized jobs will be halved from 400,000 to 200,000 by 2013.

**Germany.** The fiscal stabilization programme includes massive reductions in social policies as financial support of recipients of unemployment assistance will decrease (by means of cuts affecting parental leave allowances, transitional payments, and the heating allowance). This group does no longer receive any parental leave allowance. The parental leave allowance replacement ratio has been lowered from 67% to 65% for all new parents, which will primarily hit medium term families and might therefore reduce the propensity of fathers in this group to take leave. The maximum amount of euro 1,800 which in fact only families with higher income receive, stays the same.

**Greece.** The measures adopted or announced in Greece to counteract the effects of the economic crisis have been selected without a gender perspective in mind. They have been chosen with a view to ensuring fiscal consolidation in the first place, while the lessening of the impact of the crisis on specific groups was a secondary consideration.

**Hungary.** Although state budgetary problems commenced in 2006 in Hungary - i.e. well before the present economic crisis - there have been no reports or investigations from a gender perspective.

**Ireland.** Macroeconomic policy as part of the 'Building Ireland's Smart Economy' strategy over the last year has been dominated by just one Europe 2020 objective: stabilising public finances. For example, investment in public capital programmes has been reduced, and while educational expenditure has not been reduced to the same extent as other areas (such as social welfare), it has nonetheless been subject to serious restrictions. The 2010 budget brought in severe pay and pension cuts, even for those in low-paid public-sector jobs.

**Latvia.** The reforms implemented include cuts in teachers' wages, the closure of a number of schools, and a number of (unpredictable) changes in taxation policy. Since the education and health sectors are female-dominated, the reforms have affected women in the first place.

**Malta.** There is little evidence of gender mainstreaming policies to improve the quality and efficiency of measures to counter the effects of the economic crisis. In fact, Malta lacks a set-up for gender auditing and gender budgeting.

<sup>55</sup> In 1990, the total number of civil servants was 33,978, and the state payroll amounted to 374.5 million Euros, while in 2009 the total number increased to 51,787 civil servants, and the state payroll reached 2 billion Euros.

<sup>56</sup> Leschke J. and Jepsen M. (2011), "The economic crisis – challenge or opportunity for gender equality in social policy outcomes? A comparison of Denmark, Germany and the U.K.", *ETUI Working Paper* no. 2011.04. Available at: [http://s3.amazonaws.com/zanran\\_storage/www.etui.org/ContentPages/2508944073.pdf](http://s3.amazonaws.com/zanran_storage/www.etui.org/ContentPages/2508944073.pdf)

**Poland.** Facing the threat of the crisis, the Polish government reacted quite quickly, focusing mainly on the financial solvency of the banking and housing sectors and employment support to the enterprise sector, as well as on fiscal stability and public finance consolidation. The relevant instruments were often implemented after discussion with social partners, but gender aspects have not been considered at all.

**Spain.** The main policy initiatives for tackling the crisis are expected to affect women adversely. Most of these initiatives were implemented in 2010 in an attempt to further fiscal consolidation. Moreover, they have been accompanied by cutbacks in social spending at a local and regional level. The gender impact has not been measured yet, but it is expected to be enormous, especially in health, social policy, and education.

**United Kingdom.** Since its formation in May 2010, the Coalition Government has chosen to reduce public debt predominantly by cutting government spending. The Emergency Budget of June 2010 and the Spending Review of October 2010 both announced significant cuts in welfare expenditure and public services. The Government has a legal obligation to pay 'due regard' to the impact of its decisions on different equality strands, including gender. Despite this legal duty, an equality impact assessment of the 2010 Emergency Budget was not conducted, a fact that led the Fawcett Society to seek a judicial review of the budget in the High Court.

Sources: EGGSI national reports.

In the absence of suitable impact assessment studies on which to rely for an informed appraisal, we have resorted here to the judgement of experts from 19 European countries.<sup>57</sup> Specifically, these experts have been asked to single out from their respective country packages the consolidation measures that are most likely to have consequences for gender equality, and to assess their expected repercussions. The classification of consolidation measures used by the OECD in its 2010 survey was used as a template in order to ensure some reporting homogeneity.<sup>58</sup>

The experts focused on an altogether contained list of measures, and provided fairly concordant assessments, but the nuances and discordances are interesting. In order of frequency, the most cited measures are:

*On the expenditure side:*

- Wage freezes or wage cuts in the public sector (10 countries: AT, DE, EL, HU, IE, LV, PL, PT, RO, UK);
- Staffing freezes or personnel cuts in the public sector (9 countries: BG, DE, EL, FR, IS, LV, NL, PT, UK);
- Pension reforms, postponing retirement and/or bringing the age of retirement for women in line with that for men (8 countries: CZ, EL, FR, HU, IE, MT, NL, PL);
- Cuts and restrictions in care-related benefits/allowances/facilities (8 countries: AT, EL, IE, IS, LV, NL, PT, UK);
- Reductions in housing benefits or family benefits (6 countries: AT, HU, IE, LV, PT, UK);
- Tightening of eligibility criteria for unemployment and assistance benefits, or reductions in replacement rates (5 countries: DE, EL, HU, IE, UK);

*On the revenue side:*

- Tax measures (6 countries: AT, EL, FR, IE, IS, PL);
- VAT increase (6 countries: CZ, EL, IE, PL, PT, UK);

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<sup>57</sup> The EGGSI national experts were asked to devote a Section of their report to one of three issues: the gender pay gap, unpaid work, and fiscal consolidation. Nineteen experts chose fiscal consolidation; the relevant countries are Austria, Bulgaria, the Czech Republic, Germany, Greece, France, FYROM, Hungary, Ireland, Iceland, Lichtenstein, Latvia, the Netherlands, Malta, Poland, Portugal, Romania, Sweden, and the UK.

<sup>58</sup> We refer here to the classification adopted for Table 1 of the country notes in OECD (2011).

- Increases in fees for publicly-subsidized services (healthcare fees, transport fees, others) (3 countries: EL, IE, PT).

Of course, more European countries have announced or implemented each of the above measures than the 19 included in the above list. In particular 12 more countries have enforced or announced freezes or cuts in public employment or wages: Belgium, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Spain, France, Iceland, Ireland, Italy, and Lithuania. In addition, the age of retirement has been postponed in four more countries: Belgium, Croatia, Spain and Italy.

In the (relative) majority of cases, the expectation on the part of the experts that took part in the evaluation exercise is that consolidation measures will have a significant direct impact on women, implying negative repercussions on gender equality. This is typically the case with freezes or cuts in public employment, where women are frequently over-represented. As the Greek expert suggests in her national report, however, over-representation of women in public sector jobs usually means that women are more commonly found in public rather than private sector jobs, not that they actually outnumber men in public employment. Thus, depending on the size of the male and female public employment segments, both sexes stand to lose from job cuts or freezes, and the number of men at risk may be even larger. Additionally, the example of Germany is a warning that greater job loss for women is not a foregone conclusion, because employment in the care and health branches may not be easily slashed in ageing economies. National evidence for the initial years of the crisis indicates that Member States have been reluctant to cut health or even long-term care provisions.

Widespread expectations that cuts or freezes in public sector wages may be disproportionately borne by women also warrant some qualification. In fact, the gender pay gap may even improve if the cuts disproportionately affect the variable components of the pay packet, as seen in Chapter II.

With regard to the ‘rationalization’ of unemployment benefits and welfare assistance, the repercussions tend to be more severe for the long-term unemployed, who are often mothers of children, as the case of Germany indicates.

Restrictions in housing benefits impact gender equality in more indirect ways, by affecting the poorest households. Where the feminization of poverty means that female-headed households are especially ‘at risk’, lower housing benefits increase gender inequality. As the Portuguese and UK experts point out, higher service fees and VAT increases may also exacerbate gender inequalities in income for much the same reason: that is because they have the most adverse impact on the poorest households.

The postponement of the age of retirement for all and/or bringing the age for women in line with that for men is seen differently by the various experts, which reflects the wider social debate on this issue. The Czech expert stresses the equalizing value of evening out the retirement age. The Greek expert warns however that women stand to lose more, because the legal retirement age was lower for them and they more frequently took advantage of early retirement. The Polish expert argues that delaying retirement for women may mitigate the income gap in old age, as it would allow them to (partially) compensate for lower earnings and more frequently interrupted careers. In most countries, reforms affecting the retirement age also feature increased pension contributions or lower benefits, or both. Not surprisingly, there is much greater convergence of expectations with regard to reduced benefits or more restrictive claims for the same level of contributions, since the pension income gap in old age is likely to increase in response.

Tax reforms need to be assessed on a case-by-case basis. A bank levy in Austria and the removal of a taxation shield for high incomes in France are deemed to enhance equality in general. In

Austria, it is thought that the bank levy will specifically enhance gender equality, because more men than women own financial assets.

Overall, however, the bulk of the measures selected by the experts on the grounds of their potential relevance for gender equality are seen to carry the risk of stalled progress in closing gender gaps in employment, pay, income, and poverty. There are some welcome exceptions, such as the bank levy in Austria, and, according to some, postponement in the retirement age and the resulting evening out of the gender gap.

We also addressed the question of the practical importance of the provisions that might, in the opinion of the experts, backfire on equality (methodology in Box 4.3), and found that in half of the countries we examined, these provisions account for at least 1% of national product in one or more years within the announced consolidation period. This is by no means a negligible amount, although this finding must be taken with more than the customary pinch of salt.

#### **Box 4.3 - Quantifying controversial consolidation measures**

What is the order of magnitude of the consolidation measures that might directly backfire on gender equality?

In order to address this question, the measures for which the national experts offered comments, positive or negative, have been matched with the corresponding measure in the list of fiscal provisions that the OECD has drawn up for each of the 30 countries surveyed by means of an *ad hoc* questionnaire on fiscal consolidation (OECD 2011: country notes). These measures have been quantified by the OECD in terms of the GDP share they account for.

The detailed results of this matching have been set out in a previous version of this report, and can be obtained from the authors on request. They have been left out of this version for reasons of space. The matching concerned the 12 countries at the intersection between the 19 countries whose experts had been selected to contribute to analysis in this chapter and the group of countries surveyed by the OECD. The reference period spans from 2009 to 2015, but differs from country to country.

The provisions judged by the national experts to carry at least some risks for gender equality directly amount to less than 1% of GDP in all consolidation years in Austria, the Czech Republic, France, the Netherlands, and Sweden. In Germany and the UK, the share of GDP accounted for by such measures is little more than 1% in at least one consolidation year. In Greece, Hungary, Ireland, and Portugal, the same share is between 2% and 5%.

#### **4.5 Taking the analysis forward: selected issues encountered in a panel of six Member States**

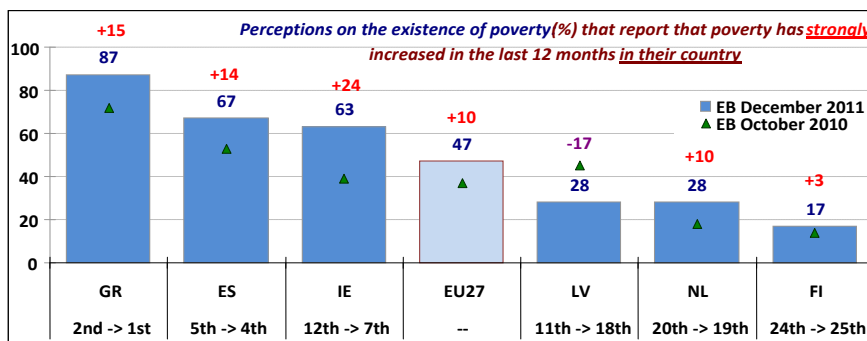
Are the expectations of the experts borne out by facts? It is, of course, too early for an *ex-post* assessment. Not only is fiscal consolidation still ongoing at the time of the last update to this report (August-September 2012), but there are hardly any comparative *ex-post* evaluation exercises that can be used from a gender perspective. There are, however, countries where the process of fiscal consolidation started sufficiently early or is sufficiently pronounced to have already shown up in some statistics, or where the process is being better monitored. Once more, therefore, we have turned to a selected group of country experts to uncover evidence of the ongoing impact of fiscal consolidation at a national level. This panel of countries includes Greece, Ireland, Latvia, the Netherlands, Finland and Spain.

The analysis above has shown that the crisis has proceeded at different speeds, and in certain cases, in different directions across the EU. Similarly, the challenges posed by the crisis encounter different gender vulnerabilities in different Member States. It is important, thus, to capture the extent of differentiations across the EU, especially given that the differences in gender implications of the recessions will not appear in *ex post* gender-sensitive data for some time to come. Indeed, waiting for

definitive information before taking a stance runs the risk of ‘shutting the stable door after the horse has bolted’.

All six countries are affected by the crisis and have fiscal retrenchments plans in operation. Yet they span a very wide spectrum. Figure 4.4, derived from a Eurobarometer survey conducted in December 2011 shows that citizens in all countries feel threatened and vulnerable (in this case by poverty<sup>59</sup>)– but not the same extent. Thus GR, ES and IE are worse affected, while FI and NL are less so. Latvia entered the crisis earlier and is now well on the way to recovery.

**Figure 4.4. (%) of persons reporting that poverty has strongly increased in the last 12 months in their country**



Source: EUROBAROMETER 338

Note: Eurobarometer 338 fieldwork conducted in December 2011; published in April 2012.

Eurobarometer 311 fieldwork conducted in October 2010; published in February 2011.

In all the countries examined little is known about the medium and long-term implications of fiscal consolidation. There is more evidence on implications in the short run, but it is still very scant. What is known yields some closely related indications. A divide is emerging between countries where fiscal consolidation has been severe and protracted – Greece, Ireland and Spain - and those where the scope for consolidation was comparatively smaller – the Netherlands and Finland – or the problem was radically addressed early on in the crisis – Latvia. In the second group of countries the actual or expected impact of consolidation programmes is contained, or it does not appear to systematically work against women. In the first group of countries the impact is severe for both men and women and may well be rolling back progress in gender equality. Trends in the overall employment rate in these two groups of countries underscore this divide. In Greece, Ireland and Spain female employment has fallen more or less consistently from the onset of the recession whereas in Finland, the Netherlands and Latvia it has shown some signs of recovery, however uneven and fragile.

Table 4.1 codifies experience in the six-country panel with reference to six observations regarding their fiscal consolidation experience and which have implications for gender.

1. *Gender awareness.* In the six countries gender was only taken into account in the design of fiscal consolidation policy and in assessing its impact in Finland, and partly in the Netherlands. Finland indexed maternity, home care and childcare benefits and has increased social benefits. The

<sup>59</sup> Poverty data covering the crisis will not be published until May 2013. Eurobarometer data correct this by showing perceptions of poverty increase, which may be seen as a leading indicator.

Netherlands government assessed the impact of budget cuts on different kinds of households and activity statuses – which goes some way towards enabling a gender analysis. In the other four countries (among them those worse affected by the crisis and facing greater gender vulnerability) gender was not approached or mentioned.

2. *Expenditure curtailment*, focused primarily on cuts in salaries of public sector workers and social insurance pensions, as their size implied that they could yield larger sums for the budget. On the other hand, at least up to mid-2012, social protection benefits and social services in kind have yielded – as a percentage of GDP – lesser amounts. Of course, given the lower base, a given reduction of expenditure could imply greater percentage reductions in the case of benefits, as well as a greater distributional effect. Another explanation for the observed balance is that social services in kind are supplied by lower levels of government. Retrenchment decisions (or cash restrictions) taken at the central level may take time to work through; if so, we might see the effects of retrenchments appearing later on in the crisis.

3. *Taxation*. In the countries worse affected (Greece, Ireland, Spain, Latvia) both direct and indirect taxation increased. NL focused on indirect taxes while FI also increased indirect taxes with an emphasis on green taxation. All governments attempted to retain a progressive overall impact of the tax changes by focusing taxes and expenditure cuts on higher incomes. In direct taxation the tendency is for tax exemptions to be reduced, bringing into the tax net low income people and social protection beneficiaries, categories where women are over-represented (e.g. in Ireland the Universal Social charge is levied on gross income, with an exemption level below the poverty threshold. In Greece VAT was increased from 19% to 23% while many items were switched to higher rated categories)

4. *Are the overall programmes fair and gender balanced?* The claim thus exists that what is implemented is ‘*progressive austerity*’ or ‘*fair austerity*’. However, certain qualifications of relevance to gender must be noted: (a) in all cases indirect taxes (VAT, excises) were also raised with regressive implications on family budgets; (b) the shadow economy is encouraged, where women are more likely to be working (Greece, Latvia), or irregular work (Greece, Spain); (c) cuts take place in sectors of considerable importance for women as they are both producers and users, such as health care, long term care, education (Spain, Ireland); (d) while the public sector is downsizing, new hires are in all cases severely reduced. This has adverse effects on women labour force entrants, who relied on public employment to a larger extent; (e) it is fully possible that the relative risk of poverty may fall – if individuals at the middle of the distributions (workers) are affected proportionately more than those at the bottom (pensioners, benefit recipients). However, this could happen while the more vulnerable are becoming worse off in absolute terms.

5. *Retirement trends*. The tendency for retirement ages to increase gives incentive for people (frequently women) with vested rights to exit the labour market. The prospect of future pay retrenchment gives a further incentive to exit in those systems where pension entitlements are defined in terms of final salary (or where they are weighted in favour of more recent earnings). In Greece these mechanisms combined with transitional arrangements of the 2010 pension law to lead to exit into retirement of women over 50. This alters the gender balance in the labour market and creates the conditions for future pension adequacy problems by widening pension gender gaps.

6. *The spread of effects through layers of government*. The crisis was evident first at the central level, where austerity responses were initially focused. The crisis spreads to lower levels of government with a lag and usually through the financing relations between the central Government and regional and local governments. In this way, the kind of austerity effects that depend on local or regional government decisions are yet to be felt fully and are likely to appear from 2012 onwards. (Spain is a case in point; in Greece social services such as the Help at Home programme are financed by municipalities and are being drastically curtailed in most localities from 2012 onwards.)

7. *Greater burden on women of unpaid work as a result of retrenchment.* Women as the managers of family budgets have to contend with a rise in prices (due to indirect taxes), a fall in disposable income (due to direct taxes and direct earnings cuts), a fall in the supply of social services and joblessness of themselves and other family members. Solving this difficult equation is frequently done through the expedient of women supplying more unpaid labour in the home. This unpaid labour might be directed towards economizing on purchases or supplying greater care and will have an important if unmeasured effect on women's welfare. This effect was mentioned by the Greek and the Spanish experts but is likely to exist elsewhere as well.

Table 4.1. Codifying some stylized facts -fiscal consolidation experience in the six country studies

	Greece	Ireland	Latvia	Spain	Netherlands	Finland
<b>1. Implementation of fiscal consolidation measures (expenditure and revenue)</b>						
<b>Incomes &amp; wages,</b>	Across the board and generalised cuts implemented, sectoral and structural adjustment delayed. Main emphasis on public sector (wage cuts and no hires) but no redundancies. Insecurity.	Universal Social Charge implemented Jan. 2011. Two-tier employment structure in public sector for post 2010 hires (lower pay and pensions entitlements). Emphasis on expenditure in 1 <sup>st</sup> phase	Across the board cuts of public wages (by 15-20%), structural reforms in the public sector. Pensions freeze extended to the end of 2013.	Public employees pay cuts were implemented in 2010 (5%) and 2012 (7%). Women form the majority of public sector employees (over 50%). Private employees wages expected to decrease in 2012.	Freezing of wages of civil servants announced in Spring 2012	Tripartite framework agreement on wages and development of working life for the years 2011—2013. Contractual increases 2.4—1.9 per cent.
<b>Social Benefits , transfers and services-in-kind.</b>	Pensions in payment cut, social benefits subject to means-testing yet to be implemented. Services in kind for elderly and child-care facilities suffer severe budget cuts. Also suffer from zero-hire clause.	First phase of introduction of changes to OPEP has been completed – full implementation by 2015. Drastic cuts in Earnings Disregard (financial assistance for single parents by 55% cumulatively) – mainly affecting women. Also cuts in community-based child-care, among others	Pension freeze, cuts in contributory and some non-contributory benefits are implemented. Cuts in contributory benefits extended to the end of 2014.	Pensions reform and unemployment benefit cuts were implemented in 2011 and 2012 respectively. Diminishing access to public services crucial for women (education, health, long-term care) is increasing their vulnerability. EDUCA3, pre-primary school program cancelled	Pension age to be raised. Cuts in child-care benefits. Higher fees for day-care and out-of-school (2009 and 2010) and further increases in 2011 (also planned for 2013). In 2011 : child-care allowance linked with hours of work.	<b>Increases</b> in social benefits (introduction of guaranteed pension - € 688, unemployment and sickness insurance, child benefits and child care). Abolition of means-testing for labour market subsidy. Cutting drug refund in health insurance.
<b>Taxes</b>	Increases in direct and indirect taxation. Tax collection problems remain, tax base not widened significantly, tax surcharges used existing tax liabilities	Introduction of Universal Social Charge (regressive tax). General trend favouring a decline in tax exemptions (low income groups and social protection beneficiaries are liable to taxation (women are over-represented).	Increase in VAT and income tax; reduction of non-taxable min. and tax allowances; tax on dividends, and extension of the property tax. Some of tax measures reversed in 2011/2012.	Both income and value-added tax were increased in 2011 and 2012.	Increase in VAT will become effective as of October 2012	A shift of emphasis towards green and indirect taxes, lowering corporate income taxes, more equitable taxation, widening tax base, measures to combat shadow economy
<b>2. Results: First indications of Impact and side effects</b>	Recession deepened, large reduction in structural deficit: Unemployment doubled, mainly for the under 25, women still ahead in unemployment (26.5%) at all ages. Also bankruptcies due to liquidity squeeze (jobs are lost and self-employed in trouble).	Recession deepened; severe contraction in demand; continued high unemployment and emigration particularly affecting young people. Single parents and children experienced the most adverse effects (-5% in income).	Economy is recovering and unemployment rate dropped. However, mean and median household disposable income declined. GDP still lags behind the level of 2006, & unemployment remains high.	Recession deepened, expected reduction in structural deficit, unemployment raised from 20.5% to 24.8% between 2010Q3 and 2012Q2 (youth unemployment increased from 40.7% to 53.3% in the same period).	Impact on employment rates limited, particularly for women (unemployment rates of men have almost doubled, but rate is still low compared to EU average)	No indications to date. Confidence in the capacity of public finances to meet objectives remained high. Credit rating AAA appears to be stable.



#### 4.6 Equal opportunities policy frameworks

The evidence just reviewed revealed a generalized absence of gender-sensitive data and gender-informed analysis. The reason why this is worrying is that if decisions have to be taken under pressure of time, not being able to present a gender balance perspective succinctly and persuasively may result in permanent effects far into the medium term. In this respect, a *pre-existing*, effective and functioning gender balance infrastructure and ongoing gender balance debate can yield very important dividends: being able to argue the 'gender balance corner' in proactive terms, commensurate with fiscal retrenchment, is the best guarantee of continued progress in that field. Conversely, if the existing gender balance infrastructure were to be assigned a more defensive role - for example, merely to preserve the status quo - its effectiveness may be severely curtailed.

The Spanish case rings alarm bells as to the repercussions of this crisis on gender equality machinery, but Spain is not an isolated example, as the equality infrastructure has revised in several Member States in past years. Somewhat reassuringly, these revisions did not consistently mean downgrading or downsizing, although this has been the outcome in several countries. Developments in institutions and procedures to foster gender equality have occurred for different reasons, sometimes quite independently of the economic crisis.

Villa and Smith (2011) gathered extensive evidence from the National Action Plans of the changes that the first years of the crisis brought to the national gender equality machinery. In a few cases, the main reason behind recent changes was the political will to improve the efficiency and efficacy of gender equality bodies. This appears to have been the case with the institutional changes introduced in Poland, where there has been a reallocation of gender equality tasks between the two main gender equality institutions. The establishment of the Governmental Board for Gender Equality in the Slovak Republic is another example.

In some Member States, the institutional frameworks for gender equality policy have been reinforced by acts, action plans, and strategies. In Denmark, the new action plan for gender equality has seen the launch of a men's equality panel, with the aim of changing workplace cultures to make it more acceptable for men to take parental leave. In Portugal, the *Secretary for Equality*, created after the 2009 general elections, has allowed increased visibility of gender equality issues and a more central role in public policy.

However, the budget cuts induced by fiscal consolidation measures entail the concrete risk of downgrading the status of equality policies or reducing the budgets allocated to them. Our review in Box 4.4 shows that in several Member States, cuts in public budgets are seriously affecting the functioning of gender equality infrastructures (in Austria, Belgium, the Czech Republic, Ireland, Latvia, Romania, the Slovak Republic, Spain and the United Kingdom). However, other Member States offer examples of good practice, as they have deliberately decided not to reduce the resources devoted to gender equality institutions and/or projects, and even to increase them. This has been the case in Portugal, Slovenia and Sweden.

##### **Box 4.4 - The economic crisis, budget cuts and gender equality infrastructure**

**Austria.** Owing to the financial and economic crisis, it seems rather unlikely that sufficient funding will be available to implement substantial and sustainable gender equality measures within the next few years.

**Belgium.** The recent economic crisis has had a negative impact on the budget of the *Institute for the equality of women and men* (the main infrastructure in the field of gender equality), as it has on all other federal public services. The impact of the recent crisis on the Institute is all the more difficult to deal with because its missions and competences have constantly been broadened over time, but the previous cuts in its budget have already reduced the share of funds available for research to an absolute minimum.

**Czech Republic.** The new government (which took office in August 2010) has implemented severe budget cuts for gender equality infrastructures.

**Ireland.** In practice, the resources allocated to gender equality generally, and to gender mainstreaming in particular, have been reduced substantially in the current economic crisis, and it is evident that even at a time of reduced public expenditure, the scale of cut-backs experienced by key elements of the equality infrastructure has been disproportionate.

**Latvia.** Given the severity of the economic and financial crisis, the majority of the activities and measures included in the *Programme for the Implementation of Gender Equality 2007-2010* have been suspended.

**Portugal.** The gender equality infrastructure has not been seriously affected by cuts in the public budget. The crisis did not induce cuts in the budget for gender equality policies, but has inhibited the launching of new measures.

**Romania.** Gender equality bodies have been directly affected by the economic recession: the financial resources made available for their functioning as well as for their activities have been drastically reduced.

**The Slovak Republic.** The only permanent Department responsible for gender equality – the Department of Gender Equality and Equal Opportunities at the Ministry of Labour, Social Affairs and Family – has faced personnel changes and cuts. In particular, the Support Centre for the Implementation of Horizontal Priority for Equal Opportunities in structural and cohesion funds has recently been abolished. The national “Institute of Gender Equality” project, which had already been in existence for more than a year, has been temporarily frozen on account of poor expertise in project management and discrepancies in public procurement.. Additional projects have been delayed.

**Slovenia.** The budget of the *Office for Equal Opportunities* (OEO) has been slightly increased in the last years, and there are no signs that it will be reduced because of the crisis.

