

### Introduction

The European Pillar of Social Rights is an opportunity for the EU to design and implement sustainable and effective policies that benefit all - women and men. Setting and reaching gender-specific targets can facilitate closing gender gaps, achieving a fairer society and it can also contribute to growth and more effective economies.

Gender equality is a fundamental value and one of the objectives of the European Union. A wide range of key policy documents developed by the European Commission and endorsed by the Member States recognise gender equality as a backbone of economic and social well-being. The elimination of inequality between women and men is instrumental for the creation of a stronger and more inclusive Europe and improvements in gender equality can contribute to sustainable and smart economic growth of the EU. A forthcoming report by the European Institute for Gender Equality<sup>(1)</sup> demonstrates that the economic impacts of closing gender gaps in areas such as education, labour market activity or wages would lead to a significant increase in the number of jobs that would benefit both women and men, and have a largely positive effect on GDP per capita. Moreover, the results also show that improving gender equality will help to address long-term employment, occupational segregation, productivity and population ageing is-

sues in the EU. Altogether, this makes gender equality a highly relevant policy area when considering the ways towards a deeper and fairer Economic and Monetary Union.

Despite EU commitments to strengthen gender equality, there are persisting gender gaps in all EU Member States. While women across the EU are on average better educated than men, comparatively few women occupy the highest positions of power and influence in either political or economic life. Despite increasing participation of women in paid work, labour markets still reproduce gender-based segregation and inequalities in wages, work-related social benefits, and social security. The challenges we face today, such as increasing inequalities, poverty, changes in societal structures and family formation, migration trends, spread of precarious work, sluggish job growth or joblessness, cannot be resolved without ensuring that both women and men can fulfil their potential.

This note sets out recommendations from the European Institute for Gender Equality (EIGE) on the European Pillar of Social Rights. It identifies: three general principles the Pillar would benefit from; gender equality as a specific goal of the Pillar; and examples of gender mainstreaming. The recommendations reflect on a wider EIGE consultation with its Experts' Forum – a consultative EIGE body – which is composed of members from the competent bodies on gender equality from every Member State of the European Union, representatives of the European Parliament, Civil Society Organisations and European Social Partners.

(1) EIGE, *Economic benefits of gender equality in the EU* (preliminary title), publication forthcoming in 2017.

## General Principles of the EPSR

For the EPSR to foster social cohesion and quality of life for the population at large, three key principles need to be upheld and applied, namely a dual approach to gender equality, an intersectional approach and a life course perspective.

In line with the EU commitments<sup>(2)</sup>, a dual approach to tackling gender inequalities implies the systematic mainstreaming of a gender perspective into the preparation, design, implementation, monitoring and evaluation of policies, regulatory measures and spending programmes<sup>(3)</sup>, as well as specifically setting the advancement of gender equality as one of the goals and a stand alone target of the EPSR (i.e. domain on “gender equality”). By combining gender mainstreaming and gender-specific measures and programmes, a dual approach guarantees a holistic perspective to tackling entrenched gender inequalities and ensuring that policy-making effectively responds to the needs of all citizens – women and men, girls and boys.

Secondly, the application of an intersectional lens into a policy process acknowledges that power dynamics between social inequalities and processes are mutually constitutive. It promotes an understanding that women and men are not homogeneous groups, but are comprised of people whose lives are influenced by the interaction of different social characteristics such as race/ethnicity, class, nationality,

age, sexual orientation and gender identity. A better understanding of intersectional needs helps develop more equitable and effective policies.

Finally, the life-course perspective recognises the linkages between different stages in a person’s life and considers how social factors impact women and men at different periods over their lives. The integration of a life-course approach into policy-making, in addition to an application of gender and intersectional perspectives, is key to increasing women’s economic independence and combatting life-long inequalities in the long run.

## Specific Topics of the EPSR

### Gender equality as a goal in itself

According to the results of the Gender Equality Index, the European Union is only halfway towards a gender equal society<sup>(4)</sup>. Progress in gender equality has been marginal over recent years, and in some Member States the situation has even deteriorated. Undervaluation of care work and the unequal distribution of unpaid domestic work among women and men are some of the most persistent gender inequalities in the EU. In all Member States, it is women who perform the bulk of caring activities, with extremely wide gender gaps between the time spent on caring and educating children and grandchildren, as well as time spent on cooking and housework. The gender

(2) Articles 2 and 3(3) TEU and Article 8 TFEU; *Council conclusions on the European Pact for gender equality for the period 2011 – 2020*, available at: [https://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/lsa/119628.pdf](https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lsa/119628.pdf)

(3) EIGE, Gender Mainstreaming Platform, <http://eige.europa.eu/gender-mainstreaming/what-is-gender-mainstreaming>, accessed on [14/12/2016].

(4) EIGE, 2015, *Gender Equality Index 2015 – Measuring gender equality in the European Union 2005-2012*, available at: <http://eige.europa.eu/sites/default/files/documents/mh0215616enn.pdf>

gap in full-time equivalent employment shows the extent to which women and men differ in terms of labour force participation. Not only are women less likely to be employed, but throughout all EU Member States, they also tend to spend fewer years in paid work than men overall. Gender gaps in sectorial segregation continue to be a prominent feature of the EU labour market, with women persistently representing a strong majority of those working in typically feminised sectors such as education, health services and social work. There are also wide gender gaps in institutions of power and women are still underrepresented in political, economic and social decision-making<sup>(5)</sup>.

