



# The price of austerity -

## The impact on women's rights and gender equality in Europe



EUROPEAN WOMEN'S  
LOBBY  
EUROPÉEN DES FEMMES

© Creative Commons, European Women's Lobby October 2012

### Credits

EWL Secretary General: Cécile Gréboval

Coordination: Mary Collins

Research and text: Anna Elomäki

Graphic design and layout: Leanda E. Barrington-Leach

Special thanks for the invaluable contributions for the EWL national co-ordinations in Belgium, Czech Republic, Denmark, Estonia, Finland, France, Greece, Ireland, Former Yugoslav Republic of Macedonia, Portugal, Romania, the UK, and Turkey

The EWL benefits from the financial support of the European Community Programme for Employment and Social Solidarity, Progress (2007-2013). The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.



# Contents

---

Executive Summary .....	2
Introduction.....	3
<b>Chapter I: Women’s work and wages – Not a “he-cession” after all.....</b>	<b>4</b>
1. It is an employment crisis for women too!.....	4
Employment.....	4
Unemployment.....	4
Labour market activity.....	6
Unpaid work.....	6
2. Women’s deteriorating working condition – focus on wages.....	7
3. Conclusion: What is at stake for women’s rights and gender equality?.....	7
<b>Chapter II: Cutbacks in public services and benefits.....</b>	<b>8</b>
1. From economic crisis to care crisis.....	8
Cutbacks in care services and reprivatisation of care.....	8
Changes in statutory leaves and care-related benefits.....	9
Reduced child and family benefits.....	9
2. Cuts in services and welfare benefits hit the least well off.....	10
Health and education.....	10
Welfare benefits and pensions.....	10
Taxation.....	11
Cumulative effects.....	11
3. Conclusion: What is at stake for women’s rights and gender equality?.....	12
<b>Chapter III: Reduced funding for women’s rights.....</b>	<b>13</b>
1. Disintegrating gender equality institutions.....	13
2. Struggling women’s organisations.....	14
3. Conclusion: What is at stake for women’s rights and gender equality.....	14
Recommendations.....	15

## Country abbreviations used in the publication:

CZ (Czech Republic), DE (Germany), DK (Denmark), EE (Estonia), ES (Spain), FI (Finland), FYROM (Former Yugoslav Republic of Macedonia), GR (Greece), HU (Hungary), IE (Ireland), IT (Italy), LV (Latvia), LT (Lithuania), NL (Netherlands), PT (Portugal), RO (Romania), SK (Slovakia), SI (Slovenia), TK (Turkey), UK (United Kingdom),

# Executive summary

---

This European Women's Lobby (EWL) report considers the evidence on the impact of austerity measures on women's rights and gender equality in Europe. Based on data from EWL member organisations in 13 countries and recent research from a range of sources, it reveals that austerity policies in Europe undermine women's rights, perpetuate existing gender inequalities and create new ones, and hamper the prospects of sustainable and equal economic progress in Europe. The recent cuts in public spending in European Union (EU) Member States, sanctioned by the European Commission, have the most impact on those who have little voice in economic decision-making: women, children, and the elderly.

## Key findings on the impact of austerity on women's work and wages

- The narrowing differences in women and men's employment rates and patterns are not signs of increasing gender equality. They do not reflect improvements for women, but rather the deteriorating employment situation of both women and men.
- The crisis has undermined years of progress towards women's integration in the labour market. The EU's efforts to increase women's employment rate have been undermined in 22 EU Member States. The female employment rate has dropped below or close to the level of 2005 in 12 Member States (GR, ES, RO, SK, IE, DK, SI, LV, LT, EE).
- The crisis is not a "he-cession." Cuts in public sector jobs have had a drastic effect on women's employment as women constitute on average 69.2% of public sector workers in the EU. Since 2010 women have been equally affected by unemployment than men.
- Public sector lay-offs push women towards precarious employment with limited income security, work-life balance options and pension benefits and worsen the overall quality of women's working conditions. Wage cuts in the public sector threaten to turn back modest progress in closing the gender pay gap.

## Key findings on the gendered impact of cutbacks in services and benefits

- Cutbacks in public care and health services lead to the reprivatisation of care and a return to traditional gender roles. Limited availability of childcare (GR, PT, CZ, IT), growing childcare fees (NL, UK), reduced services for the elderly and the disabled (NL, IE), and closed hospitals (GR, PT, RO) transfer the responsibility for care from the society to households, i.e. mostly women. At the same time, governments save on measures that encourage the equal division of care between women and men, such as paid paternity leave (EE, ES, DE).
- Savings on maternity and parental leave benefits (DE, RO, FYROM, PT), child benefits (IE, DK, FI, UK) and other care and family related benefits (CZ, IE, PT, EE) have permanently reduced the income of all women with care responsibilities.
- Cutbacks in services and benefits have compromised women's economic independence, as benefits often constitute an important source of their income and as they use public services more than men. Lone mothers and female single pensioners face the biggest cumulative losses.

## Key findings on the reduced funding for women's rights and gender equality

- Public gender equality institutions are being destroyed on the pretext of austerity. Gender equality institutions/bodies have been abolished (ES, RO), merged with other institutions (TK, DK, IE, CZ), or had their funding cut in a drastic manner (UK, GR).<sup>1</sup> The erosion of gender equality machinery is an infringement of EU and international commitments to women's rights and gender equality.
- Women's organisations from advocacy groups to service providers are struggling for survival or being shut down. Government core funding for NGOs has been cut or even removed (IE) and public authorities and private donors have reduced project funding for gender issues (PT, CZ). These cuts make women's voices even less heard in society and force NGOs providing vital services to women to reduce their services, at a time when these voices and services are needed more than ever.

## Key European Women's Lobby recommendations: Strengthen women's voices in economic governance

The recommendations of the report, addressed to national governments, the European Commission and women's organisations, call for greater assessment of and measures to address the impact of public spending cuts on women's rights and gender equality, stringent gender budgeting tools, and strengthened democratic processes. Women's organisations should urgently engage in budgetary processes and move to the less trodden territory of financial political actors.

The Manifesto on the effects of the economic and financial crisis on women in Europe, developed at the EWL 2012 General Assembly Issue Group on the crisis is annexed to the report.

<sup>1</sup> Some EU-level bodies (European Network of Women in Decision-making and European Network of Gender Equality Mechanisms) have also been terminated or merged with another institution

# Introduction

The European Women's Lobby (EWL) and its member organisations are extremely concerned about the impact of the current climate of austerity on women's lives and on gender equality in Europe. The European governments are tackling the crisis through unprecedented cuts in public spending, which have fallen heavily on public services and social benefits.

Although cutbacks in services and benefits will have a negative impact on everyone, this impact has been uneven. Budget deficits are being covered mainly from the pockets of those with least access to the tables where economic decisions are made. Women are most affected, and lone mothers and single female pensioners are among those who suffer most.

The extent to which cuts in public expenditure have hit women and compromised gender equality is poorly reflected in official statistics on the crisis and recovery, which focus on labour market outcomes. Going beyond the official voice, this EWL report unravels established facts about the crisis and brings into view issues poorly reflected in official statistics. The report is based on data received from EWL member organisations in 13 countries<sup>2</sup> in September 2012, and on an analysis of a broad range of recent research on the crisis and recovery policies.

The report looks at I) The differential impact of the crisis on women and men in the labour market, focusing on cuts in public sector jobs and wages; II) The impact of cutbacks in public services and benefits on women and gender equality, focusing on care services and care-related benefits; and III) The impact of austerity on funding for women's rights and gender equality. The report reveals that cuts in public spending have had a disproportionate impact on women and that austerity threatens to interrupt progress towards gender equality and create new inequalities.

