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# Toward a gender-equal Europe:

What can policymakers learn from the Dynamics of Inequality Across the Life-course (DIAL) research?

## Key Findings:

- Family policies are linked to differences in earnings and wealth in mid-life across Europe.
- Investments in skills and training for older women could be promoted to help close gender pay differentials.
- Women face a greater risk of poverty throughout their working lives and into retirement because of breaks in paid employment and reduced work hours which have led to systematic disadvantage.
- Claims that life has got better for LGBTQI+ people do not always hold up to scrutiny nor match the lived experiences of individuals.

#### **Contributing Projects**

CILIA-LGBTQI+ DAISIE EQUALLIVES HUCIAW

#### **Editors**

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#### About DIAL

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Dynamics of Inequality Across the Life-course (DIAL) is a multi-disciplinary research programme consisting of thirteen European projects. The projects examine the sources, structures and consequences of inequalities in contemporary societies. The programme is funded by NORFACE for the period 2017–2021.



NORFACE





### Policy context:

There are a number of key European policy agendas related to gender equality on which the DIAL research can shed light.

#### Addressing multiple gender gaps:

The Lisbon Strategy for Growth and Jobs brought family and labour market policies together and emphasised the importance of labour market integration for both parents.

The EU's Gender Equality Strategy for 2020– 25 focuses on closing gender gaps in the labour market; achieving equal participation across different sectors of the economy and addressing the gender pay and pension gaps.

In support of greater labour market participation by women and of better work life balance, the Barcelona Objectives set targets for high quality and affordable child care to be available for 90 per cent of children between the age of 3 and school age, and for a third of children under the age of three. The second of these has on average been met – though with significant differences between countries – but as of 2018 the first was still to be achieved.

The EU's Gender Equality Strategy mentions the need for women to secure better education and training.

#### Seniors:

In recent decades the European Union has promoted Active Ageing and the OECD has strongly encouraged governments to introduce policies designed to extend working life.

The EU's Gender Equality Strategy recognises that as a result of pay and pension gaps, older women are more at risk of poverty than men. Measures to tackle this include binding measures on pay transparency, and the provision of pension credits for care-related career breaks.

#### LGBTQI+:

A recent survey of almost 140,000 people who describe themselves as lesbian, gay, bisexual, trans or intersex (LGBTI) by the European Union Agency for Fundamental Rights found that while the number of respondents aged 18 or over who were always or often open about being LGBTI had increased since 2012, the proportion who felt discriminated against at work or while looking for work had changed very little.

### Inequality, early adult life courses and economic outcomes at mid-life in comparative context

The EQUALLIVES project looks at how different types of welfare states interact with the choices made by young adults in shaping social inequality and family lives. It has found that these effects are highly gendered.

The project also asks how labour market and family choices interact to create accumulated advantage and disadvantage over the life course.

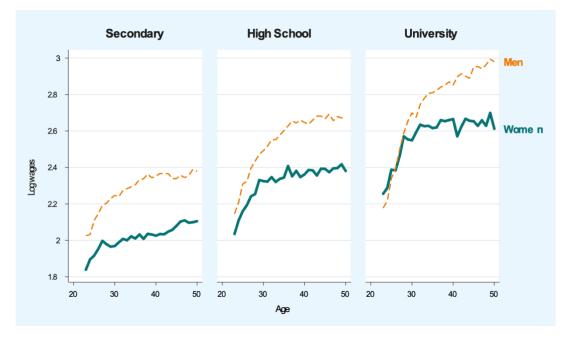
The research<sub>1</sub> compares four countries with different models of welfare state: the United Kingdom (liberal), Germany (conservative corporatist), Denmark and Finland (Nordic social democratic). It finds the most economically successful life courses are remarkably similar across countries: these combine staying in education and then going straight into a stable, high-earning job with marriage and children. Women are far less likely than men to experience this privileged type of life course.

In contrast, the least economically successful life courses tend to vary between countries and systems: In Germany and the United Kingdom poor economic outcomes go with high fertility, while the opposite is the case in the Nordic countries, where those with poor economic outcomes are more likely to be childless. So the next generation in Finland and Denmark will start life on a more equal footing than those in Germany and the UK.

To ameliorate these effects, early family support and education policy in Germany and the United Kingdom needs to be targeted more at children from socio-economically disadvantaged backgrounds.

In contrast, the Nordic countries might wish to consider greater support for single, childless adults with precarious employment lives.

