

Gender equality in the EU

Why we need a renewed commitment to gender mainstreaming

Jill Rubery, Valeria Insarauto and Núria Sánchez-Mira

Jill Rubery

is professor at the Work and Equalities Institute, Alliance Manchester Business School, University of Manchester, United Kingdom.

Valeria Insarauto

is lecturer at the Centre for Decent Work, Sheffield University Management School, University of Sheffield, United Kingdom.

Núria

Sánchez-Mira

is assistant professor in Sociology at the University of Neuchâtel, Switzerland.

Key findings

- The European social turn following the development of the European Pillar of Social Rights and continuing through the Covid-19 pandemic and beyond produced a cluster of directives and policy programmes that were to have positive impacts on women's labour market position. Nevertheless, this review finds that much remains to be done and identifies three main risks to gender equality that call for reinforced policy initiatives. This requires the European Union (EU) to renew and fully implement its 30-year commitment to gender mainstreaming.
- The first risk is that there may be further mobilisation of women into work without a compensating increase in support for unpaid care work and changes in the household division of care work. This requires full implementation of the European Care Strategy.
- The second risk arises from a failure to assess the gender equality implications of the major socioeconomic changes associated with both the green and the digital transitions. Women face potential exclusion from new green jobs and risk loss of access to standard equality rights, such as maternity leave, if the digital revolution further expands gig work.
- The third risk is the threat of a further round of austerity policies. The EU and its Member States need to learn lessons from the sovereign debt crisis (Karamessini and Rubery 2014) and protect women against, for example, major cuts to care services and the devaluation of public sector jobs, in which women are concentrated.
- Welcome though the social turn was and the support provided for both gender equality and a fairer labour market, there is an urgent need for a renewed commitment to gender mainstreaming to guard against negative impacts from forces for change that are often not considered to be within the scope of gender equality policies.

Introduction

Gender equality is a fundamental value enshrined in the EU's treaties, yet the path towards a more gender equal labour market and social system has been both slow and uneven. Recently, the turn towards developing Social Europe has raised optimism that there could be a renewed push towards greater social equality, including between women and men. This is therefore an opportune time to take stock of recent trends and consider future prospects in relation to the core issues for gender equality at work, namely access to employment, support for working parents and pay and income. This assessment is informed both by short-term trends and by the recognition that real progress requires wider changes than the instrumental mobilisation of women into the labour market to boost economic growth and counter the effects of demographic ageing. Making the transition to a genuinely more gender equal society also requires significant change in institutions, social norms and social practices.

This stocktaking is timely because this spirit of optimism may already be at risk of disappointment. The EU is facing significant upheaval due to the digital and the green transitions. However, despite its 30-year commitment to gender mainstreaming all policy initiatives, the EU has paid limited attention to the equality consequences of these expected transformations of work and social life. In addition, the return to the EU's stringent fiscal rules that provided justification for EU and Member States' austerity policies during the sovereign debt crisis from around 2010 raises the prospect of new rounds of cuts to public services and public sector wage restraint. This could further delay or derail the essential development of institutions and social support for a more gender equal European society.

The EU's social turn and potential benefits for gender equality at work

The ETUI's Benchmarking Working Europe report (2024) identifies a social turn in EU policymaking, evident in three main EU competences: in new primary legislation and supporting recommendations following on from the European Pillar of Social Rights; in its funding for social development in Member States, including the Support to Mitigate Unemployment Risks in an Emergency provided during the Covid-19 pandemic and the post-Covid Recovery and Resilience Facility (RRF); and in its temporary suspension of the strict macroeconomic governance framework rules (Piasna and Theodoropoulou 2024). Combined, these offered the prospect of a long-term renewal of the European social model, including a reinforced commitment to its long-heralded gender equality objectives.

