

INNOVATIVE PRACTICES IN SOCIO-LABOUR INSERTION OF WOMEN IN EUROPE



1. STARTING POINT: THE LABOUR MARKET IN EUROPE AND WOMEN'S REALITY

The global economic crisis of 2008 has affected most countries in the world, especially developed ones. Economic, political and social effects have lasted more than six years and continue to affect millions of people in Europe and all over the world.

According to the latest quarterly survey on the social and employment situation undertaken by the European Union (16/04/2015), the economic situation of the Union has gradually improved in 2013 and most Member States have recently registered positive GDP growth.

In April 2015, Europe had more than 23.8 million unemployed people, including 12 million who have been in this situation for over a year. One in five young people in the labour market is currently unemployed.

A slight recovery in employment is perceived in most Member States in 2014, especially in some of them with very high unemployment, as it is the case in Greece (26.0%) and Spain (23.2%). Employment growth was 1.0% between the fourth quarter of 2013 and the fourth quarter of 2014.

There are significant differences between different EU countries.

For example, in **Austria**, the average number of unemployed in 2014 was 244,900 according to ILO estimations; while according to the Austrian central AMS, unemployed people in this period were 319,400, of which 183,500 were men and 135,800 women. The unemployment rate was 8.4% (7.6% for women and 9.0% for men).

Italy has been one of the EU28 Member States most affected by the crisis, as a result of its structural weaknesses which in turn have been exacerbated by the economic and financial crisis. Since 2008, nearly 1 million workers have lost their jobs (984,400 of which 479,000 happened between 2012 and 2013). The employment rate of the population decreased from 58.7% in 2008 to 55.6% in 2013 (Eurostat data). The most dramatic decrease in employment was recorded in the southern regions (-9%) and among male workers (-6.9%).



There are also **regional differences** within the Union countries. In **Italy**, the employment rate of regions is 42% compared with 64.2% in the northern regions.

In **Spain**, during the third quarter of 2014, according to the Labour Force Survey (LFS), there were 5,427,700 unemployed people. The economic crisis that began in 2008 in Spain extends up today and has been exacerbated by the explosion of other problems: the end of the housing bubble, the banking crisis of 2010, and the rising unemployment.

The effects of the crisis experienced in Europe over the past 7 years have left structural consequences in employment and citizenship:

- a. General precariousness of the labour market (underemployment)** characterized mainly by the drop of jobs in the manufacturing and building sectors, as well as the mass dismissal of people with permanent contracts. Simultaneously, a precarious service sector has gained greater importance, with an increasing number of part-time contracts, fixed-term and a continued decrease in service sector wages.

Table 2. People employed at risk of poverty (older than 18 years old). By thousands of people.

	2005	2006	2007	2008	2009	2010	2011	2012
UE27	27.866	27.603	26.856	27.185	26.147	25.786	27.366	28.834
UE15	15.885	16.519	16.806	17.839	17.238	16.866	18.480	19.958
UE12	11.806	10.986	10.196	9.288	8.977	9.009	8.904	8.833
Euro area (17)	13.533	14.090	14.225	15.085	14.845	14.378	15.686	16.705

Source: Eurostat. Income and living conditions [ilc_peps02] and Employment by sex, age and nationality (1000) [lfsa_egan].

- b. Increasing inequalities** manifested in a segmentation of the population in a multidimensional way.

- **Wage gaps:** Between workers, who have seen their purchasing power reduced gradually while senior executives have seen an increase in the same crisis period.
- **Gender gaps:** Women concentrate higher levels of job insecurity, increased unemployment rate and less social protection than men.
- **Age gaps:** In Italy, for example, the generation gap in employment rates is much higher than in other EU countries, with a 70.2% in the group of 25-54

years old, a 16.6% among young people aged 15 to 24 and a 43.0% in the group of 55 to 64 years old;

