

## Poverty



### Relevance of gender in the policy area

Poverty is both a cause and an effect of social discrimination and exclusion; it is both complex and multidimensional.

It goes beyond a basic lack of resources for survival and extends to the deprivation of civil, social and cultural activities, as well as opportunities for political engagement and social mobility. It manifests itself in terms of the following: hunger and malnutrition; ill health; limited or no access to education and other basic services; increased morbidity and mortality of illness; homelessness and inadequate housing; and unsafe environments.

Gender differences and inequalities between women and men are a major feature of social exclusion and poverty. When considering the specificities of poverty from a gender perspective, it is important to begin by disentangling the main elements of the phenomenon. Focus needs to be placed on the numerous ways in which women, due to specific economic and social processes, may find themselves deprived of resources essential to their well-being.

Women suffer more than men from different types of poverty. For example, gender inequalities are present in women's and men's access to health and long-term care and/or housing and property. In particular, certain categories of women appear to be much more at risk of poverty than men such as women in older age or single parents. Women are less likely to secure a decent individual income through employment and they have a lower employment rate than men in all Member States, with the gap particularly pronounced in some countries.

When women are employed, their average earnings are lower due to structural inequalities such as a higher prevalence of part-time work, unequal division of household work, gender employment segregation, bias and pay systems, the gender pay gap and feminisation of lower paid and less valued positions. Factors of inequality and increased risk of poverty are accumulated over a woman's life – from the start of professional activity to retirement – and lead to increasing gender gaps in pay, pension and poverty.

This phenomenon has been described as 'the feminisation of poverty'. This means that, from a life cycle perspective, women are a vulnerable group of the population in terms of exposure to poverty. "The feminisation of poverty should be viewed as the consequence of various structural factors including stereotypes, existing gender pay gaps, barriers caused by the lack of reconciliation between family life and work, the longer life expectancy of women and, in general, the various types of gender discrimination, which mostly affect women."

Among women, specific groups are considered more vulnerable, and therefore more at risk of poverty and social exclusion than others. This is the case, for example, of women living alone, migrant women, elderly women and women with disabilities.

A range of interrelated factors therefore explains the greater risk of poverty and social exclusion experienced by women. These factors produce a set of persistent gender gaps hampering women's equal participation in this field. The gaps include areas such as:

- working poor
- gender pay gap and pension gap
- structural factors that increase the risk of poverty
- family care burden/work–life balance
- poverty and social exclusion among different target groups
- poverty and violence against women.

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# Gender inequalities in the policy area - Main Issues

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## Working poor

The rising level of in-work poverty is a key issue for European people. This situation applies to people who are employed but whose salary is not sufficient to satisfy basic needs. The adoption of the 'in-work poverty risk' indicator in 2003 acknowledges that, while being in employment appears to be the best prevention against the risk of poverty, it may not be sufficient.

Since 2008, the proportion of people at risk of in-work poverty has increased. In 2012, the figure for this indicator for the 28 EU countries was 9.2%, and this figure has risen every subsequent year (for example, in 2010 it was 8.4%). Men are more affected by this phenomenon than women (9.7% of men; 8.5% of women). The gender distribution of this phenomenon varies in different countries: for example, in Spain it primarily affects women.

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## The gender pay gap and pension gap

The lower relative wages of women create a vicious circle in which the wage gap encourages more women to perform unpaid work within the household, resulting in greater absence from the labour market, which in turn, leads to lower pay and lower pension. Risk of poverty increases with age, especially in retirement, when women receive retirement benefits that are on average 40% lower than those of men.

The gender pay gap persists as a major problem. Gender inequalities in terms of pay vary widely among the Member States of the European Union and among professions. In 2013, women's gross hourly earnings were on average 16.4% lower than those of men in the EU-28. There are various reasons for the existence and size of a gender pay gap, and these may differ significantly between Member States. Some explanations include the kind of jobs held by women, consequences of breaks in career or part-time work due to childbearing, and decisions in favour of family life.