## Cuts in public spending – who pays?

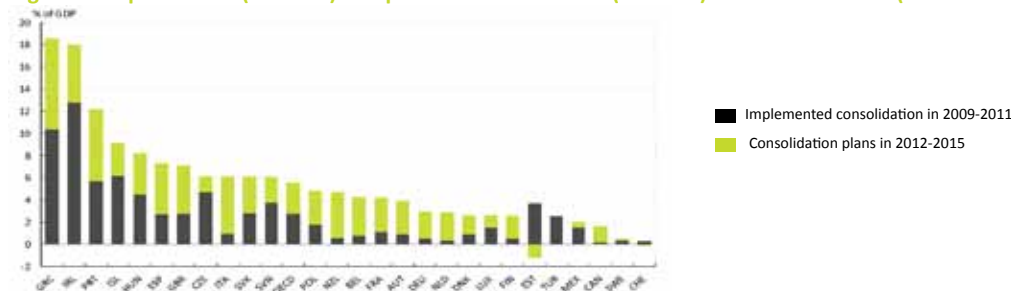
Since 2010 cutting down public expenditure has been the most common reaction to the crisis in Europe. Strict consolidation plans have been introduced in the three countries with IMF/EU/ECB programmes (Ireland, Greece, and Portugal), and austerity budgets have been announced also in countries with a sounder financial situation (e.g. the UK, France). In Greece and Ireland the value of the implemented and planned cuts is around 18% of GDP<sup>3</sup>. Even small cuts may have a drastic impact on the lives of women (and men), if they fall on various social benefits and vital care and health services.

Cuts in public spending have been sanctioned by the European Commission, which has repeatedly advised Member States to reduce their public debt and budget deficits.<sup>4</sup> The Commission has given little – if any – consideration for the social and gender consequences of this approach.

Research shows that cuts in public spending tend to have a disproportionate negative impact on women and thus undermine gender equality. Lay-offs and wage cuts in the public sector will have a big impact on women, because they constitute the majority of public sector employees. Cuts in services and benefits will be particularly felt by women, because women are more dependent on public services such as childcare than men, and because various benefits play a more important role in their overall income. In addition, when savings are being made, funding for women's rights and gender equality is often among the first to be reduced.

To date, no country has assessed the impacts of the proposed cuts in public spending from a gender perspective, neither of the individual measures nor of their cumulative impact. In some countries, women's organisations have conducted independent gender impact assessments of the proposed austerity budgets. These analyses show consistently that the money governments seek to save is taken from women's pockets. For example, in the UK it has been estimated that women are hit twice as hard by cuts in benefits and changes in taxation.<sup>5</sup> However, governments have not yet taken action to correct such gender-biased mistakes.

Figure 1: Implemented (2009-11) and planned consolidation (2012-15) in OECD countries (Source: OECD)<sup>6</sup>



2 Belgium, Czech Republic, Denmark, Estonia, Finland, France, Greece, Ireland, Macedonia, Portugal, Romania, Turkey, and the UK.

3 OECD 2012 Restoring Public Finances : Fiscal Consolidation in OECD countries, 2012 update p.30

4 E.g. European Commission 2011. *Annual Growth Survey: Advancing the EU's comprehensive response to the crisis* COM(2011) 11 final

5 Cooper, Y (2010), 'Women bear the brunt of budget cuts' <http://tinyurl.com/38pzgc>

6 OECD 2011. *Restoring Public Finances*, p.30

# Chapter I: Women's work and wages – Not a “he-cession” after all

The impact of the crisis on women's employment has been under-evaluated. The newspapers described the recession in its early stages as a “he-cession,” due to the initial job-losses in male-dominated sectors. However, now that the lagged effects of the crisis and the recent cutbacks in the public sector that affect women in particular are unravelling, it is clear that women face an employment crisis too.

Cuts in public sector jobs and wages, which have been a typical government response to the crisis across Europe, are a major threat for gender equality in employment. Because women account in average for almost 70% of public sector workers in the EU, anything that happens to public sector jobs and wages affects women more. In addition, the public sector has in many countries been the driver for gender equality in employment, as it (mostly) provides better employment opportunities, better working conditions including paid leave and work-life balance options, and higher wages for women. It also provides the services that women rely on to enter employment in the first place.<sup>7</sup>

## Women in the public sector in the EU

69.2% of public sector workers in the EU are women. Women's share is highest in health and social work (78.4%) and in education (71.5%).

38% of all employed women in the EU work in the public sector, ranging from 22.5% in Romania to 49.1% in Sweden.

## 1. It is an employment crisis for women too!

### Employment

Although men's employment suffered more in the early stages of the crisis, since 2010 women have been equally affected. In some countries the emphasis of the crisis is even shifting from men to women (UK, Spain, Portugal, Greece, Latvia, Hungary, Romania, and Ireland).

Recent cuts in public sector jobs are one factor behind women's worsening labour market situation. Significant personnel cuts in the public sector have been reported, among others, in Greece (-25%), UK (-20% expected by 2014), Portugal (-10%) and Romania (-10%).<sup>8</sup> In the UK, 710,000 public sector jobs will be lost by 2017, and it is estimated that around twice as many women than men will lose their jobs, with around half a million women facing redundancy.<sup>9</sup>

In some countries, like Spain, Portugal and Greece, the cutbacks have focused on the most female-dominated sectors, such as education, health and social work, making the situation even worse for women<sup>10</sup> In Italy in education alone, 19,700 women's jobs have been cut and 87,000 more are expected in coming years.<sup>11</sup>

The crisis has halted the gains made across Europe in integrating women in the labour market. Women's employment rate was increasing steadily until 2008 when the crisis hit Europe, but it has stagnated ever since. In 2011 women's employment rate stood on average at 62.3% (62.8% in 2008; 60% in 2005).<sup>12</sup> As only a part of the announced cuts in public sector jobs have been implemented, women's employment rates can be expected to worsen in the coming years.

7 Rubery Jill 2012, Public sector adjustment and the threat to gender equality. In ILO 2012: Public sector adjustment in Europe.

8 ILO 2012. *Public sector adjustments in Europe. Scope, effects and policy issues*. Presentation of the study in a conference in Brussels 21-22 June 2012.

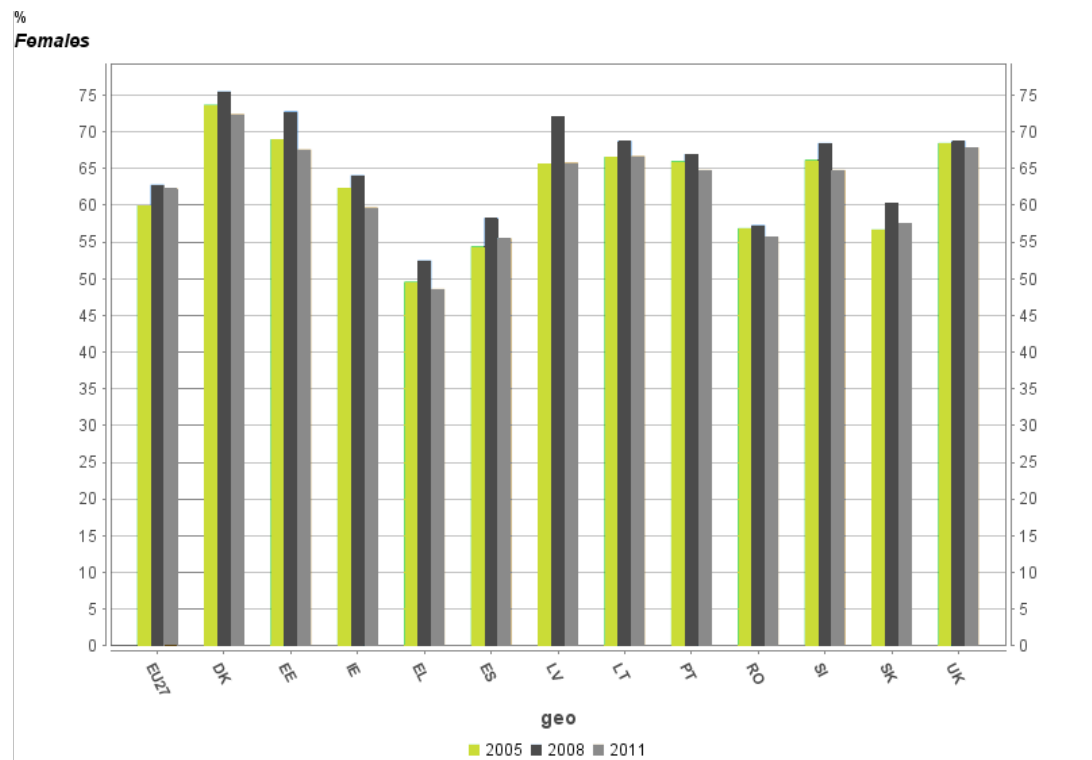
9 Fawcett Society 2012. *The Impact of Austerity on Women. Fawcett Policy Briefing, March 2012, p.6*

