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**REPORT FROM THE COMMISSION TO THE COUNCIL, THE EUROPEAN
PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND
THE COMMITTEE OF THE REGIONS**

Equality between women and men — 2010

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1. INTRODUCTION

The European Commission reports each year to the Spring European Council on developments towards gender equality in the EU Member States and presents future challenges and priorities. Equality between women and men is a fundamental right and a common principle of the European Union. The EU has made a major contribution to the advancement of women and the improvement of women's and men's lives through a substantial body of equal treatment legislation and the explicit integration of the gender dimension into EU policies and instruments. There is a positive trend towards a more gender-equal society and labour market, yet gender inequalities persist, mainly to the disadvantage of women. The current economic crisis has raised concerns that the achievements in gender equality are at risk and that the effects of the recession will put greater pressure on women. The downturn could be used as a reason to limit or cut gender equality measures, and analysis of national responses to the crisis confirms this risk. However, these times of crisis offer a unique opportunity for change, given that gender equality is a precondition for sustainable growth, employment, competitiveness and social cohesion. Policy makers have the opportunity to implement policies to make the labour market and society more gender-equal in the future.

Although the economic and social context has changed, the crisis has not altered the underlying challenges, such as the better functioning of labour markets, the sustainability and adequacy of social protection, the ageing of society. Gender equality policies are part of the response to these challenges but the crisis reinforces the need for these policies to demonstrate their cost-effectiveness.

In 2010, the European Commission will renew its commitment to promoting gender equality by adopting a gender equality strategy to follow up the current Roadmap for equality between women and men. The Lisbon Strategy for Growth and Jobs will also be updated and it is important that gender equality is consolidated in the EU 2020 strategy. 2010 is also the European Year dedicated to combating poverty and social exclusion, which will highlight the need for effective measures to include vulnerable groups. It is furthermore the 15th anniversary of the Beijing Platform of Action when progress under the different areas for action will be assessed. This opens up the possibility to create stronger synergy between the different strategies to be revised in 2010.

2. MAIN DEVELOPMENTS

2.1. Gender gaps

Combating persisting gender inequalities in all spheres of society is a longer-term challenge, since it entails structural and behavioural changes and a redefinition of the roles of women and men. Progress is slow, and gender gaps persist as regards employment rates, pay, working hours, positions of responsibility, share of care and household duties, and risk of poverty.

The **increasing participation of women** in the labour market is a positive development, representing an important contribution to economic growth in the EU,

accounting for a quarter of annual economic growth since 1995¹. The female employment rate increased by 7.1 percentage points over the last decade and reached 59.1 % in 2008, which is close to the Lisbon target (60 % in 2010), though this rate varies between Member States, from below 40 % to above 70 %. The average gap between female and male employment rates fell to 13.7 percentage points in 2008 from 18.2 points in 1998.

Interrupting this positive trend, however, the **economic crisis** has had serious repercussions on the labour market and unemployment figures. Between May 2008 and September 2009, the unemployment rate at EU level rose more rapidly for men (from 6.4 % to 9.3 %) than for women (7.4 % to 9 %). The male-dominated sectors of industry and construction have been hit hard. However, in recent months female and male unemployment rates have been increasing at the same pace, reflecting probably an extension of the crisis to other sectors, more gender-mixed than the ones first hit. Moreover, in a dozen Member States, unemployment remains higher among women. Finally, as women's jobs are concentrated in the public sector, they could be disproportionately affected by job losses due to budget cuts.

Experience from past crises shows that men's employment generally recovers more quickly than women's². For persons who become unemployed, the **risk of not being re-employed is higher for women**. Focusing on the evolution of unemployment rates during the recession is important but may hide other less visible trends, including the over-representation of women among inactive persons (women represent more than two thirds of the 63 million persons between 25-64 who are inactive in the EU) or among part-time unemployed (part-timers who would like to work more hours) who are not necessarily registered as unemployed.

