



Gender in economic and financial affairs

This publication was prepared under the gender mainstreaming programme of the European Institute for Gender Equality. It constitutes the integral part of EIGE's Gender Mainstreaming Platform. The work published on the Platform represents a joint effort of EIGE Gender Mainstreaming Team and various experts and contractors who contributed in varying degrees to different sections of the Platform: Catarina Arnaut, Davide Barbieri, Daria Broglio, Irene Dankelman, Marianne Dauvellier, Jane Dennehy, Aleksandra Duda, Lucy Ferguson, Elena Ferrari, Maxime Forest, Katia Frangoudes, Regina Frey, Pat Irving, Manuela Samek Lodovici, Daniela Loi, Lin McDevitt-Pugh, Katerina Mantouvalou, Lut Mergaert, Siobán O'Brien Green, Nicola Orlando, Thera van Osch, Flavia Pesce, Irene Pimminger, Sheila Quinn, Cristina Radoi, Alide Roerink, Lenka Simerska, Cristina Vasilescu, Nathalie Wuïame and Margherita Sofia Zambelli.

EIGE would also like to thank its Experts' Forum Members, Members from the Gender Mainstreaming Thematic Network and the European Commission who have contributed to a large extent with their expertise, ideas and feedback.

This publication is available online through EIGE's Gender Mainstreaming Platform: <http://eige.europa.eu/gender-mainstreaming>

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Luxembourg: Publications Office of the European Union, 2016

Print MH-02-16-895-EN-C 978-92-9493-597-7 10.2839/278407

PDF MH-02-16-895-EN-N 978-92-9493-598-4 10.2839/278407

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1. Relevance of gender in the policy area

The European Union (EU) is one of the world's largest economies, accounting for more than 20 % of global gross domestic product (GDP). Trading by EU Member States with countries beyond the EU represents 17 % of global trade flows. The perspective of a single market for Member States is at the heart of EU economic and financial policy. All EU Member States form part of the economic and monetary union (EMU), which is an arrangement between the Member States based on a single market. The creation of a single market is the result of a historical process which started in 1957, when the founding Member States of the EU wished to create a common market. The EU coordinates economic and fiscal policies, applies a common monetary policy and promotes a common currency ⁽¹⁾.

EU governments have agreed on a wide range of rules to ensure the quality and appropriateness of their economic policies ⁽²⁾. All EU Member States are committed under rules known as the stability and growth pact (SGP) to pursuing sound public finances because they are an essential prerequisite for sustainable economic growth and financial stability ⁽³⁾. Moreover, all EU Member States present to the Commission the budgetary measures they intend to implement in order to fulfil their commitments ⁽⁴⁾. The EU also has rules to encourage economic stability by preventing the development of risky macroeconomic imbalances. The macroeconomic imbalance procedure ⁽⁵⁾ ensures that governments tackle any national economic trends that could pose a threat to other EU economies and discuss these with the Commission and other Member States ⁽⁶⁾. The EU's approach to fighting the economic, financial and sovereign debt crisis can be described as a combination of fiscal consolidation, financial sector stabilisation and structural reforms in labour and product markets. This approach is reflected in the priorities set by the annual growth survey ⁽⁷⁾ and in the European Commission's country-specific policy recommendations to Member States in the framework of

the European Semester, the EU's annual cycle of economic policy coordination.

Within this context, gender is considered a relevant factor to overcome economic and financial crisis, and for the recovery of the European economy. The promotion of gender equality will unleash the talents and capacities of women, which are needed to achieve the goals of sustainable growth:

'The global economy is not making use of great potential that is available. And that needs to change, not just for women's sake, but for economies' sake', according to Christine Lagarde, Managing Director of the International Monetary Fund (IMF), in a keynote speech in Tokyo ⁽⁸⁾.

From a macroeconomic perspective, women's inclusion in the labour market is relevant in terms of fostering economic growth. Looking at the performance of countries and regions, a clear strong positive correlation emerges between gender equality in the labour market and economic growth. The direction of causality goes mainly from economic growth to gender equality ⁽⁹⁾, but it is also true that full participation by women in the labour market supports GDP growth, as more (qualified) human resources are involved in the production system. Increased participation of women in the labour market will also mitigate the impact of the contraction of the labour force due to an ageing population, and will stimulate economic growth. The IMF indicates that GDP would rise considerably if women's labour force participation were equal to that of men ⁽¹⁰⁾.

Providing women with equal economic opportunities and unleashing the full potential of the female labour force, with significant prospective growth and welfare implications, will require an integrated set of policies to promote and support women's employment ⁽¹¹⁾.

⁽¹⁾ European Commission, Directorate-General for Economic and Financial Affairs (DG ECFIN), *DG Economic and Financial Affairs 2014 management plan*, Publications Office of the European Union, Luxembourg, 2014, p. 22, http://ec.europa.eu/dgs/economy_finance/organisation/ecfin_mp_en.pdf.

⁽²⁾ http://ec.europa.eu/economy_finance/economic_governance/index_en.htm

⁽³⁾ European Commission, DG ECFIN, *DG Economic and Financial Affairs 2014 mission statement*, Publications Office of the European Union, Luxembourg, http://ec.europa.eu/dgs/economy_finance/organisation/mission_en.pdf.

⁽⁴⁾ Member States that use the euro as their currency do this through 'stability programmes', while the rest submit 'convergence programmes'.

⁽⁵⁾ http://ec.europa.eu/economy_finance/economic_governance/macro-economic_imbalance_procedure/mip_framework/index_en.htm

⁽⁶⁾ European Commission, DG ECFIN, *The role of structural reform for adjustment and growth*, by Erik Canton, Isabel Grilo, Josefina Monteagudo, Fabiana Pierini and Alessandro Turrini, June 2014, http://ec.europa.eu/economy_finance/publications/economic_briefs/2014/pdf/eb34_en.pdf.

⁽⁷⁾ http://ec.europa.eu/news/2015/11/20151126_en.htm

⁽⁸⁾ Hasegawa, K., *IMF chief backs Japan gender drive at women's conference*, AFP, 12 September 2014, <http://news.yahoo.com/japan-pm-abe-host-womens-conference-052701095.html>.

See also a recent publication from the IMF on this: <https://www.imf.org/external/pubs/ft/sdn/2015/sdn1520.pdf>.

⁽⁹⁾ Lofstrom, A., *A report on gender equality and economic growth*, Umea University, 2001, http://www.usbe.umu.se/digitalAssets/64/64881_gender-equality-and-economic-growth-2001.pdf.

⁽¹⁰⁾ IMF, *Women, work, and the economy: Macroeconomic gains from gender equity: Staff discussion note, SDN/13/10*, prepared by K. Elborgh-Woytek, M. Newiak, K. Kochhar et al., 2013, <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>.

⁽¹¹⁾ Sen, A., 'Many faces of gender inequality', *Frontline*, Vol. 18, No 22.



Research suggests that well-designed, comprehensive policies can be effective in boosting women's economic opportunities and their actual economic participation⁽¹²⁾. Implementing policies that remove labour market distortions and create a level playing field for all would help boost the demand for women's labour⁽¹³⁾.

With respect to gender, incentives should be in place to increase participation in the labour market by women and/or older people. Along with improving skills, this can produce larger gains in the medium to long term⁽¹⁴⁾. The issue has been developed in a recent report analysing the impact of government policies on secondary earners⁽¹⁵⁾. Secondary earners are individuals who are employed and earn less than their partners. They represent the majority of working women in married or cohabiting couples. Women's labour market participation is known to be responsive to financial incentives and disincentives. The effects of different policies can be seen in increased hours worked, income earned or labour force participation rates for women. For new entrants to the labour market, the effects can be seen in increased numbers starting work. The evidence is consistent with the theory that the design of the tax benefit system, or out-of-pocket childcare costs (or both), can affect the secondary earners' choice of working hours or their decision to enter employment.

