Council conclusions on Women and the economy: Economic independence from the perspective of part-time work and self-employment

EMPLOYMENT, SOCIAL POLICY, HEALTH and CONSUMER AFFAIRS
Council meeting

Luxembourg, 19 June 2014

The Council adopted the following conclusions:

"NOTING THAT"

1. Equality is one of the values on which the Union is founded and the task of promoting equality between women and men as well as the aim of promoting such equality in all the Union's activities are enshrined in the Treaties.¹

2. The Charter of Fundamental Rights states that "equality between women and men must be ensured in all areas, including, employment, work and pay".

3. In the European Pact for Gender Equality 2011-2020² adopted in March 2011, the Council reaffirmed its commitment to fulfil EU ambitions on gender equality as mentioned in the Treaty, and in particular to close the gender gaps in employment and social protection, including the gender pay gap, with a view to meeting the objectives of the Europe 2020 Strategy.

4. RECALLING that gender equality policies are vital for economic growth, prosperity and competitiveness and that a new impetus is needed to reaffirm the close link between the Commission’s Strategy for Equality between Women and Men 2010 to 2015 and the Europe 2020 Strategy and REAFFIRMING the need to reinforce governance by integrating a gender perspective into all policy areas.

¹ Articles 2 and 3(3) TEU and Article 8 TFEU.
² OJ C 155, 25.5.2011, p. 10.
5. **ACKNOWLEDGING** that the recent economic downturn has presented unprecedented challenges for many Member States and for the European Union as a whole and has led to a contraction of public services and a reduction in funding and resources in some Member States, including in areas that are important for the pursuit of gender equality.

6. **NOTING** that the downturn has affected women and men in different ways in the Member States, depending on national economic structures and circumstances, particularly in the field of employment, and that unemployment or under-employment has an adverse impact on the welfare of the individual and her/his family, on the risk of poverty and social exclusion, and on social security entitlements, including pensions.

7. **WELCOMING** the focus on gender equality-related issues in the Country Specific Recommendations as part of the European Semester process and the work of the Employment Committee (EMCO) and the Social Protection Committee (SPC) in this regard; this work is conducive to the achievement of the goals of smart, sustainable and inclusive economic growth for Europe and economic independence for its women.

8. **TAKING NOTE** of the link that can be established between financial strain in the household and intimate partner violence against women, according to the recent survey conducted by the Agency for Fundamental Rights of the European Union on violence against women in the EU, and noting that women's economic independence and empowerment is a prerequisite for enabling them to exercise control over their lives, including when faced with abusive relationships.

**NOTING THAT:**

9. The current high level of unemployment constitutes an urgent challenge for the EU, including in the context of the implementation of the Europe 2020 Strategy. Data for EU-28 show that at the end of 2013 over 13.6 million men and 11.6 million women were unemployed across the EU. This represents an average unemployment rate of 10.7 per cent for men and 10.8 per cent for women, but rates in some Member States are higher. High unemployment is detrimental to social cohesion and hinders economic growth.

10. The promotion of gender equality in the labour market is essential for the achievement of the employment target of 75 per cent for men and women aged 20 to 64 set in the Europe 2020 Strategy. To this end, the Union is required to address the challenge of unemployment of both sexes, including youth unemployment, the unemployment of older people and long-term unemployment, and to encourage the reattachment to the labour market of women of all ages who have left it, often in order to care for children and other dependants.

11. Women in the EU are still paid on average around 16% less than men per hour of work. The gender pay gap is a reflection of gender inequalities and of discrimination that women face in the labour market and it creates disincentives to work. The gender pay gap can only be tackled by addressing its underlying factors and through a comprehensive approach, including by means of measures on pay transparency and through awareness-raising activities such as Equal Pay Days.
12. The Europe 2020 Strategy identifies a number of priority growth areas, including in the white economy and the science and technology sectors. In order to fully tap Europe’s growth potential in these areas, it is important to overcome gender stereotypes and combat educational and occupational segregation.

13. The economic empowerment of women can be achieved through either employment or self-employment. Entrepreneurship and self-employment may offer women a way to reconcile family responsibilities and economic engagement. Directive 2010/41/EU has considerably improved the protection of self-employed women and the helping spouses or life partners of self-employed workers, establishing their right to social protection, including a maternity allowance, where a national social protection system exists for the self-employed. Directive 2010/41/EU also enables Member States to adopt positive action measures aimed at ensuring full equality between men and women in working life, including by promoting business creation by women.

