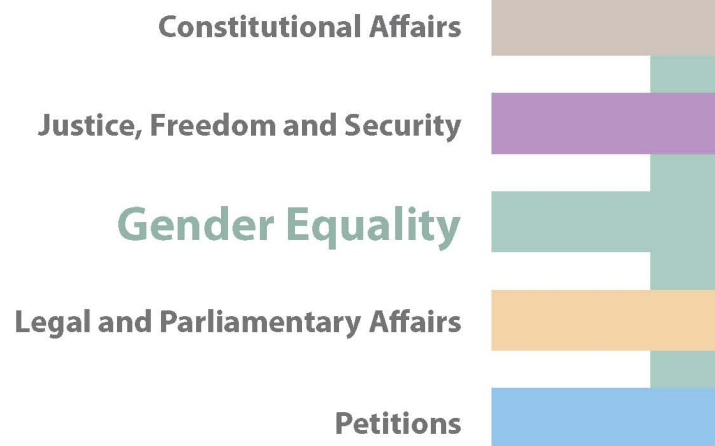


DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT **C**
CITIZENS' RIGHTS AND CONSTITUTIONAL AFFAIRS



**The advantages of a
gender-sensitive approach to
tackle youth unemployment**
Workshop
Tuesday, 23 April 2013

WORKSHOP



DIRECTORATE GENERAL FOR INTERNAL POLICIES
POLICY DEPARTMENT C: CITIZENS' RIGHTS AND
CONSTITUTIONAL AFFAIRS

GENDER EQUALITY

The advantages of a gender-sensitive approach to tackle youth unemployment

Compilation of Briefing Notes

WORKSHOP
Tuesday, 23 April 2013
ASP 3G2

This document was requested by the European Parliament's Committee on Women's Rights and Gender Equality.

RESPONSIBLE ADMINISTRATOR

Ms Erika SCHULZE
Policy Department Citizens' Rights and Constitutional Affairs
European Parliament
B-1047 Brussels
E-mail: poldep-citizens@europarl.europa.eu

EDITORIAL ASSISTANCE

Marcia MAGUIRE and Kerstin ROTHBART
Policy Department Citizens' Rights and Constitutional Affairs

LINGUISTIC VERSIONS

Original: EN

ABOUT THE EDITOR

To contact the Policy Department or to subscribe to its monthly newsletter please write to:
poldep-citizens@europarl.europa.eu

European Parliament, manuscript completed in April 2013.
Brussels, © European Union, 2013.

This document is available on the Internet at:
<http://www.europarl.europa.eu/studies>

DISCLAIMER

The opinions expressed in this document are the sole responsibility of the author and do not necessarily represent the official position of the European Parliament.

Reproduction and translation for non-commercial purposes are authorized, provided the source is acknowledged and the publisher is given prior notice and sent a copy.



***Policy Department C - Citizens' Rights and Constitutional Affairs
for the Committee on Women's rights and Gender Equality***

WORKSHOP

***"The advantages of a gender-sensitive approach
to tackle youth unemployment"***

Tuesday, 23 April 2013, 15.00 - 18.30

Room ASP 3 G 2, European Parliament, Brussels

Updated Programme

**15:00 - 15.50
INTRODUCTION**

- 15.00 - 15.05 Welcome and opening remarks by the Chair Mikael Gustafsson
- 15.05 - 15.15 Introduction by Vice-President Roberta Angelilli, rapporteur of the FEMM opinion on "Tackling youth unemployment: possible ways out"
- 15.15 - 15.30 The conditions of unemployed young men and women in Europe
Manuela Samek, IRS, Italy
- 15.30 - 15.35 Elisabeth Morin-Chartier, rapporteur of the FEMM report on "The impact of the economic crisis on gender equality and women's rights"
- 15.35 - 15.50 Q+A session with Members

**15.50-17.25
ANALYSIS OF GENDER-SENSITIVE ASPECTS OF THE LABOUR MARKET
RELEVANT FOR THE EMPLOYABILITY OF YOUNG MEN AND WOMEN**

- 15.50 - 16.05 Effects of educational attainments on employability: do young women have an advantage compared to young men?
Agneta Stark, professor *emerita*, Sweden
- 16.05 - 16.10 Katarina Nevedalova, shadow rapporteur of the FEMM opinion on "Tackling youth unemployment: possible ways out"
- 16.10 - 16.25 Q+A session with Members
- 16.25 - 16.40 Effects of child care and care for other dependents on the career choices and situation in the labour market of young men and women
Daniel Molinuevo, Eurofound, Ireland
- 16.40 - 16.55 Q + A session with Members

**16.55 - 17.15 How to be successful on the labour market: Gender differences in competition which emerge early in life
Matthias Sutter, University of Innsbruck, Austria**

17.15 - 17.30 Q + A session with Members

**17.30 - 18:30
CONCLUSIONS**

**17.30 - 17.45 Will the measures proposed in the youth employment package, in particular the youth guarantee, help young men and women equally to integrate into the labour market?
Professor Antigone Lyberaki, OpCit Research, UK**

17.45 - 17.50 Lucie Davoine, European Commission

17.50 - 17.55 Marije Cornelissen, shadow rapporteur of the FEMM opinion on "Tackling youth unemployment: possible ways out"

**17.55 - 18.10 The advantages of an integrated and gender-sensitive approach to youth unemployment
Flavia Pesce, IRS, Italy**

18.10 - 18.15 Inês Zuber, shadow rapporteur of the FEMM opinion on "Tackling youth unemployment: possible ways out"

18.15 - 18.25 Q + A session with Members

18.25 - 18.30 Closure of the Workshop by the Chair

CONTENTS

The conditions of unemployed young women and men in the European Union

Manuela Samek Lodovici and Monica Patrizio - Istituto per la Ricerca Sociale

(IRS), Italy6

Effects of educational attainments on employability: do young women have an advantage compared to young men?

Agneta Stark, professor *emerita*, Sweden.....28

Effects of child care and care for other dependents on the career choices and situation in the labour market of young men and women

Daniel Molinuevo - Eurofound, Ireland39

Gender differences in the willingness to compete – Origins and the effects of policy interventions

Matthias Sutter - University of Innsbruck, Austria.....50

The youth employment package: effective assistance for both young men and women to integrate into the labour market?

Professor Antigone Lyberaki and Katie McCracken - OpCit Research, UK.....59

Advantages of an integrated and gender-sensitive approach to youth unemployment

Flavia Pesce and Eugenia De Rosa - Istituto per la Ricerca Sociale (IRS), Italy..70

The conditions of unemployed young women and men in the European Union

**Manuela Samek Lodovici and Monica Patrizio -
Istituto per la Ricerca Sociale (IRS), Italy**

INTRODUCTION

The crisis has particularly hit young people, with different effects for young women and men. Gender differences are however largely ignored in the policy debate and in the measures taken to fight youth unemployment. This gender-blindness might endanger the efficiency and effectiveness of implemented policies.

This note firstly presents the main gender differences in youth labour market conditions and in the effects of the crisis; then briefly summarises the determinants of gender differences in non employment and employment conditions, with focus on the role educational attainment, labour market segregation and child care availability; and finally discusses the likely consequences of unemployment at a young age according to the existing literature.

The analysis is mainly based on available comparative EUROSTAT data¹ and literature and refers to the age group 15-24, usually considered in the assessment of youth labour market conditions, and the 25-29 age group, due to the longer permanence in education and training of young generations.

1. GENDER GAPS IN YOUTH LABOUR CONDITIONS

Young people have been disproportionately affected by job losses during the crisis, and even over the past two years of weak economic recovery, access to jobs has remained difficult for new labour market entrants. Consequently, many youth are experiencing long spells of joblessness and facing a high risk of inactivity and exclusion.

Young workers are usually the first hit by recessions because they are the least experienced and more often employed under temporary contracts. Some groups of young people are especially vulnerable in times of economic crisis and at high risk of unemployment or inactivity: the low skilled, the early leavers from education, those with an immigrant background, the disabled. Young women are also at risk due to discrimination, skills mismatch and the lack of family-work reconciliation measures.

These groups represent a large share of the so called NEETs – young people who are not in employment, education or training - that are likely to be disengaged from work and education for long periods and thus particularly vulnerable to social marginalization.

¹ European Labour Force Survey (EU LFS), the EU LFS ad hoc module on school-to-work transitions (2009), and European Survey on Income and Living Conditions (EU SILC).

Young men have been hit first and hardest by the crisis....

The crisis has worsened the labour market conditions more for young men than for young women as male-oriented sectors – especially construction and manufacturing – were hit first and hardest by the economic slowdown. On the contrary, the concentration of women in the service and public sector has so far protected them against the immediate effects of the crisis. However (young) women are likely to be more affected by the long term consequences of the crisis due to fiscal consolidation and welfare cuts.

As shown in Table 1.1. and Figure 1.1, the gender gap in the youth employment rate declined between 2007 and 2012, due to a greater decrease in young men employment than women's, and the unemployment rate is currently higher for young men than for young women (15-24) in most countries. Youth unemployment rates and gender gaps present wide country differences: the female unemployment rate is higher than the male one in southern Europe (IT, GR, PT, MT) and in PL, NL, LV; while it is lower in 18 out of 27 countries (in particular IE, UK, LT, BG).

Table 1 - Main labour market indicators by sex and age (2007-2012*)

| | 2007 | | | 2012* | | |
|--|------|-------|-----------|-------|-------|-----------|
| | Men | Women | Gap (M-W) | Men | Women | Gap (M-W) |
| Employment rate (ER) by age | | | | | | |
| 15-24 | 40.4 | 34.2 | 6.2 | 34.9 | 30.9 | 4.0 |
| 25-29 | 81.8 | 68.7 | 13.1 | 76.2 | 66.2 | 10.0 |
| NEET rate by age (2011) | | | | | | |
| 15-24 | 9.7 | 12.2 | -2.5 | 12.5 | 13.4 | -0.9 |
| 25-29 | 11 | 23.7 | -12.7 | 15.0 | 24.7 | -9.7 |
| NEET rate (inactive) by age (2011) | | | | | | |
| 15-24 | 4.3 | 7.8 | -3.5 | 5.0 | 7.8 | -2.8 |
| 25-29 | 4.6 | 17.7 | -13.1 | 5.5 | 16.5 | -11.0 |
| Unemployment rate (UR) by age | | | | | | |
| 15-24 | 15.1 | 15.9 | -0.8 | 23.3 | 21.8 | 1.5 |
| 25-29 | 8.1 | 9.4 | -1.3 | 13.6 | 13.7 | -0.1 |
| Long-term unemployment rate by age (2011) | | | | | | |
| 15-24 | 4.3 | 3.7 | 0.6 | 6.9 | 5.7 | 1.2 |
| 25-29 | 3.1 | 3.2 | -0.1 | 5.0 | 4.7 | 0.3 |

*First three quarters average

Source: Eurostat, LFS

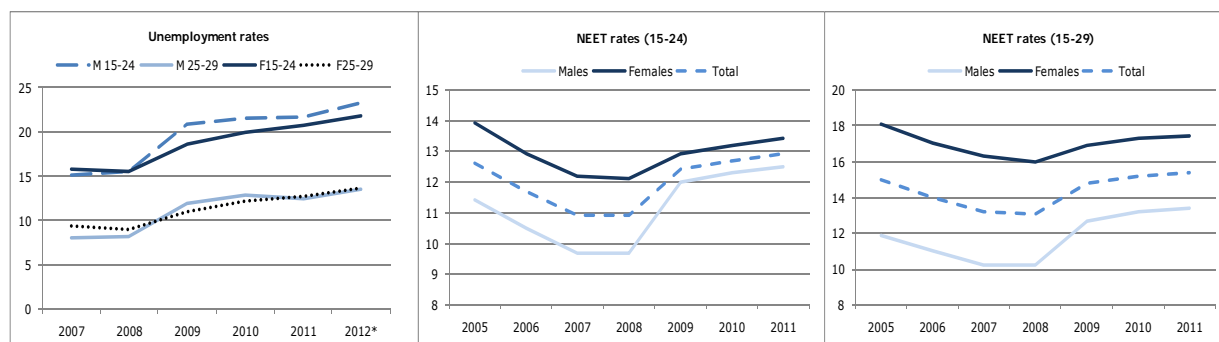
Young men are also experiencing higher long-term unemployment rates than women. But this is in part due to the fact that long term unemployed women are more likely than men to leave the labour force and become inactive. Furthermore, long-term unemployed men are more often low skilled (45.1% vs. 33.7% in 2011), while among long-term unemployed women there is a greater share of the high skilled (19.1 % vs. 9.5 % in 2011)².

..... NEET rate remain however higher for young women....

The NEET rate is a more complete indicator of gender differences than the unemployment rate because it takes into account also those young people who are inactive but do not participate to education or training³. Male NEET rates sharply increased between 2005 and 2011, even if women's rates remain higher in the majority of EU27 countries. Only in some countries (IE, LT, ES, SI, CY), NEET rates for males are higher than for females due to the high increase in unemployment among young men.