Finally, gender inequalities are particularly relevant when the pension system and reforms are taken into consideration. Many recent pension reforms concern themselves with correcting incentives and other parameters responsible for gender pension inequality and in this sense create a 'level playing field' between women and men. If earnings and pay inequality is eradicated in paid labour, it follows that the underlying conditions for gender differences in pensions would cease to exist. In this sense, and if current policies are maintained, the pension gender gap will disappear on its own. Once reformed pension systems settle to their

long-term condition, gender will no longer be a cause for concern for pension policy⁽¹⁶⁾.

Gender equality in economic and financial affairs is thus still influenced by a set of persistent gender inequalities, which are as follows:

- gender implications in labour market policies and reforms;
- gender implications in fiscal policies;
- gender implications in pension policies and reforms.

⁽¹²⁾ Revenga, A. and Shetty, S., 'Empowering women is smart economics,' *Finance & Development*, Vol. 49, No 1, 2012, <http://www.imf.org/external/pubs/ft/fandd/2012/03/pdf/revenga.pdf>; Aguirre, D., Hoteit, L., Rupp, C. and Sabbagh, K., *Empowering the third billion. Women and the world of work in 2012*, 2012, Booz and Company, http://www.strategyand.pwc.com/media/file/Strategyand_Empowering-the-Third-Billion_Full-Report.pdf; Dufo, E., 'Women empowerment and economic development', *Journal of Economic Literature*, Vol. 50, No 4, 2012, pp. 1051-1079.

⁽¹³⁾ IMF, *Women, work, and the economy: Macroeconomic gains from gender equality: Staff discussion note*, SDN/13/10, prepared by K. Elborgh-Woytek, M. Newiak, K. Kochhar et al., 2013, <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>.

⁽¹⁴⁾ European Commission, *The growth impact of structural reforms. Quarterly report on the euro area*, Vol. 12, No 4, 2013, http://ec.europa.eu/economy_finance/publications/qr_euro_area/2013/pdf/qrea4_en.pdf; European Commission, *The potential growth impact of structural reforms in the EU: A benchmarking exercise*, 2014, http://ec.europa.eu/economy_finance/publications/economic_paper/2014/pdf/ecp541_en.pdf.

⁽¹⁵⁾ European Commission, *Secondary earners and fiscal policies in Europe*, prepared by Olga Rastrigina and Alina Verashchagina (supervision by Francesca Bettio), 2015, http://ec.europa.eu/justice/gender-equality/files/documents/150511_secondary_earners_en.pdf.

⁽¹⁶⁾ European Commission, *Men, women and pensions*, prepared by Platon Tinios, Francesca Bettio and Gianni Betti in collaboration with Thomas Georgiadis, 2015, http://ec.europa.eu/justice/gender-equality/files/documents/150618_men_women_pensions_en.pdf.

2. Issues of gender inequalities in the policy area

Gender implications in labour market policies and reforms

Gendered division of labour and the gendered nature of institutional arrangements, which differentially structure women and men's access to opportunities and resources (including employment), mean that labour market outcomes vary between women and men. Under these circumstances, different labour markets and/or reforms are likely to generate different results for women and men, with strong related implications for welfare outcomes⁽¹⁷⁾.

At the same time, the increased participation of women in the labour market will mitigate the impact of the contraction of the labour force due to an ageing population, and will stimulate economic growth. The IMF indicates that GDP would rise considerably if women's labour force participation were equal to that of men; for instance, equal participation would raise GDP by 5 % in the United States, by 9 % in Japan and by as much as 34 % in Egypt⁽¹⁸⁾.

With the prospect of a shrinking working-age population, increasing the labour force participation and raising the employment rate of women is paramount to meeting the Europe 2020 headline target (75 % of the population aged 20-64 should be employed by 2020), thereby counteracting the shrinking of the workforce and boosting growth. This requires continuity of effort to tackle gender gaps, particularly in terms of pay, economic activity, career prospects, and therefore pensions, and to move from a model with one male earner and female carer to a dual model where both women and men are earners and carers⁽¹⁹⁾. GDP per capita losses attributable to gender gaps in the labour market have been estimated at up to 10 % in Europe⁽²⁰⁾.

Other policies to increase women's participation in the labour market refer to aspects related to working

arrangements and labour time. The availability of flexible working arrangements allows women to better balance their formal employment with other demands on their time. Moreover, the forms of flexible working arrangements are both country- and company-specific and can include telework and compressed work schedules. Policies could encourage a more gender-neutral use of flexible working arrangements and a larger uptake of parental leave benefits by fathers⁽²¹⁾. Additionally, part-time employment has become an entry point to the labour market for women whose labour supply is constrained by family responsibilities. Facilitating the eventual transition from part-time to full-time employment could help to mitigate the lower pay and benefits and the more limited career opportunities associated with part-time work⁽²²⁾. Finally, regulatory reform that supports child and elderly care can also promote gender equality.

Gender implications in fiscal policies

Fiscal policies are strictly related to labour market policies and reforms. Indeed, taxation of income from labour and government spending on social welfare benefits have similar effects on labour markets. They weaken the link between labour supply and income, thereby influencing the decision to participate in the labour market. Therefore, the appropriate design of benefits is important in avoiding disincentives to work⁽²³⁾.

A growth-friendly tax structure could go hand in hand with social equity if tax reforms are adequately designed. Fiscal reconsolidation policies do not have the same impact on all women⁽²⁴⁾.

⁽¹⁷⁾ United Nations Research Institute for Social Development (UNRISD), *Work and welfare: Revisiting the linkages from a gender perspective*, prepared by Sarah Cook and Shahra Razavi, UNRISD Research Paper No 2012, 7 December 2012, [http://www.unrisd.org/80256B3C005BCCF9/httpAuxPages%20\)/F52656072DF9EBB2C1257AD9004657C5/\\$file/Cook%20Razavi.pdf](http://www.unrisd.org/80256B3C005BCCF9/httpAuxPages%20)/F52656072DF9EBB2C1257AD9004657C5/$file/Cook%20Razavi.pdf).

⁽¹⁸⁾ IMF, *Women, work, and the economy: Macroeconomic gains from gender equity: Staff discussion note, SDN/13/10*, prepared by K. Elborgh-Woytek, M. Newiak, K. Kochhar et al., 2013, <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>.

⁽¹⁹⁾ European Commission, *Female Labour Market Participation*, 2014, http://ec.europa.eu/europe2020/pdf/themes/31_labour_market_participation_of_women.pdf

⁽²⁰⁾ Teignier, M. and Cuberes, D., *Aggregate costs of gender gaps in the labor market: A quantitative estimate*, 2014, http://www.marcteignier.com/research_files/GGLMAP_CT.pdf.

⁽²¹⁾ IMF, *Women, work, and the economy: Macroeconomic gains from gender equity: Staff discussion note, SDN/13/10*, prepared by K. Elborgh-Woytek, M. Newiak, K. Kochhar et al., 2013, <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>.

⁽²²⁾ International Labour Organization, *Women in labour markets: Measuring progress and identifying challenges*, 2010, http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_elm/---trends/documents/publication/wcms_123835.pdf.

⁽²³⁾ IMF, *Women, work, and the economy: Macroeconomic gains from gender equity: Staff discussion note, SDN/13/10*, prepared by K. Elborgh-Woytek, M. Newiak, K. Kochhar et al., 2013, <http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>.

⁽²⁴⁾ Avram, S., Figari, F., Leventi, C., Levy, H., Navicke, J., Matsaganis, M. et al., *The distributional effects of fiscal consolidation in nine EU countries*, EURO-MOD Working Paper Series EM2/13, 2013, <https://www.iser.essex.ac.uk/research/publications/working-papers/euromod/em2-13>.



