

GENDER GAP DIMENSIONS ON THE LABOUR MARKET IN THE EUROPEAN UNION

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Abstract: *While the importance of investments in economic assets for ensuring economic and social progress was acknowledged for a long time, sustainable development draws attention on the environmental and human dimension which constitute to equal extent key-dimensions for ensuring economic growth and social development. Up to date, the human capital part represented by women was under-used and their work less valorised, their potential contribution to economic and social progress being practically marginalised. Women's constraints in prioritising family life have influenced their career development inducing a certain lack of professional mobility, the resort to "part-time" work and even career disruptions. Career disruption limits access to on the job qualification and leads to human capital depreciation generating precarious results in wage, and career-advancement terms and in facilitating the return to job. Resorting to "part-time" work, in general, plays a positive role in the life of individuals from the perspective of rendering compatible professional commitments assumed with family life, the great shortcoming being that such jobs providing also for a high standard are less frequent. As a consequence, employees will suffer an adverse impact in terms of remuneration, occupational segregation (due to the concentration of these jobs in certain fields of employment such as services, trade, and office work), career advancement and even job insecurity. This reality frequently fed the stereotypes regarding gender which generated the "gender gap" currently existing between genders on the labour market with multiple dimensions: differences between genders regarding quantitative employment and unemployment indicators; occupational segregation with impact on the quality of employment, and as cumulative dimension of the effects of several factors the "gender pay gap" or the "wage differential". All these have constituted a topic arising much interest in the European area generating thus a statistical, analytical and policy approach. The motivation of this approach is that failing in making full use of the women's human potential most countries fail in ensuring the required level of investment in the human capital as driver of development sustainability.*

Keywords: gender gap; employment/unemployment rate; occupational segregation; wage differential.

JEL classification: J16; J24; J71.

1. Introduction

The trend of promoting increasing integration of women into the labour force and of the equality between genders was imposed at European level in the context of the same trend promoted at world level under the aegis of the United Nations (UN) and with the contribution of some important bodies and organisations such as the International Labour Office (ILO) and of the Organisation of Economic Cooperation and Development (OECD). The benefits generated at individual level, but also at social scale at the economic, social and policy level by optimum valorisation of this important segment of the human capital have imposed at European level a statistical, analytical and policy approach circumscribed to this direction.

The European statistics reflects the following dimensions of the gender gap: differences between genders regarding the quantitative indicators of employment and unemployment; occupational segregation with impact on the quality of employment, and as cumulative dimension of the effects of several factors the gender pay gap or wage differential.

The analytical approach at EU level focuses predominantly on the following dimensions of the gender gap or prerequisites of combating the aforementioned: women's occupational segregation, gender pay gap and the need of reconsidering the work-life balance.

Aiming in the same direction of promoting the equality between men and women on labour market and in all spheres of social life are several Communications of the European Commission, Directives of the European Council and Resolutions of the European Parliament which together represent an actual and decisive policy approach with this focus.

2. Realities of the Social Life in the European Area and the Objectives of the European Policy Imposing the Reconsidering of the Life-Work Balance

The complexity of the woman's status within the contemporary society and on the labour market resulting from the multiple responsibilities pertaining to her by virtue of her particular parental status, but also due to the recent trend of increasing integration into the labour force have led to imposing within the society of a true "culture of the woman's time".

In the past, the prevalent trend was the one of a less demanding professional employment of the women, by virtue of assuming some increased family responsibilities, but also due to the lower skills' level acquired.

The future desirable trends result from the realities of the social life within the European area and from some major objectives of the European policy directly related to the women's status on the labour market.

A first such objective, of major importance is the one substantiated within the European employment policy of increasing the employment rate up to the level of 75% for the age segment 20-65 years to which must contribute both the extension of active life, but also the increased integration of women within the labour force.

The second objective is the priority objective of "demographic renewal" as result of the existence of some low fertility models in all EU Member-States.