Overall, the EU27 NEET rate for young women aged 15-24 reached 13.4% in 2011 relative to 12.5% for young men. Neet rates are particularly high in Eastern (BG, RO especially) and Southern European countries (IT, EL and ES) and Ireland, while they are lower in northern (FI, SE, DK) and continental (DE, AT, NL) Europe.

Figure 1 - Youth Unemployment and NEET rates, EU-27 average, by sex and age (2007-2012*)



*First three quarters average

Source: Eurostat, LFS

Female NEET are more likely to be inactive. On average, around 44.9% of European young NEETs are unemployed, but this share is much lower for female NEETs, that are more likely to be inactive and not wanting to work than young men, especially among the low educated. The inactivity component for women aged 15-24, even if declining in recent years, still accounts for 58.2% of female NEETs (36.6% not wanting to work and 21.6% wanting to work), whereas among males it accounts for only 48.8%; the incidence of inactive people on female NEET further increases for women aged 25-29, reaching the value of 66.8% (44.1% not wanting to work and 22.7% wanting to work).

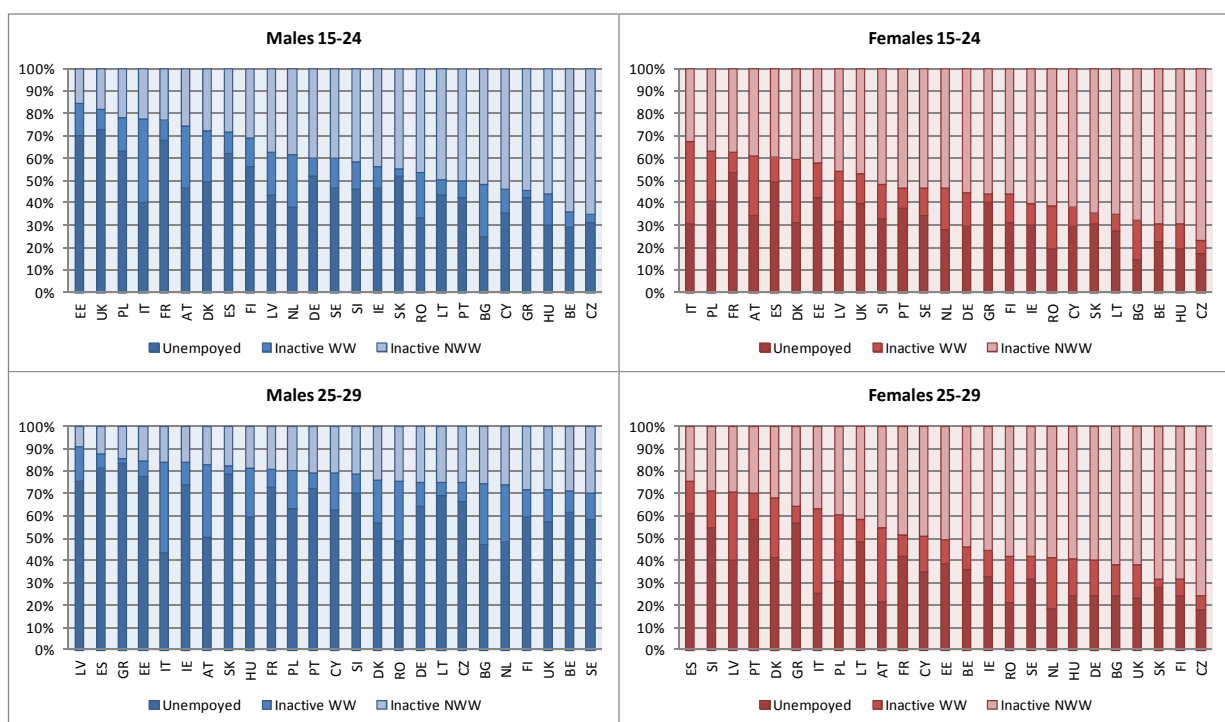
² EC (2012), Employment and Social Developments in Europe 2012.

³ The unemployment rate represents an incomplete measure of the difficulties faced by young people in the labour market as a growing number of youth who have exited education are not (or no longer) looking for work and thus are not included in the official unemployment statistics. The NEET rate is defined as the percentage of the population of a given age group who is not employed and not involved in further education or training. It differs from the youth unemployment rate for two main reasons: it includes inactivity not due to education and training besides unemployment and is based on the population in the referent age as a whole and not only to the economically active population (as in the case of the unemployment rate). As a result, NEET rates may be lower than unemployment rates (see also Eurofound 2012a).

In the majority of Member States female NEET rates and gender gaps tend to increase with age, as more young women have children and leave the labour market. Although NEET rates for the 15-19 age group are in most countries slightly higher for males than for females, the situation reverses for the 25-29 age group with 24.7% of females in this age cohort being NEETs relative to 15% of the males. In some countries (SK, IT, HU, BG, EL) the incidence of NEET among women aged 25-29 reaches one third of the population.

Although there are marked differences across the EU27, the inactivity component for women aged 15-24 reaches 80% in Bulgaria, Romania, Hungary and Czech Republic, and almost 70% in Italy. The share of inactivity among NEET women is also high in countries such as the Netherlands and Finland, where the overall NEET rate is very low. (Figure 1.2).

Figure 2 - NEET men and women: composition by status and age, 2010-2011 (%)



Note: no data available for MT, LU; WW is wanting work, NWW is not wanting work.

Source: calculations on Eurostat, EU LFS yearly micro data, average 2010/2011

Young NEET women (aged 15-29) also show a greater persistence in the status and a lower turnover than young men, especially in southern and eastern Europe, due to their greater probability to be inactive rather than unemployed⁴.

Among young inactive NEETs there are also a large gender difference in the reasons for not seeking employment. Family responsibilities are a key issue even for young women: in the majority of EU countries (especially in Eastern European countries and the UK) looking after children or having other personal or family responsibilities are mentioned by more than 50% of young inactive NEET women, while by only 6.9% of men. In contrast, the proportion of young inactive discouraged NEETs (i.e. those that consider seeking employment was not worthwhile because of the lack of opportunities) was almost twice as

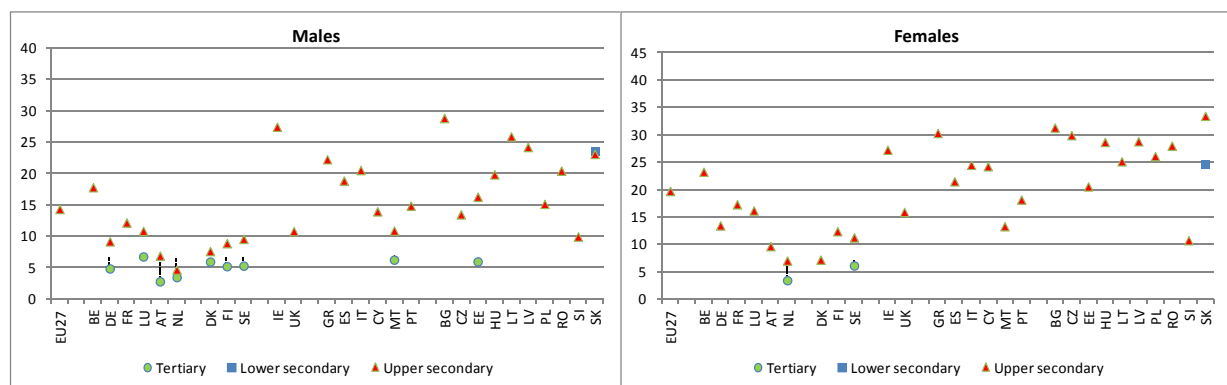
⁴ Calculations based on the EU-SILC longitudinal data.

high among young men (13.3%) than among young women (6.7%). Italy, Romania, Bulgaria and Ireland are the countries with the highest incidence of discouraged workers among young NEETs (between 17 and 23 per cent).

The level of educational qualification is particularly important in affecting the probability of being employed and the duration of the school to work transition, especially for women (Figure 1.3). In general, tertiary education graduates experience shorter search periods than those with lower levels of educational attainment and employment rates. The level of educational attainment also plays a crucial role in being NEET especially for women. NEET rates are particularly high for young women with low education in Mediterranean countries (ES, IT, GR), in Bulgaria and Romania and in the UK. The economic crisis has however increased the probability of moving into the NEET status even for highly educated young people, especially women: this is the case in Baltic and eastern countries (BG, HU, SK, CZ), as well as in Italy, Ireland and Greece where more than one-fifth of young women with secondary and tertiary education are NEET in 2011.

Young people with a migrant background are particularly vulnerable: NEET rates among non-nationals (i.e citizen of another country) reach 24% relative to 14% for young nationals. Gender gaps among migrants are very high in almost all EU countries: in Italy the gender gap reaches 26% and in Greece 30%. Furthermore, NEET rates for young women of foreign origin are higher than those for national women in all EU countries, while for young men this occurs in 15 countries out of the 19 for which data are available.

Figure 3 - NEET rate by gender and education- youth 15-29, 2010-2011 (%)



Source: calculations based on Eurostat, EU LFS yearly micro data, average 2010/2011

... and young women face worse employment conditions than young men.

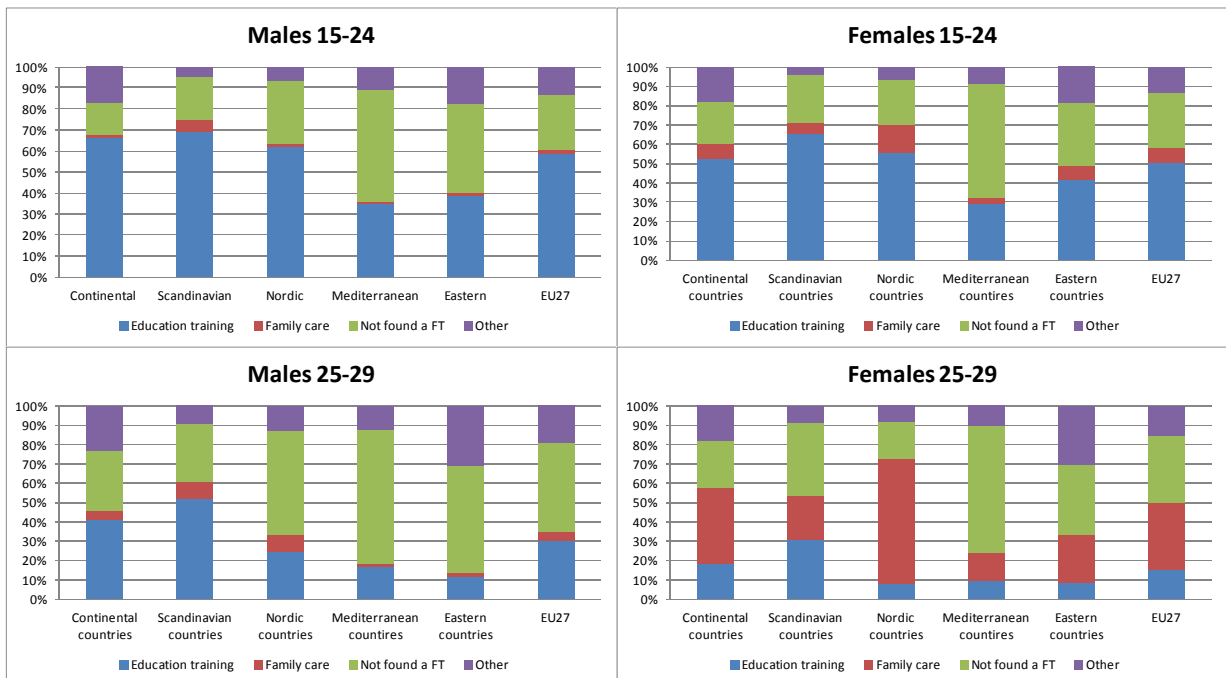
Young workers are more likely to be on a temporary contract or on a part-time basis, and they more commonly have jobs with atypical and unusual schedules, including shifts and weekend or night-time work. Young women are more likely to hold involuntary part-time and/or temporary jobs and to earn lower wages than young men.

On average for the EU27, 30% of young women relative to 15% of men are employed part-time (38% and 22% for 15-24 years old). The incidence of part-time among young women differs widely across countries due to socio-cultural aspects and labour market legislation. Part-time work is widespread in northern Europe, with 73% of young employed women in the Netherlands being on a part-time job in 2010-2011. On the other side, short working time arrangements are rare in eastern countries for both genders and not common in southern Europe.

The reasons for working part time or with temporary jobs are different for young women and men and across EU countries. As shown in Figure 1.4, taking care of family and children is indicated by 19.7% of total young female part-time workers relative to only 2.6% of males. In many northern countries youth working part-time (especially among males) are mostly students: for example in NL and DK the main reason for part-time work is education and training. On the contrary, in the other Member States with high rates of part-time work, such as the UK, IT, ES and FR, involuntary part-time is more widespread, the main reason being, for both males and females, not having found a full time job (in IT only for females).

