Basic information

2016/2061(INI) INI - Own-initiative procedure	Procedure completed
Need for an EU strategy to end and prevent the gender pension gap **Subject** 4.10.11 Retirement, pensions 4.15.08 Work, employment, wages and salaries: equal opportunities women and men, and for all	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
FEMM Women's Rights and Gender Equality	LE GRIP Constance (PPE)	12/05/2016
	Shadow rapporteur NOICHL Maria (S&D) GERICKE Arne (ECR) MLINAR Angelika (ALDE) PIMENTA LOPES João (GUE/NGL) URTASUN Ernest (Verts/ALE) VON STORCH Beatrix (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs (Associated committee)	GONZÁLEZ PEÑAS Tania (GUE/NGL)	27/06/2016

European Commission

Commission DG	Commissioner
Justice and Consumers	JOUROVÁ Věra

Key events

Date	Event	Reference	Summary
28/04/2016	Committee referral announced in Parliament		

28/04/2016	Referral to associated committees announced in Parliament		
03/05/2017	Vote in committee		
12/05/2017	Committee report tabled for plenary	A8-0197/2017	Summary
12/06/2017	Debate in Parliament		
14/06/2017	Decision by Parliament	T8-0260/2017	Summary
14/06/2017	Results of vote in Parliament		
14/06/2017	End of procedure in Parliament		

Technical information	
Procedure reference	2016/2061(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Stage reached in procedure	Procedure completed
Committee dossier	FEMM/8/06307

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE589.332	28/09/2016	
Amendments tabled in committee		PE592.340	25/10/2016	
Committee opinion	EMPL	PE589.102	15/12/2016	
Committee report tabled for plenary, single reading		A8-0197/2017	12/05/2017	Summary
Text adopted by Parliament, single reading		T8-0260/2017	14/06/2017	Summary

Need for an EU strategy to end and prevent the gender pension gap

2016/2061(INI) - 14/06/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 433 votes to 67, with 175 abstentions, a resolution on the need for a European Union strategy to end and prevent the gender pension gap.

Parliament recalled that, in 2015, the average gender pay and pension gap (i.e. **the gap between the average pre-tax income received as a pension by women and that received by men**) stood at **38.3% in the 65 and over age-group** across the EU's 28 Member States. It also recalled that **this gap has widened in half of the Member States over the past five years**.

The financial crisis of recent years has also had a negative impact on the incomes of many women; in some Member States, between **11 and 36% of women have no access at all to any pension.**

Taking the view that gender gaps were unacceptable and needed to be addressed, Parliament called on the Commission, in close cooperation with the Member States, to put in place a **comprehensive strategy to eradicate gender pay gaps** in the European Union and to assist them in establishing guidelines in this area. It supported the Council's call for a **new Commission initiative to draw up a gender equality strategy for the period 2016-2020.** This would be adopted in the form of a communication and enhance the European Union's strategic engagement on gender equality, linking it closely to the Europe 2020 strategy.

Parliament believed that **this strategy should not be limited to correcting the effects of the pension gap in the Member States**, in particular in regard to the most vulnerable, but also to preventing it, by tackling its root causes, such as inequalities between men and women in the labour market in terms of earnings, career progression and full-time employment prospects, as well as labour market segregation.

In this regard, it encouraged dialogue and exchanges of good practice between the governments of the Member States.

It stressed the **multifaceted nature** (a combination of measures under various policies to improve gender equality) of the approach needed to carry out the strategy, which should consider:

- retirement taking into account the full working life of the person,
- differences between men and women in terms of the level of employment, careers,
- contributory opportunities and those arising from the organisation of pension systems.

Role of trade unions and minimum income: Parliament drew attention to the important role played by the **social partners** in debates on **minimum income** , while respecting the principle of subsidiarity. It stressed in particular the important role of trade unions and collective bargaining in enabling elderly people to access public pensions in line with the principle of intergenerational solidarity and the principle of equality between men and women.

It called on the Member States to put in place **anti-poverty measures** for workers whose health does not allow them to work until the legal age of retirement. The Committee considers that early retirement measures for workers exposed to **arduous or hazardous working conditions** should remain in place.

