



EUROPEAN PARLIAMENT

2009 - 2014

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*Committee on Women's Rights and Gender Equality*

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**2010/2162(INI)**

9.11.2010

## **DRAFT REPORT**

on the face of female poverty in the European Union  
(2010/2162(INI))

Committee on Women's Rights and Gender Equality

Rapporteur: Rovana Plumb

Rapporteurs for the opinion(\*):

Gabriele Zimmer, Committee on Employment and Social Affairs

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on the face of female poverty in the European Union (2010/2162(INI))

*The European Parliament,*

- having regard to Articles 2 and 3(3), second subparagraph, of the Treaty on European Union,
- having regard to Articles 8, 151, 153 and 157 of the Treaty on the Functioning of the European Union,
- having regard to the Charter of Fundamental Rights of the European Union, in particular its provisions on social rights and on equality between men and women,
- having regard to the 1948 Universal Declaration of Human Rights,
- having regard to the 1966 United Nations International Covenant on Economic, Social and Cultural Rights,
- having regard to the 1979 UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW),
- having regard to the Beijing Declaration and Platform for Action adopted by the Fourth World Conference on Women on 15 September 1995,
- having regard to the Millennium Development Goals defined by the United Nations in 2000, in particular Goal 1 (eradicate extreme poverty and hunger) and Goal 3 (promote gender equality),
- having regard to the Council of Europe Parliamentary Assembly Resolution 1558 (2007) on the feminisation of poverty,
- having regard to Directive 2006/54/EC of the European Parliament and the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast)<sup>1</sup>,
- having regard to Decision No 1098/2008/EC of the European Parliament and of the Council of 22 October 2008 on the European Year for Combating Poverty and Social Exclusion (2010)<sup>2</sup>,
- having regard to Decision No 283/2010/EU of the European Parliament and of the Council of 25 March 2010 establishing a European Progress Microfinance Facility for employment and social inclusion<sup>3</sup>,

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<sup>1</sup> OJ L 204, 26.7.2006. p. 23.

<sup>2</sup> OJ L 298, 7.11.2008, p. 20.

<sup>3</sup> OJ L 87, 7.4.2010, p.1

- having regard to draft Council conclusions of 30 October 2007 on the Review of the implementation by the Member States and the EU institutions of the Beijing Platform for Action - Indicators in respect of Women and Poverty (13947/07),
- having regard to the Commission report of 3 October 2008 on the Implementation of the Barcelona objectives concerning childcare facilities for pre-school-age children (COM(2008)0638),
- having regard to Commission Report on equality between women and men 2010 (COM(2009)0694),
- having regard to the Commission Staff Working Document accompanying the Commission Report on equality between women and men 2010 (SEC(2009)1706),
- having regard to the Commission Communication on the Strategy for equality between women and men 2010-2015 (COM(2010)0491),
- having regard to the Commission Staff Working Documents accompanying the Commission Communication on the Strategy for equality between women and men 2010-2015 (SEC(2010)1079) and (SEC(2010)1080),
- having regard to the Commission Communication on Europe 2020: A strategy for smart, sustainable and inclusive growth (COM(2010)2020),
- having regard to the Eurofound report of 24 March 2010 ‘Second European Quality of Life Survey: Family life and work’,
- having regard to its resolution of 13 October 2005 on women and poverty in the European Union<sup>1</sup>,
- having regard to its resolution of 18 November 2008 with recommendations to the Commission on the application of the principle of equal pay for men and women<sup>2</sup>,
- having regard to its resolution of 6 May 2009 on the active inclusion of people excluded from the labour market<sup>3</sup>,
- having regard to its resolution of 10 February 2010 on equality between women and men in the European Union – 2009<sup>4</sup>,
- having regard to its resolution of 17 June 2010 on gender aspects of the economic downturn and financial crisis<sup>5</sup>,
- having regard to its resolution of 17 June 2010 on assessment of the results of the 2006-2010 Roadmap for Equality between women and men, and forward-looking

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<sup>1</sup> OJ C 233 E, 28.9.2006, p. 130.

<sup>2</sup> OJ C 16E, 22.1.2010, p. 21.