According to estimations based on EU-SILC data, women are more likely to stay part-time for an extended period of time, while, on average, 40% of young men move to a full time job after one year as part-time and almost none of them keep a part-time job for four consecutive years.

Figure 4 - Reasons for part-time employment by gender and age, 2010-2011 (%)



Note: no data available for SI

Source: calculations on Eurostat, EU LFS yearly micro data, average 2010/2011

Young women present a higher incidence of temporary employment than young men and are more likely than young men to enter the labour market with a temporary part-time contract. Young women are also less likely than young men to be employed in apprenticeship contracts which usually present high transition rates to permanent employment especially in Germany and Austria. They are instead more likely to be employed in the less regulated and less protected temporary contracts widely diffused in Mediterranean countries (PT, SP, IT), as well as in Slovenia, Poland and Sweden.

The higher incidence among young women of part time and temporary jobs explains the larger share of low paid workers among young women than among young men. According to EU LFS data, the share of young employees aged 15-29 earning a monthly wage below the median wage is particularly high in Italy, Cyprus, France and Luxembourg.

Recent estimations based on ELFS longitudinal data on the school to work transitions (Mills et al., 2012; Plantenga et al., 2012) show that in the school to work transition young men find a permanent job more often than young women and that for women the negative impact of the number of transitions is stronger than for men. Furthermore EU-SILC data show that young women are more likely to quit their job relative to men, probably due to family care responsibilities.

2. DETERMINANTS OF GENDER DIFFERENCES IN YOUTH LABOUR MARKET CONDITIONS

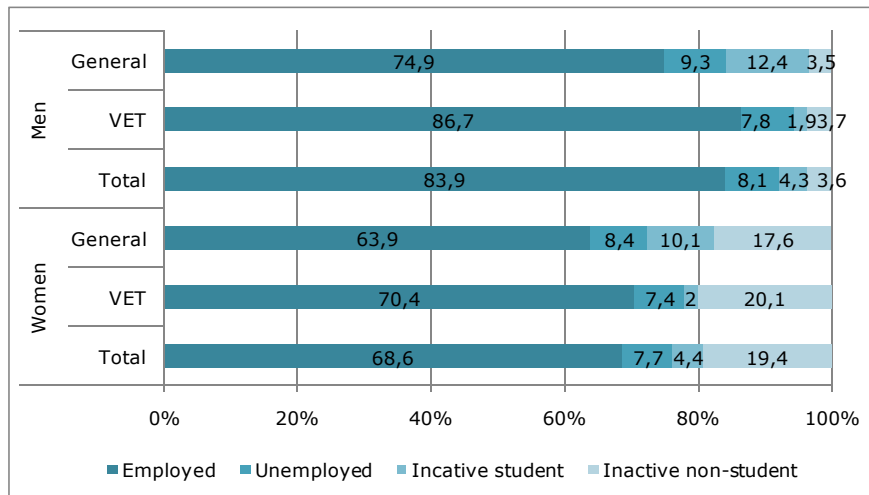
The previous chapter showed that young women are more likely than young men to be NEET-Inactive and to hold part-time or temporary low paid jobs when employed, even when they have a high educational level. This might be due to greater care responsibilities than young men, gender segregation in education and training patterns leading to skill mismatches, difficult access to information channels and job search mechanisms, and labour market discrimination. The different position of men and women (in the labour market and in the social security system) might also imply that there are differences in the effects of employment, education and work-life reconciliation policies which need to be addressed in order to design effective policy measures.

Educational attainment and skill mismatch.

Young women are on average more educated than young men. The proportion of women among the 20 to 24 year olds who have at least completed upper secondary education in 2011 is 82.4% against 76.7% for men, and the proportion of women with tertiary education attainment reaches 39.7% for the 25-34 age group relative to 30.4% for males. Young women are also less likely to drop out from education and training. On average in the EU-27 the early school leaving rate is 15.3 % for young men and 11.6 % for young women, with wide differences among EU countries.

However young women often choose fields of studies which may translate in lower employment rates. 'Vertical skills mismatch' or 'over-qualification' are widespread especially among young women with tertiary education, because they tend to choose more general or academic educational paths (Flabbi, 2011). Young men are instead more likely to have completed VET-oriented education, which, according to a recent Cedefop study (Cedefop 2012) leads to better labour market outcomes than general education, as shown in Figure 2.1⁵.

⁵ According to some studies, gains from vocational education may however be offset by the fact that specialized education can reduce workers' mobility and their ability to cope with economic changes and rapid technological change. See Brennan et al 2009, Hanushek et al. 2011 and Lamo et al. 2011.

Figure 4 - Employment status of medium-level graduates by orientation and gender, 25-34 years-olds, EU 27+, 2009

Source: Cedefop 2012, *From education to working life*

The importance of the field of study emerges from the 'Youth on the Move' Flash Eurobarometer (2011). Asked on the main concerns when seeking a job on completion of their education, a higher proportion of young women than men (24.3% vs 20.4%) declares that there are no jobs opportunities in their fields of study, while fewer think that they don't have the right knowledge or skills (11.5% relative to 13.7% among men).

Young women are less involved in on the job training. According to Eurobarometer results (2011), men are more likely than women to have participated in training over the last 12 months (by a margin of 24% to 21%); they are also more likely to receive funding from their current employer (60%, as opposed to 50% of women) and to have completed a traineeship (37% vs 32%), while young women more often than men take part in non-formal learning activities.

Family composition and child care.

Being married and having children plays an important role in influencing gender differences in the labour market even among young people. In all countries while for young women being married and having children implies a much higher NEET rate (for the inactive component), for males it is usually the opposite. Country differences in female NEET rates mainly concern married young women, and are probably related to the availability of care services and the prevalent social values. Similarly, the presence of children increases the gender gap in employment and in part-time employment.

Education seems to partly counterbalance this effect, since women with advanced degrees have shorter out of work spells than other women, also when having children. Family responsibilities are probably behind gender differences in the willingness of young people to set up their own business (38.5% for young women relative to 47.1% for young men) or to work in another country (49.4% for young women relative to 56.3% for young men)⁶.

Policies supporting the work-life balance appear thus important in reducing (youth) gender gaps in the labour market. Subsidising child care services not only improves the

⁶ Eurobarometer Survey Youth on the Move, 2011.

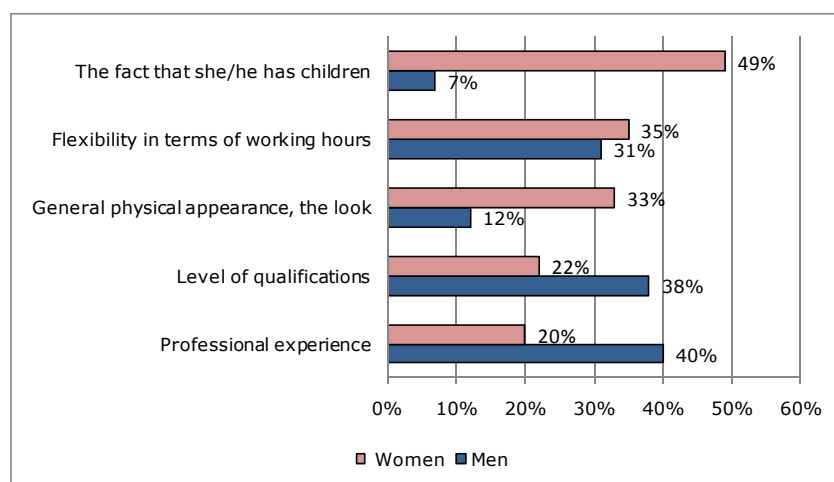
employment opportunities for (young) mothers, but also reduce the risk of poverty among children, helps improve human capital and makes the overall income distribution less unequal. Net childcare costs are indeed a critical factor for parents' employment decisions (OECD, 2011). Where targeted support policies do not exist, the cost of childcare can consume a third or more of family budgets and becomes unaffordable, especially for young low income families and lone parents.

Gender stereotypes and discrimination.

Gender differences in the labour market may be also due to gender discrimination. In the presence of equal pay legislation, employers might exercise gender prejudices in the recruitment stage by hiring less women than men and/or hiring them only with temporary contracts. Employers may also use gender differentiated criteria in the recruitment process which might penalize women, not valorizing their professional skills or education level. Gender discrimination may add to the racial one, thus touching especially women from specific ethnic groups. Furthermore, employers may find it easier to discriminate on a gender basis during a recession: when unemployment is high it is easier for discriminating employers to hire on a gender basis with no negative consequences in terms of profits (Azmat, et al., 2006).

A recent Eurobarometer survey on "Women and gender inequalities in the context of the crisis" shows a very clear difference in perceptions on the criteria adopted by employers in the recruiting process for women and men. As shown in Figure 2.2 while for men professional experience and qualification score high among recruitment criteria, for women having children, being available for flexible working hours and appearance are more important.

Figure 5 - Different criteria in the recruitment process (% of answer to question Q4a)



Source: Eurobarometer, Women and gender inequalities in the context of the crisis, 2013

Labour market regulation and policies.

Gender differences in the labour market are influenced by labour market regulation and policies, particularly when they reduce the incentive to hire or retain workers with lower levels of human capital and/or less attached to the labour market.

According to large part of the economic literature, employment protection and working time regulations are likely to reduce the incentives to hire young entrants in the labour market and women. Azmat et al. (2006) point out that, if women are more likely than men to leave employment for care responsibilities, this may have a negative effect on recruitment practices and increases the gender gap in the unemployment rate. Policies that make it difficult for workers with care responsibilities to stay in employment are thus likely to increase the gender gaps in the labour market. Gender differences are also likely to be influenced by policies affecting the work-life balance and the division of care work within households, such as the provision of care services, incentives for the use of part-time work, flexible working time arrangements and parental leaves, tax and benefits systems. Anxo et al. (2011) find that the design of family policies and employment regimes influence the time use of men and women over the life course, with effects on gender differences in the labour market at any stage of life. Rubery (2011) argues that employment protection and working time regulation could promote gender equality in the labour market, if issues such as labour market segregation, gender gaps in access to social security, taxation systems, gender pay gaps and the under-evaluation of women's work are addressed as well.

3. CONSEQUENCES OF UNEMPLOYMENT AT YOUNG AGE FOR WOMEN AND MEN

The consequences of unemployment and precariousness in young age might be particularly negative and persistent, reducing long term life chances (the so called "*scarring effect*"). When the only available jobs are temporary ones, youngsters have a high probability to become unemployed and frequent spells in temporary jobs and/or non employment reduce career opportunities. A difficult start may thus have long terms consequences which go beyond the direct labour market effects, impacting on the risk of poverty and social exclusion and on the opportunity to become independent, i.e. to leave the family home and / or to start a family. On a more general level, it may also impact on job satisfaction, health and social participation.

A growing body of literature argues that going through a joblessness situation early in life may leave long-term scars (OECD, 2011), preventing young people from accumulating work experience, thus reducing their human and social capital and increasing the probability of lower future employment opportunities and wages. This may ultimately lead to economic and social exclusion, since the transition to a stable employment is a milestone for the building of an independent household (OECD, 2000) and family formation decisions result directly from the success of this transition (Schmelzer, 2011; Wolbers, 2007; Korpi et al., 2003; Eckstein and Wolpin, 1995; Coupié and Mansuy 2003).

Poverty and exclusion.

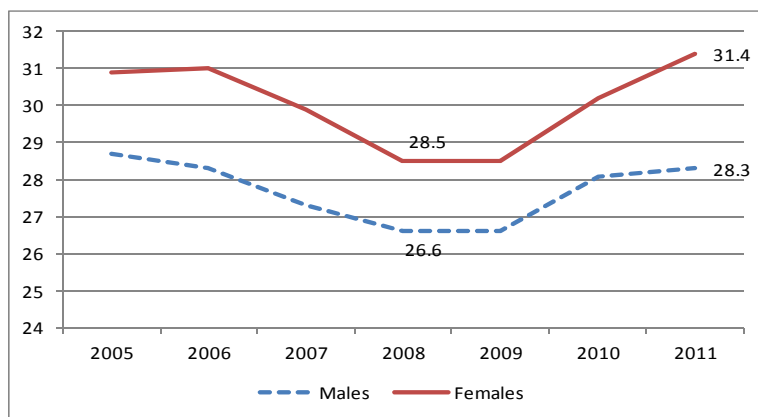
The long duration and severity of the current crisis is likely to generate a permanent "*scarring effect*" on the current younger generation. The poverty risk for this generation is likely to be exacerbated by the recent pension and welfare reforms linking pension benefits to lifelong contributions.