Research<sub>2</sub> from the project has also found extensive Nordic family friendly policies designed to support work – family balance and to increase social and gender equality do not achieve the aim of minimising earnings inequalities between men and women and between different family types.



Average log wages of employed women and men over the life-cycle, by educations

Notes: BHPS data. Wages measured on a per-hour rate, in logs. They are net of genderspecific aggregate time effects and gender- and education-specific cohort effects.

# Human capital and inequality during adolescence and working life

The <u>HUCIAW</u> project, along with other related research, aims to shed new light on the process of human capital formation during adolescence and adulthood.

It is organised under three inter-related themes: sorting of young people across education pathways; interactions between different investments in human capital; and the insurance role of human capital.

A recent study<sub>3</sub> looks at the gender wage gap in the UK and finds that while it has come down it remains at around 20 per cent. There are many reasons for this, it says, but an important factor is the fact that mothers spend less time in paid work and more time in part-time work than fathers do. As a result they miss out on earnings growth.

Other related research<sub>4</sub> looks at women's ability to return to work in the UK, comparing the effects of offering free child-care on a part-time and on a full-time basis. It finds that while part-time childcare only has a marginal effect on women's return to work, free full-time child care has an immediate effect which continues to grow over a number of months. Early results<sup>5</sup> from the project have education and training to play a strong role in labour market trajectories. This research shows that women in the UK compensate for career interruptions after childbirth by investing in skills well into their 40s and 50s. This training can be valuable, particularly for educated women who have not completed a college degree, and could be promoted to help close gender pay gaps. Using Norwegian data, the team has found large returns from returning to formal education.

Fixed subsidies for training, funded by increases in the basic tax rate, would increase take-up and would improve the earnings and employment of mothers, the research finds.

# Dynamics of accumulated inequalities for seniors in employment

The DAISIE project looks at workers aged 50 plus in health, finance and transport. Early findings suggest women in this age group are more likely than men to be in part-time or precarious employment, may not be able to afford to contribute to private pensions and are more likely to be dependent on lower non-contributory pensions. Extending working life may not be an option for older women with caring responsibilities or those facing health challenges. Certain cohorts of women – for example, those affected by a bar on public sector working by married women in Ireland until 1973 - have been doubly discriminated against because they were not given pension credits for time spent caring.

In policy terms this research points to a need for gender impact assessments of future pension reforms to ensure they do not leave women at a disadvantage. For those in physically demanding or stressful work, there should be an option to retire at 65 or earlier. Working past traditional state pension age should be an option rather than being imposed by raising state pension age. In addition, there is a need for flexible work options for older workers. Precarious employment needs to be addressed by governments, and further research is needed on the gender and health implications of extending working life.

### Comparing intersectional life course inequalities amongst LGBTQI+ citizens in four European countries

The <u>CILIA-LGBTQI+</u> project looks for the first time at the inequalities experienced by LGBTQI+ people throughout their lives, in four European countries: England, Scotland, Portugal and Germany. It also examines how inequalities relating to gender identity and sexuality vary and intersect with other factors such as social class, ethnicity, citizenship status, health, dis/ability, religion and geographical location.<sup>6</sup>

The project has gathered extensive interview data on the life courses of self-identified LGBTQI+ people. This original data offers first-hand access to the complexity of lived experiences, providing insights about areas that require urgent action.

Despite legislative and policy changes at European and national levels which have arguably transformed the lives of LGBTQI+ citizens; the project has uncovered ongoing inequalities, absences, precarity and discrimination.<sup>7</sup> Past experiences of inequality and discrimination continue to impact upon present lives and thoughts about the future. The project has demonstrated that there are national differences in relation to this inequality, but also cross-cutting similarities.

For younger LGBTQI+ citizens, inequality and prejudice during school and working life continue to exist. Implementation of equality legislation and policy in the workplace remains uneven, and for many being 'out' at work is still a challenge.

For older LGBTQI+ citizens, stigma and discrimination in the workplace can affect material resources in retirement. A general absence of networks of care and support in daily life, lack of end of life plans and recognition of how ageing intersects with the issues faced by this group can magnify existing inequalities. There is generally a lack of evidence about ageing as a trans or intersex person, so policies affecting retirement do not fully address their experiences and need to be more inclusive.

Policymakers should take note that despite social and political progress towards recognition, protection and valuing diversity and equality for LGBTQI+ citizens in Europe, the implementation of policy at national and local levels is uneven and lacks monitoring, consolidation and mainstreaming. The importance of differences and diversity within LGBTQI+ communities and how these map onto a range of other inequalities across the life course needs to become a priority.

## References

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