



EUROPEAN WOMEN'S
LOBBY
EUROPEEN DES FEMMES

Economic governance without a feminist perspective

Undermining the inclusive objectives of the EU2020 Strategy

2014



Introduction

This is the third year that the European Women's Lobby (EWL) member organisations are contributing to implementation of the Europe 2020 Strategy through the European Semester of economic policy coordination by highlighting the implications that gender-blind policy guidance have for European women who already bear the brunt of the effects of the crisis and austerity measures. The EWL makes three recommendations for the integration of a women's rights and gender equality perspective in the governance and implementation of the 2020 Strategy at EU and national level.

In this 2014 report, the EWL members focused on four themes to strengthen the gender dimension of the European semester and subsequent country-specific recommendations. The **four themes** are: the *gender pay gap*, the *gender pension gap*, *migrant women* and the concept of '*second earners*'.

The Gender Pay Gap

The average gender pay gap is **16%** in the European Union. There is not one single Member State that does not have a gender pay gap. Yet, only one Member State, namely Austria, received a country-specific recommendation in 2011, 2012, 2013 to close the gender pay gap.

While the gender pay gap is complex in so far as it mirrors gender inequalities both in paid and unpaid work: women represented over a quarter of part-time workers against 8% for men, women are concentrated in a limited number of sectors of the economy (segregated labour market), horizontal and vertical discrimination and the absence of women in economic decision-making, there is no objective reason why explicit recommendations to address the gender pay gap in country-specific recommendations to all Member States is lacking.

Providing adequate child care will in the long run provide more opportunities to engage in full-time work but in an ageing society in which the caring needs of the elderly are and will continue to increase, the EWL questions why it is expected that women will continue to be the main care providers of all generations. This jeopardises women's economic independence, perpetuates rigid gender roles and maintains the gender pay gap, resulting in higher levels of poverty among older women, due to limited contributions to pension systems.

Closing the gender pay gap will also mean that women's contributions to social security and tax will also increase, which in turn will represent a non-negligible source of income to the public purse.

The EWL strongly recommends that all Member States are issued with explicit country-specific recommendations to address the gender pay gap.

The Gender Pension Gap

The gender pension gap is on average **39%** in the European Union, more than double the gender pay gap! The report on the Gender Gap in Pensions in Europe¹, published in 2013 provides for the first time ample data and information for the EU to play a decisive role in steering future pension provision to ensure that gender equality is the outcome of all future pension reforms. Yet, only one country, namely Austria, received a country-specific-recommendation in 2013 to address the gender pension gap.

The European Commission's White Paper on Pensions² (2012) acknowledges the need to **close the gender pension gap between women and men**. A specific section of the White Paper is allocated to the gender gap in pensions and underlines the need to look at the *wider context of gender disparities in pensions resulting from differences between women and men in employment, pay, contributions and career breaks and part-time working for caring purposes*. The White Paper also calls to challenge gender roles in relation to care by *facilitating care credits for both women and men* and by *facilitating return to work* as well as *facilitating reconciliation of work and private life*.

Lower life-long earnings, time spent out of the labour-market for caring responsibilities, longer lives (longevity, but lower quality-of-life years), divorce and widowhood all lead to higher levels of poverty among older women in comparison to older men. Elderly women who have not participated in the labour market have very low levels of individual pensions, in some countries more than a third of women have no pension at all and many of them depend on derived widower's pensions. It is crucial that measures are put in place to improve the situation for the elderly women of today and those that are caught between transitional periods of ongoing pension reforms, which could leave them without adequate pension rights.

The EWL calls on the European Commission to take the lead in ensuring that the on-going pension reforms will not aggravate the gendered and unequal outcomes of the current pension systems, that is, the gender pension gap and the high poverty rate of elderly women³. The current tendencies to increase retirement ages, strengthen the link between contributions and benefits and emphasise the role of second and third pillar pension schemes instead of the statutory state pensions are all problematic from a gender perspective and need to be addressed.

The EWL strongly recommends that all Member States are issued with explicit country-specific-recommendations to address the gender pension gap as aligning women and men's effective retirement age will not alone address the staggering gender gap in pensions.

