

Gender implications of Extended Working Life policies in the context of austerity in Greece, Ireland, Italy and Portugal

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Outline

- International and national policy
- Theoretical approaches
- Austerity
- Employment patterns, pension system and pension coverage
- Precarious employment



International Policy

- Organization for Economic Cooperation and Development (OECD)
 - ‘Live Longer, Work Longer’ (OECD, 2006, OECD, 2013)
 - Strengthen financial incentives to carry on working
 - Tackle employment barriers; improve employability of older workers.
- European Commission (EC): ‘Active Ageing’
- Discourse: Narrow economic focus on labor market.
(Mouleart and Biggs, 2012)



Assumptions of policy approach

- Policies based on a conception of the individual as autonomous; utility-maximising; calculating; socio-economically independent (Becker, 1991, Hakim, 2003)
- People are relational; unaware of need to be calculating; often financially dependent; low-paid; in precarious employment
(Nelson, J, 1993, Crompton and Harris, 1998)



Theoretical approach.

- Gendered political economy of ageing approach (Ginn, Street and Arber, 2001, Estes, 2004, Phillipson, 2004, Foster, 2011, 2014, Connell, 2004)
 - Impact of economy,
 - legislation,
 - including family friendly policies
 - gendered social norms re. caring.



Policy analysis: expanded – gender regime

- Not just pensions and employment policy in isolation
- Gender regime: extent to which there are ‘family friendly’ policies

April, 2015	Greece (months)	Ireland (months)	Italy (months)	Portugal (months)
Maternity Leave	Paid: 8.1 Pr ; 3: Pub S.	Paid: 6 + 3.3 unpaid	3.7 paid	See parental 6 wks for w.
Paternity Leave	2 days	2 weeks	1 day + 2 trans 3 mths sole car	See parental
Parental Leave	8 Pr S.; 24 Pub. S. 3 mths paid for 3 mths	8.4 unpaid	10 +1 bonus (paid)	12 + bonus 1 (paid)

Source: http://www.leavenetwork.org/lp_and_r_reports/cross_country/, April, 2015



Austerity in Greece, Ireland, Italy, Portugal

- High public debt
- High unemployment (G: 27.7%; Ir:13.3%; It:12.3%; P: 17%; EU27:11%)
- ‘He-cession’ (male unemployment rate > female unemployment rate) .
Collapse of male sectors (eg., construction industry - Ireland)
- Bail-out by EU-IMF-ECB (IRE: 2010-2014; GR: 2010-2018; PL: 2011-2014)
- Austerity policies: (taxes, levies, reduce public spending)
- EWL as part of austerity (reduced state pensions)



Policies to Extend Working Life : impacts for women.

- Increase in retirement/ state pension age (neg if in poor health, unemp)
- Reduction in retirement benefits for early retirement (same)
- Flexible work: can work after RA without affecting benefits (pos)
- Incentives to work after RA to age 70 (mixed) (Ginn & MacIntyre, 2013).
- Switch from DB to DC schemes (neg)
- Promotion of private pensions: negative (Estes, 2004)
- Reduction of pensions (austerity driven)



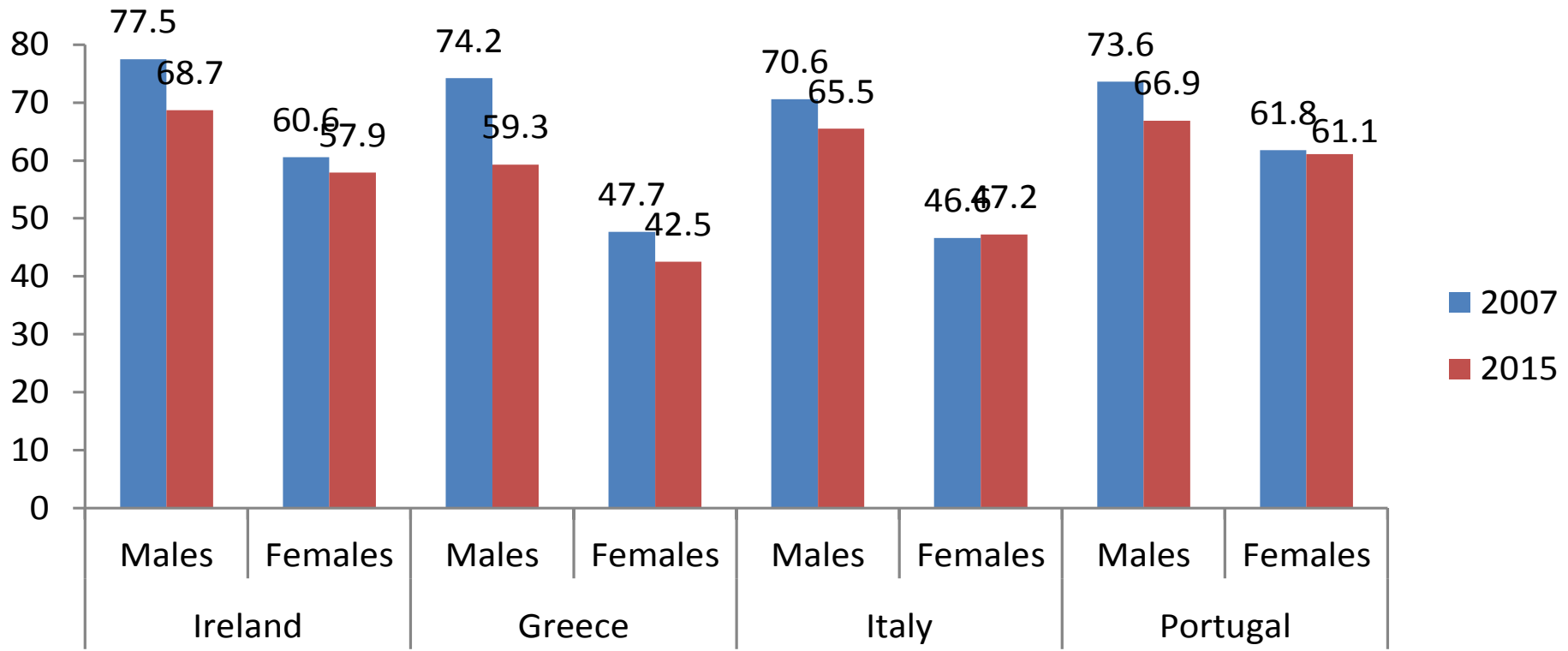
Factors affecting women's pension provision

