



PEER REVIEW  
IN SOCIAL PROTECTION  
AND SOCIAL INCLUSION  
2008

# GETTING WOMEN BACK INTO THE LABOUR MARKET

NUREMBERG, 17. - 18.11.08

## SYNTHESIS REPORT



On behalf of the  
European Commission  
DG Employment, Social Affairs  
and Equal Opportunities



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ELIZABETH VILLAGÓMEZ  
ALMENARA ESTUDIOS

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## Summary

In line with the Lisbon goals of increasing employment rates across Europe, the German *Perspektive Wiedereinstieg* (Prospective reintegration) Action Programme aims to increase female labour market participation, within a sustained policy of equal opportunities between women and men.

One of the most important aspects of this programme, which came under assessment in the framework of the EU's Social Inclusion Peer Review programme, is its life-cycle approach and its recognition that social inclusion and labour market integration represent an entire process.

The action programme bases itself on already existing policies and measures, bringing them together in a holistic approach, but it also it develops new services targeting the needs of women returning to the labour market after a long absence due to family responsibilities.

From an EU perspective, the programme enshrines a number of Growth and Jobs Guidelines — namely the recommendations to introduce life-cycle approaches. The Guidelines also call for support measures to help women reconcile work and personal life and recommend that Member States adapt their fiscal systems to encourage greater female participation in labour markets.

Indeed, there is econometric evidence that policies that ignore gender discrimination in the labour market will tend to increase specialisation of household members according to traditional gender roles, pushing women to stay at home. In this sense, the debate on 'flexicurity' should aim to integrate gender equality concerns, as there is a strong link between flexicurity and reconciliation of work and personal life.

Countries' tax-benefit structures are also very important in that their design will either provide incentives or disincentives for couples with children to take up paid work. Lone parents are particularly vulnerable to tax or benefit schemes that provide a disincentive to take up paid work and this can lead to an increase in child poverty.

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A number of previous Peer Reviews have dealt with issues such as the effects of changes in tax-benefit systems and measurement of impact in employment terms.

However, the holistic and life-cycle approach to better work-life balance and the consistent concern for gender equality in all policies that characterise the German Action Programme for returning mothers to work are not so common in other countries.

In this sense the German review takes us one step closer towards policies with stronger outcomes in terms of gender equality. But, on top of this, the German programme also introduces important notions about working in federal administration settings, where cooperation and coordination with regional governments with devolved competencies can prove particularly important. The programme also offers an interesting insight into how to involve private firms.

The peer countries participating in the review all appreciated both the life-cycle approach and the solid research on which the German initiative is based. There was also much praise surrounding the idea of providing tailor-made, individualised services to support mothers and the conception that women's integration into the labour market requires a whole process rather than one-off interventions.

The Peer Review was hosted by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ) with the support of the Federal Employment Agency (FEA). Beside the host country, seven peer countries took part: Cyprus, Denmark, Italy, Luxembourg, Malta, the Netherlands and Poland. There were contributions from three stakeholders: EUROCHILD, the Confederation of Family Organisation in the European Union (COFACE), and the Association of German Female Entrepreneurs. The 'thematic expert' and a representative of the European Commission's DG for Employment, Social Affairs and Equal Opportunities both contributed their expertise.

# 1. European context

Although neither the Integrated Guidelines for Growth and Jobs (2005–2008) nor the Gender Equality Roadmap specifically mention returning mothers to the workforce as a goal, both documents recognise the need for policies to improve women’s position in the labour market (particularly in terms of employment, wages and decision making). The two documents also acknowledge that reconciling work and personal life is an important element in achieving said goals for both women and men.

What’s more, Guideline 2 of the Integrated Guidelines considers tax-benefit system reforms as a means of contributing to “safeguard economic and fiscal sustainability [...] in view of the projected costs of ageing populations”. This Guideline, which is explicitly linked to Guideline 18 on the promotion a life-cycle approach to work, asks Member States to “take measures to increase labour market participation and labour supply especially amongst women, young and older workers, and promote a life-cycle approach to work in order to increase hours worked in the economy”. Consequently, Member States are asked to consider the potential effects that any change to the tax-benefit system or to specific employment measures could have on the labour market decisions taken by individuals within households.

Indeed, the effect that a change in tax or benefit policy will have on couples with children can vary greatly according to its design. According to statistical and econometric evidence, as well as recent research on the modelling of labour market decisions, policies that do not take gender discrimination in the labour market into account in their design will tend to increase the specialisation of household members according to traditional gender roles. For example, child allowances could in fact have a negative effect on women’s labour market participation as they are likely to have a positive effect on fertility decisions and lead to women spending more time with their children. On the other hand, policies aimed at reducing gender discrimination will increase the chances of altering traditional gender roles and of moving towards a more gender-balanced outcome. For instance, if allowances were raised and could be cashed in by men, it would likely to lead to an increase





in the time they spend with children and thus promote a more balanced gender-based task division (Cudeville and Recoules, 2008).

Lone parents also require special consideration in policy design as they can be particularly affected by taxes or benefits that act as a disincentive on paid work, and this can have a negative effect on child poverty (OECD, 2007). Policies should not be designed specifically for nuclear family units but also for other types of households or families that are on the rise all across the EU. This also means that the whole debate on reconciliation of work and family life, which is largely based on the assumption of a two-parent household, will need to be reviewed.