Next to these two major policy objectives, the realities of the social life within the European area with incidence on the occupational status of women are: the changes in the size and structure of family, mainly the shift from the extended family to the core family (which separates the generations that traditionally provided for mutual support); the individualisation of life styles (several mono-parental families, singles, and divorced individuals), in parallel with demographic ageing, which by the dynamics of the "fourth

age” triggers an important challenge for fulfilling the function of assistance within the family.

These incontestable social realities have imposed as concept, implementation, and monitoring issue the reconsidering of the work-life balance so that the two above-mentioned policy objectives do not remain only in the sphere of intention.

The evidence of active concern of promoting this balance is the organisation of a European Forum in Dublin already in 2004 having this purpose as focus. The main conclusions of the debates on the occasion of this event make reference both to benefits, but also to the challenges triggered in the social life by the increased integration of women into the labour force.

On one hand, the benefits at individual level consist in ensuring the economic independence of women and the transition from the “male breadwinner model” to the “dual earner model”. On the other hand, the challenges cannot be underestimated: a lower predisposition of women regarding the birth phenomenon and about fulfilling the assistance function within the family motivated, both, by the “time poverty” issue. These indisputable challenges induce major requirements in the field of employment and in the social one as well.

In the field of employment, the imperative is the one of rendering flexibility to the labour market and of imposing some flexible employment alternatives, such as: parental leave of absence, and paternal leave of absence, flexible working time, access to the “part-time” programme, etc. Within the social sphere, the necessity of ensuring a family-friendly social environment imposes itself: a corresponding number of crèches and kindergartens with extended programme, an after-school programme and a support policy for the costs of child nurturing (with focus on the children of poor families).

3. Main Dimensions of Gender Gap on the Labour Market in the EU

The roles traditionally held by partners in the family life and in the EU area have marked the career evolution of women by a certain lack of professional mobility, the resort to part-time work, even disruptions of the career which all fed the stereotypes about gender, inducing a certain view of the employers against this segment of the human capital and thus generating the gender gap on the labour market. The main dimensions of the latter are reflected also in the European statistics and these are presently approached: the differences between the employment and unemployment rates, the occupational segregation of women and the gender pay gap.

3.1. Employment/unemployment rate and gap

Employment/unemployment rate and gap were analysed for the time-interval 2002-2007, before the outbreak of the economic crisis and subsequently up to the year 2012, respectively under the impact of the crisis. In the pre-crisis interval, the evolution of the employment rates was marked rather by significant increases in the case of women, while in the case of men the increases have been, in general, more modest with some exceptions (Table no.1). The values of the employment gap in 2007 can be characterised as follows: EU-27 had a value of 14.3 percentage points and a slightly inferior level to it in Romania; four extreme values in Malta, Greece, Italy and Spain and rather many inferior values to the inferior values.

Under the influence of the economic crisis in the interval 2007-2013 women's employment diminished (but not significantly) in a rather high number of countries, and unemployment rates not affected by undergoing the crisis period were recorded only in Germany, Austria, Luxemburg and Poland.

Men's employment rates were to a large extent influenced by the crisis with the reduction of the indicator rates in Spain, Ireland and Greece.

The resulting unemployment gap in 2012 can be characterised as follows: extreme values, but on decrease for Malta, Italy and Greece, and a erosion to less than half from the value recorded in 2007 in Spain. The general rule was of the gap erosion in all Member-States, save for Romania and Poland.

Table 1: Employment rates on genders for persons aged 15-64 years of age (%)