- Horizontal segregation in low-paid areas such as cleaning and caregiving
- Low pay: gender pay gap: (OECD:15.5%)
- Vertical segregation in middle/lower part of organisations (OECD, 2015)
- Interruptions from pension-building for caring
- Pre-dominant involvement in part-time work (OECD, 2015)



Employment rates by gender: older workers

Employment rates : older workers



Pension coverage and provision

- Gender coverage gap and gender pension gap 2012: (Source Bettio, 2015. Based on EU SILC data)

	Greece	Ireland*	Italy	Portugal	EU27
Gender Pension coverage gap	12%	19%	15%	4%	7%
Gender pension gap	36%	35%	31%	33%	39%

Extended Working Life (EWL) policies

	Greece	Ireland	Italy	Portugal
Increase State Pension Age	Inc to 67 in Aug. 2015 for those retiring between 2016 and 2030.	Inc. to 66 by 2012 67 by 2021 68 by 2028	66 – 70: men 62-66: women 66 by 2018 (all) 67 by 2019 69.75 by 2050	Inc to 66 in 2013. Inc to 66.25 in 2014
Cuts in state pension	First protected. 12 Ad hoc cuts.	Dec in rate bands.	Freezing of pens and of index-linking	Cuts: tax on benefits. Freezing: suspend index.
Increase in contributions	All workers now 2016 higher contributions	Doubled to 10 yrs for min. in 2020 June 30, 2016	Replacement rate will fall (Istat, 2016)	2016. Must be 60 . + have 40 years of contributions

Health

- Physically demanding work linked to earlier ill-health (Marmot et al 2009, Stacey, 2011)
- EWL unattractive, impossible?
- Low paid work: (eg cleaning and caring): inability to pay into private pensions.
- Higher paid, rewarding, sedentary (eg teaching) with pension plan
- EWL attractive, more possible?