Parliament believed that **raising employment rates through high-quality jobs** could help to reduce considerably the future increase of people unable to work until the legal retirement age and, thereby, to alleviate the financial burden of ageing.

Moreover, Parliament was deeply concerned about the impact on a growing number of Member States of the country-specific recommendations on pension schemes and their sustainability, which were drafted in a **spirit of austerity**, as well as about access to contributory pensions, and the adverse effects of these recommendations on income levels and social transfers.

Assessment and awareness-raising to better address the pension gap: Parliament called on the Member States and the Commission to continue investigating on the pension gap and, in partnership with Eurostat and the European Institute for Gender Equality (EIGE), to work to develop **formal and reliable indicators** on this gap.

Other measures are envisaged to address the causes of the pension gap between men and women, such as: (i) the creation of **a formal indicator of this phenomenon**; (ii) strengthened measures to **inform women about the consequences of this gap**; (iii) sensitising public opinion on issues related to pay equality and the pension gap, as well as to direct and indirect discrimination against women in the workplace; (iv) formal studies on the effects of the pension gap between women and men on pensions and women's economic independence.

Reducing inequalities in contributory opportunities: Parliament unreservedly condemned wage gaps between men and women and their supposedly **"inexplicable" nature, given that it is clear that they are the result of discrimination in the workplace**. It reiterated its call for the revision of Directive 2006 /54/EC.

Parliament called on the Member States and the Commission to ensure the application of the principle of non-discrimination and equality in the labour market and in access to employment and in particular to adopt social protection measures to guarantee the remuneration and **social rights of women**.

Member States were called upon to:

- provide for **appropriate measures to reduce cases of violation of the principle of equal remuneration for equal work or equal value** between men and women;
- implement **useful and practical employment assessment tools** to determine what constitutes work of equal value in order to guarantee equal pay for women and men and, consequently, the equality of pensions that they will receive later;
- **combat horizontal and vertical segregation in the labour market**, eliminating inequalities and discrimination between men and women in employment and encouraging women and girls to pursue studies, trades and careers in sectors that are growing and innovating.

Parliament also called on the Member States to pay particular attention to **women who do not have financial autonomy in the event of divorce**.

Reducing inequalities between men and women in career paths: Parliament urged Member States to **respect and enforce maternity rights legislation** so that women are not harmed in terms of pensions because they have had children in the course of their professional careers.

It called on the Member States to consider employees being given the possibility to **negotiate voluntary flexible working arrangements, including 'smart working'**, in line with national practice and independently of the age of the children or family situation, thus allowing women and men a better work-life balance.

Parliament also took note of the Commission’s proposal on **caregivers' leave** in the Directive on work-life balance for parents and carers and reiterated its demand for adequate remuneration and social protection.

It encouraged Member States to introduce **'care credits'** for both men and women to compensate for career interruptions for the informal care of a family member, as well as periods of leave, such as maternity and paternity leave and parental leave. In this regard, it stressed the importance of taking measures that encourage men to take **paternity leave**.

In particular, Parliament called on the Member States to enable the transfer of the employee after the maternity or parental leave **back to the comparable work arrangement**.

Impact of pension schemes on the pension gap: Parliament called on the Commission and the Member States to take a closer look at how the pension gap might be affected by a shift from statutory state pensions towards **more flexible arrangements in occupational and private schemes for pension contributions**, with regard to the calculation of the duration of contribution to the pension system and to arrangements for gradual retirement.

It warned of the risks to gender equality represented by the shift from social security pensions to personal funded pensions, since personal pensions are based on individual contributions and **do not compensate for times spent caring for children and other dependent relatives**, or for periods of unemployment, sick leave or disability.

It called on the Member States to **remove elements** of their pension systems and of the reforms implemented, the factors that **add to imbalances in benefits**.

For Parliament, **each strategic change related to retirement pensions needed to be measured against its impact on the gender gap**.

Lastly, the Commission and the Member States are also called upon **to introduce single-sex tariffs for life in pension schemes and care credits**.

Parliament also called for **individualisation of pension rights**.