The impact of the crisis on personal life of young people differs widely across Europe, reflecting differences in economic conditions, social values and welfare provisions. In the EU-27 the at-risk-of-poverty or social exclusion rate for young people (29.1%) is higher

than that of the total population (23.5%)⁷ and sharply increased between 2008 and 2011 for young people (Figure 3.1), especially in the countries most hit by the crisis.

Young women face higher risks of persistent poverty than young men, due to their discontinuous employment conditions and frequent inactivity spells. Inactivity and career breaks linked to care responsibilities have long-term impacts on future pension entitlements and are important factors of poverty among older women. While inactivity rates have not increased so far as a direct consequence of the crisis, retrenchments or freezes in social spending, such as on family and child benefits or child care services, may hamper female participation and aggravate the situation of the most vulnerable women.

Figure 6 - Young people (18-24) at risk of poverty or social exclusion by age and sex (%), 2005-2011



Source: Eurostat, EU-SILC

A large body of academic research⁸ has analysed the consequences of a difficult start in the labour market for young individuals and for society at large. According to these studies, entering the labour market during a recession often leads to substantially lower lifetime earnings, increased risks of ending up in lower-level occupations, reduced well-being, health status, and job satisfaction.

Besides the costs to individuals, the diffusion of precarious jobs and joblessness among young people represents a social cost, as the waste of young, highly educated human resources reduces growth prospects while extending the poverty risks and income inequalities, with high budget costs related to low fiscal revenues and growing social expenditures. In the case of women the impact of mothers' employment during childhood on the child's well-being⁹ should also be considered, as well as the transmission of gender roles across generations and the lower investments in the human capital of children in families with only one wage earner. Eurofound (2011a) estimates the overall cost of youth unemployment and inactivity to be €101bn per year (or 1.1% of EU21's GDP).

⁷ This indicator must be considered with caution when comparing the situation of young people in EU countries, because at risk- of-poverty rates will be higher in countries where young people generally set up their own household earlier, and lower in those in which they tend to live with their parents longer. For this reason, the list of EU youth indicators does not include this indicator when analyzing the situation of the 18 to 24 age group.

⁸ Bell and Blanchflower 2010, Scarpetta et al. 2010, Eurofound 2011a and 2012a

⁹ Del Boca et. al (2003). show that the loss of the mother's child-care time has a negative effect on the child's well-being (e.g., socio-emotional adjustment and cognitive outcomes), however there is also evidence that the additional income from mother's employment has positive implications for expenditures on goods consumed by the child. These effects vary across countries and across family types, so the net impact of mother's employment on child's welfare can be expected to vary across national environments as well.

Leaving the parental household and the housing market.

Housing has a crucial significance for young people, also because their risk of poverty is strongly linked to the burden of sustaining their own household, especially for young people with low qualifications¹⁰.

The average age of young people leaving the parental household varies substantially in Europe. Young people tend to leave the parental household earlier in western and northern Europe than in eastern and southern Europe. Social norms¹¹, predictable labour market structures and good employment opportunities for young people as well as targeted state support available to them are important factors in explaining these differences¹². In southern and eastern European countries, the high levels of youth unemployment and low wages explain their longer stay with their parents¹³ together with the scarcity of affordable housing opportunities and of state support¹⁴. Buying a house is also complicated by the conditions to receive a mortgage, which have become stricter in most countries. For many young people the crisis has thus meant the postponement of leaving the parental home and/or returning to it.

Women are more likely to have problems in maintaining their own household. This is partly because they leave the parental home on average two years earlier than men and their financial commitments are liable to be greater. In addition, women may also find it more difficult to provide for their own household because they earn less on average than men and have greater difficulties in access to credit. In many countries, the income of the second earner, which is mostly women, does not count fully in determining the loan capacity or a full-time permanent employment status is necessary to get a loan. Those working part-time, more often women, have thus more difficulties to get loans.

Access to social protection and labour market policies.

In some EU countries young NEETs are not entitled to welfare support because they have not contributed into the system long enough to be eligible for unemployment and social protection benefits. Only 14.5% of young NEETs on average receive benefits or assistance, according to ELFS data.

The share of young NEETs which can rely on welfare assistance is higher in Northern Europe (DE, BE, FI, DK, AT), where the NEET rate is lower than the European average. On the contrary only a few of countries where NEET rates are quite high provide assistance benefits. As women work more often with precarious contracts or are inactive, access to social security and entitlements are lower (Figure 3.2).

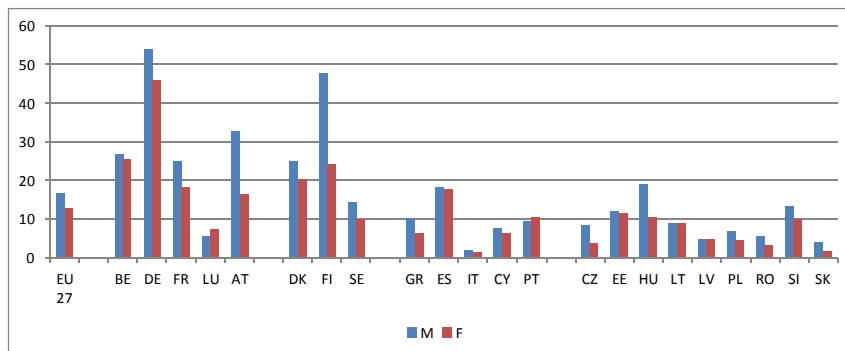
¹⁰ Kutsar and Helve 2012.

¹¹ Aassve et al. 2007; Iacovou 2001.

¹² Aassve et al. 2002.

¹³ Aassve et al. 2002 and 2007.

¹⁴ Iacovou (2011)

Figure 0.1 - Young NEETs receiving welfare assistance by gender

Source: IRS elaboration on yearly micro-data ELFS, average 2010/2011

Furthermore, in case of unemployment, young women (especially the low-skilled) might opt for starting a family. Young persons have, however, only limited access to reconciliation facilities, because access to measures supporting parenthood, such as maternity and parental leave, are often based on a (solid) employment status. As a result, it is more difficult for young parents with precarious labour market conditions to claim such services. In addition, affordable child care services are often not available and public services are threatened by budget cuts. As a result, young women might become full time carers, with negative long term impacts on their career and future earnings.

Young women are also less likely than young men to be involved in active labour market policies. The coverage rate (i.e. share of ALMP beneficiaries as % of NEET population 15-24) is higher for males than for females: 42.4% vs 32.6% for females in 2009.

CONCLUSIONS

The difficult labour market situation of young people in Europe has become an increasingly urgent social challenge in the EU and their integration into the labour market is now a major policy issue. Despite a shrinking and increasingly better-educated youth population, young people in many Member States still face considerable problems in making the transition from education into employment. And many of those who have gained a foothold in the labour market often hold unstable jobs with unfavourable conditions and career prospects.

The young need special attention and support because they are more exposed to systematic labour market risk than adults and because of the negative long-term implications of unemployment at a young age not only on young people's financial and social situation but also for the economy and social cohesion at large.

There are however significant gender differences in the youth labour market that are largely ignored in the recent policy debate and in the measures taken to fight youth unemployment. This gender-blindness might endanger the efficiency and effectiveness of the new policies. Apprenticeships schemes, support to youth entrepreneurship, youth guarantee schemes, occupational orientation programmes and employment incentives might have very different effects for young men and women due to gender segregation in education and employment, gender differences in access to social protection, the lack of policies supporting the work-life balance and the unequal division of care responsibilities even at young age.

REFERENCES

Anxo, D., Mencarini, L., Pailhe, A., Solaz, A., Tanturri, M.L. and Flood, L. (2011), Gender Differences in Time Use over the Life Course in France, Italy, Sweden, and the US, *Feminist Economics*, 17(3): 159-195.

Arslan, Y. and Taskin, T. (2011), *Explaining the Gender Gaps in Unemployment across OECD Countries*, MPRA Papers Series, University Library of Munich, Germany, n. 34873.

Azmat, G., Guell, M., Manning, A. (2006), Gender Gaps in Unemployment Rates in OECD Countries, *Journal of Labor Economics*, 24(1): 1-37.

Cedefop (2012), *From education to working life*, The labour market outcomes of vocational education and training.

David N. F. Bell & David Blanchflower, 2010. "Recession and Unemployment in the OECD," CESifo Forum, Ifo Institute for Economic Research at the University of Munich, vol. 11(1), pages 14-22, 04.

Bettio F. et al. (2012), *The impact of the economic crisis on the situation of women and men and in gender equality policies*, Nov. 2012 http://ec.europa.eu/justice/gender-equality/files/documents/enege_crisis_report_dec_2012_final_en.pdf

Bruno, G.S.F., Caroleo, F.E. and Dessy, O. (2012), *Stepping Stones versus Dead End Jobs: Exits from Temporary Contracts in Italy after the 2003 Reform*. IZA Discussion Paper No. 6746.

Choudhry M. T., Marelli E. and Signorelli M. (2012), "Youth Unemployment and the Impact of Financial Crises", *International Journal of Manpower*, 1, 2012. "

De Graaf-Zijl, M., Berg, G.v.d. and Heyma, A. (2011), *Stepping stones for the unemployed: the effect of temporary jobs on the duration until (regular) work*. Journal of Population Economics 24.

Del Boca, D., Pasqua, S. & Pronzato, C. (2003), *Analysing women's employment and fertility rates in Europe: differences and similarities in northern and southern Europe*. Turin: Child.

European Commission (2010a), *Recent developments in the EU27 labour market for young people aged 15–29*, Brussels: European Commission.

European Commission (2010b), *Strategy for Equality between Women and Men 2010-2015*, SEC(2010)1080.

European Commission (2011), *Youth on the move*, Analytical report, Flash Eurobarometer.

European Commission (2012a), *Apprenticeship supply in the Member States of the European Union*, Final report, Brussels: European Commission:

<http://ec.europa.eu/social/main.jsp?catId=738&langId=en>.

European Commission, (2012b). *Study on a comprehensive overview on traineeship arrangements in Member States*, Final Synthesis Report, Brussels: European Commission:

<http://ec.europa.eu/social/main.jsp?catId=738&langId=en>.

European Commission (2012c), *Moving youth into employment*, 5.12.2012 COM(2012) 727 final and SWD(2012) 406 final, Brussels: European Commission.

European Commission (2012d), *Employment and Social Developments in Europe 2012*, Nov.2012.

European Commission (2012e), Commission Staff Working Document, *EU Youth Report - Status of the situation of young people in the European Union*. Brussels, 10.9.2012 SWD(2012) 257 final.

Eurofound (2011a), *Young People and NEETs in Europe: First Findings*, Eurofound, Dublin.

Eurofound (2011b), *Foundation Findings: Youth and Work*, Eurofound, Dublin.

Eurofound (2012a), *NEETs: young people not in employment, education or training: characteristics, costs and policy responses in Europe*, Eurofound, Dublin:

<http://www.eurofound.europa.eu/pubdocs/2012/54/en/1/EF1254EN.pdf>.

Eurofound (2012b), *Recent policy developments related to those not in employment, education and training (NEETs)*, Eurofound, Dublin:

<http://www.eurofound.europa.eu/emcc/erm/studies/tn1109042s/index.htm>.

European Employment Observatory Review (2011), *Youth employment measures - 2010 (01/04/2011)*.

European Parliament (2011), *Gender Aspects of the Economic Downturn and the Financial Crisis*.

European Parliament (2012a), *Data for the evaluation of the European Semester Process from a Gender Equality Perspective*, 2012.

European Parliament (2012b), *Analysis of 5 National Reform Programmes 2012 Regarding the Pursuit of the Union's Gender Equality Objectives*, 2012.

Flabbi, L. (2011). *Gender differentials in education, career choices and labour market outcomes on a sample of OECD countries*. Background paper for the World Development Report 2012. The World Bank.

Hanusheck, E.; Woessmann, L.; Zhang, L. (2011). *General education, vocational education and labour market outcomes over the life cycle*. IZA discussion paper; 6083.

Hernandez V., Origo F., Samek Lodovici M. and L. Toharia (2008), *Dreaming of a Permanent Job: the Transition of Temporary Workers in Italy and Spain*, in Muffels R.J.A., *Flexibility and Employment Security in Europe*, Edward Elgar.

Iacovou, M. (2011), *Leaving home: independence, togetherness and income in Europe*. Expert paper no. 2011/10. New York: United Nations, Department of Economic and Social Affairs/Population Division.

ILO (2012), *Global employment trends for youth 2012*. Geneva: International Labour Office.

Jahn, E.J., Riphahn, R.T. and Schnabel, C. (2012), *Flexible Forms of Employment: Boon and Bane*. *The Economic Journal* 122(562): F115--F124.

Knijn, T. (ed) (2012). *Work, family policies and transitions to adulthood in Europe*. Hampshire: Palgrave Macmillan.