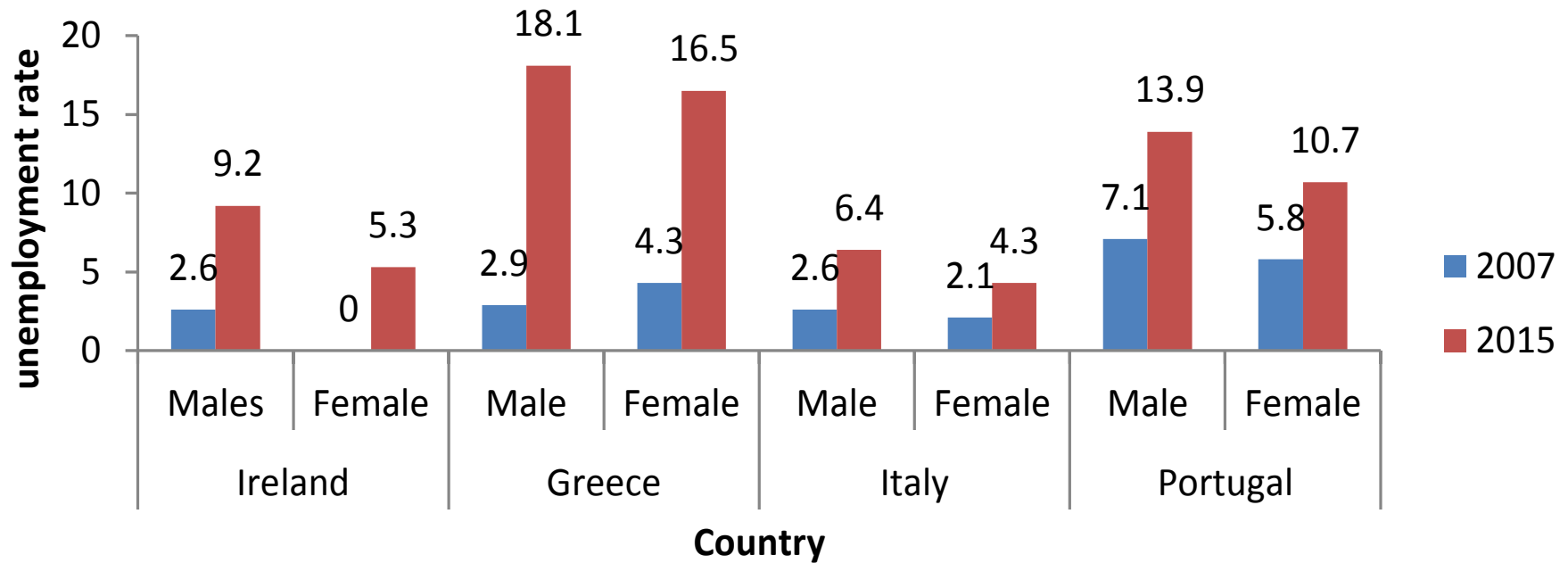
Precarious employment

- Temporary, P-T, seasonal, zero hours
- Increasing (Standing, 2011)
- Feminised, but increasingly male (Vosko, 2008)
- Formerly secure occupations now precarious (Standing, 2011)
- If unemployed, difficult to find employment when older (Lain, 2013).
- Even when formal protection from age discrimination
- May also face health challenges – a barrier to employment?



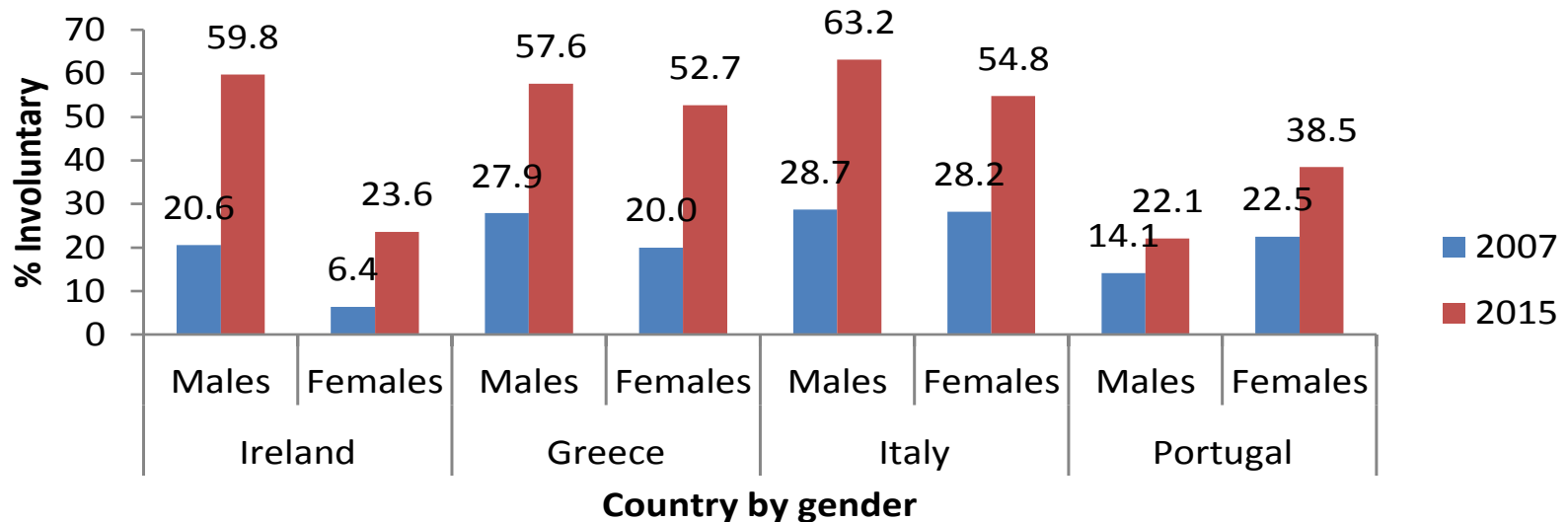
Precarious work: unemployment rates for older workers

Unemployment rates, 2007, 2015



Precarious work: Involuntary part-time employment: older workers

Involuntary part-time employment: 2007, 2015



Concluding remarks

- Political economy of ageing analysis highlights impact of economy, legislation, social norms.
- EWL in context of austerity: poor outcomes
- Women and men in low-paid precarious occupations
- Physically demanding work vulnerable to poverty
- Policy implications?



Policy implications?

- Across countries, increased precarity and economic fluctuations
- Hence need for re-thinking of policies balance right to work and right to retire
- Lack of joined-up policy-making
- Women (and some men) unpaid caregivers with interrupted work histories:
 - more and better family friendly policies?
 - state pensions to be preserved – universal citizen's income?
- Modifications for those in physically demanding work with health challenges: earlier retirement age?



Thank you

Any Questions?



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