



European Communities

**EUROPEAN PARLIAMENT****SESSION DOCUMENTS**

English Edition

15 January 1991

DOCUMENT A 3-0358/90/PART B

**R E P O R T**

drawn up on behalf of the Committee on Women's Rights  
 on the 1992 Single Market and its implications for women  
 in the EC

Rapporteur: Mrs M. VAN HEMELDONCK

\*  
\*   \*   \*

PART B: EXPLANATORY STATEMENT

DOC\_EN\RR\102369

PE 143.485/fin./B

*A Series: Reports - B Series: Motions for Resolutions, Oral Questions - C Series: Documents received from other Institutions (e.g. Consultations)*

*	= Consultation procedure requiring a single reading	**II	= Cooperation procedure (second reading) which requires the votes of a majority of the current Members of Parliament for rejection or amendment
**I	= Cooperation procedure (first reading)	***	= Parliamentary assent which requires the votes of a majority of the current Members of Parliament



EXPLANATORY STATEMENTINTRODUCTION

On 31 December 1992 all technical, legal and fiscal barriers to the free movement of persons, services and capital between the Member States will be lifted.

Article 130 of the Single European Act stresses that economic and social cohesion will be strengthened by completing the internal market.

Neither the Padoa-Schioppa report (April 1987) on the economic repercussions of the European internal market nor the Cecchini report (February 1988) on the cost of non-Europe, however, the specific effects on women.

Nonetheless, in its opinion on the social aspects of the internal market (Beretta opinion, 19 November 1987), the Economic and Social Committee drew attention to the need to take measures to assist the most vulnerable and disadvantaged sections of society and regions.

In its study of the social dimension of the internal market (1988 progress report by the interdepartmental group, ISBN 92-825-8257-4) the Commission observed that the internal market would bring about, speed up and increase social change and that the social dimension involved more than the activities of management and labour and also covered policy on the family, consumer issues and the like.

All reports so far by the Commission, the Economic and Social Committee and the European Parliament on employment, unemployment, social security, poverty and social discrimination have pointed to the fact that women in the Member States are noticeably worse off - a situation that is even more pronounced in the Community's peripheral regions. Consequently, there must be an assessment of what measures should be taken so as to narrow the gap before 1992 and to prevent the position of women from being adversely affected by the European internal market.

THE PROBLEMS

The free movement of persons, goods, capital and services is certain to bring about changes in society which will affect women in a noticeably different way from men and therefore call for a targeted approach.

The most obvious changes affecting women relate to:

- income
- the implications of individual mobility
- the implications for the citizen with regard to infrastructure and communications
- the implications for the consumer.

## I. WOMEN'S INCOME

The consequences as regards women's income go beyond paid employment alone.

The 180 million women in the European Community derive their income from one or more of the following sources:

- (1) paid employment,
- (2) social security benefits and allowances
- (3) invisible income by virtue of belonging to a family, local or cooperative enterprise.

This income is also affected by taxation.

### A. EMPLOYMENT

Despite higher unemployment and considerable disparities depending on age bracket, region and town or country setting, the number of women in the working population continues to rise.

Degree of activity in the European Community (1987) (Source: Eurostat)

	Men	Women
Belgium	52.1	34.1
Denmark	62.5	51
FRG	58.5	34.7
Greece	54.4	27.5
Spain	51.9	24.2
France	51	35.9
Ireland	51.5	22.6
Italy	55.2	29.4
Luxembourg	56.4	30
Netherlands	53.2	28.2
Portugal	55.8	38.7
UK	59.1	39.4

In no Member State are men and women equally represented on the labour market and in no Member State is female employment the same as male employment in terms of the sectors concerned, skills required and type of work.