Knijn, T. and Plantenga, J. (2012), *Conclusions: Transitions to adulthood, social policies and new social risks for Young adults*, in: Knijn, T. (ed), *Work, family policies and transitions to adulthood in Europe*, pp. 202-215. Hampshire: Palgrave Macmillan.

Mills, M., Präg, P., Rohr, C., Tsang, F. and Hoorend, S. (forthcoming), *School-to-work transitions in Europe*. Short Statistical Report no. 4. Prepared for the European Commission, DG Justice.

OECD (2006), *Starting well or losing their way, the position of youth in the labour market in OECD countries*, OECD Publishing, Paris.

OECD (2010), *Off to a Good Start? Jobs for Youth*, OECD Publishing, Paris.

OECD (2011)., *OECD employment outlook 2011*. Paris: OECD.

Quintini G. and T. Manfredi (2009), *Going Separate Ways? School-to-work transitions in the United States and Europe*, OECD Social, Employment and migration Working Papers, no.90.

Quintini, G. and Martin, S. (2006), *Starting Well or Losing their Way?: The Position of Youth in the Labour Market in OECD Countries*. OECD Social, Employment and Migration Working Papers, No. 39, OECD Publishing.

Plantenga J. et al. (2013), *Starting Fragile – Gender Differences in the Youth Labour Market*, (forthcoming) ENEGE network.

Rubery J. (2011), *Towards a gendering of the labour market regulation debate*, Cambridge Journal of Economics.

Samek Lodovici M. and R. Semenza (eds.2012), *Precarious Work and High Skilled Youth in Europe*, F. Angeli.

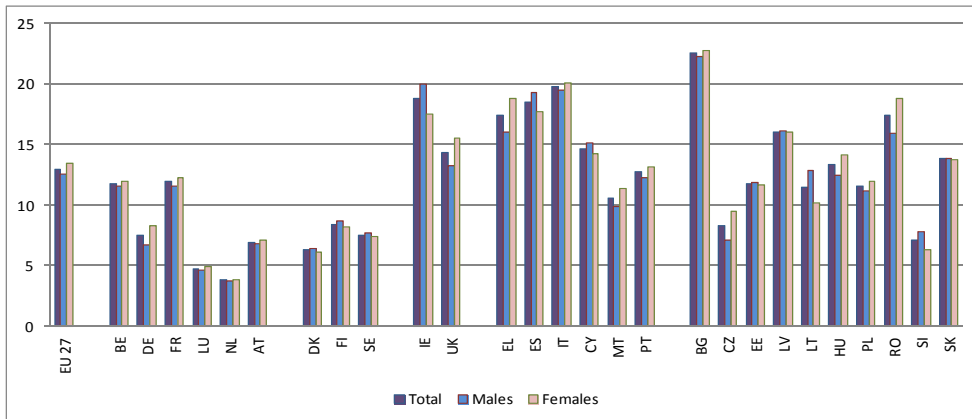
Scarpetta, S., Sonnet, A. and Manfredi, T. (2010), *Rising youth unemployment during the crisis: How to prevent negative long-term consequences on a generation?*, *OECD Social, Employment and Migration Papers*, No. 106, available at:

www.oecd.org/dataoecd/10/8/44986030.pdf.

Şahin A., Song J. and B. Hobijn (2009), "The Unemployment Gender Gap During the Current Recession", <http://www.ny.frb.org/research/economists/sahin/GenderGap.pdf>.

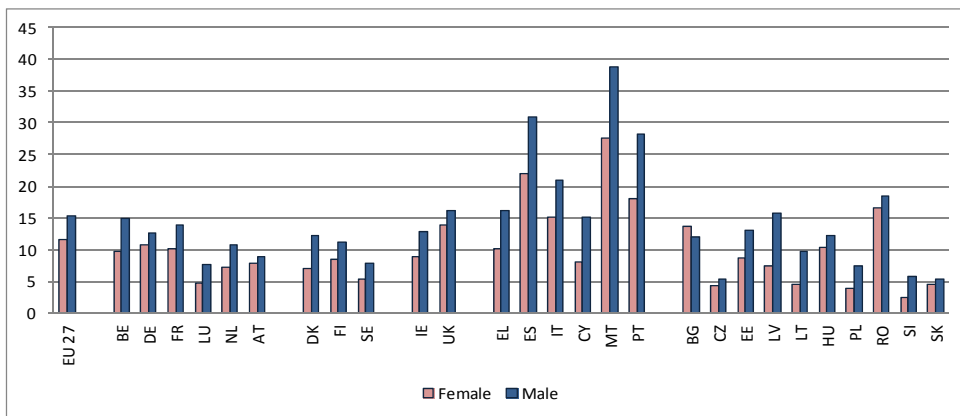
Scarpetta, S., A. Sonnet and T. Manfredi (2010). *Rising youth unemployment during the crisis: how to prevent negative long-term consequences on a generation?* *OECD Social, Employment and Migration Working Papers*, no. 106. Paris: OECD.

Figure A1. Share of young people (aged 15-24) not in employment, education of training (NEET rate), by country and sex, 2011



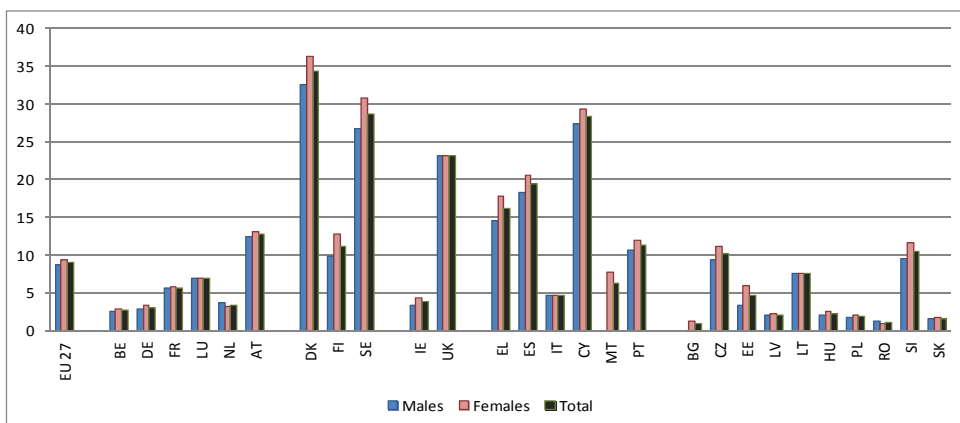
Source: Eurostat, LFS

Figure A2. Early leavers from education and training by sex (population aged 18-24 with at most lower secondary education and not in further education or training, by country and sex (2011)



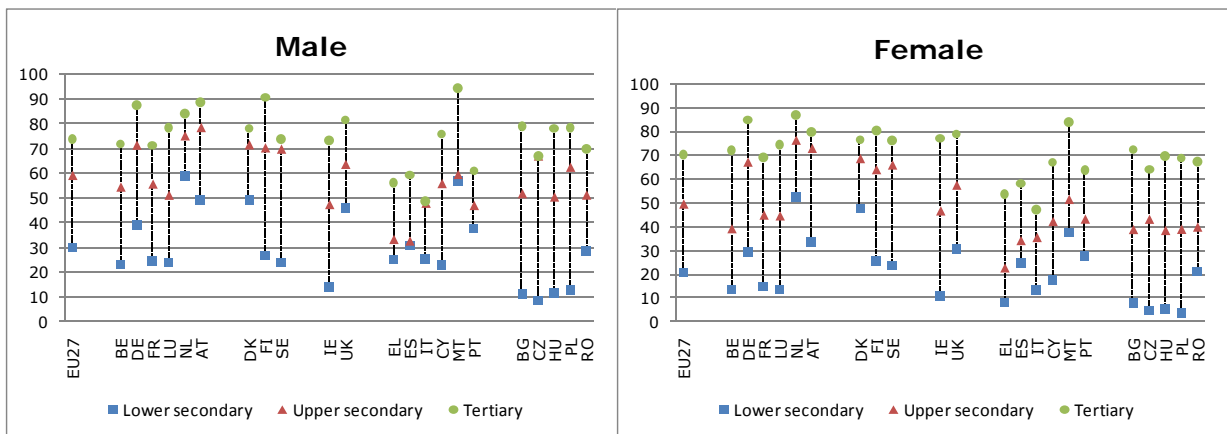
Source: Eurostat, LFS

Figure A3. Participation in non-formal learning of young people (aged 15-24), by country and sex, 2011



Source: Eurostat, LFS

Figure A4. Employment rate by gender and education- youth 15-29, 2012*

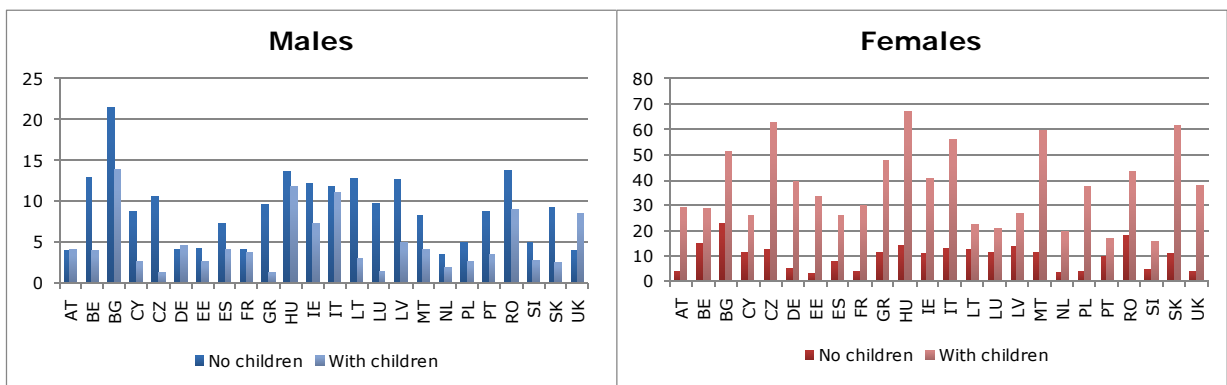


*First three quarters average

Note: Data not available for: EE, LT, LV, SI, SK

Source: Eurostat- ELFS, annual average

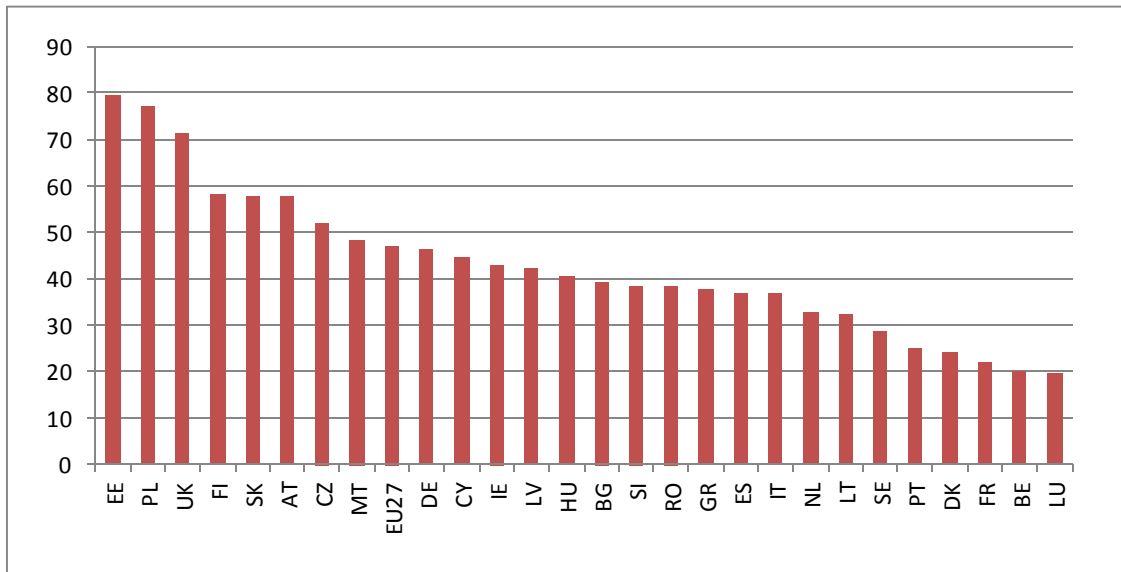
Figure A5. NEET inactive rates by gender and presence of children, youth 15-29



Note: no data available for DK, FI, SE;

Source: calculations on Eurostat, EU LFS yearly micro data, average 2010/2011

Figure A6 Inactive NEET women aged 15-29 not seeking work because of family care, 2010-2011 (%)



Source: calculations on Eurostat, EU LFS yearly micro data, average 2010/2011

A Labour Economist, **Manuela Samek Lodovici** is the head of the Labour Market Area at IRS and a Professor of Public Economics at the Università Cattaneo (LIUC) in Castellanza and Labour Economics at the Università Cattolica in Milan. Her main areas of research regard the comparative analysis of Labour Market Trends and Labour Regulation Systems, the evaluation of Labour and Equal Opportunity Policies, with emphasis on European Structural Funds, the analysis of the Medium-term Trends of Employment by Occupation Demand. On these aspects she has participated as an expert in numerous European networks and carried out consultancy for the European Commission and Local and National Public Administrations.