Gender-based violence against women, caused by unequal gender relations, is a big challenge for all Member States and the most serious violation of human rights of women in the EU. Almost all Europeans think that violence against women is unacceptable<sup>(6)</sup> and yet one in three women have experienced physical and/or sexual violence since the age of 15<sup>(7)</sup>. Besides ongoing physical, sexual, physical and economic violence, victim-blaming and alarming attitudes towards consent persist.<sup>(8)</sup>

Recognising persisting gender gaps and including gender equality as a distinct goal of the EPSR is vital to address the underlying structural causes of social inequality. It is also

an opportunity to confirm previous commitments that gender equality, in its own right, is a priority for the European Union, especially in times when beliefs about gender are rapidly shifting.

To date, the preliminary outline of the Pillar refers to a single domain of “gender equality and work-life balance”. In line with an established EU proposed approach to gender equality policy, EIGE recommends mainstreaming gender in all domains of the Pillar as well as establishing a separate domain on “gender equality” (i.e. rather than a combined “gender equality and work-life balance” domain. A distinct domain on gender equality would enable policy makers to better address diverse gender equality issues, including but not confined to the challenges of work-life balance. Given that progress towards gender equality is not immune to reversal, measuring the levels of achievement presents an integral part of effective policy-making. In order to assess the trends in the main areas of gender equality at the EU and Member State levels, EIGE recommends using its Gender Equality Index.

Established upon request of the European Commission in 2013, the Index covers the areas of work, money, knowledge, time, power, health, violence and intersecting inequalities. It offers an easy-to-interpret measure for gender equality, specifically tailored towards the policy framework of the EU and indicates how far (or close) the EU and its Member States are from achieving gender equality (Figure 1)<sup>(9)</sup>.

(5) EIGE, 2015, *Gender Equality Index 2015 – Measuring gender equality in the European Union 2005-2012*, available at: <http://eige.europa.eu/sites/default/files/documents/mh0215616enn.pdf>

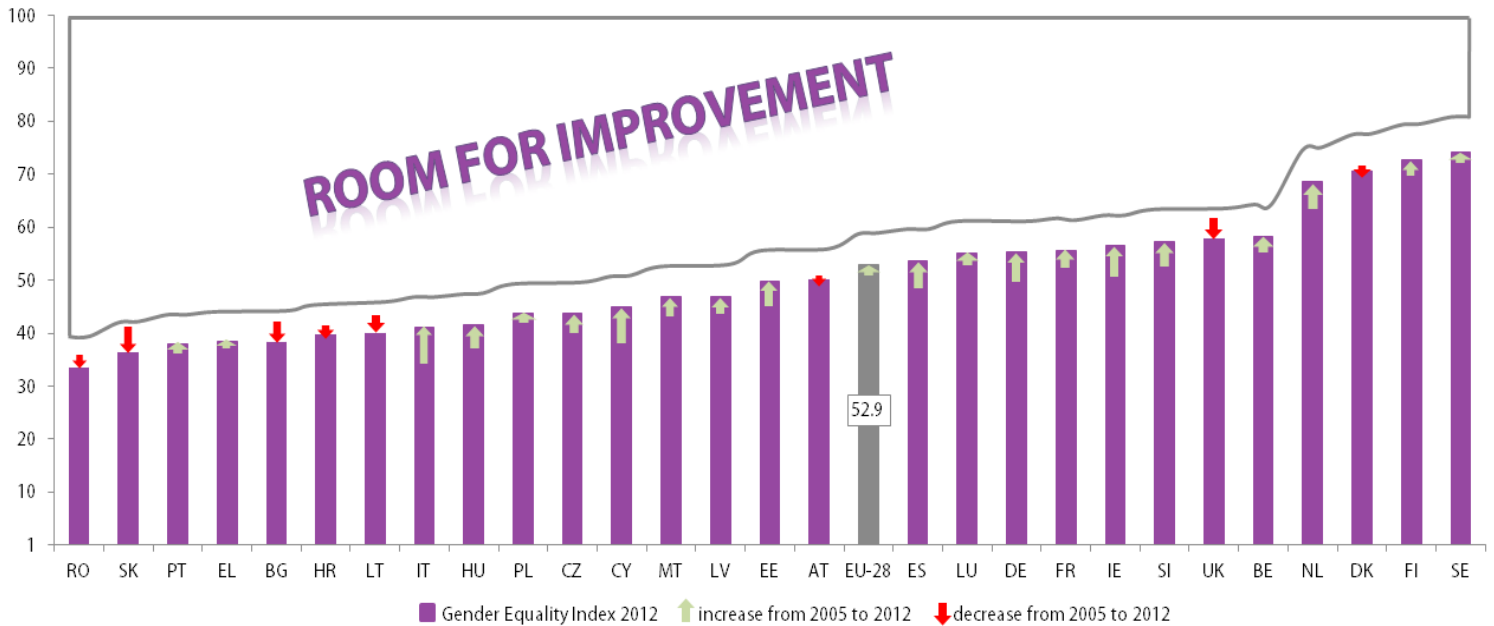
(6) Eurobarometer, 2016, *Gender based violence*, available at: <http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/yearFrom/1974/yearTo/2016/surveyKy/2115>

(7) FRA, 2014, *Violence against women: an EU-wide survey. Main results report*, available at: [http://fra.europa.eu/sites/default/files/fra-2014-vaw-survey-main-results-apr14\\_en.pdf](http://fra.europa.eu/sites/default/files/fra-2014-vaw-survey-main-results-apr14_en.pdf)

(8) Eurobarometer, 2016, *Gender based violence*, available at: <http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/yearFrom/1974/yearTo/2016/surveyKy/2115>

(9) More information on the full conceptual and measurement framework could be found in EIGE, 2013, *Gender quality Index. Report*, available at: <http://eige.europa.eu/sites/default/files/documents/Gender-Equality-Index-Report.pdf>

Figure 1 - Scores of the Gender Equality Index



Source: EIGE, Gender Equality Index

## Mainstreaming gender in the EPSR

The European Pillar of Social Rights is an opportunity to address gender inequalities in areas such as skills, education, and life-long learning. As the Gender Equality Index clearly shows, one of the persisting inequalities throughout Member States is the gender-based pattern of segregation in education.