- **Territorial gaps:** Within the same state, differences have increased. In Italy differences between the regions north and south are also the largest in Europe: employment rates in southern Italy are in a scarce 42% compared to an average of 64.2% in the northern regions.
- Furthermore, the differences between the Member States of the European Union have been also increased: *In Spain, during 2012 there was an increase of working poverty reaching the 12.3% of the population, maintaining a margin of more than three points in the whole of the EU and becoming the third highest poverty rate among employees country, only surpassed by Romania (19.1%) and Greece (15.1%). On the opposite side, countries such as Finland, Czech Republic, Netherlands and Belgium have only a percentage of 5% of the working population below the poverty line.*
- **Gap by nationality:** The foreign population has suffered from the economic downturn to a greater extent than the native population.

c. Increasing Poverty. Job losses, declining purchasing power by increasing job insecurity and reduced social benefits of public sector (education, health, training, unemployment benefits, pension reforms...) have being generated a gradually increase on the debt of households in order to meet the expenses of everyday life, even when the data indicate economic recovery, household debt continues to rise.

Increased poverty indicators seen in almost all member states are: increased number of homeless people, energy poverty, and the number of considered poor children. Poverty among self-employed people and the underground economy also increases.

The Europe 2020 strategy includes five key indicators to follow up the evolution of poverty and the achievement on the proposed reduction target:

- People at risk of poverty or social exclusion.
- People living in households with very low employment intensity.
- People at risk of poverty after social transfers.
- People severely materially deprived.

According to the VII Report on Exclusion and Social Development in Spain 2014, where Joaquín Arriola (University of the Basque Country) describes the fight



against poverty in the European Union, it is argued how the data used by the Commission shows that not only the objective of draw 20 million people out of the risk situations of poverty is not going to be achieved, but it also shows that poverty is increasing in the richest part of Europe, partly because of the crisis (8 million more people at risk of poverty than in 2007). But it can not only be attributed to the crisis the increased poverty and exclusion, because between 2005 and mid-2007, right in the bursts, the risk of poverty increased by about 1.5 million people in Western Europe (EU15).

Table 3. Poverty in the EU. Percentage of total population and thousands of people.

	UE 15		UE 12	
	2007	2012	2007	2012
Thousand.				
People at risk of poverty or social exclusion	83.522	91.837	35.875	31.281
People living in households with very low work intensity	28.998	32.432	7.888	6.486
People severely materially deprived	62.529	66.541	18.131	17.592
People at risk of poverty after social transfers	19.038	28.966	25.588	20.059
% of total population				
People at risk of poverty or social exclusion	21,2	23,0	34,7	30,8
People living in households with very low work intensity	7,4	8,1	7,6	6,4
People severely materially deprived	15,9	16,7	17,5	17,3
People at risk of poverty after social transfers	4,8	7,3	24,8	19,8

Source: Eurostat. Europe 2020 Indicators

Membership of the collective accumulated: WOMAN, YOUNG, LOW-SKILLED, WITH PEOPLE IN CHARGE (children, disable, elderly), and IMMIGRANT is directly proportional to the degree of affection by the current economic crisis situation, regardless of the country where you live.

1.1. THE STATUS OF WOMEN IN EUROPE

The situation of women in the EU labour market, even before the crisis began, was characterized by inequality as regards men; with the crisis, this situation has worsened to a greater or lesser extent depending on the Member States.



Unemployment

According to official data provided by Eurostat and the Spanish National Statistics Institute (INE), the unemployment rate of women (from 15 to 64 years old) within the EU has increased from 2008 to 2013, from 7.5% to 10.9% (3.3 points). However, unemployment levels are not the same in all Member States.

In Spain, for example, unemployment among women has increased over the same period more than 14 points, from 13% in 2008 to 26.70% in 2013.

Among the Member States with lower rates of female unemployment and fewer differences between men and women unemployed are Austria (4.9%), Germany (5%) and Luxembourg, Malta and the Netherlands (6.30%).

