

Area F — Women and the economy: care responsibilities and insecure jobs limit women's empowerment

Introduction

Women's economic empowerment has long been a feature of EU policy, but the shift in priorities in the aftermath of the economic crisis has left the employment policy largely gender blind. Thus the Europe 2020 strategy includes a target of having 75 % of the working age population in employment by 2020 but does not distinguish between women and men. While the overall EU employment rate is getting closer to this target (72.2 % in 2017), this masks a significant disparity between the employment rates of women (66.5 %) and men (78 %).

A gender perspective in employment policy acknowledges that women undertake a disproportionate share of unpaid care work, which limits their participation in the labour market and the quality of their employment. The European Pillar of Social Rights was introduced in 2017 to ensure equal opportunities for women and men in areas such as equal conditions of work, career progression and equal pay. Following the principles of the Pillar, the 2019 Directive on work-

life balance for parents and carers seeks to address the 'care penalty' and encourage men to take up more caregiving responsibilities. The 2014 Pay Transparency Recommendation provided guidance to Member States on how to tackle pay inequalities through greater transparency, although its implementation remains limited. A new EU action plan (2017-2019) on tackling the gender pay gap calls on Member States to apply effective equal pay legislation.

However, the care penalty continues to be a major risk factor holding women back in the economy, alongside austerity and deregulation of working conditions. New challenges are also emerging in the context of advances in digitalisation, with women under-represented in key information and communication technology (ICT) and science, technology, engineering and mathematics (STEM) jobs. If these challenges are not addressed, they will have serious consequences for women's economic equality, independence and well-being, and for the overall growth of the economy.



Care penalty generates inequality and limits economic growth

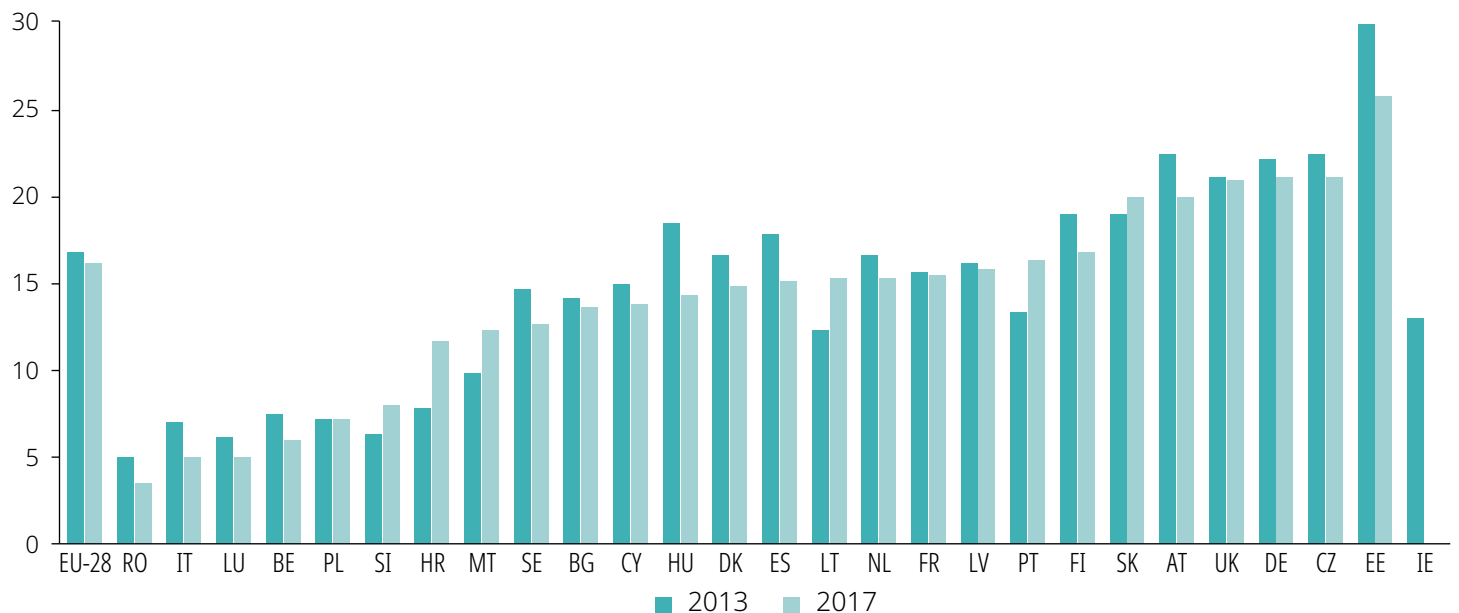
Women continue to take disproportionate responsibility for unpaid care work, for children, spouses, partners, older relatives and persons with disabilities. In the EU, women report spending an average of 39 hours per week caring for their children, compared with men's 21 hours. Many Member States have expanded parental leave for fathers but take-up remains very low. Flexible working arrangements, such as teleworking or flexitime, may help women to combine paid work and unpaid care work but, to date, have had little impact on men's contribution to caregiving. Joint taxation and means-testing of joint household income to access public benefits have been linked to greater gender inequality in care and paid work. Caregiving responsibilities are estimated to keep 7.7 million women out of the labour market, compared with just 450 000 men.