Around three quarters of students in the educational field of Education or Health and welfare are women while men are over-represented in fields like engineering, manufacturing and construction. It is important to address and monitor segregation, given that it translates into gender inequality patterns at the level of labour market participation and society more generally.<sup>(10)</sup> This not only narrows

down life choices and employment options, but also leads to gender and pension pay gap, reinforces gender stereotypes, while also perpetrating unequal gender power relations in the public and private sphere.

Longer working lives increase the need for lifelong learning, however in the majority of Member States only a minority of women and men participate in learning and training. Moreover, those women and men that could most benefit from lifelong learning do not feel the need to participate or face the greatest obstacles to participation in learning programmes and training.

For instance, low-qualified people tend to work more often in occupations where there are fewer training opportunities. Close to half of low-qualified women in precarious jobs work in elementary occupations (such as cleaners and domestic workers) and only 20 % of them have received training in the last 12 months.

(10) EIGE, 2013, *Gender Equality Index: Report*, p140. Publications Office of the European Union, Luxembourg available at: <http://eige.europa.eu/sites/default/files/documents/Gender-Equality-Index-Report.pdf>.

Among low-qualified services and sales workers in precarious jobs, 47 % of women and 32 % of men have attended any training<sup>(11)</sup>.

To ensure equal access to education and training, support for learning environments at work should be provided across all labour market sectors and occupations, with a focus on those who are most in need of upscaling their skills. At the same time, barriers to participation that women and men face need to be addressed: While women face the pressures of work-life balance more than men, fitting training into daily schedules may pose difficulties for both women and men<sup>(12)</sup>.

(11) EIGE, *Gender, skills and precarious work* (preliminary title), publication forthcoming in 2017. Data for low-qualified employees in precarious jobs aged from 15 to 64. Precarious employment is connected with at least one of the three working-conditions: (1) very low pay: take-home pay from the main job is below the first quintile; (2) very short working hours: less than 10 hours per week, also referred to as mini-jobs; (3) low job security which might entail that employees have: (a) a temporary contract which covers 12 months or less; or (b) a permanent contract, but are looking for another job due to the risk or certainty of loss or termination of present job.

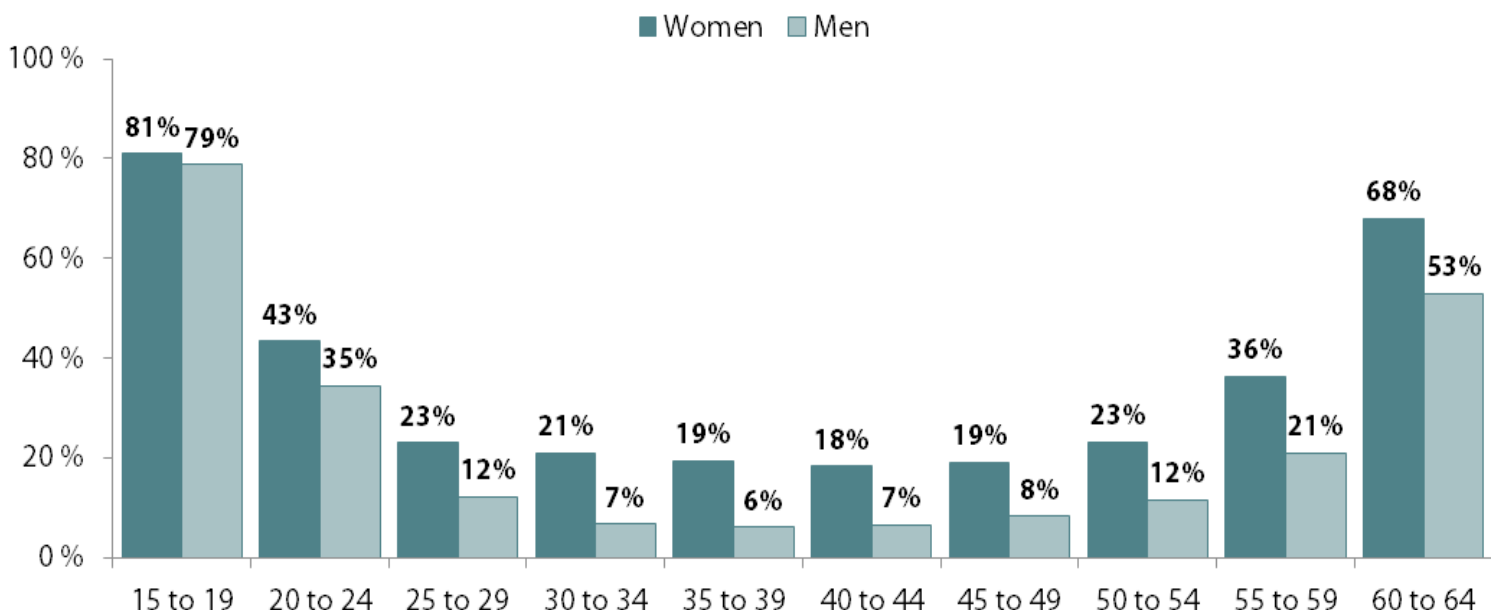
(12) Ibid. Data for low-qualified employees in precarious jobs aged from 15 to 64.

