



European Economic and Social Committee

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Gender equality in European labour markets

OPINION

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Gender equality in European labour markets
[Exploratory opinion requested by the European Parliament]

Rapporteur: **Helena DE FELIPE LEHTONEN**

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1. Conclusions and recommendations

- 1.1 In order to improve gender equality in labour markets, the EESC considers it necessary to draw up an **integrated and ambitious European strategy** to tackle systemic and structural obstacles and lead to adequate policies, measures and EU funding programmes for improving equality between women and men, thus fostering "more equal economic independence of women and men"¹. This would also contribute to the implementation of the European Pillar of Social Rights.
- 1.2 This opinion reiterates the need to **further tackle some well-identified challenges**, such as the gender pay gap and work-life balance, and on which the EESC has already issued opinions².
- 1.3 The EESC believes that further efforts are required to address the persistent gender pay gap. It fully supports the objectives of the Equal Pay International Coalition³ to work towards closing the gender pay gap by 2030. It regrets the low rate of implementation of the European Commission's 2014 Pay Transparency Recommendation, and urges Member States and the EU to take the appropriate measures to step up implementation.
- 1.4 The EESC recalls that pay transparency has an important part to play in combating the gender pay gap⁴. It recommends gender neutral pay systems as a means to foster an unbiased approach to remuneration and recruitment.
- 1.5 The EESC agrees with the need to enhance measures to reduce horizontal gender segregation in education, training and the labour market⁵. Awareness raising campaigns and other measures should be carried out in order to tackle gender stereotypes and segregation in education, training and career choices, making full use of new technologies. Improved pay and working conditions in female dominated sectors could encourage more men to enter these occupations.
- 1.6 More efforts should be dedicated to the labour-market integration and empowerment of women belonging to vulnerable groups, taking into account an intersectional approach⁶.
- 1.7 The EESC appreciates the efforts deployed by the Commission for closer monitoring of childcare and long-term care as part of the European Semester. This should remain a priority in the medium and longer term. The EESC is in favour of initiating a renewed reflection with

1 [Report on equality between women and men in the EU, European Commission 2018.](#)

2 EESC opinions on "[Work-life balance for parents and carers](#)" (OJ C 129, 11.4.2018, p. 44) and on "[Tackling the Gender Pay Gap](#)" (OJ C 262, 25.7.2018, p. 101).

3 <https://www.ilo.org/global/topics/equality-and-discrimination/epic/lang--en/index.htm>.

4 EESC opinion on "[Work-life balance for parents and carers](#)".

5 In line with the Council Conclusions of 7 December 2017 on Enhanced measures to reduce horizontal gender segregation in education and employment. <http://www.consilium.europa.eu/media/31957/07-08-epsco-provisional-agenda.pdf>.

6 See, for instance, the EESC opinion on "[The situation of women with disabilities](#)" (not yet published in the OJ).

Member States on the 2002 Barcelona targets on childcare⁷, with a view to making the targets more ambitious and to extending the approach to care of other dependants.

- 1.8 The EESC calls on the Parliament and Council to introduce **new and adequate indicators** in the future European Structural Funds, to better monitor the EU financial contribution to the various care services and to gender equality.
- 1.9 The EESC welcomes the ESF+ proposal within the Multiannual Financial Framework for 2021-2027⁸, which aims to support equality between men and women and to promote women's participation in the labour market through measures to improve work-life balance and access to childcare and other care services. However, it also takes the view that EU funding should be allocated in a more gender-sensitive manner and that gender equality should be set as a stand-alone goal, rather than being merged with anti-discrimination and anti-racism objectives.
- 1.10 The EESC also welcomes the InvestEU programme for 2021-2027, which supports investments in social infrastructure. The EESC calls on the Parliament and the Council to strongly support this new opportunity to trigger the necessary investments in childcare (as well as after school care).
- 1.11 Female entrepreneurship is lagging behind and needs to be fostered to exploit the enormous potential of the digital economy and technological innovation. Access to finance has to be improved and transition between job statuses facilitated.