Employment rate

Employment rates by age groups, 2003–2013
(%) - Source: Eurostat ([lfsi_emp_a](#))

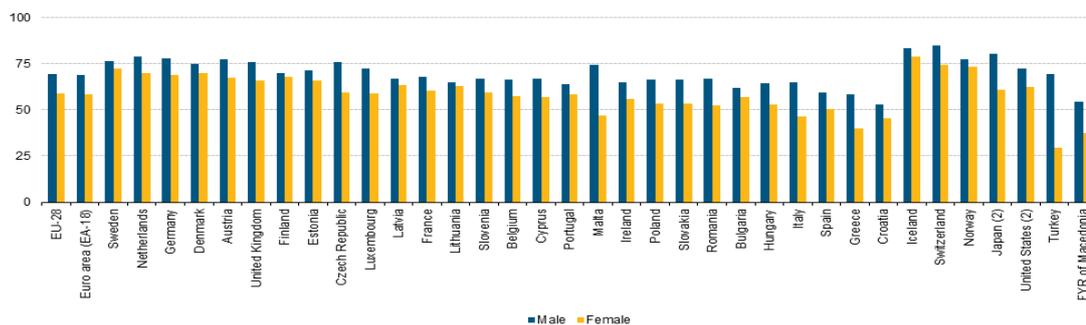
The employment rate of women between 20 and 64 years old has also been increased in the EU, from 63.5% in 2008 to 62.8% in 2014. In some Southern States, as in Spain, the reduction in the female employment rate has been more pronounced (more than 4 percentage points, from 58.9% in 2008 to 54.8% in 2012).

In Italy, in 2014 the female employment rate was 50.6%, compared with an average of 63.5% in the EU27, partly due to high marginal effective tax rates for second person in paid employment, in particular in low-income households, compared to a single individual - a factor that may discourage entry into the labour market for women.

In other states, however, the employment rate for women has increased, as in Austria (from 67.6% in 2008 to 70.1% in 2014), Luxembourg and Germany.

Employment rate by sex, for 15-64 years, 2013 (1)
(%) - Source: Eurostat ([lfsi_emp_a](#))





The figure is ranked on the overall employment rate.
© 2012.

Source: Eurostat (online data code: ifsi_emp_a)

Part Time employment

Part-time, other indicator of inequality between men and women, has continued to grow during the crisis. In the EU, in 2012, 31.5% of women worked part-time, while only 7.8% of men did. In 2008 the rate of part-time employment was 30% and 6.3%, for women and men respectively.

Temporary job

As for temporary employment, women are also those who are largely doomed to this type of contract. According to Eurostat, in 2012, 12.8% of total employment was temporary, of which 13.4% were women and 12.2% men.

Temporality rates of female employment are higher than those of men in almost all Member States. As an exception, countries such as Bulgaria, Estonia, Lithuania and Romania, have very low rates of temporary employment, countries in which temporary male employment exceeds the female one.

Co-responsibility and reconciliation

In terms of joint responsibility and reconciliation in the EU, the Commission on Women's Rights and Gender Equality of the European Parliament, in its February 2013 Report on the Effects of the Economic Crisis on Equality between Men and Women and the Rights of Women, notes that the crisis increases even more the difficulty of reconciling work and family life and, points out, that the participation of mothers in the labour market is 12% lower than women without children, while the employment rate of men with children is 8.7% higher than those who do not.

Wages

The latest official data for 2011 provided by the European Commission shows that the average wages gap between women and men in the EU is 10.2% for performing the same tasks or of equal value.

Qualification

A large number of women with higher levels of education are employed in the public sector (education, health care), where wages have not undergone the same level of impairment in the private sector, where men are in the majority.

The decline in employment opportunities in the public sector, due to budget cuts, is a serious threat to investment in human capital of educated women.

In Spain, the loss of jobs has been almost imperceptible for people qualified at university level, while the loss of paid work for women with a primary level of education or illiterate women has been particularly relevant.

Labour sectors

There was an increase in the number of people who are self-employed, as well as an increased number of women in agriculture.

There is still a large concentration of women employed in the sector of wholesale and retail trade as well as in health and social services, a situation shared by other EU countries. In these activities there has been a significant loss of employment because of cuts, largely due to the loss of purchasing power of the working population, this has caused a decline in consumption and thus the loss of employment in the retail sector.

Management positions

Significantly, only 5% of those involved in the decision-making process of financial institutions are women and all the governors of the central banks of the Member States of the EU are men.