On top of these reflections, the resolution of 29 November 2007 on Common Principles of Flexicurity (2007/2209(INI))<sup>1</sup> identifies a number of factors that deserve consideration from a gender perspective because they have obvious implications on the increase of women's labour market participation and, in particular, on women returners. These can be summed up as follows:

- Overrepresentation of women in non-standard employment (i.e. contract flexibility) needs to be addressed to avoid discrimination.
- Lack of supply, adequacy and affordability of child care must be contemplated as part of the flexicurity strategy.
- Frequent switching between work and care activities among women and the need for proper protection and social benefits during transitional periods (care, family responsibilities, education, training and re-training).

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<sup>1</sup> The observations made by the Committee on Women's rights and gender Equality of the European Parliament to the Commission communication entitled, 'Towards Common Principles of Flexicurity: More and better jobs through flexibility and security' (COM[2007]0359) (Commission communication on flexicurity) <http://www.europarl.europa.eu/sides/getDoc.do?type=REPORT&reference=A6-2007-0446&language=EN&mode=XML> were incorporated into the European Parliament resolution of 29 November 2007 on Common Principles of Flexicurity (2007/2209(INI)) <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2007-0574>.

- Need for work and working hours to be negotiated and organised in a flexible manner so as to enable the reconciliation of professional, family and private life.
- Need for flexibility in vocational training and retraining and in all back-to-work measures, including during transitional periods, in order to enable the reconciliation of professional, family and private life.

Finally, in light of the recent Commission proposals for extending maternity leave periods in the EU, any reinforcement of traditional stereotypes and any potentially negative effects on women's employment must be avoided through the implementation of more flexible work approaches, as well as through greater involvement of men in care.

### **Previous Social Inclusion Peer Reviews on this specific subject matter and assessment of the contribution of this Peer Review**

A number of Peer Reviews that directly or indirectly addressed issues such as raising employment rates among women and reducing their vulnerability to exclusion and poverty, have been carried out in the past. These include Peer Reviews such as '*Local alliances for the family: Reconciliation of work and family life*' in Germany (2004)<sup>2</sup>, '*ACCESS: Cottonera Community Resource Centre*' in Malta (2007)<sup>3</sup>, '*Sure Start*' in the United Kingdom (2006)<sup>4</sup> and '*Minimum Incomes and Women's Poverty*' in Belgium (2006)<sup>5</sup>. All of these Peer Reviews touched upon various policies addressing reconciliation of work and family life, as well as the activation of women and life-cycle issues affecting benefit claims.

However, the holistic and life-cycle approach to better work-life balance and the consistent concern for gender equality in all policies that characterise

2 <http://www.peer-review-social-inclusion.eu/peer-reviews/2004/local-alliances-for-the-family-reconciliation-of-work-and-family-life>

3 <http://www.peer-review-social-inclusion.eu/peer-reviews/2007/access-cottonera-community-resource-centre>

4 <http://www.peer-review-social-inclusion.eu/peer-reviews/2006/sure-start>

5 <http://www.peer-review-social-inclusion.eu/peer-reviews/2006/minimum-incomes-and-womens-poverty>



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the German Action Programme for returning mothers to work are not so common in other countries.

In this sense the German review takes us one step closer towards policies with stronger outcomes in terms of gender equality. But, on top of this, the German programme also introduces important notions about working in federal administration settings, where cooperation and coordination with regional governments with devolved competencies can prove particularly important. The programme also offers an interesting insight into how to involve private firms.

This Review examines how Germany's strong gender equality commitment and life-cycle approach can influence the development of future reforms to the tax-benefit system, while, at the same time, addressing concerns about the provision of adequate and affordable services that complement and boost its action programme's intended effects. Links to other important discussions that are currently taking place at EU level, such as financing of benefits and flexicurity, are also addressed.

## 2. Policy and the situation in the host country

Germany has developed a series of policies and targets aimed at boosting female employment and financial security. However, it also remains clear that it does not want to let these goals overshadow its preference for a society where people are able to afford the freedom to choose the lifestyle that suits them best.

In reality though gainful employment has become an integral part of women's identity and lifestyle in Germany. This is particularly visible when one considers the role models women pick nowadays. A recent survey conducted by Federal Statistical Office — *Familienland Deutschland* (Family-Friendly Germany) — also shows that as many as 84 percent of women want to work, including after a family-related employment break.

Despite this combination of political will and personal ambition, working women with children continue to face a range of challenges in their day-to-day life because traditional role assignments persist in many areas of society. For example, social infrastructures and public service institutions like **day-care centres** and **primary schools** continue to be organised around strong gender stereotypes, such as the notion of the ever-available mother.

Indeed, opening times are rarely easily combinable with work, and the attitude of the staff that works in these institutions is not always helpful. For example, working mothers often find it very difficult to arrange a meeting with their children's carers and teachers as most appointments are offered during the morning or afternoon, and certainly not after five o'clock. Such routines and rituals send a clear signal to working mothers that they should place their jobs on the backburner in order to give utmost priority to their role as a mother and bow down to the inflexibility of other areas of the working world.