14. Directive 97/81/EC establishes a framework for the elimination of discrimination against part-time workers and the improvement of the quality of part-time work, contributing to the flexible organisation of working time in a manner which takes into account the needs of employers and workers. Part-time work can be a way to access the labour market, particularly for persons furthest away from it, or a way of remaining attached to the labour market; part-time work can thus be a way of facilitating labour force participation, and consequently, of supporting economic growth. It can also represent an opportunity for both women and men to enhance their well-being, improve work/life balance and contribute to a more gender equal society, especially if combined with a more equal sharing of care responsibilities and household work.

15. Across Europe, women are over-represented in part-time work. Part-time work is often associated with lower earnings, especially for employees who work substantially less than full time. This increases the risk of in-work poverty. Moreover, part-time employment, in conjunction with career interruptions for child care and other family responsibilities, can lead to a reduction in lifetime earnings compared to full time work which may impact on pension provision for women in old age, thus resulting in a gender pension gap in retirement. Part-time work is also often associated with more limited opportunities for career advancement, training and education. Job creation for women is therefore not enough: it is also necessary to ensure that women, whether they work full time or part time, have access to ‘quality’ jobs, meaning jobs which provide decent pay and the opportunity for career advancement and training, and which contribute to women’s economic independence. It is also necessary in this respect to ensure that women are in a position to make informed career choices and to have the opportunity to make upward career transitions.

16. Promoting women's full participation in the labour market, including by providing equal pay and adequate, affordable, quality childcare in line with the objectives set at the European Council in Barcelona in March 2002, by eliminating all kinds of discrimination and tax-benefit disincentives that discourage female participation and by improving, where relevant, the provisions on maternity, paternity and parental/care leave, can contribute substantially to economic growth. The role of the social partners should be taken into account, where relevant, in this context.
17. Women in the EU are highly educated yet are under-represented in the labour market. Women also continue to be under-represented in economic decision-making processes and positions. Both women and men should be encouraged to reach their full potential and thus to contribute to the growth and competitiveness of the European economy. The labour market should be equally accessible to women and men.

18. The fourth Trio Presidency (Ireland, Lithuania, Greece, January 2013 to June 2014), has continued to build on the programme of work developed by its predecessors and encourages discussion, the exchange of good practice and action in the areas specifically identified in the Trio Declaration on Gender Equality and the Trio Programme.

19. The Beijing Declaration and Platform for Action for Equality, Development and Peace (BPfA) includes a commitment to "promote women's economic independence, including employment, and eradicate the persistent and increasing burden of poverty on women by addressing the structural causes of poverty through changes in economic structures, ensuring equal access for all women, including those in rural areas, as vital development agents, to productive resources, opportunities and public services".

20. One of the critical areas of concern identified in the BPfA (Area F) specifically addresses Women and the Economy and covers six objectives. This critical area of concern has been reviewed five times by the Council. In 2000, 2008 and 2011, the Council focused on the issues of work-life balance, the significance of which was also emphasized by the report of the European Institute for Gender Equality (EIGE) regarding "Women and the Economy: Reconciliation of Work and Family Life as a Condition of Equal Participation in the Labour Market". In 2001 and 2010, the Council addressed pay inequalities between women and men. Working closely with EIGE, Greece, which holds the Presidency of the EU Council in the first semester of 2014, has set out to review the implementation of the first strategic objective of Area F – "to promote women’s economic rights and independence, including access to employment, appropriate working conditions and control over economic resources".

21. Ensuring women's economic independence and empowerment is a prerequisite for gender equality and also a way of advancing economic development. Thus it is important to analyse and tackle the unequal distribution of paid and unpaid work and working hours between women and men and to recognise the contribution that unpaid work makes to society and the economy.

22. It is recognised that attaining the 75% employment headline target that was set in the Europe 2020 Strategy requires a significant increase in the employment rate of women. In this context, the related indicators included in the Joint Assessment Framework provide invaluable information. However, in order to assess differences in the labour market participation of women and men more broadly, other indicators providing information on aspects such as occupational segregation and the full-time equivalent employment rates of women and men, should be taken into account. Furthermore, part-time work should be analysed in relation to its potential to enhance women's economic independence and to facilitate work-life balance. However, its potential to exacerbate gender differences in pay, working conditions and career advancement over the life cycle should also be studied.
23. Since 1999, the EU has identified 17 indicators for measuring the integration of women in the economy. In 2000, the Council took note of nine indicators on work-life balance proposed by the French Presidency, which were then reduced to seven in the 2008 review by the same French Presidency. In 2001, under the Belgian Presidency, nine indicators on the gender pay gap were endorsed by the Council, which were expanded to ten in the 2010 review, once again under the Belgian Presidency.

