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# ITUC Economic and Social Policy Brief: Gender Gaps in Social Protection



ITUC CSI IGB International Trade Union Confederation



# Gender Gaps in Social Protection

## The issue...

Worldwide, more than half of the global population is not covered under any type of social protection scheme, and less than 30 per cent enjoys comprehensive social protection<sup>1</sup>. Women are disadvantaged in social protection systems, experiencing lower coverage rates and substantially lower benefit levels.<sup>2</sup> Gender gaps in access to social protection however vary per region and country, as they are highly dependent on the characteristics of the labour market and the structure of the social security system.

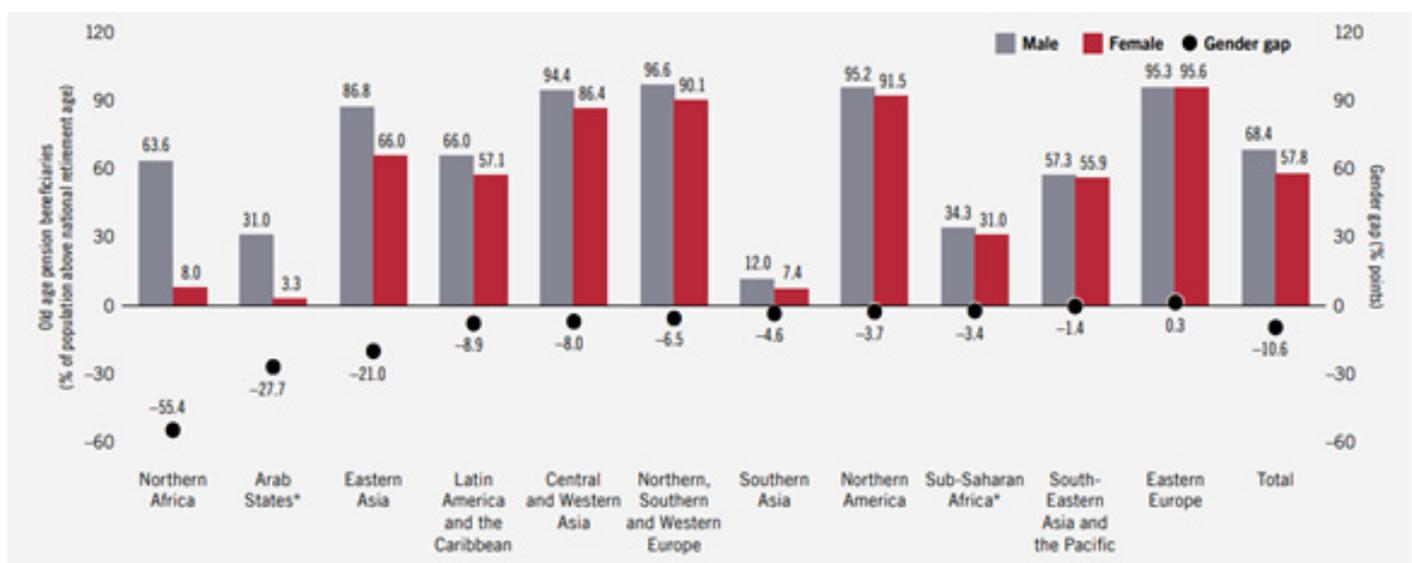
The coverage of contributory social protection schemes for women is particularly low, and in the absence of social protection floors, women are often left without any support. This is especially in the case with regard to old-age pensions, unemployment benefits or maternity protection.<sup>3</sup> Globally only 26.4% of working-age women are covered by contributory old-age protection, compared to 31.5% of the total working-age population.<sup>4</sup> In North Africa, for example,

63.6% of elderly men receive an old-age pension, but only 8.0% of women do. In South East Asia, women are structurally less protected against unemployment<sup>5</sup> and globally, a large majority of women does not enjoy maternity protection.<sup>6</sup>

In addition to women's lower social protection coverage, **gender gaps in benefit levels are extremely high in some countries.** Within the European Union, women's pensions are on average 40.2% lower than those of men.<sup>7</sup>

Gender gaps in social protection tend to be especially acute after the retirement age. Nearly 65% of people above the retirement age living without a regular pension are women.<sup>8</sup> This puts women at a substantially greater risk of poverty than men, also because women on average live longer than men do. In the European Union, 20.6% of women above the age of 65 are at risk of poverty, compared to 15.0% of men.<sup>9</sup> In some countries, such as Bulgaria, the difference in risk of poverty between men and women is over 15 percentage points.