Migrant Women

The employment rate of women with migrant and/or ethnic background is low in the EU. The lack of sufficient data makes it difficult to assess the specific barriers that migrant/ethnic women face and subsequently, address the issue. In the EU, economically active foreign-born women are twice as likely to work in low skilled professions as migrant men, leading to occupational downward mobility due to deskilling. One of the consequences of deskilling is the prevalence of women from a migrant/ethnic background in the domestic sector, including care. Boosting the employment opportunities of migrant/ethnic women is not addressed as a priority issue within the overall 75% employment rate for women by 2020. While recommending care services, the CSRs should also

¹ European Commission, *The gender gap in pensions in Europe*, 2013

² European Commission, *An Agenda for Adequate, Safe and Sustainable Pensions*, White Paper, COM(2012)55 final 16/02/2012

³ The gender pension gap, the difference between the individual pensions of women and men, is more than 40% in many EU member states, and 22% of elderly women are at risk of poverty.

ensure that the working conditions of those working in these service, i.e. women and predominately migrant/ethnic women, are subject to regulation and that the workers benefit from the full range of social rights and social protection as well as policies to enable career progression, including training.

Concept of ,second earners'

The EWL points out **that women's work patterns are already flexible and that this flexibility comes with a cost**. The part-time rate for women (32%) is four times the part time rate for men, and part-time work has low career and training opportunities. Women's careers also have more breaks related to care responsibilities that lead to limited labour-related social protection rights. Lower pay and a persistent gender pay gap in turn leads to pension gaps and high at-risk-of-poverty rates. The concept of 'second earner' reinforces and perpetuates the gender traditional division of unpaid and paid work. While the concept is expressed in a gender neutral way, it is a good example of how such terms can hide and reinforce inequalities between women and men.

Each theme is presented for the countries that EWL members have provided recommendations for the country-specific-recommendations in 2014.

Country specific recommendation from the European Women's Lobby's members 2014

Austria

The gender pay gap

State of play

The measures set by the government in the past are slowly starting to bear fruit, in particular in the public sector and in companies with public (or partly public) ownership (e.g. Municipal service enterprises, water sector, energy generators, hospitals, banks). In these sectors, the percentage of women in top positions is slowly rising significantly more than in the private sector. However, voluntary agreements are not sufficient to break the glass ceiling.

While there is no single measure to close the gender pay gap, a combination of actions starting with awareness raising and establishing a 40-40 quota system should be applied, also in sectors, such as school or childcare where men are underrepresented.

The Austrian Government has also prioritised child care provision which is a prerequisite for working parents. In Austria most schools have classes in the morning only. New job opportunities in the child care sector should not be undermined, as more than one new job is created for every five new places. Modernising the Austrian school system is necessary.

Pension gap

Since 2013, more information is available as every Austrian, who pays into pension scheme gets yearly information about her/his entitlement. Thus – for the first time- many women can see how the pay gap and part-time work reduce their entitlement for old-age pension.

Closing the gender pension gap however requires more stringent policies. The pension gap will be even more difficult to close than the pay gap, as the generation of women retiring now, have had even more interrupted carriers than the women, who are now in their forties.

Migrant women

A very important measure to open the job market for migrant women would be European Legislation to recognise job trainings other than those obtained through academia. While diplomas obtained in formal education are recognised in other EU countries, for less formal qualifications, on-the-job training, apprenticeship ect, these are systematically recognised throughout the EU. Most migrants

work in jobs that are somehow related to their qualifications, but on a lower level and at a lower salary.

Second earners

In Austria, individuals are taxed separately with some advantages for families with only one earner, but to a lesser degree than in other EU countries. Therefore this is very much a question of awareness raising more concerning men than women, as there are still men, in particular in middle income groups who take pride in “earning enough so that my wife can stay at home”.

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Czech Republic

Gender Pay Gap

State of play

Pay audits exist in the public sector but no measures are foreseen for the private sector.

Recommendation

- Eliminate wage discrimination by motivating companies to take voluntary action, for example through a reward system
- Decrease the gender pay gap and gender pension gap (eliminate vertical and horizontal segregation of the labour market) and reform the pension system to eliminate its negative impact on women.

Gender Pension Gap

State of play

The previous government had planned to introduce second pillar pensions. A gender sensitive study projected this would increase the pension gap, partly because leave for care reasons was not sufficiently compensated. The new government is planning to abandon this reform

Recommendation

- Revise the entire pension system through a gender lens and conduct the necessary restructuring of the system. The merit based approach should be removed since it discriminates women.

Migrant Women

State of play

The National Reform Programme mentions the objective to attract mainly highly qualified migrants

Recommendations

- Introduce a gender perspective in migration policy.
- Introduce measures to battle the widespread problem of discrimination of migrants (male & female).
- Provide state supported measures for access to justice (currently only provided by NGOs).
- Ensure decent pay and rights for migrant workers and reinstall and extend the social rights of migrants.
- Allow migrant women to have their own migrant status and facilitate the process of changing status and allow more flexibility in this matter by removing the two-year conditionality of residency.
- Reinforce migrant workers' rights and separate the conditions for residence permit from their contract with a specific employer. (Current rules link permits to the contract. In this light pregnancy means a high risk for women and there were cases of abortions motivated by fear of losing a job).
- Give migrant workers access to the public health care insurance system, including their children born in the Czech Republic.