Migrant women and men tend to encounter difficulties in having non-EU qualifications recognised which weakens their employability and quality of life. Skills acquired through non-formal and informal learning often remain unrecognised and this can particularly affect employability of older people or low-qualified women and men. Integrating a life-course perspective and intersectional approach would therefore be highly beneficial for skills assessment and training policies. Moreover, integrating a gender perspective helps to avoid gender bias in assessing skills and evaluating jobs<sup>(13)</sup>.

Addressing gender inequalities in accessing the labour market as well as working conditions is necessary for effective and fair labour markets and welfare systems. Throughout their lives, women are more likely to be in a situation of economic inactivity than men (Figure 2).

(13) EIGE, *Gender, skills and precarious work* (preliminary title), publication forthcoming in 2017.

**Figure 2 - Inactivity by gender and age (EU-28, 2014)**



Source: EIGE, *Poverty, gender and intersecting inequalities*

The reasons for not looking for a job are often gender specific: a quarter of women do not seek employment because of family or personal reasons compared to 3 % of men<sup>(14)</sup>.

An intersectional perspective enables us to see a wide gender gap in inactivity among people with disabilities, as half of all women with disabilities are inactive compared to 42 % of men. People with disabilities face barriers in different areas of life, with more women experiencing barriers to mobility and accessing buildings and transport, all of which have a potential negative impact on access to the labour market<sup>(15)</sup>. Non-EU migrant population also suffers from low labour market participation, and a gender gap is remarkable: for women born outside the EU, economic inactivity is

particularly pronounced and more than twice as likely as it is for migrant men (39 % for migrant women and 20 % for migrant men).

While the preliminary outline of the Pillar acknowledges that low-qualified people face a higher risk of detachment from the labour market, low-qualified women face additional challenges due to the structural inequalities and persisting gender stereotypes. A half (49 %) of low-qualified women in the EU is out of the labour market compared to 27 % of men (Figure 3). Furthermore, over 6 million low-qualified women and 2 million men<sup>(16)</sup> across the EU have never had a job and the majority of them are not searching for a job.

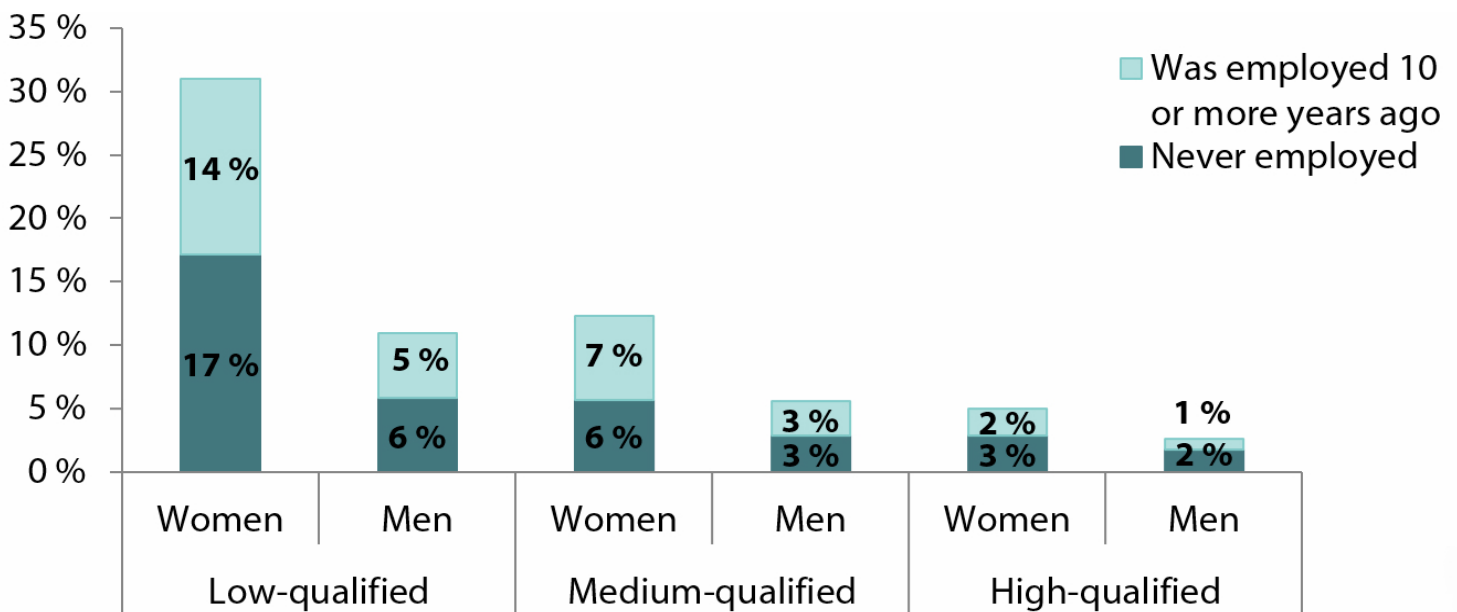
Restricted employment opportunities for low-qualified people may impact their decision to enter the labour market, particularly if searching for a job or accepting it completely

(14) Eurostat, LFS, lfsa\_ipga.