Men's monthly earnings are higher than women's in every occupation. Earnings in men-dominated occupations tend to be higher than in women-dominated occupations, and this is especially so for men in white-collar jobs. The gender pay gap is generally much lower for new labour market entrants and tends to widen with age; it also differs between Member States, and between full-time and part-time jobs.

Women's lower salaries contribute to their lower pensions. Inadequate pensions are more common for women than men as women's lower earnings, higher concentration in part-time work and greater gaps in their careers due to caring responsibilities often mean they build up fewer pension contributions during their working life. Pension schemes continue to reflect the 'male breadwinner model'. In societies dominated by this model, men are the primary recipients of pensions. Women are mostly dependent family members and have to rely on derived pension rights. These traditions are reflected in pension systems and regulations related to the marital status of women, and remain of prime importance for women in many countries. Many women (especially older women who have not had formal employment during their lifetime) can rely only on survivor benefits, which depend on the level of the pension of the former spouse. The adequacy of survivor benefits is problematic in many countries and in some cases it places women at risk of poverty.

It is worth stressing the fact that the design of pension systems can exacerbate or mitigate the gender pension gap. For instance, the existence of differentiated retirement ages between women and men also contribute to the pension gap, because women retire earlier and thus have fewer opportunities to build up contributions. Moreover, defined contribution pension systems exacerbate gender differences in employment more than defined benefit systems. Finally, adequately crediting periods of care in the pension system can help to ensure women's adequate pensions.

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### **Family care burden/work–life balance**

As stated by the GenderCop, "the employment of women is affected in several ways by parenthood. Motherhood is negatively correlated with employment rate in the vast majority of the European Union's 27 Member States and, on average, the difference between the employment rates for women with and without children under twelve is greater than 10 percentage points".

The European Parliament Resolution of 8 March 2011 on equality between women and men in the EU asserts the need for action on the issue of gender inequality in unpaid work. Motherhood should not hold women back in their careers, but statistics clearly show that women with children work shorter hours than those without, unlike fathers, who tend to work longer hours than childless men. In addition, there is a correlation between the rate of women's employment and family responsibilities. Over 20 million Europeans (two thirds of whom are women) care for dependent adults, which prevents them from having a full-time job. Furthermore, lone parents – mainly mothers – are particularly vulnerable to poverty and exclusion, and 35.5% are at risk of poverty. This rate ranges from 26% in Slovenia to 66% in Greece.

At the 2002 Barcelona Summit, the European Council agreed that Member States should remove disincentives to women's participation in the labour market. They should strive to provide childcare to at least 90% of children aged between 3 and the mandatory school age, and to at least 33% of children below the age of 3, by 2010. However, in many EU countries there is a fundamental problem in terms of access to childcare (nurseries, kindergartens, etc.) and care for dependents.

“People with a greater family care burden (such as single parents, or households with a large number of children, and/or who need to care for elderly people) are at high risk of poverty and social exclusion.”

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## Structural factors that increase the risk of poverty

A range of interrelated factors have been identified as explaining the greater risk of poverty and social exclusion experienced by women. These are summarised below:

- Gender roles, gender stereotypes and discrimination compound to produce unequal life chances and choices.
- Social protection systems which do not take into account different working trajectories of women and men can particularly affect the position of women especially in elderly age. In addition, given the strong link between women's poverty and child poverty, inadequate child income support is also a crucial factor for many women.

- Poor access to services is a significant factor, as women depend more on these compared to men.

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## Poverty and social exclusion among different target groups

The Europe 2020 strategy promotes social inclusion, in particular through the reduction of poverty, by aiming to lift at least 20 million people out of the risk of poverty and social exclusion: To this end, a specific indicator, “At risk of poverty or social exclusion” (AROPE), has been adopted. The AROPE rate refers to the situation of people either at risk of poverty, or severely materially deprived or living in a household with a very low work intensity. (Please see later in the section “Examples of indicators for monitoring gender and poverty and social inclusion”).