'Second earners'

State of play

Since 2014 a new civic code was introduced based on traditional family as a main unit of society which does not reflect the current social reality.

However, the new government, on the contrary, is proposing a several positive measures based on individual approach to the citizens such as tax benefits for parents or increase of social benefits for parents. After years of lobbying, finally a draft law introducing the payment of maintenance (alimony) by the state is planned, which should significantly improve the situation of single mothers.

Recommendation:

- Closely monitor the concrete measures of the new government.

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Cyprus

Gender Pay Gap

State of play

The way that the Gender Pay Gap is calculated has changed in Cyprus, from monthly salaries to gross hourly wages which explains the drop from 21% to 16,7% between 2013 and 2014.

The Department of Labour Relations in the Ministry of Labour and Social Insurance has made efforts to reduce the gender pay gap within a new project co-funded by the European Social Fund. 15

specific actions to tackle the pay gap on several fronts have been introduced. The implementation of the project started in July 2010 and will be concluded by the end of 2015.

The Project consists of a broad mix of measures, aiming to combat the root causes of the gender pay gap. The measures that will be undertaken involve various social groups such as:

- Officers and Inspectors of equal pay and equal treatment in employment legislation;
- Career advice professionals;
- Primary and secondary education teachers;
- Parents;
- Enterprises;
- Social partners;
- Society in general.

The different actions of the Project, which are realised through public contracts, are:

1. Improvement of inspection mechanisms for Equal Pay legislation (Equal Pay between Men and Women for the Same Work or for Work to which Equal Value is attributed Law 2002–2009).
2. Study for increasing the use of parental leave through the adoption of pay benefits.
3. Publicity (responsible for promoting the implementation of the Project: campaigns).
4. Establishment of a Gender Equality Certification Body
5. Consultants supporting enterprises to be certified
6. Tripartite Conference on the exchange of best practices regarding equal pay between member states of the EU
7. Activities in the Education sector for eliminating occupational and sectorial segregation by gender.
8. Guide, manual, job evaluation tools and consultation services for employers
9. Guide for trade-union members for promoting equal pay during collective bargaining and training for members of professional associations and members of trade unions and employers associations
10. Examination of collective agreements
11. Printing of manuals, guides, educational material and information material
12. Further research and documentation related to gender pay gap

Gender Pension Gap

State of play

The ‘targeting’ of the Social Pension in Cyprus is currently under discussion. The Social Pension was introduced in 1995 and guarantees an old-age pension to everyone over the age of 65 with no pension income from any other source due to non-participation in the labour market. Thus, the social pension ensures universality in pension provision. As can be expected, the beneficiaries of the social pension are almost all women (98%).

According to the Cyprus NSR, the rate of Social Pension is equivalent to 81% of the full basic social insurance pension and is slightly lower than the minimum pension (as of January 2010 the Social Pension amounts to 315 Euros). Despite the fact that the social pension has been evaluated as insufficient to reduce the poverty risk of elderly women, and the recognition that elderly women in

Cyprus have an extremely high poverty risk, there have been no efforts to raise the Social Pension. Arguments for not increasing the Social Pension are based on the fact that higher allowances may weaken incentives for women's participation in employment and for contributing to the Social Insurance System.

The current proposal of the Cyprus Government is to introduce means based criteria to the Social Pension. Criteria would be based on household income and not on individual income. This would mean that women with spouses with income over a certain amount would no longer be eligible and would be entirely economically dependent on their spouses, reinforcing economic inequality between women and men within households. Consultation with the social partners is currently taking place and a decision has not yet been taken.

Other changes to the General Social Insurance System introduced in 2013 that are expected to have a negative impact on the gender pension gap include an automatic adjustment of the statutory retirement age every five years in line with changes in life-expectancy at the statutory retirement age (to be applied for the first time in 2018); an increase to the minimum age for entitlement to an unreduced pension by six months per year to bring it into line with the statutory retirement age; **a gradual increase to the minimum contributory period from 10 to 15 years**, and the introduction of penalties for early retirement.