Proportion of women per sector (1988) (Source: Eurostat)

	Agriculture	Industry	Services
Belgium	22	18.8	47.4
Denmark	26	26.3	54.2
FRG	47.9	25.1	47.6
Greece	45.1	21	32.5
Spain	26.5	16.1	39.5
France	32.6	24.5	49.6
Ireland	7.2	21.7	43.7
Italy	34.6	24.1	38.3
Luxembourg	33.3	11.8	45.8
Netherlands	22	13.8	42.8
Portugal	51.5	29.1	47.1
UK	19.6	24.5	51.3

Once more, regrettably, neither the Member States' nor the Commission's statistics paint an accurate picture of female employment, as can be seen inter alia from data on the agricultural sector.

Uniform statistics on atypical employment that provide a precise profile of such work (working period, sector, trade union organization) or provide sufficient information on the workers concerned (sex, marital status, age, number of children, composition of family, education, dependants) are rarely available. See the study entitled 'Women in atypical employment', Danièle Meulders, 1989, ref. V/1426/89/FR.

Broadly speaking, more women than men are engaged in atypical employment in all Member States and belong to 'vulnerable' categories (the unskilled, single parents, migrants).

Women part-time workers as a proportion of total:  
(Meulders, 1989)

FRG	90.5%
Belgium	86.10%
Denmark	80%
Spain	73.5%
France	83.9%
UK	88%
Greece	37.4%
Ireland	74.6%
Italy	61.6%
Netherlands	84.5%
Portugal	65.1%

In all Member States male work in certain sectors (craft trades, retailing, fisheries, farming, intensive market gardening and some professions) contains a statistically unrecorded grey area where women are employed 'to help out'.

Women who 'help out' as a proportion of the total number of working women (1986):

Ireland	3.57%
Denmark	4.69%
FRG	6.07%
Belgium	8.04%
France	7.87%
Portugal	7.30%
Italy	10.09%
Spain	14.36%
Greece	35.74%

Lastly, in the northern Member States, more women than men work in the black economy, e.g. in the services sector. In the southern Member States, moonlighting is an additional source of income for men and the only source of income for women.

#### I. STARTING ON EQUAL TERMS

Since the seventies, the European Community has been the driving force in all the Member States to improve the employment position of women. For about five years, however, there has been stagnation on two fronts: firstly, the Member States are still failing to apply Directives in practice; secondly, the Council seems in no hurry to adopt draft directives that have been submitted. The Commission furthermore lacks a coordinated, positive policy. As far as the labour market is concerned, women lag behind men at present. Should this gap not have been closed by 1 January 1993, the new economic environment on the European internal market will worsen inequalities and drawbacks for women.

#### II. OPENING UP THE LABOUR MARKET

Naturally, an accurate forecast of how the labour market will develop for women can be made only for those sectors where statistics are available or where the Commission has carried out a detailed study (in the banking and textile sectors, for instance).

##### 1. Sectors with a high proportion of women

###### 1(a) Public services (NACE 1987, teaching only):

Denmark	80%
France	41%
Belgium	36%
France	30%
Greece	31.5%
Spain	26.5%
Ireland	28.8%
Netherlands	26%
UK	45%

Since the conditions for recruitment and promotion criteria and in civil services are well established and they furthermore offer relatively stable employment, the government is the main employer of women in most Member States.

A number of judgments of the Court of Justice have established that, after 1992, a Member State may reserve only a proportion of its civil service posts for its own nationals and that the remainder will be open to all Community citizens.

However, civil services will develop on the same lines as the services sector in general, i.e. these will be a hard core of highly skilled permanent employees, with arrangements for flexible and atypical working superimposed on this.

Predictably, because of their limited mobility, women will be less successful in obtaining 'open' posts in the public sector in other Member States.

The areas where they now work (lower grades and counter clerks) are, in the long term, likely to be affected by technological change (computerization) and organizational change (flexitime and part-time working) in the sector; there will therefore be a deterioration in both quantitative and qualitative terms.

In the civil service in particular, provision will have to be made for special training during working hours to enable women to improve the quality of their work and gain access to higher-grade posts.