	2002		2007		2012	
	Men	Women	Men	Women	Men	Women
EU-28	70,3	54,4	72,4	58,1	69,6	58,5
Euro Area (17 countries)	71,6	53,0	73,3	57,7	69,5	58,2
Belgium	68,1	51,1	68,7	55,3	66,9	56,8
Bulgaria	54,1	48,2	66,0	57,6	61,3	56,3
Czech Republic	73,9	57,1	74,8	57,3	74,6	58,2
Denmark	80,2	72,6	80,8	73,2	75,2	70,0
Germany	71,8	58,8	74,7	63,2	77,6	68,0
Estonia	66,2	57,6	73,2	65,9	69,7	64,7
Ireland	75,0	55,2	77,5	60,6	62,7	55,1
Greece	72,5	43,1	74,9	47,9	60,6	41,9
Spain	72,7	44,3	76,2	54,7	60,2	50,6
France	69,6	56,4	69,1	59,6	68,0	60,0
Croatia	60,2	46,0	64,4	50,0	55,1	46,2
Italy	68,9	41,9	70,7	46,6	66,5	47,1
Cyprus	78,8	59,0	80,0	62,4	70,4	59,4
Latvia	63,6	57,6	72,5	64,4	64,4	61,7
Lithuania	64,3	57,2	67,9	62,2	62,2	61,8
Luxemburg	75,5	51,5	72,3	56,1	72,5	59,0
Hungary	62,9	49,8	64,0	50,9	62,5	52,1
Malta	75,6	34,3	72,9	35,7	73,3	44,2
The Netherlands	82,9	65,9	82,2	69,6	79,7	70,4
Austria	75,3	61,0	78,4	64,4	77,8	67,3
Poland	57,0	46,7	63,6	50,6	66,3	53,1
Portugal	76,8	61,7	73,8	61,9	64,9	58,7
Romania	64,5(b)	52,8(b)	64,8	52,8	66,5	52,6
Slovenia	68,7	59,8	72,7	62,6	67,4	60,5
Slovakia	61,9	51,2	68,4	53,0	66,7	52,7
Finland	70,9	67,3	72,1	68,5	70,5	68,2
Sweden	75,5	72,5	76,5	71,8	75,6	71,8
United Kingdom	77,3	65,2	77,5	65,5	75,2	65,1

Source: Eurostat Code: [lfsa_urgan] Update: 30-10-2013

The development of the analysed employment rates for the same period of time, respectively 2002-2012 highlight the impact of the economic cycles on the values of the indicator.

In the pre-crisis interval, the trend which imposed itself was of decreasing the unemployment rates registered for both men and women. In the case of both genders, an exception to this trend was registered in the following countries: Portugal, Luxemburg, Hungary, Cyprus, Sweden, the Netherlands, Belgium and Ireland. In the case of women, an additional deviation from the evolution trend of the indicator's value was found in Germany and Austria.

Table 2: Unemployment rates on genders for persons aged 15-64 years of age (%)

	2002		2007		2012	
	Men	Women	Men	Women	Men	Women
EU-28	8,4	10,0	6,7	8,0	10,6	10,6
Euro Area (17 countries)	7,5	10,1	6,7	8,6	11,3	11,6
Belgium	6,3	7,8	6,7	8,5	7,7	7,4
Bulgaria	19,0	17,5	6,6	7,3	13,7	10,9
Czech Republic	5,8	8,6	4,3	6,8	6,1	8,3
Denmark	4,3	4,4	3,5	4,2	7,7	7,7
Germany	8,8	8,3	8,7	8,9	5,8	5,3
Estonia	10,4	8,9	5,5	4,0	11,2	9,5
Ireland	4,7	3,8	5,0	4,2	18,1	11,1
Greece	6,6	15,4	5,3	12,9	21,6	28,3
Spain	7,9	16,4	6,4	10,9	24,9	25,5
France	7,8	9,8	7,5	8,6	9,8	10,1
Croatia	13,5	17,8	8,5	11,4	16,5	16,0
Italy	7,1	12,7	5,0	7,9	10,0	12,0
Cyprus	2,7	4,2	3,5	4,6	12,8	11,2
Latvia	15,1	11,7	6,6	5,7	16,5	14,2
Lithuania	13,4	13,0	4,4	4,4	15,5	11,8
Luxemburg	1,9	3,6	3,6	4,7	4,6	5,9
Hungary	6,1	5,1	7,2	7,7	11,3	10,7
Malta	6,3	8,3	6,0	7,6	5,9	7,4
The Netherlands	2,3	2,9	2,8	3,7	5,3	5,2
Austria	5,2	4,6	4,0	5,1	4,4	4,4
Poland	19,6	21,0	9,1	10,4	9,5	11,0
Portugal	4,1	5,6	7,0	10,1	16,6	16,2
Romania	9,1(b)	8,3(b)	7,6	5,7	7,8	6,7
Slovenia	5,7	6,4	4,1	6,0	8,5	9,5
Slovakia	18,7	18,8	9,9	12,7	13,6	14,6
Finland	10,7	10,2	6,6	7,3	8,5	7,1
Sweden	5,4	4,7	6,0	6,5	8,5	7,8
United Kingdom	5,7	4,4	5,7	5,0	8,5	7,5
Norway	4,0	4,2	2,6	2,5	3,7	2,7
Switzerland	2,9	3,2	3,0	4,6	4,1	4,6

