

Gender equality on labour market in the European Union

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Abstract

As far as the issue of gender equality is one of the cornerstones of European socio-economic policy, we focus the attention on the European labour market. The objective of the paper is to provide evidence about gender inequalities on the labour market of the European Union. Based on the findings of current literature, the paper evaluates indicators related to rates of male and female employment and unemployment in years 2006 and 2016. The analysis uses aggregate data about particular indicators for the European Union provided by Eurostat database. According to evaluation results, we formulated some conclusive remarks and policy recommendations on this topic.

Keywords: the European Union; Gender Equality, Employment, Unemployment

1. Introduction

This paper deals with the issue of gender equality on labour market in the European Union. The study is based on time-series data comparison of chosen relevant indicators related to position of males and females on the labour market. The main objective of the paper is to evaluate whether or not there is some evidence on gender inequalities in countries of European Union and consequently, how the situation changes through time. Following this objective, we use data about employment and unemployment in European Union, distinguished by gender, in period 2006 to 2016.

The relevance of research on gender equality, not only on the labour market but also in whole society is justified in many documents of European Union and in current literature. In this regard, European Commission stresses the importance of equal pay, gender balance in decision-making, increasing women participation in the workforce, including managerial and other higher positions, decreasing women isolation and discrimination on labour market. Altogether, the main objective of European Union is to end the gender gap existing on labour market throughout all member countries (Strategic Engagement for Gender Equality 2016 – 2019).

The research on gender equality on the labour market provides some evidence about existing inequalities. These can be summarized in ideas about existing gender gap in labour market opportunities and participation, different pay conditions, access to managerial or other prestigious or higher positions or problems with family and work life harmonization (see, e.g., Fortin 2005, Clarke 2001 or Gornick 1999). In addition, Gornick (1999) points at slowing tendencies of labour market equality achieving.

Introduced issues are in the middle of attention of this paper. Our evaluation of gender equality on labour market of European Union is followed by the paper structure. Firstly, we

provide the ideas of current literature about gender equalities on labour market. Secondly, the methodology is introduced. Thirdly, we summarize fundamental findings of our research. Finally, in the last section of the paper we pay attention about discussion on gender equality on labour market of the European Union.

2. Theoretical background

In this section of the paper, we introduce the main ideas about gender equality on the labour market, which provides current literature and research.

Gender equality throw-out whole society is one of the key topics of European Union strategies and policies. Thus, the main objectives of the European Commission are as follows (see, e.g., Strategic Engagement for Gender Equality 2016 – 2019):

- promote equal economic independence for men and women,
- close gender gap in earnings,
- advance gender balance in decision-making,
- end gender-based violence,
- promote overall gender equality in the European Union.

The major challenges for European policies in the nearest future are based on current situation of gender equality. Even though the women employment rates are going up after the economic crisis, there is still lack of women in decision-making positions that reach about 21 %, including private but also public sector and politics. The Strategic Engagement for Gender Equality 2016 – 2019 indicates also high likeliness of young women to be economically inactive, compared to young men, slow overcoming of gender stereotypes in society, high income and economic inequalities and high likeliness of women to face gender-based violence and discrimination on the labour market.

Fortin (2005) examined the issue of gender attitudes and labour market outcome of women across OECD countries. Findings of this research confirm the existence of certain level of gender inequalities and gender-based discrimination on the labour market. Furthermore, Fortin (2005) revealed that these inequalities depend on both, gender-based discrimination and women's misinterpretation of own abilities and position on the labour market. Vella (1994) pointed at strong influence of traditional attitudes of women's family and local society on their future labour force participation. Fernandez et al. (2004) added the ideas about women participation on labour market in relationship with men's attitudes to working women, their willingness to participate on house-works and their experience with working mothers. Fortin (2005) confirmed also the task of path-dependency of the female inequalities on the labour market, with weakening of this phenomenon in time. On the contrary, the impact of stereotypes in family life design and female role in society remains.