Women are more likely to have a **disadvantaged position on the labour market** e.g. due to higher incidence of precarious contracts, involuntary part-time and a persistent unfavourable pay gap (17.6 % on average in the EU in 2007), with repercussions on their lifetime earnings, social security protection and pensions, resulting in higher at-risk-of-poverty rates, especially once in retirement. In 2007, the at-risk-of-poverty rate was higher for women (17 %) than men (15 %) and this gap was especially high for older persons (22 % for women compared to 17 % for men) and single parents (34 %). The situation of those facing multiple disadvantages is particularly difficult. Finally, households will be more severely affected by a loss of income (due to job losses) in those countries where a male-breadwinner model still predominates, underlining the need for further support for the dual-earner model.

Beyond the current economic crisis and its effects on women and men, it is necessary to consider the **longer-term challenges** affecting gender equality in the labour market. Although the level of education among women has increased considerably in recent years, and women now outnumber men among university graduates (59 % of graduates in all subjects in 2006 in the EU), women continue to be concentrated in traditionally feminised and often lower-paid sectors (health and care services, education, etc.) and occupy fewer positions of responsibility in all spheres of society. Lack of access to care services for dependent persons (children, disabled, elderly),

¹ OECD (2008) Gender and sustainable development. Maximising the economic, social and environmental role of women.

² Smith, M. (2009) 'Analysis Note: Gender equality and recession', EGGE.

adequate leave schemes and flexible working arrangements for both parents often hinder women from participating in the labour market or from working full-time. In 2008, 31.1 % of women worked part-time compared to 7.9 % of men. Taking account of the employment rate in full-time equivalents, the gender gap has been only slightly reduced since 2003 and has even widened in nine Member States.

Women with children work less (-11.5 p.p. in the employment rate) than women without children, while men with children work more than men without children (+6.8 points). This strong influence of parenthood on employment participation is linked to traditional gender roles and the **lack of childcare facilities** in many Member States. Despite an increase in the provision of childcare over the last few years, in line with the European targets³, the coverage rates remain below these targets in many countries, especially for children under 3 years of age. **Caring for other dependants** also has a strong influence on the possibility of women and men to remain on the labour market, a challenge aggravated by the ageing of the population. In 2005, more than 20 million Europeans aged 15-64 (12.8 million women and 7.6 million men) had care responsibilities for adult dependent persons. This care responsibility plays a role in the low employment rate of women aged 55-64 (36.8 % in 2008, 18.2 points lower than men's rate). The lack of adequate work-life balance measures may also influence women's and men's decision not to have children or to have fewer children, which is problematic as regards the ageing of the population and the future labour market supply, and consequently economic growth. In countries with favourable conditions for childcare, parental leave and flexible working arrangements, both female employment rates and birth rates are higher.

While there has been an increase in the number of women involved in **decision making** or appointed to decision-making posts in the EU over the last years, power is still firmly in men's hands in the political and economic spheres. In the EU, on average, only one out of four members of national parliaments and senior ministers in national governments is a woman, even if the situation varies across Member States. Some progress came after the 2009 elections to the European Parliament, where the share of women rose from 31 % to 35 %. In the economic sector, figures are less positive and, for instance, women represent only one out of 10 board members in European blue-chip companies and 3 % among the leaders of the boards.

2.2. Policy and legislative developments

2009 was marked by the impact of the global economic and financial crisis on the real economy and labour markets. The EU adopted at the end of 2008 a European recovery plan⁴ including measures for maintaining women and men in employment. In May 2009, a Jobs Summit discussed the impact of the crisis and adequate policy responses. The Commission proposed 'A shared commitment for employment'⁵ which aimed to limit the social impact of the crisis, and recognised the need to reinforce gender equality in the responses to the crisis. Recent analysis of national responses to the crisis confirms the risk of downgrading the status of equality

³ In 2002 the European Council invited Member States to 'remove disincentives to female labour force participation and strive, taking into account the demand for childcare facilities and in line with national patterns of provision, to provide childcare by 2010 to at least 90 % of children between 3 years old and the mandatory school age and at least 33 % of children under 3 years of age'.