**Spain.** The Ministry of Equality was withdrawn in October 2010 and absorbed into the Ministry of Health and Social Policy. The reason put forward for this change was savings in administrative costs within the context of the fiscal austerity demanded by the current economic crisis.

**Sweden.** The government has increased the resources for gender equality policy. During the period 2007-2010, SEK 400 million (around 40 million Euros) per year have been deposited. No cuts have been made to these resources because of the crisis, but it took some time before the resources could be allocated to suitable projects.

**United Kingdom.** The budget cuts announced in the coalition government’s June emergency budget will have an impact on most government Departments, including the *Government Equalities Office* (GEO) and the *Equality and Human Rights Commission* (EHRC). The EHRC has been ordered to cut 15% from its budget. This means it will have to review its staffing and marketing and the grants programme that is currently in place to combat discrimination. The scale of cuts to the GEO has not been announced yet.

Source: EGGE and EGGSI national reports

The case of Iceland is worth recalling as a best practice example of using the economic crisis as an opportunity for radical change in the organization of the gender equality machinery. In the government, which took office in Iceland in May 2007, gender equality policies acquired priority as a policy issue in the hands of a female Minister of Social Affairs. When this Minister later became Prime Minister in February 2009, a gender equality policy was further prioritized in central government. Gender mainstreaming became the mode of policy implementation, and coordination of gender equality policies was moved from the Ministry of Social Affairs to the Prime Minister’s office. One out of four ministerial committees is now a ministerial committee on gender equality, a further indication of the political willingness to give gender equality a prominent place in the policy agenda. The manifesto of the coalition government of the Social Democratic Alliance and the Left-Greens has put gender budgeting on the agenda, and in late 2009 the Ministry of Finance took the first steps towards implementing gender budgeting<sup>60</sup>. The publication of a handbook on gender mainstreaming by the Centre for Gender Equality in Iceland was a flanking initiative.<sup>61</sup> The gender equality agenda is independent of government responses to the economic crisis, but the fact that gender equality policy had been prominent on the agenda prior to the financial collapse did indeed affect the response, in the sense that decision-makers gave gender issues more prominence and attention than before. Academic experts on gender equality were, for instance, asked to contribute to the Special Investigation Committee’s report to Parliament on the causes of the 2008-banking crisis. In the follow up, the Minister of

<sup>60</sup> *Gender budgeting* (Kynjuð fjárlagagerð) available at [http://www.farmaladaruneyti.is/media/adrarskyrslur/Kynjud\\_fjarlagagerd\\_radstefna\\_dagskra.pdf](http://www.farmaladaruneyti.is/media/adrarskyrslur/Kynjud_fjarlagagerd_radstefna_dagskra.pdf); see also *Gender budgeting: practical implementation. Handbook*. April 2009 available at: [http://www.farmaladaruneyti.is/media/Utgefin\\_rit/Kynjud\\_fjarlagagerd\\_handbok\\_um\\_framkvaemd.pdf](http://www.farmaladaruneyti.is/media/Utgefin_rit/Kynjud_fjarlagagerd_handbok_um_framkvaemd.pdf).

<sup>61</sup> *Equal Playing field. A handbook on Gender Mainstreaming (Jöfnum leikinn. Handbók)*, available at: [http://www.jafnretti.is/D10/\\_Files/Jofnum\\_leikinn-handb%C3%B3kin.pdf](http://www.jafnretti.is/D10/_Files/Jofnum_leikinn-handb%C3%B3kin.pdf).

Social Affairs and Social Security appointed a specific task force on gender equality, the Gender Equality Watch, to monitor the impact of the crisis on the situation of men and women. This task force delivered its first report in March 2009.<sup>62</sup> When the Welfare Watch task force was established, the two task forces were merged so as to systematically mainstream the approach to gender equality into policy formulation and policy implementation. The Welfare Watch has commissioned surveys and reports on the development of child care protection in the period 2005-2009,<sup>63</sup> on local government services for children and families with children,<sup>64</sup> on children's experience and ideas about the crisis, on food donations by charity organisations<sup>65</sup>, and on issues concerning women and the crisis.<sup>66</sup>

#### 4.7 Concluding remarks

Phase one of the crisis, which broadly coincided with the first two years, saw interventions by European governments on an unprecedented scale. Stimulus packages under the European Economic Recovery Plan are estimated to have mobilized at least 2% of GDP. Actual (that is, used) financial aid amounted to about 4% of GDP in the EU if financial guarantees are excluded, and 13% if they are included. The flip side of this massive injection of public resources into European economies is austerity measures of equally unprecedented proportions in order to reduce government debts and deficits. Fiscal consolidation is the policy hallmark of phase two of the crisis, which is still with us. The 2010 OECD survey has estimated that the consolidation plans announced as of December 2010 to be implemented until 2013-15 would amount to between 2% of GDP in Italy and 22% in Greece. In the meantime, some consolidation measures have been repealed in certain countries, such as the Netherlands, but additional major measures have also been announced or implemented, including in Spain, Italy and Greece.<sup>67</sup>

Recovery, financial rescue packages and fiscal consolidation have very different implications for men and women, and the same holds for more 'traditional' counter-cyclical employment and fiscal measures. Financial rescue and initial recovery measures went primarily to the sectors and concerns that were first hit by the crisis, which were male-dominated in terms of employment. Counter-cyclical employment policies other than these one-off recovery measures pivoted around short-time working programmes and the management of unemployment benefit programmes. The evidence available to date suggests that men have been the main beneficiaries of both types of programmes, not only because they suffered job losses on a much larger scale, but also because of the typical design of these programmes. The positive impact of short-time working was, in fact, largely limited to full-timers on permanent contracts. In addition, unemployment benefit schemes delivered better

<sup>62</sup> Ministry of Social Affairs and Social Security (2009b), *The Gender Equality Watch - An Interim Report*, March, available at [http://www.velferdarraduneyti.is/media/09FrettatengtFEL09/Afangaskyrsla\\_jafnrettisvaktarinnar.pdf](http://www.velferdarraduneyti.is/media/09FrettatengtFEL09/Afangaskyrsla_jafnrettisvaktarinnar.pdf)

<sup>63</sup> Guðmundsson H.S. (2009), *Fjölgun barnaverndartilkynninga 2005-2009. (The development of the number of recorded Child Protection Cases)*, Centre for Research on Child and Family Protection, University of Iceland. Reykjavík, available at: [http://www.velferdarraduneyti.is/media/acrobat-skjol/Fjölgun\\_barnaverndartilkynninga\\_2005-2009081209.pdf](http://www.velferdarraduneyti.is/media/acrobat-skjol/Fjölgun_barnaverndartilkynninga_2005-2009081209.pdf)

<sup>64</sup> Ministry of Social Affairs and Social Security (2009a), *Könnun velferðavaktarinnar: Afleiðingar efnahagskreppunnar á félagsþjónustu sveitarfélaga. Samantekt úr svörum sveitarfélaganna (Welfare Watch Survey: The impact of the crisis on social services within local governments. Summary of responses)*, Reykjavík, May, available at <http://www.velferdarraduneyti.is/media/velferðavakt09/11082009KönnunVelferðavaktar.pdf>

<sup>65</sup> Social Science Research Institute, (2010), *Food donations by aid and charity organisations: A Survey into the group of recipients of food donations*, University of Iceland, Reykjavík.

<sup>66</sup> Bjarnadóttir E. and Árnadóttir E. (2011), *Konur í Kreppu? Samantekt á opinberum tölulegum gögnum á áhrifum efnahagsbrunsins á velferð kvenna (Women in Crisis? Summary of official statistical data on the impact of the economic collapse on the welfare of women)*. February, available at: [http://www.velferdarraduneyti.is/media/ritogskyrslur2011/Konur\\_i\\_kreppu\\_22032011.pdf](http://www.velferdarraduneyti.is/media/ritogskyrslur2011/Konur_i_kreppu_22032011.pdf)

<sup>67</sup> For Italy, see, for example, 'Italy's Fiscal Consolidation and Structural Reforms (November 2011-August 2012)', [http://www.dti.tesoro.it/export/sites/sitodt/modules/documenti\\_en/analisi\\_programmazione/analisi\\_programmazione\\_economico/Note\\_on\\_the\\_reform\\_measures1.pdf](http://www.dti.tesoro.it/export/sites/sitodt/modules/documenti_en/analisi_programmazione/analisi_programmazione_economico/Note_on_the_reform_measures1.pdf). For other countries see Section 4.5

protection against poverty in systems with high replacement rates: that is, where the gender gap in benefit income also tends to be higher. The ‘male bias’ in these programmes may have worked well in this crisis because of the corresponding ‘bias’ in employment losses, but this acts as a warning that the design of counter-cyclical employment and income policies may need to be made more ‘universal’ in the future.

Fiscal consolidation measures have primarily targeted expenditure on public employment (number of employees and wages), pensions and welfare benefits and services. All these are areas of employment where women tend to be in the majority. But even though female-dominated activities and concerns may be the primary targets, the deflationary effects of fiscal consolidation have spread widely, with the European economy spiralling downwards towards a second dip in the second half of 2012. Using a gender lens to assess the likely repercussions of fiscal consolidation is thus important, but it is both too difficult and too early to disentangle the direct effects of consolidation from those of the deflation that it has triggered.

Despite the caution that this warrants, we have attempted in this chapter to garner evidence for a very initial assessment. Having ascertained that very few *ex-ante* impact assessment exercises have been conducted at a national or European level – with Austria, the UK and Finland featuring among the few (and partial) exceptions– the EGGE and EGGSI experts contributing to these reports have been asked to give their own subjective expectations of the likely impact of consolidation. Specifically, a self-selected group of national experts has been requested to single out from their own country packages the consolidation measures that have the highest direct consequences for gender equality, and to assess their expected repercussions. Their choices all converged into an altogether limited list of measures which includes, in order of frequency, wage freezes or wage cuts in the public sector, staffing freezes or personnel cuts in the public sector, pension reforms, cuts and restrictions in care-related benefits, reduction in housing or family benefits, tax measures, the tightening of eligibility criteria for unemployment and assistance benefits or reductions in the replacement rates, VAT increases, and increases in fees for publicly-subsidized services.

This is indicative of the degree of policy convergence that fiscal consolidation is successfully imposing on Member States. But this degree of convergence may be a matter for concern rather than complacency, since in the majority of cases the expectation on the part of the experts is that the consolidation measures they have chosen to assess will have a disproportionate impact on women, which implies a potentially adverse impact on labour market gaps and on gender equality in general. In some important cases, such as postponement of the retirement age, there is a discordance of expectations among the experts, reflecting the wider social debate on the issue. Some experts point to the equalizing potential of pension reforms that reduce or eliminate disparity with men regarding the legal age of retirement, or that may enable women to partly reverse at an older age losses of earnings due to career interruption in child-bearing age. Other experts stress that women stand to lose more if the current legal age is lower for them. An additional consideration is that the ‘unpaid care potential’ that is lost by having older women and men in employment needs to be compensated for, but it can hardly be expected that fiscal consolidation packages will offer this compensation.

In a few cases, consolidation measures have received a favourable assessment from a gender equality perspective or from an equality perspective *tout court*. One example is the tax levy on banks introduced in Austria. Overall, however, measures assessed to bear with them the risk of rolling back progress in the full integration of women into the labour market are in the majority. We have carried out a quantification exercise, exploiting the fact that the OECD has expressed the most important consolidation provisions as a share of GDP in the respective countries. In half the countries that we were able to include in our quantification exercise, we found that the provisions deemed to entail

'risks' that gender equality will be rolled back represent no less than one percentage point of GDP in one or more years within the announced consolidation period. This is not a negligible amount.

These rather alarming expectations on the part of the experts are partly qualified by a more in-depth analysis of the ongoing effects (to the time of writing) of fiscal consolidation in six countries: Ireland, Greece, Spain, Finland, Latvia and the Netherlands. Evidence from the countries with relatively limited fiscal consolidation programmes (the Netherlands and Finland) or those where the most severe contraction of public finances occurred early on (Latvia) assuages some of our worst fears. In Finland, the austerity policy did not foreclose the introduction of a guaranteed pension threshold to safeguard the livelihood of those living on the smallest pension incomes, and there has been a consistent effort not to widen income inequality. The long-term impact remains uncertain, however, and also hides specific risks for (older) women due, for example, to higher prices for medicines and health insurance. In Latvia, the scale of the consolidation packages is impressive, and despite a continuing recovery since late 2009, pre-recession levels have not been regained yet. According to a recent simulation exercise, however, the distributional effects of the rise in direct taxation and cuts in social transfers were quite progressive, which bodes well for gender fairness. However, rises in indirect taxation (VAT) are not included in the simulation exercise, nor are many other consolidation measures. One clear outcome in Latvia has been a new wave of migration out of the country, which might be affecting women as much as men, if the recent experience of Ireland is not an isolated example. In the Netherlands, some of the planned measures have been repealed, and the government estimates a modest fall in the use of child-care facilities despite rising fees, while female participation has continued to grow. Also, the short-run loss of purchasing power is expected to be modest, with likely mixed gender effects, for example with double-income households being relatively spared but sole breadwinners (mostly male) being among the worst hit. Nothing is known, however, about the medium and long-term consequences, which may be more severe.

The developments in Ireland, Spain, and Greece stand in contrast to this picture. In Ireland, for example, where the rise in poverty is arguably the most dramatic social concern, a survey carried out by the TASC Think Tank for Action on Social Change has revealed that single parents and children have experienced the most adverse effects in terms of loss of gross income. In both these cases women may be especially affected, though for different reasons. In Greece, austerity carried with it an allegedly limited *direct* effect on poverty and income distribution, reflecting the progressive design of the first wave of measures. However, poverty statistics reportedly under-estimate gender differences and the crisis may be widening pay and pension gaps. In a country where the average pension income for elderly women (in receipt of a pension) exceeded the poverty line by a mere 20% in 2009<sup>68</sup>, pensions were subjected to cuts on *nine* separate occasions, while a tenth was discussed in the Summer of 2012. In Spain, female employment fell both in terms of quantity and quality, the equality machinery was downsized and downgraded, and family carers (a highly feminized group) as well as the elderly as a whole (again quite feminized) are likely to be the major losers from the overhaul of the long-term care system. However, there are no clear statistics or studies that can disentangle the specific part that fiscal consolidation has had in all this.

The divide that we found in our subgroup of countries between, on the one hand, Finland, the Netherlands and Latvia and, on the other hand, Ireland, Spain and Greece may well reflect a larger divide in the Eurozone with, for example, Italy or Portugal belonging in the second group and Austria, Germany and other countries belonging in the first group. The problem with such a divide is that the countries where the prospects for gender equality are less favourable are also those where gender gaps are larger. This in turn calls attention to an unintended, but worrying consequence of

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<sup>68</sup> Ongoing research by the European Network of Experts on Gender Equality on behalf of the Gender Equality Unit, EC Justice Division.

fiscal consolidation, namely that existing disparities among European countries in terms of gender equality may be widening back again.

Despite expectations of a differential gender impact of the fiscal and other policies, in actual fact, despite the 2009 Recommendations of the European Advisory Committee on Equal Opportunities and the strong gender position of the 2010 Employment Report (and of some other Commission documents), gender mainstreaming has been largely disregarded at the policy design and implementation stages. This concerned all European countries, with only Austria, Finland and (possibly) the UK as partial exceptions. In Austria, gender budgeting is now enshrined in the Constitution, and yet the fiscal consolidation measures announced for 2011-2014 have not benefited fully from an institutional implementation of gender budgeting, including a transparent and consistent description of their likely gender effects. The U.K. government has a legal obligation to give 'due regard' to the gender (and other) impact of its main policies, but no gender equality impact assessment of the 2010 Emergency Budget was conducted.

Gender equality policy has perhaps been more prominent with regard to the re-design of the gender equality infrastructure. However, both the underlying motivations and the outcome vary greatly among countries. Fiscal consolidation packages threaten to impair the activities of the gender equality machinery in several Member States (Austria, Belgium, the Czech Republic, Ireland, Latvia, Romania, the Slovak Republic, Spain and the United Kingdom), and some have even downgraded their pre-crisis institutions. By contrast, a few Eastern European countries have introduced institutional innovations into the field of gender equality (Poland and the Slovak Republic), while Denmark, Sweden and Portugal have attempted to make their existing machinery more effective. Perhaps the most inspiring example is Iceland, where the crisis has been turned into an opportunity to make gender mainstreaming an integral part of 'normal' policy-making process.

## 5 Gender differences in income poverty

The next two chapters aim at reviewing the most recent trends in schemes and policies targeting poverty and social exclusion in the light of the current economic crisis<sup>69</sup>.

The Conclusions of the June 2011 European Council set out lifting out of poverty or social exclusion at least 20 million Europeans by 2020 as a headline target for the Union.<sup>70</sup> The concept of “poverty” or “social exclusion” refer both to relative income poverty (i.e., the poverty line is set at a value relative to the median population income in order to better capture poverty as a social and historically contingent phenomenon) and to a multidimensional phenomenon encompassing other domains of social inclusion - namely labour market attachment and access to a number of good of services. Thus, a person is at risk of poverty or social exclusion if he or she is at risk of poverty (i.e., they earn an equivalent disposable income lower than 60% of median equivalent income), he or she is severely materially deprived (i.e., he or she suffers a forced unavailability of certain items among a pre-defined list), and/or lives in a household with no or very low work intensity.

As shown by the Social Protection Committee (2011, Table 1),<sup>71</sup> European countries adopt different indicators to benchmark their progress towards the Europe 2020 target. A convenient standardised indicator is the percentage of people at risk of poverty or social exclusion in each country. As shown in Table 5.1, the crisis has slowed down the process towards the reduction in the share of population at risk of poverty or social exclusion: at the EU-27 level, a slight increase of such share took place between 2009 and 2010 (from 21.8% to 22.3% for men and from 24.3% to 24.5% for women). In spite of the general trend, some European countries experienced continuing decline in the share of people at risk of poverty or social exclusion even in 2010 (Austria, Bulgaria, Germany, Italy, the Netherlands, Romania and Sweden, for men; Austria, Belgium, Bulgaria, Finland, Estonia, Germany, Italy, Latvia, Luxembourg, Poland, Romania and Norway, for women).

Overall, the values from the 2010 survey (the latest available) are lower than the historical average for both men and women at the EU-27 level, denoting an overall decreasing trend that the crisis has not completely reversed. Exceptions to this finding, i.e. countries in which more people were at risk of poverty or social exclusion in 2010 than in 2005, are Denmark, France, Germany, Iceland, Ireland, Luxembourg, Malta, Slovenia and Spain for men, and Denmark, Germany, Ireland, Iceland, Spain, and Sweden for women.<sup>72</sup>

Given the abovementioned two-fold nature of the concept, poverty will be considered from two interrelated perspectives. In this chapter, the concept of insufficient monetary income will be considered from a gender perspective. In the next chapter, a specific focus will be devoted to the analysis of gender differences in multidimensional poverty (also referred to as “social exclusion”). This is a holistic approach to poverty that takes into account several dimensions along with monetary income such as access to services, education, health, and so forth.

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<sup>69</sup> One of the principal statistical sources for both chapters is the SILC survey which collects each year income figures for one year earlier (see also footnote 24). In both chapters the figures set out in the text and in the tables refer to survey years, unless the text clearly states otherwise.

<sup>70</sup> [http://ec.europa.eu/eu2020/pdf/council\\_conclusion\\_17\\_june\\_en.pdf](http://ec.europa.eu/eu2020/pdf/council_conclusion_17_june_en.pdf)

<sup>71</sup> Social Protection Committee (SPC) (2011), *The Social Dimension of the Europe 2020 Strategy. A Report of the Social Protection Committee*, European Commission, Directorate-General for Employment, Social Affairs and Inclusion, Luxembourg: Publications Office of the European Union.

<sup>72</sup> Following SPC (2011), the choice of 2005 as reference year was driven by data availability.

**Table 5.1. Evolution of the percentage of people at risk of poverty or social exclusion, by sex**

	Men						Women					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Belgium	21.5	20.0	19.9	19.1	18.5	20.0	23.9	23.1	23.1	22.4	21.8	21.7
Bulgaria	:	61.4	59.4	43.0	44.1	39.8	:	62.9	61.9	46.4	48.1	43.3
Czech Republic	17.8	16.6	14.2	13.3	12.3	12.7	21.4	19.4	17.4	17.2	15.7	16.0
Denmark	16.2	15.5	15.9	15.7	17.0	17.7	18.3	17.9	17.7	17.0	18.2	19.0
Germany	17.0	19.1	18.9	18.5	18.8	18.6	19.7	21.4	22.4	21.6	21.2	20.9
Estonia	24.9	20.4	19.4	18.9	21.1	21.5	27.6	23.7	24.2	24.3	25.5	22.0
Ireland	24.1	22.0	21.6	22.7	25.0	29.3	25.9	24.6	24.6	24.7	26.4	30.5
Greece	27.0	27.7	26.0	26.3	26.1	26.0	31.5	31.2	29.3	29.8	29.0	29.3
Spain	23.0	22.6	21.7	21.6	22.3	24.9	25.3	25.1	24.5	24.2	24.4	26.1
France	17.8	17.3	18.0	17.5	17.2	18.5	20.1	20.3	20.0	19.7	19.5	20.0
Italy	22.8	23.9	23.8	23.2	22.8	22.6	27.2	27.9	28.2	27.2	26.4	26.3
Cyprus	23.9	23.3	22.7	19.7	20.2	22.6	26.8	27.4	27.6	24.6	24.2	25.4
Latvia	43.4	38.8	33.8	31.0	35.9	37.6	48.7	43.6	37.4	36.2	38.7	38.5
Lithuania	39.0	33.9	26.3	25.3	27.3	32.9	43.0	37.7	30.9	29.7	31.4	33.8
Luxembourg	16.2	15.8	15.0	14.2	16.0	16.5	18.3	17.1	16.9	16.7	19.6	17.7
Hungary	31.3	31.1	28.6	27.3	29.1	29.4	32.8	31.8	30.1	29.0	30.0	30.3
Malta	18.6	17.6	18.3	18.2	19.0	19.7	21.7	20.6	20.6	21.0	21.4	21.5
Netherlands	15.6	14.6	14.6	14.3	14.3	14.1	17.7	17.4	16.9	15.5	15.9	16.0
Austria	15.0	15.7	14.5	16.8	15.0	14.7	18.5	19.7	18.9	20.3	18.9	18.4
Poland	44.7	39.0	33.5	29.9	27.0	27.0	45.8	40.0	35.1	31.2	28.6	28.5
Portugal	25.2	24.0	24.0	25.0	24.0	24.8	26.9	26.1	26.0	26.8	25.8	25.8
Romania	:	:	45.1	43.0	41.9	40.8	:	:	46.7	45.3	44.2	42.1
Slovenia	16.4	15.3	15.0	16.6	15.1	16.5	20.5	18.8	19.2	20.3	19.1	20.1
Slovakia	30.9	26.1	19.7	18.9	18.0	19.6	33.4	28.0	23.1	22.0	21.1	21.6
Finland	16.2	16.3	15.8	15.9	15.8	16.0	18.1	17.9	19.0	18.9	17.9	17.7
Sweden	13.4	15.9	13.6	13.7	14.4	13.4	15.4	16.7	14.2	16.1	17.5	16.6
United Kingdom	23.6	22.1	21.1	21.7	21.1	22.1	25.9	25.4	24.1	24.7	22.8	24.2
<b>EU-27</b>	<b>24.4</b>	<b>23.9</b>	<b>22.9</b>	<b>22.1</b>	<b>21.8</b>	<b>22.3</b>	<b>27.0</b>	<b>26.6</b>	<b>25.9</b>	<b>25.0</b>	<b>24.3</b>	<b>24.5</b>
Iceland	13.1	11.6	11.5	11.0	10.7	13.5	13.5	13.4	14.5	12.6	12.6	14.0
Norway	14.9	15.2	14.7	13.1	13.7	13.8	17.4	18.4	18.3	16.8	16.8	15.9

Note: people at risk of poverty or social exclusion are defined as being at risk of poverty and/or suffering from severe material deprivation and/or live in a household with no or very low work intensity.

Source: Eurostat, EU-SILC data.

In the first part of this chapter specific available data are summarized and analysed. In the second part, policies and measures to tackle poverty and social exclusion are described by national EGGSI experts according to three categories: Member State strands: guaranteed minimum income schemes, categorical measures with regard to specific target groups, and consumption support measures (especially with respect to specific categories of consumption such as food, housing, and transports).



## 5.1 Income poverty and the crisis

At the EU-27 level income poverty, as measured by the share of population earning a yearly income below 60% of median income, seems not to have been dramatically affected by the crisis. When considering the variation between 2009 and 2010, the at-risk-of-poverty rate (ARPR) remained constant for women and only increased by 0.5% for men. Similarly, the ARPR for both men and women appears as virtually constant in comparison with the years prior to the crisis (i.e. the ARPR is slightly lower in 2010 than the 2005-2007 average, both for men and women).

This is due to a number of reasons. The crisis hit Europe relatively later than the USA (2007) and it first struck countries such as Iceland, while data on income and living conditions is released at considerably longer intervals than for example data on employment or productive activities. The second reason is that the social impact of an adverse economic environment often manifests itself with a certain delay due to socio-economic dynamics but also to statistical issues connected to the later collection of data. For example, in population surveys such as the EU-SILC households or individuals are asked about their yearly income in the previous year<sup>73</sup> and consequently it is necessary to wait one year before being able to ascertain the impact of a certain phenomenon. Third, in the specific case of the at-risk-of-poverty rate, the apparent steadiness over time of the EU-27 aggregate is indeed the result of mixed dynamics across EU Member States (see Table 5.2).

While most countries indeed experienced a small deterioration of the ARPR (generally lower than 1%) for men and women, few countries showed a neat improvement, rebalancing the overall result. Three countries exhibited a reduction in male income poverty by 1% or more (Estonia, Latvia and the Netherlands), whereas three countries showed a reduction in female income poverty higher than 2% (Estonia, Lithuania and Romania) and four higher than 1% (Bulgaria, Iceland, Luxembourg, and Norway). The countries in which the most dramatic increases (more than 1%) of income poverty took place between 2009 and 2010 are Croatia, Cyprus, Ireland, Lithuania, Slovenia, the Slovak Republic and Spain for men; and Croatia, Ireland and Slovenia for women.

In almost all countries and years, women exhibited a higher at-risk-of-poverty rate than men. At the EU-27 level, the gender gap showed an increasing trend up to 2007 and has been decreasing thenceforth. Between 2009 and 2010, a reversal of the gender gap took place in three countries (Latvia, Lithuania and Luxembourg). In Latvia this was partly due to the fact that female poverty is concentrated among older pensioners whose income fell less than the median.<sup>74</sup>

Finally, a fourth explanation for the relatively small impact of the crisis on income poverty may arise from the very method of calculation of the ARPR index. The at-risk-of-poverty rate, as mentioned above, provides a definition of relative poverty (i.e., an individual is considered as poor if his or her income falls below a threshold which varies across areas and countries). The reason for this method is to take into consideration not only the minimum income necessary for survival, but also what is considered adequate for a decent life in a certain society. As a consequence, every year the poverty line is computed as 60% of that year's median income. This method implies that when the average and the median income decrease - as it is a case during a recession - the poverty line decreases as well, possibly causing a number of people to "emerge" out of poverty due to a purely computational effect. In order to account for this perverse effect when comparing historical trends, ARPRs may be computed with a fixed poverty line, i.e. an individual is considered as poor if his or her income falls below the poverty line applied to a specific year in the past. Currently, Eurostat sets 2005 as the reference year.