10 Gonzales Gago, Maria 2011. Women, gender equality and the economic crisis in Spain. Presentation in the symposium “Women, gender equality and economic crisis, Athens 1-2 December 2011; EWL Survey Portugal, EWL Survey Greece

11 European Parliament 2011, *Gender aspects of the economic downturn and financial crisis*. Directorate General for Internal Policies, Policy Department C: Citizen's Rights and Constitutional Affairs, p. 138

12 Eurostat

Figure 2: Female employment rate in selected countries in 2011, 2008 and 2005 (Source: Eurostat)



The crisis has reversed the progress toward the EU female employment rate targets of 60% (by 2010, Lisbon Strategy) and 75% (by 2020, Europe 2020 Strategy) in 22 EU Member States. The setbacks have been most significant in Greece, Spain, Romania, Slovakia, Ireland, Denmark, UK, Portugal, Slovenia, Latvia, Lithuania, and Estonia, where women's employment rate had by 2011 fallen below or close to the levels of 2005, undermining years of progress.<sup>13</sup>

### Unemployment

Unemployment is a women's problem too. In August 2012, 10.6% of the female labour force in the EU was unemployed (10.5% for men). The pre-recession gap between women's and men's unemployment rates – women's was in average 0.9pp higher – has evened out, due to the sharper rise of men's unemployment early on in the crisis. Since 2010, however, women have been as affected – or even more affected – by unemployment than men. While men's unemployment rate even momentarily improved from the early 2010 until Spring 2011, women's unemployment rate has increased steadily. In August 2012 women's unemployment was higher than men's in 12 Member States.<sup>14</sup>

Women are most affected by unemployment in Greece and Spain, where more than one fourth of the female labour force is currently unemployed (Greece: 28.1% in June 2012, up from 12.5% in 2009; Spain 25.3% in August 2012).<sup>15</sup> In Greece young women are the most affected group: 62,1% of them are currently unemployed.<sup>16</sup>

The official unemployment data, however, tells only part of the story. Job losses have a differential impact on women and men, due to their different positions in the labour market and in society. First, unemployed women are often unaccounted for in unemployment data as they are less likely than men to register as unemployed. Many withdraw from the labour market to informal or unpaid work.<sup>17</sup> Furthermore, women are often part time unemployed (in 2011 32.1% of employed women worked part-time), but classified as part time employed.<sup>18</sup> Thus women's unemployment may be underestimated in relation to men's.

Second, women are often in a more precarious situation once they become unemployed and face a greater risk of immediate poverty. As social protection systems tend to favour workers with standard employment contracts and take household situations into account through means-testing, women are disadvantaged when it comes to their entitlement to and level of unemployment benefits, due to their specific household and labour market position. For example, in 2009 in Germany 85% of unemployed women received benefits against 89% of men, and the unemployment benefits of men were on average more than 200 euros higher than those of women.<sup>19</sup> In the UK only 28% of those claiming

13 Eurostat

14 Eurostat

15 Eurostat

16 EWL Survey Greece

17 Maier, Friederike 2011. Will the crisis change gender relations in labour market and society? *Journal of Contemporary European Studies*, Vol 19, p.91

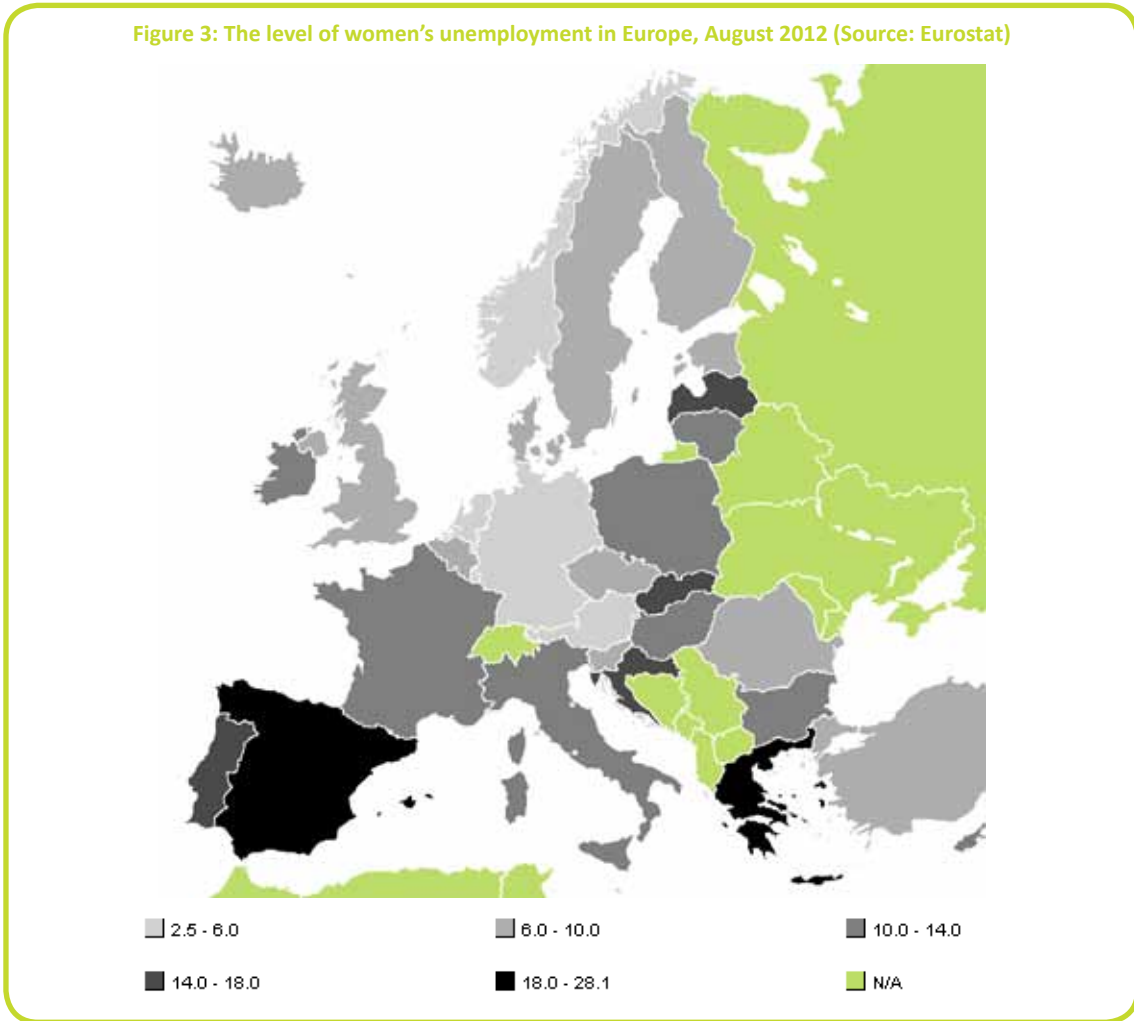
18 Smith, Marc 2009. *Analysis note: gender equality and recession*. Prepared for European Commission, Directorate General for Employment, Social Affairs and Equal Opportunities May 2009.