1.(b) Health care and teaching are also 'women's' sectors (source: NACE 1987, women's percentage share of total):

	Health care	Teaching
Belgium	78.2	62.5
Denmark	83.5	60.1
FRG	80.6	56.9
Greece	56.7	54.9
Spain	63.7	
Ireland	73.1	60.1
Netherlands	72.9	45
UK	79.8	68.5
France	75	60

In these sectors, women are usually as well qualified as men. The free movement of persons and Community-wide recognition of diplomas may also improve women's job opportunities; however, this must always be seen in the light of family mobility and family migration.

## 2. Sectors where women's share of employment is falling

### 2.(a) Agriculture

The number of workers in this sector - men and women - is falling steadily, though women's work is largely unrecorded in statistics (see below).

In peripheral regions in particular, this change may cause problems in the absence of an employment statute for women working on family farms.

### 2.(b) Industry

Although the overall proportion of women in employment in the EC is rising steadily, the number of women working in industry is falling every year, partly because employment is falling in the secondary sector overall but principally because of the large-scale technological changes affecting jobs.

In the textiles, engineering and electronics industries, for example, traditional production has been ceded to the newly industrialized countries, with the EC retaining only production that requires a very highly skilled and highly specialized workforce. As a result, these sectors are now becoming more male-dominated.

In the less industrialized Member States (Greece and Portugal) and in the peripheral regions, efforts must be made to ensure that Community- or government-funded industrial development programmes provide opportunities for working women and men, for instance as regards preparatory courses and training in-house.

Admittedly, the success rate of campaigns to motivate women to seek training and employment in non-traditional 'women's' subjects and sectors has been indifferent at best. This is primarily the result of the anti-women climate affecting recruitment, job appreciation and promotion opportunities in industry. Positive action programmes in conjunction with genuine employment opportunities, the introduction of minimum wages and a review of the system of classification could be beneficial.

### 2.(c) Banking and insurance

Over one million women work in this sector, mostly on a part-time basis, with, by comparison with men, very wide disparities in wages (up to 25% less than men), careers and scope for collective bargaining.

Less-skilled part-time workers will bear the brunt of redundancies caused by the greater degree of concentration on the European internal market, the introduction of electronic banking, internationalization and 'Europeanization', and the move away from traditional banking areas towards retailing, etc.

The sector lends itself extremely well to positive action programmes and to training for advancement at the workplace.



### 3. Sectors with job growth potential

#### 3.(a) Services sector

New jobs are principally to be found in the non-computerized services sector where there is limited scope for increasing productivity (and hence wages are low and promotion prospects are poor and a high degree of flexibility is demanded of the workforce.

In this area of the services sector, atypical employment will expand still further, since stiffening competition will prompt employers to keep wage costs directly in line with production or profits.

#### 3.(b) New forms of services

In addition to the traditional services sector (hotel and catering, repair work, care), a new services sector is emerging that is specialized and flexible and has a higher skill level: small businesses - possibly one-woman firms - supplying high-quality services for larger firms.

This is taking place in areas such as translation, layout, computer programming, etc. A combination of skills is required (language knowledge plus subject specialization, or subject specialization plus management abilities, etc.). These service firms are vulnerable because they are constantly compelled to adapt to the latest changes in their respective areas.

New organizational arrangements such as flexible partnership, job-sharing and self-employment are possible in this area. Government or Community assistance has not yet been forthcoming in this field.

#### 3.(c) Social services

A number of Member States are making cuts in social services (child care, care of the elderly and the handicapped, health care, adult education), though the need for such services is increasing.

A private sector providing specialized social services, and requiring a workforce with certain qualifications, is emerging; action could be taken in this regard. According to an INSE study (September 1990), family reasons had disrupted the careers of 68% of the 19 600 women questioned and 23% of the men, they had had to apply for a career break, switch to part-time working or change jobs for family reasons. Targeted social services could have cut the immense loss in production and income to less than 10%.

Drawbacks: We must again stress that the European internal market may lead to the creation of several million new jobs, that these jobs will principally appeal to women in the labour pool, but that most will be classified as atypical employment. Between the desire of an increasing number of women to seek employment that is compatible with household and family duties and employers' calls for flexible working practices, however, there is a social and legal grey area where there is an urgent need for clarity.