Source: Eurostat Code: [lfsa_ergan] Update: 30-10-2013

In the time interval 2007-2012, under the impact of the economic crisis, the obvious trend was of increasing unemployment rates registered for both men and women.

An exception was noted only in the following countries: in particular Germany, with only marginal variations, Malta, and less significant diminishments of the indicator's values only for women was registered in Belgium, Austria and Finland.

For the majority of cases, increases of the unemployment rates were higher among men. As result of these evolutions, the gap between the unemployment rates recorded on genders has differing characteristics in the period foregoing the crisis and after undergoing it.

In the year 2007, the unemployment gap registered in general positive values, which signify higher values of the indicator among women, and standing out by the level of this dimension was the gap in Greece (+7.6 percentage points), Spain (+4.5 pp) and Portugal (+3.1 pp). However, some countries – Romania, Estonia, Latvia, Ireland and the United Kingdom – have still registered a negative unemployment gap, which signifies higher rates of unemployment among men.

The subsequent developments of the unemployment gap, in the time interval 2007-2012 were the following: the positive gap registered in 2007 either diminishes, or is cancelled under the form of some unemployment rates equal between genders (Austria, Denmark), or converts to a negative one; the negative gap previously registered deepens, with an extreme value in Ireland (-7.0 pp), save for Romania where it attenuates; a significant positive gap (+6.7 pp) is maintained only in Greece.

3.2. Occupational (Horizontal) Segregation of Women on the Labour Market

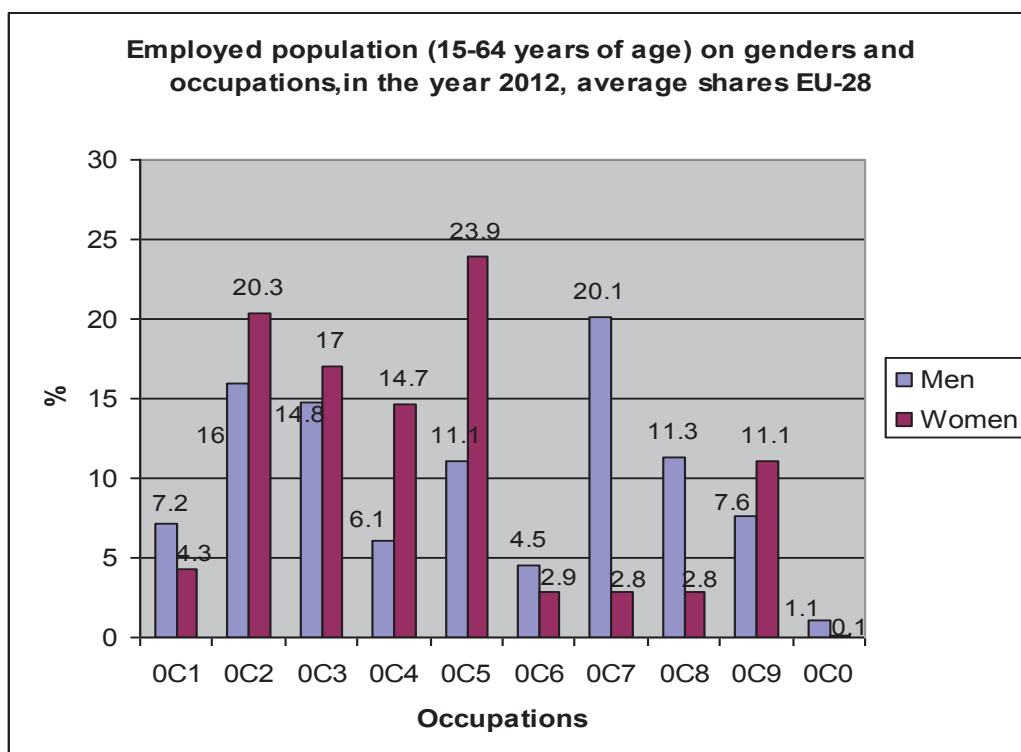
The negative fingerprint of women's employment interpreted from the viewpoint of average EU-28 shares, associated with the distribution on occupations of employed working-age women (15 to 64 years of age) consists in the following: a diminished share of women managers (4.3% for women against 7.2% for men); an excessive concentration in certain occupations that have turned typically feminine (about one quarter are workers in services and trade, and in a share of 14.7% office workers); a sensibly higher share than men are unskilled workers (Figure 1).