The main legislative measures with direct links to gender equality include the Work-Life Balance Directive (2019/1158/EU), the Women on Corporate Boards Directive (2022/2381/EU) and the Pay Transparency Directive (2023/970/EU). Agreement has also been reached on a Directive on combatting violence against women and domestic violence. A range of other measures should improve

protection for women due to their concentration in low paid jobs or in sectors in which working-time arrangements may conflict with care responsibilities. Women on low pay should be helped by the Adequate Minimum Wages Directive (2022/2041/EU), both through its effects on minimum wage levels and through its measures aimed at extending collective bargaining coverage, which could further improve pay and opportunities for progression. Those on short and unpredictable hours should, for example, be given longer notice of schedules by the Transparent and Predictable Working Conditions Directive (2019/1152/EU); and those working on platforms will benefit from the newly agreed directive on platform work that will introduce a presumption of employment where there is evidence of control and direction.

Likewise, the post Covid-19 RRF funding should have positive impacts for women by allowing Member States to include care infrastructure developments within the RRF plans, even if they focus more on green and digital projects. The more flexible approach to fiscal policy rules during the pandemic and beyond also avoided a repetition of the public finances crackdown following the financial crisis. However, now these rules have been reinstated, albeit in a somewhat more flexible form, renewed pressure on national labour market and social policies can be expected and may put at risk some agreed policies, such as the European Care Strategy (Karamessini 2023), where new investment in infrastructure and services is required. In this context it is important to explore both what has happened to gender equality in the labour market since the financial and sovereign debt crises and what future developments may hold in store without further positive policy changes.

Women's employment trends

Since the general dip in employment during the financial crisis, women's employment rates have risen fairly steadily to now stand at 66 per cent of the working age population compared with 75 per cent for men, with the gender gap narrowing from 12 to 9 percentage points from 2009 (Piasna and Theodoropoulou 2024). This overall improvement also reflects some convergence across Member States in women's employment rates. Importantly, involuntary part-time work has declined, from 5.6 to 3.6 per cent in the EU over the decade since 2012, suggesting some widening of choice of employment. Moreover, the pandemic opened up opportunities for both men and women to work remotely, which has been widely expected to facilitate combining work with family and care responsibilities.

But even these apparently positive developments have some worrying aspects. Much of the increase in employment has come from older women, but not all of this may be voluntary as it may include some enforced responses to changes in the pension age. Gender segregation (as shares in a given occupation within a given sector) is also increasing (Eurofound and European Commission Joint Research Centre 2021); moreover, the share of people employed in mixed jobs fell from 27 to 18 per cent between 1998 and 2019 and was still only 20 per cent in 2023 (Eurofound 2024). However, the increased segregation is found mainly in central and eastern European Member States, while segregation has

been falling in the EU14 since 2011. There is also a reinforcement of segregation by type of task, with women's work much more likely to involve elements of care work. The expected continued rise in demand for public care services with an ageing population may well therefore fuel demand for female labour but the outcome could still be a more gender-divided labour market.

Future prospects for and risks to women's employment

Future developments in employment may also pose new threats that could even reverse gains for some women. A key concern is the further growth of platform work and consequent erosion of the standard employment relationship that provides a basis for security of contract and employment and equality rights, including paid maternity leave, equal pay rights, and requests for flexible and/or predictable hours. There are trends towards the platformisation of work in key areas of women's work such as care and cleaning work, which are likely to reinforce the invisibility and vulnerability of workers in these sectors, most of whom are women (Rodríguez-Modroño et al. 2022). The more jobs are transformed into bundles of tasks on platforms, the more difficult it is to find mechanisms to support working mothers or extend this support to active fathers. There are legislative measures, if fully implemented, that might provide some support against these risks; for example, rights to more predictable hours (though currently only available after six months of employment) could help with the joint scheduling of work and care and the new Platform Directive should extend employment rights to some gig workers. These risks not only affect women in lower-level jobs, as even highly-skilled jobs, particularly those done from home, may be reorganised to enable some tasks to be delivered via platforms or insecure contracts.