Chart: Percentage of persons of pensionable age receiving a pension



<sup>1</sup> See [ILO World Social Protection Report 2017-2019](#)

<sup>2</sup> UN Women (2015) [Progress of the World's Women 2015-2016](#)

<sup>3</sup> ILO (2016) [Women at Work: Trends 2016](#)

<sup>4</sup> ILO (2014) [World Social Protection Report 2014/15: Building economic recovery, inclusive development and social justice](#)

<sup>5</sup> ILO (2017) [World Social Protection Report 2017-2019: Universal social protection to achieve the Sustainable Development Goals](#)

<sup>6</sup> ILO (2016) [Women at Work: Trends 2016](#)

<sup>7</sup> Istituto per la Ricerca Sociale (IRS)-Italy (2016) [The gender pension gap: differences between mothers and women without children](#)

<sup>8</sup> ILO (2016) [Women at Work: Trends 2016](#)

<sup>9</sup> Eurostat (2018) <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

## The drivers of gender social protection gaps...

In many countries, social protection schemes have been designed around a male breadwinner model, assuming an uninterrupted and full-time career in the formal economy. This tends to penalise women – who are more likely to experience different contribution histories to men, and tend to have **lower total accumulated contributions**.

Women tend to have lower contributions first of all because they are **underrepresented in the labour market**. On average, their labour participation is 26 percentage point lower than that of men.<sup>10</sup> In addition, **women workers tend to be overrepresented in informal employment**<sup>11</sup>, excluding them from most contribution-based schemes and leaving them completely unprotected in the absence of social protection floors<sup>12</sup>.

Furthermore, all over the world women still assume the main **responsibility for care tasks** within households. Studies show that, worldwide, women undertake 75% of all unpaid care work and spend 2.5 times more time on these care tasks than men do.<sup>13</sup> This causes women to **interrupt their careers, work shorter hours** and accept **precarious work** to be able to combine paid work on the labour market with unpaid work at home.<sup>14</sup> Globally, women on average spend 11 hours a week less on paid work than men do.<sup>15</sup> This tends to result in interrupted contribution histories.

Finally, the **gender pay gap** means women are paid less compared to men for doing work of equal value.<sup>16</sup> This prevents women from making the same amount of contributions as men, ultimately leading to lower benefit levels in many cases.

All these factors contribute to the large gender coverage gap in social protection for women as well as to the gender gap in levels of social security benefits. **Without complementary non-contributory schemes or more universal systems, women are often left without sufficient social protection.**

Besides the disadvantaged position on the labour market, the **design of social protection schemes** can also contribute to gender gaps in social protection. Lower retirement ages for women than men in some countries

can prevent women from accumulating sufficient contributions.<sup>17</sup> For private pensions, discrimination in benefit levels has also been observed in some cases, with the justification of longer life expectancies for women.<sup>18</sup>

**Increasingly strict contribution requirements and stronger links between contributions and benefits**, often as part of austerity measures, are further deteriorating women's access to adequate social protection. In Spain, for example, following European Commission recommendations related to fiscal sustainability, access to social security is increasingly being tied to work-related criteria and becoming dependent on a worker's entire career.<sup>19</sup> This strongly affects women, who make up 73.4% of Spain's part-time workers and only 40.5% of permanent contract workers.<sup>20</sup> In the UK, 86% of the social spending retrenchment since 2010 was cut from women's incomes.<sup>21</sup> Furthermore, women are affected disproportionately by **cutbacks to some types of benefits, such as maternity benefits and survivors' benefits**. Finally, the increased weight of occupational and private pensions in some countries compared to public pensions will lead to greater differences between men's and women's social protection entitlements, as women will tend to be less likely to access such schemes as well as make comparable contributions than men.<sup>22</sup>

## Policy measures...

Policies addressing **labour market inequalities** can help close the gender gaps in social protection coverage and benefits. **Reforms to social protection** systems can mitigate the disadvantage women face in accessing social protection and help to expand social protection coverage to these that are left out.

## Addressing labour market inequalities

**Labour market access** can be improved by enhancing access to public care services to lighten the burden of care for children and other dependent family members, which is currently often shouldered by women. Not only does this allow women to return to the formal, paid labour market, it also benefits those being cared for.<sup>23</sup> In addition, investing in the care economy and formalising care work has been shown to be extremely effective in removing barriers to women's participation in the labour market and closing the gender employment and wage gap.<sup>24</sup>

10 ILO (2016) [Non-Standard Employment Around the World: Understanding challenges, shaping prospects](#)

11 ILO (2003) [Gender equality and the extension of social protection](#)

12 Arza, C. (2015) [The Gender Dimensions of Pension Systems: Policies and constraints for the protection of older women](#)

13 McKinsey Global Institute (2015) [The Power of Parity: How Advancing Women's Equality can add \\$12 Trillion to Global Growth](#), ILO (2016) [Non-Standard Employment Around the World: Understanding challenges, shaping prospects](#), ILO (2018) [Care work and care jobs for the future of decent work](#)