Effects of educational attainments on employability: Do young women have an advantage compared to young men?

Agneta Stark, professor *emerita*, Sweden

As young women are active and successful in education and training, they will be prepared for future labour market challenges but need labour market opportunities to avoid unemployment or inactivity (NEET). For young men, increasing their participation in education and training is a key issue, as is retraining for those with skills no longer in demand. All programs for reducing unemployment or inactivity (NEET) and easing entry into paid work will have different effects on young men and women as they have different starting conditions.

EXECUTIVE SUMMARY

- Girls and women now participate and succeed at all levels of education, often outperforming men and boys who tend to neglect new and existing education opportunities more.
- Men without upper secondary education have been hit particularly hard by the present economic difficulties within the EU, seeing their unemployment rates increasing considerably. Within the EU, unemployment rates of young men are now slightly higher than those of young women.
- Efforts to encourage non-traditional career choices have been directed more often towards girls and women than towards boys and men. This may be related to less favourable conditions and lower pay in traditionally female occupations.
- Gender aware and well trained study and career advisors may play an important role in informing young men also of non-traditional education and job opportunities.
- All programmes and policies to increase employment among young people are gendered, whether this is intended or not.
- Potential employers need to be aware of the skills and talents of both young women and young men, not being misled by outdated information.

1. EDUCATION AND GENDER – A MAJOR DEVELOPMENT

During the last 50 years, a major global change has occurred within the area of education. Before, boys and men formed a majority of students, from primary schools to universities. When formal obstacles to female access to education have been removed, often after long and intense pressure from women, gradually traditional attitudes and practical obstacles have been overcome. Girls and women make use of the new opportunities, and are now often outperforming boys and men, as early as in primary school but also in secondary school and more recently as measured in graduation from higher education in which women are outnumbering men.

Thus today, after primary education, women, rather than men, participate in all other kinds of education in most countries of the world, especially in the more developed regions.

Women are successful, but there are also indications that men's results on the contrary are decreasing. There are multiple indicators of this development:

OECD (2012b, p. 47) reports:

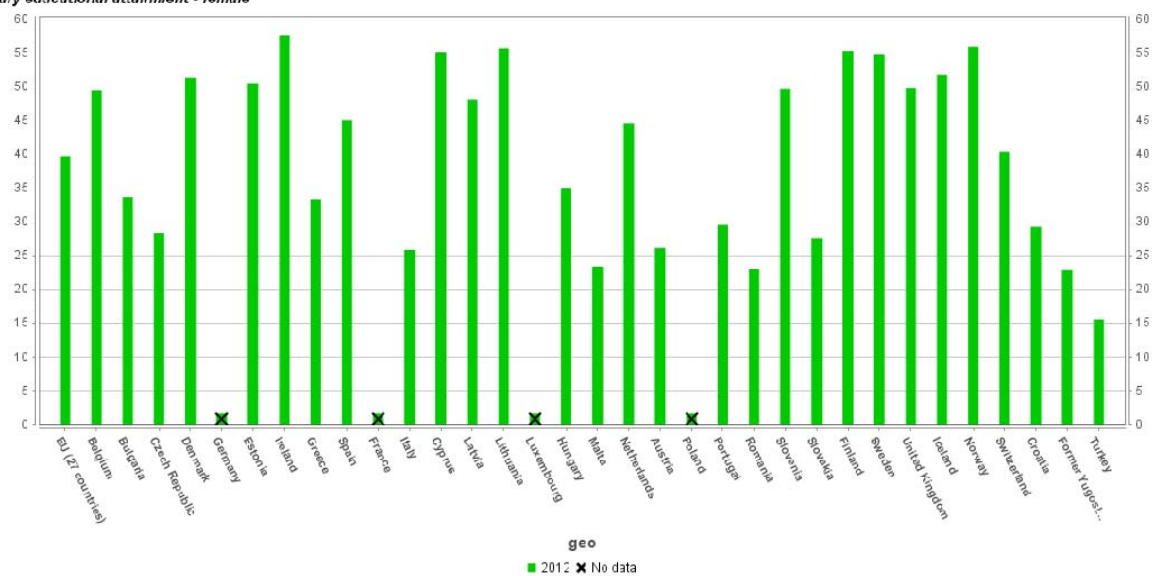
"In all countries with available data, boys are more likely than girls to drop out of upper secondary school without a diploma. "

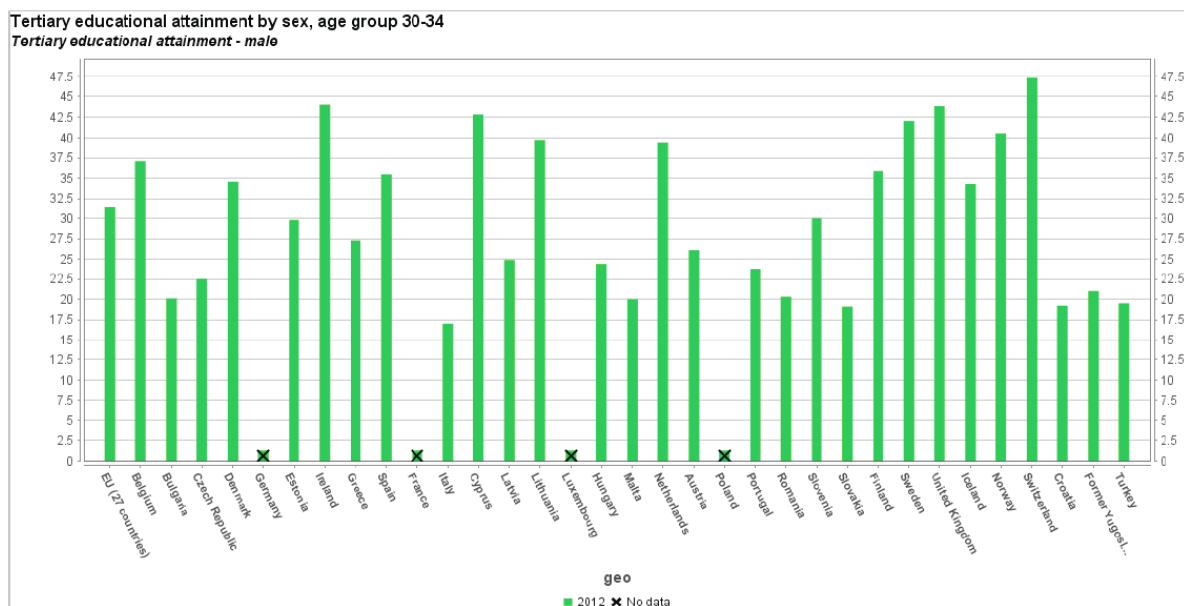
As all EU countries are included in the OECD, the same is true for them, and Eurostat (2013) uses the indicator "Early leavers from education and training" (*Percentage of the population aged 18–24 with at most a lower secondary education and not in further education or training, so called NEETs*). For EU 27, it is reported that that 15,3 per cent of men and 11,3 per cent of women are early leavers, with Spain showing the highest figures for both men, 31,0, and women, 21,9 per cent, and the Czech Republic and Slovakia the lowest, 5,4 for men, and Slovenia 2,5 for women.

Young women are now more likely than young men to graduate from upper secondary programmes in almost all OECD countries, which is a reversal of the historical pattern. Young women are also graduating from vocational programmes more often than in the past; consequently, their graduation rates from these programmes are catching up with those of young men.

Similarly, in most OECD countries, girls leave education with a tertiary qualification in larger numbers than boys. For the age group 30-34 for EU 27 in 2012, Eurostat reports that 39,6 per cent of women have a tertiary degree, while the corresponding figures for men is 31,5. This points to a considerable gendered gap in formal education, as may be seen in the two graphs below (please note the different scales).

Tertiary educational attainment by sex, age group 30-34
Tertiary educational attainment - female





The high level of women participating in education is a major positive change, but at the same time the decrease of male participation and success in higher levels of education is, indeed, worrying. The reasons for this decrease seem insufficiently researched.

Europe 2020 focuses strongly on young people, with a headline target of reducing early school-leaving and increasing tertiary attainment. To increase tertiary attainment in the population, it is necessary that also young people whose parents have low levels of education are attracted to and participate in higher education.

The OECD (2012b, p. 103) addresses a specific problem regarding the access to higher education for young people from families with low levels of education:

“Young women have a clear advantage over young men in attaining a higher level of education than their parents. The differences in this upward mobility are particularly stark in Greece, Iceland, Norway, Portugal, Slovenia and Spain, where young women are at least 10 percentage points more likely than young men to belong to this group. ”

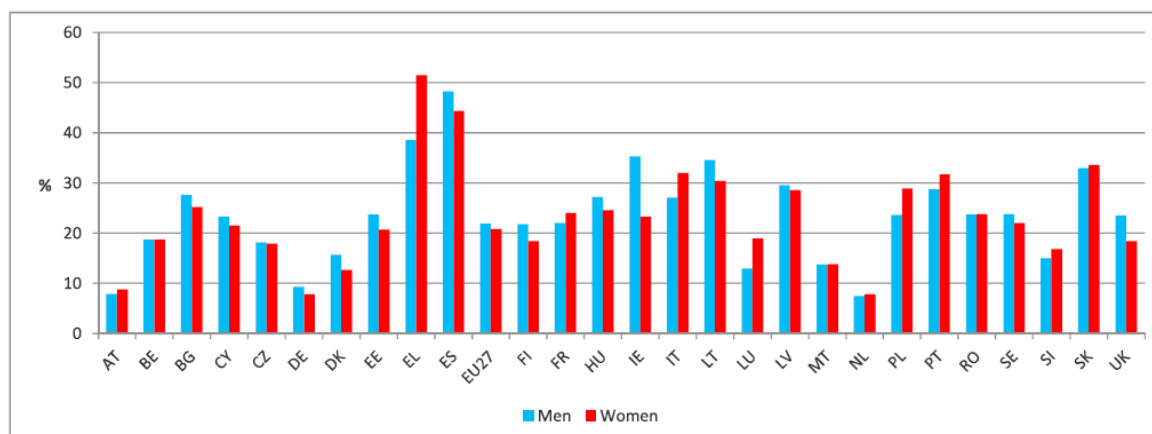
As a whole, young women as a group are today preparing themselves for future possibilities and challenges by working hard on their education. At the same time young men as a group seem to reject some of the openings and possibilities as offered by formal education systems. It is important to remember that there are considerable differences within the group, differences connected to class, language, migration, traditions, access to economic resources, etc.

However, young women as a group are at present (through their preferences and their efforts) moving Europe towards the 2020 target mentioned above. This would merit researching their driving forces more carefully so that young men could be encouraged to follow, or so that more precise tools could be developed to enable young men to follow a similar path, on their own terms.

UNESCO (2010) provides a thorough analysis and a rich data material on the participation and results of girls and boys, women and men at all levels of education in all parts of the world.

2. EFFECTS OF GENDER DIFFERENCES IN EDUCATION ON THE EMPLOYABILITY OF YOUNG MEN AND WOMEN

Figure 5: Youth unemployment by gender, EU Member States, 2011



Source: Eurostat, July 2012

2.1. Facts and figures

For every level of education, higher education means higher probability of being in employment, and decreasing risks of unemployment. This has been shown to be true also when the proportion of graduates from higher education increases in a country.