## B. SOCIAL SECURITY BENEFITS AND ALLOWANCES

Unemployment affects women more than men. Their earnings are lower; often, they do not enjoy full pension entitlements. Furthermore, a number of family-related benefits and allowances are often specifically woman-related or are more important for women than for men (maternity benefit, child benefit, housing allowance, additional allowances for looking after children at home and for caring for the sick, the disabled persons or the elderly).

Single women, single mothers and elderly women with incomplete pension contributions are near to poverty. Should more and more women in atypical employment be marginalized in terms of the labour market, the entire system of matching social security benefits and allowances will have to be marshalled in order to raise their incomes above the poverty line.

A woman who is entitled to child allowance in Member State A may find that she is not so entitled in Member State B. A housewife may have derived social security entitlements in Member State A (from spouse) while she may be considered self-supporting in Member State B and obliged to look to her own social security provisions.

Definitions of 'dependents', 'family', etc. vary from Member State to Member State. Duration of maternity leave and benefit levels vary not only from country to country, but also from sector to sector.

Example: Duration of maternity leave (in weeks):

Belgium	14	Ireland	14 + 4
Denmark	18	Italy	21
FRG	14 + 4	Luxembourg	16 + 1
France	16	Netherlands	12
Greece	12	UK	18 + 22

In other words, further negotiations on Community-wide transferability and harmonization of acquired and derived social-security entitlements are urgently needed. Without to harmonization, women workers' mobility and flexibility will be severely restricted.

## III. VALUING WORK EQUALLY

### 1. Equal pay for equal work

15 years after the adoption of the equal-pay Directive, the net income differential between men and women for identical or equivalent work remains 20-30%.

Women in particular can benefit if the Commission lays down criteria for calculating a minimum wage.

As a result of the separate labour market and the poor negotiating position for women, there are far fewer job categories - and therefore wage brackets - in which women are employed.

The Commission, in collaboration with management and labour, should devise a Community-wide scheme of job descriptions.

## 2. Enforceability of non-discrimination

In Belgium, Denmark and Ireland, trade unions may act on behalf of their members or on behalf of all workers and thus exercise a right of complaint. In France and Luxembourg, trade unions may be associated with such action.

The right of complaint must be exercised on a uniform basis in all Member States.

## 3. Equal sharing of unpaid work

Women bear a twin burden in that family and household duties are not shared equally, thus robbing women of opportunities to acquire skills.

The prerequisites for women to work include an affordable infrastructure for child care and care of the elderly, reasonably priced services, and better public transport and housing.

## IV. IMPLICATIONS OF PERSONAL MOBILITY

Given the traditional role of women in the family and prejudice against women moving away from a family by environment, the current trend for male workers to be more mobile than women is likely to become even more pronounced.

It should be pointed out, however, that half of the applications in connection with mobility programmes such as ERASMUS, YES and COMETT come from women.

The proportion of women participants in the ERASMUS programme in the 1987-1988 academic year was as follows:

Belgium	47%
Denmark	65.1%
FRG	44.7%
Greece	38.5%
Spain	54.7%
France	51.2%
Ireland	71.4%
Italy	50%
Netherlands	50.6%
Portugal	64%
UK	62%

This trend does not extend to employment, however.

The lack of a child care infrastructure in the host country and the lack of suitable employment for partners are likely to be obstacles to mobility.

The main beneficiaries of greater individual mobility, including the opportunity of taking up better-paid work with better prospects in other Member States or of spending a limited period in another State (for training purposes) will be men.

However, there is a risk that more mobile partners will not meet their social and family obligations (maintenance in respect of dependents or alimony payments).

Court rulings on matters of marital and family law are not binding throughout the Community; consequently, civil and family law must be harmonized to some extent, and this must extend to claims involving more than one country.

Descendants, partners and parents of mobile workers should enjoy right of establishment in all Member States in common with collateral dependants or family members living with such workers. There must also be freedom of movement for those not in employment, students and pensioners, etc.