19 Jepsen, Maria and Janine Leschke 2011. *The economic crisis – challenge or opportunity for gender equality in social policy outcomes? A comparison of Denmark, Germany, and the UK*. European Trade Union Institute working paper 2011.04, p. 23-25



jobseekers allowance were women, although women accounted for 42% of the unemployed;<sup>20</sup> in France, 57% of unemployed women received benefits against 64% of unemployed men.<sup>21</sup>

Figure 3: The level of women's unemployment in Europe, August 2012 (Source: Eurostat)



### Labour market activity

Unlike men, women have increased their labour market activity during the crisis. Despite job losses there are now more 'active' women in the labour market (i.e. employed or unemployed) than ever before.<sup>22</sup> This indicates that while some women are losing jobs, previously inactive women are taking up employment, possibly either to compensate for the lost income of a partner, or to add to the household income.<sup>23</sup> The male-breadwinner model is thus losing ground due to the crisis, and the number of female breadwinner households is increasing. Although becoming a sole breadwinner of the family after a job-loss of one's partner is not necessarily an improvement for the individual women concerned, the crisis may, in the long term, produce also positive changes in gender relations.

### Unpaid work

A full assessment of the impact of the crisis and austerity on women's employment must consider changes in unpaid work, an aspect unaccounted for in official statistics. When households have less income in their hands, and when public services become more expensive or unavailable, the production of goods and services, which previously were bought from outside, falls on the households. The increased time used in unpaid work is not distributed equally, but falls often on women's shoulders. Evidence from Italy, Slovenia, Estonia and Turkey reveals that gender gap in the allocation of unpaid work has increased during the recession.<sup>24</sup> The increasing demand of unpaid work may force some women to shift from paid to unpaid work. While those who remain in the labour market face a heavier "double burden."

20 *ibid.*, p. 25

21 Christiane Marty: *Les femmes face à la crise et à l'austérité* (unpublished)

22 Eurostat

23 Brigitte Young and Helene Schubert 2010. *The Global Financial Meltdown and the Impact of Financial Governance on Gender*. Garnet Policy Brief number 10, January 2010

24 Francesca Bettio 2011. *Crisis and recovery in Europe, Labour market impact on men and women*. Presentation in the symposium "Women, gender equality and economic crisis", Athens 1-2 December 2011



## 2. Women's deteriorating working conditions – focus on wages

Cutbacks in the public sector lead to a loss of good quality employment for women. Even if the lost jobs are eventually replaced by the private sector, the new jobs are unlikely to have the same conditions as regards to work-life balance, pension rights, pay, and working conditions. Many women who have lost their public sector jobs are likely to take up precarious employment, such as part-time work, temporary contracts, or 'mini-jobs'. This will deteriorate the long-term living conditions of the women involved and decrease the already-low overall quality of women's jobs in Europe.

Cutbacks will also weaken working conditions in the public sector, notably with regards to wages. Public sector wages have been cut in Greece, Latvia, Romania, Lithuania, Spain, Ireland, Portugal, Estonia, Czech Republic, Slovakia, Slovenia, and Hungary. The UK and France, among others, have frozen pay.<sup>25</sup> These cuts have drastic impacts on women's livelihoods. For example, in Latvia the burden on cutting down wages has fallen heavily on teachers, almost 80 % of them women. In 2011 the minimum statutory teacher's salary was only about €6.000 EUR annually, 30% less than in 2008.<sup>26</sup> In the healthcare sector in Portugal, the new short-term contracts for nurses now have an hourly salary of €4, €2 less than in 2011.<sup>27</sup>

### Wage cuts and gender pay gap in Latvia

30% - The reduction in teacher's salary in Latvia since 2008 (in 2011 minimum salary €6000/year)

17.6% - The gender pay gap in Latvia in 2010. Up by 4.2 pp. since 2008 (13.4%)

An extensive public sector has tended to reduce the average gender pay gap, because the better salaries in the public sector where women are concentrated have balanced the pay inequalities in the private sector.<sup>28</sup> Wage cuts in the public sector have, therefore, a negative overall impact on women's pay and on the gender pay gap. Evidence from countries where public sector wages were cut early on in the crisis shows that progress in closing the gender pay gap has indeed been reversed. While in 2008 women in Latvia earned 13.4% less than men on average, by 2010 the difference had increased to 17.6%. In Romania, the gap between women and men's pay has grown from 9.0% in 2008 to 12.5% in 2010.<sup>29</sup> Latvia and Romania are exemplary of another concerning trend too: women's pay in the public sector has fallen more than that of men's in the public sector.<sup>30</sup>

The crisis has widened the gender pay gap in Bulgaria, but for another reason. In harsh economic conditions, female dominated sectors have found it difficult to negotiate pay increases. In Bulgaria the average wage increased by 9.3% from 2009 to 2010, but because the growth rate for men was higher than for women, the gender pay gap widened by 2.8 percentage points.<sup>31</sup>

The average gender pay gap in the EU declined between 2008 and 2010, due to the general positive trend but possibly also the declining male wages early on in the crisis. However, it is possible that in the coming years, when statistics catch up with the full impact of the public sector cuts on women's wages, the overall positive trend will be reversed or slowed down.

## 3. Conclusion: What is at stake for women's rights and gender equality?

- The narrowing difference between women and men's employment rates is not a sign of increasing gender equality, or an improvement for women. It reflects the deteriorating employment situation of both women and men, and the sharper impact on male employment early on in the crisis. The gap is closing due to levelling downwards, not because of catch-up.
- The crisis has undermined years of progress towards women's integration in the labour market and equality in paid work. Decreases in women's employment rate may be difficult to overcome, because many women have been forced to shift from paid to unpaid work due to the erosion of public services and declining household income, and because currently labour market policies focus on reducing (male) unemployment rather than increasing (female) labour supply.
- Since 2010 women are similarly affected by unemployment than men. However, statistics hide the fact that when unemployed, women are more likely to be affected by poverty.
- The quality of women's jobs, already low, is deteriorating further due to the loss of public sector jobs. More women are left without income security, work-life balance options, and pensions.
- Wage cuts in the public sector threaten to turn back progress on closing the gender pay gap.
- The male-breadwinner model is losing ground, as women's activity rate increases and they shift from secondary earners to co- or sole earners. It is not yet possible to say whether this is a permanent change in gender relations, or a temporary impact of the crisis.

25 EPSU 2011. *Widening the gender gap: the impact of public sector pay and job cuts on the employment and working conditions of women in four countries*. A report for the European Federation of Public Service Unions prepared by the Labour Research Department, June 2011; EPSU 2010. *The wrong target. How governments are making the public sector workers pay for the crisis*; ILO 2012; Rubery 2012; OECD 2011;

26 Education in crisis <http://www.educationincrisis.net/learn-more/country-profiles/europe/item/420-latvia>

27 EWL Survey Portugal

28 Rubery 2012

29 Eurostat

30 EPSU 2011, p. 16-17.

31 ETUC 2011. *4<sup>th</sup> Annual ETUC 8 March Survey 2011*, p. 19

# Chapter II: Cutbacks in public services and benefits

As the EWL/Oxfam report “An Invisible Crisis?”<sup>32</sup> pointed out, the crisis was having a significant negative impact on women’s lives also outside the labour market already back in 2010. The recent austerity policies have had severe consequences for those whose livelihoods depend on various social benefits, such as maternity or parental leave benefits, pensions, and social welfare benefits. Those, both employed and non-employed, who rely on public services such as care services and women’s shelters, have also been affected.

Although cutbacks in public services and benefits affect everyone, the impact will be particularly felt by women, who use public services more than men and who rely more on social benefits. Cuts in public services and benefits have a double impact on women: on the one hand, women’s economic independence is compromised and their poverty heightened. On the other hand, women are forced to cushion the impact of cutbacks in public services as the services are transferred back to the households, i.e. women. Vulnerable groups of women, such as lone mothers, pensioners, and migrant women will lose the most.

## 1. From an economic crisis to a care crisis

### Cutbacks in care services

The evidence from EWL members and recent research reveals sharp declines in the availability and affordability of care services for children and other dependents. EU Member States agreed on increasing the provision of affordable, good quality childcare facilities in 2002, and they renewed their commitment in 2011 in the European Pact for Gender Equality 2011-2020. However, instead of improving the availability of care services and making them more affordable, some countries are doing the opposite.