In the EU, discussions on poverty generally focus on ‘relative poverty’ rather than on ‘absolute or extreme poverty’. The European Union’s Social Protection and Social Exclusion framework therefore uses a relative definition of poverty: “[P]eople are said to be living in poverty if their income and resources are so inadequate as to preclude them from having a standard of living considered acceptable in the society in which they live. Because of their poverty they may experience multiple disadvantages through unemployment, low income, poor housing, inadequate health care and barriers to lifelong learning, culture, sport and recreation. They are often excluded and marginalised from participating in activities (economic, social and cultural) that are the norm for other people and their access to fundamental rights may be restricted”.

As stated by the European Anti-Poverty Network (EAPN), “the debate on poverty in the EU is often closely associated with social exclusion and vulnerability. These are important related concepts.” However, as the EAPN highlights, “not all people who are socially excluded or vulnerable are poor”; poverty is a specific dimension in itself and has its own nature, causes, consequences and links to inequalities. In addition, poverty is a multifaceted concept which includes social, economic and political elements.

Among women, specific target groups are considered more vulnerable and at risk of poverty and social exclusion than others. This is why it is important to take an intersectional approach.

For example, the risk of poverty is increased for certain groups of women in the EU, such as lone mothers, elderly women (65 years and over), women who are members of certain other disadvantaged groups (such as immigrants, ethnic minorities and the disabled), as well as the long-term unemployed and inactive.



The risk of poverty for households led by women is one third higher than that for other households. Lone mothers are in the same situation as large families (with 3 children or more), and in some cases their situation is worse. Across Europe, the poverty gap between lone mothers and other households is significant: 34% of lone mothers at active age are at risk of poverty versus 17% of other families of active age with children. This is a significant gap (17 percentage points).

Across the majority of EU countries, mothers with partners have noticeably higher rates of participation in the labour force compared to lone mothers. This is a critical finding, and may explain an increasing socioeconomic gap between lone parents and those with partners. Mothers with partners are able to share responsibility, as well as contribute to household income, whereas lone parents are less able to provide even a single source of income. The most prevalent barrier to full-time work among mothers is looking after children.

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Elderly women are much more at risk of poverty or social exclusion than elderly men (19.4% compared to 14.2% in 2014). Among elderly women, those living alone are at greater risk of poverty and more affected by recent changes in pension and welfare provisions. The living conditions of elderly women living alone are affected mainly by their health status and their income, which largely comes from their pensions.

Migrant women may face multidimensional vulnerability. Migrant workers generally present lower employment rates than citizens, and experience greater risks of social exclusion and poverty than the resident population. They are often more exposed to employment in precarious work or even undeclared work, jobs of lower quality, or jobs for which they are overqualified.

In this respect, Roma women are among the most vulnerable, as “two thirds are unemployed, one in 2 children attends kindergarten and only 15% complete secondary school”. Roma and ethnic minority girls achieve a lower educational level than the majority of girls and boys from the same community. Unequal access to quality education is one of the main factors behind the social exclusion and poverty facing Roma women and their children. This then has repercussions on employment status and quality of work, on housing conditions, and also on access to healthcare. Poor socioeconomic conditions also increase the health risks of ethnic minorities and especially of Roma women, reducing their life expectancy. Pregnancies and abortions are frequent, as are malnutrition and poor dietary choices.

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## Poverty and violence against women

Violence against women is universal. It crosses all boundaries and can occur in all aspects of our societies, regardless of the level of education, age, occupation, economic situation, community position, racial origin, religious beliefs, family situations, cultural/ethnic background, etc.

However, “forms and manifestations of violence against women are shaped by social and cultural norms as well the dynamics of each social, economic and political system. Factors such as women’s racial or ethnic origin, caste, class, migrant or refugee status, age, religion, sexual orientation, marital status, disability or HIV status will influence what forms of violence they suffer and how they experience it” .