Nor have the risks to gender equality from the green transition been fully explored. The majority of new jobs that net zero plans will generate are expected to be in male-dominated occupations. The Member States' RRF plans clearly prioritised investments in traditional areas of men's employment and included few plans for investment in care jobs. Retraining those displaced by adjustments to net zero is an important means of protecting against a further dualised labour market (Bosch 2023), but there needs to be more discussion of opening up new areas of work to women.

These increasing risks to women's employment are exacerbated by the continuing failure to change the gender division of labour in the household. Despite hopes in the midst of the pandemic that lockdown could induce men to participate more in household and care tasks, there has been little long-term change in the gender division of unpaid labour (Eurofound 2022). Women's future employment prospects must thus depend on the support available for working parents and on changing social norms with regard to care responsibilities.

Developments in EU policy towards reducing the impact of unpaid care work on women's employment

One of the first measures that flowed from the European Pillar of Social Rights was the Work-Life Balance Directive. Although welcome, the main focus on rights to adjust work commitments to enable participation in care work risks reinforcing the current gender division of labour as women may feel more obligated to work flexibly. However, the directive did provide for some non-transferable parental leave for fathers that could promote change in social norms with regard to care responsibilities.

Another change, the spread of remote working as a consequence of the Covid pandemic, is widely expected to facilitate the combination of work and care responsibilities. However, research has found that remote working brings not only opportunities but also risks for gender equality (Chung 2022). It may be stressful and isolating to combine both work and care in the home environment, potentially leading to overwork in the 'always on' culture, and these new ways of working could lead to new forms of gender segregation between those working mainly at home and those in the office. If women opt to work from home to facilitate care, they face the risk of becoming even more invisible within employing organisations, and potentially even more overlooked for promotion.

Nor is remote working a solution for all women. Not only are some employers now requiring more of a return to the office but even in the pandemic only around one in three workers could work remotely. Those not able to work from home often face more severe problems in reconciling work schedules and childcare because of variable scheduling in in-person services. Women at the end of their working life are also facing both obligations to work longer and pressures to help with care of grandchildren, especially where formal care is expensive or unavailable.

Future prospects for and risks to support for care

The European Care Strategy agreed in 2022 provided grounds for optimism that EU policy in this area would be rejuvenated. The Barcelona childcare targets set in 2002, which took nearly two decades to meet, were reset and commitments made to improve longer term care provisions through both infrastructure investments and improving the quality of social care jobs. Furthermore, the RRF plans provided some scope for implementing this investment, but in practice it represented a much smaller commitment than the funds devoted to digital or green transitions. Less than 2 per cent of the RRF funds were allocated to gender-targeted programmes and only around another 6 per cent to gender-relevant projects such as care infrastructure (EIGE 2023).

With the reinstatement of fiscal rules, however, this opportunity to progress implementation of the care strategy may have passed. Care investments are often seen as luxury expenditure to be postponed until good times; families –

that is, women – are expected to find a way of coping when support is not there. These assumptions lead policymakers to ignore the contradictory pressures on women even within the EU’s own policies: older women are expected to work longer but in practice may often be relied upon for care while younger women are expected not only to work but also to continue to have children (so as not to add to demographic ageing). Yet they remain constrained by expectations that they are still the main caregivers.

Trends in women’s access to wage income and pensions

Women’s economic independence is recognised as key to gender equality. Their increasing representation in higher level jobs reflects the increase in women’s educational investments, though women still miss out on wage rises after childbirth in higher level jobs (Doris et al. 2022). Moreover, despite some recent narrowing partly due to later retirement for women following pension reforms, the pension gender gap still exceeds the gender pay gap.