Labour taxes are often high and particularly detrimental to low-skilled and second earners, contributing to persistent exclusion of these groups from the labour market. High labour taxes (including social security contributions) can reduce the incentives either for the low-skilled to work or for employers to hire them, or both. Moreover, increasing tax expenditure in the area of personal income tax may be less efficient in achieving the initial objectives than direct support to low-income households ⁽²⁵⁾:

If taxes are imposed on family income rather than individual income, the tax wedge applied to secondary earners — often married women — will be higher than for a single but otherwise identical woman. Family taxation and family-related tax elements (such as mandatory joint filing, dependent spouse allowances, and tax credits conditional on family income) are still widespread ⁽²⁶⁾

The individualisation of income tax alone is, however, not enough. Fiscal allowances for unpaid care labour are even more important in terms of creating equal opportunities for workers with family responsibilities, and preventing pension gaps. Fiscal policy which includes 'publicly financed parental leave schemes can help parents reconcile work and family life, and maintain their connection to the labour market through a guaranteed return to their job' ⁽²⁷⁾. Additional policies are often needed to provide and encourage greater parity between paternity and maternity leave, and to support mothers with a more rapid return to the labour market, including raising awareness about shared parenting, and public investments in accessible and good-quality care facilities for children and elderly people. According to Christine Lagarde, '[c]ountries can lift up women by adopting more pro-female, pro-family approaches. Such policies include moving more from family to individual taxation; providing more affordable childcare and parental leave; and providing a flexible working environment' ⁽²⁸⁾.

Gender implications in pension policies and reforms

The gender gap in pensions can be understood as the sum of gender inequalities over a lifetime, including differences in the life course (motherhood penalty), segregated labour market and gendered social norms, and stereotypes more generally ⁽²⁹⁾.

The gender gap in pensions throughout the EU is considerable. In 2012, the gender gap in pensions amounted to 38 % on average in the EU. Notwithstanding the fact that the difference between pensions varies from country to country — from 5 % in Estonia to 45 % in Germany — the tendency for men to receive higher pensions than women is observed in all Member States ⁽³⁰⁾.

A gender gap in pensions of 38 % for 2012 is not only an alarming number for the individuals concerned; it also gains relevance when understood as the sum of gender inequalities over the life course. The gender gap in pensions can be explained by women's lower lifetime earnings and smaller or interrupted social security contributions, due to caring responsibilities, pregnancy and greater propensity to work part-time ⁽³¹⁾.

Pension gaps can be prevented if workers — both women and men — are entitled to care allowances to build up pension rights in those periods of their lives when they are unable to work full-time due to additional care work for young children, a sick partner or elderly parents.

The possibility of being able to balance pension sustainability and adequacy has a definite gender dimension. Increasing women's participation in paid labour is the single largest resource that can bolster pension systems. Additionally, greater (paid) labour input on the part of women will be the most important long-term answer to the problem of poor older women with low pensions. However, more paid labour on the part of women comes at the price of fewer overall resources devoted to care work (paid and unpaid). What is gained in terms of financial sustainability from a more supportive tax and pension system may be lost in the longer run through, for example, lower fertility.

⁽²⁵⁾ Avram, S., Figari, F., Leventi, C., Levy, H., Navicke, J., Matsaganis, M. et al., *The distributional effects of fiscal consolidation in nine EU countries*, EURO-MOD Working Paper Series EM2/13, 2013, <https://www.iser.essex.ac.uk/research/publications/working-papers/euromod/em2-13>.

⁽²⁶⁾ Avram, S., Figari, F., Leventi, C., Levy, H., Navicke, J., Matsaganis, M. et al., *The distributional effects of fiscal consolidation in nine EU countries*, EURO-MOD Working Paper Series EM2/13, 2013, <https://www.iser.essex.ac.uk/research/publications/working-papers/euromod/em2-13>.

⁽²⁷⁾ Avram, S., Figari, F., Leventi, C., Levy, H., Navicke, J., Matsaganis, M. et al., *The distributional effects of fiscal consolidation in nine EU countries*, EURO-MOD Working Paper Series EM2/13, 2013, <https://www.iser.essex.ac.uk/research/publications/working-papers/euromod/em2-13>.

⁽²⁸⁾ IMF, 'Lagarde calls for reforms to unleash economic power of women', *IMF Survey*, 15 September 2014, <http://www.imf.org/external/pubs/ft/survey/so/2014/car091514b.htm>.

⁽²⁹⁾ European Institute for Gender Equality (EIGE), *Gender gap in pensions in the EU: research note to the Latvian Presidency*, 2015, http://eige.europa.eu/sites/default/files/documents/MH0415087ENN_Web.pdf.

⁽³⁰⁾ EIGE, *Gender gap in pensions in the EU: research note to the Latvian Presidency*, 2015, http://eige.europa.eu/sites/default/files/documents/MH0415087ENN_Web.pdf.

⁽³¹⁾ EIGE, *Gender gap in pensions in the EU: research note to the Latvian Presidency*, 2015, http://eige.europa.eu/sites/default/files/documents/MH0415087ENN_Web.pdf.

A pension system that encourages women's work without compromising total care resources is a win-win solution ⁽³²⁾.

Pension benefits in the EU are based on gainful employment over the life course. Specifically, in recent years reforms have linked old-age pensions to longer periods of gainful employment. As women's life courses often involve periods of unpaid care work, they face a disadvantage ⁽³³⁾.

Insufficiently gender-sensitive pension reforms, and the privatisation of pensions, can significantly hamper women's access to economic resources in old age. Gender-blind policies, such as the current shift towards private pensions, can amplify inequalities as men are more likely to be financially capable of investing in private pensions as opposed to women, due to higher wages and less involvement and participation in childcare. Pension reforms should therefore be approached from a gender perspective and should account for both women's and men's lived experiences and life courses ⁽³⁴⁾.

⁽³²⁾ European Commission, *Men, women and pensions*, prepared by Platon Tinios, Francesca Bettio and Gianni Betti in collaboration with Thomas Georgiadis, 2015, http://ec.europa.eu/justice/gender-equality/files/documents/150618_men_women_pensions_en.pdf.

⁽³³⁾ European Commission, *Men, women and pensions*, prepared by Platon Tinios, Francesca Bettio and Gianni Betti in collaboration with Thomas Georgiadis, 2015, http://ec.europa.eu/justice/gender-equality/files/documents/150618_men_women_pensions_en.pdf.

⁽³⁴⁾ EIGE, *Gender gap in pensions in the EU: research note to the Latvian Presidency*, 2015, http://eige.europa.eu/sites/default/files/documents/MH0415087ENN_Web.pdf.

3. Gender equality policy objectives at the EU and international levels

EU level

European Commission

The European Commission is focusing on tax and tax reforms with particular reference to low-wage and second-income earners, among whom women are over-represented. The tax wedge remains high in many Member States. A high and in some cases increasing tax wedge, especially for low-wage and second-income earners, remains an important issue in a considerable number of Member States. Tax benefit systems in some countries continue to discourage women to take up work or work more, in particular by providing disincentives for second earners to work full-time⁽³⁵⁾.

Some groups within the population are considered particularly responsive to changes in after-tax wages, e.g. low-income earners and second earners. The tax burden on second earners is high. This is considered to be the case if the inactivity or low-wage trap is relatively high, with labour taxes making a relatively large contribution to the disincentive effect. If the employment level for the relevant group (overall, low-skilled workers or women) is relatively high, the need to reduce the tax burden on labour is considered a borderline case⁽³⁶⁾.