Evans (2002) stressed the importance of public policies and firm's attitudes to women employment and concluded the importance of their role, especially in relationship to issues of lifetime cycle of women – maternity leave, affordable or on-site day care, flexible work hours etc. According to Fortin (2005), questionable is issue of part-time job supply. Thus, women on one hand utilize this tool to participate on labour market, improve economic position of the family and keep up with their profession. On the other hand, the remaining time after household keeping women often dedicate to voluntary activities in culture, religion or altruism rather than part-time work.

Noteworthy is the question of definition of gender equality on the labour market itself. Gornick (1999) summarized three aspects of this question – (1) gender difference forms and multiple aspects interplay, including working preferences or income differences, (2) difference

in economic theories approaches, including gender biases, and (3) conceptualization of gender equality, including feminism or natural gender specifics.

Despite some problematic issues related to research on gender equality on the labour market, it exists strong evidence about inequalities between men and women. These inequalities come from access to labour market, representation of women on decision-making positions across all sectors of national economy, income inequalities or society biases (see, e.g., Gornick 1999, Fortin 2005 or Evans 2002 for complex discussion). What is noteworthy, the gender inequality can be observed in countries worldwide. Thus, the theoretical evidence justifies further research on this topic and provides relevant basis for public strategies and actions.

3. Methodology

Methodology of this paper is based mainly on comparison of time-series data. This approach was chosen because fits the best to defined objective of the paper. The main objective of the paper is to evaluate gender equality on labour market of the European Union and its changes in time.

Table 1: Evaluated indicators

Indicator	Construction
Employment rate	Percentage of employed population on total economically active population
Employment rate of population with low education	Percentage of employed population on total economically active population with less than primary, primary and lower secondary education
Employment rate of population with high education	Percentage of employed population on total economically active population with tertiary education
Unemployment rate	Percentage of unemployed population on economically active population
Long-term unemployment rate	Percentage of unemployed population (more than one year) on economically active population
Part-time employment rate	Percentage of employed population working on part-time job on economically active population

Note: Economically active population between 15 and 64 years of age

Source: Eurostat database

The methodology is designed in several steps:

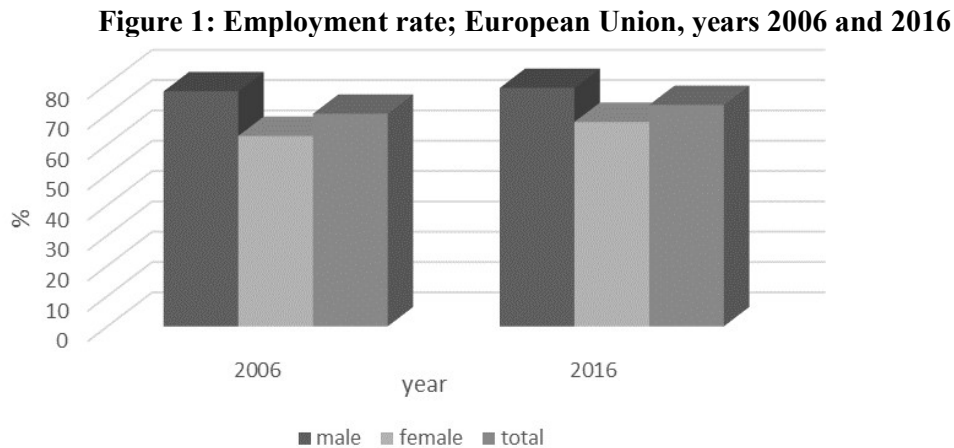
1. Data identification – for our evaluation, we use official data from Eurostat database. Thus, we extracted data about indicators related to gender equality on the European labour market for years 2006 and 2016. This period was chosen to ensure wider overview about changes on the labour market. We can also evaluate the changes of the situation, avoiding the immediate influence of economic crisis after 2008. For our

evaluation, we use aggregate data for European Union, denominated according to current composition of the alliance.

