

Women and Poverty (A)

In the Beijing Declaration and Platform for Action for Equality, Development and Peace (BPfA) 1995¹, poverty is defined as ‘a complex, multidimensional problem, which has various manifestations, including lack of income and productive resources sufficient to ensure a sustainable livelihood; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increasing morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion’. It is also characterised by lack of participation in decision-making and in civil, social and cultural life. Women’s poverty is directly related to the absence of economic opportunities and autonomy, lack of access to economic resources, including credit, land ownership and inheritance, lack of access to education and support services and their minimal participation in the decision-making process.

In order to address these problems, the following strategic objectives were set and agreed to be implemented by the national governments.

The strategic objectives

- A.1 Review, adapt and maintain macroeconomic policies and the 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 and credit mechanisms and institutions
- A.4 Develop gender-based methodologies and conduct research to address the feminisation of poverty

Indicators

In 2007, the Portuguese Presidency prepared a report² and proposed indicators for poverty among women. According to this report, poverty is a multidimensional concept and should not be conceived of as something that is measurable simply in terms of resources, such as income, or based on a monetary poverty line. Poverty is about deprivation, which means a lack of well-being including education and vocational training, health, housing, the labour market, economic resources, social protection, family and private life, security and participation in public life.

A list of 18 multidimensional indicators was designed to be in full agreement with the proposed concept of poverty among women according to the BPfA. But this concept content to some extent includes (and/or to a greater extent overlaps with) that of other critical areas. Although a further analysis of the relationship between these critical areas and the corresponding indicators was only proposed in the report, the selection of indicators strictly specific to this critical area were recommended. The selected indicators are focused on resources as factors of poverty; on the individual dimension of poverty in the context of the household; and — above all — on intra-household factors of poverty. Based on the multidimensional approach to poverty, the indicators focus explicitly on determining factors. The Council of the European Union adopted the conclusions³ and took note of the proposed indicators. The decision is presented in the Council conclusions⁴ adopted during the meeting of the Employment, Social Policy, Health and Consumers Affairs Council (EPSCO) in December 2007.



Indicator A1

Name: At-risk-of-poverty rate by age and sex

Concept: According to the report by the Portuguese Presidency, indicator A1 is a 'classical' poverty measure and a Laeken indicator⁵, defined as the percentage of persons below the monetary poverty line, defined as 60 % of the median national adult equivalent household disposable income in each Member State. The following age groups have been used in the report:

- total;
- less than 16 years;
- from 16 to 24 years;
- from 25 to 49 years;
- from 50 to 64 years;
- 65 years and older;
- 16 years and older;
- from 16 to 64 years.

This is an output indicator of poverty of high relevance for analysis, as it provides information on household income scarcity and includes important elements about the phenomenon of poverty as related to personal attributes, such as age (reflecting the life cycle perspective) and sex (which emphasises the gender specification).

Data source: Calculation of the indicator is based on the European Union Statistics on Income and Living Conditions (EU-SILC)⁶.

Published: Data are available in the Eurostat online database (ilc_li02: 'At-risk-of-poverty rates by age and gender'⁷).

Notes: The data cover all EU Member States: the oldest data are available from 1995 (but not for all Member States). The data are updated annually. Since 2005, the comparability of the data over time and across countries is assessed as high.

This poverty indicator is based on income inequality in the country and thus is a relative concept of poverty. Comparing relative poverty

levels between different countries does not sufficiently take into account the differences in standards of living. For example, a person who is relatively poor in a rich country usually suffers less material deprivation than someone who is living in a country with low overall living standards. Furthermore, the indicator does not directly measure women's poverty because this measurement refers to individuals living in households and presupposes that resources are equally shared among household members.

Indicator A2

Name: At-risk-of-poverty rate by type of household and sex, including at-risk-of-poverty rate of single parents with dependent children

Concept: According to the report by the Portuguese Presidency, indicator A2 is another output indicator based on the 'classical' poverty measure defined as the percentage of persons below the monetary poverty line but emphasises those household attributes that have a particular impact on poverty among women, such as single parenthood and household size. The following types of household have been used in the report:

- all households;
- single person;
- one adult younger than 65 years;
- one adult older than 65 years;
- single parent with dependent children;
- single female;
- single male;
- two adults younger than 65 years;
- two adults, at least one aged 65 years and over;
- two adults with one dependent child;
- two adults with two dependent children;
- two adults with three or more dependent children;

- three or more adults;
- three or more adults with dependent children;
- households without dependent children;
- households with dependent children.

The number of single parents has been increasing across the EU and the data shows they face a particular risk of suffering from poverty. Many single parents have to look after their children themselves and look for jobs with hours that enable them to spend as much time with their children as possible thus combining parenting with employment. As a result, they might be forced to settle for precarious, low paid employment with a lower level of social protection. The gap between the income of single parent families headed by women and men highlights once again the vulnerability to poverty of single parents, on the one hand, and of women on the other.

Data source: Calculation of the indicator is based on the European Union Statistics on Income and Living Conditions (EU-SILC)⁸.

Published: Data are available in the Eurostat online database (ilc_li03: 'At-risk-of-poverty rate by poverty threshold and household type'⁹).

Notes: The data cover all EU Member States; the oldest data are available from 1995 (but not for all Member States). The data are updated annually. Since 2005, the comparability of the data over time and across countries has been assessed as high.