2. **Background and challenges**

- 2.1 This EESC opinion has been drafted in response to a request from the European Parliament for an exploratory opinion on "Gender equality in European labour markets". At the request of the Parliament, this opinion considers the impact of the measures outlined in the Commission's Recommendation on *strengthening the principle of equal pay between men and women through transparency*⁹ and the need for further action to tackle the gender pay gap.
- 2.2 Articles 2 and 3(3) of the TEU, as well as the Charter of Fundamental Rights of the European Union, recognise that the right to equality between women and men is one of the Union's fundamental values, and as such represents an important task. The European Pillar of Social Rights enshrines gender equality, and the right to equal pay for work of equal value, as one of the 20 principles essential for fair and well-functioning labour markets and welfare systems.
- 2.3 The European Union and Member States have been promoting gender equality in the labour market through a mix of legislative and non-legislative instruments, recommendations, policy guidance and financial support. In its Strategic Engagement for Gender Equality 2016-2019, the European Commission confirmed the priorities to be tackled: equal economic independence for

⁷ http://europa.eu/rapid/press-release_MEMO-08-592_en.htm.

⁸ https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-european-social-fund-plus-regulation_en.pdf.

⁹ [2014/124/EU](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:2014/124/EU).

women and men, equal pay for work of equal value and equality in decision-making, dignity, integrity and ending gender-based violence, and promoting gender equality beyond the EU¹⁰.

- 2.4 In 2017, the female employment rate continued to increase at a slow but steady pace, in keeping with that of men, and reached the record of 66.5%, as against 78.1% for men¹¹. However, the gender employment gap, at 11.5pps, remained unchanged since 2013. Additionally, the EU 2020 target of 75% of women and men in employment is unlikely to be met. The Gender Equality Index score increased from 62 points in 2005 to 65 points in 2012 but only to 66.2 points in 2015, due in part to the crisis. In a number of Member States, measures to tackle the crisis did not appropriately take into account the negative impact on gender equality¹².
- 2.5 Despite general progress in gender equality in European labour markets, inequalities between women and men persist. Horizontal and vertical segregation are important factors contributing to the unadjusted gender gap in gross hourly earnings, which currently stands at around 16%¹³. The gap is aggravated by the predominance of women in part-time jobs and in lower paid sectors, as well as the higher take-up by women of parental leave schemes, leading to career breaks, less career advancement and the lower accrual of pension entitlements.
- 2.6 The current gender employment gap represents an important economic and social loss for the EU, estimated at EUR 370 billion a year¹⁴. With the demographic challenge and the shrinking of the working age population, Europe needs to fully tap the labour market potential of all women, taking account of the intersection of race, ethnic origin, social class, age, sexual orientation, nationality, religion, sex, disability, refugee or migrant status, which can present particular obstacles to their participation in the labour market.
- 2.7 While women tend to be predominantly employed in lower-paid and lower-skilled jobs and in sectors such as healthcare, social services, education, public administration and retail, men are more represented in engineering, construction and transport. The lack of men in EHW (education, healthcare and social service occupations) is increasing and is reinforced by the lack of role models and often less attractive working conditions and pay. The same goes for women who are underrepresented in STEM (sciences, technology, engineering and mathematics) occupations¹⁵. In 2016, only 17% of ICT specialists in the EU were women¹⁶.

10 Strategic Engagement for Gender Equality 2016-2019, European Commission 2015 (https://ec.europa.eu/anti-trafficking/sites/antitrafficking/files/151203_strategic_engagement_en.pdf).

11 Eurostat 2018. Women represent 18% of workers in terms of full-time equivalent, but with substantial differences among countries.

12 See for example the European Parliament [Resolution of 12 March 2013 on the impact of the economic crisis on gender equality and women's rights](#).

13 Report on equality between women and men in the EU, European Commission 2018: "The 'unadjusted' pay indicator is the raw difference between men and women's earnings. The 'adjusted' indicator takes into consideration average characteristics and factors such as differences in education, experience, sectors, positions, number of hours worked, parenthood status, etc."

14 Eurofound: <https://www.eurofound.europa.eu/news/news-articles/gender-employment-gap-costs-europe-eu370-billion-per-year>.