2. Construction of the indicators – to evaluate gender equality on the labour market of the European Union, indicators about employment and unemployment were taken into account. The overview of indicators provides table 1, including also information about indicator construction.
3. Time-series data analysis – in the next step of methodological framework of this paper, we evaluated abovementioned indicators. In this regard, values of particular indicators were compared for male and female, additionally for the total value of the indicator. Accordingly, values of all indicators were compared for year 2006 and 2016. The empirical results of the evaluation were introduced graphically.
4. Formulation of conclusive remarks – final part of our methodology is formulation of conclusions and some basic recommendations for achieving gender equality on the labour market of the European Union.

4. Empirical findings

In this section, we summarize the empirical findings of our evaluation. We use graphical illustration of the situation in graphs, which we consider the most appropriate solution. Let us begin with initial information about employment rate in the European Union in two evaluated years. Figure 1 provides this information, when distinguish between employment rates of males, females and shows the total employment rate in both years.



Source: Eurostat database

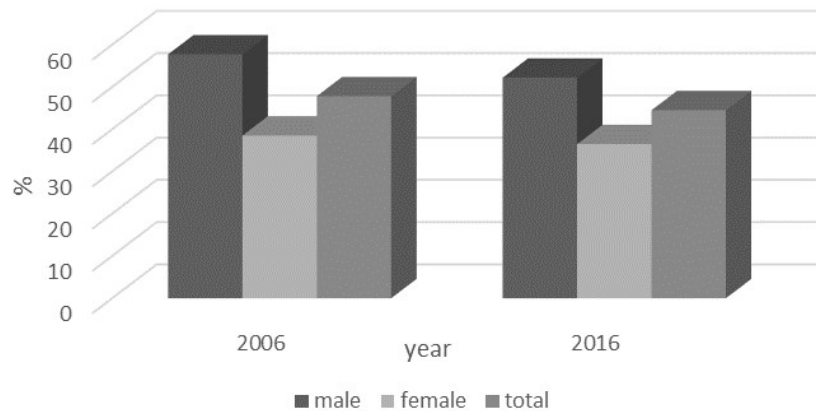
We can see relatively big different between employment rates of males and females, especially in year 2006 (approximately 15 percentage points). This gap closed slightly in the second evaluated year, but still reaches approximately 9 %).

Next, we evaluated the employment rates of males and females considering their level of education. Thus, figures 2 and 3 provide information about employment rates of population with low and high education (see table 1 for detailed information about indicators construction). Overall employment of population with lowest levels of education is relatively low, under 50 %, in both evaluated years with additional decrease in year 2016. The situation seems to be more positive for males, when their employment goes over 50 %, with decrease in the second

year of evaluation. On the contrary, the employment rate of females is under 40 %, again with further decrease in year 2016.

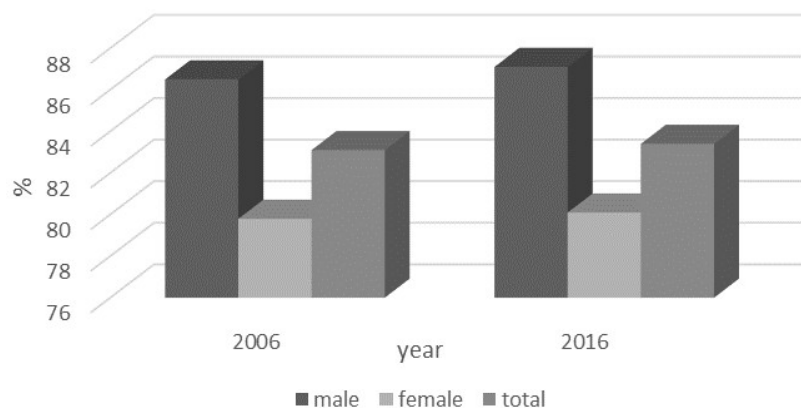
The employment rate of population with tertiary education is relatively stable in time. Regarding situation depicted in figure 3, the total employment rate is on the 83% level. Again, the better is situation of males (86 and 87 %), compared with female employment rates (79 and 80 %) in both years.