OECD (2012 b, p. 118) summarises:

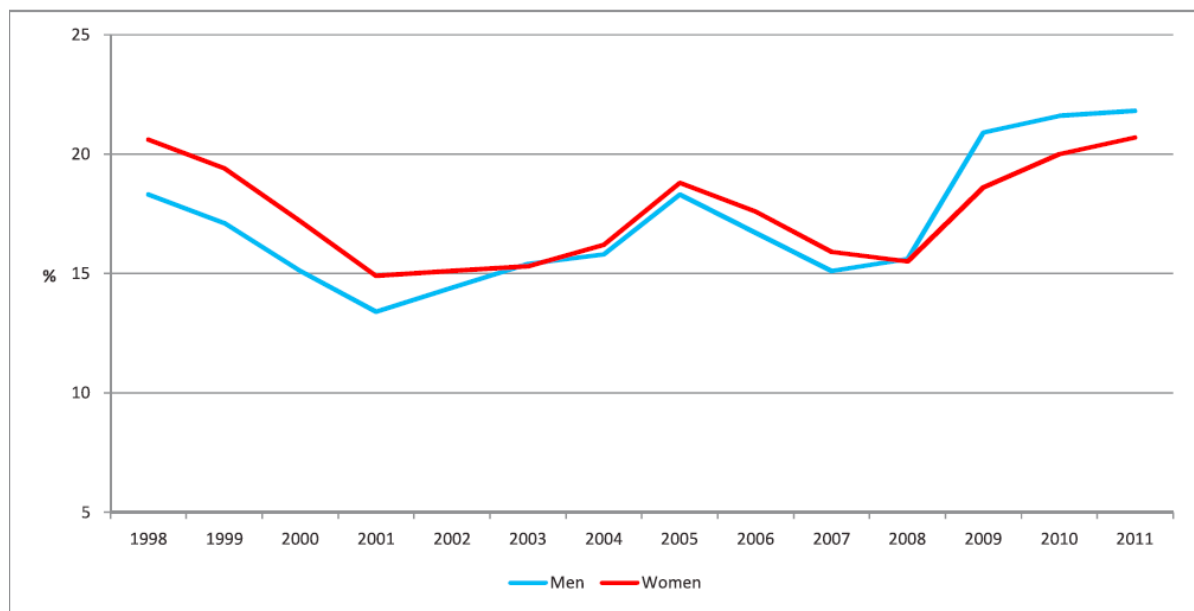
“Across OECD countries, individuals with at least an upper secondary education have a greater chance of being employed than people without an upper secondary education. On average, employment rates are 18 percentage points higher for those with an upper secondary education and 28 percentage points higher for those with a tertiary education, compared to individuals who have not completed an upper secondary education. In Iceland, Norway, Sweden and Switzerland, for example, the average employment rate of tertiary-educated individuals is over 88%.”

The ongoing economic crises’ impacts on the unemployment rates related to educational attainment as has been analysed by the OECD (2012b, p. 120):

“Since the onset of the global recession in 2008, individuals without an upper secondary education have been hardest hit by unemployment. Unemployment rates among 25-64 year-olds without an upper secondary education rose by 3.8 percentage points between 2008 and 2010, whereas for individuals with an upper secondary education, the unemployment rate increased by 2.7 percentage points. Among tertiary-educated individuals, the rate rose by 1.4 percentage points between 2008 and 2010. ... The increase in the unemployment rate was particularly evident among men without an upper secondary education compared to women with the same level of education: it increased by 4.3 percentage points compared to 2.3 percentage points for women.”

It is notable that men without upper secondary education were worse off in the labour market than women with the same education; this may indicate a structural change in traditional male occupations or industries. It also suggests a need for new orientation of young men for whom the education and career choices of their fathers may be less relevant or favourable. In this area gender aware, well trained study and career advisors may play an important role.

Figure 4: Youth unemployment by gender, EU, 1998–2011



Source: Eurostat, July 2012

As seen in the figure above (Eurofound 2012, p. 7), it is a comparatively new phenomenon that male unemployment among young people is higher than female. The reasons are complex, but may again reflect the restructuring of European industry, which is traditionally male-dominated, while growing service sectors are traditionally female-dominated, and because of needs for qualified people within education and care, etc.

2.2. Effects of education on the position on the labour market

Education is in itself no guarantee for a smooth transition into the labour market. But education constitutes a clear factor influencing risks of unemployment so that higher education as a whole is correlated to lower unemployment rates for the individual.

However, the basic fact in all EU Member States is that a larger proportion of men than of women are in paid work. The difference is smallest between women and men with tertiary level education, and largest between women and men with the lowest levels of education.

It is also a fact that women in almost all occupations earn less than men with the same occupations, and that female dominated sectors are less paid than male dominated sectors with the same level of skill requirements.

Women thus receive smaller returns on their investment in education than men. A reasonable question is then: why is education a high priority for such a large proportion of women? The answer is plain: without education women would earn even less. Women's labour market income increases with increased education.

Men's relation to education is more of a puzzle. With higher returns on their education investment, it could be expected that a higher proportion of men would take advantage of this opportunity to increase their future income. But another factor comes into play: men's labour market income may be quite high, as compared to women's, even without further education. It must be emphasised, though, that many men with low education levels also have low labour market income, although it is not generally as low as that of women with low education.

2.3. Segregation of education

Education is obviously not a homogenous category or only a question of level. Education leading to jobs that are categorised as science-related or in engineering and computing is traditionally male dominated, while education targeted at jobs within care and services is traditionally attracting women. However, these categories do not always reflect the modern reality: a nurse working in a highly specialised unit for intensive care is indeed working with technology, science and computing, while an engineer heading a Human Resource unit in a large corporation may work full time and have very little contact with advanced technology in his daily job. For an overview of gender differences and similarities in education, and some proposed measures for improving gender equality in education, see OECD (2011).

For a long time, girls and women have been encouraged to take up jobs in traditionally male sectors, and to study science, engineering, etc. There have been few efforts to encourage boys and men to study traditionally female subjects, for instance languages, or to take up careers in primary education, care, etc. It could be argued that women now have a wider selection of possible jobs than men – at least they have quite high qualifications for such jobs. Boys and men on the other hand do not seem to widen their range of possible future jobs significantly. One reason for this may be the lower pay and less favourable working conditions in the traditionally female areas of the labour market.

The choice between continued education and job seeking is influenced not only by future labour market prospects after education, but also by the present situation in the relevant labour market. Many young people who would have preferred a paid job may continue their studies rather than being unemployed, in the hope that job prospects will improve not only through their education but also through an economic upturn. Others seek employment and if not successful are registered as unemployed. Yet, others stop trying to find a job and do not continue their studies.

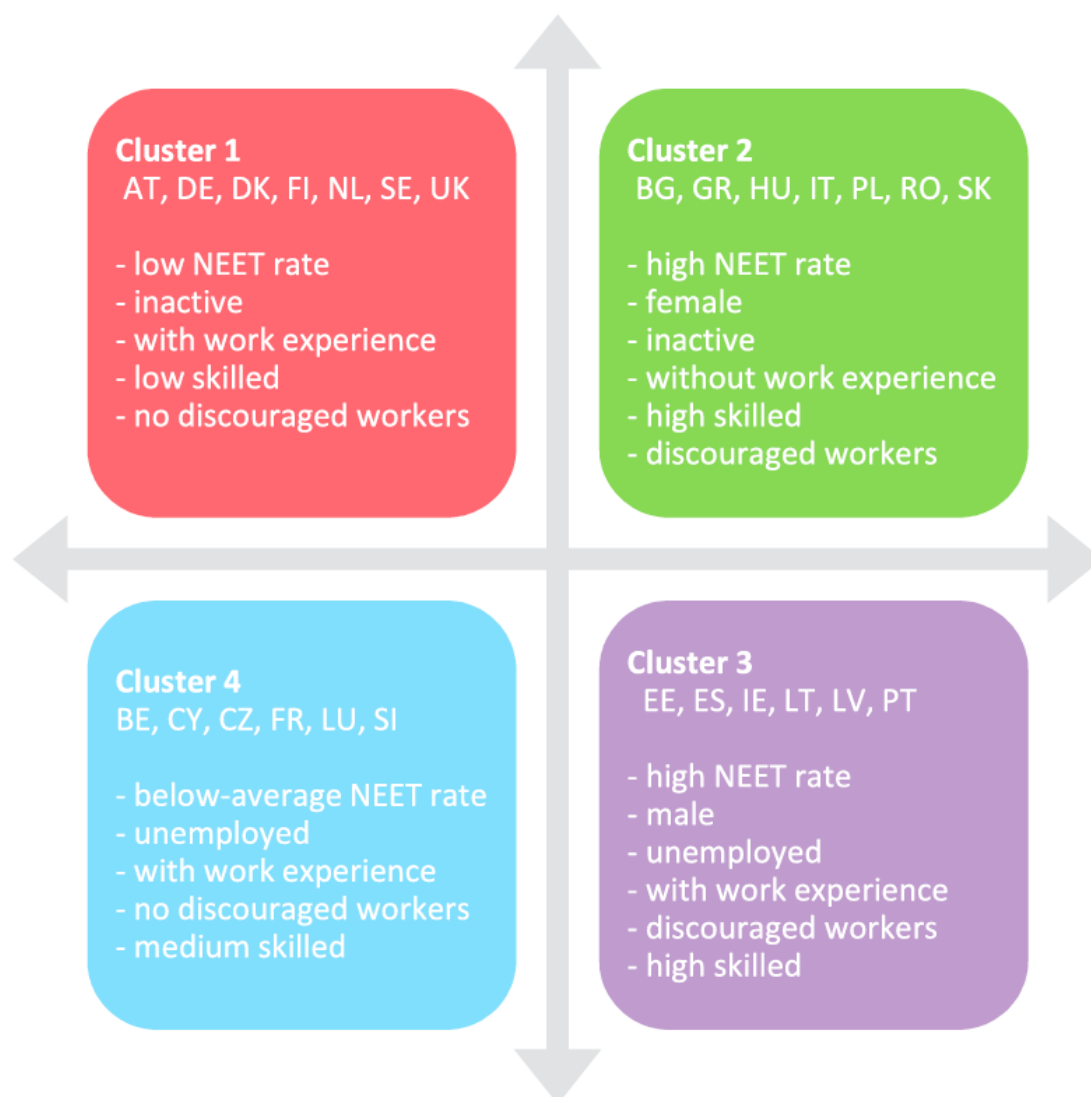
So, the two groups "employed/seeking employment" and "in education" are insufficient when analysing the situation of young women and men in the EU today.

3. NEITHER EMPLOYED NOR IN EDUCATION OR TRAINING - NEET

Recently, young people that may be characterized as "Neither Employed, nor in Education or Training" (NEET) have been focused in discussions about the effects of economic crises. OECD (2012b) finds that 16 percent of 15-29 year olds in OECD countries belong to this group with 4 percentage points overrepresentation of women as compared to men.

However, the gender difference varies widely between countries, which is further analysed for the EU by Eurofound (2012). The NEET rate in Member states 2011 was 12,5 percent for men 15-29 as compared to 13,4 percent for women. In northern and Baltic countries the NEET rate for men was higher than that for women, while the opposite was the case in most of the Mediterranean, and in continental and Eastern European countries.

The people in NEET are a very heterogeneous group, as indicated in the figure below, showing some characteristics of 4 NEET clusters in Europe, as identified by Eurofound.



Eurofound 2012, p. 40

It seems evident from this figure that efforts to reduce the size of the NEET group must build on a wide set of tools targeting quite specific problems; low skilled people in Cluster 1 would benefit from increasing their skill levels, the women with high skills in Cluster 2 seem to benefit from programs providing work experience more than men in that group do, men in Cluster 3 are subject to a very difficult labour market where their present skills are not in demand, perhaps a situation in which retraining would be beneficial, while in Cluster 4 general characteristics are hard to find.

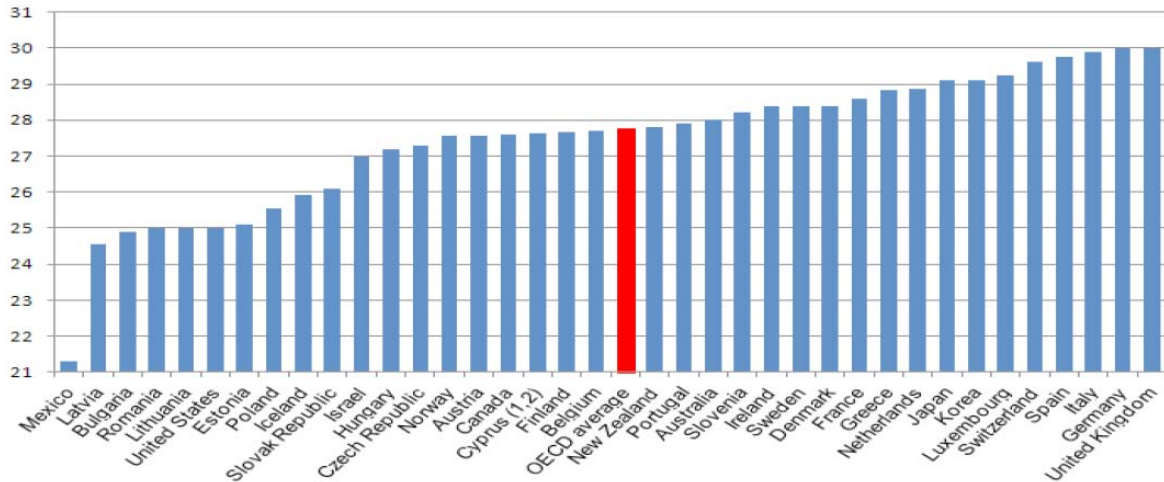
There is also a strong case to be argued for gender analyses of tools proposed. Increased efficiency in efforts to decrease the size of the NEET group would potentially benefit very many young people, and potentially provide them with a better future.

4. CHILDREN, CARE AND NEET

One explanation that is sometimes presented to explain young women's non-participation on the labour market concerns childcare. The assumption is that the young NEET women are mothers taking care of young children at home, and therefore are unable to hold a paid

job. The statistics of the mean age of women at the birth of their first child, combined with fertility rates seem to limit the validity of this explanation, at least in some countries.