14 OECD (2017) [The Pursuit of Gender Equality: An uphill battle](#), Chapter 15

15 ILO (2016) [Women at Work: Trends 2016](#)

16 UN (2017) [The State of the World Population 2017](#)

17 See for instance EU Social Protection Committee (2015) [The 2015 Pension Adequacy Report: current and future income adequacy in old age in the EU](#)

18 Lau, S. (2017) [Hong Kong women penalised for living longer: enquiry into annuity scheme discrimination](#)

19 Beltran, N. P. (2014) [Mainstreaming Gender in Spanish Labour and Pension Reforms and in European Social Policies](#), in Goldblatt, B. & Lamarche, L. (eds.) [Women's Rights to Social Security and Social Protection](#)

20 CESR (2017) [Visualising Rights in Spain, Factsheet No. 17](#)

21 Women's Budget Group (2016) [The impact on women of the 2016 Budget: Women paying for the Chancellor's tax cuts](#)

22 Arza, C. (2015) [The Gender Dimensions of Pension Systems: Policies and constraints for the protection of older women](#), ETUC (2017) [Private pensions risk bigger gender pension gap](#)

23 24 ILO (2017) [Gender in employment policies and programmes: What works for women?](#)

24 ITUC (2016) [Investing in the Care Economy: A gender analysis of employment stimulus in seven OECD countries](#)

## Good examples of policies closing the social protection gender gap

**Mexico:** A programme covering up to 90% of childcare costs by subsidising both low-income parents and the suppliers of childcare has improved labour market access for women and created 45,000 formal, paid jobs, mainly for women.<sup>A</sup>

**Denmark:** Since 2005, contributions to the pensions system continue during periods of parental leave. This helps to mitigate the impact of career breaks due to care on pension entitlements.

**Iceland:** As of 2018, companies with 25 employees or more are required to demonstrate that they pay male and female employees fairly without gender discrimination, or risk facing daily fines.

**Kenya:** In 2017, Kenya reformed their social protection system to extend healthcare and old-age pensions on a non-contributory basis, thus extending access to informal workers and others who had previously been unable to meet contribution requirements.

**European Union:** In 2011, the European Court of Justice ruled that different insurance premiums for women and men constitute sex discrimination and are not compatible with the EU's Charter of Fundamental Rights, thereby rendering such practices illegal.<sup>B</sup> This includes sex discrimination for private pension premiums and benefits.

**The Netherlands:** Since 1956, a universal basic pension is provided to all residents above the pensionable age, regardless of occupational or contributory history. This addresses gender inequalities in pension coverage and has been shown to protect women from old age poverty.

A ILO (2017) *Gender in employment policies and programmes: What works for women?*

B European Commission (2011) *Press-release MEMO/11/123*

Furthermore, **paid family leave**, available to both women and men, can have an important impact. Providing workers with the possibility of leave to care for children or dependent family members, with the guarantee of returning to the same job afterwards, has been shown to prevent women from leaving the labour market altogether, and doing so on a gender-neutral basis can reduce gender differences in work and care. **Flexible working arrangements** that are promoted on a gender-neutral basis can also contribute to this, provided that they do not erode rights, protections and benefits.

If women do choose to work fewer hours or temporarily leave the formal labour market in order to take on care responsibilities, it is important that they can re-enter the labour market without any extra difficulties afterwards. **ILO Convention 156** and **Recommendation 165** on workers with family responsibilities set out that persons with family responsibilities must be free to exercise their right to employment without being subject to discrimination and that affordable childcare, home-help and home-care services should be promoted.

**Closing the gender pay gap** can help to ensure decent livelihoods for working women and address part of the balance in women and men's social security contributions. In this regard, adopting and enforcing equal pay legislation is essential. Although many countries have ratified **ILO Convention 100** on equal remuneration, a much smaller number has actually passed implementing legislation.<sup>25</sup> Other policies that can contribute to closing the gender pay gap are increasing pay transparency, reducing vertical and horizontal sectoral occupational segregation, implementing strong anti-discrimination legislation, ensuring minimum living wages and promoting collective bargaining.<sup>26</sup>

Address women's overrepresentation in informal work can also help to reduce coverage gaps in social protection and strengthen the financing base for this systems. Governments should accordingly **support the transition to the formal economy**, in line with **ILO Recommendation 204**. This can be achieved by creating sustainable decent jobs in the formal sector, providing incentives to transition from informal to formal work, simplifying procedures for registering businesses, enforcing labour laws and workplace regulations, and improving access to finance for entrepreneurs and small businesses. Measures to allow informal workers to access to social protection are equally important, for instance by allowing them to participate in contributory systems as well as ensuring universal access to basic social security guarantees, regardless of contributions, in line with ILO Recommendation 202.