Figure 2: Employment rate of population with low education; European Union, years 2006 and 2016



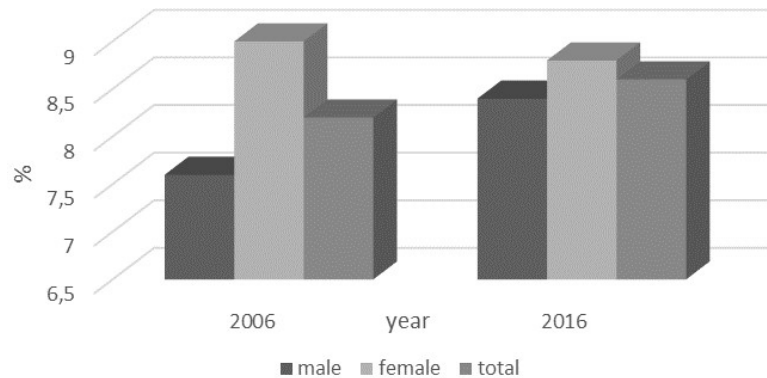
Source: Eurostat database

Figure 3: Employment rate of population with high education; European Union, years 2006 and 2016



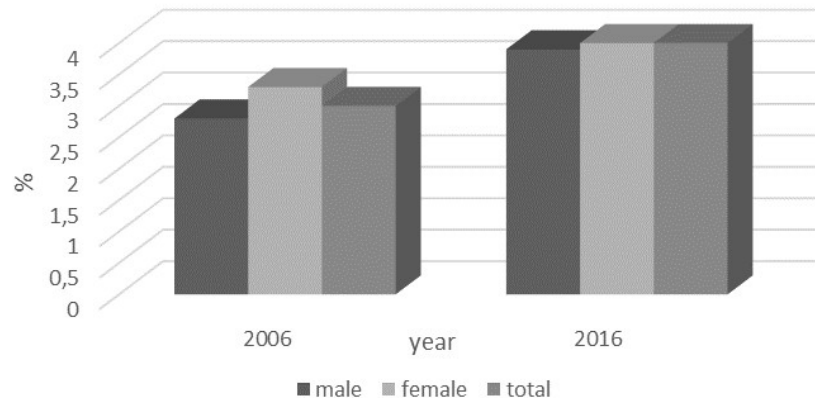
Source: Eurostat database

Let move our attention to evaluation of gender unemployment throughout the labour market of the European Union now. Figure 4 provide us the initial unemployment information. Overall level of unemployment rate differs between the two evaluated years from 8.2 % in 2006 to 8.6 % in 2016. Interesting is the development of unemployment rate according to gender. While in case of males, the unemployment rate raised from 7.6 to 8.4 % over analysed period, the opposite is true for female unemployment rate. Female unemployment rate decreased from 9.0 % to 8.8 %, to be specific.

Figure 4: Unemployment rate; European Union, years 2006 and 2016

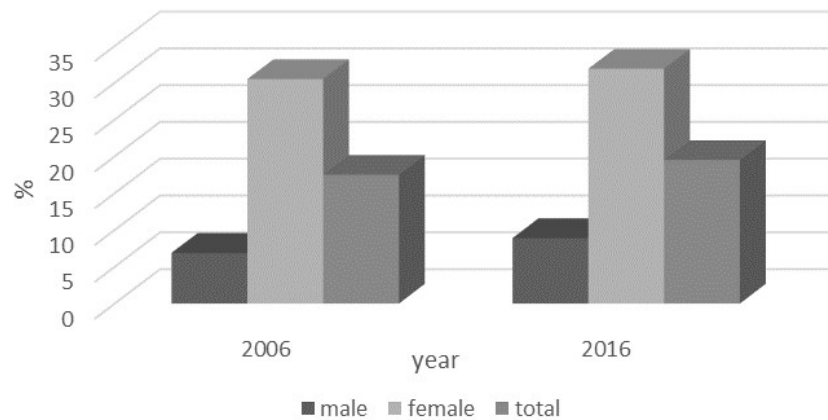
Source: Eurostat database

Figure 5 adds more information about long-term unemployment and its development over period 2006 to 2016. Again, there is distinguished between total long-term unemployment rate and long-term unemployment rate of males and females. In this regard, the numbers speak about increase of all three indicators. The worst situation can be observed in case of male long-term unemployment that increased for more than 1 %. Female long-term unemployment rate indicates slightly better results, when increased for 0.7 %.