24. **WELCOMING** EIGE's Report "Review of the implementation of the Beijing Platform for Action in the EU Member States: Women and the Economy"\(^3\), drafted at the request of the Hellenic Presidency, which assesses progress in the implementation of the objectives of critical area F of the Beijing Platform for Action and provides conclusions and policy recommendations. In its Report, EIGE has proposed an additional set of indicators and sub-indicators to address the first strategic objective of the BPfA in the area Women and the Economy, F.1 "Promote women’s economic rights and independence, including access to employment, appropriate working conditions and control over economic resources".

25. **TAKING NOTE OF** the set of three indicators and their respective sub-indicators, further detailed in Annex I, focusing on women’s economic rights and independence, based on the indicators developed by EIGE for the future review of progress:

- **Indicator 18**: Full-time equivalent employment rate for women and men by age groups (20-64, 15-24, 25-54, 55-64)

- **Indicator 19**: Part-time employment as percentage of total employment for women and men by age groups (20-64, 15-24, 25-54, 55-64)
  
  A. Share of women part-time workers out of total part-time workers by age groups (20-64, 15-24, 25-54, 55-64)
  
  B. i. Share of inactivity and part-time work due to personal and family responsibilities for women and men (20-64)
  
  ii. Share of employees working in involuntary part-time contracts or in part-time contracts wishing to increase working hours for women and men (20-64)
  
  iii. Involuntary part-time employment as percentage of total part-time employment
  
  C. Usual weekly working hours in part-time jobs for women and men (20+)
  
  D. Sectoral and occupational differences between full-time and part-time employment for women and men (20-64)
  
  E. Transition between part-time and full-time work for women and men (20+)

- **Indicator 20**: Self-employment as percentage of total employment for women and men by age groups (20-64, 25-54, 55-64)
  
  A. Share of self-employed women and men with and without employees (20-64)

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CALLS ON THE MEMBER STATES AND THE COMMISSION, in accordance with their respective competences, to:

26. Support initiatives to increase awareness on the importance of women's economic independence for macro-economic growth and poverty reduction, also taking into account in this respect the link between financial strain in the household and violence against women.

27. Continue to promote the participation of women in the labour market within the Europe 2020 Strategy, also considering using the resources of the European Structural and Investment Funds within the scope of existing provisions, and further promote gender equality in the mid-term review of the Europe 2020 Strategy.

28. Provide for a pillar on gender equality within the Europe 2020 governance framework based on:

   a) a section to be included in each draft Joint Employment Report providing information on the efforts and progress made by Member States to reduce the gender employment gap, which is henceforth to be taken into consideration in the key growth and employment messages of the Annual Growth Survey

   b) measuring the progress made by the Member States in achieving gender equality and encouraging further progress as necessary by making systematic use of instruments of the European Semester, including Country Specific Recommendations; and

   c) a regular exchange with the European social partners in the context of the tripartite dialogue on these issues.

29. Support work-life balance for women and men, by encouraging the equal sharing of responsibility for care of dependent family members and household tasks through a combination of different measures, such as:

   a) the provision of accessible, affordable and quality care services for children and other dependants, with flexible operating hours;

   b) introduction and/or development of paternity leave and non-transferable parental/care leave and other incentives for women and men to share equally the responsibility for caring for children and other dependants and for household work, as well as of family leaves and any associated social benefits available to all workers, whatever the form of employment;

   c) the promotion of a work culture conducive to the reconciliation of work, family and private life for both women and men in organisations, inter alia, through targeted incentives and awareness-raising programmes for employers, human resource managers, the social partners and public institutions; and

   d) the provision, taking into account the role of the social partners where relevant, of incentives for flexible working arrangements and the promotion of good-quality part-time work that is not less advantageous in terms of pay, social security, career and skills development, for both women and men, in order to reduce gender gaps in part-time jobs as well as involuntary part-time employment.

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In this respect, comparative research, data gathering and the exchange of good practice on the gender dimension of flexible working arrangements and gender-sensitive management and working patterns should be supported at Union level, where appropriate.