<sup>3</sup> Texts adopted, P6\_TA (2009) 0371.

<sup>4</sup> Texts adopted, P7\_TA(2010)0021.

<sup>5</sup> Texts adopted, P7\_TA (2010)0231.

recommendations<sup>1</sup>,

- having regard to its resolution of 7 September 2010 on the role of women in an ageing society<sup>2</sup>,
  - having regard to its resolution of 19 October 2010 on precarious women workers<sup>3</sup>,
  - having regard to Rule 48 of its Rules of Procedure,
  - having regard to the report of the Committee on Women’s Rights and Gender Equality and the opinion of the Committee on Employment and Social Affairs (A7-0000/2010),
- A. whereas according to Decision 1098/2008/EC mentioned above, the activities in the framework of the European Year for combating poverty and social exclusion should take account of the different risks and dimensions of poverty and social exclusion experienced by women and men; whereas 79 million Europeans live below the poverty line and 17% of all women in the EU’s 27 countries are classed as living in poverty,
- B. whereas the European Union is confronted with a major economic, financial and social crisis that affects women in the labour market and in their personal lives, in particular women at risk of poverty,
- C. whereas combating poverty is one of the Commission’s five measurable targets proposed for EU 2020; whereas Integrated Guideline 10 of the Europe 2020 Strategy (Promoting social inclusion and combating poverty) would encourage the adoption of national policies to protect women from the risk of exclusion, ensuring income security for one-parent families or elderly women,
- D. whereas the female employment rate is 59.1% on average; whereas since 2000, the average gender pay gap has remained significant (between 14% and 17.4%) and the gender-segregated labour market has direct consequences on women,
- F. whereas there are considerable age and gender disparities in the amount of time spent on unpaid work and daily involvement in care and domestic activities; whereas women in particular experience the greatest unpaid workload,
- G. whereas access to support services such as children’s care facilities, facilities for the elderly and other dependants is important for equal participation of women and men in the labour market and as a means to prevent and reduce poverty,
- H. whereas women, in particular in rural areas, are part of the informal economy, not being registered on the official labour market, or have short-term working contracts, which generates particular problems as regards women’s social rights, including rights during pregnancy, maternity leave and breastfeeding, the acquisition of pension rights and access to social security,

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<sup>1</sup> Texts adopted, P7\_TA (2010)0232.

<sup>2</sup> Texts adopted, P7\_TA (2010)0306.

<sup>3</sup> Texts adopted, P7\_TA (2010)0365.

- I. whereas gender based violence is also a major barrier to gender equality and is closely linked to the risk of poverty; whereas trafficking in human beings is a modern form of slavery that affects women and girls on a large scale and constitutes a significant factor that contributes to poverty,
- J. whereas the conditions of some groups of women who often face double discrimination, such as disabled women, women with dependants, elderly women, immigrant women, and ethnic minority women, especially Roma women, contribute to raising the risk of finding themselves in situation of poverty and social exclusion,

### ***Feminization of poverty***

1. Considers that preventing and reducing women's poverty is an important component of the fundamental principle of social solidarity to which the European Union is committed;
2. Takes note of the Commission Communication on the Strategy for equality between women and men 2010-2015; calls on the European Commission and Member States to adopt a gender specific perspective as a key component of all common policies and national programs to eradicate poverty and combat social exclusion;
3. Welcomes the Commission initiative on a 'European platform against poverty'; calls on the Commission and Member States to promote the gender dimension in this platform;
4. Calls on the Member States to take into account the gender dimension in their plans for recovery from the recession;
5. Encourages the Commission and the Member States to implement the indicators in respect of women and poverty developed in connection with the Beijing Platform for Action<sup>1</sup> as a tool to monitor the impact of broader social, economic and employment policies on reducing poverty;
6. Stresses the necessity to agree upon and adopt a European Women's Rights Charter, with the wide consultation of the European Parliament, to improve women's rights and opportunities and to promote mechanisms to achieve gender equality in all aspects of social, economic and political life;

### ***Combating women's poverty through labour policies and social protection***

7. Calls on the Member States for specific programmes to promote the active inclusion or reintegration of women on the labour market and for specific training with a view to providing the skills and qualifications needed in the light of the EU 2020 Strategy which puts an emphasis on green jobs for a new sustainable economy;
8. Calls on the Commission and the Member States to take the necessary measures to eliminate gender inequalities in employment as part of the EU 2020 Strategy; strongly encourages establishing as an objective the reduction of the gender pay gap by 1% each year in order to achieve a target of 10% reduction by 2020;

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<sup>1</sup>Council conclusions of 30 October 2007 mentioned above.