However, Germany is in a state of transition. The results of the Federal Statistical Office survey reveal that achieving a good balance between work and family is of key importance for most people. And, with more than 50 percent of all couples where the youngest child is under 15 in a situation



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where both partners work<sup>6</sup>, the need for family-friendly working conditions that allow sufficient time to spend with the family appears particularly pressing.

Today, Germany has developed more inter-linkages between its family and its equality policies. Its family policy now rests on three main pillars — more time, a supportive infrastructure and income — mirroring the paradigm shift that is taking place in society, by focusing on improving opportunities for both fathers and mothers to achieve a better work-life balance and, in particular, on matching family-related employment breaks taken by women with those that can be taken by men.

The new parental allowance scheme introduced on 1 January 2007 is designed to give parents, especially young parents, more targeted assistance and foster long-term financial security. The idea is to prevent the huge loss in earnings (of one parent's income) that used to occur when a mother or father took time out to look after their new baby. Under this system, the parental leave period of up to seven months can be divided between the two parents as they see fit. However, the full number of months can only be taken if both father and mother have each taken at least two months' parental leave. According to the latest statistics, almost 20 percent of fathers now take parental leave. And, since the introduction of a parental benefit in 2007, the number of young fathers who choose to take time off work to be with their children has risen more than five-fold.

Germany has also improved its taxation rules so as to enable parents to offset childcare costs as much as two-thirds of the childcare costs they incur from birth right up to the age of 14 (up to a maximum €4,000 per year and per child). This relieves the financial burden on families and helps them achieve better work-life balance.

While the German policy framework appears to primarily target young women and men who are about to start or have just started a family, another priority group within the country's policy is that of women over 40, who are thinking of returning to work after taking a family-related break five to ten years previously. In fact, it is precisely this group of women that the Federal

<sup>6</sup> Federal Statistical Office Press Release No. 264 of 22.07.2008

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Ministry for Family Affairs wants to reach with its *Perspektive Wiedereinstieg* (Prospective Reintegration) programme.

The programme is designed to promote initiatives and measures that simultaneously:

- make it easier for women to return to work after a family-related employment break;
- heighten employers' awareness to the fact that, by employing such women, they gain experienced employees (both in terms of work and life) who are willing and able to work, and who are available to work for another twenty years or more because they have finished raising their families, and;
- encourage men to actively support their wives and partners in their efforts to return to work.

The programme also aims to change the prevailing division of roles by placing the spotlight on the stereotypical responsibilities that occur within the family. The aim is to counter a re-traditionalisation of the division of labour during the course of the marriage or partnership. By focusing on both women's and men's life-cycles, equality becomes an organisational challenge where the need for flexible transitions between the various stages of life is emphasised.

In this respect, the *Perspektive Wiedereinstieg* action programme can be considered as a good practice, which contributes positively to the European Policy debate on at least the following points:

- It has been designed consciously around the need to increase gender equality, linking this to the need to increase women's employment rate as well as men's participation in childcare (Equality Roadmap and Guideline 18).
- It involves family components in supporting the return of women to the labour force.

- It has taken into account potential counter-effects that taxation rules could have had on the intended impact (Guideline 2).
- It has dealt with the issue of coordination and cooperation with other authorities that have devolved competencies in this field (Guideline 20).
- It has recognised the need to interact with firms, encouraging them to also invest in family-friendly policies or measures that facilitate the reconciliation of work with personal life (Guideline 20).
- It has been partly designed as a pilot project to test new ideas that can be disseminated throughout the country.

Furthermore, the *Perspektive Wiedereinstieg* action programme is based on the premise that returning to work is a *process*, not just a simple step. This is particularly important in the view of the fact that, according to 80 percent of women surveyed, family support is crucial to enable them to continue running their families once they are back at work. Sadly, more than 50 percent complain they do not receive this support. Another barrier faced by women returnees is that companies are not always prepared to offer the job flexibility they need. 70 percent of women complain of the difficulty of reconciling family life and work, and 33 percent consider quitting their jobs because of the lack of family support and adapted societal infrastructure. These difficulties are addressed by the programme.

The added-value of the programme is that it supports the formation of networks that bring together local services, employers and women. It seeks to promote action at the level at which it is most effective.

What will be particularly interesting to watch is whether, by helping to shorten women's family-related employment breaks, Germany's gender equality and family policies will have any impact on issues such as the fact that the employment gap between highly-skilled men and women is much larger than that between low-skilled men and women, or the fact that employers tend not to offer management training to women as they expect them to take family breaks.

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During the policy design phase, a Sinus milieu methodology<sup>7</sup> was adopted in order to learn more about the conditions necessary to a successful return to work. The Sinus studies use qualitative and quantitative research methods to ensure the research question is looked at in its entirety and given adequate coverage<sup>8</sup>.

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7 This methodology works by putting people together according to their outlook on life and their lifestyles. It places both the people and the interrelationships that exist within their lives at the forefront of the analysis and thus provides more detailed information.