In its annual policy recommendations on national reform programmes of Member States, the Commission points out the attention paid to this issue, and several examples of recommendations may be identified. For example, in its Recommendation to Austria in 2014, the Commission stated that 'high social contributions and entry income taxes are likely to lower incentives to work for individuals with low earnings potential and for second earners'⁽³⁷⁾, while in the same year it invited Germany to 'take measures to

reduce fiscal disincentives to work, in particular for second earners'⁽³⁸⁾.

In its policy paper *An agenda for adequate, safe and sustainable pensions*, the Commission sets out the options for national action and EU support. It focuses in particular on the need to enable and encourage people to stay in work longer and to save more for their retirement through supplementary pension schemes. The White paper proposes some specific actions with a gender impact. Key actions are the promotion of longer working lives by linking retirement age with life expectancy, restricting access to early retirement and closing the pension gap between women and men⁽³⁹⁾. In its annual policy recommendations on the national reform programmes of Member States, the Commission points out the attention paid to this issue as well. For example, it suggests that Member States should 'take measures to ensure the long-term sustainability of the pension system including, by earlier harmonisation of the statutory retirement age for men and women, [and should] link the statutory retirement age to life expectancy'⁽⁴⁰⁾.

European Parliament

In its report *European Semester for economic policy coordination: implementation of 2015 priorities*⁽⁴¹⁾, the European Parliament calls on the Commission to ensure that in its policy guidance labour market reforms are aimed, inter alia, at promoting gender equality. This includes providing guidance to Member States on addressing the low participation of women in the labour market by tackling labour market segregation, the gender pay gap and the unequal distribution of care responsibilities. It also stresses the need for a broader gender-equality approach going beyond employment rates.

⁽³⁵⁾ European Commission, *Draft Joint Employment Report from the Commission and the Council accompanying the Communication from the Commission on the Annual Growth Survey 2015*, Brussels, 28.11.2014 COM(2014) 906 final, http://ec.europa.eu/europe2020/pdf/2015/jer2015_en.pdf.

⁽³⁶⁾ Directorate-General for Taxation and Customs Union/DG ECFIN, *Tax Reforms in EU Member States: 2015 report. Taxation papers: Working paper no 58 — 2015*, http://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/gen_info/economic_analysis/tax_papers/taxation_paper_48.pdf.

⁽³⁷⁾ European Commission, Recommendation for a Council Recommendation on Austria's 2014 national reform programme and delivering a Council opinion on Austria's 2014 stability programme, 2/6/2014 COM(2014) 421 final, http://ec.europa.eu/europe2020/pdf/csr2014/csr2014_austria_en.pdf.

⁽³⁸⁾ European Commission, Recommendation for a Council Recommendation on Germany's 2014 national reform programme and delivering a Council opinion on Germany's 2014 stability programme, 2/6/2014 COM(2014) 406 final, <http://ec.europa.eu/transparency/regdoc/rep/1/2014/EN/1-2014-406-EN-F1-1.Pdf>.

⁽³⁹⁾ European Commission, *White paper: an agenda for adequate, safe and sustainable pensions*, Brussels, 16/2/2012 COM(2012) 55 final, 2012, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0055:FIN:EN:PDF>.

⁽⁴⁰⁾ European Commission, Recommendation for a Council Recommendation on Austria's 2014 national reform programme and delivering a Council opinion on Austria's 2014 stability programme, 2/6/2014 COM(2014) 421 final, http://ec.europa.eu/europe2020/pdf/csr2014/csr2014_austria_en.pdf.

⁽⁴¹⁾ <http://www.europarl.europa.eu/sides/getDoc.do?type=REPORT&reference=A8-2015-0307&language=EN>

The Committee on Women's Rights and Gender Equality (FEMM) submitted an opinion to the Committee on Economic and Monetary Affairs in the same report, which included, that it:

- regrets the absence of gender mainstreaming in the Europe 2020 strategy, and calls on the Commission and the Council to introduce a gender-equality pillar and an overarching gender equality objective into the strategy;
- reiterates that the goal of coordinating economic and fiscal policies in the Member States can be achieved only if policies on equality are also coordinated;
- welcomes those country-specific recommendations (CSRs) intended to advance gender equality, but calls for greater inclusion of the gender mainstreaming perspective in the formulation of CSRs, specifically with regards to labour market reforms and work-life balance;
- calls on the Commission to ensure that Member States implement the CSRs of the European Semester on strengthening the principle of equal pay between women and men through transparency and addressing the gender pay gap;
- calls for specific equality policy guidance on reducing other gender inequalities to be included in the annual growth survey;
- calls on the Member States and the Commission to remove the constraints on women participating in the labour market, notably by establishing mechanisms, in particular appropriate periods of maternity, paternity and parental leave, to be standardised across the EU, in order to enable women to achieve a good work-life balance;
- reiterates its call on the Member States to incorporate the gender dimension into their stability and convergence programmes and national reform programmes;
- calls on the Commission to support the Member States in making greater use of structural funds for investment in public care structures and services for children, the elderly and other dependents;
- notes the disproportionate impact that lack of investment in public care structures and services has on single parents, the vast majority of whom are women;
- stresses the need to prioritise action to tackle unemployment, poverty and social exclusion, which affect women above all, and to give priority to sustainable employment, high-quality jobs, investment, and high-quality public services which ensure social inclusion, especially in the areas of education, health, childcare, care of dependent persons, public transport and social services;
- calls on the Commission and the Member States to formulate and implement CSRs on subjects specifically affecting the position of women in labour markets;
- notes that the financial and economic crisis has had serious implications for the demographic challenges facing Europe, including the ageing population;
- notes that the gender pensions gap in Europe stands at 39 % and emphasises that employment policies and the design of social transfer systems have profound implications for women's ability to pay pension contributions, and that CSRs should take account of this situation;
- argues that the gender implications of longer working lives need to be examined;
- invites the responsible Commissioner(s) to discuss the gender aspects of the annual growth survey with FEMM each year;
- is deeply concerned by the fact that cuts in the financing of women's organisations, institutions and equality bodies have led to closures and a significant scaling-back of operations;
- calls for specific guidelines and procedures to be included in the European Semester to ensure accountability, consultation and dialogue with national stakeholders, civil society organisations and trade unions; and
- stresses that labour market flexibility must not come at the cost of forms of social protection such as minimum wages, collective bargaining rights or maternity and paternity rights, or jeopardise the preservation of secure, high-quality jobs in line with the Decent Work Agenda.



International level

United Nations

The United Nations Department of Economic and Social Affairs recognises ⁽⁴²⁾ that the economic and financial crisis puts a disproportionate burden on women, who are often concentrated in vulnerable employment, are more likely to be unemployed than men, tend to have lower unemployment and social security benefits, and have unequal access to and control over economic and financial resources.

Gender inequality carries economic costs. Missing the third Millennium Development Goal (MDG3) ⁽⁴³⁾ target could result in countries having 0.1-0.3 percentage points lower per capita growth rates. Estimates show that the Asia and Pacific region is losing USD 42 billion to USD 47 billion annually because of women's limited access to employment opportunities, and another USD 16 billion to USD 30 billion annually as a result of gender gaps in education. A growing body of evidence ⁽⁴⁴⁾ demonstrates that investing in women and girls has a multiplier effect on productivity, efficiency and sustained economic growth. It is crucial to ensure that policy responses to the financial and economic crisis take into account the differential priorities and needs of women, men, girls and boys and do not undermine the policies and plans that promote gender equality and women's empowerment.

During the 53rd session of the Commission on the Status of Women (CSW) ⁽⁴⁵⁾, CSW decided to focus in 2009 on the gender perspective of the financial crisis as an emerging issue. An interactive expert panel was held on 5 March 2009 where gender-specific impacts of the financial and economic crisis and their disproportionate burden on women were discussed. Participants recommended measures to ensure that gender perspectives are incorporated in policy responses to the financial crisis.