Multiple discrimination influences the forms of violence that a woman may experience. It makes some women particularly affected by and exposed to violence. Those women who are more likely to experience violence are also often restricted in their access to escape routes and support services. Low income and/or the financial dependence of women on their husbands/partners also limit the possibility of escaping violence. Women may find themselves in a vulnerable economic situation after experiencing violence due to a variety of reasons, which include:

- traumatisation and health problems related to the violence suffered, which may lead to job loss
- economic dependence on the husband/partner, which may result in a loss of subsistence
- the end of a violent relationship, which in many instances leads women with children to become lone parents and therefore exposed to a greater risk of



poverty .

Violence against women increases women's risk of poverty and social exclusion.

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## Existing gender equality policy objectives at EU and international level

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### EU level

#### European Commission

The continued existence of poverty among women and the risk of social exclusion it entails has long been a concern of the European Union. In March 2015, the Commission adopted a proposal for a new package of integrated policy guidelines to support the achievement of smart, sustainable and inclusive growth, and the aims of the European Semester of economic policy coordination. Guideline 8: Fostering social inclusion, combating poverty and promoting equal opportunities stresses the need to “modernise social protection systems to provide effective, efficient and adequate protection throughout all stages of an individual's life, fostering social inclusion, promoting equal opportunities, including for women and men, and addressing inequalities (...) securing the sustainability and adequacy of pension systems for women and men”.

The 2012 European year for active ageing and solidarity between generations included specific initiatives targeting women and poverty, such as overcoming discrimination and tackling the gender aspects and age aspects of poverty. To coincide with this, the European Commission published a White Paper on adequate, safe and sustainable pensions, prepared on the basis of wide consultation and launched in July 2010. The White Paper puts a strong emphasis on gender issues (e.g. equalising pension ages, reducing the gender pension gap, and active ageing for both women and men).

In February 2013, the European Commission adopted the Social Investment Package, which provides Member States with social policy guidance to better address unemployment, poverty and social exclusion. Within the package, the importance of measures to remove barriers to women's lower labour market participation (recognised as a main cause of women's poverty) is highlighted, such as affordable quality childcare and long-term care services for elderly dependents, family support and benefits, and early-childhood education.

The European Pact for Gender Equality (2011 – 2020) reaffirmed the Council of the European Union's commitment to fulfil EU ambitions on gender equality, especially in 3 areas relevant to gender equality: employment; education; and the promotion of social inclusion, in particular through the reduction of poverty. In the European Pact for Gender Equality 2011 – 2020, the Council of the European Union emphasised the need to reduce women's poverty as a necessary factor in promoting social inclusion. The Europe 2020 Strategy and the Strategy for Equality between Women and Men 2010 – 2015 links the reduction of women's poverty to the objective of inclusive growth.

## European Parliament

In 2011, the FEMM Committee adopted a Resolution on the face of female poverty in the European Union, which tackles the issue of preventing and reducing women's poverty as an important part of the EU fundamental principle of social solidarity. The Resolution proposes several areas of interest, which can be summarised as follows:

- feminisation of poverty
- combating women's poverty through labour policies and social protection
- reconciliation of family and work life by women living in poverty or those exposed to the risk of poverty
- combating poverty among older women
- impact of gender-based violence on poverty risk
- the role of social dialogue and civil society in addressing women's poverty
- securing finance as a way to combat poverty.

Labour market conditions affecting women are also strictly correlated with the unequal sharing of unpaid care and household division of care. Statistics clearly show that women with children work shorter hours than those without, unlike fathers, who work longer hours than childless men.

At the same time, over 20 million Europeans care for dependent adults, thereby preventing them from having a full-time job: two thirds of these carers are women. Unequal sharing of unpaid care and housework severely limits women's equal opportunities to earn an adequate independent income. The correlation between women's employment rate and family responsibilities clearly aggravates women's risk of poverty and social exclusion. This is especially the case for lone parents – mainly mothers – who are particularly vulnerable to poverty and exclusion. The European Parliament Resolution on equality between women and men in the EU asserts the need for action on the issue of gender inequality in unpaid work.

Gender and poverty was the topic of the European Parliament's women's rights and gender equality (FEMM Committee) hearing on 30 March 2015, where the committee presented its report on the main causes of poverty among women.