<sup>73</sup> In the EU-SILC, in some countries this is meant to imply the previous calendar year, in others it is the exact twelve months that precede the interview. For a discussion of the international comparability of such data see Brandolini A., Rosolia A. and Torrini R. (2011) "The distribution of employees' labour earnings in the European Union: Data, concepts and first results", ECINEQ WP 2011 – 198, available at: <http://www.ecineq.org/milano/WP/ECINEQ2011-198.pdf>

<sup>74</sup> By contrast, in Hungary the gender gap is negative throughout the whole period considered.

**Table 5.2. Evolution of the at-risk-of-poverty rate, by sex**

	Men						Women					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Belgium	14.1	13.7	14.4	13.6	13.4	13.9	15.5	15.6	15.9	15.9	15.7	15.2
Bulgaria	13	17.3	20.9	19.8	19.8	19.0	15	19.3	23.0	22.9	23.7	22.3
Czech Republic	9.7	8.9	8.7	8.0	7.5	8.0	11.0	10.8	10.5	10.1	9.5	10.0
Denmark	11.6	11.4	11.3	11.7	12.8	13.1	12.1	12.0	12.0	12.0	13.4	13.4
Germany	11.4	12.1	14.1	14.2	14.7	14.9	12.9	13.0	16.3	16.2	16.3	16.4
Estonia	17.4	16.3	16.7	16.5	17.5	15.4	19.1	19.9	21.7	22.0	21.6	16.2
Ireland	18.9	17.5	16.0	14.5	14.9	15.9	20.6	19.5	18.5	16.4	15.1	16.2
Greece	18.3	19.5	19.6	19.6	19.1	19.3	20.9	21.4	20.9	20.7	20.2	20.9
Spain	18.5	18.5	18.5	18.3	18.3	20.1	20.8	21.3	20.9	21.0	20.6	21.3
France	12.3	12.3	12.8	11.9	12.0	12.8	13.7	14.0	13.4	13.4	13.7	14.1
Italy	17.0	18.0	18.4	17.1	17.0	16.8	20.6	21.1	21.3	20.1	19.8	19.5
Cyprus	14.5	13.5	13.5	14.0	14.4	15.5	17.6	17.7	17.4	18.3	17.9	18.5
Latvia	18.3	21.1	19.3	23.1	24.2	21.7	20.0	24.8	22.7	27.7	27.0	21.0
Lithuania	19.7	19.1	16.7	17.6	19.1	20.7	21.3	20.8	21.2	22.0	21.9	19.8
Luxembourg	13.2	13.8	12.9	12.5	13.8	14.6	14.2	14.3	14.1	14.3	16.0	14.4
Hungary	13.9	16.3	12.3	12.4	12.8	12.6	13.2	15.5	12.3	12.4	12.1	12.0
Malta	13.4	13.3	14.4	13.6	14.7	15.0	14.4	14.7	15.3	16.4	15.9	16.0
Netherlands	10.6	9.5	9.6	10.5	10.8	9.7	10.8	9.9	10.7	10.4	11.3	10.8
Austria	11.5	11.0	10.6	11.2	10.7	10.7	13.1	14.0	13.3	13.5	13.2	13.5
Poland	21.3	19.7	17.6	17.0	16.9	17.4	19.9	18.5	17.1	16.7	17.4	17.7
Portugal	18.7	17.7	17.2	17.9	17.3	17.3	20.1	19.1	19.0	19.1	18.4	18.4
Romania	:	:	24.3	22.4	21.4	20.7	:	:	25.3	24.3	23.4	21.4
Slovenia	10.6	10.3	10.0	11.0	9.8	11.3	13.7	12.9	12.9	13.6	12.8	14.1
Slovakia	13.2	11.8	10.2	10.1	10.1	11.7	13.5	11.5	11.0	11.5	11.8	12.2
Finland	10.6	12.0	12.1	12.7	12.9	12.4	12.8	13.1	13.8	14.5	14.7	13.8
Sweden	9.0	12.3	10.5	11.3	12.0	11.4	10.0	12.3	10.6	13.0	14.5	14.3
United Kingdom	18.6	18.0	17.6	17.4	16.7	16.4	19.4	19.9	19.6	20.0	17.8	17.8
<b>EU-27</b>	<b>15.6</b>	<b>15.7</b>	<b>15.7</b>	<b>15.5</b>	<b>15.4</b>	<b>15.7</b>	<b>17.0</b>	<b>17.2</b>	<b>17.3</b>	<b>17.4</b>	<b>17.1</b>	<b>17.1</b>
Iceland	9.8	9.1	9.1	9.5	9.3	9.8	9.6	10.2	11.0	10.7	11.1	9.8
Norway	10.2	11.5	10.3	9.9	10.1	10.1	12.5	13.2	13.4	12.9	13.2	12.2
Croatia	16	16	16	15.4	16.0	19.7	20	18	19	19.0	19.7	21.3

Note: the at-risk-of-poverty rate is defined as the share of people with an equalised disposable income (after social transfer) below the at-risk-of-poverty threshold, which is set at 60% of the national median equalised disposable income after social transfers.

Source: Eurostat, EU-SILC data.

When considering the ARPR anchored at a fixed point in time, between 2009 and 2010 a considerable increase of the risk of poverty emerged in a number of countries (cf. Table 5.3). At the EU-27 level, female ARPR grew by 0.6% and male by 0.7%. However, it grew by more than 2% in Iceland, Ireland, Latvia, Lithuania, Malta and Spain for men and in Iceland, Ireland, Lithuania, Malta and Spain for women.

**Table 5.3. Evolution of the at-risk-of-poverty rate anchored at a fixed moment in time (2005), by sex**

	Men					Women				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Belgium	15.2	14.1	12.6	12.5	13.2	17.1	15.7	14.2	13.8	14.4
Czech Republic	12.5	12.7	12.6	9.9	10.7	13.9	14.0	14.7	11.3	11.6
Denmark	8.1	6.8	5.8	4.4	5.0	9.3	7.7	6.2	4.7	5.2
Germany	11.0	10.4	11.0	11.0	11.9	11.6	11.2	11.4	11.2	11.3
Estonia	14.9	13.2	12.6	12.9	12.7	16.5	15.0	14.2	14.1	13.9
Ireland	11.6	7.7	5.6	4.5	5.9	12.2	7.9	5.0	2.9	4.6
Greece	16.0	11.3	9.7	9.7	15.6	18.1	12.7	10.1	10.0	16.0
Spain	19.1	18.2	18.2	15.9	15.5	20.9	19.8	19.0	16.8	16.5
France	17.6	15.0	13.9	13.4	17.2	19.5	16.9	15.0	14.2	18.0
Italy	12.3	13.0	:	:	:	14.1	13.6	:	:	:
Cyprus	18.3	18.2	16.8	16.9	16.7	21.5	21.1	19.7	19.7	19.3
Latvia	10.3	8.6	7.6	7.1	7.9	14.5	11.7	10.6	10.0	10.7
Lithuania	17.4	10.1	6.5	6.5	9.4	19.0	10.1	6.9	5.4	7.0
Luxembourg	13.4	7.4	5.2	5.3	10.8	13.5	7.7	5.2	4.0	8.3
Hungary	13.4	13.2	13.0	12.8	14.4	14.1	14.3	14.6	14.8	14.1
Malta	13.9	10.5	9.6	9.0	10.6	13.2	10.2	9.4	8.4	9.8
Netherlands	10.2	9.5	9.2	7.0	11.1	10.9	10.0	10.1	7.9	11.7
Austria	9.6	8.5	7.6	7.9	6.5	10.0	9.5	7.7	8.1	7.3
Poland	11.8	11.8	11.6	9.8	9.7	14.8	14.8	14.0	12.1	12.2
Portugal	16.7	12.9	8.6	7.2	6.7	15.3	12.2	8.0	6.7	6.0
Slovenia	18.6	17.5	16.5	14.4	13.8	20.2	19.3	17.6	15.5	14.3
Slovakia	9.2	8.4	8.1	5.7	7.4	11.9	10.9	10.0	7.6	9.3
Finland	10.3	6.4	4.9	2.6	2.8	9.9	5.9	4.7	2.3	2.5
Sweden	10.6	10.4	10.5	8.8	8.2	11.5	11.6	11.3	10.0	8.8
United Kingdom	11.6	9.2	8.2	8.0	7.1	11.2	8.6	8.2	8.1	7.5
<b>EU-27</b>	<b>17.1</b>	<b>14.4</b>	<b>13.8</b>	<b>15.2</b>	<b>16.1</b>	<b>18.8</b>	<b>15.9</b>	<b>15.7</b>	<b>16.4</b>	<b>17.4</b>
Iceland	8.4	5.8	6.4	6.7	9.8	9.4	6.3	5.8	7.2	9.6
Norway	10.5	9.1	7.3	6.7	6.7	13.0	11.8	9.4	7.4	6.3

Note: the at-risk-of-poverty rate anchored at a fixed moment in time is defined as the share of people with an equalized disposable income (after social transfer) below the at-risk-of-poverty threshold, which is set at 60% of median equalized disposable income of the same population in year 2005.

Source: Eurostat, EU-SILC data.

Besides the statistical complexity of the issue, it may be noted that a crucial contribution to the relatively good performance of the European countries in terms of income poverty in the wake of the crisis came from the European social model.<sup>75</sup> As shown in Table 5.4, without social transfers (i.e., social contributions or benefits and redistributive taxation), the at-risk-of-poverty rates would have increased between 2009 and 2010 for both men and women to levels higher than before the crisis. Namely, ARPR would have increased for men by more than 2% in 12 countries (Estonia, Finland, Ireland, Latvia, Lithuania, Portugal, Slovenia, the Slovak Republic, Spain, Iceland, Norway and Croatia), for women by more than 2% in 10 countries (Bulgaria, Estonia, Ireland, Spain, Latvia, Lithuania, Finland, Iceland, Norway and Croatia); by 5% or more in Ireland, Latvia, Lithuania and Iceland for

<sup>75</sup> See European Commission (2012a), *EU Employment and Social Situation*, Quarterly Review, March 2012, Directorate-General for Employment, Social Affairs and Inclusion, Brussels; and European Commission (2012b), *Employment and Social Developments in Europe 2011*, Luxembourg: Publications Office of the European Union.

men, and in Latvia, Lithuania and Iceland for women. Sole exceptions to this are Austria, Denmark and Romania, where ARPR before social transfers would have slightly decreased.

**Table 5.4. Evolution of the at-risk-of-poverty rate before social transfers, by sex**

	Men							Women					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010	
Belgium	39.0	38.1	38.9	39.1	38.0	38.5	44.8	43.7	44.0	44.1	43.3	44.1	
Bulgaria	36	43.3	39.8	38.7	36.8	38.6	42	46.3	42.8	41.2	40.6	42.8	
Czech Republic	36.0	36.5	35.2	34.2	33.1	34.4	41.7	41.6	40.8	40.8	38.8	39.8	
Denmark	34.8	34.7	33.5	34.4	37.3	36.8	41.0	39.8	39.7	40.0	42.2	41.8	
Germany	40.7	43.6	40.5	41.4	41.4	41.7	45.9	48.8	45.9	45.6	45.6	46.0	
Estonia	36.2	35.2	33.5	32.6	34.1	38.0	41.2	40.3	40.7	39.4	40.4	43.2	
Ireland	37.3	38.2	37.8	39.7	44.4	49.3	41.9	42.1	42.5	43.9	48.0	52.4	
Greece	36.6	38.0	39.6	39.1	39.6	40.8	41.6	42.8	44.2	43.9	44.3	44.9	
Spain	36.3	36.2	36.3	36.0	37.0	41.2	40.5	40.8	41.1	40.4	40.9	44.6	
France	41.8	41.4	43.5	39.5	40.6	42.1	47.3	46.6	48.0	44.5	45.9	47.0	
Italy	39.2	39.8	40.3	39.7	39.4	40.0	46.3	46.4	46.2	46.0	45.8	46.7	
Cyprus	27.3	25.9	26.0	26.9	28.3	29.2	31.0	31.2	30.5	31.6	32.9	33.6	
Latvia	37.3	36.9	36.8	34.4	36.1	42.5	42.7	41.9	41.3	39.4	39.6	44.8	
Lithuania	39.7	38.5	35.7	35.5	39.8	45.1	44.1	42.6	40.6	41.0	44.0	50.6	
Luxembourg	38.9	38.0	36.4	37.7	41.8	43.3	42.3	41.6	42.0	42.6	46.2	46.8	
Hungary	47.7	46.7	47.3	49.8	48.8	49.0	51.5	50.4	51.3	54.2	53.6	53.6	
Malta	29.3	30.0	32.1	32.2	33.2	33.7	34.6	35.3	36.2	37.2	38.1	38.9	
Netherlands	34.0	32.6	32.4	32.2	33.3	34.3	39.4	39.2	38.4	38.0	38.4	39.6	
Austria	39.5	39.7	40.1	39.3	39.7	39.6	45.7	45.7	46.6	45.3	45.9	45.8	
Poland	49.3	47.3	44.9	41.8	40.2	41.3	52.2	50.8	49.2	46.2	44.8	45.2	
Portugal	38.6	38.1	38.0	39.8	39.8	42.0	42.8	42.1	41.9	43.2	43.1	44.7	
Romania	:	:	45.1	45.9	46.6	46.2	:	:	47.3	49.6	49.7	48.6	
Slovenia	39.7	38.2	36.6	35.9	35.0	37.6	44.6	43.1	42.6	41.1	40.5	42.1	
Slovakia	37.0	35.8	33.6	33.8	32.6	35.4	43.2	41.8	41.2	40.7	39.1	40.9	
Finland	37.8	38.2	37.9	36.8	36.2	38.3	42.7	42.7	44.1	42.1	40.9	43.1	
Sweden	38.4	39.3	38.9	39.6	37.6	38.6	44.4	43.4	43.9	44.7	43.3	44.5	
United Kingdom	40.0	39.0	38.7	37.7	40.5	41.3	45.1	44.9	44.6	43.6	45.9	46.8	
<b>EU-27</b>	<b>40.4</b>	<b>40.6</b>	<b>40.0</b>	<b>39.3</b>	<b>39.8</b>	<b>41.0</b>	<b>45.5</b>	<b>45.6</b>	<b>45.1</b>	<b>44.3</b>	<b>44.7</b>	<b>45.8</b>	
Iceland	27.3	25.5	24.1	25.5	25.4	31.2	29.4	28.6	28.3	28.3	29.4	34.7	
Norway	35.3	40.8	36.2	33.7	33.4	36.0	40.6	46.4	42.2	40.5	39.2	41.3	
Croatia	40	40	39	39.0	37.9	42.2	47	45	45	46.3	43.7	46.8	

Note: the at-risk-of-poverty rate is defined as the share of people with an equalized disposable income (after social transfer) below the at-risk-of-poverty threshold, which is set at 60% of national median equalized disposable income. This indicator examines the hypothetical absence of social transfers (including pensions).

Source: Eurostat, EU-SILC data.

In all European countries and throughout the period taken into consideration, women suffered from a considerably higher ARPR before social transfers than after social transfers, which led to a higher gender gap (i.e. roughly 5% as opposed to 2%). Such evidence shows that taxation and welfare systems across the EU are fundamental in reducing the risk of poverty women face. After the crisis, however, a marginal worsening of men's position before social transfers has slightly reduced the gap in ARPRs before social transfers: from 5.1% in 2005 to 4.8% in 2010.

#### Box 5.1 – Poverty measurement with individual incomes

A problem with statistical measures of poverty and social exclusion is that income and all other financial resources are assumed to be equally shared by the members of a same household. The assumption is reflected in the practice of summing up all the incomes of the members of a household and then dividing the corresponding sum by the number of individuals (or by an equivalence scale). As a consequence, “poor” or “at-risk-of-poverty” households composed by only two adults of opposite sex equally contribute to the corresponding statistical indexes of poverty of both men and women, without being taken into account in the determination of the gender poverty gap. Evidently, this produces an underestimation of gender imbalances that is greater in the countries in which this typology of household (two opposite-sex adults, with or without children) is more diffused.

For households composed of adult opposite-sex couples, an average household income computed by summing up all the household members’ resources needs not reflect the actual access to good and services of any member of the household. Especially when considering gender differences, it is crucial to take into account that control over the family’s resources is a traditional and deeply rooted source of unequal power sharing between men and women. For this reason, we have computed the risk of poverty for men and women by considering not households resources, but rather individual resources. Specifically, we computed the relevant poverty indexes by considering the incomes for each individual that can be attributed with certainty to him or her (e.g. labour income, certain kinds of social transfers, etc.) while we assumed that the other household incomes, such as those from propriety, are equally shared.<sup>76</sup> By considering individual resources, we separately computed the share of men and women whose individual income is below 60% of median individual income, denoting a risk of monetary poverty.

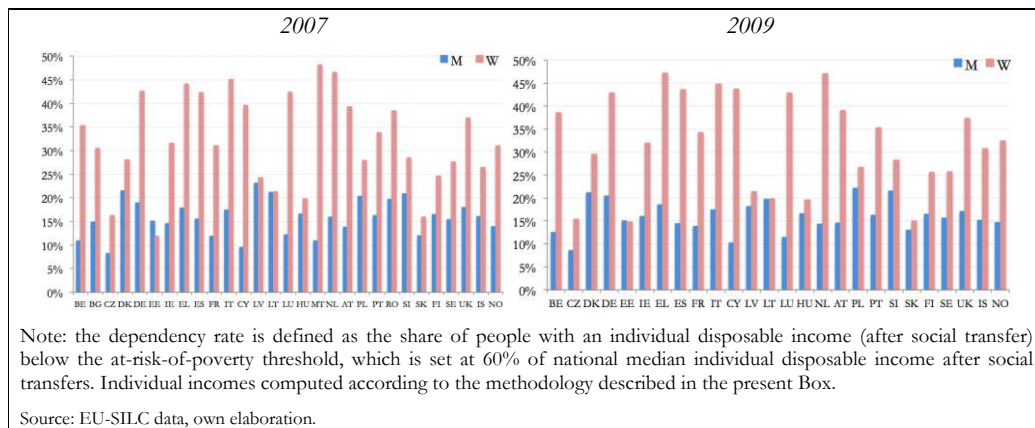
Such an index, however, requires a redefinition of the concept of income poverty. Indeed, the consideration for an individual’s own income must not lead to the presumption that lack of income is equal to income poverty. Individual members of a household may temporarily or permanently lack an autonomous income or have a very low one, and yet they may have access to a wide range of goods and services (or even of financial resources) due to transfers within the household (notice that regular transfers such as alimony payments are already computed within the individual’s income). Thus, the individual lacking of own income is at risk of income poverty only if these transfers are insufficient or if they do not take place (for example, because the individual has no partners or relatives, because they are not willing to provide him or her with sufficient resources, or because all members of the household lack an adequate income). As a consequence, lack or insufficiency of individual income should rather be interpreted as lack of financial autonomy, which is likely to lead to low empowerment and lack of autonomy and agency in society and at home. For this reason, we name the index measuring the lack or insufficiency of income not as an individual poverty rate but as a **financial dependency rate**.

According to these definitions, the financial dependency rate is then computed as the ratio between the population whose individual income falls below the poverty line divided by the dimension of the relevant total population. In analogy to the traditional income poverty measures, the poverty line is defined as 60% of median individual income in the population. This procedure cannot be applied in Chapter VI concerning material deprivation rates because in the case of assets, durable goods and other resources that are jointly consumed or enjoyed of in the household, the existing European surveys do not report any information on intra-household bargaining and the sharing of common resources. Thus, for these items it is impossible to obtain individual-level data.

As shown in Figure 5.1, both before (year 2007 as reference point) and after the onset of the financial crisis in Europe (year 2009), women suffered from a dependency rate that in almost all European countries was nearly twice that of men’s. As a consequence of their higher involvement in the production of household goods and services and of their lower attachment to the labour market, women’s dependency rate in most European countries exceeded 30% and in several it exceeded 40%, while men’s was generally comprised between 10% and 20% both before and after the crisis. By comparing the year 2007 with the year 2009 it emerges that the crisis has had on average a stronger impact on women’s dependency than on men’s. For men, a significant increase in the dependency rate (greater than 2%) took place in **France**, while it did so for women in **Belgium, Cyprus, Estonia, Iceland, France** and **Greece**. In the period considered, a significant decrease of the dependency rate took place in **Latvia** for men and women, and in **Sweden** for women only.

<sup>76</sup> This last assumption, following Meulders and O’Dorchai (2010) corresponds to a prudent stance in constructing the index, in the absence of any information on intra-household bargaining and the sharing of common resources.

Figure 5.1. Dependency rate by sex, before and after the crisis began



## 5.2 Income support schemes and consumption support measures

Prior to the emergence of the current crisis, European countries developed with different configurations and timings universal and categorical non-contributory schemes in order to ensure a minimum standard of living for individuals and households. Such schemes are designed to guarantee sufficient resources to live with dignity or meet basic needs to all and are aimed at preventing poverty and at promoting social inclusion.

As a response to the financial crisis, various schemes have also been introduced while already existing measures face pressure to meet an increasing demand and experience structural transformations due to the effect of the recession and resulting austerity policies. According to the Social Protection Committee (2009), European countries reinforced their income support measures in the initial phase of the crisis by increasing the level of minimum income and by strengthening safety nets<sup>77</sup>. Different forms taken by social assistance are here analyzed in a gender perspective, according to three broad categories:

- *Guaranteed minimum income schemes*: universal and comprehensive means-tested schemes providing cash benefits for all individuals and/or households below a specified minimum income standard.
- *Categorical measures targeting specific groups*: integrated network of categorical non-contributory cash and in-kind assistance for specified target groups, namely families (lone parents, children), disabled, old-age, and unemployed<sup>78</sup>.
- *Consumption support measures* (VAT differentiation, Food consumption support, compensation for heating, and transports).

<sup>77</sup> Social Protection Committee (2009), “Second Joint Assessment by the SPC and the European Commission of the Social Impact of the Economic Crisis and of Policy Responses”, SPC/2009/11/13 final, available at [http://www.socialsecurity.fgov.be/docs/fr/publicaties/socinc\\_rap/spc-2009-11-13.pdf](http://www.socialsecurity.fgov.be/docs/fr/publicaties/socinc_rap/spc-2009-11-13.pdf)

<sup>78</sup> Data on disability benefits reported in the “2010 Update of the Joint Assessment by the SPC and the European Commission of the social impact of the economic crisis and of policy responses” are not disaggregated by gender and thus they will not be included in the current analysis.

Most measures are geared towards households rather than individuals under the assumption that incomes and other resources are equally shared within the household. Such predominant measure design may impact differently on men and women, depending on the income and structure of the household. Given the inequality of gendered social roles and differences in the labour market (gender pay gap, activity and employment rate gaps), women as second earners risk not to be entitled to independent support. Furthermore, support measures design takes into account different types of women's social citizenship: caregiver for children and adult dependants when lone parents are exempted from work obligations and active agent in the labour market for job search. Such a measure design makes the assessment of gendered impact of supporting measures more ambiguous.

### 5.2.1 *Guaranteed minimum income schemes*

Guaranteed minimum income schemes are granted on a universal basis and do not depend on previous contributions to social protection insurance systems by beneficiaries. Despite different denominations across countries, they are conceived as an all-encompassing benefit or as an ultimate socioeconomic safety net providing means-tested cash payments conditioned to individuals or households resources. In most countries examined, some form of minimum income is provided as a measure of last resort ensuring a minimum standard of living for individuals and families. Only in Greece and Italy such universal guaranteed minimum income schemes do not exist.

The minimum income scheme is in a few cases the sole existing income support measure, but can also be part of a more complex safety net supplemented by other allowances. According to the country of implementation it can have various forms but all minimum income schemes are the “expression of a universal, non-contributory, subjective, and non-discretionary right to social assistance, granted generally under the form of a means-tested differential income”<sup>79</sup>. According to their nature, guaranteed minimum income schemes are not gender mainstreamed.

New minimum income schemes have been recently introduced in Austria, France, and Hungary. While the latter was amongst the countries that lacked a minimum income scheme, Austria's and France's new schemes rationalize already existing measures.

As a response to the crisis, several countries experienced a remarkable increase in the number of beneficiaries (Belgium, Estonia, Latvia and Luxembourg), with a predominant share of women, and raised guaranteed minimum income payments through growing public expenditure (Bulgaria, Spain, Luxembourg, Latvia, Poland and Romania)<sup>80</sup>. In these countries, where women's poverty rates before social transfers are higher than men's, minimum income schemes positively affect gender equality by reducing both men's and women's poverty and bringing women's poverty rates closer to men's.

A recent trend defines a stronger link between minimum income schemes and activation requirements to promote the inclusion in the labour market (Austria, Belgium, Cyprus, France, Ireland, Luxembourg and Spain).

#### **Box 5.2 - Guaranteed Minimum income schemes: major developments during the crisis**

In **Austria**, a means-tested minimum income scheme was introduced in 2010 as the successor of the system of social assistance. It is paid by the provinces and foresees a minimum security payment oriented at the equalization supplement reference rate of € 747 (2009). The granting of minimum security payments is coupled with the willingness to work if the beneficiary is able to. Positively, lone parents are granted a higher benefit than under past regulations to ward off the

<sup>79</sup> Casas R. P. (2005), “Minimum Income Standards in Enlarged EU: Guaranteed minimum income schemes”, Working Paper II, *Setting Minimum Social Standards Across Europe* Transnational Exchange Project.

<sup>80</sup> See also Social Protection Committee (2009).

above-average risk of poverty of this group. By covering previously not health insured recipients of social transfers with statutory health insurance, unrestricted access to medical services is to be guaranteed. Means-tested minimum income payments were coupled in 2010 with the willingness to work in case the beneficiary is able to work.

In **Belgium**, social assistance takes the form of a guaranteed minimum income called the Social Integration Income (*Revenu d'intégration social*, RIS). The RIS is linked to a "right and duty" activation scheme that is obligatory for beneficiaries aged 18-25 and optional for other applicants. The RIS is means tested, is provided for as long as necessary and varies according to household composition. The number of beneficiaries of the RIS is increased during the 2005-2009 time interval and women are the majority of beneficiaries. The RIS is felt to be insufficient to allow people (whether at the single or family rate) to live in dignity, essentially because of the cost of housing. A specific, means-tested minimum guaranteed income scheme is provided to older persons (GRAPA), and women are the majority among the beneficiaries.

In **Bulgaria**, guaranteed minimum income payments increased by 18.2% as of the beginning of 2009 as a response to the economic crisis among other key social assistance programmes.