(15) EIGE, 2016, *Poverty, gender and intersecting inequalities in the EU. Review of the implementation of Area A: Women and Poverty of the Beijing Platform for Action*, available at: [http://eige.europa.eu/sites/default/files/documents/ti\\_pubpdf\\_mh0416244enn\\_pdfweb\\_20161208181320.pdf](http://eige.europa.eu/sites/default/files/documents/ti_pubpdf_mh0416244enn_pdfweb_20161208181320.pdf)

(16) Aged 20-64, excluding those who indicated that their main status is a student (except DE and UK due to data availability).

**Figure 3 - Previous working experience by gender and educational attainment (20-64, EU-28, 2014)**



Source: EIGE, *Gender, skills and precarious employment*

eliminates other forms of social support and brings along extra expenses, such as transportation or childcare costs. Active labour market policies together with social protection systems outlined in the EPSR should acknowledge the specific situation of low-qualified women and men detached from the labour market in order to provide adequate and targeted support for (re-)entering the labour market, as well as measures to develop a range of relevant skills, qualifications and work experience to enable people to enter the workforce.

A recognition of the disadvantages women accumulate over the life course (i.e. applying the life course perspective) sheds light on a particular risk group of older women whose economic inactivity is high. Women have shorter working lives (on average, women in the EU work 5 years less than men<sup>(17)</sup>) and leave labour markets too early. In an ageing society, and in light of the increasing retirement age, it is important to assist older people, particularly women, to remain in the labour market as long as possible.

Policy focus is often on the unemployed and employed population, however the challenges and needs of working-age people who are in a situation of economic inactivity have the same significance. Active support for employment would benefit from a number of other measures aimed at: enhancing everyone's access to social protection, improving quality of work for all and reducing labour market vulnerability.

As shown by the Gender Equality Index in the domain of Work, not only are women less

(17) EIGE, 2015, *Gender Equality Index 2015 – Measuring gender equality in the European Union 2005-2012*, available at: <http://eige.europa.eu/sites/default/files/documents/mh0215616enn.pdf>

likely to participate in the labour market, but throughout all EU Member States, they also tend to work fewer hours and are likely to spend fewer years in work than men overall.<sup>(18)</sup> Therefore, monitoring the full time equivalent employment rate (FTE) is an important basis for a more accurate assessment of gender related employment progress. Unlike employment rate, FTE takes into consideration number of hours worked and it reflects a higher incidence of part-time work among women.

Overall, an over-representation of women in part-time work represents one of the strongest gender differences in labour market participation<sup>(19)</sup>. Low number of working hours (including micro-jobs with fewer than 10 hours per week) is mainly associated with women and their greater (actual or presumed) responsibilities for care and often contribute to lower earnings, lower access to social security benefits, lower pensions and a higher risk of poverty. Family and personal responsibilities can lead to involuntary part-time work, mostly where childcare and care for other dependents are too expensive, of insufficient quality, not suitable or not available. It is therefore important to ensure availability of affordable care facilities and equal share of care responsibilities between women and men so that both can equally develop their potential in the labour market, ensuring their economic independence.

EIGE reaffirms the importance of measures to promote better work-life balance for women

(18) EIGE, 2015, *Gender Equality Index 2015 – Measuring gender equality in the European Union 2005-2012*, available at: <http://eige.europa.eu/sites/default/files/documents/mh0215616enn.pdf>

(19) EIGE, 2014, *Gender equality and economic independence: part-time work and self-employment. Review of the Implementation of the Beijing Platform for Action in the EU Member States*, available at: <http://eige.europa.eu/sites/default/files/documents/MH0414228ENC.pdf>

and men, such as an adequate supply of affordable, high quality and flexible care services for children and other dependents (i.e. elderly care), as well as flexible work and parental/care leave arrangements.<sup>(20)</sup>

The current situation needs a major change if improvements to employment participation for women of all ages are to be achieved. Women still undertake a bigger share of unpaid work, be it care for children, elderly or housework. As an example, even if working part-time, women on average spend about 50 hours per week on unpaid work responsibilities, whereas men spend 30 hours<sup>(21)</sup>. Despite some progress, the provision of childcare facilities, in particular for children less than three years old, still fall short of the Barcelona targets. Care availability is also often linked to formal job search (i.e. free access to public childcare facilities only granted if employed or registered unemployed), leaving those who are in a situation of economic inactivity with limited or no real pathways to benefit from childcare opportunities.

Flexible work arrangements or part-time jobs can be an effective support in reconciliation between work and family life but they should avoid perpetuating the unequal distribution of tasks in work and family lives. Therefore it is necessary for reconciliation measures to appeal to fathers as well as mothers, for example, legislative measures in a form of father's quotas to promote the take up of paternity/parental leave have been proven to be effective in initiating the respective change. The situation of

one-parent families should also be addressed as almost half of lone mothers and a third of lone fathers live at risk of poverty or social exclusion and the difference is caused mainly by the fact that lone mothers are more often living in households with low work intensity<sup>(22)</sup>.

Gender stereotypes and other societal obstacles still need to be effectively targeted and addressed. Adequate social protection whilst on parental leave should be ensured, including adequate pay and protection against discriminatory treatment in relation to parenthood. Applying a life-course perspective allows for understanding work-life balance in broader terms and including measures to address elderly and dependent care as well. Societies would benefit from investing in and developing high quality, accessible and affordable care services and infrastructure for elderly people and dependent persons.