15 <http://eige.europa.eu/gender-mainstreaming/policy-areas/economic-and-financial-affairs/economic-benefits-gender-equality>: Closing the gender gap in STEM subjects would contribute to an increase in EU GDP per capita of 2.2 to 3.0% and increase EU employment by 850 000 to 1 200 000 jobs by 2050.

16 [Research note on Women and men in ICT: a chance for better work-life balance, EIGE 2018](#).

- 2.8 While new EU legislation is being discussed at the EU Council (Work-Life Balance Directive), women continue to suffer from the "motherhood penalty" at work, including during pregnancy and after giving birth, which continues to be a problem in many Member States. The employment gap is especially high for mothers and women with care responsibilities¹⁷. In 2016, more than 19% of inactive women were inactive because they had to look after children or adults. On average, the employment rate of women with a child under 6 is 9% lower than that of women without children, a difference that rises to as much 30% in some countries.
- 2.9 The EESC is seriously concerned about the extent of sexual harassment encountered by women in the workplace and that cyber-harassment against women is becoming widespread¹⁸. It recalls the need for better enforcement of Directive 2006/54/EC prohibiting harassment and discrimination at the workplace¹⁹.
- 2.10 The EESC also calls for mainstreamed and specific measures targeting women belonging to vulnerable groups, as they often encounter greater difficulties in entering the labour market. It underlines the need for an intersectional approach, in order to increase the labour market opportunities of women facing multiple forms of discrimination²⁰.
- 2.11 Female entrepreneurship is still underdeveloped. Women constitute 52% of the total European population but only 34.4% of the self-employed in the EU and 30% of start-up entrepreneurs. Self-employed women are less well-off than self-employed men. 76.3% of self-employed women in the EU28 are own account workers without employees, compared to 69% of men. Thus, men are more often business owners with employees, while women are more self-employed without employees, with a higher risk of low income. Female creativity and entrepreneurial potential are an under-exploited source of economic growth and jobs which has to be further developed to create successful businesses²¹.
- 2.12 Part-time work can be a valuable tool to enhance the work-life balance of men and women. However women work more often part-time than men (accounting for over 70% of part-timers) and an increase has been documented in lower paid jobs (retail sales, cleaning and helping). The levels of involuntary part-time work for both women and men continue to cause concern. The 75% EU 2020 employment target can only be achieved through an integrated strategy composed of a coherent policy mix and measures to promote labour market participation, quality jobs, ensure equal treatment in employment and encourage more balanced care responsibilities between parents and carers of other dependent relatives.

17 [Report on equality between women and men in the EU, European Commission 2018](#) and the [Social Scoreboard](#).

18 Fundamental Rights Agency (FRA): Violence against women: An EU-wide survey - Main Results http://fra.europa.eu/sites/default/files/fra-2014-vaw-survey-main-results-apr14_en.p.

19 EESC opinions on "[Vulnerable groups' rights at the workplace](#)" (OJ C 351, 15.11.2012, p. 12), "[Inclusion of migrant women in the labour market](#)" (OJ C 242, 23.7.2015, p. 9) and "[The situation of women with disabilities](#)" (not yet published in the OJ).

20 For instance, only 18.8% of women with disabilities are employed in the EU according to the 2015 Gender Equality Index – EIGE.

21 https://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/women_en.