Employers who recruit frontier workers ought to be in a position to find employment in the same region for partners, as well as housing and other facilities, etc.

The rapporteur would furthermore point up the recommendations of Mrs Monique Chalude in 'De beroepsmobiliteit van de tweeverdieners in Europa van 1992' ('The occupational mobility of both breadwinners in a two-income household in the Europe of 1992', May 1989, Office of the Belgian State Secretary for Europe 1992).

## VIII. MIGRANT WOMEN FROM THIRD COUNTRIES

### 1. Status of non-Community women

Forty to forty-five percent of non-Community nationals are women, most of whom are dependent for their livelihood on a man (father, spouse, brother or uncle).

They are vulnerable vis-à-vis the law; consequently, in many cases, they can only work illegally, with no protection and no trade union representation.

### 2. Perverse effects of Community rules

#### 2.(a) The Social Charter acknowledges comparable treatment for Community residents.

Since the right of residence in particular presents difficulties for many migrant women (illegal immigrants, failure to report domicile, local authorities' refusal to register them), the protection afforded by the Social Charter does not extend to them.

#### 2.(b) The rules governing the free movement of Community nationals do not apply at all to third-country nationals who are legally resident, creating a labour pool in each Member State, whose rights would apply in that Member State alone and would be highly circumscribed.

Example: restrictions on changing jobs in Germany and Belgium.

- 2.(c) Right of residence granted to women on the basis of their relationship with a man (derived rights) is put at risk in the event of divorce or the death of the husband, etc. The rapporteur backs the recommendations made by the Committee of Inquiry into Racism (Ford report) on this category of women.

#### V. OPENING UP ISOLATED REGIONS

The peripheral regions will become much more integrated as a result of the European internal market and the opening up of the market for public procurement, transport and large infrastructure projects.

Links between islands and the mainland and between the periphery and the centre will improve and become cheaper.

This will improve conditions for women in isolated regions. Hospitals, schools, information centres and shopping centres will become more accessible.

Telecommunications facilities will become cheaper and more readily available; as a result, targeted information programmes and closed-circuit educational and training programmes can be organized for women in remote areas too. This will go some way towards ending isolation.

The opening up of the more remote areas will also bring onto the market more consumer durables - more mass produced goods and even foodstuffs - to compete with local products. This could pose a threat to women's jobs or goods produced by women in small regional and non-industrial units.

The women concerned will have to catch up on two fronts: by matching Community-wide standards of quality and productivity and by adapting in terms of distribution and funding. Failing this, there will be an effective 'deskilling' of those workers who do not move away; the more highly skilled will be attracted to the high-production situated closer to the centre where more money will be invested and export prospects are better.

#### VI. TRAINING AND EDUCATION

1. The rapporteur takes the view that the supposed poor level of skills among women, the fact of their inappropriate education are, in many instances, merely a pretext for explaining away wage disparities and the different value attached to certain types of work.

In a number of Member States, just as many women as men now go into higher education. Considerable disparities remain, however, among academics too, in the extent to which university graduates reach executive positions and in career development:

Graduates	Men	Women (%)
Denmark	23	24
France	24	25
Spain	24	24
<u>Proportion of total 19-24 age bracket in higher education (%)</u>		
Belgium	28	25
Netherlands	24	17
UK	12	9

Enforced positive action is required in order to prevent career discrimination.

2. According to Commission estimates, the informal economy accounts for 5 to 10% of gross domestic product in Belgium, France and Ireland and over 10% in the United Kingdom, Italy, Spain, Portugal and Greece.

Much of the work that is not recorded or is illegal is carried out by working family members. In Belgium, the FRG, Denmark and the Netherlands, 83% of working family members are women. In Greece, Portugal, Spain, Italy and Ireland, the percentage is much lower (between 52 and 78%). The large number of small, traditional firms and small farms run by married couples accounts for the larger proportion of men in the second group.

3. Working family members are poorly protected in law unless they apply for self-employed status (as in Portugal, for example) or they acquire social security entitlements on the basis of their spouse's activity.