For those who are in work, gender inequalities persist. The gender pay gap (women consistently earning less per hour

than men) is closing very slowly across EU Member States (Figure 1). In part, this relates to women's over-representation in lower paying occupations, such as education (72.5 %), human health and social work activities (78.6 %), and among service, sales and clerical support workers (over 60 %). By contrast, women are under-represented in certain STEM occupations, which tend to have higher salaries.

The above inequalities hamper economic growth. The cost of employment loss associated with women's care responsibilities has been estimated at about EUR 370 billion per year for the EU. Improving women's participation in the labour market could create up to 6 million additional jobs by 2050, with an increase in per capita gross domestic product (GDP) of up to 5.5 %. More well-paid jobs for women would also lower poverty and inequality, and increase the well-being of children.

Figure 1. Unadjusted gender pay gap in average gross hourly earnings, 2013 and 2017



Source: Eurostat, Structure of Earnings Survey (earn_gr_gpgr2).

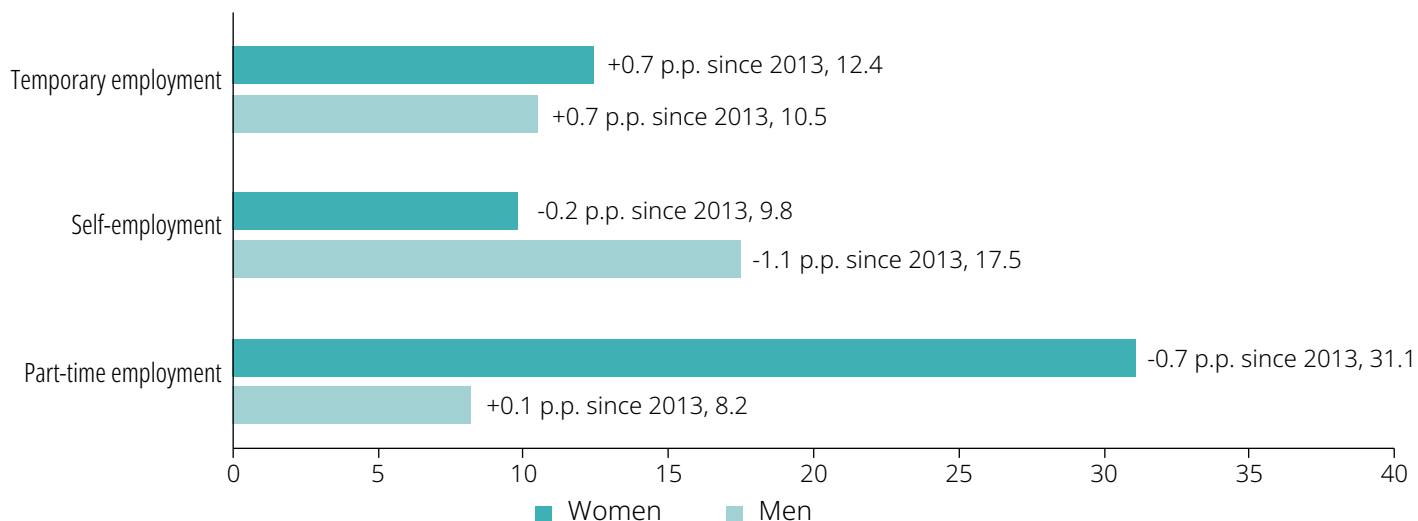
NB: No data for EL. 2017 data: not available for IE; provisional for EU-28, DE, ES, HU, FR, HU, IT, PL, UK; estimated for RO.

