



Care Gap – a major cause of Gender Inequality?

Despite the efforts of the European Commission, gender equality is progressing at a "snail's pace". Indeed, EU legislation and policies have only had a limited impact and the gender pay gap and the pension gap are persisting. Moreover, the EU Gender Equality score has increased, since 2005 by only 5.4 points (+ 1.2 points since 2015). (EIGE)¹

The main issue is a lack of understanding of what the root causes of gender inequality are. Among those:

- Unequal share of unpaid care work ('care gap')
- Gender stereotypes and discrimination
- Inadequate EU and national legislation that encompass the realities of the XXI century, an economy where women also perform paid work. Employment legislation is rigid and dates back to the industrial era when women performed the care work and career breaks were not needed.

Make Mothers Matter strongly believes that gender equality will never be achieved until the « care gap » is recognized, and that the care is redistributed. The amount of time dedicated by women to care activities is much higher than men.

In the European Union, the lack of recognition of the value of such activities and the absence of measures to adjust the sharing of them is a major obstacle to gender equality. Women still perform the majority of unpaid care work, such as household work and caring for children, the disabled, the elderly or the frail. This inequality is difficult to prove because recent and reliable data of the share of unpaid care work in European households is not available. Only some estimates exist and what is not counted 'does not count'.

This impacts women's availability on the labour market, forcing women to reduce their paid working hours. As a consequence, this not only reduces their overall income, but also their career progression, time for training or retraining, and also affects their hourly-wage and pension income. In addition, there is the perception that women with children are less available, competent and are therefore discriminated in terms of promotions, access to training, more senior positions, etc. The result is a 'motherhood penalty' that raises concerns not only about the gender pay gap, but also for the capacity of societies to manage a sustainable balance between economic and social aspects.

There is an urgent need for the European Commission to set clear targets and indicators including impact assessments, instead of the actual strategic engagement specifically addressing the domain of time. It would also be important to include a subdomain that compares women without children and mothers, in pay gap calculations. Comparing families with children and families without children hides the fact that in many cases, men compensate the loss of income

¹ Gender Equality Index 2019



(extra hours, etc.) and the real gender gap is not shown. According to the ILO report ², the motherhood gap increases with the number of children the mother has. In many countries in Europe the gap is lower with one child but increases significantly with three.

We usually speak about equal pay or gender pay gap. The real pay gap is not gender-based but care-based. There is a “care gap” as it is the person providing the care that gets discriminated and penalised in pay, career promotion and pensions. Therefore, this should be acknowledged in the gender pay gap debate and solutions discussed such as the recognition of unpaid care work in providing “care credits” in the calculation on pensions as an assimilated period.

Women need support when returning to the labour market after a career break due to caring responsibilities, by validating their informal skills acquired working at home and giving them access to training in order to maintain their pay level and seniority.

If policies and societies tackle only the gender pay gap and there are no figures that show that mothers are penalized, society will not attain the capacity of supporting the costs of rearing children and a better distribution of child rearing. Knowing that the economy in general will also profit from such redistribution.

Make Mothers Matter advocates for the care gap to be recognized, and unpaid care work redistributed while also urging authorities to take the necessary measures to meet the essential needs of the European mothers to eliminate the discriminatory consequences of childbirth. These needs are drawn from the results of the survey we conducted with 12,000 mothers in Europe on their priorities³, observed best practices and other research results and can be reduced to five principles: **time, choice, services, resources and recognition.**

1) Time

Through the general trend towards a rising life expectancy, the traditional life course and career path must be reconsidered. This stretched working life could benefit from more flexibility with a long-term vision, instead of the “rush-hour” period of intense work and career coupled with having children and starting a young family.

MMM supports free choice: those parents who wish to look after their children at home can and should do so. Society as a whole should be concerned about finding solutions to calm the frequent tensions between the demands of paid work and unpaid family care work. Therefore, MMM suggests the promotion of a lifecycle, rather than a linear approach, allowing women and men to leave the labour market partially or completely for a definite period of time to care for and educate their children, and then re-enter it. Conciliation policies are essential at EU level to

² The motherhood pay gap: A review of the issues, theory and international evidence, Geneva, 2015

³ What Matters to Mothers in Europe, Survey of Mothers in Europe, 2011 results:
<https://makemothersmatter.org/delegations/europe/what-matters-to-mothers-in-europe/>



promote female employment and tackle the demographic challenge. They will not be efficient or sustainable if they do not take into account what mothers want.

The solutions we propose are:

- Allow more **flexibility for taking up care duties**, switching from full-time to part-time jobs and vice versa.
- Give easier access to **life-long learning** for women, providing qualifications after long career breaks can enable their reentry into the labour market.
- Provide a **better legal framework for part-time work** (where women are overrepresented) in order to ensure equality and the improvement of the quality of part-time jobs enabling them to have a decent pension.
- **Adequately paid Maternity and Paternity Leave**. Including more flexibility of parental leave allowing parents to take it until the child is 18 years old not just to 12. If they are still legally minors, parents should be able to take time to care also for teenagers who demand a presence of their parents specially when they return home.
- Have **specific measures adapted to parents in vulnerable or more challenging situations** such as single parents, multiple births, migrants, parents with disabled children, divorced etc.
- Promote the **share of caring responsibilities** by designing policies encouraging men to take on a higher share of family and caring responsibilities within the home, such as good remuneration, clear eligibility criteria, eliminating tax disincentives and flexibility.