The basic income scheme for ensuring minimum income among vulnerable groups in **Cyprus** is the Public Assistance Scheme, provided to individuals whose income is inadequate to cover their basic and special needs. In 2006, the Law on Public Assistance was amended to financially reinforce public assistance recipients but also to encourage their integration in the labour market. The maximum amount provided for the coverage of basic needs vary with each applicant: currently, the monthly cash allowance for basic needs is €452 for the head of household, €226 for every dependent over 14 years of age and €135.60 for every dependent under the age of 14 years.<sup>81</sup> It should be noted that these amounts reflect a 12% increase in public assistance that was introduced in 2008.

The main income support measure in **Estonia** is means-tested subsistence benefit. The number of beneficiaries of subsistence benefit decreased approximately 4 times from January 2005 to August 2008, but increased again by nearly 2.5 times from September 2008 to February 2010. The subsistence benefit is a sufficient measure to avoid poverty only in case of single parents and single elderly persons, and thus may have gendered impact, especially for single mothers<sup>82</sup>.

In **France**, during the recession, a new income-support scheme, the Active solidarity income (RSA), has been implemented in France. It can be seen as a welfare-to-work reform, encouraging income support recipients to participate in the labour market.

In **Hungary**, a minimum income scheme called "Benefits for persons in active age" has been recently introduced with two main target groups: individuals capable of performing work, who can be involved in public work and those unable to work<sup>83</sup>.

One of key instruments in **Latvia** to address the issue of poverty especially during the period of economic crisis is the Guaranteed Minimum Income (GMI). The GMI monthly payment is set at the level of 40 lats (€57) for adults and 45 lats (€64) for children (but used to be lower in the years before the crisis). The municipalities may determine higher GMI levels, but not lower than those mentioned above. The maximum level of GMI for pensioners and disabled is 90 lats (€128) a month. The benefit is granted for a period not exceeding 9 months). In 2007 only 26% of poor people received the GMI benefit, while this share in 2010 increased to 39.9%.

In **Luxembourg**, a basic guaranteed income (*revenu minimum garanti* or RMG) is provided either via an integration benefit<sup>84</sup> or a supplementary allowance<sup>85</sup> to individuals who do not have any income or whose income is below the minimum level set by law, either in an individual capacity or jointly with other members of their household. As of 1 January 2011, the basic guaranteed income amounted to €1,251.97 per month for a single person, €1,877.93 for a couple, €358.20 per additional adult and a further €113.81 s for each child under the age of 18 who qualifies for family allowance. Between 2008 and 2009, the annual increase was particularly large without substantial gender differences (16% compared to 3% the

<sup>81</sup> Public Assistance and Services Law 1991-2003:

<http://www.mlsi.gov.cy/mlsi/sws/sws.nsf/All/5F50B50A26C8DE42C2256E770036ED36?OpenDocument>

<sup>82</sup> OECD (2010) *Review of labour market and social policies in Estonia* [www.oecd.org/els/estonia2010](http://www.oecd.org/els/estonia2010).

<sup>83</sup> Social Protection Committee (2009), "Second Joint Assessment by the SPC and the European Commission of the Social Impact of the Economic Crisis and of Policy Responses", SPC/2009/11/13 final, available at: [http://www.socialsecurity.fgov.be/docs/fr/publicaties/socinc\\_rap/spc-2009-11-13.pdf](http://www.socialsecurity.fgov.be/docs/fr/publicaties/socinc_rap/spc-2009-11-13.pdf)

<sup>84</sup> The integration benefit is linked to assistance programmes for seeking employment, and job creation scheme and is paid to persons who meet certain criteria and are capable of working.

<sup>85</sup> The supplementary allowance is aimed at persons who do not qualify for measures to promote integration into working life or who are temporarily exempt from these. It makes up the difference between the maximum amounts of basic guaranteed income and the means at the household's disposal.



previous year): the number of persons in receipt of basic guaranteed income increased by 2,261, 53% of whom are women<sup>86</sup>. On 1 January 2009, the basic guaranteed income was raised by 2% (the cost for the State's budget amounts to 1,977,000 euros).

Sources: EGGSI national reports.

### 5.2.2 *Categorical measures for specific target groups*

Guaranteed minimum income schemes are often accompanied by an integrated network of different categorical and non-contributory schemes supporting specific target group such as families, single parents, children, elderly and the disabled.

Family-related benefits and allowances supplement minimum income schemes by providing universal or contributory, means-tested or irrespective of income cash payments and in-kind provision in case of maternity, paternity, parental leave, lone parents and widowhood.

Family-related benefits are formally gender-neutral measures with a significant gendered impact, as women dominate household payments due to gender-specific division of care activities. At the same time, women's employment patterns affect their entitlements (in Ireland, the Family Income Supplement requires women to be employed for at least 19 hours in order to receive the benefit).

Furthermore, the assessment of family- and children-related benefits and corresponding entitlement is ambiguous from a gender perspective: while providing support, they also strengthen the women's role as a main child and family caregiver, thus reducing their prospects for the full inclusion into the labour market, as well as the participation in political and social life.

Cuts in public expenditure due to the economic crisis affected existing family-related benefits in most countries with substantial gender effects. Austerity policies unaccompanied by proper gender impact assessments had an influence on family support schemes traditionally directed to women or resulted in the entrenchment of traditional gender roles. On the other hand, only few countries expanded their support to family-related benefits and allowances as a response to the economic crisis.

#### *Family and child-related benefits and services since the inception of the economic crisis*

As it is the case with long-term care (see par. 6.4.2 below), public expenditure for monetary allowances has been reduced more than the expenditure for the provision of services in an attempt of fiscal consolidation in the field of childcare. In some European countries monetary benefits have been reduced and/or their eligibility requirements tightened (for example in the Czech Republic, Germany, Ireland, or the United Kingdom), while others - less strongly impacted by the economic crisis - exhibit a reverse policy trend, i.e. an increase in public expenditure (Finland, Netherlands, Slovak Republic and Hungary).

Fiscal consolidation measures have targeted paternity leave schemes in Estonia, Iceland, Spain and the Czech Republic, a policy measure traditionally considered as fundamental for a more equilibrated sharing of unpaid work burdens between the genders as well as for the modification of traditional gender roles. Since men usually have a higher salary than women, the loss of income for the household is likely to be higher if the father takes on parental leave than if the mother does. Thus, it is a priority issue to ensure fathers and mothers an equal right to parental leave by providing benefits generous enough to enable fathers to take part in the upbringing of their young children.

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<sup>86</sup> Ministère de l'Égalité des chances (2011), Les femmes et les hommes sur le marché de l'emploi.

As mentioned, in the European countries public or publicly subsidized private provision of childcare services has undergone less drastic cuts than monetary allowances. One reason may be that kindergartens, crèches and all-day schools are effective instruments for parents to conciliate working and family time, while offering children an opportunity to enhance their learning skills. In some countries, such policy in time of crisis aims at shifting the focus on family support from an untargeted and expensive early childcare policy to a more specific set of measures directly providing childcare, enabling women to work and maintaining childcare-related employment (again, mainly benefiting women also on the supply side of care). Thus, in several European countries the supply of childcare facilities has grown in the last few years even in spite of the economic crisis and the associated austerity programmes, although in several European countries it has not reached the Lisbon target of having at least 33% of children below 3 years old attending pre-school institutions.

In a number of European countries (Poland, Czech Republic), an enhanced provision of childcare is mainly or exclusively sought through direct or indirect public financing of private facilities. Such measures have the strong advantage of reducing public expenditure, since part of the financing falls upon the private sector (either the families benefiting from the service or the third-sector entities supplying it). However, in certain cases (such as corporate crèches) plans supporting only private preschool institutions may have a lower potential for social inclusion since their target are neither exclusively nor mainly the vulnerable groups of the population. For example, the most socially excluded groups of the population are not likely to be employed in large firms that offer corporate crèches; similarly, they probably cannot afford these services if they are provided for a significant fee. Therefore, an integrated approach may be more effective with the aim of targeting those furthest from the labour market.

However, in the mixed policy environment characterized by uneven public austerity measures that followed the crisis, some countries experienced social expenditure retrenchments in the field of childcare services (Estonia and the Netherlands). Finally, even when facing budgetary constraints, some European countries still tried to improve childcare and the conditions of working parents through regulatory reforms at no or very little cost (Slovak Republic).

#### **Box 5.3 – The provision of childcare in times of crisis: monetary allowances and services**

In **Austria**, the federal government introduced in 2009 free access to kindergarten for half-day in the last year before school as well as an obligation for all children to attend one year of kindergarten before entering compulsory education. Since childcare services are the responsibility of the provinces and municipalities, the implementation of this measure depends on the individual provinces.

In **Cyprus**, in 2009 the scheme of state subsidies to community organizations and NGOs was extended for the first time to local authorities in order to finance childcare programmes.

In **Finland** in 2009 the flat-rate child homecare allowance paid to families with children under three years as an alternative to public day care was raised by €20 per month (the new amount being €314,28). The support for private daycare was also increased from €140 to €160 per month. The minimum maternity, paternity and parental benefits, paid to those parents taking leave who do not have a previous income (and thus not receiving income-related benefits) were increased in 2009 to the level of the minimum unemployment benefit (i.e. from €15.2 per day to €22.04 per day).

In **Germany**, payments for parental leave have been reduced in two ways. First, unemployed persons receiving welfare benefits no longer receive the minimum parental leave payment of €300, a reform carried on with the argument that the difference between the income from work and the income from welfare would become too small if parental leave was paid for this group. Second, persons with a net income of more than €1,240 per month are now entitled to a wage compensation of 65% during their parental leave, down from the previous 67%. The infrastructure for childcare improved significantly in 2010, with 23.1% of all children between 0 and 3 years having a position in day care, up from 13.6% in 2006 (though with relevant regional differences).<sup>87</sup> The Promotion of Children Act sets the target that in 2013 there should be a

<sup>87</sup> BMFSFJ (2011), Zweiter Zwischenbericht zur Evaluation des Kinderförderungsgesetzes, pp. 7-8, <http://www.bmfsfj.de/RedaktionBMFSFJ/Broschuerenstelle/Pdf-Anlagen/kifog-zweiter->

place in day care for at least every third child up to three years, and from the year 2013 every child older than one year should be legally entitled to a place in public day care or with a private child-minder.

In **Hungary**, the new system of family daycare widens the opportunities for parents who have only poor access to childcare institutions (although the programme started in 1997, it met several administrative difficulties that have been mitigated only recently). The main objective of the programme is to reduce the tension due to the lack of places in crèches, or due to the lack of crèches.

In **Malta**, three new community centres were set up between 2009 and 2010, following an integrated approach including but not limited to care services.

In the **Netherlands**, since 2008 self-employed women are entitled to maternity leave and fiscal advantages for pension accrual are planned to be introduced in the near future.

In the **Slovak Republic**, maternity benefits were increased from 55% to 60% of mother's previous income, though with a stringent ceiling (the average maternity benefit was €317 per month in 2010, very close to the minimum income of €307).<sup>88</sup> From January 2012, a further increase of up to 65% of the mother's income and an extension of the drawing period up to 40 weeks is planned, and by 2014 the benefit should reach 75% of the mother's income and 52 weeks of drawing period. Moreover, the parental allowance – a state cash payment – was adjusted to the level of €195 per month and per child (the level of the subsistence minimum), and a change in legislation has removed legislative barriers that prevented parents from working while receiving parental allowances.

In **Slovenia**, since 2008 childcare for the second and subsequent children is provided free of charge and is considered as a universal right. The state also subsidizes food and transport of pupils and students at the primary and secondary school levels.

Sources: EGGSI national reports.

### 5.2.3 Consumption support measures and their consequences on gender equality

Consumption support measures have been adopted during the recession period in most European countries even if they seem to represent a marginal part of economic stimulus plans. Due to the focus on austerity there have been few new measures to support consumption, and an increasing pressure on existing programmes. They are mostly gender blind as do not include any special gender-related measure but rather concern the whole population (VAT differentiation), low-income households (programmes of food donation), local populations (price subsidy in public transports), sometimes the elderly (compensation for heating) or children (meals at school for the poorest children).

Existing measures to support consumption are scaling down in some countries, as in **Poland** where the reduction was visible in 2008-2010 and in some cases it seems more pronounced in 2011. In **Belgium**, a number of policies in support of consumption at federal and regional level tend to refer to the entire population and not to the most vulnerable.

As part of fiscal consolidation plans, increases of the Value Added Tax (VAT) rates have been mainly used to improve the state budget balance rather than for promoting consumption of certain goods or services. This is expected to carry a negative impact on gender equality given the generally higher at-risk-of-poverty rate and the lower disposable income of women compared to men.

Food support measures are amongst the few consumption measures explicitly targeted to alleviate the impact of the crises for the poorest and developed across selected countries through in-kind distribution programmes and subsidized access to food. Compensations for heating and other payments related to utility bills of pensioners and other disadvantaged target groups are also ensured in several countries through cash payments. Public transport is heavily subsidized in many countries. A part of transportation costs is usually borne by local government budgets (local buses, subways), and

[zwischenbericht.property=pdf,bereich=bmfsfi,sprache=de,rwb=true.pdf](#)

<sup>88</sup> Insurance benefit provided due to pregnancy or care for a newborn child.

sometimes by the central budget as well (railroads). Ticket price reductions are usually offered for different types of transport services to selected groups of passengers, none of which is gender related.

Lack of data on the gender impact of consumption support measures is a widespread issue. However, for the same reasons mentioned above (i.e., women's average higher at-risk-of-poverty rates and lower disposable income), it may be expected that downscaling and budgetary cuts of consumption support measures may negatively affect gender equality by withdrawing state support from the poorest households, among which women are overrepresented.

#### Box 5.4 - Consumption support measures since the beginning of the crisis

In **Estonia**, one of the most innovative measures carried out by NGOs is the Food Bank. Since October 2010 the Veterinary and Food Board allowed distribution of food that has already passed the best before date conditional on the recipient's awareness. NGOs in cooperation of local governments, volunteers, Swedbank and Open Estonia Foundation are now providing food packages to people with disposable income below the subsistence level. The food is donated by retail shops and producers, but also by private individuals.

In **Iceland**, food donation is supported by a charity organization, the Family Aid Agency, to help disabled people, unemployed, single mothers and fathers, the elderly, poor households and individuals who suffer from poverty with food, grants to subsidize medical drugs and cheap clothing. On November 2010, 975 received donations involved 553 (57%) women and 422 (43%) men. Available figures seem to indicate that the majority of recipients are single mothers with low income. These practices may be seen as destabilizing the principle of the Nordic welfare system, in which individuals and households should be ensured minimum income to maintain a certain standard of dignity and independent living.

One of the first measures introduced in **Italy** at the beginning of the crisis was the so-called Social Card, an electronic payment card used in support of food expenditure (and later of health and energy needs). The Card has a monthly value of 40 Euros and it is recharged with €80 every two months. The recipients of the Social Card are Italian citizens residing in Italy over 65 years of age and children under 3 (in this case the beneficiary is the parent), with an income and ISEE (equivalent economic situation indicator) of less than €6,322.64. In 2009, an additional sum of €25 per month for the purchase of milk and nappies was introduced for children under 3 months. The Social Card covers also the payment of electricity and gas bills, and in 2009 was increased with an additional sum of 10 Euros for the use of natural gas or LPG for heating and hot water production. Another anti-crisis measure adopted in Italy is a reduction in the electricity rates (The Electric Bonus) and gas bills (The Gas Bonus).

In **Poland**, the National Food Programme was established in 2005 for the years 2006-2009<sup>89</sup> with the main intention to finance meals at schools for the poorest children (with household income not exceeding 1.5 times the social assistance threshold). Occasionally, support could also be granted to other poor persons in need, and income threshold could be set at a higher level pursuing the decision of the local government. The Programme was extended until 2013, and, at the same time, the increase of co-financing by self-governments (if the beneficiary income exceeds 150% of the regular income thresholds) has been introduced. For some governments this new rule became an obstacle. As a result, National Food Programme as a whole faced some problems during the years of the financial crisis. In 2009, the number of children covered by the Programme slightly decreased (from 2,006K down to 1,998)<sup>90</sup>. A higher decrease regarded the share administered by the social assistance (mostly due to the changes of financing rules with respect to local governments). Unfortunately, the number of children provided with food under social assistance decreased both in 2009 (by as much as 7.5%, from 856 down to 793K), and in 2010 (by 4.3%, down to 759K)<sup>91</sup>.

One of the rare measures explicitly targeted at reducing the impact of the crisis upon the poorest in **the Slovak Republic** is food support. In 2011, the Slovak Republic participated for the first time to the EU's "Food Distribution programme for the Most Deprived Persons of the Community" (MDP). Free access to 20 kg of flour and 20 kg of pasta is provided to individuals with monthly pensions lower than € 305, or to those at the threshold of the subsistence minimum (€ 195).<sup>92</sup>

In **the Slovak Republic**, the most frequently claimed allowance is that for commuting to work, which increased to € 135 during the crisis, and take up of the total allocation was 12%.<sup>93</sup>

<sup>89</sup> Ustawa z dnia 29 grudnia 2005 r. o ustanowieniu wieloletniego programu, Dz.U. № 267, item 2259, as amended.

<sup>90</sup> MPiPS (2009 and 2010), *Sprawy z dnia 29 grudnia 2005 r. o ustanowieniu wieloletniego programu „Pomoc państwa...*

<sup>91</sup> MPiPS statistics on social assistance available at [http://www.stat.gov.pl/gus/zdrowie\\_opieka\\_ENG\\_HTML.htm](http://www.stat.gov.pl/gus/zdrowie_opieka_ENG_HTML.htm)

<sup>92</sup> Agricultural Payment Agency, <http://www.apa.sk/download.php?fid=5327>

<sup>93</sup> The National Programme of Reforms in 2008-2010. See

In the **United Kingdom**, annual payments are made to individuals above the state pension age to support the high cost of fuel through the winter fuel allowance and cold weather. The winter fuel allowance is an annual tax-free payment to help people pay for their heating costs in the winter. It was worth £250 for the over 60s, and £400 for the over 80s in 2010/11 but was set to revert to £200 and £300 respectively for the winter of 2011-12.

In **FYROM**, consumption support schemes promoted by the Ministry of Labour and Social Policy (MLSP) in 2008 provided poor population unable to meet minimum nutritious standards with SOS cards for discounts at specific supermarkets. The programme failed to achieve the goal due to partial or not significant use of the card. Food consumption for poor persons was also a part of the National Cuisine project<sup>94</sup> started in March 2007, which as a target group has beneficiaries of social assistance, family members.

Sources: EGGSI national reports.

### 5.3 Concluding remarks

European women suffer from a higher risk of poverty or social exclusion than European men, as well as from a higher at-risk-of-poverty rate (that is, they specifically suffer from higher *income* poverty). The current economic crisis has marginally reduced the gender gap in poverty though in a perverse way, i.e. it increased men's risks of poverty more than women's, rather than reducing the latter. As a consequence, the crisis has slowed down the process of poverty reduction in several European countries as well as the process of rebalancing gender inequality.

When considering income poverty, the impact of the crisis at the European level appears on the whole as limited. In part, there are specific problems with the ability to infer relevant trends from the data (for example, a greater time lag between the event under study and the data analysis is necessary, and therefore it is to be expected that clearer signs of the social impact of the crisis will emerge in future studies). To a considerable extent, however, the small impact at EU-27 level is a consequence of high heterogeneity across European countries. While some countries were severely hit and men were slightly more hit than women in these countries, others even showed signs of improvement between 2009 and 2010. Increases in poverty rates between 2009 and 2010 were especially worrying in Iceland, Ireland, Latvia, Lithuania, Malta and Spain, for both men and women.

A comparison of the at-risk-of-poverty rates before and after social transfers shows that a crucial contribution in mitigating the impact of the crisis has come from redistributive taxation and the welfare state. Without social transfers, the crisis would have produced relevant increases in poverty rates in a large number of countries, for both men and women. Redistribution also appears as relevant in reducing the gender gap in poverty rates. Since the crisis this effect has only marginally been mitigated by the fact that slightly more men fell in poverty before social transfers and were thus more frequently lifted out of poverty by social transfers (the contribution of the European social model to reducing poverty remains however greater for women even after the crisis).

In most European countries with few exceptions (Italy and Greece), different configurations of minimum income schemes are aimed at preventing poverty and promoting social inclusion through the provision of means-tested non-contributory measures, mostly directed to households rather than to individuals under the assumption that incomes and other resources are equally shared within the household. Various schemes have been introduced as a response to the crisis, while already existing measures face pressure to meet an increasing demand and experience structural transformations due to the effect of the recession and resulting austerity policies. The scaling back of existing measures may negatively contribute to gender equality, given women's higher poverty rates, while for the same

[http://www.finance.gov.sk/en/Components/CategoryDocuments/s\\_LoadDocument.aspx?categoryId=600&documentId=369](http://www.finance.gov.sk/en/Components/CategoryDocuments/s_LoadDocument.aspx?categoryId=600&documentId=369)

<sup>94</sup> Implemented by the MLSP and CSW. Currently there are 36 kitchens opened.

reasons the introduction of new schemes in some countries is expected to exert a positive effect in terms of gender equality.

Guaranteed minimum income schemes are often accompanied by an integrated network of different categorical measures. Categorical measures consist of non-contributory cash and in-kind assistance for specified target group such as families, single parent, children, elderly and the disable. Family-related benefits and allowances supplement minimum income schemes by providing universal or contributory, means-tested or irrespective of income cash payments and in-kind provision in case of maternity, paternity, parental leave, lone parents and widowhood. They are formally gender-neutral but in several cases they induce significant gendered effects, given the gender-specific division of care activities and gender differences in patterns of employment. Thus, the provision of childcare and other services, as highlighted above, seem to be preserved or even enlarged in several countries at the time of crisis, in view of the aim to boost the labour supply of mothers in particular. On the contrary, monetary transfers seem less efficient in reducing gender inequality.

Few new consumption support measures were introduced during the recession, while an increasing pressure on existing programmes emerged in several European countries. Specific gender-related interventions are not promoted, as consumption support measures rather concern the whole population (VAT differentiation), low-income households (programmes of food donation), local populations (price subsidy in public transports), sometimes the elderly (compensation for heating) or children (meals at school for the poorest children).

## 6 Gender differences in social exclusion

Accumulated wealth or monetary income - that is, access to money to perform exchanges and transactions in the market- have an irreplaceable role in determining men's and women's social inclusion in a capitalist society. However, many of the goods and services shaping the material needs of Europe's citizens are not usually (or not exclusively) provided by the market.

The public sector and household production constitute the two other pillars of Europe's economy. In neither spheres of society money is the necessary or the sufficient enabler of consumption. Economic research has not yet found a solution to the issue of quantifying home production and its value<sup>95</sup> or the value of the production of public goods.<sup>96</sup> Most of these goods and services are not exchanged in the market, thus prices cannot be issued. Without prices, such activities are regarded as if they had no value - that is, they are either not accounted for (domestic productive activities) or their value is largely underestimated (in case of public production of goods and services). The issue is particularly relevant in Europe due to the large roles domestic and public sectors have in the economy: in the EU-27, public sector expenditure alone (which as mentioned underestimates the overall public production) in 2010 was comparable in size to the value of all goods and services exchanged in the market, amounting as a share of GDP to 50.3%. Thus, monetary income at the micro-level and the GDP itself at the macro-level are not sufficient to ponder all forms of production. On the supply side, there is a strong argument to move beyond men's and women's monetary income to consider their overall capacity to obtain the goods and services necessary to their full social inclusion.

Regarding the demand of the material needs required in our modern societies, it is not sufficient to take into consideration only the monetary income. Living arrangements, health conditions, educational attainments, access to transportation, being or not the object of discrimination or social stigma, entitlement to certain claims or rights among other factors fundamentally shape men's and women's ability to enjoy a certain standard of life and a certain inclusion and participation in society's activities. In this respect, the economist and philosophers Amartya Sen and Martha Nussbaum coined the term "capability" to express a person's actual ability to do something they value and they have reason to value within their society.<sup>97</sup> Income is a fundamental enabler of men's and women's capabilities, but it is not the only one.

Thus, due to both supply and demand reasons, a holistic approach beyond the sole consideration of income is necessary to provide a realistic assessment of the standard of living of European men and women. In this chapter an attempt is made at analyzing the most critical factors to the fulfillment of men and women's basic needs, their evolution since the onset of the economic crisis and the policies European countries are implementing to sustain social inclusion and fight poverty.

In the academic literature, "deprivation" is the term used to denote the lack of certain minimum requirements in a given field such as housing, health, etc. "Multidimensional poverty" is the term usually used to denote a situation of deprivation in several fields or dimensions, the number of dimensions a person is deprived in playing a similar role to that played by poverty thresholds in

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<sup>95</sup> Cfr. Picchio A. (2003), *Unpaid Work and the Economy*, London: Routledge.

<sup>96</sup> With respect to the public sector, estimates are available but they are known to underestimate the actual values since they are largely based on the value of the means of production (such as wages, etc.) and not on the value of the actual output, which is often impossible to estimate. See National Statistical Office (NSO) (2005), "Measurement of Government Output and Productivity for the National Accounts", *Atkinson Review: Final Report*.

<sup>97</sup> See for example Sen A.K. (1985), *Commodities and Capabilities*, Oxford: Oxford University Press; Nussbaum M. C. and Sen A.K. (eds.) (1993), *The Quality of Life*, Oxford: Clarendon Press.

traditional poverty measures (i.e. they denote different degrees of poverty).<sup>98</sup> However, within the Europe 2020 strategy “material deprivation” is a synonymous term for multidimensional poverty denoting a condition of lacking three or more deprivation items among a predefined list of 9 items.<sup>99</sup> Such definition of material deprivation – yet taking into consideration divergences across European countries - is likely to imply a hampered ability to fully contribute to and to participate in society’s life and thus may imply social exclusion. It is thus useful to retain such an integrated and holistic view when comparing gender differences in poverty, and so it will be done in the next section.

Most European countries adopt focussed strategies to deal with specific dimensions of deprivation using a piecemeal approach. Therefore, when reviewing the policies adopted to cope with the social impact of the economic crisis from a gender perspective specific attention will be paid to those drivers of inclusion showing the highest gender imbalances<sup>100</sup>: educational and life-long learning, housing conditions and policies and healthcare and care activities (considering men and women both as recipients and as providers of such activities).

## 6.1 Material deprivation and the crisis

The Laeken European Council of December 2001 endorsed a set of statistical indicators on social exclusion that are subject to a continuing process of refinement by the Indicators Sub-Group of the Social Protection Committee. As noted in Chapter 5, the overarching goal of reducing the number of Europeans at risk of poverty or social exclusion may conveniently be monitored through three such indicators: the at-risk-of-poverty rate, the material deprivation rate and the share of people living in a household with zero or low work intensity. After having analyzed income poverty in Chapter 5 and households’ labour market attachment in Chapters 3 and 4, the index of material deprivation will be considered here.