9. Calls on the Commission to propose a framework directive establishing the principle of an adequate minimum income in the European Union as a way to combat and reduce poverty, taking into account national laws and practices and with due regard to the gender dimension;
10. Calls on the Member States to consider granting individualised rights in pensions and social security schemes as a tool to combat the risk of poverty;

***Reconciliation of family life and work by women who live in poverty or are exposed to the risk of poverty***

11. Calls on the European Commission and the Member States to take the necessary measures to promote the reconciliation of work and private life, in order to enable women who are exposed to the risk of poverty to pursue their careers, by providing access to flexible work arrangements or to full-time work;
12. Regrets that the commitments assumed in Barcelona in 2002, targeting childcare, and fixing objectives until 2010, are far from being met; calls on the Council and the Member States to reconsider the above-mentioned objectives concerning childcare facilities;

***Combating poverty among older women***

13. Stresses that the risk of falling into poverty is greater for women than for men, particularly in old age, where social security systems are based on the principle of continuous remunerated employment; points out that, in some cases, women do not fulfil this requirement because of interruptions to their work and that they are penalised because of discrimination on the labour market, in particular because of the wage gap, maternity leave and part-time work;
14. Calls on the Member States to take action to ensure fair access for women to social security and pension systems, and to ensure that the principle of equal treatment between women and men is applied consistently in pension insurance schemes;

***Impact of gender based violence on the risk of poverty***

15. Points out that violence against women is still a major problem at European Union level and has an increasing impact on the risk of poverty, as it has a direct influence on women's health and their capacity to access the labour market; once again calls on the Commission to establish a European Year for combating violence against women;
16. Calls on the Member States to provide adequate funding for the support and protection of victims of violence, as a way to prevent and reduce poverty;

***Social dialogue and civil society in fighting women's poverty***

17. Stresses the importance of the structured social dialogue in fighting women's poverty;
18. Calls on the Commission to increase the financial allocation that may be used among civil society organisations in fighting and curbing the effects of women's poverty;

*Ensuring funding as a means to combat poverty*

19. Emphasises the importance of the structural funds, in particular the European Social Fund, as a key tool for assisting Member States to combat poverty and social exclusion; calls on the Member States for more co-funded actions to support services such as care facilities for children and for elderly and dependent persons;
20. Welcomes the efforts made by the Commission through the Progress programme and calls for specific actions to be funded through this programme to raise awareness and promote debate about the dimensions of poverty that affects women in the EU;
21. Welcomes the establishment of a European microfinance facility for employment and social inclusion; calls in this framework for specifically tailored actions oriented towards ensuring increased access and availability of microfinance for women who face difficulties entering the labour market or want to establish themselves as self-employed workers or launch their own micro-enterprises;
22. Instructs its President to forward this resolution to the Council and the Commission.



## EXPLANATORY STATEMENT

Although women's poverty is a long lasting reality, the issue has only relatively recently started to be tackled in a systemic way. The current economic, financial and social crisis that affects the European Union, as well as the rest of the world, is generating a series of specific negative effects, directly influencing women's living and working conditions, and their place in society in general. This context projected to the top of the European Parliament's agenda the necessity of a gender approach to poverty, by the report on "the face of female poverty".

At global level, women are poor by comparison with men. This is also the reality in each and every EU Member State, although one can identify specific differences depending on the country. Almost 17% of European women are ranked as living in poverty; considering the indicators relating to the labour market and social protection, the structural causes of poverty have a disproportionate effect on women. At the same time, one can say that women's contribution to the development of family, society and economy is regularly underestimated and underpaid.