⁽⁴²⁾ <http://www.un.org/esa/desa/financialcrisis/gender.html>

⁽⁴³⁾ MDG3: promote gender equality and empower women. Target 3.A: eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015. Since 2015 the UN has used sustainable development goals (SDGs). SDG5 is dedicated to 'achieve gender equality and empower all women and girls'.

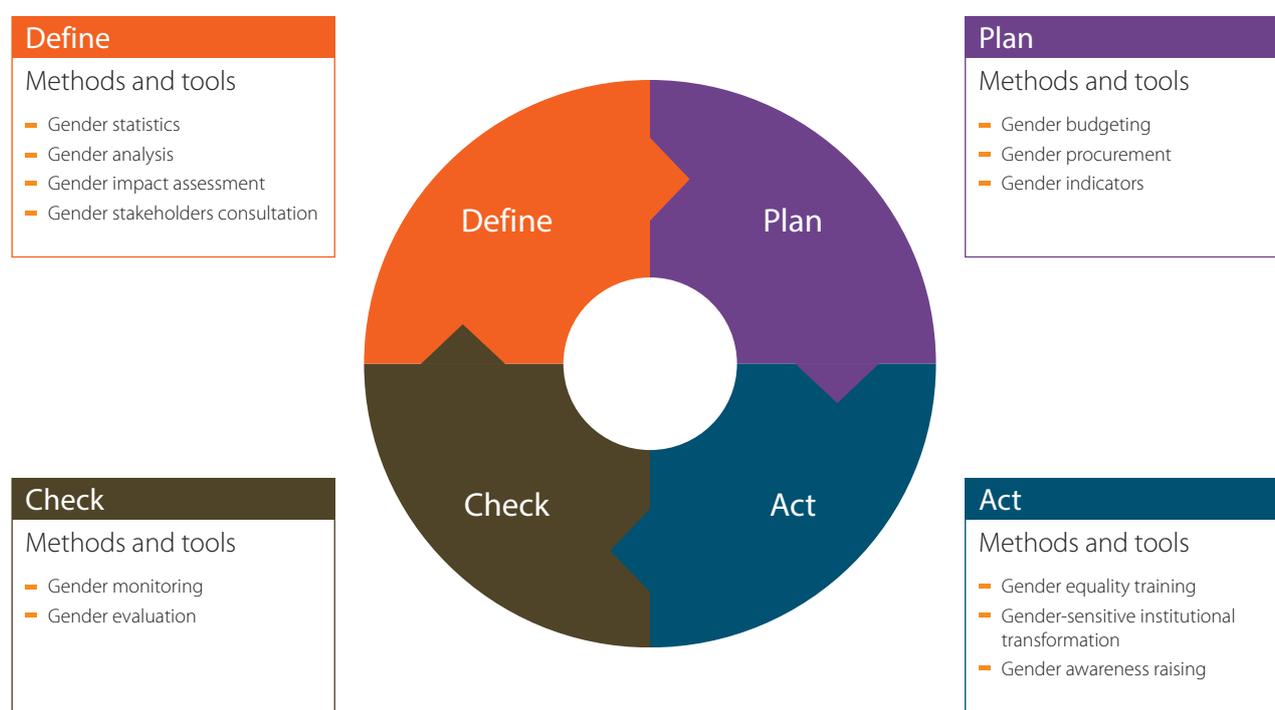
⁽⁴⁴⁾ See, for example, OECD, *Investing in women and girls the breakthrough strategy for achieving all the MDGs*, 2010, <http://www.oecd.org/dac/gender-development/45704694.pdf>.

⁽⁴⁵⁾ CSW is the principal global intergovernmental body exclusively dedicated to the promotion of gender equality and the empowerment of women. <http://www.unwomen.org/en/csw>

4. How and when? Economic and financial affairs, and the integration of the gender dimension into the policy cycle

The gender dimension can be integrated in all phases of the policy cycle.

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



Define

DEFINE PLAN ACT CHECK

In this phase, it is recommended that information is gathered on the situation of women and men in a particular area. This means looking for sex-disaggregated data and gender statistics, as well as checking for the existence of studies, programme or project reports, and/or evaluations from previous periods.

Examples of gender and economic and financial affairs statistics

LABREF — LABour market REForm database

LABREF database is a joint project managed by the European Commission and the Economic Policy Committee (EPC).

The aim of the project, started in December 2005, is to support the work carried out in the framework of the Europe 2020 strategy and to improve the understanding of labour market institutions as part of the general economic policy surveillance of Member States.

The LABREF database provides information on the design, scope and durability of labour market reforms. It focuses on selected characteristics of measures introduced as part of labour market reforms and provides information on their expected implementation. LABREF covers nine broad policy areas:

- labour taxation;
- unemployment and welfare-related benefits;
- active labour market programmes;



- employment protection legislation;
- early retirement and disability schemes;
- pension systems;
- wage bargaining framework;
- working time organisation;
- immigration;
- labour mobility policies.

These areas correspond to 49 fields of policy intervention. A single measure may cover several areas of policy intervention and therefore be recorded several times. What matters is not the format of the measure itself, but rather the different policy actions it involves. For each recorded measure the database provides information on a number of key characteristics identifying specific related reform features of the reform design.

Several fields of interventions are gender relevant, for example part-time, working hours management, family-related working time organisation, etc. Moreover, the database identifies whether policy initiatives are targeted, and women may be identified among targets, when relevant.

The database allows for tracking reforms by country, policy area, year of adoption and key characteristics of the reform design. This configuration allows for undertaking cross-country analysis on the pace and type of reforms enacted in a particular year, as well as for tracking reforms over time, thus providing a consistent and policy-relevant picture of different reform strategies being pursued by Member States. It also sheds light on the existing interactions between various labour market institutions.

<https://webgate.ec.europa.eu/labref/public/>

Labour market policy statistics

Labour market policy (LMP) statistics provide information on labour market interventions, defined as 'public interventions in the labour market aimed at reaching its efficient functioning and correcting disequilibria and which can be distinguished from other general employment policy interventions in that they act selectively to favour particular groups in the labour market'. The scope of LMP statistics is limited to public interventions which are explicitly targeted at groups of people with difficulties in the labour market: the unemployed, those employed but at risk of involuntary job loss and economically inactive people who would like to enter the labour market.

The unit of observation in the LMP database is the labour market intervention and data on the expenditure and

participants (disaggregated by sex) for each intervention are collected annually from administrative sources in each country. The database also collects extensive qualitative information that describes each intervention, how it works, the main target groups, etc. According to the LMP methodology, labour market interventions are classified by type of action: labour market services (category 1), training, job rotation and job sharing, employment incentives, supported employment and rehabilitation, direct job creation, start-up incentives, out-of-work income maintenance and support, and early retirement. These categories are further classified as active LMP (categories 2-7) and passive LMP (8 and 9).

The LMP database was developed and maintained by Eurostat until 2013. From 2014, the LMP database has been developed and maintained by the European Commission's Directorate-general for Employment, Social Affairs and Inclusion (DG EMPL), and LMP data are disseminated by Eurostat.

<http://ec.europa.eu/eurostat/web/labour-market/labour-market-policy/database>

Examples of studies, research, reports

Walby, S., *Gender and the financial crisis*, UNESCO/Lancaster University, Lancaster, 2009.

The current global financial crisis is gendered in its causes as well as in its consequences for human rights. This paper seeks to identify these hidden gendered causes and consequences and subject them to analysis so as to improve the knowledge base for policy development. This includes gendered assumptions underlying financial and macroeconomic policies, the gender composition of decision makers and of beneficiaries or losers in the financial and 'real' economy, as well as issues of regulation, transparency and democracy, which have implications for women's human rights and empowerment.

http://www.lancaster.ac.uk/fass/doc_library/sociology/Gender_and_financial_crisis_Sylvia_Walby.pdf

Elborgh-Woytek et al., *Women, work, and the economy: Macroeconomic gains from gender equity*.