3. Areas for further action to achieve gender equality in European labour markets

3.1 Addressing pay transparency to close the gender pay gap

- 3.1.1 The gender pay gap is one of the most persistent barriers to gender equality in labour markets and in society and to economic growth. The EESC fully supports the Equal Pay International Coalition (EPIC), a global initiative led by the ILO, UN Women, the OECD, and including governments, employers, trade unions and civil society, with the objective of closing the gender pay gap by 2030. The EESC calls on the EU to step up its action to ensure that the gender pay gap in the EU is closed by 2030.
- 3.1.2 The EESC reiterates its recommendations regarding the European Action Plan for tackling the gender pay gap²². The EESC also acknowledges that the Gender Equality Recast Directive 2006/54/EC²³ and the Commission Recommendation to Member States on strengthening the principle of equal pay between men and women 2014/124/EU have been instrumental in tackling the gender pay gap and remain valid. However, more efforts are needed²⁴. The 2013 Commission report on the application of Directive 2006/54/EC²⁵ concluded that the practical application of equal pay provisions in Member States is one of the Directive's most problematic areas.
- 3.1.3 EPIC has stated that the lack of pay transparency plays an important role in pay differentials between men and women and that increased pay transparency can help to reduce gender pay gaps²⁶. Pay transparency has an important part to play in combating possible pay discrimination. The EESC is concerned by the low rate of implementation of the 2014 Recommendation on Pay Transparency. Although most Member States have some measures aimed at increasing pay transparency in place, in a third of Member States such measures are entirely absent. The EESC calls on Member States to step up implementation of the Recommendation, for example by foreseeing the possibility for individual to request information about pay levels or the possibility for employers in companies of a size to be defined to report on pay or conduct pay audits, as this would foster a fair approach to recruitment and remuneration. The need for full respect of employees' (data) privacy and of general industrial relations should also be taken into account.
- 3.1.4 In order to implement the equal pay principle and to tackle the gender pay gap, better synergies between different available measures are needed. Among those, gender neutral pay systems are strongly encouraged as they foster an unbiased approach to recruitment and remuneration.
- 3.1.5 Social partners are the best placed to reassess the value of skills and occupations. Social dialogue and collective bargaining are instrumental in reaching this objective and in addressing the gender pay gap.

²² EESC opinion on "[EU Action Plan 2017-2019 – Tackling the gender pay gap](#)" (OJ C 262, 25.7.2018, p. 101).

²³ [Directive 2006/54/EC](#).

²⁴ [Commission Recommendation 2014/124/EU on strengthening the principle of equal pay between men and women through transparency](#).

²⁵ [COM\(2013\) 861 final](#).

²⁶ https://www.ilo.org/wcmsp5/groups/public/@ed_norm/@declaration/documents/publication/wcms_574730.pdf

3.1.6 At European level, the pay gap is also addressed through the European Semester. In 2017, the gender pay gap was highlighted in the country reports of 9 Member States. Country specific recommendations focusing on investment in childcare facilities and fiscal disincentives, as well as on other measures related to the gender pay gap, were addressed to 12 Member States.

3.1.7 Particular attention should focus on raising awareness of unconscious biases or strengthening the pay gap in recruitment or promotion. Support from business organisations, along with cooperation between social partners, authorities and equality bodies in finding adequate solutions, are also relevant for reducing the gender pay gap.

3.2 **Education, segregation and stereotypes**

3.2.1 Persistent horizontal segregation in education, training and the labour market, driven by stereotypes and barriers in the labour market need **to be addressed** from early childhood onwards. There is a strong link between such segregation and the gender pay gap. The tendency to undervalue certain professions, including in leadership positions, should be more clearly highlighted. Better pay and working conditions in female dominated sectors could act as an incentive for more men to enter these occupations, thus also helping to address the issue of occupational gender segregation.

3.2.2 Despite higher female achievement in education, women face numerous barriers in pursuing careers in certain male dominated sectors, such as ICT. Even if some girls opt for an education in STEM, only 10% of women pursue a career in these fields afterwards²⁷. This requires a stronger emphasis on tackling segregation and stereotypes in education and better promoting the sector among women.

3.2.3 The lack of men in the education, healthcare and welfare (EHW) sector is assuming worrying proportions. The EESC calls for awareness raising campaigns and promotion of role models at EU and national levels to encourage ICT and STEM professions among women and EHW ones among men.

3.3 **Care services to enhance work-life balance**

3.3.1 Combining work, private and family life is one of the main challenges for parents and others with caring responsibilities. Women are disproportionately affected as they generally bear the responsibility for caring for dependant relatives. Achieving better work-life balance is especially challenging for single households and people belonging to vulnerable groups. The EESC welcomed the Commission initiative to increase the labour market participation of parents with children and help them to achieve a better work-life balance²⁸.

²⁷ EIGE: <http://eurogender.eige.europa.eu/events/women-and-men-ict-chance-better-work-life-balance#resources>.

²⁸ Principle 9: 'Work-life balance'.