Combating poverty is one of the five Commission measurable targets proposed for EU 2020 and for this purpose the number of Europeans living below the national poverty lines should be reduced by 25%, lifting over 20 million people out of poverty. In this context is very important that the activities in the framework of the European Year on Combating poverty and social exclusion to take account of the different risks and dimensions of poverty and social exclusion experienced by women and men.

In order to have reliable data the development of statistical capacity within the EU in this field is of utmost importance. In this context and reminding the draft Council conclusions of 30 October 2007, the identification, adoption and monitoring by the Commission and the Member States of gender-specific indicators in the field of poverty eradication and the promotion of social inclusion should be strongly encouraged.

Few key aspects that define the present "face of female poverty" in Europe, as well as at global level, are to be mentioned further on. First, poverty has 3 "G" dimensions: the gender one, the geographical one and the generation one. As well, it has a different impact on women and men, according to their roles and responsibilities in society, considering the attitudes and reactions of the public authorities.

Secondly, comprehensive analysis is necessary before assuming austerity measures, taking into consideration gender aspects as well. Women were not initially so significantly affected by the economical crisis (in terms of unemployment) since the sectors of the economy where they constitute the majority of the labour force are public services (education, health etc.). However, this occupational gender segregation means they are now victims of "the restructuring of the public sector" and "budget cuts", losing their jobs and assuming tasks like taking care of children, of the elderly and disabled persons etc.

Third aspect: the impact of the recession is more significant and damaging in the case of the vulnerable groups, who face multiple disadvantages (young or elder women, migrants and/or belonging to ethnic minorities, single mothers, women in rural areas, etc.)

Fourth issue, in general, governments promote anti-crisis measures targeting primarily economic sectors that are populated, in their majority, by men (construction industry, car plants etc.) while the other sectors of the economy, which employ more women, are “ignored” (retail, services, etc.).

Against this background, the need for quick and efficient solutions becomes clear. The report on female poverty will try to imagine part of these solutions. Having in mind the values that the European project is based upon, it should be assumed that preventing and reducing women’s poverty, if not eradicating it, is an important part of the fundamental principle of social solidarity. At the same time, “the European Women’s Rights Charter” aims to improve women’s rights and opportunities, while promoting mechanisms to achieve gender equality in all aspects of social, economic and political life, being more than desirable for agreement and adoption.

The Rapporteur has chosen to tackle the issue of “the face of female poverty” by proposing several areas of interest:

### ***Feminization of poverty***

Women’s poverty remains hidden in statistics and social security schemes. According to Commission’s 2010 annual report on equality between women and men poverty is one of the fields in which gender gaps persist; whereas women face higher exposure to the risk of poverty and experience differently the social exclusion, in particular elderly women with a risk of poverty in 2008 of 22% compared to 16 % of elderly men, single parents with a risk of poverty in 2008 of 35 % and other categories of women such as disabled and ethnic minority women.

According to statistics, women count for two thirds of the inactive population (63 million persons between 25-64 years) which includes involuntary part time employed that are not registered as unemployed.

It should be underlined that there are estimates that women’s poverty could be as high as 36%, against men's 11%, if calculated by individual income rather than household income. Also European women are four times more likely to work part time, more likely to have fixed term contracts and are often part of the informal economy characterized by the absence of working contracts.

A particular attention should be paid to the necessity to further continue with the researches and analyses regarding the phenomenon of “feminization of poverty”, assessing inter-alia the effects of the global crisis in the case of European women, including the effects on the labour market, education and training, birth rate, health, social protection, pensions schemes, support social services, access of women to decision making positions etc.

## ***Combating women's poverty through labour policies and social protection***

It is considered that integration of the women into the labour market is a key to fighting poverty and social exclusion. As well, it is assumed that the inequalities still existing between men and women in terms of access to education, family responsibilities and the general upkeep of a family are key causes that lead to women's poverty.

In-work poverty risk is higher for women than for men e.g. in Cyprus, Estonia, Germany or Latvia. The in-work poverty risk for women ranges from 2% in Malta and 3% in the Czech Republic and Denmark to 10% in Latvia and Poland and 12% in Greece. As a consequence women are more likely than men to be employed in low-paid jobs, working part time or in temporary employment, and they are also more likely than men to be single parents, so being at particular risk of poverty<sup>1</sup>.