Staff discussion note, SDN/13/10, IMF, Washington, DC, 2013.

This report examines the specific macro-critical features of women's participation in the labour market, the constraints preventing women from developing their full economic potential, and possible policies to overcome these obstacles. Implementing policies that remove labour market distortions and create a level playing field for all will give women the opportunity to develop their potential and to participate in economic life more visibly.

<http://www.imf.org/external/pubs/ft/sdn/2013/sdn1310.pdf>

Staveren, I. van, *The ethics of the financial crisis and financial reform*, Netherlands Institute of Social Studies, Erasmus University, Rotterdam, 2012.

The paper analyses the financial crisis and financial reform from two alternative ethical perspectives as compared to the mainstream one in economics and utilitarianism. This hypothesis is tested with exploratory survey data from the Netherlands as well as two case studies of caring financial innovation from the Netherlands. Gender differences are considered when ethical alternatives are proposed.
<http://socialeconomics.org/Papers/staveren6B.pdf>

One of the first steps to take when defining your policy/project/programme is to gather information and analyse the situation of women and men in the respective policy domain. The information and data you collect will allow an understanding of the reality and assist you in designing your policy, programme or project. Specific methods that can be used in this phase are gender analysis and gender impact assessment.

Examples of gender analysis

European Bank for Reconstruction and Development (EBRD), *Strategic gender initiative*, EBRD, London, 2013.

The strategic gender initiative (2013) of the EBRD builds on lessons learned during the implementation of its 3-year gender action plan (2009-2012). One of these lessons learned is that gender mainstreaming should start at the first stage of designing the project. The specific objectives of the strategic gender initiative are as follows.

- Identify the priority countries with gender gaps in the Bank's current countries of operations and the potential countries of operations in the Southern and Eastern Mediterranean (SEMED) region, to establish where EBRD resources should be focused to have systemic gender impact.
- On the basis of these priorities, identify and develop projects with either a gender component or a gender focus aimed at promoting access to employment and skills, finance and services. Projects with a specific gender focus will generally be considered only in priority countries, although exceptions might be made where there is a compelling rationale to do so.
- Roll out specific products which have proved to be successful in addressing gender gaps, such as equal opportunities audits, and focus on the development of new products in specific sectors aimed at addressing gender gaps.

- Continue to ensure mitigation measures are applied through the implementation of the EBRD's environmental and social policy in all of the Bank's investments so as to ensure compliance with relevant International Labour Organisation (ILO) principles and conventions.
- Mainstream gender considerations into all of the Bank's country strategies, sector policies and political assessments and strengthen institutional awareness of gender objectives.
- Assess and monitor the broader impact of EBRD projects, with a gender component or gender focus, in promoting economic opportunity for women — that is, their systemic impact at the sector, regional or even country level.

<http://www.ebrd.com/downloads/sector/gender/strategic-gender-initiative.pdf>

Example of gender impact assessment

United Kingdom: Department for Work and Pensions, *Gender impact assessment of pension reform*, 2006.

The United Kingdom introduced two new Pension Acts in 2007 and 2008, which make important changes to the State pension from 2010 and introduce a new, low-cost private pension scheme that people will be able to contribute to from 2012. The gender impact assessment analyses the likely impact of these reforms on women and men saving for retirement. The 2007 Act addresses a number of measures that are crucial from an equality perspective in order to ensure justice for both genders. These factors concern labour market factors (women sometimes work for smaller firms with lower capacity to provide social security services), in-work factors (women are more involved into part-time work) and work duration (women often work fewer hours due to caring responsibilities). A key aspect in this reform is that a life of unpaid caring responsibilities will be rewarded in retirement (in the State pension system) in the same way as a life of work.

<http://collections.europarchive.org/tna/20090210140152/>
<http://www.dwp.gov.uk/pensionsreform/pdfs/GenderImpactAssessment-5-Dec2007.pdf>

European Parliament, Directorate-General for Internal Policies Policy Department C: Citizens' rights and constitutional affairs gender equality

Gender aspects of the effects of the economic downturn and financial crisis on welfare systems, 2013.



This study explores the impact on women of the economic and financial crisis of 2007/2008 and 2009/2010, in terms of social welfare systems across the EU. It reviews EU level statistics and provides six in-depth case studies of EU Member States, which explore the gender impacts of reforms introduced as a result of the crisis.

http://www.europarl.europa.eu/RegData/etudes/etudes/join/2013/474396/IPOL-FEMM_ET%282013%29474396_EN.pdf

Consider consulting stakeholders (e.g. gender experts, civil society organisations) on the topic at hand, to share and validate your findings and to improve your policy or programme proposal. This will enhance the learning process on the subject for all those involved and will improve the quality of the work done at EU level. The stakeholders consultation process will start in this phase, but could also be considered as an important method to be applied along all the policy cycle's phases.

Examples of stakeholders that can be consulted

The International Association for Feminist Economics (IAFFE)

The International Association for Feminist Economics is an open, diverse community of academics, activists, policy theorists and practitioners from around the world.

<http://www.iaffe.org/>

The World Bank

The gender and development policy framework comprises nine Operational Policies and/or Bank procedures: five are relevant for investment lending generally, one for development policy lending and three for safeguard policies.

<http://www.worldbank.org/en/topic/gender>

The International Monetary Fund

For more than a decade the promotion of gender equality has been an issue of debate at the IMF considering that women's economic participation is also a part of the growth and stability equation.

<http://www.imf.org/external/np/gender/>

The Women's Budget Group (WBG), UK

The Women's Budget Group brings together feminist economists, researchers, policy experts and activists to work towards our vision of a gender-equal society in which women's financial independence gives them greater autonomy at work, home and in civil society.

<http://wbg.org.uk/>

Plan

DESIGN PLAN ACT CHECK

In this phase, it is appropriate to analyse budgets from a gender perspective. Gender budgeting is used to identify how budget allocations contribute to promoting gender equality. Gender budgeting brings visibility to how much public money is spent for women and men respectively. Thus, gender budgeting ensures that public funds are fairly distributed between women and men. It also contributes to accountability and transparency about how public funds are being spent.

Example of gender budgeting

Federal Minister for Education and Women's Affairs, *Gender budgeting, making effective equality between women and men a reality ... step-by-step to a gender-equal budget*, 2014.

Gender budgeting is enshrined in the Austrian Constitution, which establishes in Article 13 that the federal, regional and local governments 'have to strive for gender equality in their budget management'. Additionally Article 51 establishes that 'targets of gender equality are to be considered' in the budget management of the Austrian federation. On this basis, the Austrian Federal Budget Law (2013) establishes that for each ministry at least one of the outcomes of each budget chapter must be a gender equality outcome. This means that each ministry has to analyse its budget with regard to its impact on the lives of women and men, and to adapt this according to gender equality objectives. For the budget year 2014/2015 Austria has defined a gender budgeting roadmap, which shows for 45 budget categories the gender-related outcome objectives, the measures to be taken to achieve these measures, and the gender indicators with their timelines.

[https://www.bmb.gv.at/frauen/gender/Folder_Gender_Budgeting_\(englisch\).pdf?5h80y](https://www.bmb.gv.at/frauen/gender/Folder_Gender_Budgeting_(englisch).pdf?5h80y)

Women's Budget Group, *Budget 2014: The government is taking money from women to fund tax breaks for men — new analysis from the Women's Budget Group*, Women's Budget Group, London, 14 April 2014.

In the United Kingdom the Women's Budget Group applies a gender budget assessment each year. This group is an independent, voluntary organisation made up of individuals from academia, non-governmental organisations and trade unions. Since the early 1990s it has been scrutinising the gender implications of the budgets and spending plans of the UK government. Each year it publishes a gender budget assessment, which consists of a full analysis of governmental revenues and expenditures and their impact on the lives of men and women in the United Kingdom ⁽⁴⁶⁾.