8 For further information on the methodology and research design, see BMFSFJ (Eds.), p.60.





### 3. Overview of the situation and policies in the peer countries and comments from participating NGOs and social partners

A study carried out for the European Parliament<sup>9</sup> finds that, although important reforms have been introduced in the EU Member States over the past twenty years, especially in their fiscal systems, these have not been broad enough when it comes to integrating gender equality concerns and taking a life-cycle approach. The study namely highlights the fact that the revision of European social protection systems needs to be accelerated, so as to eliminate negative effects on the participation of women in gainful employment and better contribute to reconciling family life and work for both men and women. According to the study, a number of elements may help to explain, or even to justify, why advances have been so limited so far:

- Some concrete measures or benefits that could serve to make social protection systems more conciliation-friendly, are in many cases contrary to the equity of the systems.
- The coexistence of the traditional family model alongside new family forms does not always allow for thorough reforms, as these could hamper the social protection of a great share of the population (e.g. the elimination of derived rights could have a negative effect on elderly and low qualified women, who have fewer employment opportunities and, thus, less chances of generating their own individual rights).
- The generalisation and improvement of certain benefits that could favour reconciliation are frequently limited by budgetary restrictions.
- The accessibility (e.g. opening times) and quality of services for children and dependent adults has not been improved simultaneously.

These four elements should be kept in mind when examining the situation and policies in the peer countries, which will now be briefly described.

<sup>9</sup> Villagomez et al, 2004.

In **Cyprus**, unemployment is low at just 3.9%, and the employment rate of 71% exceeds the EU average of 65.4% as well as the Lisbon target of 70%. At 62.4%, women's employment has also met the Lisbon target, although just failing the national target of 63%. However, the pay gap remains large, with female salaries standing at just 75% of male salaries, while only 14% of women hold managerial positions. Job segregation is also very high, with men and women each sticking to different employment sectors. In families with a young child, the trend is for the mother to work an average two hours less, while the father works an hour more on average. Men with one or more children under six work 43 hours a week on average, while women in the same situation work 37 hours.

Cyprus remains a very traditional country where society continues to consider women as being responsible for taking care of the home and children, so many working women face the 'double shift'. This may help to explain the pay gap of 22.8%, as many women chose lower-paid, less demanding jobs so they can care for the children and the home. One striking figure is the 32% difference between the employment rates of men and women in the 55–64 age group — a figure that could be explained by the fact that many women this age look after their grandchildren while their children work. Although the government has committed itself to providing childcare facilities for 90% of children aged three to five years by 2010, it seems unlikely it will reach this target. New care services are being developed through projects run by partnerships between NGOs and the local authorities, co-financed by the ESF and EU Structural Funds. At present few children are in childcare, and it is very common for grandparents or other elderly relatives, unregistered childminders, or (for richer families) immigrant workers to look after the children.

Thus, in terms of similarities with Germany, one can highlight Cyprus' large gender pay gap; the dominant model of the male-breadwinner family; the concentration of women in "pink collar occupations" and the considerable job segregation. In both countries the "glass ceiling" hinders promotion and the "sticky floor" prevents women from leaving the bottom ranks. The main difference between the two countries is that fewer women work part-time in Cyprus, as they cannot afford to and there is no infrastructure to support



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part-time work. The country has introduced a pilot project on flexible working but, as this is a new phenomenon, employers are mistrustful when it comes to measures like allowing their workers to carry out Internet- or home-working. The government is also introducing training programmes to get women back to work but, at present, these tend to be in gender-segregated skills, such as secretarial work.

In the case of **Italy**, it is necessary to differentiate between the southern and northern regions. Indeed, northern Italy has nearly achieved the Lisbon employment targets and been dubbed “the Island of happiness”, with many women working and opening times for shops, schools and care services having been adjusted to help them reconcile work and family life. In the south, however, nearly 60% of women are inactive and, while many women would like to work, the only jobs available are ‘precarious’, for example involving a series of fixed-term contracts.

According to a Eurostat labour force survey of 2005, 6 out of 10 Italian women without children are employed (64.5%), while only 3 out of 10 women with more than one child age 0–14 work outside the home (35.6%). The highest employment rate is recorded among women supposedly in their top reproductive and care giving years, between 25 and 54 years (respectively: 59.9% for the women in the 25–34 age group and 60.2% for the women between 35–54).

Women in Italy have children late (often past 28 years), namely because they are waiting until they have a secure job that will give them financial security. Throughout the country, female part-time work is prevalent, with 27.2% of women working part-time against just 4% of men. There is also a considerable gender differential in part-time earnings.

The Italian Parental Leave Act of 2000 was aimed both at parents and at those needing to care for elderly relatives to help them achieve a better work/life balance. It includes financial incentives to encourage employers to allow more flexible working times for employees, for example, by allowing tele-working and home-based work for employees who have to travel long distances to work. But measures aimed at preventing pregnancy and

maternity from representing a financial 'cost' for employers still need to be introduced.