Austerity has reduced access to childcare services. In Greece and Portugal public kindergartens have been closed down.<sup>33</sup> In the Czech Republic more than 30.000 children were refused in state preschool institutions in 2011, this year the number is expected to be even higher.<sup>34</sup> Savings are being made by limiting the hours of kindergartens and primary schools: in Italy recent cuts have reduced the availability of full time classes in primary school and after school care), which are in high demand among lone mothers and families where both parents work.<sup>35</sup> In some countries access to public day-care has been reduced by new rules. These may require, for example, that both parents have to be employed, leading to an increased care-work load on the unemployed and limiting their possibility to look for a job.<sup>36</sup>

At the same time, childcare is becoming increasingly expensive. In the Netherlands, as of January 2012 most parents have received a smaller proportion of their childcare costs back from the tax agency.<sup>37</sup> In the UK the level of childcare costs covered by the state has been cut from 80% to 70%. As a consequence, families with two children with weekly childcare costs of £300 will lose £30 (€37) a week representing £1560 (€2000) a year.<sup>38</sup> Care services for the elderly and other dependents have suffered too. In Ireland home helps for the elderly and disabled have been reduced: in August 2010 the government announced a €10million cut to personal assistance hours, which adds to the €1.7million cut for home care. Also public beds in nursing homes have been reduced.<sup>39</sup> In the Netherlands programmes to facilitate disabled persons have been cut down.<sup>40</sup> In all these cases, women are affected both as recipients of care and as unpaid carers.

The full impact of the cutbacks on care services on women’s lives across Europe is not yet visible in statistics. However, already in 2010 mothers of small children were less likely to be employed than before: the employment rate of women with small children (under 12) was on average 12.7 pp. lower than that of women with no children, against 11.5 pp. in 2008.<sup>41</sup>

Accordingly, more women than before said they are inactive or work part-time due to the lack of care services. In 2010 28.3% of women’s inactivity and part time work was explained by the lack of care services against 27.9% in 2009. In some countries the impact of the lack of care services has increased significantly. In Bulgaria it was up to 31.3% in 2010

32 Oxfam International/European Women’s Lobby 2010. Women’s poverty and social exclusion in the European Union at a time of recession, An Invisible Crisis? A GenderWorks paper, March 2010

33 EWL Survey Greece, EWL Survey Portugal

34 EWL Survey Czech Republic

35 European Parliament 2011, p. 138

36 EWL Survey Portugal

37 Nederlandse Vrouwenraad 2012, EWL members’ report, May 2012

38 Daycare Trust 2010. *Policy Briefing: The impact of the Spending Review on Childcare*. Quoted in Fawcett Society 2012, p. 29.

39 Barry & Conroy/TASK 2012, p. 6; National Council of Women in Ireland 2012, p. 27

40 Nederlandse Vrouwenraad, 2012.

41 Eurostat

### Reconciliation – Progress interrupted?

In 2010 the employment rate of women with small children in the EU was 12.7% lower than that of women without children, up from 11.5% in 2008.

In 2010 28.3% of inactive and part-time working women in the EU were not able to work full time due to care responsibilities, up from 27.9 in 2009.

from 20.8 in 2008; in the Czech Republic up to 16.7% from 13.3%.<sup>42</sup>

These figures, which are likely to worsen in the coming years, indicate that the crisis and austerity policies risk destroying years of progress towards a more equal division of care responsibilities between women, men, and society. Cutbacks in care services put pressure back on households, and make increasing demands on unpaid care work. When the crèche closes or limits its opening hours, when childcare fees become unaffordable, or when home help for an elderly relative is cut down, it is mostly women who drop out of paid employment to take over the care responsibilities.

The shift from public care services to unpaid care work within the household poses a severe threat to gender equality in Europe.

Austerity is leading to reprivatisation of care and a shift towards more ‘familialist’ welfare systems, where family members – mainly women – are expected to take over responsibilities that were once public. Such a shift would also mean a return to more traditional gender roles.

### Changes in statutory leave and care-related benefits

Several governments have made savings through worsening the payments and conditions of statutory care-related leave and other care related benefits.

In Romania in 2010 the government cut the maternity leave benefit to 65% of the previous payment and reduced the length of the leave.<sup>43</sup> In Macedonia the benefit was in 2010 reduced from 100% to 75-80% of the previous salary.<sup>44</sup> In Portugal the value of the maternity allowance has decreased significantly, because holiday and Christmas allowances, which correspond to two month’s salary, are no more included in its calculation.<sup>45</sup> Infringements of the right of pregnant women to maternity leave and benefits, or to resume their job after maternity have been reported in Greece, Portugal, Italy, and the Czech Republic.<sup>46</sup>

In Slovenia the parental leave benefit has been reduced from 100% of the former salary to 90%.<sup>47</sup> In Germany the benefit has been cut from 67% to 65% of the former salary for persons earning more than €1200 net, while those with medium-level and high monthly earnings are not affected by the saving. Also the planned doubling of the duration of partial parental leave benefits for parents working part-time, most of whom women, are put on hold.<sup>48</sup>

Austerity measures have slowed down the efforts to establish paternity leave and other measures to encourage men to share care responsibilities. In Spain there has been a delay in the already agreed extension of paternity leave from 13 to 28 days.<sup>49</sup> In Estonia the paternity leave benefit has been suspended until the end of 2012, and only a few men are taking the leave option unpaid.<sup>50</sup> In Germany the doubling of the ‘partner months’ of parental leave from two to four has been put to hold.<sup>51</sup>

Also other care-related benefits have been subjected to cuts and tightened conditions. In Estonia benefits paid to parents taking care of a sick child were reduced from 100% to 80% of the salary.<sup>52</sup> In the Czech Republic the benefits given to those taking care of dependent family members (mainly disabled people) have been reduced,<sup>53</sup> and in Portugal benefits for the care of disabled children were cut by 30%.<sup>54</sup> In Ireland the carers’ allowance, mainly used by middle-aged and older women for whom it is an important source of income, was reduced by €8 per week for less than 66 year olds.<sup>55</sup>

Reductions in care benefits have reduced permanently the real income of women with care responsibilities, and weakened their economic independence during care periods. Lone mothers in particular are being pushed into economic insecurity. Savings from care-related benefits targeted at men, such as withdrawing pay for paternity leave, constitute a severe obstacle for equal sharing of care responsibilities between women and men. They are a threat to gender equality in particular at a time, when cuts in care services shift a larger part of care responsibilities to households.

### Reduced child and family benefits

Several governments have reduced child and family benefits and tightened the conditions for receiving them. The cuts have a drastic impact on low-income families, and as child benefits are in most countries paid to mothers, they also have a negative impact on women’s economic independence.

In Ireland child benefit was reduced in the budget by €10 per month for the two first children, €19 for the third child and €17 for the fourth and subsequent children. From January 2013, the rate will be standardized at the rate of the first child, €140. A family with five children, for example, will see a drop in Child Benefit from €801 a month in 2011 to

42 Eurostat

43 EWL Survey Romania

44 EWL Survey Macedonia

45 EWL Survey Portugal

46 Bettio 2011.

47 Sonia Lokar, former EWL President

48 Jepsen and Leschke / ETUI 2011, 52

49 Gonzales Gago 2011.

50 European Alliance for Families 2011, [http://europa.eu/familyalliance/countries/estonia/index\\_en.htm](http://europa.eu/familyalliance/countries/estonia/index_en.htm)

51 Jepsen and Leschke / ETUI 2011, 52

52 European Alliance for Families 2011

53 EWL Survey Czech Republic

54 EWL Survey Portugal

55 EWL Survey Ireland

€700 a month in 2013.<sup>56</sup> In addition, supplements paid at 4 and 12 years of age to mothers of twins and triplets have been withdrawn, and the additional payment to lone parent families has been reduced by €8 per week. Child benefit has also been reduced in Denmark: the ceiling limiting the maximum amount of universal child allowance was reduced to €4600 (35000 DKR) per family per year, irrespective of the number of children.<sup>57</sup>

In the UK the level of child benefit has been frozen until April 2014. With inflation, this means that the value of the benefit will be cut by over 10% by 2014. A family with one child will be around £130 (€165) worse off than if the benefit had been increased in line with inflation.<sup>58</sup> Child benefit has been frozen also in Finland.<sup>59</sup> Freezes for a certain period of time have a long-term impact, as they permanently reduce the value of the benefit.