We consider that it is necessary to underpin some positive valences of women's employment: to a share of one fifth they are experts in various fields and to a share of 17% they are technicians and experts in the technical field, that is superior shares than the corresponding ones for men.

The distribution of employed women, on categories of occupations in Romania indicate the following distinctive features against the European average shares: women are no longer excessively concentrated in the category of office clerks (a share of only 6.4% against the European average of 14.7%); the category of workers in services and trade they don't hold the highest shares being only second as size (19.1%), after the category of skilled workers in agriculture (22.3%); the share of expert women (18.3%) is close to the European average.

With respect to men, the average EU-28 shares indicate a more uniform distribution, these being balanced for the following occupations: experts, technicians, industrial operative workers, and workers in services, and trade.

The excessive concentration of women in certain occupations brings to attention the issue of "self-selection". This presupposes that at the time when women opt for a certain occupation and economic sector, as consequence, they opt also for a certain wage statistic, which constitutes a linking bridge between occupational segregation and gender pay gap or wage differential.



Note:

OC1=Managers

OC2=Experts in various fields

OC3=Technicians and assimilated

OC4=Office clerks

OC5=Workers in services and trade

OC6=Skilled workers in agriculture, forestry and fishing

OC7=Craftsmen

OC8=Operative industrial workers

OC9=Unskilled workers

OC0=Employees of the armed forces

Figure 1

Source: Eurostat Code: [lfsa_egais] Update: 15.11.2013

3.3. Gender Pay Gap (Wage Differential)

The gender pay gap or wage differential between men and women in Europe is one of the major concerns of the European Commission and one of the structural indicators used to monitor the European Strategy for Growth and Jobs, under the heading of „employment”. The gender pay gap represents perhaps the most important dimension of the gender gap induced by a multitude of factors.

Table 3: Gender pay gap in unadjusted form (%) (CAEN Rev. 2)

Country	2007	2008	2009	2010	2011
EU-27	:	17,3	17,2	16,2	16,2
Belgium	10,1	10,2	10,1	10,2	10,2
Bulgaria	12,1	12,3	13,3	13,0	13,0
Czech Republic	23,6	26,2	25,9	21,6	21,0