2) Choice

Mothers need to have an economically-feasible choice between an outsourced or an in-family care solution enabling them to take care of their under school-age children themselves.

The current standard model, based on economic criteria, make it difficult for women to raise children while being in full-time employment. They need to have the possibility to adjust their employment according to the needs of each child, the ages and number of children.

This adjustability of the working hours should not be confused with part-time working which is currently the more accessible way for mothers to manage a minimal balance between their private and professional lives.

The Commission and the Member States need to promote more flexible working conditions for women and men (notably the Right to Request) to ensure better work-family balance.

The measures we propose are:



- **Free choice for parents and caregivers** to be able to devote some time to their family responsibilities and adjust their working lives accordingly.

- Create a better **EU legal framework for part-time work** (where women are overrepresented) in order to ensure equality and the improvement of the quality of part-time jobs enabling them to have a decent pension. At EU level, this will need the revision of the Working Time Directive or the Part-time work Directive to include conciliation measures.

- MMM supports **initiatives and measures adopted by companies** to help employees better reconcile work and family life as part of their CSR policy.

For instance the new "More inclusive and enhanced global parental support policy" from Nestlé (starting in 2020), sets minimum standards of 18 weeks parental leave for primary caregivers and 4 weeks for secondary caregivers, which can be increased where required by local regulations or when the company chooses to offer more leave.⁴

Danone, Italy has implemented family-friendly policies for its employees⁵(with inclusive and customized child care support, doubling social security contributions during maternity leave and providing and encouraging a policy of 10 days of paid paternity leave, versus 5 days provided by national law, etc.) It also introduced the MAAM Tool – Maternity as a Master⁶, a digital tool for new parents. Some results of these policies: 100% of mothers returned to work, 42% of mothers are promoted when going back to work, 100% of dads benefit from paternity leave of 10 days (versus 4 days by law), 85% of mothers breastfeed, 0,7% of absenteeism (versus 5,4 % in Italy). Regarding the skills they developed: 83% of new mothers and fathers in the organisation participating in the master perceived an improvement in their soft skills, 79% felt more energised, 75% felt more engaged with the company, 35% had more ability to manage priorities and timing, 35% had more empathy, 35% more ability to delegate, 15% had more ability to take decisions, 20% had more mental agility, 10% more had the ability to manage complexity.

Or the EFR certificate, an audit of internal policies based on ISO standards which have an impact on work-life balance promoted by our member MásFamilia Foundation, and supported by the Spanish Ministry of Health and Social Policy. It has already helped more than 600 organisations (companies, universities, municipalities etc) to implement a new work culture allowing for better harmony between work, family and personal spheres. It has shown that companies, which have conciliation policies, have better productivity, retention rate and lower absenteeism and accidents.

3) Resources

⁴ <https://www.nestle.com/media/pressreleases/allpressreleases/nestle-supports-families-new-parental-leave-policy>

⁵ https://www.danone.com/content/dam/danone-corp/danone-com/about-us-impact/policies-and-commitments/en/2017/2017_06_23_DanoneGlobalParentalPolicy.pdf

⁶ <https://www.maam.life/en/>



In order to make it possible for mothers to be able to find a balance between their private and professional life, it is necessary to develop the necessary financial resources and incentives. Women are still « second earners » in a majority of European households which prevents them from joining the labour market in equal conditions as men. Assuming care activities should no longer result in a worsening of their financial situation. There is also an urgent need for measures addressing the stress put on families by the difficulties of combining work and care activities and the negative consequences it can have on their physical and mental health and the breaking up of couples.

The principle of equal pay is included in the treaties since more than 60 years and it is not evolving fast enough. We must find a new way to approach this issue. Europe's population is ageing so the need for care will only increase but the care gap will as well. Women carers will not be able to remain in the workforce if Member states do not support them in their caring activities by creating more, qualitative, accessible and affordable childcare facilities, support of informal carers (respite care, training etc), and other work-life balance policies.

To counter-balance this trend, women should not only be able to access, stay or reenter their employments after having children, but men should be encouraged to take on a higher share of family and caring responsibilities within the home. To address this inequality, men should be encouraged, by law, policy or practices at work to take up more leave.