Figure 5: Long-term unemployment rate; European Union, years 2006 and 2016

Source: Eurostat database

Finally, figure 6 provides additional information about employment of men and women based on part-time job. We included this indicator to our evaluation to follow the idea about family and work life harmonization. In this regard, part-time jobs can help especially women to participate on labour market, keep up with trends in their specialization and take care about family as well. Lack of this possibility is often labelled as one of the most severe obstacles of employment and labour market participation for women. Total percentage of population employed on part-time basis increased between years 2006 and 2016 for 2 percentage points. The percentage of males working on part-time job is significantly lower than in case of females. Thus, the male part-time employment rate increased from almost 7 % to almost 9 %. In case of female part-time employment rate, the increase was from 30.5 % in 2006 to 31.9 % in 2016.

Figure 6: Part-time employment rate; European Union, years 2006 and 2016

Source: Eurostat database

5. Discussion of the results

In this section of the paper, we are going to conclude main findings of our evaluation and bring some initial recommendations for closing the gap between men and women on the labour market in the European Union. First, we can observe that it exists relatively significant inequality between men and women on the European labour market. We revealed the gap either in case of indicators related to employment either in case of indicators related to unemployment. The employment rates of women lag behind male employment rates in general, but also in evaluation of two groups according to educational level. The worst is the situation in case of population with low levels of education, but there is a significant female lagging in case of population with tertiary education as well. The situation of well-educated women, especially, could have major impact on willingness of women to study and work on their professional development. There is the question for further research, whether weaker female participation on labour market is voluntary, or whether there exists some kind of gender discrimination.

Previous findings were consequently confronted with evaluation of male and female unemployment. Regardless the economic recovery after crisis after year 2008, the overall unemployment rate in the European Union increased. Nevertheless, this increase was pushed by significant increase of male unemployment. Vice versa the situation of women. On the other hand, we observed relatively strong increase of long-term unemployment rates in general. This type of unemployment is considered to be dangerous for socio-economic development of countries and regions. People who are out of the labour market for the long time can lose positive working habits, fall into deprivation and isolation, suffer from poverty threat etc. All of these negative points are even stronger in case of women.

One of the possibilities how to push up the active participation of women on the labour market is to offer part-time employment. The number of people working on part-time increased slightly between years 2006 and 2016, but there is a huge different between men and women. Part-time female employment is three time higher than male part-time employment. This reality is closely connected with traditional family life design in European society but also with some stereotypes in thinking of employers. There is an issue for further research, whether women

really prefer the part-time employment, or it is the only option for them how to work and grow professionally.

Because the issue of gender equality on labour market belongs to key topics of European Union social policy, we can formulate following recommendations for its design. The first recommendation is oriented on the issue of employment rates of men and women across the European Union. Severe social and economic impact of female lagging in employment are obvious. The activities of European public authorities should target to pushing the female employment forward to balance. On the other hand, the positive discrimination, which could be used, has to reach an optimal level with no negative incidences.

Another recommendation for European authorities is connected with women willingness to work and issue of family and work-life harmonization. Thus, public authorities should provide the possibilities to work on part-time and to have flexible working time not only for women, but also for men. Another tool how to support this harmonization is to overcome stereotypes in thinking of society about family life design or women work performance.

Highly relevant question for European authorities is also the danger of long-term unemployment of women and relatively lower female employment rate in case of population with tertiary education. The first task hides the danger of further female isolation and deprivation in relationship with labour activity. The second task asks women willingness to study and develop professionally. Both of these problems could jeopardize the targets of the European Union about employment, position of women in society and on the labour market and about education as well.

Finally yet importantly is also the support of right self-assessment of women and ability to correctly evaluate their value on the labour market. Furthermore, this issue stays closely also to women willingness to work and its enhancement.

Our research on gender equality on the labour market of the European Union targeted to provide the initial evidence about possible gender gap. Thus, we conclude that the paper revealed some important and potentially dangerous issues and asks some questions to be answered in further research.

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