EIGE would also draw a closer attention to working conditions and precarious employment in the EU. Overall women face a higher risk of precariousness throughout their lives. Out of all employees aged 15-64, 27 % of women and 15 % of men across the EU work in precarious jobs understood as mini-jobs with less than 10 hours per week, low paid jobs with income below the first quintile and insecure jobs. A life-course approach enables us to show that in general, young people – if employed – are less likely to have full-time permanent contracts than older people and the gender gap persists even for the younger cohorts. Young

(20) EIGE, 2013, *Reconciliation of Work and Family Life as a Condition of Equal Participation in the Labour Market. Review of the Implementation of the Beijing Platform for Action in the area F: Women and the Economy*, available at: [http://eige.europa.eu/sites/default/files/documents/mh0213042enc\\_002.pdf](http://eige.europa.eu/sites/default/files/documents/mh0213042enc_002.pdf)

(21) Eurofound, 2015. *First findings: Sixth European Working Conditions Survey*, available at: [http://www.eurofound.europa.eu/sites/default/files/ef\\_publication/field\\_ef\\_document/ef1568en.pdf](http://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1568en.pdf)

(22) EIGE, 2016, *Poverty, gender and intersecting inequalities in the EU. Review of the implementation of Area A: Women and Poverty of the Beijing Platform for Action*, available at: [http://eige.europa.eu/sites/default/files/documents/ti\\_publication\\_mh0416244enn\\_pdfweb\\_20161208181320.pdf](http://eige.europa.eu/sites/default/files/documents/ti_publication_mh0416244enn_pdfweb_20161208181320.pdf)



women and men in precarious work are often thought of as newcomers to the labour market and therefore lacking specific experience or qualifications. However, they generally tend to be overqualified for the available jobs.

When applying an intersecting approach, it is obvious that country of birth is an important risk factor for precarious working conditions. Nearly one in three of non-EU born women and one in four men work in precarious jobs<sup>(23)</sup>.

Low qualification is another factor that needs attention: Almost every second woman and every fifth man with low qualifications work in a precarious job, with 36 % of low-educated women and 16 % of men<sup>(24)</sup> receiving the lowest income (below the first quintile). Low-qualified women in precarious jobs often work in women-dominated elementary occupations, such as domestic, hotel and office cleaners and helpers and men take up so called masculine elementary occupations (mainly as transport, storage, agriculture or fishery labourers, but also as drivers and cleaners)<sup>(25)</sup>. This not only points to the high degree of gender segregation in this labour market segment, but also refers to the immense size of the population group in these particularly fragile social and work situations.

Training opportunities are also less available to low-qualified women and men, particularly if they work in precarious jobs. Only about a third of low-qualified women and men with precarious jobs have had training during the past 12 months and only a small share of them

has received a training course by the employer<sup>(26)</sup>. Policy domains and principles set in the European Pillar for Social Rights as part of the Fair working conditions should therefore address the gendered character of precarious work in a broader context of the gender segregation of labour market and gender pay gap.

Specific precarious conditions might be faced by domestic workers. It is estimated that there are 2.5 million domestic workers in the EU, 88 % of them being women<sup>(27)</sup>. Almost one third of domestic workers are excluded from national labour legislation and therefore, are not granted a safe and healthy environment and have very limited social rights and social protection. Going beyond the aforementioned issues, domestic work tends to be unstable, insecure, undeclared and is also characterised by feminisation, geographical mobility, ad-hoc hours, seasonal work and shifts, with limited or no access to healthcare, social services and social security.

The gender pay gap across EU countries is persistent and policy efforts towards its elimination would benefit by focusing on the very low pay level. As the forthcoming research note by EIGE will show, almost every fifth woman as opposed to every twelfth man receives pay below the first quintile<sup>(28)</sup>. Among other things, low pay is a barrier to achieving economic independence and may lead to a higher risk of poverty<sup>(29)</sup>.

(23) Ibid. Data for EU born and non-EU born are missing for Germany, data for non-EU born are missing for Malta.

(24) Aged 15-64, excluding those whose main status is a student (except for DE and UK due to data availability).

(25) EIGE, *Gender, skills and precarious work* (preliminary title), publication forthcoming in 2017.

(26) EIGE, 2017, *Gender, skills and precarious work*.

(27) Committee on Women's Rights and Gender Equality, 2015, *Report on women domestic workers and carers in the EU*, available at: <http://www.europarl.europa.eu/sites/getDoc.do?type=REPORT&reference=A8-2016-0053&language=EN>.

(28) EIGE, 2017, *Gender, skills and precarious work*.

(29) EIGE, 2016, *Poverty, gender and intersecting inequalities in the EU. Review of the implementation of Area A: Women and Poverty of the Beijing Platform for Action*, available at: [http://eige.europa.eu/sites/default/files/documents/ti\\_publication\\_mh0416244enn\\_pdfweb\\_20161208181320.pdf](http://eige.europa.eu/sites/default/files/documents/ti_publication_mh0416244enn_pdfweb_20161208181320.pdf)

As illustrated by Figure 4, families with children are highly dependent on men's income and as a result they face increased risk of monetary poverty. A necessary change could be achieved by a number of recognised policy measures, including greater salary transparency, gender-neutral job evaluation, skills evaluation and recognition free from gender stereotypes, etc. Reducing the gender pay gap would directly contribute to progress on a number of socio-economic issues: in-work poverty, occupational segregation and pension gap. These could be included mostly under the domain on Wages under the Chapter II Fair working conditions of the preliminary structure of the Pillar.