While research on gender pay gaps tends to focus on the impact of women’s employment patterns, the role of wage setting practices is often neglected. Importantly, the Eurofound and European Commission Joint Research Centre report (2021) found that 60 per cent of women’s net employment growth in mid to higher paying jobs between 2011 to 2019 occurred in the three public services sectors (public administration, health care and education). Men’s entry into higher paid jobs was more concentrated in private services. The study also pointed to continuing feminisation of low paid jobs, often in private services such as retail, social care and hospitality. These two factors together suggest that what currently really matters for women’s pay in the jobs where they currently work are: (i) the level of legal minimum wages or collectively-bargained minima in service sectors; and (ii) public sector and public services pay setting for all levels of skill, including higher level jobs. Gender pay gaps tend to be widest in higher level jobs and for tertiary qualifications but these gaps may reflect sectoral differences, not just differences in career progression within sectors. The value attached to public sector jobs still varies across countries, but there may be more risk of devaluation of their labour when they are female-dominated.

Thus, two areas of wage policy are extremely important in shaping women’s pay, namely minimum wage and public sector pay setting. Since 2013 wage floors in Europe have risen, particularly in eastern European Member States. The new Minimum Wage Directive also appears to be having a significant impact on debates around appropriate levels of minimum wages, and in the cost-of-living crisis of 2022/23 the majority of Member States maintained or improved their minimum wages in real terms (Piasna and Theodoropoulou 2024). The directive is also stimulating activity to extend collective bargaining coverage that could further improve prospects in low wage sectors. Minimum wages still largely fall below the two adequacy indicators set by the new directive (all Member States below 50 per cent of average wages and all but four below 60 per cent of median

wages). Higher minimum wages have provided important protection for the many women still paid at or close to the minimum. Nevertheless, they proved neither sufficient nor timely enough to protect vulnerable women, especially lone parents from acute problems during the cost-of-living crisis (European Parliament 2023). These higher floors may also be squeezing differentials for skills and responsibility in sectors dominated by minimum wage jobs. Pay progression in these sectors may be possible only if efforts under the new directive to establish or renew collective bargaining prove successful. The Pay Transparency Directive may also provide some opportunities for ensuring appropriate rewards for women's skills through its provision for hypothetical comparators to enable pay levels to be challenged in feminised occupations and sectors (Pillinger 2024).

Public services pay compared with national average pay levels varies across Member States, even more than minimum wages. Recent trends have reduced some of the inter-country variance but a new round of austerity could have divergent effects among Member States, depending upon their debt position. OECD (2023) data on nurses pay illustrates these trends. Nurses in countries severely affected by the financial crisis suffered average annual declines in real pay over the whole period 2010 to 2019 but nurses in the six eastern European countries where there is information all experienced real increases of 2 to 5 per cent per annum. These high increases aimed to reduce high rates of out-migration within the EU's single market because of the historically very low rates of pay in feminised public service occupations.

Future prospects for and risks to women's wages and pensions

What matters for future prospects on women's pay is first the progress made in meeting the embedded targets for minimum wages in the directive. There could be a risk of some backsliding now that the cost-of-living crisis pressures have moderated and achievement of the adequacy threshold could be delayed. Likewise, advancement on progression opportunities depends on actions to extend collective bargaining coverage. In relation to public sector pay, the issue is whether settlements will be focused on providing appropriate reward pay for the skills and the value of the work or will instead seek to squeeze pay in order to meet the reinstated EU fiscal rules. Given the concentration of higher-educated women in sectors subject to government-influenced pay setting, the gender pay gap will never be closed if public sector pay continues to be used as a means of meeting fiscal rules. The threat of more austerity also poses the risk of further pension reforms with possible negative gender equality effects. Women still receive very limited compensation for their unpaid care work, while gender pension gaps and rising pension ages put additional pressures on older women to undertake double work, through care of grandchildren or elderly parents even when they are still working.

Conclusions

To conclude, while the social turn produced some positive new measures and labour market data indicate a continuing trend towards closing gender gaps in employment, much remains to be done. Three main problems emerge from this review.

First, the rise in women's employment, without a compensating increase in support for care responsibilities (and changes in the gender division of care work) puts more pressure on women. Implementing the European Care Strategy is a vital component of any progress towards gender equality.