According to the law, men are allowed two weeks' paternity leave and both parents can take up to six weeks parental leave. Figures from the National Institution for Social Security, which pays the parental leave allowance, show that, in 2003, 96.8% of working mothers took parental leave, against 21% of men. Also, 44% of all male parental leave was taken by fathers with children of two to three years. The explanation of these figures this is that Italians have held on to the traditional stereotyped roles for parents. In 2004, 64.5% of women were working, but only 35.6% of women continued to work after the birth of their first child, and many did not re-enter the labour market. What's more, women spend 5.20 hours a day on household tasks and childcare, while men only 1.35 hours. These figures are in fact also similar in Germany

The new government has begun to open the debate on a new social model, including the social partners such as NGOs and trade unions. One priority is to create unemployment benefits for those in precarious employment. And, in order to improve women employment rates and reduce the existing gender gaps in the labour market, the Italian Government has confirmed gender equality on the labour market as a priority. Both the National Reform Plan for 2007 and, lately, the *Libro Verde* (Green Book) on the future of the social model<sup>10</sup>, published in July 2008, point out the need for specific policies to encourage women inclusion in employment, especially among those who have never entered the labour market and those who have had a career break due to family duties.

In **Malta** women's labour market participation is still low when compared to that of other European Union Member States. Recent statistics published by the National Statistics Office reveal that, in the second quarter of 2008, the female employment rate stood at 38.5%, while male employment reached 71.6%. Although this figure is still significantly lower than the EU Lisbon target, which aims to raise the EU's female employment rate to 60% by 2010, a modest increase in women's labour market participation has been recorded in Malta over the past eight years, with the female employment

<sup>10</sup> 'La vita buona nella società attiva. Libro Verde sul futuro del modello sociale', Ministero del lavoro, della salute e delle politiche sociali, 25 luglio 2008.



rate rising by 5.4 percentage points since 2000. This can be considered as a positive achievement, especially in view of the individual target set for Malta, which states that women's employment rate has to reach 41% by 2010 to be in line with the Lisbon targets. A more detailed analysis of the employment rates by gender and age reveal that, while the rate for men and women who are between 15 to 24 years is almost similar — standing at 44.1% and 44.6% respectively — the rates for women aged between 25 and 54 years (45.8%) and between 55 and 64 years (12.2%) are much lower than the male employment rates for similar age groups (89.6% for those aged from 25 to 54 years, and 44.5% for those aged between 55 and 64).

Although part-time work is more prevalent among women than men, the proportion is low compared to other EU countries, at around 19%. Similarly, only 5.8% of women have a full-time job with reduced hours, while only 0.4% of men have opted for this arrangement. There is a high degree of occupational segregation and society sees women as the main persons responsible for the home and children.

Policies and measures encouraging the labour market participation of women in Malta are fairly recent, and this is also the case of programmes targeting women returnees to the labour market. A series of legislative amendments have been introduced in the past few years to ensure gender equality in employment and other spheres of life. More specifically, the Employment and Industrial Relations Act of 2002 and the Equality of Men and Women Act of 2003 contain articles on the prohibition of gender discrimination in all areas of employment, including as regards recruitment, training and working terms and conditions. In 2003, the government also set up the National Commission for the Promotion of Equality for Men and Women. Alongside this, the Employment and Training Corporation has sought to raise awareness and introduce specific measures that tackle women's labour market participation. In 2002, it set up a gender equality unit, which in turn is responsible for enacting measures related to gender equality in employment as set out in yearly gender action plans. These plans cover initiatives such as the gender mainstreaming of all services offered by the Employment and Training Corporation, the drafting of gender impact assessment guidelines, media campaigns, studies on gender equality issues, promotion of childcare



centres, and empowerment training for women wishing to return to work. Fiscal measures that target the amount of taxes that women have to pay when re-entering the labour market have also been introduced.

The employment rate of women in **Luxembourg** has grown slowly but steadily, rising from 41% in 1990 to 56% in 2006. However, it continues to be below the European average and the Lisbon objective of 60%. One significant factor that needs to be taken into consideration however, is the high rate of cross-border female workers, of which 50% live in France, 29% in Belgium and 29% in Germany, and which actually constitute a larger percentage than native Luxemburgish female workers.

As in all other countries, the largest discrepancy between male and female workers arises when women have children and increases with the number of children. The employment rates of men and women without children are 71% and 57% respectively, but by the time families have four children, the father's employment rate rises to 100%, while the mother's drops to 35%.

Wage equity between men and women has not been achieved in Luxembourg yet. In 2006, the average gross salary for women represented 87% of the gross salary for men (or a 13% gap). The gap is lower for cross-border workers (9%) than for resident workers (16%). To sensitize the different actors and to promote a re-launch of positive actions by companies in the field of equal opportunities, a software programme that determines whether an enterprise applies equal wages has been developed. The software can be downloaded via the internet. Other measures and policies aimed at increasing gender equality in the Luxemburgish labour market include changes to parental leaves, namely with a law passed in 2003 that allows both parents to take a paid break in employment. Next to this, provisions on continuous vocational training have been improved; incentives for specific positive action measures in private organisations have been set up; adapted job-hunting training has been introduced for women, and; a legal framework for parental assistance that includes the set-up of a complementary child care structure with "relay houses"<sup>11</sup> for children has been established. In addition, the government is now beginning to build the necessary legal framework and infrastructure

<sup>11</sup> Relay houses are structures where parents can leave their children before and after school classes when they have to go to their work.



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for the introduction of flexicurity measures, in cooperation with the social partners.