Denmark	17,7	17,1	16,8	16,0	16,4
Germany	22,8	22,8	22,6	22,3	22,2
Estonia	30,9	27,6	26,6	27,7	27,3
Ireland	17,3	12,6	12,6	13,9	:
Greece	:	22,0	:	:	:
Spain	18,1	16,1	16,7	16,2	16,2
France	17,3	16,9	15,2	15,6	14,8
Croatia	:	:	:	15,5	17,6
Italy	5,1	4,9	5,5	5,3	5,8
Cyprus	22,0	19,5	17,8	16,8	16,4
Latvia	13,6	11,8	13,1	15,5	13,6
Lithuania	22,6	21,6	15,3	14,6	11,9
Luxemburg	10,2	9,7	9,2	8,7	8,7
Hungary	16,3	17,5	17,1	17,6	18,0
Malta	7,8	9,2	13,8	13,4	12,9
The Netherlands	19,3	18,9	18,5	17,8	17,9
Austria	25,5	25,1	24,3	24,0	23,7
Poland	14,9	11,4	8,0	4,5	4,5
Portugal	8,5	9,2	10,0	12,8	12,5
Romania	12,5	8,5	7,4	8,8	12,1
Slovenia	5,0	4,1	-0,9	0,9	2,3
Slovakia	23,6	20,9	21,9	19,6	20,5
Finland	20,2	20,5	20,8	20,3	18,2
Sweden	17,8	16,9	15,7	15,4	15,8
United Kingdom	20,8	21,4	20,6	19,5	20,1

Note: : = unavailable data

Source: Eurostat Code: [earn_gr_gpgr2] Update:26-08-2013

Occupational and sectoral (horizontal) segregation of women – both within the labour market and within the company is regarded as a main factor affecting the difference in wages.

To an equal extent, vertical segregation (differences regarding promotion and career dynamics) and stereotypes, fed by the burden of family responsibilities pertaining to women constitute an essential factor of the gender pay gap. There are situations (for instance Malta) when the stereotypes are very strong: in this country according to a widespread assumption women are not “breadwinners” and should not earn as much as men, and placing them on equal footing could be a threat to the traditional roles held within the family life.

Incontestable is also the influence exerted by some objective factors, such as: education and skills, work experience and length of service, contractual characteristics, their preponderance varying on countries.

The statistical data reflect the existence of a substantial gender pay gap within the EU Member-States, save for Slovenia, Italy and Luxemburg.

In the time interval 2008-2011, the diminishment of the indicator’s level from the viewpoint of the European average was insignificant, of only one percentage point.

The same trend was registered in most Member States, or an insignificant diminishment (Denmark, France, Luxemburg, the Netherlands, Austria, Slovenia, Finland, Sweden, and the United Kingdom), or even a stabilisation of the indicator’s level (Belgium, Germany, Estonia, Spain, Italy and Slovakia).

Significant variations of the gender pay gap occurred in a very small number of countries: a considerable diminishment in Lithuania, Poland, the Czech Republic and a significant increase in Romania, Malta and Portugal.

4. Conclusions

The optimum value of this segment of the human capital which is represented by women and whose contribution to the economic and social progress was up to now marginalised is acknowledged in the specialised literature and at the level of the political decision as an important factor of increasing the potentiality of economic growth and of generating some strong economies, of a better financing of the social security systems and thus of supporting development sustainability.

The constraints of women in prioritising the family life have fed the stereotypes regarding gender and have induced a certain view of the employers that left its fingerprint on the career promotion and dynamics of women.

Some European policy objectives, such as the ambitious employment target (75% for the age segment 20 to 65 years of age), and the objective of demographic renewal, but also the realities of social life (changes in the dimension and structure of the family, individualisation of lifestyles, in parallel with demographic ageing) continue to induce particular demands for women both in family life, but also on the labour market. Acknowledging this state of affairs led to the initiative of reconsidering the life-work balance at European level as a determining prerequisite of combating the gender gap on the labour market.

The main dimensions of the existing gender gap on labour market within the EU, respectively the employment/unemployment gap, women's occupational segregation and the gender pay gap made the object of a statistical, analytical and policy approach at European level, and also the object of the present discussion.

The analysis of the employment and unemployment rates highlight the impact of the economic cycles in the case of both genders, but the values of both indicators were to a larger extent affected by the crisis in the case of men.

With respect to occupational segregation, the negative fingerprint of women's employment consists in: their concentration in certain occupations that turned typically feminine (services and trade, office clerk activities); registering a lower share for the category "managers" and of a sensibly higher share for the category "unskilled workers" than the corresponding share registered among men.

Gender pay gap registers within the EU area a substantial level in the majority of countries and the trend was not of significant diminishment but for a very restricted number of the countries.

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