Lastly, Parliament stressed that **everyone should have the right to universal access to a public pension** and recalled Article 25 of the Charter of Fundamental Rights of the Union, which enshrines the right of the elderly to lead a decent and independent life.

Need for an EU strategy to end and prevent the gender pension gap

2016/2061(INI) - 12/05/2017 - Committee report tabled for plenary, single reading

The Committee on Women's Rights and Gender Equality adopted an own-initiative report by Constance Le GRIP (EPP, FR) on the need for an EU strategy to end and prevent the gender pension gap.

The Committee on Employment and Social Affairs, exercising its prerogative as an associated committee in accordance with Article 54 of the Rules of Procedure, also gave its opinion on the report.

Members recalled that in 2014 in the EU the gender gap in pensions, which may be defined as the **gap between the average pre-tax income received as a pension by women** and that received by men, stood at **39.4 % in the 65 and over age group**, and has increased in half of the Member States in the past five years.

They also recalled that the large gender pay gap in the EU, which stood at 16.3 % in 2014, is caused in particular by discrimination and segregation and career breaks.

The challenge is therefore to achieve genuine gender equality, by pursuing a **comprehensive, far-reaching strategy** involving multiple variables in close cooperation with the Member States.

Global strategy: Members considered that this strategy should seek not only to address at Member State level the impact of the pension gap, in particular on the most vulnerable groups, but also to **prevent it in the future by fighting its underlying causes**, such as unequal positions between women and men in the labour market in terms of pay, career advancement and opportunities to work full time, as well as labour market segregation.

They stressed that a **multifaceted approach** (a combination of actions under different policies that aim at improving gender equality) is required in order to make a success of the strategy, which must embrace:

- a life-course approach to pensions, taking the whole of the person's working life into account;
- disparities between men and women in terms of employment level;
- possibilities of paying pension contributions.

Assessment and awareness-raising for more effective action to address the pension gap: in general, Members called on the Member States and the Commission to continue investigating the gender pension gap and to work together with Eurostat and the European Institute for Gender Equality (EIGE) with a view to developing **formal and reliable indicators**.

Member States are called upon to promote action to close the gender gap in pensions **through their social policies**, to raise public awareness relating to equal pay and the pension gap.

Members called on the Member States to immediately disburse **severance payments and end-of-service payments** as soon as the period of pension entitlement begins, in order to prevent situations of economic difficulty.

Reducing inequalities in terms of scope for paying pension contributions: while calling on the Member States to ensure that the EU legislation on indirect and direct gender discrimination is properly implemented, Members **condemned unequivocally gender pay disparities and their 'inexplicable' component**. They reiterated their call for Directive 2006/54/EC.

The Member States and the Commission are also called upon to:

- **tackle horizontal and vertical segregation** on the labour market;
- offer women greater incentives to work for longer and with shorter breaks;
- pay particular attention to the case of migrant women, who often have not acquired pension rights in their country of origin.

Reducing career-related gender inequalities: Members called on the Member States to consider employees being given the possibility to negotiate **voluntary flexible working arrangements**, including 'smart working', allowing women and men a better work-life balance. They called on the Member States to design strategies for recognising the importance of informal care performed for family members and other dependants and **enabling the transfer of the employee after the maternity or parental leave back to the same work arrangement**.

Impact of pension systems on the pension gap: Members stressed that the sustainability of pension systems has to allow for the challenges posed by demographic changes. Taking account of the increased life expectancy in the EU, Members stressed that Member States should take a closer look at how the pension gap might be affected by a shift from statutory state pensions towards more **flexible arrangements in occupational and private schemes for pension contributions**.

According to Members, it is important that **first pillar pensions remain at the heart of the Member State's pension systems**. The use of private pension schemes should remain a voluntary option.

Other measures are recommended such as:

- reforming survivors' pensions and widow's pensions systems in order not to penalise unmarried women;
- removing obstacles to access to an adequate pension for those with interrupted careers (mostly women);
- the principle of a **public minimum pension of an adequate amount**, independent of the recipient's previous working life.

Lastly, Members stressed that **all people have the right to a universally accessible public pension**. They, therefore, called on the Commission and the Member States to ensure that both women and men can receive equal pension annuities for equal contribution.