There is a need for measures such as:

- Promoting more **fair and equitable tax systems** notably by eliminating the second earner status, which is a disincentive for women to join the labour market. In a study⁷ from 30 OECD countries, it was confirmed that when higher tax rates are applied to secondary earners (generally women) they reduce their labour force participation and have a negative effect on their employment outcomes.
- Encouraging the **reform of national tax systems** which can produce disincentives to take leave schemes.
- Removing **unfair indirect taxation** by reducing VAT for early childhood products and services such as nappies, pacifiers, bottles etc. A change in VAT could be the subject of a recommendation by the Commission or the Council, and the compensations required by such a scheme studied at European level. Calling for this sort of measure would have major effects in both the short and long term for families in Europe.
- **Child and family benefits and allowances** such as the provision of universal child benefits for all families, designed as a right for all children, permitting a parental choice of childcare. For instance, in Finland a flexible allowance on childcare is the most commonly used social services

⁷ OECD, Closing the Gender Gap: Act Now (2012)



among families. As every child under school age has a right to day care, all families have access to free universal daycare for children aged eight months to five years, a policy that has been in place since 1990. This childcare is also flexible, providing the option of full-day childcare centres, as well as municipal playgrounds with adult supervision where parents can accompany the child. In addition, the government can also give the allowance to parents who stay at home and provide 'home daycare' for the first three years.

- Tackle **gender-based discrimination** due to caring responsibilities in the labour market and promote pay transparency and clarify the notion of "equal work", "work of equal value" and "indirect discrimination" to tackle the gender paygap.

- As part of the EU Semester process include in the **country specific recommendation** measures to tackle the gender pay gap and fight gender stereotypes.

4) Services

In order to ensure that women are able to access the labour market once they have given birth, it is necessary that formal services such as **childcare centres that are accessible, affordable and of a high quality** exist. Including emergency childcare, baby-sitting services, care services for sick children, multi-purpose childcare facilities, out-of hours and out-of school childcare, employer-supported childcare, etc.

The provision of community-based care services is also key to reducing and distributing unpaid care work. For families that make the choice of **informal services** (parents, close family members, community based carers, Leihomas or "borrow" a grandmother, etc.), these choices should also be **supported and organised**.

Childcare solutions should be available until mandatory school age.

- **Care services** (long-term care for disabled and elderly people) should be **affordable, accessible and have quality**. Support families also when they choose **informal services** (care provided by private individuals, intergenerational residences where young/old communities come together to form a "family" and help each other, etc.).

It is time for the Commission to adopt a strategy with clear targets and indicators showing progress that can be made. This could be done in accordance with the Sustainable Development Goals, especially goal 5 on gender equality, which also has targets and indicators and it could include measurements on how those targets are implemented in EU policies. Data collection and impact assessments are a key part of this strategy in order to measure if legislation and policies have had the desired results and contribute to the wellbeing of families.

5) Recognition

Informal care work, provided by friends and family, predominantly women, represent 80% of care activities across Europe. These carers face serious consequences, when their work is not



recognized or valued, including opportunities to access formal employment and experience career progression, as well as a greater risk of poverty, particularly in old age.

It is not acceptable that this valuable work is not quantified, evaluated or recognized in the GDP calculations. Care work needs to be considered as work and given access to social rights notably pension rights where mothers suffer from very low incomes and a high dependence to their partner's pension due to their, forced in some cases, retreat from the work force in order to take care of their families.

Therefore, we propose as solutions:

- Conduct **Studies in Europe**, such as the recent international report published by Oxfam⁸ to estimate the economic value of unpaid care work. It is also important to conduct accurate **Time-use surveys** to measure the amount of unpaid family care work, how it is shared between men and women, how this evolves over time and its inclusion in the calculation of GDP.
- **Validation of informal skills** acquired when performing family work to facilitate the return to the labour market as proposed in the Famcompass EU funded project. In 2009, an instrument was developed and funded under the EU Grundtvig Programme to validate the skills obtained in the family context, the FamCompass (Assessing and Validating Family Skills), and its use should be promoted.⁹

The already cited MAAM Tool – Maternity as a Master, a digital tool for new parents serves enterprises and employers to better acknowledge the soft skills acquired through maternity and when becoming a parent.¹⁰

- Compensate for the time spent on caregiving in pensions by recognising this time as “**care credits**”, so it is accounted for when calculating retirement pensions to increase its amount. In Germany, article 249 SGB VI from the Social Code recognises that a parent who has stayed at home for up to 3 years to take care of children during this period, will also generate pension credits (1 or 3 depending if the children are born before or after 1992). This means mothers or fathers will have a better pension as a result of this time that was allocated for caregiving.
- Give the possibility for caregivers to **work part time but contribute full time to pension schemes** to avoid poverty in old age.

⁸ Time to care <https://www.oxfam.org/en/research/time-care>, 20.01.20

⁹ A Multilateral Cooperation Project in the 'Lifelong Learning Program' of the European Commission – Grundtvig I - Education and Culture DG The 'Family Competences Portfolio', in short 'FamCompass', assesses 'family competences', competences men and women have obtained in family life, in their roles as educators, home makers and care givers. Family competences are valuable human resources. Tested in seven European countries, the FamCompass guarantees a transparent and objective assessment of these informally acquired competences. It can be used to facilitate the intake for education and training programmes, grant exemptions and shorten training pathways and validate family competences on the labour market. See www.famcompass.eu

¹⁰ <https://www.maam.life/en/>



- Facilitate access to **life-long learning and re-skilling** after a career break due to caregiving reasons as it can enable their retry into the labour market. For instance, in Belgium some training courses are not available for mothers returning to the labour market, but only for the unemployed.