⁴ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/104692.pdf.

⁵ COM(2009) 257 final.

policies or reducing budgets allocated to these policies⁶. Some gender equality measures have been cancelled or delayed and possible future cuts in public budgets may have a negative effect on female employment and on the promotion of equality. However, good practices have also been recorded in some Member States which have launched programmes to support the care sector⁷.

The Advisory Committee on equal opportunities for women and men adopted an opinion on the gender perspective of the response to the economic and financial crisis⁸, including recommendations on gender mainstreaming of recovery measures and the EU 2020 strategy.

Under the Swedish Presidency, the Council adopted conclusions⁹ on the strong contribution that gender equality policies can bring to sustainable growth, employment and social inclusion and the need to strengthen the gender dimension in the EU 2020 strategy. The Council also adopted conclusions¹⁰ on the implementation of the Beijing Platform for Action on the basis of a report prepared by the EU Presidency.

The Council reached a political agreement on the proposal for a directive implementing the revised framework agreement on parental leave concluded by the European social partners¹¹. This will increase the length of parental leave, make part of it non-transferable to encourage fathers to take advantage of parental leave and offer a right to request flexible working arrangements for a set period of time when returning from parental leave. The Council also reached a political agreement with a view to a common position on the proposed revision of the directive on equal treatment of self-employed and assisting spouses¹², a joint text still having to be agreed by the European Parliament and the Council, while the proposal for a revision of the directive on maternity leave¹³ is under discussion by the EU legislators. The Commission adopted a report on the implementation of Directive 2002/73/EC¹⁴ on equal treatment between women and men in the field of employment, vocational training and promotion, and working conditions. Progress is being made in implementing the directive but efforts are still needed in a number of Member States to achieve correct transposition.

The Commission adopted a proposal for a Council Framework Decision on preventing and combating trafficking in human beings, and protecting victims.¹⁵ 2009 was also the first year of implementation of the 'EU Guidelines on violence against women and girls and combating all forms of discrimination against them', which provide guidance on the strategies the Member States and the EU must implement in its external action to prevent violence, protect victims and prosecute perpetrators of such violence.

6 Smith M. and Villa P. (2009) Gender equality, employment policies and the crisis in EU Member States, EGGE.

7 idem.

8 <http://ec.europa.eu/social/BlobServlet?docId=2878&langId=en>.

9 Council document 15488/09.

10 Council document 15992/09.

11 COM(2009) 410.

12 COM(2008) 636.

13 COM(2008) 600/4.

14 COM(2009) 409.

15 COM(2009) 136 final.

3. CHALLENGES AND POLICY ORIENTATIONS

Gender equality is not only a question of diversity and social fairness, it is also a precondition for meeting the objectives of sustainable growth, employment, competitiveness and social cohesion. Investing in gender equality policies pays off in terms of higher female employment rates, women's contribution to GDP, tax revenues and sustainable fertility rates¹⁶. It is important that gender equality continues to be a core element of the EU 2020 strategy, because equality between women and men has proven to be a sustainable solution to old and new challenges. Gender equality policies should therefore be considered as a long-term investment and not as a short-term cost.

The political responses given to the recession represent an opportunity as well as a potential threat for women's employment and gender equality. There is a risk that the current recession will delay advances, or even reverse progress, with longer-term consequences on the sustainability of the economy and the social protection systems, social inclusion, and demography.

Efficient gender equality policies must be considered as part of the solution for exiting the crisis, supporting recovery and building a stronger economy for the future. The basis for a sustainable recovery and for sound public finances is structural reforms aimed at ensuring increased labour force participation¹⁷. Investing in women's employment and economic independence and in work-life balance measures for both women and men has shown to pay off in terms of economic and social development¹⁸.