3.3.2 Sharing parental and other caring responsibilities is an important objective for equal participation in the labour market²⁹. Fathers' take-up of paternity and parental leave is generally low and they usually take leave only when it is paid. It is essential to take measures that encourage men to engage more in family life, while addressing possible costs and organisational efforts for enterprises, especially small and micro-enterprises³⁰.

3.3.3 As care responsibilities are one of the main reasons for low female labour market participation, the Barcelona objectives are of crucial importance, but they have not been sufficiently met³¹. Evidence shows a positive correlation between childcare facilities and the female employment rate. The EESC regrets that, more than 15 years after their adoption, such a low number of countries have reached the Barcelona targets. It calls for a possible revision to set more ambitious targets as an incentive to foster gender equality.

Affordability and accessibility of childcare and other care services remain a challenge, especially for lower income families. A good mix of quality public and private care facilities is therefore important. Additionally, childcare facilities' opening hours remain a real obstacle for working parents.

3.3.4 The EESC also draws attention to the need for out-of-school care facilities for children of working parents. They should be available in countries where the school day finishes early and parents tend to opt for part-time work to fill the gap. More data should be available to understand the extent and consequences of this structural problem on gender equality in the labour market.

3.3.5 The growth of the care sector, with important untapped job potential, requires special attention due to persistent gender segregation and, in many cases, poor working conditions and low pay. As already requested by the EESC, there is a need to gather adequate data on the different aspects of paid care systems and preferences in Europe. This should include the rapidly expanding homecare services and the specific case of live-in care workers³², many of whom experience intra-EU mobility or are migrants from third countries and report poor working conditions and pay. The EESC calls on the Commission to adopt an integrated strategy for the care sector.

3.3.6 The EESC appreciates the efforts of the Commission for closer monitoring of childcare and long-term care, as part of the European Semester and the country specific recommendations addressed to Member States.

29 EESC opinion on "Work-life balance for parents and carers" (<http://api.eesc.europa.eu/documents/eesc-2017-02275-00-04-ac-tra-en.docx>) (OJ C 129, 11.4.2018, p. 44).

30 [Ibid.](#)

31 [Report on the development of childcare facilities for young children with a view to increase female labour participation, strike a work-life balance for working parents and bring about sustainable and inclusive growth in Europe \(the "Barcelona objectives"\) COM\(2018\) 273](#). The target of 33% of children in the EU under the age of 3 has been reached in 12 Member States. In 16 Member States, less than 33% of children have access to childcare, with 10 Member States having less than 25% of children under the age of 3 participating in childcare. The Barcelona target has not yet been reached for children from 3 to mandatory school age. As of 2016, 86.3% of them participated in formal childcare or attended preschool, with noticeable differences between Member States.

32 EESC opinion "The rights of live-in care workers" (<http://api.eesc.europa.eu/documents/eesc-2016-00941-00-00-ac-tra-en.docx>) (OJ C 487, 28.12.2016, p. 7).

3.4 **Financing gender equality: the Multiannual Financial Framework**

- 3.4.1 The EESC welcomes the ESF+ proposal within the Multiannual Financial Framework for 2021-2027³³, which aims to support equality between men and women, equal opportunities and non-discrimination, and to promote women's participation in the labour market through measures to improve work-life balance and access to childcare. The EESC encourages the EU institutions and Member States to implement its recommendation for the ESF+ to support gender equality³⁴.
- 3.4.2 The EESC takes the view that EU funding should be allocated in a more gender-sensitive manner. The EESC is concerned that the merging of the gender equality, anti-discrimination and anti-racism objectives into one single objective undermines their visibility and the clarity of the amounts allocated to each of them. Thought should be given to the best way of addressing this.
- 3.4.3 The EESC stresses the need for investment in high-quality, affordable and accessible care services and facilities for all. The Commission proposal for the ESF+ is a step in the right direction by investing more in childcare. This financing should be further promoted, building on good practices to be compiled by the Commission.
- 3.4.4 The EESC also welcomes the InvestEU programme as part of the Multiannual Financial Framework 2021-2027 and its priority on boosting investments in social infrastructure, which could have a positive impact on gender equality.
- 3.4.5 The EESC is concerned that there is currently no assessment of how EU funds have been used by Member States to support the provision of care services. This must be addressed in the next funding programmes, by introducing adequate indicators for Member States in the future Structural Funds, including the ESF+, to better monitor the EU financial contribution to the various care services and gender equality.