This poverty indicator is based on income inequality in the country and thus is a relative concept of poverty. Comparing relative poverty levels between different countries does not sufficiently take into account the differences in standards of living. For example, a person who is relatively poor in a rich country usually suffers less material deprivation than someone who is living in a country with low overall living standards. Furthermore, the data disaggregated by sex for single parents are not available.

Indicator A3a

Name: Inactivity by age and sex: share of women and men who are inactive by age

Concept: According to the report by the Portuguese Presidency, indicator A3a is a factor (i.e. causal) indicator of poverty. Employment is perceived by many Member States as a key factor for social inclusion and offers the most important means of escaping the poverty cycle. Being employed and earning wages is crucial for the economic independence of women and men; therefore, those events that may lead women and men of working age to interrupt their working lives or not to participate in the labour market can generate a risk of potential poverty.

For analysis of the situation, the age group 16–64 was used in the report.

Inactivity has been defined as the percentage of persons, who are classified neither as employed nor as unemployed in the labour market. Employed persons are all persons who worked at least one hour for pay or profit during the reference week or were temporarily absent from such work. Unemployed persons are all persons who were not employed during the reference week and had actively sought work during the past four weeks and were ready to begin working immediately within two weeks. Inactivity does not, however, mean that persons who are in this category are inactive in general. They can, for example, be taking care of children or incapacitated adults, doing domestic work or studying.

Data source: Calculation of the indicator is based on the Labour Force Survey (EU-LFS)¹⁰.

Published: Data are available in the Eurostat online database (lfsa_ipga: 'Inactive population as a percentage of the total population for a given sex and age group (%)'¹¹).

Notes: The data cover all EU Member States; the oldest data are available from 1983 (but not



for all Member States). The data was updated annually until 2000: since then it has been updated quarterly.

Differences in inactivity rates reflect differences in the national education systems and school leaving age (among the age group 15–24) as well as differences in the retirement scheme (for the oldest group).

Indicator A3b

Name: Inactivity by age and sex: share of inactive women and men who are not looking for a job for family care reasons

Concept: According to the report by the Portuguese Presidency, indicator A3b is a factor (i.e. causal) indicator of poverty. Employment is perceived by many Member States as a key factor of social inclusion and offers the most important means of escaping the poverty cycle. Being employed and earning wages is crucial for the economic independence of women and men; therefore, those events that may lead women and men of working age to interrupt their working lives or not to participate in the labour market can generate a potential risk of poverty. The responsibility for family care still falls mainly on women, in part due to social stereotypes regarding women's and men's roles in the family and society. Due to gender imbalances, the interruption of working life or inactivity for family care reasons can act as women-specific factors that may generate a loss of economic independence and, later in the life cycle, a lower level of social protection (lower pensions).

For analysis of the situation, the age group 16 years and over has been used in this report. Inactivity has been defined as the percentage of persons, who are classified neither as employed nor as unemployed in the labour market. Employed persons are all persons who worked at

least one hour for pay or profit during the reference week or were temporarily absent from such work. Unemployed persons are all persons who were not employed during the reference week and had actively sought work during the past four weeks and were ready to begin working immediately within two weeks. Inactivity does not, however, mean that persons who are in this category are inactive in general. They can, for example, be taking care of children or incapacitated adults, doing domestic work or studying.

Not looking for a job for family care or personal reasons is the share of persons who are outside the labour market and not looking for work due to family or personal reasons and caring for children or incapacitated adults.

Data source: Calculation of the indicator is based on the Labour Force Survey (EU-LFS)¹², where the reasons for not seeking the employment are:

- awaiting recall to work;
- own illness or disability;
- looking after children or incapacitated adults;
- other family or personal responsibilities;
- education and training;
- retirement;
- belief that no work is available;
- other reasons.

In the calculation this indicator, looking after children or incapacitated adults and other family or personal responsibilities have been taken into account as the reasons for not seeking the employment because of family care or personal reasons.

Published: Data are available in the Eurostat online database (lfsa_igar: 'Inactive population — Main reason for not seeking employment — Distributions for a given sex and age group (%)'¹³).

Notes: The data cover all EU Member States and the oldest data about 'other family or

personal responsibilities' are available from 1992 and for 'looking after children or incapacitated adults' from 2006 (but not for all Member States). The reason corresponding to 'looking after children or incapacitated adults' was only introduced from 2006 in the EU-LFS survey, which causes important breaks in the time series. It is, therefore, recommended to limit the time series analysis to 2006 and after. The data are updated annually.

The reason for inactivity captured by this variable deals with the main reason why somebody is not seeking employment. It has to be noted that in some cases, the main reason may not be the only reason for not looking for a job. In addition, the reasons for not looking for a job for family care and personal reasons are presented separately in the table.

More information

Policy documents

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Notes

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3. Council of the European Union, Press release, 2837th Council meeting, Brussels, 5 and 6 December 2007 (http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lsa/97445.pdf).
4. Council of the European Union, Draft Council Conclusions 'Review of the implementation by the Member States and the EU institutions of the Beijing Platform for Action — Women and Poverty', Brussels, 30 October 2007 (<http://register.consilium.europa.eu/pdf/en/07/st13/st13947.en07.pdf>).
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