In **Poland**, the employment rate is relatively low for both men and women, but there remains a gender gap of 12.7%, with the employment rate standing at just 48.2% for women and 60.9% for men. Existing cultural norms have been a barrier to greater female employment because although women are seen as an equal to the father in terms of economic provision for the family, they are also seen as the primary carer in the home. This means they have to carry the well-known 'double burden'. Following the fall of the Berlin Wall and the opening up of the former Soviet bloc countries in the 1990s, there was a radical reassessment of woman's role in the family, but this actually had the reverse effect of making it even more difficult for women to reconcile both roles.

Despite the challenges associated with moving to a market economy, the gap between male and female employment within the 25 to 40 age group has declined significantly. This is mainly related to the vast increase in women participation in higher education, with numbers doubling between 1994 and 2007. However the government continues to face difficulties in keeping women over 40 in the labour market. Indeed, many were educated under the old system, so their skills are outdated and, given their age, employers are unwilling to invest in upgrading their skills. While the statutory retirement age is 60 for women and 65 for men, the effective retirement age is 56 and 58 respectively, making Poland the EU country with the lowest employment rate among people over 55. To overcome this situation, the government has introduced a programme called '50 and more', with a view to raising investment in training for older workers and to encourage employers to make their workplace more 'older-worker friendly'.

Poland also has the worst EU record for flexible working hours (i.e. allowing employees to vary the beginning and end of their working day or to take days off for family reasons), making it harder for women to reconcile. In 2005, only 50% of mothers and a mere 2.6% of fathers made use of the parental leave arrangement they were entitled to. Parental leave is compensated at a flat rate and this makes it more advantageous for Poland's lower-paid women to take the leave, rather than the better-paid men. Figures also show that, the



higher the education level, the lower the proportion of those taking parental leave. When women are asked why they do not take more parental leave, they cite both the low level of the allowance paid and the negative effect on their career. However men did not believe this could negatively affect their career choices, which confirms entrenched attitudes about the different gender roles in society.

In the **Netherlands**, female participation in the labour market is high by EU standards, but part-time work has dominated this participation for many years. Different approaches are being tested to boost female employment, including the creation of a “mother” contract. However, there is concern that such a tool might instead end up stigmatising women and run contrary to the ulterior objective of attaining women’s emancipation. On the other hand, the option of including time flexibility clauses, such as the ‘Part-time Plus’ or ‘2 x 4’ model, in which women (and men) can work a 32- or 36-hour week in four days, in contracts might provide a better solution. In addition, the Netherlands is facing a shortage of low- to middle-skilled professionals in healthcare and education — areas in which women traditionally work. To encourage them back and fill the shortage in these sectors, the Dutch government has introduced measures to train low-skilled women for middle-management posts. However, it is uncertain whether this scheme will work and continue, as middle-management staff is likely to be in lower demand after the economic downturn. More importantly, the Dutch government has begun to tackle the issue of involving men in childcare at home, with an approach focusing on time use and time flexibility in contracts. The idea is to enable both parents can take care of their children and leave room for professional childcare when they are both at work.

The Government in **Denmark** views its role as ensuring that the legal framework surrounding its equality and its labour market policies does not create obstacles to women and men’s participation on the labour market. Overarching this governmental objective is the aim to promote occupational participation for everyone. In Denmark, women are considered as a resource and constitute 47.8% of the entire workforce. However, at 73.7%, their participation rate is still lower than men’s (at 79.8%) and the differences in the use of parental leaves are larger still. The policy in Denmark is that





women are entitled to 18 weeks maternity leave and men to two weeks paternity leave. Both parents are entitled to a total of 32 weeks parental leave each. On average in 2006, women received maternity benefits for 37.2 weeks after childbirth, while men received 3.8 weeks. Paternity leave constituted 8% of their entire leave. In some cases, during this leave, women and men receive their full salary from their employer, in which case the employer is compensated by the State. Therefore, the two remaining problems that can be identified are: the gender pay gap, which has not changed in the last ten years, and the gender-segregated labour market. The labour market is particularly segregated in the public sector, where 78% of staff is female. And, while measures have been taken to change this, it appears difficult to persuade women to move from one sector to another. On the other hand, as men are now taking on some of the lower-skilled and lower-paid jobs, such as nurses or care assistants, pay rates in these sectors are increasing.

In addition to the peer review countries, two EU-wide civil society organisations (NGOs) were invited to take part in the review, as well as a German social partner organisation representing women entrepreneurs.

The **Association of German Female Entrepreneurs (VDU)** viewed the programme under review as a basic requirement for helping women to re-enter the labour market, especially in light of important challenges being faced with regard to tradition social values. The Association also felt that the need for skilled workers in Germany makes the programme of utmost importance as it gives those women with skills who left the market a chance to up-date their skills. What's more, the skills acquired by women when managing their family can be used by modern firms (stress management, conflict resolution, etc.). Raising awareness among employers of the possibilities that women returners could offer was one of the most positive elements of the programme.

**EUROCHILD** welcomed the fact that the German programme was tackling stereotypes and encouraging men to have a more active role in childcare and household chores. It also viewed positively the cooperation established between different departments and levels of government. However, EUROCHILD's main objective is to boost investment in improving the quality of childhood and in increasing child well-being in all EU countries. It believes



this should be done by supporting parents in raising children, with a particular focus on those families with fewer resources. Because active and confident parents generally ensure the best care for children, boosting a mother's self esteem and satisfaction, including through paid work, was viewed as a positive step, but as one that should not, however, be pursued at all costs. Affordable childcare, within a strategy of decent work, was underscored as one of the basic elements required to promote social inclusion for those furthest from the labour market.