A lot, then, will depend on the assistance and support that can be offered to SMEs: information, sources of funding, cooperation with other firms, staff training and retraining, and facilities afforded by ELISE (European information network for local employment initiatives) and BC-NET (partnership between large and small firms).

## VII. IMPLICATIONS FOR THE CONSUMER

1. The Cecchini report puts the cuts in production costs - as a result of the internal market and the resulting economies of scale, together with the dismantling of barriers - for household appliances, telecommunications equipment, motor vehicles, foodstuffs, construction materials, textiles, clothing and pharmaceuticals at up to 10%.
2. As a result of technical and technological progress, particularly in office systems, administration can be decentralized to a large extent. In particular, the decentralization of public administration and its relocation to remote regions of the Community can but further the employment of women in their own areas and even in rural areas.

Naturally, this must be accompanied by opportunities for in-service training and retraining for the women concerned.

Whether or not the European internal market's advantages with regard to technical and technological progress actually benefit women will depend on policy decisions.

#### CONCLUSIONS AND RECOMMENDATIONS

1. The fact that Community and Member States statistics do not include indicators that paint a true picture of women's lives makes it difficult to forecast what changes will occur after 1992.
2. Because very few women, if any, are represented on the bodies examining the social impact and employment implications of the single European market (see the Lenz, van den Heuvel, Giannakou and Chalude report), no satisfactory assessment can be made of the repercussions of 1992 for the position of women, which are not reflected in general policy on employment, taxation and infrastructure.
3. Similarly, the absence of specific priorities for women has had serious consequences in laying down guidelines for structural-fund use. With regard to the Social Fund, women are no longer a priority target group, nor is commensurate account taken of women in the five new priorities.

Neither in terms of targeted programmes nor in terms of commensurate involvement in general programmes are the structural funds achieving the objectives with regard to women.

4. We are therefore obliged to propose that the Commission set up a special multidisciplinary unit to monitor the impact on women of the general policy measures under consideration on employment, taxation, establishment of a European Social Area, infrastructure and the regions.
5. The unit would also submit proposals on structural-fund use pursuant to the Council decision of February 1988.
6. It is particularly important that programmes for women in the peripheral regions should be drawn up for the Regional Fund and that specific programmes targeted on women should again be proposed for the Social Fund.
7. The provisions of Community law (Article 119 of the Treaty of Rome, Article 118a and b and Article 130 of the Single European Act, as well as Directives 75/117, 76/207, 79/7, 86/378 and 86/613) are inadequate to cope with the problems that will arise in the run-up to 1992.
8. The Commission, in its capacity as guardian of the Treaty, must make more rigorous checks that these Treaty provisions and instruments are complied with.
9. As a matter of urgency, furthermore, employment legislation, collective bargaining and social legislation must be extended to apply to all types of work and all workers in all Member States and all circumstances. The draft directives on part-time working, temporary work and parental leave now before the Council must come into force before 1992.

10. There is a disparity in the numbers of men and women taking part in the special exchange programmes (ERASMUS, YES, COMETT). The unit referred to at point 4. could submit proposals to rectify this.
11. On 3 June 1985 the Council adopted proposals on measures concerning equality in education and training in new technologies. An assessment of the action taken since 1985 is urgently required; this may lead to a change of policy.
12. This also applies to the Commission's recommendations on vocational training for women (1987) and to the IRIS pilot projects in this area.
13. All these measures will prove to be no more than partially successful if the European Parliament, the Commission and the Council fail to make women in Europe aware of the new dimension opening up fresh opportunities for them.

Europe's society and its institutions will undergo profound changes. The opportunity to provide a lasting and sound basis for women to play a fully emancipated economic, political and social role must be seized.

14. The number of women graduates continues to rise, as does the number of women taking a sympathetic view of social issues. In recent years, however, the number of women parliamentarians has fallen. Women still do not exercise their civil rights to the full - be they political, economic or social - yet a democracy without women is not a democracy.