3.5 **Tax and benefit systems**

- 3.5.1 Available evidence indicates that women often face strong economic disincentives when entering the labour market or wanting to work more: the way tax-benefit systems are set-up can act as a deterrent for second earners, most often women. Direct consequences of this are lower or no contributions paid into pension systems, which subsequently results in lower pension income and even poverty.
- 3.5.2 The European Semester has already highlighted the need to adapt tax-benefit systems to prevent strong disincentives for those second earners wishing to take-up a job or to work more. Close monitoring of developments in the Member States will be necessary.

33 https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-european-social-fund-plus-regulation_en.pdf.

34 See the EESC opinion on the "[European Social Fund+](#)" (not yet published in the OJ).

3.6 **Female entrepreneurship**

- 3.6.1 Entrepreneurship can be an opportunity for women's economic independence with quality jobs, successful careers, lifting women out of poverty and social exclusion, and contributing to a more balanced gender representation in decision-making. Female entrepreneurship must be supported by improving access to and quality of social protection measures³⁵ and by mainstreaming entrepreneurship education into education and training.
- 3.6.2 With regard to self-employment, women are more often own-account workers facing a higher risk of in-work poverty, while more men are among owners of companies with employees. Women are also faced with more structural barriers with regard to access to finance, stereotypes and lack of confidence. Such obstacles need to be removed. Mentoring business angels and new forms of financing can be useful to overcome barriers. Existing networks in business organisations should be more actively promoted and disseminated³⁶.

3.7 **Digital economy**

- 3.7.1 Changes in the labour market, due to globalisation, technological developments and demographic change provide new perspectives for employees and entrepreneurs alike. Emerging and growing sectors (e.g. ICT, green economy, industry 4.0, e-commerce) can offer many opportunities for women in well-paid jobs. The EESC has also highlighted the problem of the digital gender gap posing a range of challenges that need to be addressed. It has also provided recommendations to overcome imbalances in relation to education systems and the labour market³⁷.
- 3.7.2 To ensure that women and men can operate with confidence in the digital economy, there is a need for greater clarity of status at national level regarding rights, social security entitlements and obligations both in work and in B2B-contracts. Education and training should be at the centre of strategies for promoting ICT, STEM and green careers for women and the gender perspective should be mainstreamed into the Digital Single Market Strategy.

3.8 **Enhanced cooperation between all actors**

- 3.8.1 The role of social partners in negotiating collective agreements is an important means for tackling the multiple dimensions of gender equality and equal pay in European labour markets. At EU level, the social partners adopted a Framework of Actions on Gender Equality in 2005 followed up by joint actions at national level³⁸ to address gender roles, promote women in decision-making, support work-life balance and tackle the gender pay gap. In 2008 they revised

³⁵ EESC opinion on "Access to social protection" (<http://api.eesc.europa.eu/documents/eesc-2018-02514-00-01-ac-tra-en.docx>) (OJ C 173, 31.5.2017, p. 45).

³⁶ https://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/women_en.

³⁷ EESC opinion on the "Digital Gender Gap" (not yet published in the OJ).

³⁸ https://ueapme.com/IMG/pdf/Final_Evaluation_Report_Framework_of_Actions_on_gender_equality_2009_EN.pdf.

their 1996 Parental leave agreement (Directive 2008/18/EC) and in 2012, they developed a toolkit for enhancing gender equality in practice³⁹.

3.8.2 Civil society organisations can also usefully contribute to promoting gender equality in the labour market, in particular for vulnerable groups.

3.8.3 The EESC calls for a renewed and ambitious strategy at EU level for achieving gender equality in European labour markets, to be framed coherently within any future European employment strategy, the European Pillar of Social Rights and the European dimension of the UN Agenda 2030 for Sustainable Development.

Brussels, 12 December 2018

Luca Jahier

The president of the European Economic and Social Committee

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<http://erc-online.eu/gendertoolkit/#/>.