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## International level

### Council of Europe

Women and men entered the economic crisis, which began in 2008, on an unequal footing. The crisis and resulting austerity measures have hit women disproportionately and endangered the progress already made in the enjoyment of human rights by women. A gender-sensitive response is necessary to halt and reverse this trend. These concerns have been further reflected by the Parliamentary Assembly of the Council of Europe which has also stressed that women in poverty or at risk of poverty are more likely to work in low-paid, precarious and informal jobs, including in the field of domestic work, and face the risk of exploitation and trafficking in human beings.

### United Nations

The Beijing Declaration and Platform for Action adopted at the United Nations fourth World Conference on Women urged governments to take action to address the continuous discrimination against women, which still persisted across countries as they prepared to enter the twenty-first century. It urged Member States to promote women's economic independence, including employment, and eradicate the persistent and increasing burden of poverty on women by addressing the structural causes of poverty through changes in economic structures and ensuring equal access for all women (including those in rural areas), to productive resources, opportunities and public services. In particular, BPfA Area A aims to promote strategies and measures in the Member States that address the needs of women in poverty, as well as other policies, measures and practices which ensure that women have equal rights and access to economic resources, savings and credit. Taking into account the global problem of poverty affecting women all over the world, the BPfA set specific strategic objectives:

A.1 Review, adapt and maintain macro-economic policies and development of strategies that address the needs and efforts of women in poverty

A.2 Revise laws and administrative practices to ensure women's equal rights and access to economic resources

A.3 Provide women with access to savings, credit mechanisms and institutions

A.4 Develop gender-based methodologies and conduct research to address the feminisation of poverty.

In a follow-up to the BPfA, the 2007 Portuguese EU Presidency prepared a report presenting the 3 indicators aimed at monitoring and evaluating progress against these objectives, as a basis for analysing the gender dimension of poverty and assessing the situation of women in this critical area.

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## Policy cycle in poverty

### How and when? Poverty and social inclusion and the integration of

## the gender dimensions into the policy cycle

The gender dimension can be integrated in all phases of the policy cycle. For a detailed description of how gender can be mainstreamed in each phase of the policy cycle, [click here](#).

Below, you can find useful resources and practical examples for mainstreaming gender into poverty and social exclusion policies. They are organised according to the most relevant phase of the policy cycle they may serve.

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## Practical examples of gender mainstreaming in poverty and social inclusion

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### Austria

Since 2011, the Women's Department of the City of Vienna has been working on developing a monitoring instrument for the status of gender equality called First Vienna Equality Monitor (Erster Wiener Gleichstellungsmonitor). Poverty and social protection indicators, inter alia, are being developed for this monitor, which will then be assessed and compared on an ongoing basis.

[Read more about the monitor here.](#)

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## Timeline

The key milestones of the EU poverty and social inclusion policy are presented below.

### Poverty programme

The European Communities establish a set of pilot action projects against poverty, sometimes called the poverty programme.

1975 - 1975

### Council recommendation on minimum income

Council recommendation on minimum income (minimum resources): historic agreement by Member States to guarantee adequate minimum resources for a dignified life. This recommendation provided the basis for the active inclusion recommendation in 2008.

Read the document [here](#).

1992 - 1992

## Area A of the Beijing Declaration and Platform for Action

[The Beijing Declaration and Platform for Action](#) adopted at the United Nations fourth World Conference on Women, in particular Area A, aims to promote strategies and measures in the Member States that address the needs of women in poverty.

1995 - 1995

## The Treaty of Amsterdam came into force in 1999

Action against poverty was written into the Treaty and it gave the EU the ability to combat discrimination and allowed for coordination on employment, economic, social inclusion and other policy areas. This became known as the open method of coordination. Read the document [here](#).

1997 - 1997

## Social inclusion strategy

Common objectives and national action plans against poverty and social exclusion.

2000 - 2000

## The active inclusion recommendation

The active inclusion recommendation outlines principles whereby Member States promote the social inclusion of people who are furthest from the labour market through an integrated strategy addressing 3 pillars: ensuring an adequate income for a dignified life, access to quality services and an inclusive labour market. Read it [here](#).