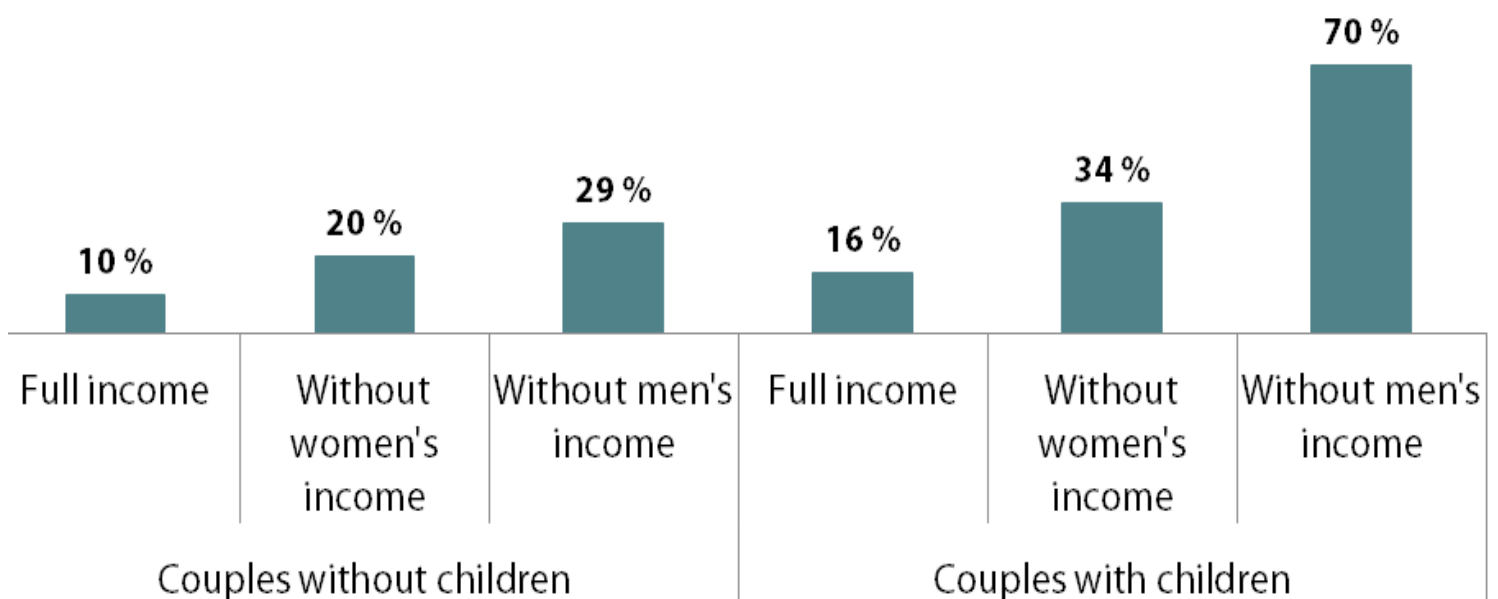
Life-long inequalities in the labour market, gender pay gap as well as overall social security system designs are among the main causes of large gender pension gaps across the EU. In

2014, women's pensions remained 40 % below men's pensions<sup>(30)</sup>. Many relatively recent pension system reforms have also introduced closer benefit-contributions links, making pension levels more dependent on career length and pay levels. Overall, this implies that given the current social security system, gender inequalities observed on the labour market become more acute at retirement age – unless a number of counter-policies are introduced. Such measures could include adequate crediting of care periods, establishing pension contribution rights by the self-employed and those in precarious employment types, providing shared pension rights in cases of divorces and legal separation, etc.

All the above mentioned challenges, such as lower employment rates, higher economic

(30) EIGE, 2015, *Gender pay gap in pensions in the EU. Research note to the Latvian Presidency*, available at: [http://eige.europa.eu/sites/default/files/documents/MH0415087ENN\\_Web.pdf](http://eige.europa.eu/sites/default/files/documents/MH0415087ENN_Web.pdf)

**Figure 4 - At-risk of poverty rate if one of the partners loses her/his income from work**



**Source:** EIGE, *Poverty, gender and intersecting inequalities*

inactivity, part-time work, segregation in the labour market, persisting gender pay gap and pension gap undermine women's economic independence<sup>(31)</sup> throughout their lives. As a consequence, not only women but also men and families face a higher risk of poverty. Many families with children are on the brink of poverty and depend heavily on a dual household income. If one of the breadwinners were to lose her or his income from work, a large share of couples would fall into monetary poverty, in particular those with children.

In the EU-28, the at-risk-of-poverty rate of couples with children was 15 % in 2014, but without the income of the father, 69 % of couples with children would fall into poverty. The impact of the mother losing her job is smaller - it would push 34 % of couples with children into poverty. Insufficient individual income is deemed to represent a lack of financial autonomy and often leads to dependence on others within the family for resources. This constitutes a risk of poverty for families and it increases with every additional child<sup>(32)</sup>. The effects of limited economic independence are likely to accumulate over the life course with a heightened vulnerability to poverty among older women, who often receive small pensions, depend on social benefits or retrieve their entitlements from their spouses<sup>(33)</sup>.