⁽⁴⁶⁾ An overview of the gender budget assessments since 2000 is available at: <http://www.wbg.org.uk/2014-assessments/>.

<http://www.wbg.org.uk/2014-assessments/>
<http://www.wbg.org.uk/wp-content/uploads/2014/03/WBG-budget-2014-report-press-release-20140414-1.pdf>

When planning, do not forget to establish monitoring and evaluation systems, and indicators that will allow measurement and compare the impact of the policy or programme on women and men over the timeframe of its implementation. Remember to define the appropriate times to monitor and evaluate your policy.

Examples of indicators for monitoring gender and economic and financial affairs

Percentage of labour market reform by gender-sensitive policy field

Data and information from the LABREF database can be used for analysing and calculating measures and indicators on the proportion of labour market reform in the EU-28 and Member States in specific policy domains and fields. In particular, the number of gender-sensitive policy reforms in the field of family-related benefits, family-related working time organisation and income tax can be calculated. Data are available from the LABREF database, and can be downloaded by country and years.

<https://webgate.ec.europa.eu/labref/public/>

Labour market policy (LMP) participants to employment incentives by sex

The indicator provides the percentage of women and men involved in the employment incentives as part of LMP in the EU-28 Member States. The last figures available (2013) for the majority of Member States (excluding CZ, EL, ES, LT, NL and UK) show that women are 48 % of the total participants in employment incentives. Calculation of the indicator can be made using Eurostat data, LMP database (online data code: *Imp_partsumm*: 'LMP participants by type of action — summary table').

http://ec.europa.eu/eurostat/data/database?node_code=Imp_partsumm

When preparing calls for proposals in the framework of funding programmes, or terms of reference in the context of public procurement procedures (notably for contractors to be hired for policy support services), do not forget to formalise gender-related requirements. This will ensure the projects and services which the European Commission will fund are not gender blind or gender biased.

Examples of procurement

Interpretative Communication of the Commission on the Community law applicable to public procurement and the possibilities for integrating social considerations into public procurement (2001/C 333/08)

Within DG ECFIN — as for all the other European Commission directorate-generals — reference to gender in public procurement is made to an interpretative communication on the Community law applicable to public procurement and the possibilities for integrating social considerations into public procurement which was adopted by the Commission in autumn 2001. This communication aims to identify the possibilities for taking social considerations, such as equality of treatment between men and women, into account in the best way in public procurement.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2001:0566:FIN:EN:PDF>

Act

DESIGN PLAN **ACT** CHECK

In the implementation phase of a policy or programme, ensure that all who are involved are sufficiently aware about the relevant gender objectives and plans. If not, set up briefings and capacity-building initiatives according to staff needs. Think about researchers, proposal evaluators, monitoring and evaluation experts, scientific officers, programme committee members, etc.

Example of capacity-building initiatives about gender and economic and financial affairs

The World Bank, *Gender-differentiated impacts of pension reform*, PremNotes 85, 2004.

Pension reform can have a positive or negative impact on the gender gap in pension benefits. This note uses examples from Latin America and Eastern Europe to illustrate how gender outcomes depend on the combined effect of changes in pension design features.



Check

DESIGN PLAN ACT **CHECK**

A policy cycle or programme should be checked both during — monitoring, and at the end — evaluation, of its implementation.

Monitoring the ongoing work allows for the follow up of progress and for remedying unforeseen difficulties. This exercise should take into account the indicators delineated in the planning phase and data collection based on those indicators.

At the end of a policy cycle or programme, a gender-sensitive evaluation should take place. Make your evaluation publicly accessible and strategically disseminate its results to promote its learning potential.

Example of a gender monitoring and evaluation on gender and economic and financial affairs

European Women's Lobby (EWL), *The price of austerity — the impact on women's rights and gender equality in Europe*, 2012.

This EWL report assesses the evidence on the impact of austerity measures on women's rights and gender equality in Europe. Based on data from EWL member organisations in 13 countries and recent research from a range of sources, it reveals that austerity policies in Europe undermine women's rights, perpetuate existing gender inequalities and create new ones, and hamper the prospects of sustainable and equal economic progress in Europe.

<http://www.womenlobby.org/EWL-publishes-report-on-impact-of-the-austerity-measures-on-women-s-rights-and?lang=en>

Practical examples of gender mainstreaming in economic and financial affairs

Belgium

As part of a wider tax reform, an individualised earned income tax credit (CIBRAP) was introduced in 2001 as one of the measures to achieve the goal of reducing the tax burden on earnings and as part of a wider drive to individualise the income tax system. The credit is a fully individual right, independent of household type, covering most of the employed population (it is available to all persons working at least 13 hours per week with net earned income above EUR 3 750). One specific objective is to draw young people and women into employment and the other is to reduce the poverty risk for low paid workers.

<https://lirias.kuleuven.be/bitstream/123456789/119310/1/Dps0504.pdf>

Sweden

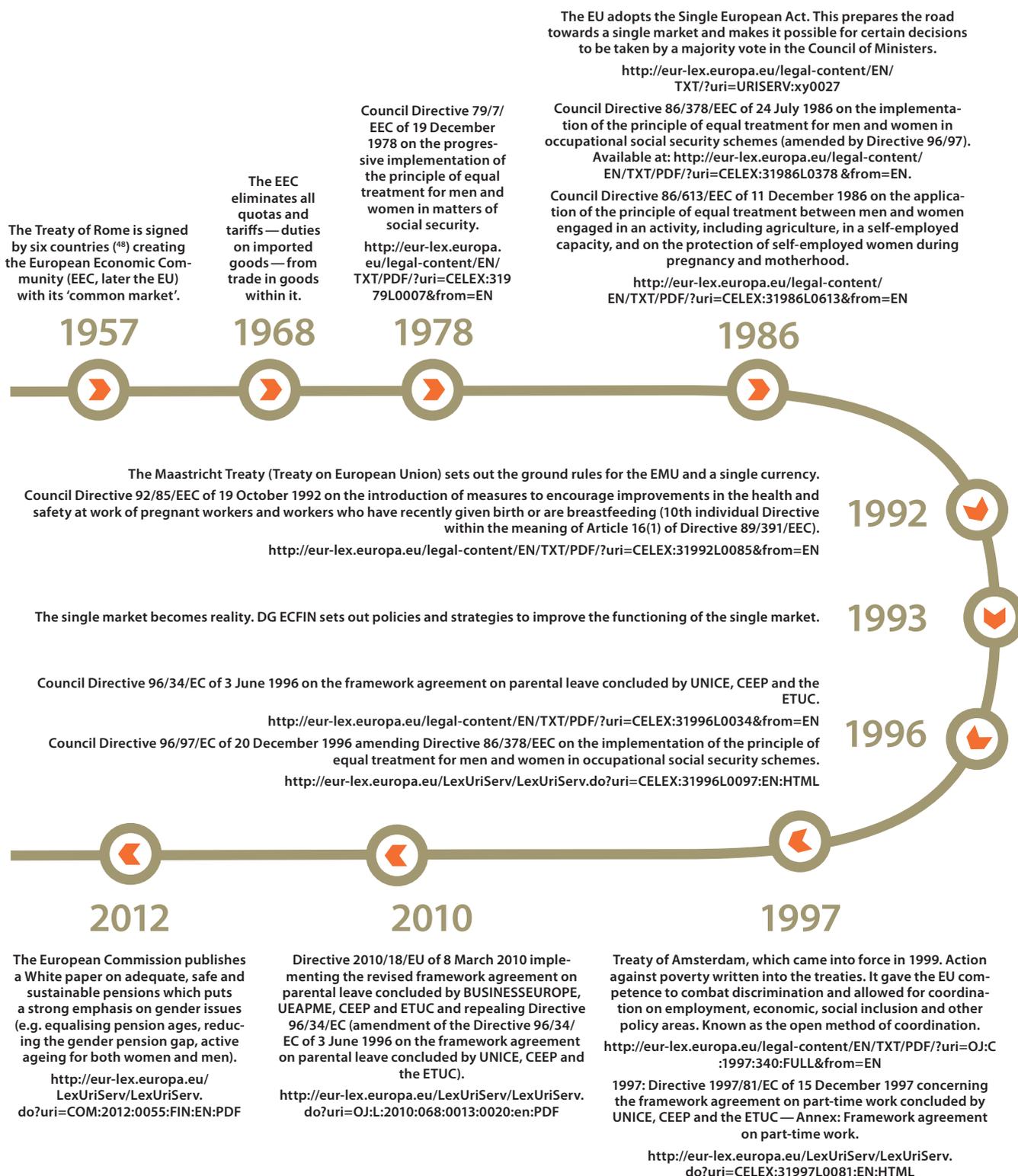
The public investment in subsidised childcare in Sweden was further extended in 2002 through the introduction of a maximum fee for parents, which has contributed to a reduction in the marginal tax effect on the labour supply of parents. The impact will be primarily on women's labour supply, particularly those who are lower paid, for Swedish studies have shown that childcare costs have a greater impact on women's labour supply than on men's, and that directly subsidised childcare has a more positive impact on increasing labour supply than does personal tax relief for childcare.