3.1. Strengthening the synergy between gender equality and employment to stimulate recovery and sustainable growth

Removing persisting inequalities between women and men through gender equality policies can be seen as a factor for driving growth and not as a cost for society. Gender equality on the labour market can enable Member States to take advantage of the full potential labour supply, notably in view of future skills shortages. It will also contribute to the success of the policy reforms in employment policies, including flexicurity strategies.

- Efforts to eliminate gender inequalities in employment must be continued and intensified as part of the new strategy for growth and jobs to be adopted in 2010, so as to significantly narrow the gaps in terms of employment, pay and decision-making, providing better jobs, as well as reducing labour market segregation and poverty risk.
- Reducing the gender pay gap and tackling the underlying causes¹⁹ should remain a priority. Action in this area should involve all parties concerned and combine all available instruments, including the effective implementation of existing

¹⁶ Smith, M. and Bettio, F. (2008) 'Analysis Note: The economic case for gender equality', EGGE.

¹⁷ Council document 16214/09.

¹⁸ Löfgren, A. (2009).

¹⁹ COM(2007) 424.

legislation, transparent evaluation of pay systems, raising awareness and combating stereotypes and reviewing job classifications.

- Tax and benefit systems should provide financial incentives for women and men to take up, remain in and return to work. Where needed, these systems should be reformed to remove financial disincentives to labour market participation of secondary earners and main carers and to ensure equal economic independence for women and men, also with regard to the earning of pension rights, while still protecting those with atypical career patterns.
- In order to limit the negative repercussions of the economic crisis on the equal participation of women and men in the labour market, policy makers have to build their policy responses on a gender-sensitive analysis of the labour market as well as systematic gender impact assessments and evaluations. Investments in social infrastructure can be a productive factor and transform economies in recovery.

3.2. Supporting reconciliation between work and private and family life for both women and men

A good work-life balance for both women and men depends on modern work organisation, the availability of affordable quality care services, and a more equal sharing of family responsibilities and domestic tasks. The possibility of reconciling work and family has a direct impact on women's employment and positions in the labour market, earnings and economic independence over the life-cycle. A major challenge is to focus on policies and incentives to encourage and enable men to take up more care and family responsibilities. Policies also need to take into account the increasing number of lone-parent households, mainly headed by women.

- Efforts to develop affordable, accessible and quality care services for children, in line with European targets, and other dependants should be continued and intensified. The potential of the Structural Funds and the EAFRD²⁰ for the financing of quality services should be fully utilised.
- The agreement of the European social partners on parental leave²¹ shows progress in this area. Men should be encouraged to share parenting equally with women, and both women's and men's need to balance work and family life must be better recognised in the workplace.
- The economic downturn should not be used as a reason to slow down progress on reconciliation policies and to cut budgets allocated to care services and leave arrangements, affecting labour market access by women in particular.
- The proposals reviewing the two directives²² on maternity leave and rights of self-employed women need to be rapidly adopted by the EU legislators.

²⁰ European Agricultural Fund for Rural Development.

²¹ COM(2009) 410.

²² COM(2008) 636 and COM(2008) 637.

3.3. Promoting social inclusion and gender equality

Women are at a higher risk of poverty than men, partly due to lower earnings, higher prevalence in less valued and precarious employment conditions, and unpaid caring responsibilities. Poverty especially affects women in vulnerable situations, such as lone mothers, elderly single women, women with disabilities as well as women with immigrant and ethnic minority backgrounds. Roma women are at particular risk of marginalisation and exclusion.

- Quality full-time employment is the best safeguard against poverty and social exclusion. In order to effectively ensure a stable link to the labour market, it is crucial to design and implement policies, including access to enabling services, that respond to the respective needs of women and men.
- Particularly in times of recession when poor people are at risk of falling deeper into poverty, special attention should be paid to protecting those groups facing multiple disadvantages, and to ensure their inclusion into society.
- In the context of the 2010 European Year, dedicated to combating poverty and social exclusion, it is important to address gender equality challenges in planned activities.