The index of severe material deprivation within the Open Method of Coordination - defined as the enforced inability to pay for a number of items considered necessary to a decent and adequate life - is particularly useful for monitoring the progress of Member States in the fight against poverty and social exclusion. It consents retaining an overall view of the satisfaction of the material needs of European men and women, that is their overall access to the goods and services necessary to lead a decent life. On the one hand, moving beyond the sole consideration for monetary income is necessary to obtain a better grasp of the actual living situation of European men and women. On the other hand, the problem with the material deprivation rate is that there currently exists no shared theory or agreed upon methodology to consider household assets at the individual level. In other words, it is not yet possible to trace the enjoyment of the goods and services in possession of the household to the single members composing it.

A crucial hindrance is that in the case of assets, durable goods and other resources that are jointly consumed or enjoyed of in the household, the existing sample surveys do not ask or report any information on intra-household bargaining and/or on the sharing of common resources. Thus, in the

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<sup>98</sup> For a review of poverty measures and the process of selection of the indicators considered within the Open Method of Coordination, see Bradshaw J. and Mayhew E. (2011), *The measurement of extreme poverty in the European Union*, Report for the European Commission, Directorate-General for Employment, Social Affairs and Inclusion, January 2011.

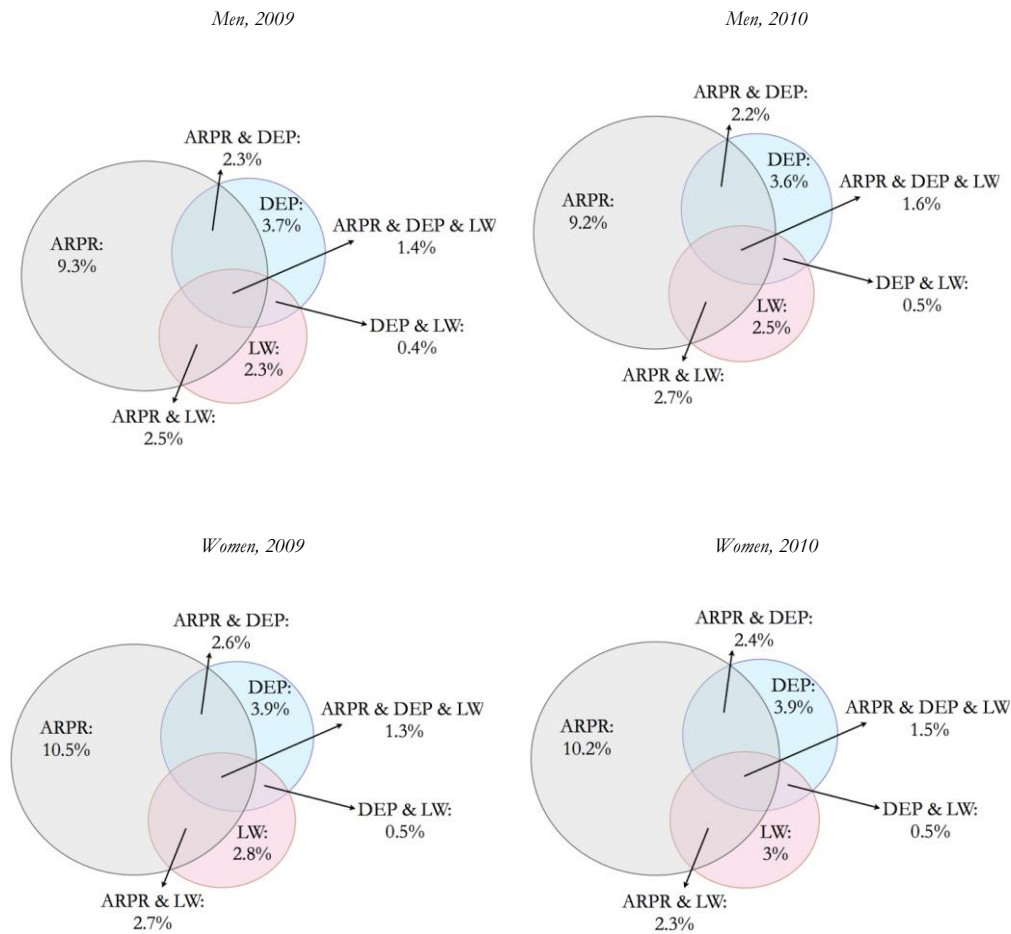
<sup>99</sup> These are: 1. inability to face unexpected expenses; 2. inability to pay for one week of holiday away from home per year; 3. being late or having arrears in debts repayments (including mortgage or rent, utility bills or to hire purchase instalments); 4. inability to pay for a full meal with meat, chicken or fish every other day; 5. inability to pay to keep the home adequately warm; 6. not having a washing machine; 7. not having a colour TV; 8. not having a telephone; 9. not having a car.

<sup>100</sup> See Corsi M. *et al.* (2010), *Gender Mainstreaming Social Inclusion Policies*, EGGSI report for the European Commission, DG Employment, Social Affairs, and Equal Opportunities, Brussels.



impossibility to obtain individual-level data for these variables, a gender analysis of the current patterns incurs into the problems mentioned in Box 5.1: it is bound to assume that individuals share equally the household's resources without being able to assess how far from reality this assumption is, especially when considering the traditional gender relations within the household.

**Figure 6.1. Intersections between the Europe 2020 indicators, by sex**



Note: ARPR stands for at-risk-of-poverty rate; DEP stands for severe material deprivation rate; LW stands for the share of people living in a household with zero or very low work intensity. Data on incomes (used to calculate the ARPR) refer to the previous year, data on employment and household assets (used to calculate the LW and DEP, respectively) refers to the same year of the survey.

Source: Eurostat, EU-SILC data.

Before considering the index of material deprivation in detail, it is worthwhile to trace the development of its interrelations with the other two indexes composing the risk of poverty or social exclusion. As

noted in Chapter 5, the crisis slowed down the pace of reduction in the number of people at risk of poverty or social exclusion, both men and women. Indeed, between 2009 and 2010, the impact of the crisis on the share of population severely materially deprived and/or living in a household with zero or very low work intensity was relatively small at the EU-27 level. As it was the case for the income poverty measures, this finding may in part result from inadequacy of data and in part from a heterogeneous impact across European countries.

As shown in Figure 6.1, the share of population considered as at risk of poverty or social exclusion according to any of the three criteria grew from 21.9% to 22.3% for men, and from 24.3% to 24.5% for women. The population at risk of poverty or social exclusion according to the three criteria simultaneously grew from 1.4% to 1.6% for men, and from 1.3% to 1.5% for women. For women the

**Table 6.1. Evolution of the severe material deprivation rate, by sex**

	Men						Women					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Belgium	6.5	6.2	5.2	5.2	4.9	5.7	6.5	6.7	6.2	6.0	5.5	6.0
Bulgaria	:	57.1	56.6	39.6	40.1	33.8	:	58.2	58.6	42.8	43.5	36.0
Czech Republic	10.8	9.4	7.0	6.3	5.8	5.8	12.7	9.9	7.7	7.3	6.5	6.5
Denmark	3.1	2.8	2.9	1.5	2.2	2.8	3.3	3.5	3.6	2.4	2.4	2.5
Germany	4.3	5.0	4.3	5.3	5.3	4.4	4.8	5.1	5.3	5.6	5.4	4.7
Estonia	12.1	6.8	5.4	4.8	6.2	9.3	12.6	7.2	5.8	4.9	6.3	8.7
Ireland	4.7	4.6	4.0	5.3	5.5	7.1	5.5	5.0	4.9	5.8	6.8	8.0
Greece	11.8	11.0	10.6	10.1	10.2	10.9	13.8	11.9	12.3	12.2	11.7	12.2
Spain	3.3	3.4	2.9	2.6	3.5	3.8	3.5	3.4	3.1	2.5	3.4	4.1
France	5.0	4.6	4.4	5.1	5.2	5.7	5.5	5.3	5.0	5.7	5.9	5.8
Italy	6.3	5.9	6.4	7.2	6.7	6.7	6.6	6.6	7.2	7.8	7.3	7.1
Cyprus	12.4	12.5	12.5	8.0	7.8	9.1	11.9	12.7	14.0	8.4	7.9	9.1
Latvia	35.9	28.5	23.5	17.3	21.3	26.8	41.4	32.3	26.1	20.4	22.5	27.9
Lithuania	31.1	23.6	15.8	11.7	14.3	19.5	33.8	26.7	17.3	12.9	15.7	19.5
Luxembourg	2.1	0.9	0.8	0.6	0.9	0.4	1.6	1.3	0.8	0.7	1.3	0.7
Hungary	22.6	20.8	19.6	17.3	20.2	21.5	23.1	21.0	20.1	18.4	20.4	21.6
Malta	5.1	3.5	3.8	3.8	4.5	5.6	5.8	3.9	4.5	4.2	4.9	5.8
Netherlands	2.3	1.7	1.7	1.5	1.4	2.3	2.7	2.8	1.7	1.6	1.5	2.2
Austria	2.8	3.8	3.1	6.0	4.4	3.9	3.3	3.4	3.5	6.7	5.1	4.6
Poland	33.4	27.4	21.9	17.6	14.6	14.1	34.2	27.8	22.7	17.9	15.3	14.4
Portugal	8.9	8.7	9.2	9.5	8.9	9.2	9.7	9.4	9.9	9.9	9.2	8.8
Romania	:	:	36.1	32.4	31.8	30.7	:	:	36.9	33.4	32.6	31.2
Slovenia	4.9	5.1	4.9	6.4	5.9	5.6	5.4	5.1	5.3	6.9	6.3	6.3
Slovakia	21.6	17.8	12.8	11.1	10.5	11.1	22.5	18.6	14.5	12.3	11.6	11.8
Finland	3.8	3.0	3.0	3.2	2.9	2.6	3.8	3.6	4.1	3.8	2.7	3.1
Sweden	1.7	2.1	2.2	1.3	1.5	1.2	3.0	2.1	2.1	1.6	1.6	1.4
United Kingdom	4.9	4.4	3.9	4.3	3.4	4.8	5.6	4.7	4.4	4.8	3.2	4.9
<b>EU-27</b>	<b>10.3</b>	<b>9.6</b>	<b>8.7</b>	<b>8.1</b>	<b>7.8</b>	<b>7.9</b>	<b>11.0</b>	<b>10.1</b>	<b>9.5</b>	<b>8.8</b>	<b>8.3</b>	<b>8.3</b>
Iceland	2.5	1.7	1.7	0.7	1.0	1.6	2.8	2.4	2.5	0.9	0.6	2.0
Norway	3.5	2.4	2.2	2.0	2.4	2.2	3.5	3.1	2.5	1.9	2.0	1.9

Note: the severe material deprivation rate is defined as the percentage of population that cannot afford at least four of the following nine items: i) to pay their rent, mortgage or utility bills; ii) to keep their home adequately warm; iii) to face unexpected expenses; iv) to eat meat or proteins regularly; v) to go on holiday; vi) a television set; vii) a refrigerator; viii) a car; ix) a telephone.

Source: Eurostat, EU-SILC data.

increase is exclusively due to the rise in the share of people living in a household with zero or low work intensity, while for men all indicators grew - the latter exhibiting highest. Thus, the crisis contributed to a reduction in the gender gap in the risk of poverty or social exclusion again through a perverse effect, i.e. by worsening men's position rather than improving women's. In 2010, women remained at higher risk according to any of the three criteria, while men remained at a slightly higher risk when the three criteria are considered conjointly.

Considering the severe material deprivation rate, considerations similar to the at-risk-of-poverty emerge (compare Table 6.1). First, women suffer from greater severe material deprivation in almost all years and all countries considered. Second, the crisis has slowed down the progress towards the reduction of material deprivation, with 2010 levels higher than 2009 but still lower than the pre-crisis average and than 2005 levels. Third, the crisis has slightly reduced the gender gap, though by worsening men's position rather than by improving women's. Fourth, variations between 2009 and 2010 are on average small, but to some extent they hide substantial heterogeneity between countries. Accordingly, while for both men and women a considerable worsening of the situation, with increases in the severe deprivation rate higher than 2% took place in **Estonia, Latvia and Lithuania**; and in **Bulgaria** the improvement was even higher than 5% for men and women.

These international differences overlap with a differentiated social impact of the crisis within individual countries. A differentiated impact in terms of poverty and deprivation may for example be seen by considering men and women of different educational attainment.

As shown in Table 6.2, deprivation rates increased less or even decreased among people with higher educational attainments, the more so in new Member States. In the EU-15, severe material deprivation rates for both men and women were higher since the crisis than they were in the pre-crisis period (indeed, for women with pre-primary, primary or lower secondary education, this process of impoverishment had started already before the crisis hit Europe). On the contrary, in new member states the crisis has not stopped the overall process of improvement of both men's and women's situation.

**Table 6.2. Evolution of the severe material deprivation rate, by educational attainment and sex**

		Men						Women					
		2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Pre-primary, primary and lower secondary ed. (levels 0-2)	<b>EU-27</b>	13.4	12.7	12.5	11.5	11.3	11.7	13.7	13.1	13.0	12.1	11.7	11.8
	<b>EU-15</b>	7.2	6.9	7.1	7.1	7.3	7.8	6.9	6.9	7.1	7.4	7.4	7.7
	<b>NMS-12</b>	48.7	46.8	43.7	37.9	36.1	36.1	45.8	43.3	40.7	35.1	33.8	32.4
Upper secondary and post-secondary non-tertiary ed. (lev. 3-4)	<b>EU-27</b>	10.5	9.4	8.3	7.6	7.2	7.2	10.7	9.4	8.8	7.9	7.3	7.5
	<b>EU-15</b>	3.5	3.4	3.5	4.0	3.8	3.9	4.2	3.9	4.3	4.6	4.0	4.3
	<b>NMS-12</b>	27.5	24.0	20.5	16.6	16.0	15.8	27.8	24.0	20.8	16.9	16.3	16.0
First and second stage of tertiary ed. (levels 5-6)	<b>EU-27</b>	2.8	2.5	2.2	2.0	2.0	2.0	4.3	3.7	3.1	2.5	2.7	2.6
	<b>EU-15</b>	1.8	1.7	1.5	1.6	1.6	1.7	2.6	2.3	1.8	1.7	1.8	1.7
	<b>NMS-12</b>	8.9	7.7	6.3	4.7	4.8	4.2	12.6	10.3	9.2	6.6	6.7	6.6

Note: the severe material deprivation rate is defined as the percentage of population that cannot afford at least four of the following nine items: i) to pay their rent, mortgage or utility bills; ii) to keep their home adequately warm; iii) to face unexpected expenses; iv) to eat meat or proteins regularly; v) to go on holiday; vi) a television set; vii) a refrigerator; viii) a car; ix) a telephone. NMS-12 denotes the 12 new Member States.

Source: Eurostat, EU-SILC data.

As explained in Chapter V, a specific problem when considering household resources is that gender differences are only evident from the statistics for those households in which there is an odd number of men and women. As a consequence, population averages partly underestimate the gender gap in poverty and deprivation. While for monetary income an attempt at individualization of resources is reported in Box 5.1, this is hardly possible when considering household assets. Thus, there is a case for focusing on certain sub-populations in which single-headed households are more common, such as in the case of migrants or the elderly. Moreover, some such sub-populations may exhibit specific vulnerability. As shown in Table 6.3 among single persons, the category of households in which gender differences are more easily captured by the statistics, the crisis seem to have produced more pronounced gender-specific effects.

**Table 6.3. Evolution of the severe material deprivation rate among single persons, by sex**

	Men						Women					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
Belgium	12.8	11.2	12.0	9.3	10.5	12.6	11.1	10.5	11.1	10.1	9.2	9.5
Bulgaria	:	66.0	61.9	61.6	51.1	45.3	:	83.7	78.0	82.9	76.0	57.5
Czech Republic	18.1	14.5	12.3	11.4	9.6	9.3	18.2	13.6	11.1	11.2	11.1	9.0
Denmark	6.8	5.5	5.6	3.7	4.1	5.7	4.4	5.6	4.7	4.4	3.9	3.9
Germany	11.9	9.0	9.3	11.2	12.0	10.3	8.7	8.2	9.7	10.0	9.0	8.2
Estonia	27.8	16.7	15.8	12.0	12.8	17.1	21.2	12.6	10.4	6.4	9.7	10.1
Ireland	7.9	10.6	8.6	13.0	12.9	14.9	4.6	4.0	2.8	6.0	5.9	6.0
Greece	14.8	17.2	18.8	15.9	16.0	18.1	26.0	24.0	28.7	24.1	18.8	21.5
Spain	5.7	8.2	5.1	3.5	3.7	4.5	5.5	5.4	3.2	3.3	3.2	4.6
France	11.4	9.0	8.9	6.6	9.1	10.9	8.0	7.8	8.3	7.8	8.5	8.4
Italy	10.1	9.3	7.9	8.1	6.7	8.4	8.8	9.2	9.4	9.5	8.3	8.4
Cyprus	15.1	15.1	18.3	16.8	9.8	11.9	17.9	18.7	25.8	13.8	12.7	11.9
Latvia	48.7	43.2	44.3	28.7	33.9	37.5	61.0	51.4	48.5	40.0	32.0	35.0
Lithuania	46.8	40.3	27.2	22.1	32.9	32.1	51.2	43.7	29.9	22.7	24.2	27.7
Luxembourg	5.9	4.4	2.5	1.6	1.9	1.9	1.8	2.5	2.0	1.5	2.6	3.2
Hungary	24.9	30.2	24.8	25.8	24.4	25.5	26.5	25.8	23.6	22.3	22.6	22.8
Malta	9.6	6.1	5.5	8.3	8.7	8.8	9.0	6.8	5.8	8.2	8.8	7.9
Netherlands	4.1	3.0	5.5	3.9	4.7	6.9	4.0	6.5	3.7	2.5	3.2	4.0
Austria	5.6	7.4	6.3	9.8	8.1	5.6	5.1	4.3	5.4	9.9	7.1	7.6
Poland	44.7	37.3	35.1	31.7	26.8	24.1	44.6	37.5	31.8	27.7	22.8	21.6
Portugal	14.8	19.1	18.3	18.6	14.7	21.5	22.3	22.0	18.6	15.6	15.5	16.2
Romania	:	:	47.9	42.3	39.3	39.4	:	:	57.6	44.0	39.7	41.0
Slovenia	14.4	15.1	13.6	15.2	14.4	11.7	13.2	12.7	13.6	11.2	12.9	13.8
Slovakia	24.7	27.1	20.8	20.0	21.0	23.6	23.2	22.8	22.1	20.2	18.2	15.2
Finland	10.8	9.3	7.6	8.6	8.2	8.2	7.3	9.0	9.1	8.8	7.3	7.6
Sweden	2.0	3.7	4.4	3.6	3.6	3.4	4.2	3.5	2.1	2.3	2.6	2.5
United Kingdom	8.7	8.1	6.9	5.7	7.6	9.7	6.1	4.6	4.7	5.1	4.2	5.3
<b>EU-27</b>	<b>13.4</b>	<b>11.8</b>	<b>11.0</b>	<b>10.4</b>	<b>10.7</b>	<b>11.2</b>	<b>13.5</b>	<b>12.6</b>	<b>12.3</b>	<b>11.6</b>	<b>10.6</b>	<b>10.4</b>
Iceland	6.5	3.4	1.9	2.9	4.3	3.6	4.2	3.8	5.3	2.1	1.7	3.5
Norway	8.2	6.4	5.2	5.9	6.6	5.1	4.4	7.4	4.9	3.5	3.3	3.4

Note: the severe material deprivation rate is defined as the percentage of population that cannot afford at least four of the following nine items: i) to pay their rent, mortgage or utility bills; ii) to keep their home adequately warm; iii) to face unexpected expenses; iv) to eat meat or proteins regularly; v) to go on holiday; vi) a television set; vii) a refrigerator; viii) a car; ix) a telephone.

Source: Eurostat, EU-SILC data.

At the EU-27 level, in the pre-crisis period single women suffered a higher severe material deprivation than single men. However, in 2009 and 2010 the gender gap turned negative, i.e. men's position was worse than women's, due to the sensible increase in single men's severe material deprivation in a number of countries (Belgium, Cyprus, Estonia, Greece, Latvia, the Netherlands, Portugal, the Slovak Republic and the United Kingdom). As already noted, the reduction of the EU-27 average gender gap is a phenomenon partly driven by the specific dynamics in the new Member States: for example in Bulgaria between 2009 and 2010 men's severe material deprivation rate decreased by 5.8%, while women's by 18.5%.

In light of such pronounced heterogeneity in the social impact of the crisis among and within countries, it appears that the strategy followed by the majority of the European countries to cope with the most severe forms of deprivation through target categorical schemes may be the most appropriate in a time of very strong budgetary pressures on public expenditure. This point will be further discussed and analysed in the next sections.

## 6.2 Education, life-long learning and training

The Europe 2020 strategy indicates three key priorities for sustainable growth and job creation: knowledge and innovation, green growth and an inclusive high-employment society. These pillars aim at building a competitive and sustainable economy through raising employment rates, combating the risk of poverty, promoting active ageing and raising skills. Concerning the latter point, a previous report from the EGGSI network<sup>101</sup> already highlighted that on average women are catching up with men's higher educational attainments due to young women's high enrolment rates at higher education institutions. However, there is still a gender disparity in terms of what kind of education men and women receive. Vocational enrolment is also largely gender segregated, and women are less likely than men to participate in vocational training, especially when it includes technical, mechanical or scientific disciplines.<sup>102</sup> Moreover, even when choosing vocational training young women are concentrated in specific apprentices in the service sector: a study focussing on Austria, for example, found that 50% of all female apprentices chose retail saleswoman, hairdresser or office clerk as a profession to learn, while eight out of ten young men decided to learn a profession in the production sector having a very small percentage of female apprentices.<sup>103</sup>

In the face of this imbalance, some Member States have begun to take action in encouraging the take up of unconventional jobs and the rejection of traditional gender roles.

Most Member States opted for a policy strategy to cope with the crisis and for social inclusion with a strong labour market link. In this context training and education are fundamental in order to increase men's and women's chances to find employment. For example, increasing the number of educational places is one of the ways that selected countries (Sweden and Norway) have chosen to tackle the economic downturn. Many of the measures scheduled to develop these goals are targeted to women (Portugal and Cyprus).

However, other European countries have reduced the number or value of monetary allowances related

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<sup>101</sup> Corsi M. *et al.* (2009), *Gender Mainstreaming Active Inclusion Policy*, EGGSI report for the European Commission, DG Employment, Social Affairs, and Equal Opportunities, Brussels. Available at: <http://ec.europa.eu/social/BlobServlet?docId=6335&langId=en>

<sup>102</sup> See Corsi M. *et al.* (2010), *Gender Mainstreaming Social Inclusion Policies*, EGGSI report for the European Commission, DG Employment, Social Affairs, and Equal Opportunities, Brussels.

<sup>103</sup> Mairhuber I. and Papouschek U. (2010a), "Frauenerwerbsarbeit in Österreich. Brüche und Kontinuitäten einer begrenzten Integration seit Mitte der 90er Jahre", *Frauenbericht 2010*, Wien. Available at: [http://www.bka.gv.at/studien/frauenbericht2010/Frauenbericht\\_Teil2\\_2Forba.pdf](http://www.bka.gv.at/studien/frauenbericht2010/Frauenbericht_Teil2_2Forba.pdf)

to education in the wake of general public balance retrenchments (United Kingdom).

**Box 6.1 - Adult vocational training and education in the face of the crisis**

In **Cyprus**, women were a majority of the participants in several ESF co-funded Lifelong Learning (LLL) projects, reaching 86.3% of the participants in the “scheme for the promotion of training and employability of the unemployed” and 82.7% of the participants in the “scheme for the enhancement of computer literacy of the unemployed”.

In **Liechtenstein**, a set of measures has targeted career guidance and vocational orientation of girls and young women and of boys and young men. The aim was to inform girls and young women of the importance of a sound foundation of training and professional development, to broaden the scope of their career choices, to encourage both girls and boys to question traditional gender roles and to raise parents’ and teachers’ awareness of the concept of equal opportunity in career choices.

In **Portugal**, the Social Insertion Income scheme aimed at the involvement of 80,000 beneficiaries in programmes of training or qualification until 2010.

In **Sweden**, between 2009 and 2011 the Government carried out temporary measures to finance more places in adult education, adult vocational training, vocational colleges and universities and colleges. Since 1 January 2010, temporary additional resources have been allocated to municipal adult education (Komvux) with the aim to create 1,750 new places between 2011 and 2013 for unemployed young people aged 20-24 who lack a complete compulsory or upper secondary school-leaving certificate. Moreover, since 2009 it is possible for the municipalities, to increase the number of students in Yrkeshögskola (adult upper secondary education with a vocational orientation) through a targeted grant from the central government. Its primary aim is to provide the unemployed with an opportunity to receive training, but also to prevent shortages of skilled labour. According to national evaluations, a majority of participants (70%) had already found employment when the training ended or within a month, but there are indicators that a smaller share of men found employment when the programme ended and however that it took a longer time for men to start working. An explanation for this difference might be that men and women usually study different subjects, and that in a period of crisis there is a lower labour demand for workers who have studied such topics as technology, manufacturing and ICT, i.e. areas where the share of men is much higher than that of women.

In the **United Kingdom** for students of school age the Education Maintenance Allowance was a benefit intended to support children in low-income families to stay on in education aged 16-18. This was scrapped in 2010 to be replaced by a less generous annual bursary for people in care, care leavers, people claiming income support and disabled young people who receive Employment Support Allowance and Disability Living Allowance.

Sources: EGGSI national reports.

*6.2.1 Focus on children and young people*

Early education and childcare are important for two reasons: for the parents to reconcile work and family life, and for the children to foster their educational opportunities. Indeed, childcare and access to quality education improve children’s chances of participation in society, especially for children from educationally or resource-poor families, and for children from foreign families education enables them to learn the national language. Thus, in a time of crisis it is fundamental that sudden and temporary financial difficulties do not produce long-term harm: if costs savings were to imply a reduction in the provision of education and training, there would be a risk of producing a structurally lower level of human capital accumulation.

In a number of European countries (Finland, Malta, and FYROM) specific measures are targeted to the most disadvantaged groups of population, such as migrants, women, young people who have not completed upper secondary school, and those at highest risk of poverty.

These policy measures will to some extent target men more than women: as mentioned, social exclusion in the education field (such as dropping out of school) is more common among young men than women. However, activation of unemployed young people may also become a tool for decreasing gender segregation in the labour market, as unemployed young women may be encouraged to find employment also in traditionally male areas of the private sector due to budget cuts in the female-

dominated public sector.

**Box 6.2 – Early education and childcare: children’s development and parents’ inclusion**

In **Belgium**, the National Office for Childhood (ONE) in collaboration with GABS (“Groupe d’animation de la Basse-Sambre”, animation group of the Basse-Sambre Region), recently organised “Baby bus”, a service of travelling nursery targeted to parents in precarious situations, with priority to non-working mothers in particular.

The service is organised as follows: two certified educators head every day to a different village each. They carry in the van baby equipment and animation and transport it to a room made available by the municipality and approved by the ONE. These venues are fixed so that parents know when they can get that support nearby their place of living.