Second, the EU is still failing to fully implement gender mainstreaming: there is no systematic analysis of the implications for gender equality of policies to achieve the transition to a decarbonised economy. Nor has there been much debate on the gender implications of the rise of non-standard working associated with the digital transformation for women's access to basic equality rights, such as paid maternity leave and flexible working.

Third, renewed austerity is now on the horizon and the EU has evidently not learned its lesson from the previous austerity period and could still endorse cuts to, for example, public sector pay or care service provision without recognising their gender-equality impacts.

Welcome though the social turn has been with its raft of supportive directives for both gender equality and a fairer labour market, unless the EU renews its commitment to gender mainstreaming in all policy areas, hopes for greater gender equality may again be dashed if there is a failure to recognise that the potential for progress has stalled or even in part been reversed by major transformations in the economy and by the newly readopted but still arbitrary fiscal rules.

References

- Bosch G. (2023) Employment policy for a just transition – the example of Germany. *Transfer: European Review of Labour and Research*, 29 (3), 405-421.
- Chung H. (2022) *The Flexibility Paradox: why Flexible Working Leads to (Self-) Exploitation*, Policy Press.
- Doris A., O'Neill D. and Sweetman O. (2022) *Why Do the Earnings of Male and Female Graduates Diverge? The Role of Motherhood and Job Dynamics*, IZA Discussion Papers 15805, Institute of Labor Economics.
- Eurofound (2024) *The changing structure of employment in the EU: Annual review 2023*, Publications Office of the European Union.
- Eurofound (2022) *COVID-19 pandemic and the gender divide at work and home*, Publications Office of the European Union.
- Eurofound and European Commission Joint Research Centre (2021) *European Jobs Monitor 2021: Gender gaps and the employment structure*, European Jobs Monitor series, Publications Office of the European Union.
- European Parliament (2024) *Gender aspects of the rising costs of living and the impact of the energy crisis*, Study requested by Policy Department for FEMM committee, European Parliament.
- EIGE (European Institute for Gender Equality) (2023) *Evidence to Action: Gender equality and gender mainstreaming in the COVID-19 recovery*, Publications Office of the European Union.
- Karamessini M. (2023) *From Work-life Balance Policy to the European Care Strategy: Mainstreaming Care and Gender in the EU Policy Agenda* Working Paper 213.
- Karamessini M. and Rubery J. (eds.) (2014) *Women and Austerity: The Economic Crisis and the Future for Gender Equality*, Routledge.
- OECD (2023) *Health at a Glance 2023: OECD Indicators*, OECD Publishing.

Piasna A. and Theodoropoulou S. (2024) Benchmarking Working Europe 2024: The ongoing quest for Social Europe, ETUI.

Pillinger J. (2023) The Pay Transparency Directive - The role of hypothetical comparators in determining equal pay for work of equal value, Policy Brief 2023.06, ETUI.

Rodríguez-Modroño P., Agenjo-Calderón A., and López-Igual P. (2022) Platform work in the domestic and home care sector: new mechanisms of invisibility and exploitation of women migrant workers. *Gender & Development*, 30 (3), 619–635.

Cite this publication: Rubery J., Insarauto V. and Sánchez-Mira N. (2024) Gender equality in the EU: why we need a renewed commitment to gender mainstreaming, Policy Brief 2024.08, ETUI.

The ETUI Policy Brief series is edited jointly by Kurt Vandaele and Bart Vanhercke. The editor responsible for this issue is Bart Vanhercke, bvanhercke@etui.org

This electronic publication, as well as previous issues of the *ETUI Policy Briefs*, is available at www.etui.org/publications. You may find further information on the ETUI at www.etui.org.

© ETUI aisbl, Brussels, October 2024. All rights reserved.
ISSN 2031-8782



The ETUI is co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the ETUI. Neither the European Union nor the ETUI can be held responsible for them.