The **Confederation of Family Organisations in the European Union (COFACE)** also welcomed the collaborative approach between the federal and other levels of the administration, as well as the programme's focus on raising the awareness of employers about reconciliation of work and family life and on involving men more in care and household chores. However, it stressed that a certain 'flexibilisation' of public services, such as child-care, is also required to better adapt to the needs of women looking for work or in the process of returning (training, meetings, etc.). Women in most Member States still face big difficulties to return to work after a family-related employment break and, as a result, the data confirms that women in family formation years and in the aftermath generally have lower employment rates than men. In the EU, more than 6 million women in the 25 to 49 age-range say they are forced into inactivity or can only work part-time because of their family responsibilities<sup>12</sup>. Another point stressed by the Confederation was that a more intensive use of ICTs could help to make job location and working time more flexible and adaptable to reconciliation needs.

12 Eurostat, Labour Force Survey 2006



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## 4. Assessment of results, monitoring and evaluation

The German *Perspektive Wiedereinstieg* action programme has not, as yet, undergone any formal evaluation of results. As with any other public programme, it needs to be monitored and evaluated in order to draw lessons, adapt any aspects that are not having the desired impact, and strengthen those that are having the most positive effects. Because it is a programme partly based on already existing policies and measures, this requirement becomes even more important, and good cooperation and coordination of different departments and levels of government administration are required.

In addition, the overarching social and political aim is to design a policy that gives employable adults the choice of taking up employment or of taking a break from it at various stages of their (long) working lives without ending up down a blind alley work-wise. A mix of childrearing leave, childcare institutions and altered working hours, together with measures to assist integration into the employment market are thus vital, both in terms of managing the additional childcare needs in an ageing society and of achieving gender equality. The programme takes the view that flexible working models must be liveable and that structures must be created to enable seamless transitions. An evaluation of this programme has to take this aim into account.



## 5. Learning and transferability aspects

The variety of approaches to gender equality and the different characteristics of regimes in place in the peer countries make it difficult to assess to what extent the policy under review could be more or less easily transferred to other Member States. Nevertheless, the participating Peer countries took the opportunity to review a number of policy elements in the EU Growth and Jobs Guidelines in the light of the German initiative.

The shift away from a male breadwinner model and a birth-oriented or familial approach towards a more gender-equality and individualised approach was in general perceived as a positive step.

In the case of **Cyprus**, despite the differences with respect to Germany, a number of transferable aspects were identified, such as: the emphasis on process, rather than on one-off interventions, and the holistic approach; the use of the Internet, media and other communication and information methods (information days, fairs, etc.); the provision of a range of services during training and selection processes (in particular childcare); and the involvement of firms.

As for **Italy**, it must be recalled that the Green Book on the future of the social model foresees the revision of the entire welfare system. This will bring Italy to carefully observe all policies that have been successfully implemented in other EU Member States for the increase of women's participation in the labour market and, most of all, of those women who have never entered it or who have experienced a long break.

The policies introduced by the German government to encourage more females re-enter the labour market were considered highly appropriate for **Malta**. Indeed, while the policies introduced in Malta so far can be considered as a positive start, they need further development in order to encourage more women to remain in or re-enter the labour market. Thus initiatives that target young women as well as other initiatives incentivising older women to re-enter the labour market, such as those introduced by the German government, can be considered as useful for Malta. In particular, the introduction of paid parental leaves, the provision of childcare subsidies,

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the involvement of private firms, the introduction of project management agencies acting as intermediaries between older women wishing to return back to work and public employment services, the use of Internet, the provision of services at the local level and, last but not least, the use of solid research to design public programmes, were highlighted as being particularly interesting elements for Malta.

As for **Luxembourg**, the main issue is seen as being the lack of coordination among all the different policies and initiatives. Therefore, the main lesson to be learnt from the German experience is that the focus must now no longer be on creating new services, but rather on building more coherence between what is already there and publicising existing initiatives fully. Such a networking exercise could be highly productive in a small country like Luxembourg and it should not prove too difficult.

For **Poland**, a key lesson to be learnt was seen as being Germany's holistic approach to women's reintegration into the labour market. It further agreed that demands for a 're-conceptualisation' of gender roles within families and at in the workplace should be acknowledged. It also recognised the need to make a distinction between two groups of women — those at the first stages of their family life course and those at later life stages — as has been done in the German approach. Other areas of transferability identified included: improvements in child care infrastructure; more flexible and individualised leaves; better compensation of parental leave; and income tax changes to diminish the direct cost of having children. However, the implementation of all of these measures requires the allocation of large financial resources to social investments.



## 6. Conclusions and lessons learnt

### Process and life-cycle approach

One of the most important aspects of the Perspektive Wiedereinstieg action programme is its 'life-cycle' approach, according to which a woman's return to the labour market is seen as a process that requires practical support from the spouse, the family and the employers.

Another of the programme's strengths is that it takes a holistic approach, providing tailor-made solutions, including training, skills upgrading, flexible work arrangements, as well as availability of care/services for dependent persons and other existing support, to help women upgrade their skills and regain confidence after long periods of unemployment.