Every day, various activities are proposed for socialisation, psychomotor skills and creativity d. The temporary crèche is also accessible to disabled children. Other social activities are also offered by the GABS to support the development of children and socio-cultural activities for parents. The aim of the service is to support parenthood and offer to children from 0 to 3 years of age opportunities to get activities with professional educators and play with other kids in a safe and socially mixed environment. The price for the service is €4.5 for half a day and €7.5 for the whole day, including lunch. The baby bus is open to all parents who wish to have a few hours to complete administrative procedures, go to the doctor, responding to a job or just take a break.

In **Finland**, according to a new government programme called “Youth Guarantee 2013”, everyone under 25 and every graduate under 30 will be either offered a job, a trainee position, a place in education, or a place in a youth workshop or rehabilitation within three months from the beginning of unemployment.

In **Germany** the government launched an “education package for children and young people from low-income families” starting 1 January 2011 with a projected investment of €1.6 billion between 2011 and 2013. The overall aim of the education package is to support education and social participation of children and young people by providing them monetary subsidies for school materials, for sport, cultural or leisure activities, subsidies for a hot meal in the school canteen, the nursery or other childcare institutions, refunding to families the costs for day school or nursery excursions as well as of learning support for pupils in accordance with the local rates, and the costs for school transport. While being gender-neutral, the package raised public attention to poverty among children and aims at breaking the vicious circle of child poverty, educational poverty and social exclusion, which very often leads to further disadvantages in the life course.

In **Ireland** the Free pre-school year in Early Childhood Care and Education Programme (ECCE) was introduced from 1 January 2010 to replace an Early Childcare Supplement. Approximately 95 % of childcare and pre-school services participate in the programme, bringing participation rate in State funded pre-school in the year before Junior Infants to 97 %. There is strong demand that this be extended to a second year.

In **FYROM**, in the framework of the National Strategy for Development of Education 2005-2015, compulsory secondary education has been introduced, along with cash transfers conditional on secondary school attendance and fines for the parents who would not enrol their children to secondary school. Moreover, the Government provides free textbooks to the pupils in primary and secondary education, as well as free bus tickets to high-school students.

Source: EGGSI national reports.

*6.2.2 Education and training for migrants*

In the face of the economic crisis, those exhibiting a looser attachment to the labour market may incur higher risks of poverty and social exclusion. Among them, migrants are a group at particularly high risk of social exclusion. To sustain migrants’ integration even in a time of crisis, European countries often focus on inclusion in the labour market, frequently including counselling and orientation services especially for newly arrived migrants.

Education and training are two fields of particular relevance to lift up migrants from the risk of social exclusion often due to a lack of working knowledge of the national language in the host country. However, migrants may suffer from lower inclusion also in these activities and are accordingly target beneficiaries of integrated services devoted to individuals with no permanent ties to the labour market and dependent upon the provision of social benefits. As shown in Box 6.3, European countries launched several gender-specific education and training programmes, showing a substantial awareness of the role of gender inequality in the process of migrants’ integration.

### Box 6.3 – Migrants integration in the face of the crisis: the role of education and training

In **Austria** the programme *Perspektive*, organised by the Counselling Centre for migrants and supported by the City of Vienna, offers vocational counselling and counselling for further education and training for newly arrived migrants and asylum seekers living in Vienna. The counselling includes the assessment of academic and professional qualifications, the comparison of learned profession with the requirements in Austria, elaboration of similar occupational areas, clarification of professional opportunities, information on the recognition of your qualifications in Austria as well as search for career-oriented courses or training and clarification of possibilities of support for planned further education and training.

In **Cyprus**, labour market related training for migrants often include teaching of the national language(s).

In **Denmark**, the project “Mit liv – mit valg” (My life – my choice), carried out by an NGO and the local municipality of Roskilde, targets migrant and refugee women. The project aims at focusing on the resources of these women in order for them to gain a higher quality of life and the courage to take up work or enter into education. The project involves: group and individual consultations; teaching and discussion sessions; excursions in order to gain an understanding of the Danish society, including the labour market and civil society; physical activities; activities focusing on family roles; concluding event organized by the participants. Activities are varied and include teaching, physical training and excursions since it is aimed to first establish trust and confidence in the group before more personal issues such as illness or family life can be discussed. The project appears to having been popular among women in the target group, as they have since then participated in other municipal projects and events and have established their own multicultural association.

In **Liechtenstein** it was recently found that young foreigners have more difficulties in finding apprenticeships than young Liechtenstein citizens, especially if they lack German language skills, exhibit insufficient scholastic performance, or lack a social network, among other factors. To solve this issue, a scheme targeted to young persons with a foreign mother tongue was created, called “Vorlehjahr” (pre-apprenticeship), whereby learning of the German language within vocational training is especially emphasised. The goals of the course are a rapid acquisition of the German language, the closure of gaps in general education, and assistance in integrating into society and the workforce. Furthermore, to speed up integration of adults into their communities, cooperation with the business community, associations for foreign nationals and local institutions are being studied to promote linguistic competences at work and to further social contacts.

In **Norway** a specific initiative called “Second Chance” targets individuals who have resided in Norway for several years with no permanent inclusion in the labour market and dependent on social benefits. The main focus of the programme is to emphasise language skills for immigrants in order to increase their labour market participation. However, the “Plan of action” also focuses on increasing the number of immigrant children in child-care and pre-school programmes, so that these children learn to speak Norwegian before starting school. Thus, although the measures in the Plan are gender blind, some of the measures, such as free childcare, will indirectly enhance the position of non-Western immigrant women. Many of the programmes within the Second Chance initiative focus entirely on women. According to the Directorate of Integration and Diversity, the main reason to continue the Second Chance programme in 2009 was to decrease the negative impact of the economic crisis on immigrants. Results from the programme in 2009 show that 42% of those who participated in the programme went to education or work, while only 32% did not finish the programme.

Sources: EGGSI national reports.

### 6.3 Housing conditions and living arrangements since the beginning of the crisis

The economic crisis is exerting a substantial impact on the housing and mortgage markets of several European countries.<sup>104</sup>

In a number of countries there is already evidence of increases in housing debts, payment default risks and forced evictions. In some European countries access to housing has become a difficult obstacle to overcome for several groups of the population (Belgium, Iceland, Ireland or Spain). For example, in Iceland it is found that since the crisis the cost of housing is most badly absorbed by the lowest income group, and single parents stand out as the group hardest hit by the impact of the financial crisis. In 2010 91.4% of all single parents were women. Similarly, a gender-differentiated analysis of the

<sup>104</sup> Cfr. Montanaro E. and Tonveronachi M. (2011), “A critical assessment of the European approach to financial reforms”, *PSL Quarterly Review*, vol. 64 n. 258, pp. 193-226; D’Ippoliti C. and Roncaglia A. (2011), “L’Italia: una crisi nella crisi”, *Moneta e Credito*, vol. 64 n. 255, pp. 189-227.



distribution of mortgage or rent arrears in Ireland shows female-headed households as 2.6 times more likely to be in housing-related arrears.<sup>105</sup> A recent study analysed over-indebtedness in Irish households showing a strong connection between low income, poverty and over-indebtedness: the result suggests that income inadequacy, rather than high levels of personal consumption or over-borrowing, is a key factor in over-indebtedness. In 2009 over one quarter of the population was in arrears with at least one bill or loan (significantly up from 10.8% in 2008) and over one third of households at-risk of poverty were in arrears (compared to 20% in 2008).

The countries that face a high risk of a housing crisis are implementing crisis response measures mostly based on housing debt management schemes in order to help people to cope with over-indebtedness (Belgium, Iceland, and Spain)<sup>106</sup>. While most of the measures are generally gender blind, though they indirectly favour women due to their higher vulnerability, eviction rules explicitly consider some gender aspects in Poland.

In general, in the other European countries, where a housing crisis is not a concrete and immediate risk, still the process of banking sector deleveraging (i.e. the reduction of banks' assets, including credit to firms and households) implies evermore tightening conditions and increased costs for families to obtain a mortgage. This process in turns implies a tightening of the overall housing market conditions, narrowing the rental market as well, and constraining the access to decent housing for the most vulnerable and those most at risk of poverty and social exclusion. Thus, housing is one of the dimensions in which the crisis may be expected to produce the highest social costs also in the European countries in which no housing-related financial turmoil is in place.

Housing loans default and persistent arrears have been a major concern during the recession. Subsidized housing loan in the form of lowered interest rates, partial or total payment of monthly instalments, and relaxed term have been adopted, though without a gender perspective (FYROM, Hungary, Ireland, Italy, Norway, Poland, and the Slovak Republic).

In these countries, other housing policies to cope with the consequences of the crisis may be divided into two strands: monetary subsidies to families (dealt with in the next section) and direct provision of facilities (analysed in section 6.3.2). These measures are in general gender blind, as shown below, though they may be expected to benefit proportionally more those most vulnerable and at risk of poverty, among which women are over-represented. For women the effects of the crisis overlap with a pre-existing situation in which they are often the victims of stereotypes and discrimination in both house purchasing and renting, due to their limited financial resources and because single women and single-adult headed families with children (mostly women) are regarded as riskier renters or unreliable subjects in terms of repayment and breaking off the lease due to family resettling.<sup>107</sup> Thus, housing policies may be expected to provide a crucial contribution to gender equality in the future. This is the case for example of the homeless, to which a specific focus is devoted in section 6.3.2.

#### **Box 6.4 – Housing crisis response measures in a gender perspective**

In **Belgium**, a law organises a system of collective debts settlement (judiciary proceedings comparable to bankruptcy but for individuals) and there was also mediation debts supporting structures including services within CPAS/OCMW. In late 2009, the Central Credit Register data recorded 78,145 people involved in a procedure of collective debt settlement (0.91% of the Belgian adult population). The law reserves this procedure for people who are no longer able to cope with their debts in a sustainable manner. In addition, in the Regions of Flanders, Wallonia and Brussels, debt mediation services offer non-

<sup>105</sup> Russell H and McGinnity F. (2011), *The Impact of Recession on Work Pressure: The Case of Ireland*, Paper prepared for the 2011 Spring Meeting of the ISA RC28 University of Essex, UK 13th-16th April 2011.

<sup>106</sup> See also Social Protection Committee (2009).

<sup>107</sup> See Wuiame N. (2011), *The Impact of the Economic Crisis on the Situation of Women and Men and on Gender Equality Policies*, National Report **Belgium**, External report commissioned by and presented to the European Commission Directorate-General Justice, unit D1 "Equality between men and women".

judiciary mediation for people who are not eligible for collective debt settlement or not willing to use it. Files of debt mediation still concern mostly single adults living alone (41%) or with one or more children (24%), men dominate the group of isolated (61%) and women are the large majority in the single-parent household category (79%).

In **Iceland**, the government set up a new agency in August 2010 built on a public agency that previously provided advice on household finances. The new public agency was the Debtors' Ombudsman.<sup>108</sup> The Debtors' Ombudsman represents the interests of debtors and offers them support if applicable. The Debtors' Ombudsman offers free assistance to individuals who have serious difficulties meeting their financial obligations in order to find a balance between financial capacities and financial obligations. The agency provides and covers the costs of an interpreter for non-Icelandic speaking debtors. On delivery of all documents to the Debtors' Ombudsman, the client's financial situation is reviewed. Counseling includes matching financial capabilities and financial obligations and looking for ways to balance the two. Solutions can imply further counseling, mediation in negotiation with creditors, assistance in applying for grace periods for loans or payment mitigation. From August 2010 to end of May 2011 the agency received 2582 applications on payments mitigations of which 764 applications have been accepted, 72 rejected and 80 applications were withdrawn. Still some 200 applications are being sent in to the Debtors' Ombudsman every month.<sup>109</sup>

In **Ireland**, housing supports in the form of a mortgage interest subsidy are available to low-income and unemployed households, and it is found that the numbers in receipt of such housing supplements have grown significantly during the recession.

In **Italy**, in 2010 a solidarity fund was established, aimed at relieving the poorest families who own a house from housing costs overburden. The fund was created to support families who due to the economic crisis find themselves unable to pay back one or more instalments of their first home mortgage. To be eligible, families must have a low monetary income and must have recently incurred negative events such as: job loss followed by at least three months without finding a new job; death or loss of income of one of the household members who contributed for at least 30% to the total income of the family; payment of relevant certified medical expenses or home long-term care; extraordinary house maintenance costs; large and unexpected increases in the mortgage instalments due to changes in the interest rate. The fund allows applicant families to suspend the repayment of their mortgage for a maximum of two times and during an overall period not exceeding 18 months.

In **Poland**, pregnant women (and some other categories, such as children or the seriously ill) if evicted have to be supplied with social housing.<sup>110</sup> This possibly makes fewer women than men evicted but exact figures by gender are not available. Recently, the situation has worsened. In 2007 17,000 eviction cases were debated in the courtroom (4.7 thousand evictions were executed), 90% of them as a result of the non-payment of housing bills. In 2009, the number of eviction cases reached 24,000 and their execution reached 5.4 thousand.<sup>111</sup> Low-Cost Housing Companies (TBS) provide some advantageous credit rules for purchasing flats. During the crisis, home loan subsidies for laid-off individuals were additionally implemented as an emergency measure. A measure that proved to be effective is the "Family on its own" scheme. Launched in 2006, it targets households of a given status (no own house, families with children are preferred), providing state support for interest repayments, under strict limits of price and floor area.<sup>112</sup> In 2009, the number of subsidized loans reached 30.8 thousand or one fifth of the total. Moreover, while the overall number of housing loans declined abruptly (by over 30%), "Family on its own" expanded by more than four times in terms of individuals supported and more than six times in terms of money value of loans. In 2010, this expansion continued.

In the **Slovak Republic**, a programme of assistance for people unable to repay housing loans following job loss during the crisis came into force in October 2009. According to strict criteria (e.g., the amount of the loan, sources of finance and property evaluation, and adjustment of interest payments according to the bank), repayment can be delayed or taken over by the state, which later enforces it to the beneficiary. Although the number of loan defaults and households unable to repay loans increased during 2009, Slovak banks addressed clients' insolvency in a standard way, without any bailouts from the state.<sup>113</sup> However, six thousand people could have taken advantage of the programme.<sup>114</sup> Young people can also access state

<sup>108</sup> The Debtors' Ombudsman website at <http://www.ums.is/english>.

<sup>109</sup> Ministry of Welfare (2011), *Áfangaskýrsla Velferðarvaktarinnar* (The Welfare Watch, Interim Report June 2011). Available at: [http://www.velferdarraduneyti.is/media/ritogskyrslur2011/Áfangaskýrsla\\_velferðarvaktar\\_jun2011.pdf](http://www.velferdarraduneyti.is/media/ritogskyrslur2011/Áfangaskýrsla_velferðarvaktar_jun2011.pdf)

<sup>110</sup> *Ustawa z dnia 21 czerwca 2001 r. o ochronie praw lokatorów, mieszkaniowym zasobie gminy i o zmianie Kodeksu cywilnego*, Article 14 (Dz.U. of 2005, № 31 item 31, as amended).

<sup>111</sup> GUS (2008, 2010), *Gospodarka mieszkaniowa w( 2007, 2009) r.*, section "Zasoby mieszkaniowe", p. 30.

<sup>112</sup> More information may be found at [www.rodzinaswoim.net.pl](http://www.rodzinaswoim.net.pl) or on the websites of participating banks.

<sup>113</sup> Programme of Stability for 2009–2014, p.16. See [http://ec.europa.eu/economy\\_finance/sgp/pdf/20\\_scps/2009-10/01\\_programme/sk\\_2010-01-29\\_sp\\_sk.pdf](http://ec.europa.eu/economy_finance/sgp/pdf/20_scps/2009-10/01_programme/sk_2010-01-29_sp_sk.pdf)

<sup>114</sup> The National Programme of Reforms in 2008–2010. The Implementation Report 2009, p. 14. See :

supported mortgages or loans of € 10,000 if they are 35 years old and below, and with an average monthly income lower than €970 (€ 1,900 if living with a partner). The loan is supported by an interest rate reduction of three percentage points, while the bank is obliged to subsidise half of the reduction. This reduction is valid only for the first five years of the loan cycle.<sup>115</sup>

In **Spain**, the National Housing and Rehabilitation Plan (2009-2012) provides a wide range of monetary support to buy and rent. Specific support on renting is remarkable, especially for young people (40% of the annual rent with a maximum of €3,200). Moreover, a benefit emancipation income (rent benefits for young people) has been established for young people between 22 and 30 (€210 monthly during four years). Recently, the Spanish government announced that the non-attachable income has increased from €641 to €950 in case of mortgage debts (30% more when the adult has a dependent child). However, the acceptance *in lieu* system (which establishes that the mortgage debt can be remitted by the delivery of the house to the financial institution) has not even been contemplated and an agreement to change the Mortgages Act by public policy makers is far from being achieved.

In **FYROM**, the project “Half-instalment for the first five years” is the project subsidizing half of the monthly instalment for the housing loan for persons without homes and place for living.

Sources: EGGSI national reports.

### 6.3.1 Cash benefits to support decent housing

Housing benefits are intended to support low-income individuals or public assistance recipients with the costs of construction and improvement of housing conditions, rental payments, loan instalments through the provision of rental benefits, subsidized loan terms, or lump sum contributions. Most of these support measures are means-tested and none of them considers gender. They are either designed for households or they are completely gender blind.

In few countries, a contraction in housing benefits emerged due to the financial crisis and the resulting fiscal consolidation measures (Portugal, Hungary, and Czech Republic).

Housing support measures seem to play a more important role for the most vulnerable individuals in countries where the housing market is ownership-oriented and accordingly social housing may not be well developed. In Norway, 90% of the population owns its house. The same trend also applies to Slovenia and Hungary. From a gender perspective housing support measures are particularly important for groups of women such as single mothers, who due to a lower income in many cases have difficulties to buy a home of their own.

#### Box 6.5 – Housing benefits for the improvement of housing conditions

In **Austria**, rent assistance is provided to social assistant recipients as well as a person-related subsidy for housing, which is only paid to persons with Austrian nationality, EU-members and to foreigners with a legal stay in Austria for more than five years. The amount of this subsidy (“Wohnbeihilfe”) depends on the rent per month, the income per month, the number of the people living in the household and the size of the flat. All provinces provide financial resources under the housing subsidy scheme in order to give households access to high-quality and affordable housing, to prevent homelessness and to achieve a social mix in residential areas.

In **Italy**, several special allowances related to housing costs (e.g. electricity and gas, water rates, municipal taxes for the collection of solid waste, etc.) were increased or newly introduced as a response to the crisis. These allowances are managed by municipalities, in charge of social services in the country, and they are targeted to the most vulnerable groups of the population.

[http://www.finance.gov.sk/en/Components/CategoryDocuments/s\\_LoadDocument.aspx?categoryId=600&documentId=369](http://www.finance.gov.sk/en/Components/CategoryDocuments/s_LoadDocument.aspx?categoryId=600&documentId=369)

<sup>115</sup> The National Programme of Reforms in 2008-2010. The Implementation Report 2009, p. 15. See [http://www.finance.gov.sk/en/Components/CategoryDocuments/s\\_LoadDocument.aspx?categoryId=600&documentId=369](http://www.finance.gov.sk/en/Components/CategoryDocuments/s_LoadDocument.aspx?categoryId=600&documentId=369)

The rental housing market in **the Netherlands** is highly subsidized. People with low incomes are entitled to a housing allowance for renting a house. The amount of this allowance depends on the personal situation. However, the maximum rent for entitlement to housing allowances at this moment is approximately €650.

In **Norway**, additional support for the construction of rent houses to marginalized groups (e.g. homeless or drug addicts) is provided to house-builders. The new housing support system launched in July 2009 covered 40-50,000 new recipient households.

In **Slovenia**, the Housing Fund of the Republic of Slovenia provides means-tested subsidies for renting in the profit housing sector since 2008 in order to expand the right to subsidies for renting apartments previously restricted to non-profit dwellings.

In **Liechtenstein**, payments for subsistence rental costs are provided. The amount of the rental subsidy varied in 2011 from a maximum of CHF 1,279 (€ 1,048) monthly in the case of a household income of CHF 30,000 (€ 24,233) per year and 6 persons living in the household to CHF 213 (€172) monthly in the case of a household income of CHF 75,000 (€60,582) per year and 6 persons living in the household. In Liechtenstein, 14% of all households with children paying rent receive rental subsidies.

The aim of the Rent Benefit Act in **Iceland** is to bring down the cost of accommodation for lower-income tenants and reduce inequality on the rented property market. The local authorities administer the rent benefit system, which is financed by them and the Local Authorities' Equalisation Fund. Rent benefit entitlements are calculated on the basis of rent, income, net assets and the number of dependent children. All those who rent residential premises and live in them are entitled to rent benefit. Foreign nationals who are resident in Iceland have the same entitlement to rent benefit as Icelandic citizens. Tenants living in premises that they rent from the local authorities themselves also have the right to receive rent benefit. The total amount disbursed in the form of ordinary rent benefit remained fairly stable in the period 2005–2007; total payments then rose by 37% and by 47%, respectively, in 2008 and 2009. There was a 30% increase in the number of recipients between the first nine months of 2008 and the same period for 2009. So in this case existing policy programmes respond to an escalating need for income support to cover cost of rented housing by an increase in the take up rate.

Low-income and unemployed household can access rental supplements in **Ireland**. The supplements were administered to 97,260 recipients in 2010, up from 59,726 in 2007. Rent supplement has been subject to cuts in two budgets and is considered under threat of further cuts. Even with cuts the expenditure continues to grow with rent allowance for example increasing by 10.9% from €725 to €804 mio. over 2009 to 2010.

In **Portugal**, deduction of housing loans, rents and interest paid were cut in the context of the implementation of the economic policy conditionality imposed by the International Monetary Fund, the European Central Bank and the European Commission, and the municipal tax on house owner's exemption will be progressively removed. Moreover, the exemption from the payment of IMI (municipal tax on house owners) will be shortened and removed progressively.

In the **United Kingdom**, people on low incomes may be entitled to housing benefit and council tax benefit to help with the costs of housing. The majority of housing benefit claimants is composed of women.

Sources: EGGSI national reports.

### 6.3.2 *Social housing and the fight to homelessness*

An inadequate or lacking social housing stock creates the conditions to hinder the access to decent housing for the poorest people and to boost evictions of those who have lost their jobs.

Social housing demand grew faster than the increasing availability of housing places during the economic crisis according to recent evidence (EGGSI National reports on Belgium, Ireland and Poland).

The lack of affordable housing is one of the main causes of homelessness. Most recent data show how this phenomenon has worsened during the recession. Recent surveys in Belgium reveal that homelessness involves to an increasing extent young people, families with children as well as women. In Ireland, homeless people increased from 2,700 to 5,000 nationwide. According to the statistics of the Housing Finance and Development Centre, there were 8,150 homeless persons in Finland in 2009. Approximately one-third of all homeless people in are estimated to be long-term homeless. In Austria, according to the estimates of the umbrella organisation of housing organisations in 2006 around 15,000

people have been supported by institutions preventing eviction, around 13,500 persons have been searching for ambulatory support and around 8,500 persons have been living in shelters for the homeless.

A gender perspective on homeless estimates is available for Austria and Ireland. In Austria, it is estimated that women are in the same extent affected by homelessness or endangered of becoming homeless; however the percentage of women in institutions for the homeless is just between 20 and 30% of all clients. Women are often “invisibly” homeless, i.e. they react by seeking temporary solutions by living with family, friends, “convenience partners” or casual acquaintances. This is in part influenced by specific female behaviour patterns, but could also be due to a lack of women-specific offers in this area. In Ireland, the Homeless Agency Dublin reported that in 2008 men in homeless services outnumbered women by a ratio of over 2 to 1. However, in the youngest age cohorts (18-25), women in homeless services outnumbered men in absolute terms. In addition, the proportion of women aged 18-34 who are in homeless services is higher than the proportion of men.

The effects of restrictive budgetary policies on support measures against homeless clearly emerged in France where budgetary cuts on emergency housing for the homeless decided by the French Government in May 2009 lead to drastic consequences. On June 2011, the Social emergency association (*Samu social*) has decided to close its unique emergency housing centre for women in Paris for lack of resources.

#### **Box 6.6 - Social housing and support to the homeless**

The housing policy in **Austria** is essentially characterized by the tradition of social housing construction. The system of social housing funds is however very complex and not transparent. Each province has different frameworks of subsidies depending on the state of the accommodation. In some provinces public housing is provided to low-income households at relatively low costs. Vienna hosts about 220,000 communal flats (one fifth of all flats), and is the European largest public housing owner. The social eligibility criteria of access to communal flats are low household incomes as well as an officially acknowledged need for housing. Since 2006 third-country nationals holding “long-term residence permits” or with “consolidated residence status” may also apply for communal flats. Only in Vienna and Linz a quota of social housing is reserved to homeless and socially disadvantaged persons.

In 2008, the Government of **Finland** approved a programme to reduce long-term homelessness during the period 2008–2011. The objective of the programme is to halve long-term homelessness by 2011 and to intensify measures to prevent homelessness through the support for the construction, acquisition and basic renovation of housing. For housing projects intended for the long-term homeless, the subsidy may cover up to 50 per cent of the project’s approved costs. The programme has created 1,250 new homes or support apartments for long-term homeless people, and 205 new employees have been hired to support services for the homeless.

In **Malta**, in order to promote quality of life and affordability of housing has been promoted a gender-neutral project for urban regeneration. The objective of urban regeneration project is to buy existing and older housing, preferably in urban core areas, which can be redeveloped and eventually allocated under shared ownership, sheltered housing or social housing for rent.

In the **Slovak Republic**, the Social Theatre project intends to inform citizens in regions with high unemployment about the causes of homelessness and its risks in the form of social theatre. The project created an attractive platform (theatre) to meet homeless people and people who are under the threat of becoming homeless. It informed the public about the life of homeless people and people with physical disabilities, actively integrated the homeless and physically disabled into life, served as a means of prevention and increased the social status of the homeless and physically disabled that took part in the project.

In **Slovenia**, subsidised renting is provided through non-profit dwellings to identified priority groups and particularly to vulnerable groups of women.

In **FYROM**, the construction of 37 social buildings for socially vulnerable groups<sup>116</sup> and apartments for young people are planned by 2012 according to the National Strategy on alleviating poverty and social exclusion 2010-2020. Women single

<sup>116</sup> Under the governmental project coordinated by the Ministry of Transport and Communications, implemented by the Public Enterprise for Housing and Office Premises in FYROM, CSWs and the local self-government: orphans over 18

mothers are amongst the categories of individuals eligible for social apartments provided by the Ministry of Transport and Communication in several municipalities throughout country. The distribution procedure is done through electronic lot drawing and it has been criticized.

Sources: EGGSI national reports.