In the case of the GEPS and similar schemes for the broader public sector employees, the reforms enacted focus on increasing the statutory retirement age, and accordingly the minimum retirement age, by 2 years - with automatic adjustment for changes in life-expectancy (to be applied for the first time in 2018); the introduction of an early retirement penalty to make early retirement actuarially neutral, while preserving acquired rights; and the calculation of pension benefits on a pro-rata basis taking into account life-time service.

Recommendations

- Increase the levels of the social pension, which is a non-contributory pension and calculate it on individual rather than family basis in order to increase adequacy in reducing at risk of poverty rate amongst elderly women.
- Introduce flexible retirement ages for both women and men in conjunction with targeted measures to promote employment among elderly women. These should also include measures to promote work/life balance.
- The extension of the minimum qualification period of paid contributions for old-age pension must be accompanied by measures to ease the economic burden to women that do not meet the qualifying criteria.
- Ensure that flexible forms of employment, which are often precarious, fall within labour law standards and labour insurance that facilitate full-time employment and full labour and health insurance. Ensure that flexible types of contracts and flexible forms of full-time employment that allow female migrant domestic workers to work in more than one household or multiple employers to employ the same female migrant domestic workers (full-time employment through shared contracts and chains of mini-jobs) fall within the scope of labour law standards.
- Establish Public Employment Agencies for female migrant domestic workers at the national and local level to ensure that their skills are assessed to enable them to access quality employment within labour law standards.
- Promote the Professional Development and Accreditation of female migrant domestic workers in the fields of Domestic Care and Domestic Health Care.

Migrant women

State of play

Migrant women are over-represented in domestic work which is often the result of a combination of factors, including de-skilling and lack of affordable care (for children, the elderly) which prevents them from seeking quality employment work that corresponds to their actual skills and provides them with adequate social protection and workers' rights.

No particular reforms for migrant workers but domestic workers pay have been cut by 5 % in 2013 as a result of the crisis.

Most migrant workers are employed in private households as domestic servants, almost all of which are women. There are also a large number of undocumented migrant workers employed without social insurance coverage).⁴

According to the Ministry's website, Cyprus has concluded agreements with the United Kingdom, Greece, Egypt, Canada, Quebec, Australia, Austria, Slovakia, Switzerland, Czech Republic, the Netherlands, Bulgaria and Romania. However, the majority of domestic workers in Cyprus are third-country nationals from the Philippines, Sri-Lanka, India, Nepal, and Vietnam.

Migrant women are at a high risk of social exclusion and poverty as women working in domestic care are paid a salary far below the minimum wage in Cyprus and lower than the public assistance allowance.

There is a strong occupational segregation by gender in between male and female migrants, which reflects negatively on migrant women's salaries.

The export of benefits to persons residing outside Cyprus is allowed in theory, with the exception of sickness, maternity and unemployment benefits. Third country nationals, although major contributors to the Social Insurance Fund, do not automatically enjoy the benefits provided by the Fund and in order to benefit, the Cyprus Government must have concluded a bilateral agreement with the country of origin

Recommendations

- Remove discriminatory regulations that restrict the mobility of female migrant domestic workers across employers and sectors of work by unlinking residence permit from work permit and disconnecting the link in between residence permit and a particular job/continuous employment, in order to grant female migrant domestic workers flexibility as workers and facilitate mobility across jobs and employers.
- Provide migrant workers from third countries access to the Social Insurance Fund.

⁴ Cyprus Social Insurance Services Statistics www.mlsi.gov.cy

‘Second earners’

State of play

Social benefits are featured as a primary target for the consolidation of public finances. The Economic Adjustment Programme aims at “better targeting of various social transfers, while protecting disadvantaged people by, inter alia, abolishing/streamlining certain (redundant) schemes and introducing or tightening of means testing criteria.”

The ‘targeting’ of the Social Pension is one example (see above) of the adverse effects of treating women as ‘second earners’ and introducing means-tested social benefits where the entire household income is taken into consideration rather than the income of the individual applicant.

Again in relation to public benefits such as the public assistance scheme (entitlement to public assistance have persons with income inadequate to cover basic and special needs), in a two parent family women are entitled to less as they are considered dependents. One can also assume that all cash allowances (for heads of household and their dependents) are deposited into the account of the applicant (i.e. head of household). This has the effect of reinforcing women’s economic dependence on their spouse particularly if one takes into account other factors such as the gender pay gap, women’s higher unemployment and inactivity rates, as well as lower pensions.

It should be mentioned that all public benefits where means testing has been introduced, household income is taken into account and not individual income.