30. Reduce gender segregation at all levels in education and employment, as it contributes to inequalities in terms of the economic independence of women and men (EIGE, 2013):

a) consider, while respecting national education arrangements and where appropriate, possible ways to address gender stereotypes and segregation in education such as developing gender-sensitive education and career counselling, including by means of training, promoting a gender balance among relevant staff, and undertaking media campaigns encouraging and enabling girls and boys/women and men to choose educational paths and occupations in accordance with their abilities and skills;

b) tackle occupational and sectoral segregation in employment including by means of positive action measures, awareness raising measures and measures to support family-friendly approaches and gender equality in organisations and by considering the removal of disincentives in tax-and-benefit systems that discourage female participation.

31. Address, through awareness-raising campaigns and targeted training and funding programmes, gender stereotypes that adversely affect women and men, particularly with a view to promoting the greater involvement of men in caring for children and other dependants and by promoting the full and equal participation of women in economic decision-making.

32. Support initiatives to promote women’s entrepreneurship such as mentoring programmes, the creation of networks, and targeted financial incentives for business creation, and to ensure the visibility of such initiatives.

33. Support the gender impact assessment of policy reforms, data gathering and research by:

a) improving the quantity and quality of sex-disaggregated data and supporting further research on gender-relevant issues, including on women and men’s perceptions of their role in the labour market and of the sharing of activities within the household, as well as their perceptions of working conditions and factors that limit opportunities in the labour market;

b) continuing to monitor the critical area of concern Women and the Economy (Area F) of the Beijing Platform for Action by using the existing Indicators 1-17, as well as the new Indicators 18-20 as set out in Annex I, and further developing and improving these indicators;

c) encouraging the appropriate use of the agreed indicators developed for the follow-up of the Beijing Platform for Action and in particular the indicators on "Women and the economy", in all relevant national and EU policy areas and processes and in particular in the Europe 2020 Strategy;
d) regularly reviewing progress achieved on those critical areas of concern identified in the Beijing Platform for Action for which indicators have already been developed, taking the outcomes of these reviews into account in the Commission's annual Report on Progress on Equality between Women and Men, and, where appropriate, developing indicators for the critical areas of concern for which indicators have not been developed yet, making full use of EIGE and Eurostat; and

e) making effective use of existing comparable EU data and, in cooperation with national and European statistical offices, drawing on existing structures and instruments, encouraging efficiency and making full use of the work of the EIGE where appropriate, as well as of the work of the indicators sub-group of the Social Protection Committee (SPC) and of the indicators group of the Employment Committee (EMCO) to further improve the collection, analysis and dissemination of comparable EU data.

INVITES:

34. The SPC and EMCO to continue their work in order to monitor progress in the implementation of policies to promote equal economic independence of women and men, raise the employment rate and reduce the risk of poverty and social exclusion, particularly of women.
Indicator 18: Full-time equivalent employment rate for women and men by age groups (20-64, 15-24, 25-54, 55-64)

Concept: Employment can be measured in terms of the number of persons or jobs, in terms of full-time equivalent employment or in hours worked. The Full-Time Equivalent (FTE) employment rate is a unit to measure employed persons in a way that makes them comparable although they may work a different number of hours per week. The unit is obtained by comparing an employee’s average number of hours worked to the average number of hours worked by a full-time worker. A full-time worker is therefore counted as one FTE, while a part-time worker gets a score in proportion to the hours she or he works. For example, a part-time worker employed for 20 hours a week where full-time work consists of 40 hours, is counted as 0.5 FTE.

The FTE employment rate is preferable to the standard headcount employment rate because it takes into consideration the heterogeneity of working hours among employed people, which is particularly relevant when addressing gender gaps in employment rates.

The indicator is calculated by sex for the following age groups: 20-64, 15-24, 25-54 and 55-64. The 20-64 age group is included in order to allow comparison with the Europe 2020 target.

Indicator 19: Part-time employment as percentage of total employment for women and men by age groups (20-64, 15-24, 25-54, 55-64)

Concept: This indicator provides information on the participation of women and men in part-time work as a percentage of total employment. It is calculated by dividing the number of part-time workers by the total number of employed persons. Employed persons are individuals aged 15 and over who perform work, even for just one hour per week, for pay, profit or family gain during the reference week or are not at work but have a job or business from which they are temporarily absent because of, for instance, illness, holidays, industrial dispute, and education or training. The distinction between full-time and part-time work is made on the basis of a spontaneous answer given by the respondent. Establishing a more exact distinction between part-time and full-time work on the basis of working hours is impossible, due to differences across Member States and by branches of industry (as well as in the private vs. the public sector) in the number of hours used to define a part-time job by law or in collective agreements. The indicator is calculated by sex for the following age groups: 20-64, 15-24, 25-54 and 55-64. It is an important indicator as it captures one of the main differences in labour force participation between women and men.