2008 - 2008

## Lisbon Treaty comes into force

It contains a social clause making the fight against social exclusion a mainstreaming objective of the EU and incorporates the Charter of Fundamental Rights of the European Union giving it legal status. Read it [here](#).

2009 - 2009

## **The Treaty on the functioning of the European Union (TFEU) comes into force**

The TFEU adds the non-discrimination principle (TFEU, Article 10) and equality between women and men (TFEU, Article 8) to the EU's values. TFEU Article 9 contains an obligation to meet the requirements of promoting a high level of employment, of guaranteeing adequate social protection, of combating social exclusion and of ensuring a high level of education, training and protection of human health. Read it [here](#).

## **European year for combating poverty and social exclusion.**

2010 - 2010

## **Europe 2020**

Europe 2020 strategy for smart, sustainable and inclusive growth 2010–2020 promotes social inclusion, particularly through the reduction of poverty. Read it [here](#).

2010 - 2010

## **European pact for gender equality**

European pact for gender equality (2011 – 2020) in which the Council of the European Union emphasises the need to reduce women's poverty as a necessary factor to promote social inclusion. Read it [here](#).

2011 - 2020

## **European Parliament Resolution on equality between women and men in the EU**

It asserts the need for action on the issue of gender inequality in unpaid work. Read it [here](#).



2011 - 2011

## The European Parliament adopts a Resolution on female poverty in the European Union

It tackles the issue of preventing and reducing women's poverty as an important part of the EU fundamental principle of social solidarity. Read it [here](#).

2011 - 2011

## The European Commission White Paper

The European Commission publishes a White Paper on adequate, safe and sustainable pensions which puts a strong emphasis on addressing the gender pension gap (e.g. equalising pension ages, reducing the gender pension gap, active ageing for both women and men). Read it [here](#).

2012 - 2012

## Social Investment Package

The European Commission adopts the Social Investment Package, which provides Member States with social policy guidance to better address unemployment, poverty and social exclusion. Read it [here](#).

2013 - 2013

## FEMM Committee Report

The FEMM Committee presents its report on the main causes of female poverty to the European Parliament's women's rights and gender equality (FEMM) committee.

2015 - 2015

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## Current policy priorities at EU level

Today the main policy framework in the field of EU social protection is the [Europe 2020 strategy](#) and the [open method of coordination](#) for social protection and social inclusion (Social OMC). These aim to promote social cohesion and equality through adequate, accessible and financially sustainable social protection systems and social inclusion policies.

The EU provides a framework for national strategy development for social protection and social investment, as well as for coordinating policies between EU countries on issues relating to poverty and social exclusion: health care, long-term care and pensions.

The strategy also includes 7 'flagship initiatives', providing a framework through which the EU and national authorities mutually reinforce their efforts in areas supporting the Europe 2020 priorities. Two of these flagships target inclusive growth and poverty reduction: [the agenda for new skills and jobs](#) and [the European platform against poverty and social exclusion](#). In particular, the platform aims to:

- ensure economic, social and territorial cohesion
- guarantee respect for the fundamental rights of people experiencing poverty and social exclusion, enabling them to live in dignity and take an active part in society
- mobilise support to help people integrate into the communities where they live, obtain training and help to find a job and have access to social benefits.

To provide Member States with social policy guidance to better address unemployment, poverty and social exclusion, in 2013, [the European Commission adopted the Social Investment Package](#). The package implementation is supported by enhanced analysis and monitoring of Member States' policies and social outcomes in the framework of the European semester, providing financial assistance and streamlining its governance and reporting. Reporting on the Social Investment Package includes the social objectives reflected in the annual growth survey 2014:

- implementation by Member States of the active inclusion priorities
- preserving access to adequate social protection benefits, services, health and long-term care
- access to more personalised services (one-stop shop)
- addressing the impact of gender pay and activity gaps on women's pension entitlements
- containing and reducing poverty
- modernising pension systems.

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**Want to know more?**