Recommendation

- Remove household income as criteria for public benefits and replace with individual based income.
- Conduct gender impact assessment and analyses of all reforms foreseeing the ‘targeting’ of public benefits including the Social Pension
- Introduce individualised rights: remove the criteria relating to household income as the basis for public benefits and replace with individual based income.
- Conduct gender impact assessment and analysis of all reform foreseeing the targeting of public benefits including the Social Pensions.

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Part of the 2013 National Reform Programme (NRP) focused on actions aimed at labour market re-entry for mothers after parental leave and the provision of high-quality, affordable and flexible pre-school education and day care services. The necessity for additional services for disabled children (support person, personal assistant, transport, etc.) is also mentioned in the NRP.

Gender Pay Gap

State of play

1. Action plan

An action plan to reduce the gender pay gap was approved in 2012 by the Parliament. There are five main focus areas:

- improving the implementation of the existing Gender Equality Act (e.g. improvement of the collection of statistics, awareness raising, support of the work of the Gender Equality and Equal Treatment Commissioner etc.),
- improving the family, work and private life reconciliation (e.g. work with employers);
- promoting gender mainstreaming, especially in the field of education;
- reducing the gender segregation;
- analysing the organizational practices and pay systems in the public sector, improving the situation where necessary. It is emphasized that the gender pay gap is a complex issue and there is a need to implement simultaneous measures in all relevant fields.

2. Projects

During 2009-2014, a number of projects have been launched which address the gender pay gap directly or contribute to reducing the gender pay gap also in the long term:

- “Increased availability of gender pay gap statistics” was launched in 2013.
- “Promoting gender equality through empowerment and mainstreaming”,
- “Integrating gender in teacher education and training” is being launched. The project is implemented by the Estonian Women’s Associations Roundtable
- **Equal Pay Day** is marked in Estonia to build awareness of the public of the gender pay gap and mobilise and empower women. The promoter is Business and Professional Women.

Recommendations

- Address the gender pay gap in a sustainable way through the development a long-term national strategy supported by sufficient resources to advance gender equality. Measures in this strategy should include measures aimed at reducing the gender segregation of the labor market and the gender pay gap.

- Ensure implementation of the strategy.
- Monitor and report on progress made. Review the strategy regularly.

The measures should in other words cease to be project based and the funding for the proposed actions needs to be assured in the government budget.

Gender Pension Gap

State of play

The Gender Pension Gap reflects the Gender Pay Gap. Domestic violence can act as a barrier to work and full employment. A number of actions have been introduced as a result of private project funding; these include:

1. **“Developing services for victims of domestic violence, strengthening cooperation between different institutions and raising awareness among victims and the general public”** (launched in 2013). The project is implemented by the Estonian Women’s Shelters Union, a member organisation of the Estonian Women’s Associations Roundtable;
2. **“Building a uniform system for the prevention of intimate partner violence (IPV) in Estonia”** is being launched. The project is implemented by the Estonian Institute for Open Society Research.

Also, the Norwegian grants include a small grant scheme for 370 000 with open calls for proposals addressing gender equality topics.

Recommendation

- Design programs and measures to promote flexible working arrangements that help create work-life balance both for women and men.
- Sensitize the employers to the reconciliation issue, adapt social security schemes and the tax system to the increasing diversity in working patterns which facilitate quick return of young mothers to the labour market after the fully paid parental leave (18 months).
- Design positive measures to reduce the number of women facing the risk of poverty; provide measures for lone-parent families, which predominantly concerns women.
- Address domestic violence against women as a barrier to work and full employment, provide support to women victims of violence to seek and remain in employment.

Migrant Women

State of play

Estonia still has a restrictive migration policy, even though quotas have been slightly increased in 2008. Given this, the number of new immigrants (vs Soviet period immigration) is relatively small

Estonia has a large Russian speaking minority which represent about a quarter of the population. This minority, in general, earn less than the Estonian speaking part of the population and the Russian speaking women are the worst off. Other migrant groups earn even less than the Russian speaking minority.

Recommendations

- Take into account the situation of Estonia's Russian speaking minority and migrant groups when introducing measures to combat the gender pay gap.

„Second earners“

State of play

In Estonia, married resident taxpayers may lodge their tax returns jointly or separately whichever is more convenient for them.

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Finland

Gender Pay Gap

State of play:

Women's pay is about 20 % less than men's in Finland. In 2013 women were paid only 83 cents for every euro men were paid. Gender segregation in the labour market in Finland is high. Finland is one of the high-segregation countries in Europe.