Some countries have tightened the conditions for receiving child benefit. In the UK from 2013, the universal child benefit payable to the mother will be abolished, as families with at least one parent who is a higher rate tax payer will recover their benefit back from the tax system. In particular women who do not work, for whom the benefit is an important source of independent income and a source of pension entitlement, lose out.<sup>60</sup> The universality of child benefit is under attack also in Ireland.<sup>61</sup>

## 2. Cuts in services and welfare benefits hit the least well off

---

### Health and education

In the aftermath of the crisis, public spending on education and health services has reduced significantly in EU Member States. In Romania, after the cutbacks only 3.84% of the public budget is allocated to health, the lowest share in the EU.<sup>62</sup> In Latvia in 2009, severe austerity measures resulted in the reduction of the education budget by 50 per cent.<sup>63</sup>

As regards to healthcare, the cutbacks have reduced access to services and downgraded their quality. In Romania many public hospitals were abolished due to the crisis and replaced by private clinics.<sup>64</sup> In Greece many public hospitals have been closed or merged and most remaining ones lack staff and healthcare material, with the result that the services are no longer able to cover the full range of medical needs of all people.<sup>65</sup> In Portugal the most important maternity hospital in Lisbon has been closed down, and another big one in Coimbra is under threat of closure.<sup>66</sup>

Reductions in the availability and affordability of healthcare have gendered consequences, because women use these services to a higher extent than men. In addition, they may affect the gendered division of paid and unpaid labour to the disadvantage of women.

Services targeted at vulnerable groups such as the disabled, migrants, and Roma have been reduced in some countries. In Ireland financial support for Travellers' health and education programmes has been reduced, the first as much as by 70%.<sup>67</sup>

Reports from EWL members and other sources reveal that austerity has curtailed services designed to end violence against women (VAW) and support the victims of violence. In the UK the funding to VAW services from local authorities was cut by 31% of from 2010/11 to 2011/12.<sup>68</sup> In Greece austerity measures have stopped local government funding for women's shelters,<sup>69</sup> and in Spain the region of Castilla-la-Mancha alone is planning to close 85 support centres and 13 shelters in 2012.<sup>70</sup> In Belgium the local government of Brussels has threatened to stop funding the rape crisis centre SOS Viols.<sup>71</sup> In other countries the crisis has been used as an excuse for not increasing the provision of services and shelters required to meet international minimum standards and commitments.<sup>72</sup>

Saving money through cutting down on resources for women's shelters and other support services is a serious threat to women's rights, as the economic crisis is increasing reported incidences of violence against women.<sup>73</sup> For example, EWL members from Greece and Portugal report that domestic violence cases have increased in 2012.<sup>74</sup> Curtailed services are not able to answer to the increasing demand: For example, in the UK 9% of women seeking refuge were turned away on a typical day in 2011 due to lack of space.<sup>75</sup>

---

56 National Women's Council Ireland 2012. *Pre-Budget 2013 Submission*, p. 12-13

57 Jepsen, Maria and Janine Leschke / ETUI 2011, p. 56

58 Fawcett Society 2012, p. 25

59 EWL Survey Finland

60 Fawcett Society 2012, 26

61 National Women's Council Ireland 2012, p. 12-13

62 EWL Survey Romania

63 Education in crisis, <http://www.educationincrisis.net/learn-more/country-profiles/europe/item/420-latvia>

64 EWL Survey Romania

65 EWL Survey Greece

66 EWL Survey Portugal

67 NWCI 2012, p. 28

68 Towers, Jude and Sylvia Walby 2012. *Measuring the impact of cuts in public expenditure on the services to prevent violence against women and girls. Report for Northern Rock Foundation and Trust for London*, 1 February 2012, p.3

69 EWL Survey Greece

70 WAVE-Network 2011. <http://www.wave-network.org/start.asp?ID=23879>

71 Le Soir 22 septembre, *L'ASBL SOS Viols menacée de fermeture*, p.8

72 EWL Survey Romania, EWL Survey Portugal

73 EWL/Oxfam 2010, p.20-21

74 EWL Survey Greece

75 Towers & Walby 2012, p. 3

## Welfare benefits and pensions

Women rely more on social benefits than men, due to their caring responsibilities, but also to their relative income inequality and poverty. Because welfare payments and benefits constitute a larger part of women's income in comparison to men's, women will be the majority among those who will feel the effects of the cuts in their everyday lives. The cuts in benefits will also affect women in general, widening the income differences between women and men.

Most European countries have implemented cuts in various social assistance and welfare benefits. Of particular concern from a gender perspective are cuts in benefits that support vulnerable groups. In Ireland the disability payment and the blind pension were reduced by €8 a week, in Portugal the disability benefit has been cut by 30%. Also the benefits used by those who are the least well-off are being reduced: in Ireland there was an increase of €2 per week contribution from those receiving a Rent Subsidy and a reduction in heating fuel subsidies.<sup>76</sup>

Cuts in unemployment benefits and their increasing conditionality have a gendered impact. For example, in Romania, unemployment benefit was reduced by 15%;<sup>77</sup> in Portugal the benefit is cut by 20% after the first six months, and it is much more difficult to access.<sup>78</sup> In Denmark the maximum length to receive benefit was reduced from four to two years. The stricter conditionality of the benefits is problematic from a gender perspective, because care responsibilities limit women's possibility to take up offered employment or participate in activation programmes.

State pensions have been a popular target for savings in many European countries, and the measures implemented will have consequences for both current and future pensioners. Older women and men suffer in particular from cuts and freezes in their pension entitlements. In the Czech Republic in 2012 the level of pensions was frozen for the first time in history.<sup>79</sup> Greece has introduced a special tax on pensions, ranging from 3% to 9% depending on the level of pension income.<sup>80</sup>

Many countries have changed pension rules in a manner that will have a long-term negative impact on women's economic independence. Increases in the minimum contribution period for retirement on full pension (e.g. FR, GR), and the calculation of pension on average- career-earnings rather than final salary (e.g., GR, IR) penalise women because of their shorter working life and irregular working patterns. Increases in official retirement age, heavy penalties for early retirement have gendered implications too (FR, GR, IR, BE).<sup>81</sup>

### Unemployment benefits and conditionality – a case study from Portugal

The lone mother of two children (3 and 7 years) used to work in a textile manufacture, but the company closed and she is left unemployed. She gets the unemployment benefit for 2 years and she struggles to find a job; meanwhile she finishes her secondary school studies. The only job that is offered has a rotated-shift schedule, but she cannot find a way to support the costs for night-time childcare and declines the job. Because of her declination, she loses the right to unemployment benefit.

## Taxation

The social and economic situation of families/women is getting worse due to increases in value added tax (VAT), implemented across Europe. One of the most significant hikes in VAT took place in Romania in 2010 when the VAT of all products was increased from 19% to 25%. VAT has also been increased in Greece, Ireland, Portugal and the Czech Republic. These increases mean that food and household necessities that make a large part of the expenses of low-income individuals and families have become more expensive.