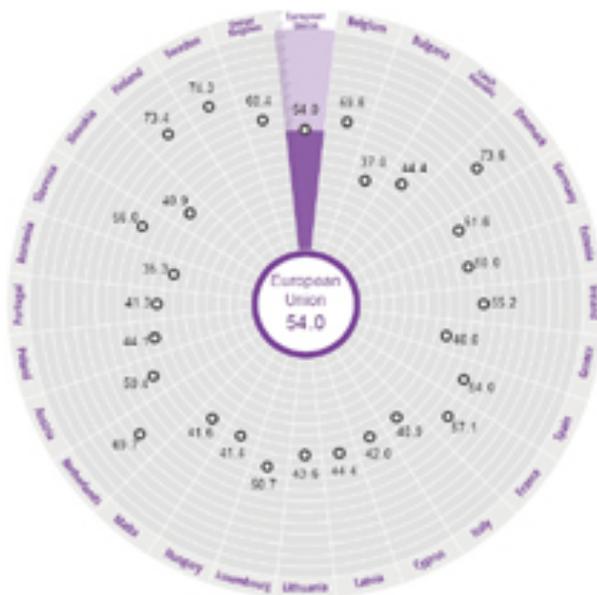
In the South of the EU, the crisis also sheds alarming data for gender equality, and during the crisis there has been a significant decline in the number of women in management jobs and those who work in self-employed positions.



Access to credit

Before a single case of credit application for a business (SETEM Finance Research and Gender Inequalities 2015) there is more distrust of banks towards female's customers, while in the man customer case, the company encouraged the implementation of the business¹. In the case of women, the granting of credit depended on third parties (guarantor or feasibility business plan) rather than what she could bring (experience, financial data, etc.).

This distrust in the ability of women also affects them in getting worse credit conditions.



European Equality Index

This instrument displays how in the practice there is not any country, regardless its level of wealth, where exist real equality between men and women. Below we provide data of some EU countries that allows us to see clearly the difference.



¹ The entity showed interest in having him as a client in more than 62% of cases, while the same happened only in 12.5% of cases for women

2012		European Index for Gender Equality	Work	Money	Knowledge	Time	Power	Health
	European Union	52.9	61.9	67.8	49.1	37.6	39.7	90.0
1	Sweden	74.2	81.0	80.6	67.6	61.9	71.7	93.3
2	Finland	72.7	72.6	79.9	67.3	61.3	75.7	89.0
9	France	55.7	61.3	76.9	50.7	34.5	48.8	90.6
10	Germany	55.3	62.2	78.4	46.7	39.7	45.1	90.0
12	Spain	53.6	59.6	59.7	53.4	33.5	47.8	92.2
13	Austria	50.2	66.5	77.6	44.5	38.6	27.1	92.7
21	Italy	41.1	53.8	68.0	32.5	32.4	21.8	89.5
25	Greece	38.3	56.9	56.4	37.6	17.9	21.9	90.8
26	Portugal	37.9	59.1	56.0	37.8	22.4	17.6	83.3
27	Slovakia	36.5	52.8	56.7	34.0	17.7	21.1	86.7
28	Romania	33.7	61.6	38.4	28.2	17.4	20.7	84.4

Conclusion

The economic crisis and the cutbacks policies adopted in Europe have had and continue to have a strong negative social impact that especially targets the female population. Measures such as cutbacks in social benefits, higher indirect taxes and cutbacks in public expenditure on services such as education, health and care of children and dependants, are having a major impact in terms of inequality and social insecurity while they are increasing the gender gap and reduce the opportunities for access to services and resources.

The economy of care as the support centrepiece of societies rest entirely on women. This reality has to emerge in the European policies in order to include a true gender perspective in them. From a gender perspective, there is a lack of EU and Member States policies aimed at developing human capital through promoting services to individuals, children's education, and care for dependent people, ongoing education, vocational training and updating professional skills.

It is necessary for the employment policies aimed to promote the participation of women in the labour market on equal terms that those are designed and executed with the clear goal of joining the market in terms of jobs quality, sustainability, as well as equality and non-discrimination on grounds of gender at all levels.



In addition, to achieve full participation of women in society implies having an equal access to education, have a greater availability of time and access to higher levels of power and decision-making in all areas of representation related to them.