Recommendations:

- Gender perspective in contract policy
- Act on Equality between Women and Men should guarantee better opportunities for employee representatives to access information on the pay and earning statistics in the workplace. The transparency of payroll information is of vital importance for equal pay.
- Decreasing gender-based segregation of occupations. For example by decreasing the high gender segregation in education.
- Support for women's career development.
- Sharing of caring responsibilities. So-called 6+6+6 -model might encourage men in participating child care and improve women's career and salary development. In 6+6+6 model both parents receive six months of parental leave and the remaining six months can be taken by either parent.

Pension Gap

Situation:

When retired, women's income is 22% less than men. This can be explained by women's and men's different position in working life. Women do more unpaid care work and temporary or part time jobs.

Recommendations:

- Sharing for caring responsibilities by adopting the 6+6+6 -model.
- Developing information production. More data is needed about pensions of different groups, such as migrant women.
- (Also see recommendations above in "Gender pay gap" -section)

Migrant Women

Recommendations:

- More attention to migrant women's social integration and language education. Special measures are needed for migrant mothers because current language education has not reached them well.

The current problematic term of 'second earners'

Situation:

- This term is really not in use in Finland; we don't even have a Finnish translation for the term. Women's employment rate is quite high in Finland.

Sweden

General recommendations

The structurally created pay gap must be adjusted, as it means that in Sweden women work for free after 3.53 pm every day. We request:

- Equal pay for equal work
- Women working full time should be paid all day instead of only until 3.53 p.m.
- Gender equal parental leave
- Annual surveys of salaries instead of surveys every third year
- Equal rights for women and men to full time jobs
- Carry out a thorough gender equality analysis and impact assessments prior to introducing structural reforms in the health and education systems. Ensure that all budgets are developed within a gender equality framework; apply gender budgeting principles as part gender mainstreaming.
- Gender disaggregates all data to inform actual analyses from a gender equality perspective and use the results to ensure gender sensitive analysis when allocating resources in the budget.
- Systematically calculate the effects of the budget on gender disaggregated individual disposable incomes. For example, tax deductions for pensioners' are claimed to have benefited women more than men since there are more women in this group instead of looking at the effects on disposable incomes.
- Improve measures aimed at boosting female entrepreneurship while ensuring that entrepreneurship is a free choice and not solely a means to tackle unemployment.

General Assessment of the CSR's

The NCGWO (Deutscher Frauenrat) wants to confirm what it has been stating in the last year: the CSR tend to be too broad and general in order to be effective. Many issues like fiscal disincentives for second earners, availability of fulltime child-care facilities and long-term unemployment, are mentioned without going into detail. Based on our previous recommendations we would like to emphasise furthermore:

1. Incoherence of gender policies

In the Council Recommendation on Germany's 2013 national reform programme it is correctly said that Germany has not taken action to remove significant disincentives faced by second earners and that progress in increasing the availability of full-time child care facilities and all-day schools remains limited. Further efforts are needed to improve transition from certain types of contracts, like mini-jobs, into more sustainable forms of contracts, thus avoiding labour market segmentation.

In this recommendation it is asked to facilitate the transition from non-standard employment such as mini-jobs into more sustainable forms of employment and to take measures to improve incentives to work and the employability of workers, in particular for second earners and low-skilled, also with a view to improving their income. To this end, remove disincentives for second earners and increase the availability of fulltime childcare facilities and all-day schools

However, the German Government and in particular the Federal Ministry of Family Affairs, Senior Citizens, Women and Youth runs incoherent family and women policies. The latest report on the evaluation of family policies in Germany has confirmed that incoherence of gender policies prevails: On the one hand there are policies to support the traditional gender model like for instance Ehegattensplitting (a system where both partners are taxed based on half of their combined income) and Betreuungsgeld (child care subsidies) and on the other hand from August 2013 onwards parents will be entitled to child care for under-three year old children. Both targets contradict each other.

The traditional gender model in policies still prevails which does not meet actual needs of families and does not avoid poverty of families and children. Family policies have to set targets like the provision for more time for family work besides jobs, set incentives for men to take over more family work and extend infrastructures for children and old age persons in a good quality and close to places of residence. This would be a relevant contribution for real possibilities of choices between job an family

2. Long term employees

The Council Recommendation on Germany's 2013 National Reform Programme rightly highlights that the improvement of the integration of the long-term unemployed into the labour market is limited. Yet, this limitation is supported by the policies of the Federal Ministry of Labour and Social Affairs and by the German Federal Labour Market Authority (Bundesagentur für Arbeit) which has been pointed out by the German Federal Court of Auditors (Bundesrechnungshof) in a report: Long-term unemployed are neglected in a systematic way. Most of the budget of the German Federal Labour Market Authority is used for those unemployed who are easily integrated into the labour market, a so called creaming process is taking place.