It is important at EU level to strongly encourage the Commission to propose a framework directive establishing the principle of an adequate minimum income in the European Union as a way to combat and reduce poverty, taking into account the national laws and practices and with due regard to the gender dimension. Member States should provide adequate minimum income schemes in order to lift up from poverty the most vulnerable categories, having in mind that women are one of the most affected groups.

Granting individualized rights in pensions and social security schemes as a tool to combat the risk of poverty would constitute a major step forward.

A particular attention should be paid to the fact that the pay gap between the two sexes continues to be present and produce extremely severe effects. The gender pay gap has various causes, including stereotyping that starts at early age.

Another problem faced by women is the so-called "glass ceiling" that hinders them from accessing managerial and top positions. Also the incidence of unpaid breaks from work to raise children or care for elderly relatives is more frequent among women, which may lead to poverty at older age.

It is evident that irrespective of age group, women face a much higher risk than men of poverty after a separation from their partner. Furthermore, women in all the more vulnerable groups like the disabled, immigrants, ethnic minorities or those living in rural areas are more likely to experience poverty.

The economic crisis is likely to see figures for unemployment increase sharply, particularly among public sector workers where women are heavily represented. Plans for recovery from the recession should take into account the gender dimension and be based on gender disaggregated data.

Funding for non-governmental organisations and equality bodies is already being cut in some EU countries, like Ireland. Women will have less places to turn to for assistance.

The Europe 2020 Strategy should be gender mainstreamed in order to improve equal

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<sup>1</sup> Information based on Eurofound report "Working poor in Europe", 15 April 2010.

representation and participation on the labour market, to break the labour market segregation patterns, while ensuring women presence in top positions through specific quotas on managerial board compositions and in politics.

### ***Reconciliation of family life and work by those women living in poverty or being exposed to the risk of poverty***

Promoting the reconciliation of work and private life, in order to enable women who so wish to pursue their careers or work full time is considered as a key aspect of curbing the effects of women's poverty or diminishing the risks that women are exposed to.

Additional support measures, especially for working mothers who are members of single-parent families, either by making it easier to find forms of employment with flexible working hours so that they can meet their more extensive family commitments, or by providing suitable childcare, elderly and dependent persons facilities are as well requested.

### ***Combat poverty among elder women***

It is stressed the fact that the risk of falling into poverty is greater for women than for men, particularly in old age. The poverty rate among older women is higher than for older men (The average at-risk-of-poverty rate for older women is of 22 % against 16 % for older men), especially in Member States where the predominant pension schemes relate benefits closely to lifetime earnings and contributions. Such pension schemes place those who care for children or for dependent relatives at a disadvantage because their career breaks and part time work reduce their lifetime earnings.

Therefore, it is necessary that adequate social security assistance to be provided for the women responsible for the care of sick, elderly or disabled members of their families, and for elderly women who receive a particularly low pension.

### ***Impact of gender based violence on poverty risk***

According to researches and studies women who have experienced violence are at an increased poverty risk, as violence has consequences on their health and may lead to unemployment. It should be underlined that some 20-25% of women suffer physical violence, and more than 10% sexual violence, in the course of their adult lives.

Violence against women is a major problem that needs to be eliminated using every means available, while the Commission should establish a European Year for combating violence against women.

A particular attention should be paid to reconsider the relation between violence and poverty and further efforts aiming to eradicate human trafficking and sexual exploitation through closer judicial and police cooperation at EU level are needed.

### ***Social dialogue and civil society in fighting women's poverty***

A genuine social dialogue should be developed together with the national and European administration, to share viewpoints and to contribute to overcoming extreme poverty, providing a concrete example of the very best practice at European level in this area.

A particular attention should be paid to the work of NGOs considering as well their financial support originating from the Commission.

### ***Ensure financing as a mean to combat poverty***

Structural funds, in particular European Social Fund are key tools for assisting Member States to combat poverty and social exclusion. Specific programmes should be cofounded in order to promote active inclusion or reintegration of women on the labour market and specific training in view of the necessary skills and qualifications for new green jobs. Also due attention should be paid to found the setting up of support services such as child and elderly care facilities.