The EU Action Plan 2017-2019 on tackling the gender pay gap and EU policy to improve childcare provision in Europe

Karen VANDEKERCKHOVE
DG JUST.D2 Gender equality
The starting point: gender equality as a key value of the EU policies

Drivers:

- Gender employment gap:
  - 11.6 % (and 18.2 % in FTE)

- Gender pay and pensions gap

- Care responsibilities for children and other dependents impact on work participation
  - Impact varies across countries: inactivity vs part time due to care responsibilities (gender working time gap!)
  - employment impact of parenthood remains considerable for women

-> Tackling gender equality is not only an important value as such but is also important from an economic point of view
Gender Overall Earnings Gap %
The benefits of moving to full gender equality in 2030
selected examples

<table>
<thead>
<tr>
<th>Full gender equality in 2030 at Member States level</th>
<th>Current GDP billions Eur</th>
<th>No change in gender equality GDP 2030 (A)</th>
<th>Full gender equality GDP 2030 (B)</th>
<th>% gain (B-A)/A</th>
<th>Total increase in government revenue billions Eur</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Union</td>
<td>14,531</td>
<td>17,547</td>
<td>19,594</td>
<td>12%</td>
<td>815</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>170</td>
<td>242</td>
<td>288</td>
<td>19%</td>
<td>16</td>
</tr>
<tr>
<td>Germany</td>
<td>3,042</td>
<td>3,596</td>
<td>3,916</td>
<td>9%</td>
<td>129</td>
</tr>
<tr>
<td>Estonia</td>
<td>21</td>
<td>31</td>
<td>36</td>
<td>17%</td>
<td>2</td>
</tr>
<tr>
<td>France</td>
<td>2,195</td>
<td>2,834</td>
<td>2,988</td>
<td>5%</td>
<td>73</td>
</tr>
<tr>
<td>Italy</td>
<td>1,655</td>
<td>1,973</td>
<td>2,203</td>
<td>12%</td>
<td>98</td>
</tr>
<tr>
<td>Netherlands</td>
<td>687</td>
<td>946</td>
<td>1,028</td>
<td>9%</td>
<td>32</td>
</tr>
</tbody>
</table>
What is the Gender Pay Gap?

- The gender pay gap is the difference between men’s and women’s pay (based on hourly earnings across the economy).
- The pay gap goes far beyond the single issue of equal pay for equal work or work of equal value.
- It is a consequence of ongoing discrimination and inequalities in the labour market.
Gender Pay Gap evolution

Despite the existing EU legal framework on equal pay, women in the EU earn on average 16% less than men.

- Gender Pay Gap has been plateauing over the last 5 years in the EU.
Why does the Gender Pay Gap persists?

The causes of the gender pay gap are complex and often interrelated:

- Pay discrimination
- Undervaluing of women’s work
- Traditions & Stereotypes
- Segregation in the labour market
- Glass ceiling
- Unequal balance of work & private life
2017-2019 EU Action Plan: tackling the gender pay gap

- Action Plan takes the holistic approach to address all different root causes of gender pay gap.
- 8 main strands of action
  1. Improving the application of the equal pay principle
  2. Combating segregation in occupations and sectors
  3. Breaking the glass ceiling: vertical segregation
  4. Tackling the care penalty (work-life balance)
  5. Better valorizing women's skills, efforts and responsibilities
  6. Uncovering inequalities and stereotypes
  7. Alerting and informing about the gender pay gap
  8. Enhancing partnerships to tackle the gender pay gap

- In total over 20 actions to be delivered until 2019
2017-2019 EU Action Plan: examples

Social partners can play an important role in implementing measures that will help closing GPG

- **Engage in dialogue with social partners to promote measures leading to improved gender balance in decision making**

- **Initiate and implement projects aiming to improve the gender balance in decision making position**

  Call open till 19 June 2018

2017-2019 EU Action Plan: examples

• Improve pay transparency can be done by making an equal pay issues (including pay audits) part of the collective bargaining
  • 5 MS (BE, DE, FI, FR and SE) have legal measures in that respect
  • 3 MS (AT, CY and PT) provide for voluntary measures
2017-2019 EU Action Plan: examples

• Raise awareness on the importance of gender neutral job classification systems to ensure equal pay in practice
  • Special attention will be paid to make the concept of "equal pay for work of equal value" more operational on the ground
Barcelona objectives: participation of children in childcare to enhance female labour market participation

Two targets:
- 33% of children from 0 to 3
- 90% of children from 3 to mandatory school-going age

-> Established in 2002 by Barcelona Council, were not reached in 2010

-> Time to take stock again
   European Social Pillar and the Commission's Initiative on Work-life Balance for Working Parents
   Also from different perspective:
   - Social inclusion
   - Education from early start:
Double burden: involving men

Leaves

High quality and affordable childcare

Other dependents care

(Flexible) working arrangements suited to needs

Work-life balance: a policy-mix
Childcare participation rate for 0 – 3 olds
Childcare participation rate for children from age 3 – school-going age
Employment rate and childcare participation
Factors determining use of childcare: availability, affordability, accessibility and quality of childcare

- **Legal entitlement to childcare**
  - Legal entitlement exists in nearly all countries,
    - In 6 countries from 6 – 18 months onwards
    - In most countries only from age of 3 onwards
  - Gap between end of (well-paid) parental leave and legal entitlement

- **Public spending on childcare**
  - funding of childcare facilities
    - Sweden, Denmark, France, Bulgaria and France spend higher percentage of GDP on childcare
  - European semester: see next presentation
Factors determining use of childcare: affordability, accessibility, quality

- **Cost of childcare**: 15% of average net family income
  - out-of-pocket cost widely varies across countries
  - difficulty in affording childcare
  - important to consider social gradient in childcare participation
- **Accessibility**
  - opening hours (adapted to parents' working schedules)
  - distance to childcare facilities
  - languages spoken
  - inclusion of children with special needs
- **High quality childcare**
  - determinant for parents to decide to let their children participate from an early age in childcare
Proposal for a Council Recommendation on affordable and high quality early childhood education and care

Present the key elements of a quality framework to inspire Member States in their strategic thinking and invite them to create corresponding national frameworks.

Social inclusion

Professionalisation of staff
Barcelona objectives ... 

- still of crucial importance in 2018 ...  
- enhance gender equality, work-life balance of parents, smart, sustainable and inclusive growth 

Considerable progress was made ... 
- The target from 0 – 3 was reached but with considerable differences ...  
- The target for 3 – mandatory school-going age nearly reached 

Availability of affordable and high quality childcare remains vital for the European agenda:  
- need to keep on monitoring the situation, particularly those countries lagging behind, including link with funding (see next presentation) 
- time to review the targets?
Thank you for your attention!