It has been pointed out by the German Federal Court of Auditors that a lot of time and effort is used by the German Federal Labour Market Authority to improve the procurement statistics and the internal target achievement.

General Recommendations

1. Address the more **general obstacles** for women as regards **access to the employment** market on *all levels and in all spheres (the debate about women on boards addresses an important issue but one that is still inapplicable to most women who struggle with more general obstacles.*
2. Address the issue of conditions required to access life work achievement **pensions** (Lebensleitungsrente) that cannot be met by many women.
3. Address the ramifications of the **child care subsidy** on perpetuating traditional male dominant family model and its counter-productive effect on women's employment rate.
4. A one percentage decrease (from 23% to 22%) in the gender pay gap is not really an improvement and needs to be addressed.

General Assessment of the CSR's

Gender Pay Gap

Ensure equality of the fiscal measures to support the development of business. Assess the support given to SMEs in relation to gender -i.e. ownership and employment by and of women/men be assessed to ensure fair distribution of support

The country-specific recommendations are weakly gendered, as in all previous years, and the gender pay gap is not specifically referred to.

Should the CSRs be implemented, the impact on the gender pay gap would be mixed.

Recommendation 3, which calls on the UK Government to “increase the quality and duration of [modern] apprenticeships” has the potential to have a negative impact on the pay gap, because of entrenched gender segregation within the different modern apprenticeship programmes that operate across the four nations of the UK. Male-dominated apprenticeships attract a higher rate of pay, and the pay gap for participants in the modern apprenticeship programme is higher than for people of the same age who are employed out with the programme. Completion of female-dominated apprenticeships in administration, retail, and care, does not result in increased pay. Completion of male-dominated apprenticeships in the skilled trades and engineering results in a significant increase in pay.

Recommendation 4 calls on the UK Government to “accelerate the implementation of planned measures to reduce the costs of childcare and improve its quality and availability”. There are, in fact, divergent proposals for funding childcare delivery across the four nations of the UK, with some models less likely to meet the high demand for low-cost, quality childcare that would enable women to participate in the labour market. There is concern across the UK among gender advocates that expanding the provision of childcare without addressing the systemic undervaluation of childcare work will have a neutral or negative impact on gender pay gap, or narrow it at the expense of working-class women.

Recommendation 4 also calls on the UK Government to “support low-income households and reduce child poverty by ensuring that the Universal Credit and other welfare reforms deliver a fair tax-benefit system with clearer work incentives and support services”. Gender advocates are clear that tackling child poverty requires a gendered approach that recognises that child poverty is caused in large part by women’s poverty, and designs social security systems that are gendered. Women’s organisations across the UK have critiqued the proposals for Universal Credit and their impact on women and on families headed by single mothers. We would welcome a transformation of social security that recognised it as investment in wellbeing along the life course. There is no evidence that the CSR is intended to suggest such an approach.

Recommendation 5 calls on the UK Government to “improve the availability of bank and non-bank financing to the corporate sector [...] especially SMEs”. The mechanisms for investment channelled through economic development agencies and similar bodies are entirely gender-blind. Advocates for women’s entrepreneurship have called for investment programmes that recognise the industrial segregation within women’s businesses, and women’s lower uptake of business support services, and to develop a strategic approach to facilitate women to start businesses at the rate they do in other states. There is no evidence that this call has been acknowledged in this CSR. Continuing to invest in

predominantly male-owned start-ups and growth businesses is likely to widen the gender income gap.

Gender Pension Gap

Legislation was agreed back in 1995 to gradually increase women's State Pension Age from 60 to 65 over a 10-year period starting in April 2010.

The Pensions Act 2011 speeds up that process so women's State Pension Age will now reach 65 by November 2018 and then State Pension Age for both men and women will increase to 66 by October 2020.

Other legislation increases State Pension Age to 68 by 2046 but the Government has announced that it wants this increase to happen faster.

The Government plans to increase State Pension Age from 66 to 67 between 2024 and 2026. The Government also intends to introduce automatic reviews of State Pension Age every 5 years with the first review planned to take place in 2017.

Gender advocates are profoundly concerned about the impact of these changes on women's pensions, and particularly some cohorts of women who are affected by a number of pension policies, including previous regulations that allowed women to waive payment of contributions to their state pension on the assumption that they would share their husband's.