<sup>25</sup> ILO (2016) *Closing the gender pay gap: A review of the issues, policy mechanisms and international evidence*

<sup>26</sup> For a more extensive discussion of policies tackling the gender pay gap, see: ITUC (2018) Economic and Social Policy Brief: The Gender Pay Gap (forthcoming)

## Reforming social protection systems

However, measures to tackle women's disadvantage in the labour market might not be able to completely remove the obstacles that women currently in need of social protection are already facing. Therefore, the labour market policies discussed above should be combined with reforms of the social protection system that **mitigate** the disadvantages women face in social protection. As contribution accumulations for women are often low, the most effective way to significantly expand access to social protection would be to ensure adequate, public **non-contributory social protection schemes**, such as **basic pensions** and **guarantee minimum unemployment benefits**.<sup>27</sup> Over 85% of the countries in which there is no gender gap in effective pension coverage have non-contributory pensions; this is usually universal or pension-tested.<sup>28</sup> **ILO Recommendation 202** on social protection floors sets out that states should provide universal and gender-neutral access to essential health care and basic income security in every stage of life.

In addition, it is important that **periods of care are credited fairly**. This means that contributions to pensions and other contributory social security schemes continue to be paid, also for example during periods of parental leave. Furthermore, **ILO Convention 102** on social security sets out the right to survivors' pensions for the spouse of a deceased worker. It is essential that the **benefit levels of survivors' pensions** be adequate, as a relatively large share of women depend on these benefits.<sup>29</sup>

## International labour standards relevant to gender equality and social protection

**The Workers with Family Responsibilities Convention (156) and its accompanying Recommendation (165)** set out that persons with family responsibilities must be free to exercise their right to employment without being subject to discrimination and that affordable childcare, home-help and home-care services should be promoted.

**The Equal Remuneration Convention (100)** sets out that equal pay for men and women for work of equal value must be promoted.

**The Transition from the Informal to the Formal Economy Recommendation (204)** sets out that all economic activities by workers that are by law or in practice not covered or insufficiently covered by formal arrangements should be formalised.

**The Social Protection Floors Recommendation (202)** sets out that states should ensure universal and gender-neutral access to essential health care and basic income security in every stage of life.

**The Social Security (Minimum Standards) Convention (102)** sets out the right for spouses and children of a deceased worker to survivors' benefits.

**The Maternity Benefits Convention (C183)** sets out that cash benefits should be provided to ensure that women can maintain themselves and their children in proper conditions of health and with a suitable standard of living. Benefits should be at least two-thirds of previous earnings or a comparable amount. It also sets out that women and children should receive medical benefits including prenatal, childbirth and postnatal care, as well as hospitalization care when necessary.

**Several higher-level international labour standards** exist covering a range of social protection benefits and services. A full list of these standards can be found [here](#).

<sup>27</sup> UN Women (2015) [Progress of the World's Women 2015-2016](#)

<sup>28</sup> ILO (2016) [Women at Work: Trends 2016](#)

<sup>29</sup> Tinios, P., Bettio, F. & Betti, G. (2015) [Men, Women and Pensions](#)

## Union demands

- Governments should invest in the care economy and support the professionalisation and formalisation of care work
- Governments should adequately credit care periods in their contributory social protection systems, in order to maintain contribution levels
- Governments should provide paid parental leave for both women and men that allows for a more equal division of care responsibilities between parents
- Governments must develop national social protection floors, including basic pensions and minimum unemployment benefits, with universal coverage including for women in precarious and informal work
- Governments should support and facilitate the transition to the formal economy
- Governments should ensure access to adequate survivors benefits
- Governments should adopt a range of policies to close the gender pay gap including pay transparency, minimum living wages and strong anti-discrimination legislation, as well as promote collective bargaining

### Further readings and useful links...

ILO (2003) [Gender equality and the extension of social protection](#)

ILO (2013) [Cash transfer programmes, poverty reduction and empowerment of women: a comparative analysis](#)

ILO (2016) [Women at Work: Trends 2016](#)

Instituto per la Ricerca Sociale (IRS)-Italy (2016) [The gender pension gap: differences between mothers and women without children](#)

ITUC (2017) [Investing in the Care Economy: Simulating employment effects by gender in countries in emerging economies](#)

ITUC (2018) *Economic and Social Policy Brief: The Gender Pay Gap* (forthcoming)

UN Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights (2018) *The links and the impact of economic reforms and austerity measures on women's human rights* (forthcoming)

UN Women (2015) [Progress of the World's Women 2015-2016](#)