3.4. Preventing and combating gender-based violence

Women are the main victims of gender-based violence. Across the EU, it is estimated that at least two in ten of all women have experienced physical violence at least once in their adult lives, and around one in ten have suffered forced sexual violence²³. The majority of these violent acts are carried out by men in their immediate social environment, most often by partners and ex-partners. Apart from the human suffering it causes, such violence also has serious social and financial consequences, with high costs for the health sector, social services, the police and judiciary and for the labour market.

- Efforts to develop preventative methods to combat gender-based violence, including trafficking in human beings for sexual and labour exploitation, should be intensified²⁴. Prevention of gender-based violence in all its forms is essential and requires education, training and awareness, including cooperation between social services, health workers, police and the judiciary.
- Targeted action, including legislation, is needed to eliminate customary or traditional harmful attitudes and practices, including female genital mutilation, early and forced marriages, and honour crimes.
- While data is limited, findings show that gender-based violence increases in times of economic crises, with stress and job loss being leading factors²⁵. Tackling

²³ Council of Europe (2006) Combating violence against women.

²⁴ The Commission has put forward a proposal for a Council Framework Decision on preventing and combating trafficking in human beings, and protecting victims (COM(2009) 136).

²⁵ Lubrani, O. (2009) 'The world economic and financial crisis: What will it mean for gender equality', UNIFEM.

violence and investing in women need to be given priority so that increased violence will not be a hidden consequence of the crisis.

3.5. Transforming commitment to gender equality into action and results

Gender equality can only be achieved if there is a strong and clear commitment at the highest political level, be it the European institutions, governments or social partners. Progress requires turning commitment into action through efficient mechanisms and structures for implementation. It is important that gender equality becomes a visible and central concern in policy and planning, and that gender mainstreaming becomes a more efficient tool in policy making.

- A strong commitment to further progress towards gender equality needs to be sustained at both EU and Member State levels, through a follow-up strategy to the European Commission's Roadmap for equality between women and men²⁶, the European Pact for Gender Equality²⁷ adopted by the European Council, and the Framework of actions on gender equality agreed by the European social partners²⁸.
- Improved training and capacity building is necessary for convincing and enabling those involved in policy making to include a gender perspective in their respective areas of competence and to assess the specific impact of policies on women and men. This also requires the development of gender statistics, indicators, tools and manuals, including the exchange of best practice.
- Both women and men need to take ownership of gender issues and be convinced of the benefits for society as a whole of efficient gender equality policies. Better synergy between policies and instruments is also important for further progress.

4. CONCLUSIONS

In view of the contribution that gender equality can make to sustainable growth, employment, competitiveness and social cohesion, the Commission considers that the gender dimension should be strengthened in all parts of the post-Lisbon strategy.

The Commission invites the European Council to urge the Member States to respond without delay to the challenges outlined in this report, in particular the following:

- strengthen the gender dimension in all parts of the EU 2020 strategy, including more efficient use of gender mainstreaming, and specific actions and targets for gender equality within the European Employment Strategy;
- reduce the gender pay gap through specific strategies combining all available instruments, including targets where appropriate;

²⁶ COM(2006) 92.

²⁷ http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/89013.pdf.

²⁸ <http://www.etuc.org/r/704>.

- ensure that diversity in boards of listed companies fosters a balanced and long-term oriented decision-making environment and that women are encouraged to take on the challenge of board membership in listed companies;
- improve reconciliation measures for both men and women, including family-related leaves, care services, flexible working arrangements, and encourage equal sharing of private and family responsibilities, to facilitate full-time employment for both women and men;
- intensify efforts to prevent and combat gender-based violence;
- ensure that policies pay attention to women in particularly vulnerable positions — for example, women in precarious jobs, older women workers, single parents, disabled women, migrant/ethnic minority and Roma women;
- ensure that the gender perspective is mainstreamed in the responses to the recession at the European and national levels, taking into account the differentiated impact of the crisis on women and men;
- renew the commitment taken by the Member States in the European Pact for Gender Equality and reinforce partnership and synergy between the European institutions, social partners and civil society.