Sub-indicators for Indicator 19: part-time employment

Indicator 19 on part-time employment is complemented with five sub-indicators which need to be monitored in addressing gender differences in part-time work:

- gender differences among part-time workers;
- gender differences in the reasons for working part-time;
- sectoral and occupational differences between full-time and part-time work for women and men;
• usual weekly working hours in part-time jobs;
• gender differences in transitions between part-time and full-time jobs.

The sub-indicators are as follows:

A. Share of women part-time workers out of total part-time workers by age groups (20-64, 15-24, 25-54, 55-64)

B. i. Share of inactivity and part-time work due to personal and family responsibilities for women and men (20-64)
   ii. Share of employees working in involuntary part-time contracts or in part-time contracts wishing to increase working hours for women and men (20-64)
   iii. Involuntary part-time employment as percentage of total part-time employment

C. Usual weekly working hours in part-time jobs for women and men (20+)

D. Sectoral and occupational differences between full-time and part-time employment for women and men (20-64)

E. Transition between part-time and full-time work for women and men (20+)

**Indicator 20: Self-employment as percentage of total employment for women and men by age groups (20-64, 25-54, 55-64)**

Concept: This indicator provides information on the proportion of self-employed as a percentage of total employed persons. Self-employed persons are those who work in their own business, farm or professional practice. A self-employed person is considered to be working if she/he meets one of the following criteria: works for the purpose of earning profit, spends time on the operation of a business or is in the process of setting up her/his own business. The indicator is calculated by sex for the following age groups: 20-64, 25-54 and 55-64.

**Sub-indicators for Indicator 20: self-employment**

Indicator 20 on self-employment is complemented by a sub-indicator measuring self-employment with and without employees which is a relevant feature of self-employment that has to be monitored from a gender equality perspective.

The sub-indicator is as follows:

A. Share of self-employed women and men with and without employees (20-64)
References

1. **EU Legislation**


2. **Council Conclusions**

   All relevant Council Conclusions, including Conclusions adopted on the review of the Beijing Platform for Action, and especially those cited below.

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Council conclusions on the review of the implementation by the Member States of the European Union and the European Institutions of the Beijing Platform for Action
- Relationship between family life and working life (13481/00)

Council Conclusions on the review of Member States’ implementation of the Beijing Platform for Action: pay inequalities between women and men (14485/01)

Council Conclusions on the Review of the implementation by the Member States and the EU institutions of the Beijing Platform for Action
- Indicators in respect of Women and Poverty (13947/07)

Council Conclusions on the review of the implementation by the Member States and the EU institutions of the Beijing Platform for Action
- Women and the Economy: Reconciliation of work and family life (17474/08)

Council Conclusions of 30 September 2009 on the Review of the implementation by the Member States and the EU institutions of the Beijing Platform for Action: "Beijing +15": A Review of Progress (15992/09)

Council Conclusions on Strengthening the commitment and stepping up action to close the gender pay gap, and the review of the implementation of the Beijing Platform for Action (18121/10)


Council Conclusions on the Reconciliation of work and family life in the context of demographic change (10324/11)

Council Conclusions on the review of the implementation of the Beijing Platform for Action
- Women and the Economy: Reconciliation of work and family life as a precondition for equal participation in the labour market (17816/11)

3. European Council

The Presidency Conclusions of the Madrid European Council of 15-16 December 1995 (00400/95)

4. Commission

Communication from the Commission: A Strengthened Commitment to Equality between Women and Men: "A Women's Charter - Declaration by the European Commission on the occasion of the 2010 International Women's Day in commemoration of the 15th anniversary of the adoption of a Declaration and Platform for Action at the Beijing UN World Conference on Women and of the 30th anniversary of the UN Convention on the Elimination of All Forms of Discrimination against Women" (7370/10)

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5 Conclusions in which the European Council undertook to monitor annually the Beijing Platform for Action.


Commission Staff Working Document: "Report on Progress on Equality between Women and Men in 2012" (9297/13 ADD 1)

Commission Recommendation of 7.3.2014 on strengthening the principle of equal pay between men and women through transparency (C(2014) 1405 final)

5. **Other**


EIGE's report "Review of the implementation of the Beijing Platform for Action in the EU Member States: Women and the Economy" (6057/14 ADD 1)


EIGE's report on the Review of the Implementation of the Beijing Platform for Action regarding "Women and the Economy: Reconciliation of Work and Family Life as a Condition of Equal Participation in the Labour Market" (16835/11 ADD 1)