Women's jobs insecure as digitalisation advances

To combine care responsibilities and work, women frequently choose jobs that are more likely to be temporary, part-time and/or precarious than men's (Figure 2). These not only pay less but provide weaker legal protection, are less likely to

qualify for social security benefits, accumulate fewer pension rights and provide fewer opportunities for career progression. In increasingly flexible and insecure labour markets, this remains a concern for gender equality over the life course.

Figure 2. Proportion of workers in temporary, part-time or self-employment by gender (% of employment by gender), persons aged 20-64, EU-28, 2017



Source: Eurostat, Labour Force Survey (lfsa_egaed, lfsa_esgaed, lfsa_etgaed, lfsa_epgaed)

Women are under-represented among business owners and their self-employment is more often precarious, despite higher educational achievement. This is linked to challenges in gaining access to finance, information, training and business networks. Such barriers limit women’s entrepreneurial potential for innovation and job creation in the EU.

Austerity is likely to have exacerbated such gender inequalities through cuts in employment and wages in the public sector (where women are over-represented), and deregulation of private-sector working conditions.

Advances in digitalisation lead to many exciting new job opportunities, but persistent differences in study choices by young women and men and the resulting gender divisions in

the labour market mean that these benefits are not shared equally. Women are severely under-represented in certain STEM study fields that are likely to be in high demand in the future. Notably, they make up fewer than 20 % of ICT graduates in the EU, which means they could miss out on many of these jobs. As women are more likely than men to work in low-skilled clerical, services and sales positions, they are more likely to see their jobs disappear as a result of automation.

The low proportion of women in some STEM occupations has important implications for economic growth. Addressing women’s under-representation in STEM occupations could create up to 1.2 million jobs and increase GDP by up to EUR 820 billion by 2050.

Recommendations for action

To address gender inequalities in the economy, Member States are recommended to ensure the availability of high-quality care services that are affordable for all levels of income and encompass both childcare and long-term care. Adopting individualised taxation to promote a more equal division of paid work and care within couples would be beneficial. Member States should also consider initiatives to encourage men to take up caring responsibilities and to tackle gender stereotypes, such as parental leave earmarked for fathers, public awareness campaigns and education curricula.

Part-time, flexible and other forms of non-standard employment should be better paid and covered by social protection

systems. Member States can, for example, increase the eligibility of such jobs for social security, ensure adequate minimum wages, and provide financial incentives or top-ups to partners who both work part-time. Easy-to-use information systems would help workers to understand the long-term consequences of working part-time and, for non-standard contracts, the accumulation of social security and pension rights. Member States should also ensure education free of gender stereotypes, in which career counselling and awareness-raising initiatives promote greater participation of women in STEM study fields.

EU institutions should consider amending the Gender Equality Recast Directive (2006/54/EC) in order to make measures set out in the Pay Transparency Recommendation (2014/124/EU)

binding. Gender mainstreaming would be strengthened by setting gender-sensitive economic targets and ensuring that gender perspective is integrated into future EU growth strategies.

Further information

Many additional challenges are relevant to women and the economy. To name just a few: women not only earn less, but as a result also receive lower pensions; various sectors and occupations continue to be heavily gender segregated; and women tend to be under-represented in economic decision-making positions. Inequalities are particularly acute for certain groups of women, such as the less educated, older workers, migrant women, women from certain ethnic backgrounds, women with disabilities

and lone mothers, who face additional economic disadvantages.

Further information on EU policy developments and trends in the area of women and the economy can be found in EIGE's Beijing + 25 report. Some other policy briefs based on this report also present challenges that are closely related to women and the economy (such as Area A, Women and poverty, Area B, Education and training of women, and Area G, Women in power and decision-making).

EIGE regularly produces reports reviewing different areas of the Beijing Platform for Action (BPfA) or other EU policy priorities, as requested by the presidencies of the Council of the European Union. This factsheet is based on the report *Beijing + 25: The fifth review of the implementation of the Beijing Platform for Action in the EU Member States*, prepared at the request of Finland's Presidency of the Council of the EU.

Other publications include:

- [Tackling the Gender Pay Gap: Not without a better work-life balance](#) (2019)
- [Gender Equality and Youth: Opportunities and risks of digitalisation](#) (2019)
- [Women and Men in ICT: A chance for better work-life balance](#) (2018)
- [Study and Work in the EU: Set apart by gender](#) (2018)

You can explore all of EIGE's previous BPfA reports and publications at <https://eige.europa.eu/beijing-platform-for-action>

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