## Cumulative effects

Calculations made in the UK give an indication of the overall financial impact that cuts in benefits and services have on women. It has been estimated that women will pay more than 70% of the savings made through cuts in benefits and tax reductions.<sup>82</sup>

As regards to cuts in public services, the Trade Union Congress has estimated that for the year 2012-2013, families with children, both couples with children and lone parents, are the biggest losers: both couples with children and lone parents are losing services worth £1900 (€2355).<sup>83</sup> By 2015, the losses of working lone parents will have increased up to £3132 (€3880) a year.<sup>84</sup> According to the UK Women's Budget Group, the proportionate losses will be greatest for lone parents and single pensioners the majority of whom are women. By 2015 lone parents will lose services worth 18.5% and female single pensioners worth 12% of their respective incomes.<sup>85</sup>

The effect of the cuts is not yet fully reflected in statistics on poverty and living standards, which lag a few years behind. While at the EU level the at-risk-of-poverty rate of women in general and of older women in particular as well as the degree of women's material deprivation, have remained at the same level or decreased slightly from 2008 to 2010, the at-risk-of-poverty of lone parents has already increased slightly.<sup>86</sup> More recent figures might reveal that more women of all age groups are affected by poverty and that their living standards are deteriorating.

76 Barry & Conroy/TASK 2012, p.15

77 EWL Survey Romania

78 Barry & Conroy/TASK 2012, p. 15; EWL Survey Portugal

79 EWL Survey Czech Republic

80 EWL Survey Greece

81 Rubery 2012, p. 32; Barry & Conroy/TASK 2012, p. 15; EWL Survey Greece; EWL Survey France; EWL Survey Belgium

82 Cooper, Y 2010, Women bear the brunt of budget cuts <http://tinyurl.com/38pzgccc>

83 TUC 2010. *Where the money goes: How we benefit from public services*, 12 September 2010, p.49-51.

84 TUC 2010. Press release: *Spending review will hit the poorest 15 times harder than the rich*, says TUC

85 UK Women's Budget Group 2010. *The impact on women of the Coalition Spending Review 2010*, p. 2

86 Eurostat

### 3. Conclusion: What is at stake for women's rights and gender equality?

---

- Cutbacks in care and health services may lead to the reprivatisation of care and a return to traditional gender roles, as they transfer the responsibility for care from the society to households, i.e. women. People with care responsibilities – mostly women – are forced to leave/reduce paid employment in order to take over services that are no more provided by the state, or that they can no more afford.
- Savings on measures that can enhance equal division of care between women and men, such as paid paternity leave can have a long-term negative impact on gender equality at a time when the demand for unpaid, private care is increasing.
- Savings on maternity and parental leave payments, child benefits and other care and family related benefits have permanently reduced the income of all women with care responsibilities.
- Women's economic independence is compromised and their poverty heightened, because benefits constitute an important source of women's income and because they rely on public services more than men. Lone mothers and female single pensioners face the biggest losses when benefits and services are cut.
- VAW services have been reduced in many countries, and the crisis has been used as an excuse for not increasing/improving inadequate services.



# Chapter III: Reduced funding for women's rights

At the precise time when women's rights advocates in Europe would most need to push and make their voices heard at national finance ministries and at the EU level, funding for women's rights is being reduced in an unprecedented manner. Public equality bodies and state departments for gender equality and women's NGOs at all levels are struggling for survival. Many have been forced to close down.

## 1. Disintegrating gender equality institutions

Austerity policies have had a drastic impact on national gender equality bodies and the equality ministries/departments. In some countries equality institutions have experienced severe budget cuts, in others they have been merged with other departments or institutions, resulting not only in loss of funding but also of visibility and focus. In some countries equality institutions and bodies have even been abolished. As a consequence, the institutional safeguard for women's rights, gender equality and equality has been reduced significantly.

In Romania in 2009 the government decided for financial reasons to abolish the National Agency for Equal Opportunities, created in 2007 as part of the EU adhesion conditions.<sup>87</sup> In Spain the Ministry for Equality, established in 2008, was eliminated after only 3 years in operation and also regional gender institutions have been abolished.<sup>88</sup> In Turkey the state ministry responsible for women and family affairs was turned into the ministry of family and social affairs.<sup>89</sup>

In Ireland the entire architecture of public and statutory equality bodies has been restructured. In 2009 the budget of the Equality Authority was cut by 40% (from €5.5 m to €3.3m), and in 2012 the Authority risks disappearing completely due to a merge with the Human Rights Commission. The Women's Health Council and the Crisis Pregnancy Agency were closed down already in 2009, some of their functions taken over by other institutions.<sup>90</sup> In the Czech Republic the Government Council for Equal Opportunities for Women and Men – the advisory body of the government – was in 2012 transferred from the Office of the Government to the Ministry of Labour and Social Affairs. After the restructuring the number of staff in the Council Secretariat – the national equality body – was reduced and consists now of two employees.<sup>91</sup>

In some countries, drastic budget cuts have hampered the ability of the equality institutions to conduct their work. In May 2012, the UK government announced that the Equality and Human Rights Commission would have its budget halved to £26m and its staff reduced from 455 in 2010 to 180 by 2015.<sup>92</sup> In Greece more than 30% of the budget of the General Secretariat on Equality, the only public mechanism on equality, was cut.<sup>93</sup> In Portugal the funding for institutional mechanisms was reduced as part of an across-the-board cut for the funding of public institutions.<sup>94</sup> In Belgium the budget of the Institute for Gender Equality has also been cut.<sup>95</sup>

Where no cuts have been implemented, austerity has been used as an excuse for not increasing funding. For example, in Estonia the Equal Treatment Commissioner and gender equality department in the responsible ministry are understaffed and underfunded. Although the Equal Treatment Commissioner's responsibilities have expanded in the past years, the office still has only two employees: the Commissioner and one assistant.<sup>96</sup>

Public resources to support gender equality projects have been decreased too. In Ireland in 2010 the €9 million budget for gender equality activities was used for non-gender actions such as payments to the police force. Of the reduced €5 million budget for 2009, almost €4 million was diverted to non-gender related areas.<sup>97</sup> In the Czech Republic the state has given some grants related to gender issues in the past, but no financial support for gender equality projects is foreseen for 2013.<sup>98</sup>

Cuts in funding for gender equality bodies and projects indicate that supportive policies and funding from the national governments and the EU seem to have been linked to the down turn economic cycle.

87 EWL Survey Romania

88 González Gago 2011.

89 EWL Survey Turkey

90 Barry & Conroy/TASK 2012, p. 18

91 EWL Survey Czech Republic

92 The Guardian 15 May 2012. *Equality and Human Rights Commission has workforce halved*

93 EWL Survey Greece

94 EWL Survey Portugal

95 EWL Survey Belgium

96 EWL Survey Estonia

97 National Women's Council of Ireland, 2009. *The impact on women: NWCI responds to the Report of the special group on public service numbers and expenditure programmes*, p. 70

98 EWL Survey Czech Republic



## 2. Struggling women's organisations

The campaigns and services of women's organisations – national umbrellas, local organisations, NGO-run services for victims of violence, advocacy organisations – have been affected by the lack of money and human resources. Many are struggling for their survival, some have closed down. The situation is worrying for two reasons. First, the cuts are silencing women's voices and the struggling women's organisations are less able to react to austerity policies. Second, many of the organisations affected are providing vital support services (e.g. shelters for victims of violence) and many have had to curtail their services at a time when the demand for these services is increasing considerably.

The crisis has caused problems in particular to organisations, which depend on state funding, either operating grants or equality related project grants. In the UK the government has proposed a further £10m cut of grants from the Equality and Human Rights Commission budget, which had been used to fund local equalities groups. In Belgium the reduced budget of the Institute for Gender Equality means that the Institute has cut its financial support for equality organisations.<sup>99</sup>

The consequences for NGOs are drastic. For example, in Ireland the National Women's Council of Ireland (EWL national coordination) had its budget cut by 15 per cent from 2008-2011 and 38 per cent in 2012. The Rape Crisis Network Ireland and SAFE Ireland network of Women's Refuges and Support Services had their core funding by the Health Authority removed in 2011.<sup>100</sup> There have been cuts of up to 20% to grass roots women's groups working to provide education, training, childcare, a range of services and a voice to women who are most marginalised.<sup>101</sup>

### Struggling women's organisations in the UK

In 2011 52% of women's organisations have been forced to reduce their service provision. 95% of the organisations surveyed said they face further cuts or a funding crisis in 2012. 25% said further cuts might result in closure.