### Specific policy issues

With regard to childcare support, the EU's 2002 'Barcelona Targets' specify that, by 2010, EU Member States should try to provide childcare for at least 90% of all children aged between 3 years old and the mandatory school age, and for at least 33% of all children under 3 years of age. However, these targets overlook the need to provide care for school-aged children as well. The 'Relay Houses' in Luxembourg provide a good example of what services could be offered to help mothers to combine work and family life more easily. Such services are particularly important in the German approach, where strengthening the role of the family to support women back into the labour market is an important element of the programme. Childcare assistance should also be provided to women seeking work or following vocational trainings. And a greater participation of men in care work also needs to be encouraged in order to support women's economic independence.

When it comes to tax-benefit systems, some important lessons can be learned from gender equality programmes that include a more flexible approach and 'individualise' social security rights. Tax benefit schemes

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should not act as a deterrent for lower-paid workers to return to work, but should seek to enable women to be more economically independent.

Policies also need to recognise the strong link between more flexible labour market models and a reconciliation of work and personal life. Europe lags far behind the US in its use of tele-working and ICT, for example, and flexibility clauses are still underused in employees' contracts.

There is also a need for governments to take a more holistic approach to employment policies, which also takes into account other aspects of day-to-day life. For example, the accessibility and opening times of services like transport, shopping or family care need to be adapted to working women's needs. The German Programme should examine the link between employment policies and other policies affecting use of time.

Finally, there are two approaches to helping women to return to the labour force: paternalistic and proactive. The proactive approach is better for women's emancipation. Indeed, Member States should avoid considering women as 'victims' to be protected but rather as 'actors' who decide on their work patterns, and take decisions about their own lives. The 'victimisation' of women can lead to the creation of a 'benefits trap', whereby women become completely dependent on State support and cannot return to work because they would lose their financial benefits.

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## Role of employers

Employers play an important part in the process of getting women back into the labour market. They should provide training for women returnees as this can serve to encourage them to remain in the firm and thus allow the company to capitalise on the training investment.

In this sense, some of the Corporate Social Responsibility initiatives set up by companies can serve as an example. Volkswagen automobile company, for instance, uses a system of time credits, so employees without children can gain credits from working additional hours, which they can then cash in



when they get children. This enables them not to lose any pay for taking time off to care for their children.

## **Role of the family**

Fathers also play an important part in encouraging mothers to return to the labour market. They should be encouraged to take up more caring activities, through more flexible working arrangements, such as the Dutch example of the four-day week. Indeed, such schemes allow men more free time to take up caring responsibilities — given that their partners have enough negotiating power to achieve this outcome.

## **Social inclusion and poverty reduction**

The German Programme has a strong social dimension as it aims to reduce child poverty and encourage social inclusion by giving women the chance to work. Many children grow up in households where only one parent works, and these families have a 25% to 30% chance of ending up in poverty. The most vulnerable groups are usually composed of women — lone parents and those who care for the elderly and disabled — and the German programme has the potential to provide tailored assistance for such groups.

Many households are also in a situation of ‘in-work’ poverty, and encouraging women to work full-time instead of part-time could help alleviate this situation. There is thus a need to see what other characteristics are not being addressed by employment policy instruments, such as civil status, age, race, ethnic background, disability, etc.

## **Governance**

Overall participants were very impressed by the German Programme, which they felt was innovative and an example of good governance as it brings together a variety of structures and stakeholders and ensures that policies at different government levels are properly coordinated.



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They felt further studies should be carried out on improving coordination and cooperation between regional and local authorities in order to incorporate this into strategies to increase women's employment rates.

Lastly, participants considered that an analysis of the different quantitative and qualitative indicators that are used by Member States to evaluate policies and to monitor whether programmes are having the desired effects would be very useful and that experiences in this field should be shared.

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<http://www.peer-review-social-inclusion.eu>

## Getting women back into the labour market

Host country: **Germany**

Peer countries: **Cyprus, Denmark, Italy, Luxembourg, Malta, Poland, The Netherlands**

Raising the employment rate of women across the EU to the Lisbon target of 60% or above is not only important in the context of an ageing work force and the prospective decline of working-age population in EU Member States but is a major means of ensuring that women have the same opportunity to pursue a working career as men. Studies, therefore, show that at present women are severely restricted by the responsibility of caring for children, which ultimately tends to fall on them rather than on their partners, from having a full-time job.

This is particularly the case in Germany, though it is by no means unique in this respect. Whereas both partners in a couple without children invariably have a job, women usually give up their job once they start a family, at least for a temporary period of time. Moreover, when they return to paid employment, it is often on a part-time basis. Men on the contrary tend to remain in employment and in many cases work longer hours than before. The evidence indicates, therefore, that one in three women remain economically inactive for a long period after giving birth, while 80–90% of fathers remain in full-time employment.

To address this apparent inequality, the 'Berufsrückkehr von Frauen' programme has recently been launched in Germany with the aim of developing and implementing measures that make it easier for women to return to work, to make employers more aware of the potential benefits to them of women returning to work and to persuade men to do more to support their partners when they do so.

The Peer Review, therefore, provides an opportunity for Member States to learn from the experience of other countries in implementing measures for assisting women to return to work after having children.