Alongside gender pension gap and limited economic independence of women in older

(31) Economic independence can be defined as the "capacity of an individual to lead an independent life and to take decisions for him/herself". European Commission, 2013, available at: [http://ec.europa.eu/justice/genderequality/files/documents/130530\\_pensions\\_en.pdf](http://ec.europa.eu/justice/genderequality/files/documents/130530_pensions_en.pdf)

(32) EIGE, 2016, *Poverty, gender and intersecting inequalities in the EU. Review of the implementation of Area A: Women and Poverty of the Beijing Platform for Action*, available at: [http://eige.europa.eu/sites/default/files/documents/ti\\_pubpdf\\_mh0416244enn\\_pdfweb\\_20161208181320.pdf](http://eige.europa.eu/sites/default/files/documents/ti_pubpdf_mh0416244enn_pdfweb_20161208181320.pdf)

(33) EIGE, 2015, *Gender pay gap in pensions in the EU. Research note to the Latvian Presidency*, available at: [http://eige.europa.eu/sites/default/files/documents/MH0415087ENN\\_Web.pdf](http://eige.europa.eu/sites/default/files/documents/MH0415087ENN_Web.pdf)

age, the chapter III on social protection of the preliminary structure of the Pillar implies several gender challenges. Direct and indirect taxation and social security contributions (i.e. altogether referred to as "taxes") require further attention. Increasingly monetary effects of the social welfare systems can only be fully comprehended when the full impact of taxes is accounted for – so as to better understand what disposable (net) income levels households or individuals have and what associated social and employment impacts are. Not only labour market participation is affected by the tax system design (e.g. second earner employment disincentives), but a number of social benefits are taxable and increasingly social support is directed via tax tools (i.e. tax allowances, tax credits, etc.).

Furthermore, in order to achieve sustainable employment and economic growth, a better understanding needs to be achieved on the negative/positive effects of tax systems on gender equality and associated socio-economic targets. A gender mainstreaming approach in the design of tax systems (direct and indirect taxation) as well as in the analysis of tax – benefit outcomes would be beneficial in achieving this goal. For example, effects of tax moves from direct to indirect taxation should be evaluated from a gender perspective, as this could impose a higher financial burden to low income households (e.g. lone parents' households).

Social protection systems serve their purpose only if they are adjusted to tackle new challenges such as the ageing population, changing family structures, new migration flows, as well as diversification of forms and conditions of employment. Social protection systems and

anti-poverty policies in particular must guarantee sufficient economic protection not just for traditional forms of gainful employment over the life-course, but especially for those carrying out unpaid care work, those engaged in non-standard or precarious employment, and those affected by career interruptions caused by care responsibilities.

A number of new forms of employment (e.g. rental work, on-demand work, zero hour contracts, traineeships etc.) become widespread and women and men often experience them for longer periods of life. Among associated issues, this implies limited and fragmented social protection and training over the life-course, including limited or no right to parental leave or to unemployment benefits and consequently lower or no old-age pension entitlements. For example, many EU countries still use the eligibility criteria that lead to limited or non-existing rights to parental leave and/or other social transfers if being in fragmented or non-continuous employment, including on the basis of part-time work<sup>(34)</sup>.

Similarly, there is often a bias in disability benefits. Data from administrative registers indicate that there are fewer women disability beneficiaries than men, which can be explained by the fact that disability benefits, especially in contribution systems, are based on labour market participation: the allocation of benefits might require a minimum number of insurance days, or be based on disabilities that predominantly affect those employment sectors where women are underrepresented (such as construction). Therefore, the lower level of em-

ployment of women and the gender segregation of the labour market might limit women's access to disability benefits<sup>(35)</sup>. Access to welfare benefits and services can also be limited for marginalised Roma communities that often face challenges in access to the labour market, particularly women who are more likely to be in a situation of economic inactivity.

Housing insecurity is identified in the outline of the Pillar as a large concern across the EU. It can be effectively addressed through a gender and intersectionality lens. The share of people – more women than men – living in financial hardship is larger in countries with high housing costs. Housing costs vary significantly across Member States and therefore have different impacts on living standards. When housing costs are deducted from income, poverty rates are much higher in all countries, especially for women. The burden of housing costs is especially high for single persons and lone parents (who are mostly women). This indicates that many people live in financial hardship even when they are not considered poor by conventional poverty indicators.

## Closing Remarks

The recommendations outline the main pathways of addressing gender equality within and throughout the European Pillar of Social Rights. Given the consultation process, EIGE is ready to further support the European Commission, where relevant, with evidence (data and research) that would facilitate the design of gender responsive policy approaches and the closing of gender gaps in the labour market and social protection systems in the EU.

(34) EIGE, 2016, *Poverty, gender and intersecting inequalities in the EU. Review of the implementation of Area A: Women and Poverty of the Beijing Platform for Action*, available at: [http://eige.europa.eu/sites/default/files/documents/ti\\_publication\\_pdf\\_mh0416244enn\\_pdfweb\\_20161208181320.pdf](http://eige.europa.eu/sites/default/files/documents/ti_publication_pdf_mh0416244enn_pdfweb_20161208181320.pdf)

(35) Ibid.

## European Institute for Gender Equality

The European Institute for Gender Equality (EIGE) is the EU knowledge centre on gender equality. EIGE supports policymakers and all relevant institutions in their efforts to make equality between women and men a reality for all Europeans by providing them with specific expertise and comparable and reliable data on gender equality in Europe.



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