The situation has worsened also in countries where NGOs do not receive government core funding, but rely on public and private project grants. EWL members in Portugal report that the sums granted for women's/equality projects by the public authorities have diminished, and the budgets of accepted projects are often reduced to 1/3 of those planned. Authorities show very little interest in the content of the projects, and reimbursements often come late and require several rounds of justification. At the same time, the controls have tightened, and the projects of some small NGOs have been suspended.<sup>102</sup> EWL members in Belgium estimate that in the future it will be more difficult to raise funding for studies, events, and activities.<sup>103</sup> In Central and Eastern Europe where women's

organisations have relied on foreign foundations, the danger is that the foundations will withdraw their support.<sup>104</sup>

The crisis has also reduced the availability of volunteers, on which many women's organisations rely. For example, in Portugal women's organisations have always been working based on volunteer work, but due to the crisis it is hard to motivate people. Many have to work more to maintain their standards of living and have less time to spend volunteering.<sup>105</sup>

## 3. Conclusion: What is at stake for women's rights and gender equality

- Public gender equality institutions are being destroyed on the pretext of austerity. The erosion of the public gender equality machinery is an infringement of EU and international level commitments to women's rights and gender equality.
- Cuts in funding for women's organisations undermine women's civic and political participation and make women's voices even less heard in society.
- NGOs providing vital services to women have been forced to reduce their services, although the crisis has increased their demand.
- Cuts in government funding for gender equality bodies and projects and women's organisations indicate that supportive policies and funding from the national governments and the EU seem to have been linked to the downturn economic cycle.

99 EWL Survey Belgium

100 Barry & Conroy/TASK 2012, p. 18-19

101 National Women's Council of Ireland 2012, p. 38

102 EWL Survey Portugal

103 EWL Survey Belgium

104 EWL Survey Czech Republic

105 EWL Survey Portugal

# European Women's Lobby Recommendations

---

It is crucial to assess the gendered impacts of the already implemented cutbacks and, more importantly, to correct the imbalances as soon as possible. Based on the findings of the present report, the EWL addresses the following recommendations to EU Member States, the European Commission, and women's organisations across Europe.

## To EU Member States

---

### Short term: mitigate the most harmful effects of austerity on women's rights and gender equality

- Ensure effective functioning of state gender equality institutions through no further cuts and/increased funding and human resources. Investing in women's rights and gender equality should not be linked to economic prosperity only: it is even more crucial in times of crisis.
- Take targeted measures to improve the living conditions of those groups who have suffered most from the cutbacks, including lone mothers and female single pensioners.
- Avoid further cutbacks which would have a long-term negative impact on women's rights and gender equality and allocate emergency funding to compensate for measures already implemented (e.g. to ensure the availability and affordability of care and health services if cuts have been made).
- Ensure there are no further cuts in public funding for women's organisations in order to enable their functioning.
- Ensure that planned job losses and wage cuts in the public sector do not target specifically the most female-dominated sectors and develop re-training programmes for those that are laid-off.
- Protect vital services (crèches, women's shelters...) from local authority cuts through requiring that local authorities' ring-fence an adequate level of funding for these services.
- Gather information: Commission an assessment of the gendered impact of the previous budgets and economic policy reforms. The assessment should consider both individual measures and their cumulative impacts, and assess their impact on women and men in general, as well as on specific groups in order to provide a holistic understanding to inform policy making, particularly budgetary decisions.
- Strengthen the women's rights and gender equality dimension in all the facets of the Multiannual Financial Framework 2014-2020.

### Long term: Establish a permanent system of gender budgeting

- Subject all budgetary and taxation measures under consideration to a gender impact assessment, where by a full distributional analysis is undertaken to identify how women and men and different groups are likely to be affected. The assessment must include consideration of how the unequal effects identified can be mitigated and eliminated.
- Correct proposed budgets in light of gender impact assessments to ensure a fair and equal outcome.
- Establish a specific permanent gender budgeting unit within the ministry of finance, which works in collaboration with the state machinery for gender equality and women's NGOs.
- Develop gender segregated data and methods of analysis, which allow to monitor the impacts of changes in taxes and benefits on individuals, not only on a household basis.

## To the European Commission

---

- Take leadership in mitigating the gendered impacts of austerity policies in Europe; use the European Semester process and country specific recommendations to ensure the negative effects of austerity on women and gender equality will be mitigated and eliminated at the national level.
- Ensure there is no further degradation of funding for women's rights and gender equality, neither at the EU-level, nor at national level. Issue warnings to countries where the gender equality architecture has been degraded due to austerity.
- Draft a new long-term vision for the future and replace EU-level policies aiming to achieve short-term fiscal stability with policies that will provide equality and solidarity driven prosperity in the long term and safeguard the economic positions of both women and men.
- Enhance the coordination between gender equality, employment, and economic policies at the European Commission in order to ensure the EU employment and economic policies are in line with its gender equality goals and commitments.
- Gather at the EU-level data that is crucial to assess the impact of the crisis on women that is still lacking: increases in unpaid work and changes in the gender division of unpaid work, changes in public sector jobs and wages and their gendered dimension; develop gender disaggregated data.
- Allocate project funding related to the gendered aspects of austerity and of economic governance for women's NGOs at the European, national and local levels and within research funding.
- Strengthen the women's rights and gender equality dimension in all the facets of the Multiannual Financial Framework 2014-2020.

## To women's organisations

---

- Draft a pre-budget submission to the government in order to have an impact on the forthcoming budgetary plans.
- Conduct independent gender impact assessments of draft budgets when they are published.
- Mobilise Members of Parliament to address gender imbalances of budgetary proposals prior to and when they are discussed in the Parliament.

# Annex: MANIFESTO<sup>1</sup>

---

## The effects of the economic and financial crisis on women in Europe

We, members of the EWL recall that the on-going financial and economic crisis has a much higher and differentiated impact on women in Europe especially women living in the South of Europe: Greece, Italy, Spain, Portugal as well as Ireland.

Recovery plans and structural adjustment programmes have not integrated a gender perspective while austerity measures do not offer sustainable solutions to the crisis with disastrous effects on people's lives, especially women's lives.

In light of the above and many other considerations we call on the European Commission, the European Parliament and national governments to implement the following measures in order to rectify the impact of the crisis on women.

- Systematic gender sensitive analysis of the impact of the crisis and prior to implementation, the responses thereof.
- Gender budgeting as a standard methodology of all public budget processes.
- Create jobs especially in the public sector and invest in social infrastructure (education, health, child and dependent persons care) which would also ease the disproportionate burden on women to enable them to participate in the labour market.
- Attribute higher value to jobs in the caring sector
- Commit to work around the deconstruction of the stereotyping of women in education, work, the family and society in general.
- Guarantee the individualisation of social security and taxation rights in order to break women's dependency on their partners and/or the state.
- Cooperate with EU-level trade unions to support/enforce gender equality.
- Close the gender pay gap by 2020.
- Implement measures to combat the on-going process of feminisation of poverty which has been exacerbated by the recession.
- Develop alternative accounting measures to ensure that women's unpaid care work is recognised in national accounts systems with the aim of ensuring that the redistribution of unpaid domestic work is equally shared with men.
- Implement all directives and policies developed on gender equality with an emphasis on outcomes.
- Adopt binding legislative measures, including at the EU level concerning the equal participation of women and men in private boards and in the political sector, promote parity in decision making in the economic and financial sector as well as private companies in order to ensure democracy and better governance, particularly financial governance.
- Set up a liaison network among EWL and civil society organisations to become involved in the G20 process and meetings in order to ensure that gender equality is duly taken into account.
- Take strong measures to combat all forms of violence against women including the financing of support services for women victims of violence and ratify the CoE Convention on the prevention and combating of violence against women and domestic violence.
- Strengthen the voices of women in Europe who call for an immediate reform of the global financial architecture to fully integrate gender equality and women's rights, and put an end to the constant search for unlimited growth and maximisation of profits.

---

<sup>1</sup> Developed in the Issue Group on the crisis, EWL General Assembly, May 2012