http://europa.eu/epic/countries/sweden/index_en.htm

5. Want to know more?

Timeline

The key milestones of the economic and financial affairs policies are presented below.



⁽⁴⁸⁾ Belgium, Germany, France, Italy, Luxembourg and the Netherlands.

6. Current policy priorities at EU level

The European Commission maintains its balanced strategy for jobs and economic growth, focusing on five main priorities:

- pursuing differentiated, growth-friendly fiscal consolidation;
- restoring bank lending to the economy;
- promoting growth and competitiveness for now and in the future;
- tackling unemployment and the social consequences of the crisis;
- modernising public administration (European Commission, 2014).

As indicated in the management plan 2014 of DG ECFIN, its highest priorities in the short term are overcoming the economic and financial crisis, and the recovery of the European economy (European Commission, DG ECFIN, 2014c). The main objectives of DG ECFIN from a multi-annual perspective are (ibid, pp. 8-10):

- to foster EU growth, employment creation and sustainable development by bringing the budgets of Member States in line with the stability and growth path, and increasing output growth;
- to promote prosperity beyond the EU, in close cooperation with the Directorate-General for Development Cooperation, the Directorate-General for Enlargement, and the European External Action Service.

DG ECFIN's operational activities are focused on three policy areas (ibid, p. 12).

- Strengthening the EMU. Activities include the coordination of economic policymaking between the Member States, as well as coordination of their fiscal policies. The economic policy guidance and country-specific surveillance of the Member States by DG ECFIN follows each year the cycle of the European Semester, which is the annual intervention logic used by the DG ECFIN for the coordination of economic and fiscal planning with the European Council, the Member States and the European Parliament.
- International economic and financial affairs. A wide range of activities, including coordination with international economic and financial institutions

including the IMF, World Bank, OECD and multilateral development banks.

- Financial operations and instruments. This area includes treasury management of EU budgets, cooperation with the European Investment Bank Group and management of financial instruments under the competitiveness and innovation programme. These financial instruments should also contribute to the implementation of Europe 2020: a European strategy for smart, sustainable and inclusive growth.

Europe 2020 is a common agenda for transformation, a process driven by five EU headline targets for 2020 which are translated into national targets:

- out of the population aged 20-64, 75 % should be employed;
- the amount of the EU's GDP invested in research and development should be 3 %;
- the '20/20/20' climate/energy targets should be met (including an increase to 30 % of emissions reduction if the conditions are right);
- the share of early school leavers should be under 10 %, and at least 40 % of the younger generation should have a third-level degree;
- the number of people at risk of poverty reduced by 20 million.

To catalyse progress under each of these priority themes a wide range of actions is undertaken, which are summarised as seven flagship initiatives:

- innovation Union, to enhance research and innovation which creates growth and jobs;
- youth on the move, to increase the employability of young people;
- a digital agenda for Europe, to increase the benefits of a digital single market;
- resource-efficient Europe, to promote a shift towards a low-carbon economy, the use of renewable energy, modernisation of the transport sector and energy efficiency;

- an industrial policy for the globalisation era, to improve business and small and medium-sized enterprises, and an industrial base able to compete globally;
- an agenda for new skills and jobs, to modernise labour markets, increase labour participation and mobility, and better match labour supply and demand;
- European platform against poverty, to ensure social and territorial cohesion, shared benefits of economic development, a decent life and active social participation for all.

Resources

Selected policy documents relevant to economic and financial affairs

Council of the European Union, Treaty on stability, coordination and governance, Publications Office of the European Union, Luxembourg, 2012. Available at: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=URISERV%3A1403_3.

Council of the European Union, Treaty on the European Union, Publications Office of the European Union, Luxembourg, 2009, Articles 2 and 3.

European Commission, *Europe 2020: a European strategy for smart, sustainable and inclusive growth*, Publications Office of the European Union, Luxembourg, 2010. Available at: <http://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20007%20-%20Europe%202020%20-%20EN%20version.pdf>.

European Commission, Communication from the Commission — Annual growth survey 2014 (COM(2013)800/2), Publications Office of the European Union, Luxembourg, 2013. Available at: <http://ec.europa.eu/transparency/regdoc/rep/1/2013/EN/1-2013-800-EN-F1-1.Pdf>.

European Commission, DG ECFIN, *DG Economic and Financial Affairs 2014: mission statement*, Publications Office of the European Union, Luxembourg. Available at: http://ec.europa.eu/dgs/economy_finance/organisation/mission_en.pdf.

European Commission, DG ECFIN, *DG Economic and Financial Affairs 2014 management plan*, Publications Office of the European Union, Luxembourg. Available at: http://ec.europa.eu/dgs/economy_finance/organisation/ecfin_mp_en.pdf.

European Council, Resolution of the European Council on the stability and growth pact (Amsterdam, 17 June 1997), OJ C 236, 2 August 1997. Available at: http://europa.eu/legislation_summaries/economic_and_monetary_affairs/stability_and_growth_pact/l25021_en.htm.

European Council, Treaty of Maastricht on European Union, OJ C 191, 29 July 1992. Available at: <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1410987064914&uri=URISERV:xy0026>.

Gender equality relevant policy documents

OECD, *Busan joint action plan for gender equality and development*, 2012. Available at: <http://www.oecd.org/dac/gender-development/49503142.pdf>.

United Nations, *Convention on the elimination of all forms of discrimination against women (CEDAW)*, New York, 18 December 1979. Available at: <http://www.ohchr.org/EN/ProfessionalInterest/Pages/CEDAW.aspx>.

EBRD, *Strategic gender initiative*, EBRD, London, 2013. Available at: <http://www.ebrd.com/downloads/sector/gender/strategic-gender-initiative.pdf>.

European Commission, Communication from the Commission — Gender balance in business leadership: a contribution to smart, sustainable and inclusive growth (COM(2012) 615 final), Publications Office of the European Union, Luxembourg, 2012. Available at: http://ec.europa.eu/justice/gender-equality/files/womenonboards/communication_quotas_en.pdf.

European Commission, *EU plan of action on gender equality and women's empowerment in development 2010-2015* (SEC(2010) 265 final), Publications Office of the European Union, Luxembourg, 2010. Available at: http://www.dev-practitioners.eu/fileadmin/user_upload/EU_GEAP.pdf.

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