It is difficult to set out a series of policy asks that would mitigate women's pension poverty, because such a goal sits entirely outwith the current UK Government analysis of public expenditure and social security. Alleviating women's pension poverty requires that social security in the UK be reinvented as an investment in wellbeing. A procedural step towards such a goal would be conducting an equality impact assessment on each piece of pensions reform policy.

Migrant women

The CSRs made no explicit mention of migrant women, or migrant people more generally.

Recommendation 4 also calls on the UK Government to "support low-income households and reduce child poverty by ensuring that the Universal Credit and other welfare reforms deliver a fair tax-benefit system with clearer work incentives and support services". The rationale behind Universal Credit (UC) is to increase incentives to enter the labour market and to reduce in-work poverty. Its aim is to "make work pay", even if that work consists of a very small number of hours each month. This is not intrinsically a bad thing, and women's organisations have long called for increased flexibility in social security that would enable women to balance unpaid work and care.

However, the design of Universal Credit is poor, in that it fails to take account of gendered patterns of care and employment. The design of the earnings disregard means that it fails in its core objective, and will not "make work pay" for many lone mothers and second earners. Universal Credit is also likely to reduce women's access to income, even if the level of income for the family is sustained. The household payment will be paid to one individual, on a monthly basis, and this is projected to reduce women's economic autonomy as well as placing significant pressure on household budgets. In addition to its fundamental design flaws, the process of applying for, and managing, Universal Credit has been widely criticised. The only way of making an application is by digital access, which is particularly challenging for many groups of women, including migrant women. Some groups of migrant women have less access to IT resources, and have poorer English language skills. The Universal Credit process is complex and is not available in other languages.

The UK Government has taken a relentlessly anti-immigration approach over the period since the last CSRs were issued. It has increased document-checking of those suspected to be migrants, and mounted a public campaign to tell undocumented migrants to “go home”. Although these practices have now ended, the public discourse around immigration and asylum is negative.

The UK’s approach is not entirely congruent with the attitudes taken within the devolved nations, but immigration law and policy is entirely within the competence of the UK Government.

- Adequate English as a second language (ESOL) training, that is culturally and practically accessible to migrant women.
- Creation of employability services that are culturally and practically accessible to migrant women.
- Work-experience programmes for migrant women, that enable women to familiarise themselves with the work culture of the UK.

‘Second earners’

The CSRs do not contain an explicit mention of the issue of individualisation vs family-based taxation and social benefits.

Recommendation 4 also calls on the UK Government to “support low-income households and reduce child poverty by ensuring that the Universal Credit and other welfare reforms deliver a fair tax-benefit system with clearer work incentives and support services”.

Universal Credit is designed to move from individualisation to family-based social benefits. It is paid, monthly, to one named individual within a family, and ‘rolls up’ all of the benefits that the family receives. It also includes housing benefit, rather than paying this to the landlord directly. The familialisation of Universal Credit has been widely criticised by gender advocates.

Familialisation is one characteristic of the broad sweep of ‘welfare reform’. For the first time since its introduction in 1945, child benefit is means tested, and it not paid to mothers whose partners earn over a certain threshold. This ignores child benefit’s role in providing a small amount of financial autonomy to women, and in ensuring that children receive all of the goods and services that they require.

The UK Government has introduced a marriage tax allowance, which enables transfers of allowances from a stay-at-home parent married to a parent participating in the formal labour market. The introduction of good quality, low cost childcare. Rolling back of Universal Credit, still in pilot testing phase, and other ‘welfare reform’.

General recommendations:

- Include an equality statement when setting out the budget for 2015/16 and beyond, identifying the differential impact of the budget on women and men, and describing any policy changes made to mitigate the negative impacts on women and men. This will include modelling the impact of ‘growth-enhancing expenditure’ on women and men’s participation in the labour market.

- Ensure that intermediate skills programmes operating in different countries within the UK aiming to improve the skills of young people, like the Modern Apprenticeship programmes, are militating against gendered occupational segregation, and not entrenching it at a cost to the public purse.
- Address the gendered barriers to women's full labour market participation, and particularly the labour market participation of single parents. Provide sufficient and good-quality childcare, using a funding model that does not displace out-of-work poverty by increasing the in-work poverty of childcare workers.
- Gender-impact assess all recommendations, the welfare reforms and the impact of the UK budgetary cuts both directly and indirectly on women. Commit to monitor the impact of said changes and report annually on the impact on women specifically.
- Investigate the impact of the fiscal measures on the third sector and publically report on and address in order to ensure on-going support for organisations supporting women.
- Ensure that state-supported non-bank financing for SMEs provides accessible capital to women-owned businesses, and that female entrepreneurs are adequately supported by business support services.