#### 6.4 Health and long-term care activities: evolution during the crisis

As shown in a previous report by the EGGSI network,<sup>117</sup> while most European countries have organised their health systems on the principle of universal or near-universal rights to care, actual access to healthcare or long-term care may encounter structural barriers. Thus, depending on country-specific regulations, groups of persons falling (permanently or temporarily) out of the coverage in insurance-based systems may be undocumented migrants, asylum seekers without coverage, non-economically-active women after divorce, students after they have been covered by parents' insurance, unemployed persons after their unemployment benefits have been cancelled, persons released from prison without employment or entitlement to unemployment benefits, etc. Barriers to access to healthcare may be financial, cultural or geographical, for example, and they are frequently deeply gendered in nature. As poverty increases during recessions we can expect gendered impacts on health status.

Concerning gender roles and the overall men's and women's conditions, on the one hand the economic crisis may facilitate a partial change of traditional gender roles. For example, by reducing the gender employment gap and increasing men's unemployment, more men may be found at home and more might be involved in housework and unpaid care work. Conversely, more women may be faced with an insurmountable need to work in order to lessen their families' economic difficulties. On the other hand, however, the abrupt and involuntary nature of these changes is likely to bring about increasing discomfort and stress among Europe's men and women, with a worsening of psychological and emotional health. Portugal and Ireland, two of the European countries most hit by the crisis, provide a particularly relevant example of the gendered health impact of the crisis on European citizens' welfare (see box 6.7). Besides the direct impact on mental health, the crisis is also producing serious social consequences at the community level, with associated modifications in health behaviour such as rising levels of drug addiction, and alcohol and tobacco use.

##### Box 6.7 – Impact of the crisis on health status and behaviour

In **Finland**, unhealthy use of alcohol continues to be common especially among unemployed men, though the drinking habits of upper-white-collar men also appear as problematic. According to an annual postal survey,<sup>118</sup> in 2010 the proportion of those who do not use any alcohol was 10 per cent of men and 14 per cent of women while 49 per cent of men and 38 per cent of women used alcohol at least once a week. Students and retired people who have lower income levels use less alcohol than employed people. Alcohol consumption is most frequent among upper-white-collar workers, especially men, of whom 63 per cent drink alcohol at least once a week. Unemployed men use bigger amounts of alcohol than any

years; beneficiaries of financial assistance; residents of areas affected by natural disasters; disabled persons or households with disabled person; socially disadvantaged persons belonging to Roma population and Single parents with juvenile children.

<sup>117</sup> Crepaldi C., Samek Lodovici M. and Corsi M. (2010), *Access to Healthcare and Longterm Care. Equal for Women and Men?*, Final Synthesis Report, European Commission, DG Employment, Social Affairs and Equal Opportunities, Luxembourg: Publications Office of the European Union.

<sup>118</sup> Helakorpi S., Pajunen T., Jallinoja P., Virtanen S. and Uutela A. (2011), "Suomalaisen aikuisväestön terveyskäyttäytyminen ja terveys, kevät 2010" [Health Behaviour and Health among the Finnish Adult Population, spring 2010], *Terveyden ja hyvinvoinnin laitos (THL), Raportti 15/2011*. Helsinki. Available at: [http://www.thl.fi/thl\\_client/pdfs/4582dc7b-0e9c-43db-b5eb-68589239b9a3](http://www.thl.fi/thl_client/pdfs/4582dc7b-0e9c-43db-b5eb-68589239b9a3)

other men or women: 38 per cent consumed six or more portions of alcohol on one occasion at least once a week.<sup>119</sup> Alcohol consumption is linked to the number of alcohol-related diseases and alcohol-related deaths and indeed men suffer from more alcohol-related diseases than women: 79 per cent of the patients in alcohol-related periods of care and 74 per cent of clients in institutions that provide care for substance abusers were men. In 2009 there were 2,954 alcohol-related deaths in Finland, which is about 5 per cent less than in 2008. 1,656 men and 414 women died because of alcohol-related diseases, which were still the most common cause of death among women and men of working age.<sup>120</sup> To cope with this situation, alcohol taxes have been raised several times during the recent years. In 2008 alcohol taxes were raised by 15 per cent for strong alcoholic beverages and by 10 per cent for other alcoholic beverages. In 2009, excise taxes on alcoholic beverages were raised twice by 10 per cent. From the beginning of 2008, it has been prohibited to use so-called quantity discounts, that is, to offer several packages of beer or other alcoholic beverages at a reduced total price. It is also prohibited to advertise happy-hour prices outside restaurants and bars and alcoholic beverages on the television and in cinemas before 9 p.m. According to a new government programme,<sup>121</sup> taxes on alcohol and tobacco as well as sweets and soft drinks will be further raised.

In **Ireland**, women report higher levels of mental health problems. Since the beginning of the crisis, women have been more likely to be admitted to hospital with depression while men with schizophrenia or alcoholic disorders. For both men and women the highest cause of admission was depressive disorders, often considered to be related to recession.<sup>122</sup> The experience of recession is borne with most stress within the household. This is correlated with significant increases in suicide numbers over the course of the recession, rising from 424 in 2009 to 527 in 2010, though apparently reducing in the first part of 2011.<sup>123</sup> While suicide has spread across all age groups and genders, it is still most pronounced in young men and closely associated with the despair and fatalism of those faced with stressful economic experiences such as unemployment. A recent study<sup>124</sup> reviewed the impact of the crisis on drugs and the link between increased poverty and rising levels of drug addiction.

In **Portugal**, one of the areas where the number of sick people has considerably grown since the inception of the crisis is psychiatry, as a result both of the actual worsening of living conditions and of the increasing fears for the future. In a recent study it was revealed that 22.9 per cent of the Portuguese population manifests symptoms that place them in the category of mental disorder. This figure is well above the countries of southern Europe - Spain only exhibits a 9.2 per cent prevalence, for example, and Italy 8.2 percent - and it is far even from the two European countries with the highest prevalence, i.e. France (18.4 percent) and the Netherlands (14.8 percent). At the top of the problems are anxiety disorders (16.5 percent), depressive disorders (7.9 percent), impulse control disorders (3.5 percent) and alcohol-related disorders (1.6 percent). The study finds that the most affected are women, young people between 18 and 24 years old, people living alone (separated, widowed and divorced) and people with low or medium levels of literacy. During the 6th Edition of Mental Health Conference (Lisbon, April 2011), it was confirmed that people in Portugal are more frequently hit by depression than in the rest of Europe, and that the on-going worsening of their living conditions increases the chances of mental disorders, with a growth of anxiety disorders, which in turn are the basis of the development of skin diseases, heart stroke or cancer, among others.

Sources: EGGSI national reports.

#### 6.4.1 Impact of the recent reforms on health care

In the face of the crisis, European countries followed a bipartite strategy. On the one hand, the need to reduce public budget deficits induced a reduction of health expenditure in several countries. On the

<sup>119</sup> Helakorpi S., Pajunen T., Jallinoja P., Virtanen S. and Uutela A. (2011), "Suomalaisen aikuisväestön terveyskäyttäytyminen ja terveys, kevät 2010" [Health Behaviour and Health among the Finnish Adult Population, spring 2010], *Terveyden ja hyvinvoinnin laitos (THL), Raportti 15/2011*. Helsinki. Available at: <http://www.thl.fi/thl-client/pdfs/4582dc7b-0e9c-43db-b5eb-68589239b9a3>

<sup>120</sup> THL, *Yearbook of Alcohol and Drug Statistics 2010*, available online at <http://www.thl.fi/thl-client/pdfs/85338d3b-c126-4914-9384-d5847d59d598>

<sup>121</sup> Government Programme 22.6.2011 <http://www.vn.fi/hallitus/hallitusohjelma/en.jsp>

<sup>122</sup> Kinsella R. and Kinsella M. (2011), "Unemployment: Scarring a generation", *Studies*, vol. 100.

<sup>123</sup> Central Statistics Office (2010), *Survey on income and living conditions (SILC) 2009*, April, Dublin.

<sup>124</sup> Harvey B. (2010), *Community drugs problem: defining the problem - defending the responses*, report from citywide conference on Oct 15<sup>th</sup> 2010, Dublin. Available at: [http://www.citywide.ie/download/pdf/citywide\\_conference\\_2010\\_report\\_hardcopy.pdf](http://www.citywide.ie/download/pdf/citywide_conference_2010_report_hardcopy.pdf)

other hand, the aim to sustain those who bear an unsustainable weight induced several countries to expand the range of public services or introduce new or higher subsidies to households.

With respect to the first policy mentioned, in several European countries recent health reforms have primarily dealt with cost containment leading to an increasing individualisation of health costs (for example in Austria, Cyprus, Estonia, Ireland, Italy, Poland, Portugal and Slovak Republic). New or higher prescription fees have been also introduced in several European countries, such as Cyprus, Czech Republic, Estonia, Ireland, Italy, Portugal and Slovak Republic.

It should be noted that women are more likely to make use of general practitioners, dentists, and alternative medicine practitioner services.<sup>125</sup> Hence, cuts in the public provision of such services will disproportionately impact on women. Moreover, cost containments have a regressive effect since the cost of healthcare proportionally impinges more upon lower incomes. Thus, due to the gender pay gap and women's higher risks of poverty, such policies weigh an extra burden on women.

Elderly persons, in particular women and chronically ill people as well as generally persons with a lower income are financially burdened by cost containment for health services. While elderly people require more frequent access to healthcare services, they both incur a proportionally higher income loss and they often face reduced services.

Where the cost of access to healthcare has not been raised, policies of containment in public spending may have resulted in growing difficulties to provide basic health care services for the population especially in terms of longer waiting times to get a doctor's appointment, with negative effects on timely access to medical care (Finland, Belgium, and Estonia).

Budget cuts in the health sector hit women harder than men also on the supply side. Gender segregation in the labour market traditionally exhibits women as primarily employed in the public sector and in the services sector, especially the education, health and the care industries. Savings achieved or planned mainly through cuts to public sector pay or staff reductions involved such a female-dominated sector in Ireland, Finland and Slovenia. Thus, overall these policies risk to seriously conflict with efforts towards greater gender equality in other fields.

**Box 6.8 – The effects of cost containment policies on gender access to health care**

In the **Czech Republic** it has been estimated that women from very low-income families (single mothers especially) might hesitate to use healthcare for themselves, as they would have to pay the fees, which might be a problem for their household budget.<sup>126</sup>

In **Ireland**, the TASC report *Eliminating Health Inequalities* (2011) argues that the health gains of the last few years will be reversed under the IMF/EU programme and cite increased fees for accessing emergency departments and public hospital beds as well as new prescription fee charges as examples of the new obstacles to health. The National Drugs Strategy (2009-2016) is considered to be at risk due to the cuts to drug services that have been imposed in the two years that followed the adoption of the strategy itself. The budget for voluntary and community drugs services has been reduced by 20% over the past two years. In 2010 alone, while the overall government spending was reduced by 1.8%, spending on voluntary and community drugs services dropped by 11%. Worryingly, there were significant reductions in budgets for flanking organizations dealing with the supply of drugs and the prevention of crime (e.g. the policing budget anticipates a 10% drop in policing numbers). The national drugs strategy now embraces alcohol but such expansion is to be serviced by a reduced budget.

<sup>125</sup> Crepaldi C., Samek Lodovici M. and Corsi M. (2010), *Access to Healthcare and Longterm Care. Equal for Women and Men?*, Final Synthesis Report, European Commission, DG Employment, Social Affairs and Equal Opportunities, Luxembourg: Publications Office of the European Union.

<sup>126</sup> The information is based on qualitative research carried out under the project "Processes and Sources of Gender Inequalities in Women's Careers in Connection with the Transformation of Czech Society After 1989 and After the Accession of the Czech Republic to the EU", Grant Agency of the Academy of Sciences of the Czech Republic No. IA700280804.



In **Italy**, fees and cost increases for healthcare services (“ticket” payments) in several regions are made proportional to the beneficiary’s income and sometimes they are reduced in case of long-term illnesses, thus contributing to a fairer distribution of healthcare costs.

Several forms of cost containment are being implemented in **Portugal**. Due to the geographical concentration of health services aimed at cost containment, largest strata of the population, especially those living in the interior parts of the country, are faced with the requirement to use transports for consultations and other health support. Moreover, in addition to the reduction of ambulatory transport services, with ambulances used almost exclusively for emergency situations, an increase of 15% in the fees of public transport has already been announced, which may further condition and limit the possibility of the population to access health services. In Portugal, the 2008-2010 NSR foresaw a number of the measures targeted more or less directly to women: in the health sector, the financial support to 310,000 pregnant women who reach their 13th week of gestation; a support for the purchase of medicines for low income elderly people; a support for the acquisition of dental prostheses, of glasses and lenses. However, in late 2010 and during the current year some of these measures, especially those relating to the assignment of pecuniary aid such as the support for pregnant women and the social support allowances, were reduced in terms of the number of beneficiaries and of the ways of determining the values to be assigned.

In the **United Kingdom**, since June 2010 a number of monetary allowances and subsidies in kind have been abolished, including the free admission for older people to swimming facilities, originally meant to support healthy living in old age.

Sources: EGGSI national reports

However, as mentioned above the crisis did not affect single European public health systems in the same way. Indeed, some European countries were less affected by the global crisis; some were not affected at all; and in some the economic recovery manifested itself early. These countries had to undergo less severe policies of public spending reduction, or could even increase expenditure (Norway, Sweden, Estonia and Poland). Other countries improved accessibility to healthcare through an expansion of public healthcare specifically aimed at coping with the social impact of the crisis (Austria, Slovenia and FYROM).

#### **Box 6.9 – Policy efforts to mitigate the effects of the economic crisis on the health sector**

In **Austria** (in Innsbruck) recent reorganisations brought about more flexible opening hours and the possibility of childcare provision during the utilisation of health services, in order to reduce the barriers to access to healthcare for single mothers, who predominantly bear the problem of available time to consult a health service.<sup>127</sup>

In **Estonia**, an expansion of health services is expected to be sustained by the private sector, since Open Estonia Foundation launched a Crisis Fund for NGOs supporting projects to help civil society organizations survive in difficult economic conditions.<sup>128</sup>

In **Norway** additional public investments were used, among other forms, within the social and health sector, and 1,500 new beds on nursing homes were introduced.<sup>129</sup>

In **Poland**, after a slight decline in the number of physicians – both men and women – in 2008, the situation has changed in 2009 with an overall increase by 1% and an increase of women employees by 2.5%. Yet, overall expenditure on healthcare remains very low in Poland and the recent evolution is mixed.<sup>130</sup>

<sup>127</sup> Baldaszti E. and Urbas E. (2006), *Wiener Frauengesundheitsbericht 2006*, Wien, pp. 382-384.

<sup>128</sup> The Open Society Emergency Fund will finance social projects aimed at supporting the most vulnerable groups of society affected by the global economic crisis, as well as innovative initiatives promoting the values of open society (the fund was opened thanks to a \$100 million donation of the Open Society Institute to 20 countries in Eastern Europe, Balkans, Central Asia and Caucasus in order to alleviate the impact of the global economic crisis).

<sup>129</sup> Berge Ø. (2009) *De nordiske modellerna etter 2000 –tiltak for å dempe finanskrisa i Norden*, Fafo-notat 2009 :12.

<sup>130</sup> In 2008, public expenditure (current expenses only) amounted to 4.73% of GDP and private to 1.94%. In 2007-2009, outpatient care expanded and the share of consultations granted to women increased. In 2008, the gender structure of outpatient consultations of specialists exhibited a higher share of women (57.4%) than men as beneficiaries. In 2009, the share of women grew to 60.2%. At the same time, however, the number of patients in public general hospitals decreased

In **Slovenia**, since 2009 the recipients of financial social assistance (or those eligible for receiving financial social assistance but not receiving it) are also entitled to receive coverage of health costs up to their full amount. Since 2008, a number of carers are recognised full inclusion in the compulsory health insurance scheme: parents that are on paternity leave whose employment contract has expired, parent who through her/his activity pays social security contributions for at least 20 hours per week and cares for a child under 3 years of age, parent who leaves employment for caring for four or more children. These are in majority women, even though the measures are intended for both men and women.

In **Sweden**, the levels of net income in the county councils and municipalities (responsible of welfare services) in both 2009 and 2010 were the highest in many years.<sup>131</sup> Value added for education, health and social work increased between 2008 and 2009 as well as final expenditure by central and local government.<sup>132</sup> As a consequence, 78 per cent of people nation-wide in 2009 agreed fully or partly to the statement “I have access to the health care I need”, which represented an improvement from 69 per cent in 2004 (the results did not show any significant discrepancy between women and men).<sup>133</sup>

In **FYROM**, women are targeted by the “Programme for health protection for mothers and children”. The programme targets mothers and women at reproductive age (15-49 years); infant and toddlers (2-4 years). It mostly encompasses preventive educational activities, patronage visits of Roma, health mediators and etc. The programme targets Roma women (500.000 women) in particular.<sup>134</sup> Recent changes to the Law on Health Insurance increase access to health by providing universal coverage. The Government introduced 16 vertical programmes that are free of charge and thus accessible to the most vulnerable and poor.<sup>135</sup> Victims of domestic violence are targeted as a separate group in governmental programmes for provision of health care.

Sources: EGGSI national reports.

#### 6.4.2 The provision of long-term care

Long-term care is overwhelmingly a women’s issue, since women constitute the majority of care recipients and caregivers. Since the inception of the crisis, in the European countries that underwent the largest efforts of public budget consolidation (such as Ireland, Spain) long-term care allowances and monetary benefits have been reduced. By contrast, in an attempt to face the higher risks of poverty and social exclusion due to the crisis, in some countries long-term care allowances were raised instead (for example in Austria and Liechtenstein).

Women assume the majority of responsibility for care, so that they are especially concerned with the reconciliation of work and caring responsibilities and insufficient social security. Thus, variations in the care allowances and the rules governing them affect more women than men in a twofold manner. On the one hand, the majority of care beneficiaries are women, and their income is therefore most affected by modifications in the value or the eligibility criteria of care allowances.<sup>136</sup> A particularly vulnerable group is single parents, because this group (mostly composed of women) often lacks the necessary

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from a total 6.7 million in 2008 to 6.5 million in 2009, while waiting lists grew together with public hospital debts. See GUS (2010), *Podstawowe dane z zakresu ochrony zdrowia w 2009 r*; GUS (2008), *Podstawowe dane z zakresu ochrony zdrowia i pomocy społecznej w 2007*; GUS (2009), *Podstawowe dane z zakresu ochrony zdrowia i pomocy społecznej w 2008*.

<sup>131</sup> SALAR (2011), *The Economy Report. On Swedish Municipal and County Council Finances – December 2010*, available at [http://brs.skl.se/publikationer/index.jsp?http://brs.skl.se/publikationer/publdoc.jsp?searchpage=/dummy&search\\_titn=%2239885%22&db=KATA&from=1&toc\\_length=20&currdoc=1](http://brs.skl.se/publikationer/index.jsp?http://brs.skl.se/publikationer/publdoc.jsp?searchpage=/dummy&search_titn=%2239885%22&db=KATA&from=1&toc_length=20&currdoc=1)

<sup>132</sup> SCB (2011), *Statistisk årsbok*, Tables 15.8 and 15.9.

<sup>133</sup> SALAR & Swedish National Board of Health and Welfare (2010), *Quality and Efficiency in Swedish Health Care. Regional Comparisons 2010*, p. 49. Available at: <http://www.socialstyrelsen.se/Lists/Artikelkatalog/Attachments/18336/2011-5-18.pdf>

<sup>134</sup> Programme for health protection for mothers and children (Official gazette of the RM, no. 20). <http://www.slvesnik.com.mk/Issues/63B49DC48D21E647BF4E485C90DEA8D1.pdf>.

<sup>135</sup> Tozija F. and Apostolska Z. (2010), *Annual National Report 2010: Pension, Health and Long-term care in Republic of Macedonia*, p.17, [http://www.socialprotection.eu/files\\_db/903/asisp\\_ANR10\\_FYR\\_Macedonia.pdf](http://www.socialprotection.eu/files_db/903/asisp_ANR10_FYR_Macedonia.pdf)

<sup>136</sup> Crepaldi C., Samek Lodovici M. and Corsi M. (2010), *Access to Healthcare and Longterm Care. Equal for Women and Men?*, Final Synthesis Report, European Commission, DG Employment, Social Affairs and Equal Opportunities, Luxembourg: Publications Office of the European Union.

resources for in-patient care and will depend on means-tested social assistance in the future. In general, it can be said that the distributional effects of the long-term care allowances between higher and lower income brackets are positive: care allowances reduce the at-risk-of-poverty rates within particularly vulnerable groups, improve the position of long-term care receivers in the income hierarchy and have a proportionally higher impact on the income of persons from the lower income brackets, where elderly women can be particularly found.<sup>137</sup> Thus, since women are overrepresented in these groups, reductions in the public financing of long-term care due to public consolidation measures have a strong gender impact.

On the other hand, women might be indirectly negatively affected by a reduction of allowances as carers who, informally remunerated, perform the bulk of the informal care for persons in need of long-term-care. This is particularly true in those countries, the vast majority of European countries, in which the cash transfer is untied, that is recipients have full autonomy over how to use it, including passing it on fully or partly to other persons (e.g. family caregivers). Indeed, there is a tension within monetary care support schemes (including support of childcare) between the aim of sustaining the income and social inclusion of those who care, i.e. mostly women, and that of not providing financial incentives to women to take on unpaid work thus reinforcing traditional gender roles.

In any case, while it is important not to provide monetary incentives to women's informal work, it is even more fundamental that housework and care work do not remain unpaid and invisible, especially in a time of economic crisis when the reduction of public social expenditure may weigh an extra burden on it.

These aspects become more relevant in those countries where, independently of the economic crisis, de-institutionalisation of care is more consistently being sought (for example Cyprus or Slovenia). Again, the focus on home/family care may have a negative impact on women as prime carers, also reinforcing the gendered division of labour at home and possibly conflicting with the Europe-wide efforts to ease the burden of care work on women and promote their integration in the labour market.

Indeed, the extent to which an increased provision of care at home weighs a higher burden on women depends on social arrangements in terms of the public and the market provision of care at home. In some European countries (such as Germany or Italy), migrant women have a particularly strong role in this respect. In these countries many nurses – often migrants, primarily from Eastern Europe – who are employed in private households provide care as personal services. They often live in the household and have to be available for the person requiring care around the clock, while their pay is far below the remuneration that would have to be paid for legal 24-hour care, and work conditions are often lower and more precarious. The true extent of illegal employment in nursing is unidentified because of its private structure. However, for example for Germany estimates by the Federation of Private Providers of Social Services (*Bundesverband privater Anbieter sozialer Dienste*) in 2009 suggested that about 150,000 Middle and Eastern Europeans work undocumented in elderly and long-term care.

While since the beginning of the crisis the trend in regards to monetary benefits is mixed, with several countries trying to reduce expenditure, European countries have generally abstained from reducing public social expenditure by cutting on the provision of long-term care services. The provision of support services for long-term care was even expanded in some countries (such as Austria, Liechtenstein, or Ireland) even in a context of vast programmes of reduction of public expenditure.

From a gender perspective the investment into the expansion of long-term care services is to be seen as a positive initiative. Not only it shall ensure a qualitatively high and at the same time affordable range of care services, whose main beneficiaries are, as noted, women, but it may also release women from unpaid long-term care services for their relatives. The latter benefit is relevant also from the perspective of macroeconomic policy to cope with the crisis. While, as noted above, several European countries

<sup>137</sup> Mühlberger U., Knittler K. and Guger A. (2008), *Mittel- und langfristige Finanzierung der Pflegevorsorge*, WIFO, Wien, p.12.

adopted a strategy focussing on job creation and reduction of unemployment, there may be a tension in such policy where the aim to increase participation rates for women may conflict with a health and welfare policy predicating or however implicitly relying on there being one unpaid, usually female, adult at home who does the caring work.<sup>138</sup> It is in any case important that several measure aimed at sustaining the income and social inclusion of those (mostly women) performing house and care work, especially in a time of economic crisis.

**Box 6.10 - Trends in long-term care for the elderly across the crisis**

In **Austria**, long-term care allowance were raised in 2009 but in 2010 eligibility requirements were tightened, with an overall reduction in expenditure for monetary transfers related to long-term care.

In **Czech Republic**, since 2009 caring family members are correctly recognised as workers within the public health insurance and pension schemes, as well as for the award of unemployment benefits.

In **Germany** fixed-term unpaid release from work due to care encourages part-time work or temporary career breaks by the caring person. However, existing regulations do not encourage men to take on care responsibilities.

In **Ireland**, even in a context of vast programmes of reduction of public expenditure, services for older people and long-term care have been ring fenced and largely protected to date, through the Fair Deal scheme, used to administer nursing home subventions to older people.<sup>139</sup> By 2012 however these are facing a severe funding crisis as demand outstripped the fixed budget allocation and with applicants for nursing homes now on long waiting lists and having to meet the initial period themselves. Home help services have also been cut in 2012.

In **Liechtenstein**, the main aim of a new cash benefit scheme introduced in 2010 was to support and promote care at home by increasing the cash provisions especially for home care recipients, equalising it to the benefit received in case of residential care. However, as the care allowance in Liechtenstein is considered to be rather high,<sup>140</sup> it is possible that this new provision will be in fact providing an income to informal carers, i.e. primarily women relatives.

In **Poland**, in 2010 a benefit scheme for carers (especially of disabled members of the family) was expanded through the removal of means testing, encompassing a small monetary allowance and payment of pension contributions (other European countries, such as Slovenia, introduced similar schemes even before the crisis).

In the Slovak Republic, while the law guarantees a high level of long-term care services, a contradiction might arise with the actual delivery of provisions due to the cuts in regional and local public budgets.<sup>141</sup>

Sources: EGGSI national reports.

<sup>138</sup> Russell H and McGinnity F. (2011), *The Impact of Recession on Work Pressure: The Case of Ireland*, Paper prepared for the 2011 Spring Meeting of the ISA RC28 University of Essex, UK 13th-16th April 2011, p. 15

<sup>139</sup> Burke S. and Considine M. (2011), *Assia Current Status, Reforms and the Political and Scientific Discourse during the previous Year (2010 until May 2011)*.

<sup>140</sup> See Papouschek (2011).

<sup>141</sup> Repkovič K. (2010), *Dlhodobá starostlivosť o starých ľuďoch na Slovensku na rôznych úrovniach*, Policy Brief 1, available at <http://www.ivpr.gov.sk/IVPR/images/IVPR/Interlinks/policy.pdf>

## 6.5 Concluding remarks

The Europe 2020 strategy is a holistic and integrated work plan aiming at inclusive growth. In pursuing this aim, European countries show a considerable awareness of the conceptual limits of considering poverty exclusively as lack of adequate income, as well as of the limits in policy-making that a strategy based only on income support schemes would imply. Thus, the European countries adopt a vast array of policies aimed at overcoming European men's and women's deprivation in several dimensions: in the present report we considered education, housing, health and care. As it emerges, in times of financial and economic crisis and the subsequent decisions to pursue austerity measures, a general trend - though valid only in broad lines and not consistently followed by all European countries in all the mentioned dimensions - has been to preserve the provision of services relatively more than the disbursement of cash benefits.

Education and training appear as the policy fields less affected by budget cuts, in agreement with the objective to exit from the crisis through a smarter growth based on knowledge and information. While in the general population women appear to catch up with men's educational attainments, vulnerable groups in the education and training domain include migrant women, the homeless and those at risk of early drop-off (among which men are over-represented). National strategies during the crisis have focussed also on extending pre-school and out of school time programmes. Such schemes are particularly advantageous not only for the children, who benefit from enlarged opportunities to learn and socialize, but also for the caring parents, among which women in particular bear the burden of work and family life conciliation.

In several countries, homelessness and long-term homelessness appear as substantially gendered phenomena as well, and the economic crisis seems to be increasing these social plagues. Especially in some countries the housing crisis, besides its macroeconomic consequences, is drastically affecting the lives of the most vulnerable households, among which for example single mothers or those living on a low income (among which women are over-represented). Besides the instruments adopted well before the crisis, such as cash allowances or social housing, a relevant policy instrument beginning to be adopted to cope with this situation are the schemes and regulations designed to deal with households' over-indebtedness. Collective debts settlements, consultancy and mediation in mortgages re-negotiations are very effective and low cost instruments that also carry a positive gender impact, especially in light of the consideration that in the vast majority of cases arrears or over-indebtedness are a consequence of low income or income vulnerability (which disproportionately affect women) rather than over-consumption.

Finally, the economic crisis is reported to bring about negative consequences also in terms of European men's and women's health status. According to preliminary sources young people, single persons and people with low educational attainments in particular are subject to increases in the prevalence of mental disorders. While women appear to be more subject to anxiety and depression, young men and the long-term unemployed appear more at risk of suicide. Provisional evidence points to the direction of a link between economic conditions and violence against women as well. Moreover, the crisis seems to negatively affect also health behaviour: especially among men, drug addictions, smoking and heavily drinking appear on the rise in more than one European country. To cope with such developments, as well as with the increased levels of households' economic distress, some European countries have increased health and long-term care facilities. However, many European countries have raised fees or reduced health or care-related cash benefits in accordance to plans of public expenditure cuts. Only the countries most seriously affected by market tensions regarding their sovereign debts appear to have reduced the provision of healthcare facilities.

## 7 Overall conclusions

This report has examined the repercussions of the economic and financial crisis on the labour market position and social situation of women and men in Europe, building upon the investigations by the EGGE and the EGGSI networks of 33 European countries (the EU Member States, the EEA-EFTA countries and the candidate countries).

At the time of completing this report (2012, September), the prospects for recovery are still uncertain, and only limited macroeconomic data series stretch as far as the first quarter of 2012. With the crisis still unfolding, the analysis and findings of this report must remain a work in progress.

There are three sides to the story of this crisis as it has unfolded in Europe to date. The first is the **downward levelling of gender gaps** in employment, wages, working conditions, and poverty, a phenomenon that has also been noted with earlier recessions. The second is **increasing similarities in labour market behaviour** between men and women, a process that this recession has helped to bring to light, and may even have accelerated. The third is an **apparent paradox** that only time can resolve. We gathered evidence of a **contained and uneven retrenchment in welfare** and social security **provisions** in the first three years of the recession, with presumably equally limited repercussions on female employment in welfare related jobs. But we also garnered evidence that the pavented risk **that fiscal consolidation** may significantly slice off these provisions and curtail female employment has already materialized in the countries most affected by the sovereign debt crisis.

### 7.1 Questionable progress towards equality: the downward leveling of gender gaps

One of the most common outcomes of the present crisis across countries is the downward leveling of gender gaps in activity, employment, unemployment, wages, and poverty in the recessionary phase. The basic details of this are as follows:

- **Men bore the brunt of the fall in employment.** The comparative size of the employment fallout depends, however, on the measure chosen: it has been three times higher for men according to fairly conventional indicators (peak-to-trough), but (nearly) twice as much if the indicator takes into account the fact that female employment was following a stronger rising trend before the recession started.
- **Male unemployment rose more, and faster.** In the depths of the recession, unemployment for men surged by 4.6 percentage points, more than female unemployment. The latter was stickier, with the advantage of a less sharp increase in the downturn, and the disadvantage of slightly slower reabsorption during recovery, but differences are contained. The male rate rose (just) above the female rate a few times during this crisis, including the latest available quarter at the time of writing.
- **As a combined result of employment and unemployment patterns, inactivity has risen among men and declined among women.** In early 2012 men had not yet regained their pre-recession activity level, while women slightly increased theirs.
- Due to the rise in male inactivity, **the 2010 share of men neither in education nor in training over the male population aged 15 to 24 was higher in ten Member countries** although lower than among women in the whole of the EU.
- Between 2007 and 2010, **the unadjusted gender pay gap declined** in the majority of European countries, and by 1.2 percentage points in the whole of the EU, between 2007 and

2010. One instance of a fall in the adjusted wage gap was also reported for the Slovak Republic. The experience of the Slovak Republic was probably common to other countries, but the scant research on the issue hinders our understanding of this phenomenon.

- In the first years of the recession (**2008-2010**) **in-work poverty** increased only among female workers, and very slightly, despite the fact that the incidence of workers in poverty is higher among the men. These seemingly positive developments are likely to hide the less reassuring fact that job losses were higher among the low paid.
- Like **severe material deprivation**, income poverty is, and remains, more widespread among women. In the two initial years of the recession (2008-9, the latest available), both measures of poverty increased, but less so among women. **The gender gap in income poverty shrank as a result, and so did the gap in severe material deprivation.** However, the differences among countries are large.<sup>142</sup>

**Despite the downward leveling of employment and pay gaps, the integration of women in the labour market has been rolled back.** At peak employment values, just before the recession began, 10 Member States were above the 65% employment rate mark for women aged 14 to 64, but this number was down to 6 in the most recent quarter as Estonia, Latvia, the UK, and Slovenia slipped below the 65% mark. In the vast majority of Member States, moreover, the target set by the Europe 2020 Strategy looks further away now than it did four years ago. As for unemployment, it is a cause for universal concern that both men and women reached over the 10% mark nearly four years after the recession set in (first quarter of 2012).

Nor can a lower gender pay gap or a lower poverty gap conform with the idea of progress in gender equality when they are the downside of falling earnings (and income) for both men and women (though there is a lesser fall for women). In 10 European countries out of the 17 covered by the European Social Survey, at least 20% of male respondents reported having to take a reduction in pay in the period 2008-2010; for women, the corresponding number of countries is 7.

**Over-representation in service employment, including public sector jobs,** and under-representation in manufacturing, construction, and male-dominated branches of the financial sector - **in short, sectoral segregation - sheltered women's employment, activity, and, to an extent, pay during the downturn.** We found that men experienced comparatively higher losses in countries where segregation is higher. We also found that in Croatia, one of the two countries for which we were able to conduct a counterfactual wage gap exercise, the decline in the gender pay gap would have been about two-thirds lower if the sectoral composition of employment had not changed since 2008. This is an example of how far movements in the wage gap may have been influenced by sectoral changes in the composition of employment.

However, the part that employment segregation has played in sheltering women's jobs and wages warrants important qualifications. First, female vulnerability in one country has sometime been higher than male vulnerability in another, as a result of differing degrees of flexibility and employment protection in the two economies, and not only of segregation. Furthermore, employment segregation may protect, but also expose, females; this can happen if fiscal consolidation significantly curtails welfare-type jobs and public employment.

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<sup>142</sup> While a stable trend in income poverty among women may sound surprising, it should be remembered that the indicator for income poverty – the headcount ratio – yields a relative measure which improves if income falls for everybody, but a bit less for the female component.

## 7.2 Women more similar to men in this crisis

In earlier recessionary episodes (as well as earlier theorizing), segregation was thought to be all the more important because it countered the tendency for **women** to behave as **employment buffers**, called in when demand expanded, and pushed back when it contracted. **This recession has conclusively refuted this idea for Europe.**

**The contemporary 'buffers' are young men and women on temporary and other atypical employment contracts, as well as migrants** many of whom are employed irregularly or temporarily. In accordance with expectations based on segmentation theory, temporary employment proved disproportionately volatile, its share of total employment going down in the downturn and up in the recovery. However, the 'downs' were quite similar for men and women in the EU as a whole. The share of temporary employees on total employment went down from 13.7% at the peak to 12.5% at the trough for men, and from 15.2% to 14.1% for women.

**Third countries male migrant workers recorded one of the highest employment fallouts** across European countries, while outcomes for mobile workers from within the EU appear to differ among countries. In contrast, **female mobile workers from within the EU were largely spared.** Third countries female migrants were more exposed, but even within this group, the largest employment fall was not much higher than 3 percentage points compared with 8 points for third countries male migrants. This is an instance where occupational segregation mattered: an important component of the 'protected' segment of female migrants is workers who have migrated from Eastern to Western countries to care for the elderly, a highly feminized activity where progressive ageing has applied a brake to the fall in demand.

**Women also owe resilience of their employment levels to their own behaviour.** Their **income role has changed considerably** with respect to previous recessions, and the current crisis has clearly shown how far the standard of living of households now depends on female earnings. In the first two years of the crisis, dual earner couples lost ground (-5.1 percentage points share), but almost entirely in favour of female breadwinner couples.

This could be evidence of women entering employment to compensate for the loss of a job on the part of their male partners, or it may indicate that thanks to women's employment, a non-negligible share of dual-earner households has been able to count on female earnings when the male partner lost his job. Further research is needed to discriminate between these two possibilities, but **either developments tell one story in no uncertain terms:** that the behaviour of women in the recession reflects the fact that their **income role is in transition** between the traditional conditions of marginal earners and the modern conditions of co-primary earners. **Some may still conform to the added worker concept, but the majority behave much like men.**

Another indication of similarity of behaviour is that **the share of discouraged workers in the inactive population has gone up for both sexes**, but somewhat more among male workers (+2.0 and +1.2 percentage points, respectively). **Likewise, no fewer women than men accepted part-time work 'involuntarily'.** Because of the large gender disparity in part-time working, the increase in the numbers of involuntary part-timers was actually much larger among women - almost double - although in percentage terms the surge was stronger among men.

**The worsening of employment conditions affected women and men differently rather than simply 'more' or 'less'.** According to evidence from national reports, the infringement and curtailment of rights include delays in wage payments, occupational downgrading, violations of health and safety regulations or (normal) working schedules and trade union rights, pressure and harassment at work, and downright discrimination. Overall, there is no clear indication that male or female workers



were a more frequent target of such infringements, although this may be the case for individual countries or for specific allegations.

According to the results of the European Social Survey, however, men see themselves as having suffered the impact of the crisis more frequently. In the 17 European countries covered by the survey, men voiced complaints more frequently than women in at least three respects: heightened job insecurity, cuts in pay, and having to accept less interesting work. While this reflects higher male job losses, grievances about the quality of work content may also reflect the fact that in 'normal' times, men may be less forced to compromise on work content in order to meet family commitments.

Certain repercussions of the crisis that specifically concern women often go unnoticed. **Curtailment of the right of pregnant women to maternity leave and benefits or to resume their job after maternity has been documented (or is believed to have risen)** in the wake of the crisis in at least five countries: Greece, Portugal, Italy, Ireland and the Czech Republic.

Another **hidden aspect of the crisis that may disproportionately affect women** but hardly features at all in public debates about the crisis or in official statistics **is unpaid work**. Authoritative research for the U.S.A. has recently disclosed that contrary to the results of earlier research, both men and women experiencing unemployment during a recession spend extra time on unpaid activities, with few gender differences except that women do more housework and sleep longer. No such evidence is available at a European level or for single countries, but we found that (i) in the depth of the recession **household expenditure went down** in most European countries **on the consumption of items for which unpaid work may provide a good substitute** and (ii) the recession unloaded **additional care work on to women** (Turkey) or may have **slowed down progress in the redistribution of housework** (Italy). Turkey and Italy are two of the four countries specifically researched for this issue.

From a policy perspective, the real reason for concern about the gender repercussions of the crisis is that progress towards a greater integration of women in the labour market may have stalled. The paradox of this recession is, however, that the challenges come more from policy than they do from the market or from women's own behaviour.

### 7.3 Moderate setbacks in the social impact of the crisis and the impact of fiscal consolidation

*The social impact of the crisis.* Overall, the initial repercussions of the crisis on poverty and access to availability of welfare provisions and benefits were moderate in the EU as a whole. For one thing, developments in countries that have been relatively unscathed by the crisis have compensated for contrary developments in countries where the repercussions were more severe, while for another, automatic stabilizers such as unemployment benefits and the initial recovery plan have softened the blow.

In the report, poverty has been analysed from two interrelated perspectives. On the one hand, we assessed insufficient monetary income and financial dependency. On the other hand, we focused on multidimensional poverty (also referred to here as social exclusion), a holistic approach to poverty which takes into account access to services, education, health, etc. alongside monetary resources.

The data show that **European women suffer from a higher risk of poverty or social exclusion than European men, at least since 2005.**<sup>143</sup> **As noted, however, the current economic crisis has (slightly) reduced the gender gaps in poverty by increasing the risk among men more than among women.**

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<sup>143</sup> It should be noted that the risk of poverty and social exclusion is a broader indicator than the simple risk of income poverty, and typically yields larger values.

In 2009 the at-risk of poverty rate anchored at year 2005 had increased to 16.1% compared to 13.8% in 2007, the corresponding values for women being 15.7% and 17.4%<sup>144</sup>. Higher increases were experienced in Ireland, Spain, Latvia, Malta, and Iceland for men, and in Ireland, Spain, Lithuania, Malta, and Iceland for women.

**A comparison of the at-risk-of-poverty rates before and after social transfers shows that a crucial contribution in mitigating the impact of the crisis has come from redistributive taxation and the welfare state.** Without social transfers, the crisis would have produced relevant increases in poverty rates in a large number of countries, for both men and women. **Redistribution was also important for reducing the gender gap in poverty rates.** Since the onset of the recession, the share of men who had fallen into poverty before social transfers and were lifted out of poverty by social transfers has increased (although proportionately more women still escape poverty thanks to social transfers). This encouraging finding, however, also concerns the early stages of the recession (up to 2009).

In most European countries, with few exceptions (Italy and Greece), **various configurations of minimum income schemes are aimed at preventing poverty and promoting social inclusion through the provision of means-tested, non-contributory measures.** These measures are mostly directed at households rather than at individuals, under the assumption that incomes and other resources are equally shared within the household. Various schemes have been introduced in response to the crisis, while already-existing measures are under pressure to meet increasing demand, and are experiencing structural transformations, due to the effect of the recession and resulting austerity policies. **The scaling back of existing measures may negatively contribute to gender equality, given women's higher poverty rates, while for the same reasons the introduction of new schemes in some countries is expected to have a positive effect in terms of gender equality.**

**Guaranteed minimum income schemes are often accompanied by an integrated set of categorical measures.** Categorical measures consist of non-contributory cash and in-kind assistance for specified target groups such as families, single parents, children, the elderly, and the disabled. Family-related benefits and allowances supplement minimum income schemes by providing universal or contributory, means-tested or irrespective of income cash payments and in-kind provisions in case of maternity, paternity, or parental leave, lone parenthood, and widowhood. **They are formally gender-neutral, but in several cases they induce significant gendered effects, given the gender-specific patterns of allocation of care activities and paid work.** An effort to preserve the provision of childcare and other services (or even to enlarge them in some countries) is thus apparent during the initial years of the crisis. The aim was to boost the labour supply of mothers in particular. By comparison, monetary transfers seem to be less efficient at reducing gender inequality.

*Policies to counteract the social effects of the crisis.* While European countries have adopted a vast array of policies aimed at overcoming European men's and women's deprivation in several dimensions, the attention in this report has been focused on those factors that appear to drive gender imbalances, namely education and life-long learning, housing conditions and policies, and healthcare and care activities.

According to the reports from the national experts, **the general trend has been for countries to preserve the provision of services relatively more than cash benefit schemes,** though this is a broad generalization that does not consistently reflect developments in all countries.

**Until 2010, education and training appear to have been less affected by budget cuts,** in line with the objective of exiting the crisis by means of a smarter growth trajectory that prioritizes knowledge

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<sup>144</sup> This variation compares the at-risk-of-poverty rates in 2007 and 2009. The corresponding survey years are 2008 and 2010, given that the SILC survey collects income data for the year preceding the survey.

and information. National strategies during the crisis have also focused on extending pre-school and out-of-school programmes. These schemes are particularly advantageous not only for children but also for the parents caring for them.

While in the general population women appear to have caught up with men's educational attainments, vulnerable groups in the education and training domain include migrant women, the homeless, and those at risk of early drop-out (among which men are over-represented).

In several countries, **homelessness and long-term homelessness increased during the crisis**. In some countries, the housing crisis is drastically affecting the lives of the most vulnerable households: that is, single mothers or low-income households (among which women are over-represented). **New tools** are being gradually introduced alongside traditional tools **to cope with household over-indebtedness**. Collective debt settlement and consultancy and mediation in mortgage renegotiations are very effective, low-cost instruments that also carry a positive gender impact, especially in light of the fact that arrears or over-indebtedness are often a consequence of low income or income vulnerability rather than over-consumption.

The health status of both men and women is reported to have deteriorated as a result of the crisis. **There is preliminary evidence that the prevalence of mental disorders increased among young people, single persons, and people with low educational attainment**. While women appear to be more prone to anxiety and depression, young men and the long-term unemployed are apparently more at risk of suicide. Also, the provisional evidence indicates a **possible link between economic conditions and violence against women**. The crisis also appears to have adversely affected health behaviour. Drug addiction, smoking, and heavy drinking appear to be on the rise in more than one European country, especially among men. To cope with these developments, as well as with the increased levels of household economic distress, **some European countries have boosted their health and long-term care facilities**. However, many European countries have raised fees or reduced health or care-related cash benefits in the wake of public expenditure cuts. Only the countries under the most severe pressure from financial markets are reported to have reduced the provision of healthcare facilities.

*Fiscal consolidation.* According to OECD estimates, the cumulative consolidation packages announced or implemented between 2009 and 2015 amount to between 2% and 22% of GDP for the twenty-three European countries included in the 2010 OECD survey on consolidation.

In order to gauge the magnitude as well as the direction of the effect of these fiscal consolidation packages, we asked some of the network's labour market experts to single out the consolidation measures that are likely to be more consequential for gender equality from the respective country packages, and to assess their expected repercussions. The experts agreed on an altogether restricted **list of measures that includes (i) wage freezes or wage cuts in the public sector; (ii) staffing freezes or personnel cuts in the public sector; (iii) pension reforms; (iv) cuts and restrictions in care related benefits, allowances, and facilities; (v) reductions in housing benefits or family benefits; (vi) the tightening of eligibility criteria for unemployment and assistance benefits or reductions in replacement rates; (vii) tax measures; (viii) VAT increases; and (ix) increases in fees for publicly-subsidized services**.

In the majority of cases, the experts assessed these measures as being likely to roll back progress in gender equality, especially within the labour market. There are, however, cases of discordant assessments – for example, with regard to pension reforms – as well as cases of positive assessment, such as of a levy on banks introduced in Austria.

Exploiting the fact that the OECD has expressed each major group of consolidation provisions in terms of the share of (national) GDP they account for, we have quantified those measures that received a negative assessment from the experts. We found that they amount to less than 1% of GDP in all

consolidation years in Austria, the Czech Republic, France, the Netherlands, and Sweden. In Germany and the U.K., the share of GDP accounted for by these measures is little more than 1% in at least one consolidation year. In Greece, Hungary, Ireland, and Portugal, the share is between 2% and 5%.

Are the expectations of the experts borne out by facts? Although an exhaustive *ex-post* assessment is premature, evidence was gathered about the very latest developments in six countries where the process of fiscal consolidation started sufficiently early or is sufficiently pronounced to have already shown up in some statistics, or where the process is being better monitored: Greece, Ireland, Latvia, the Netherlands, Finland and Spain. In all these countries not much is known about the medium and long terms implications of fiscal consolidation. More information is available on the short-run implications, although it is still very scant. What is known yields the indication of an emerging divide between countries where fiscal consolidation has been severe and protracted – Greece, Ireland and Spain - and those where the scope for consolidation was comparatively smaller – the Netherlands and Finland – or the problem was radically addressed early on in the crisis – Latvia. In the second group of countries the actual or expected impact of consolidation programmes is contained, or it does not appear to systematically work against women. In the first group of countries the impact is severe for both men and women and may well be rolling back progress in gender equality and in female employment in particular. This calls attention to an unintended, but worrying consequence of fiscal consolidation, namely that existing disparities among European countries with regard to women’s position in the labour market and, more generally, gender equality may be widening back again.

#### 7.4 Are gender mainstreaming and the equal opportunity infrastructure at stake?

A question worth asking is whether fiscal consolidation packages (and prior to this, recovery and financial rescue packages) would have been different had they been effectively gender mainstreamed.

**One disappointing finding regarding this crisis and policy-making is that gender mainstreaming has been sidestepped both at the policy design and the implementation stage.**

In the vast majority of cases, neither recovery nor consolidation measures have been assessed from a gender perspective. An example of what this means may be seen in Table 7.1, which lists the most important policy initiatives in EU27 that have either been announced or implemented in response to the crisis, according to the 2011 National Reform Plans. The number of policies totals 102. Only in 9.8% of the cases had gender effects been taken into account at all the policy process stages, from design to monitoring.

**Table 7.1. Crisis-specific measures in National Reforms Programme 2011 in EU 27**

Crisis specific	Gender mainstreamed		
	Adequate	Partly adequate	None
No.	10	10	82
%	9.8	9.8	80.4

Source: Villa and Smith (2011)

**What holds for ‘crisis-specific’ measures in general also holds for consolidation measures. With the partial exception of Austria, Iceland, Finland and the Netherlands, practically none of the national consolidation packages has benefited from some kind of prior assessment from a gender equality perspective.**

Gender equality policy was perhaps more prominent in regard to the redesign of gender equality infrastructure. However, the underlying motivations, as well as the outcomes, vary greatly among countries. Fiscal consolidation packages may impair the functioning of the gender equality machinery in several Member States (Austria, Belgium, the Czech Republic, Ireland, Latvia, Romania, The Slovak Republic, Spain, and the United Kingdom). At the same time, some Eastern countries have introduced institutional innovations in the field of gender equality (Poland and The Slovak Republic) while Denmark, Sweden, and Portugal have attempted to make the existing machinery more effective. Perhaps the most inspiring example is Iceland, where the crisis has been turned into an opportunity to overhaul gender mainstreaming in order to ensure close integration with the ‘normal’ policy-making process.

## 7.5 Recommendations

Based on the findings of this report, the two networks of experts agreed on the following set of recommendations (in no particular order):

- 1. to reconsider the formulation of indicators of gender equality.** The apparent improvement in most gender gaps despite the worsening of employment, wage, working, and income conditions for both men and women raises the question of whether ‘gender gaps’ adequately capture trends in gender equality, especially during recessions.
- 2. to encourage member countries to adopt effective gender budgeting routines for their main policy initiatives,** including ongoing or future recovery plans and expenditure reviews. Statutory requirements that policies be vetted *ex-ante* from a gender perspective may not be enough, as the experience of Austria and the U.K. indicates.
- 3. to closely monitor the risk that fiscal consolidation significantly erodes welfare provisions and public services.**
- 4. to launch and support initiatives geared towards raising the level of financial literacy among women (and the population at large) and ensuring ‘critical mass’ female representation in key financial bodies of the European machinery.** This crisis has made evident how far policy decisions that are traditionally associated with women, such as welfare, schooling, or reconciliation have come to depend on macroeconomic and financial decisions which women have traditionally been excluded from, and of which they know little.
- 5. to address the disproportionate burden of employment flexibility on young people.** This includes redesigning customary counter-cyclical policies such as short-time working schemes and unemployment benefit programmes. While both types of provisions have been important to counteract the worst employment and wage effects of this crisis, they are often primarily geared to regular full-timers.
- 6. to gender mainstream income support schemes.** Social expenditure and tax expenditure should focus on women’s financial independence as a central concern, especially if they are aimed at lifting men and women out of poverty.
- 7. to channel social expenditure** so as to prioritize quality services over cash benefits, in order to ensure a fair distributional impact of austerity programmes and alleviate the care burden borne by women. Recovery funds, in particular, should be channelled towards social and care infrastructures, and not only physical infrastructures
- 8. to strengthen the European Social Fund and review its procedures.** Several low female employment countries in Southern and Eastern Europe are also countries where the recession and

fiscal consolidation are downsizing welfare, reconciliation, and equality enhancing provisions in general. The European Structural Fund represents an important resource in these countries with which to compensate for cuts in local provisions and sustaining the 2020 employment goal. In some cases, however, ESF spending may need to be reviewed in order to ensure full effectiveness. In particular, this review should ensure that: (i) the procedures for accessing and spending funds are simple; and (ii) the key programmes being implemented continue to operate after the ESF funds have been withdrawn.

**9. to increase surveillance and heighten public awareness of cases of violations of maternity and leave rights.** Infringements of maternity or parental rights may be more common in **medium- and small-sized firms** because of higher organizational costs. Their specific needs and constraints should be addressed, as this is also a problem in 'normal' times.

**10. to address the issue of the poor integration of mobile and migrant workers, especially men.** All this should contribute to the pursuit of gender equality as a way to push the economy out of the crisis rather than viewing it as a cost to be reduced in times of restraint. A strategic vision of women's employment as a growth engine is warranted, and one area from which to make a start is the care sector. Demand for childcare is bound to increase if women's participation rises, and demand for elderly care is certain to rise at a fast pace. High tech and high knowledge sectors such as domotics, robotics, assistive technology, pharmaceuticals, and medical research are natural companions of the growth of an adequate elderly care infrastructure.

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Appendix 1: The timing of peaks and troughs by country and sex (based on employment rate for the age group 15-64)

Country (men)	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1
EU 27			P							T								L
BE				P														
BG				P						T								L
CZ					P					T								
DK				P						T								L
DE				P						T								
EE		P								T								
IE	P																	L
EL			P							T								L
ES	P									T								L
FR				P						T								L
IT				P						T								L
CY	P									T								L
LV		P								T								
LT			P							T								
LU			P							T								
HU				P						T								
MT				P						T								
NL				P						T								
AT				P						T								
PL				P						T								
PT			P															L
RO				P											T			
SI				P										T				L
SK				P						T								
FI			P							T								
SE			P							T								
UK	P									T								
IS			P												T			
NO				P														L
HR				P														L
FYROM				P														L
TK				P						T								

Country (women)	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1	
EU 27				P						T									
BE				P															L
BG				P						T									L
CZ			P							T									
DK				P						T									L
DE				P						T									
EE				P								T							
IE	P									T									L
EL				P															L
ES			P							T									L
FR				P						T									
IT				P						T									
CY				P															L
LV		P																	
LT			P							T									
LU	P									T									
HU				P						T									
MT				P						T									
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AT				P						T									
PL				P						T									
PT			P																L
RO				P						T									
SI				P											T				
SK				P						T									
FI			P							T									
SE			P							T									
UK			P							T									L
IS			P							T									
NO				P											T				
HR				P								T							L
FYROM				P						T									
TK				P						T									

Notes: see notes to Table 1.1.

Source: own elaboration using Eurostat online database.