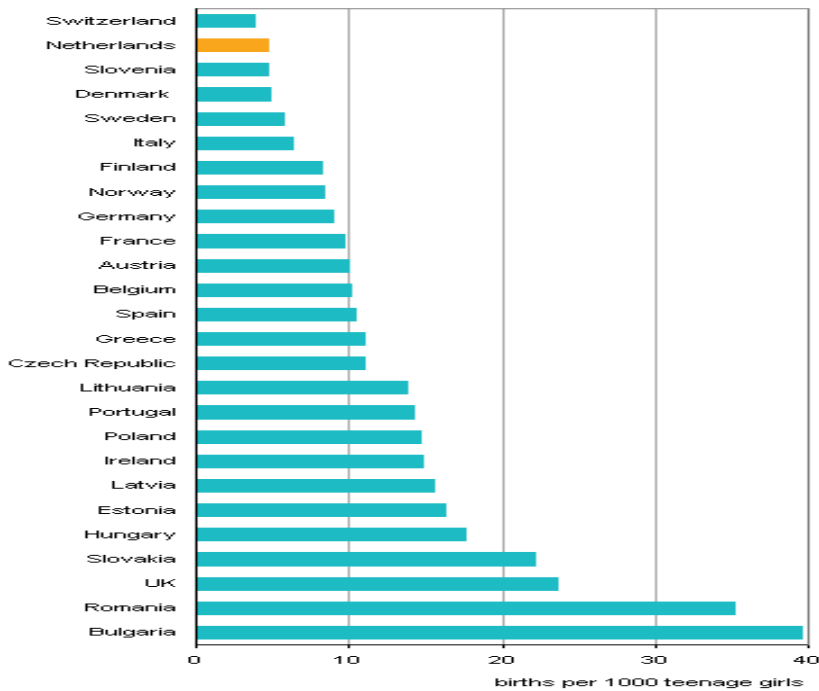
Chart SF2.3.A: Mean age of women at the birth of the first child, 2009*



Countries are ranked in ascending order of the mean age of mothers at first birth in 2009.

OECD Family Database, 2012

EU children are born to increasingly older mothers, with 24 as mean age for having a first child in member states with youngest first mothers, and 29 in member states with the oldest. Thus, the explanation that younger NEET women, age 19-24 spend their time caring for their own children may only be true for a minor part of this group, which is also supported by the low rate of teenage mothers in most EU countries. (Eurostat, figures for 2010)



Source: Eurostat

For NEET women 25-29 spending time caring for their young children is more likely, though figures are hard to find. It is important to keep in mind that for countries in economic recession birth rates are very low. But childcare services for children in lower school age could be non-existent or cut back, resulting in need for extended support from the family.

Yet another reason for this group belonging to NEET is possibly caring for handicapped or elderly family members. This could be seen as an increasing need, as the European population is aging and as cutbacks in public funding for such care are not unusual. However, there are few recent studies of the effects of such budget cuts on the level and intensity of family provided care.

5. TRANSITION FROM EDUCATION OR NEET TO THE LABOUR MARKET – GENDER PLAYS A ROLE

Any program or activity targeted at improving the likelihood of a smooth and successful transition from education or NEET into the labour market will be gendered, whether this was the conscious intention behind it or not.

5.1. Topping up education - a chance for young men

An offer of "topping up" education to upper secondary level, for those who lack such education will be more helpful young men as a group, as they form a majority of those lacking this level of education. Young women as a group will benefit less, as they more often already have reached this level of education. It is however at the same time - a paradox - likely that offers of education in general will be more attractive to young women, regardless of contents or education level. Attitudes among men towards education are generally less positive than among women.

Masculinity is a concept that is by no means homogenous or static, but is influenced by tradition, culture, education, mass media, and also to a high extent by economic opportunities and technological change. The relationship between European modern masculinity and education is complex. The present disregard or even distrust of education among young men may well disadvantage them in the future, and prevent them from adapting well to future changes and crises in the European labour market or in their own lives.

5.2. Temporary jobs - entry to the labour market for young women

Young women in employment are often found in temporary jobs, or part-time jobs. However, it may be that these jobs offer opportunities to gain work experience, and may be responsible for lower unemployment figures for young women. But salaries are insufficient for a reasonable standard of living, and provide little job security. This constitutes a dilemma in that part-time or temporary jobs may lower unemployment at the risk of bad conditions.

5.3. Migrant young women and men

Due to the short space available in this note, only a brief mention is possible here of the needs and opportunities of migrant young women and men. The role of education is just as important for them, but their access to and full use of good basic and further education has been shown to be problematic in many cases. This is gendered basically in the same way as education is for non-migrants, but sometimes more emphasised.

The OECD (2012b, p. 88) focuses on reading skills, identified as a key factor for success in education, with consequences for labour market attachment. The most important factor behind low reading skills is found to be that young migrants in Europe are twice as likely to go to disadvantaged schools (defined by the OECD in this report as having a high

proportion of students' mothers with low education level) as their non-immigrant counterparts. The reasons behind this are complex, but one important factor is geographic segregation.

The European Commission (2011) provides a rich material of characteristics, educational and labour market outcomes for migrants, focusing on the age group 25-54. An extension of the material for the age groups under 25 would be most useful.

The difficulties many young migrants meet in finding employment or education opportunities matched to their skill levels prevent them from building better lives and contributing fully to society. These missed opportunities have consequences for member states' societies as a whole as they are consequently less able to improve their standard of living overall. Neglecting the education of young migrants in a way as described above is thus costly.

CONCLUSIONS

To foster the transition of young men and women from education into the labour market, both the supply and the demand side of labour need to be addressed, meaning on the one hand the job-seeking (or NEET) young persons and on the other hand the employers, whether the latter are private, public or NGO-related entities.

It is important that both sides are made aware of the actual situation, so that outdated information does not build misleading expectations and prevent good matches between employers and job-seekers.

Information about young women's education levels and performance should be highlighted.

It is also extremely important that traditional female occupations, with good prospects regarding demand for labour, are made visible and attractive also for job seeking and ambitious young men.

An important and very difficult issue that should be discussed is which level of education is appropriate for the young people of Europe today? The right education level should enable them to face future demands of the labour market under strains of new global challenges. It should also provide them with tools helping them to develop and to adapt accordingly.

For young women, this brings about the question whether there is a risk of over-education. If they cannot use their better education early in their careers, their knowledge and their skills might become outdated, and thus their efforts are at risk of being wasted. For young men, there is the risk – as to some extent argued here – of under-education. Will young men with lower education levels and shorter education careers be able to respond flexibly to demands for developed and adapted knowledge and skills in the future? This leads to the question whether there is a risk that education, or perhaps rather young women's and men's choices of subjects for their studies, does not match to labour market needs.

Furthermore, in times of economic crisis, there might be a risk that new knowledge acquired by well educated young students will not fully be recognised for developing European businesses and enterprises. In times of economic restructuring and economic difficulties, young people's initiatives and proposals for changes based on what they have learned might not be heard.

In both cases, the long-term effects would be costly.

Education in this note has been regarded from the point of paid work and the labour market. This is only one aspect of education, albeit a very important one. Europe now and long after 2020 is dependent on its population, men and women of all ages and

backgrounds, whether born within the EU or outside, contributing by being active, creative, responsible, participating in culture, traditions, democratic processes and indeed in all aspects of society. For this to be accomplished good education is one of the key tools.

REFERENCES

European Commission(2011), *Migrants in Europe — A statistical portrait of the first and second generation*

Luxembourg: Publications Office of the European Union

Eurostat (2013), *Basic figures on the EU*, Compact guides, Spring 2013

Eurofound (2012), *NEETs – Young people not in employment, education or training: Characteristics, costs and policy responses in Europe*, Publications Office of the European Union, Luxembourg

OECD (2011), *Report on the Gender Initiative: Gender Equality in Education, Employment and Entrepreneurship*, Meeting of the OECD Council at Ministerial Level, Paris, 25-26 May 2011

OECD (2012a) *Closing the Gender Gap: Act Now*, OECD Publishing.

OECD (2012b), *Education at a Glance 2012: OECD indicators*, OECD Publishing.
<http://dx.doi.org/10.1787/eag-2012-en>

UNESCO Institute for Statistics (2010), *Global Education Digest 2010, Comparing Education Statistics Across the World: Special Focus on Gender*, P.O. Box 6128, Succursale Centre-Ville

Montreal, Quebec H3C 3J7 - Canada

Agneta Stark, professor *emerita*, has research interests that include gender aspects on a number of areas: economic theory, accounting theory, economic change, concepts of work, international comparisons of paid and unpaid work, and ageing. She is President of the International Association for Feminist Economics, President of the Board of Directors of the Swedish University of Dance and Circus, and a feminist activist with extensive publications on gender issues.

Effects of child care and care for other dependents on the career choices and situation in the labour market of young men and women

Authors: Ahrendt, Daphne; Anderson, Robert; Buxbaum, Adi; Jungblut, Jean-Marie; Molinuevo, Daniel; Pirklbauer, Sybille and Sandor, Eszter - Eurofound, Ireland

1. INTRODUCTION

This briefing paper aims to give an overview of the effects that the lack of childcare and care facilities for other dependents has on the situation in the labour market of young¹ men and women, with a particular focus on the effects of the crisis on the accessibility of those services. The paper includes an analysis of the data available from the 2011 European Quality of Life Survey (EQLS), the 2013 European Labour Force Survey (LFS) and the 2011 Eurobarometer. It also makes reference to the main findings from recent studies and it includes an example of how the economic and budgetary effects of investing in childcare have been estimated in Austria.

2. YOUNG CARERS IN EUROPE

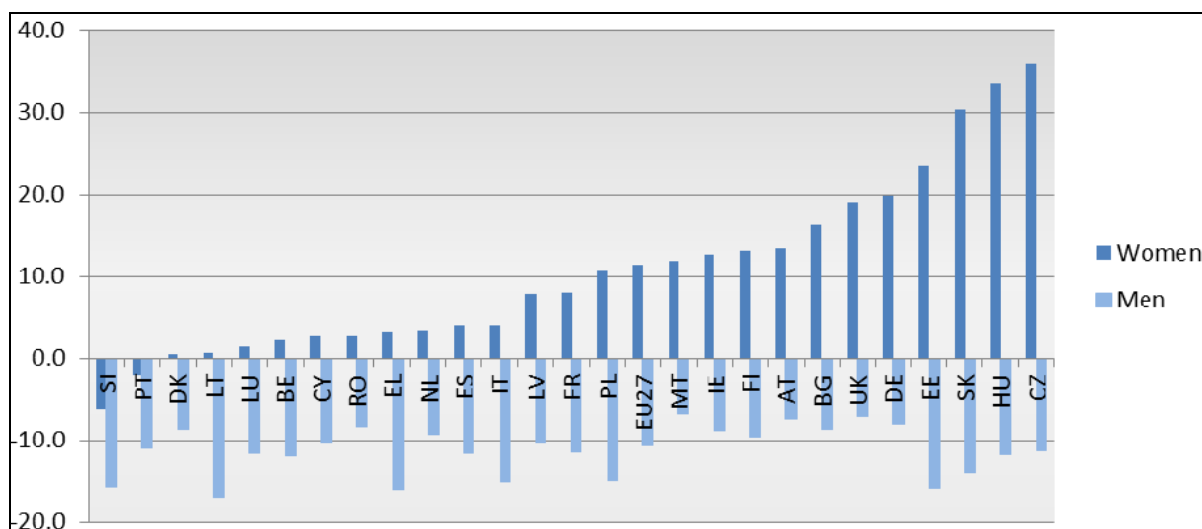
2.1. Employment status and care duties

2.1.1. Child care

Parenthood is one of the main factors behind the gender differences in employment rates. Data from the Labour Force Survey shows that whilst there are big differences between different countries on the employment impact of parenthood (see graph 1), in general, parenthood has a negative impact on the employment rates of women.

¹ Different age groups can be labelled as young. Since this briefing paper focuses on families with children and the average age at which women have their first child in Europe ranges from 25 to 30 (Eurostat 2009), the data from the 2011 EQLS focuses on the age group 18 to 29 years old (this survey focuses on people aged at least 18 years old). It was only possible to obtain data from the 2013 European Labour Force Survey for the age group 15 to 34 and for the age group 15 and 30 in the 2011 Eurobarometer survey.

Figure 1: Employment impact of parenthood in 2011 (Difference in percentage points between employment rate of women and men - age 20-49 - with and without a child)



Source¹: Eurostat, LFS 2011. Data not available for SE.

These differences are partly explained by the allocation of caring duties in the household. The 2011 EQLS shows that among people who report at least weekly involvement providing care, women estimate that on average they spend 30 hours providing childcare compared with 17 hours for men, and 14 hours on care for the elderly compared with 11 hours for men (Eurofound 2012).

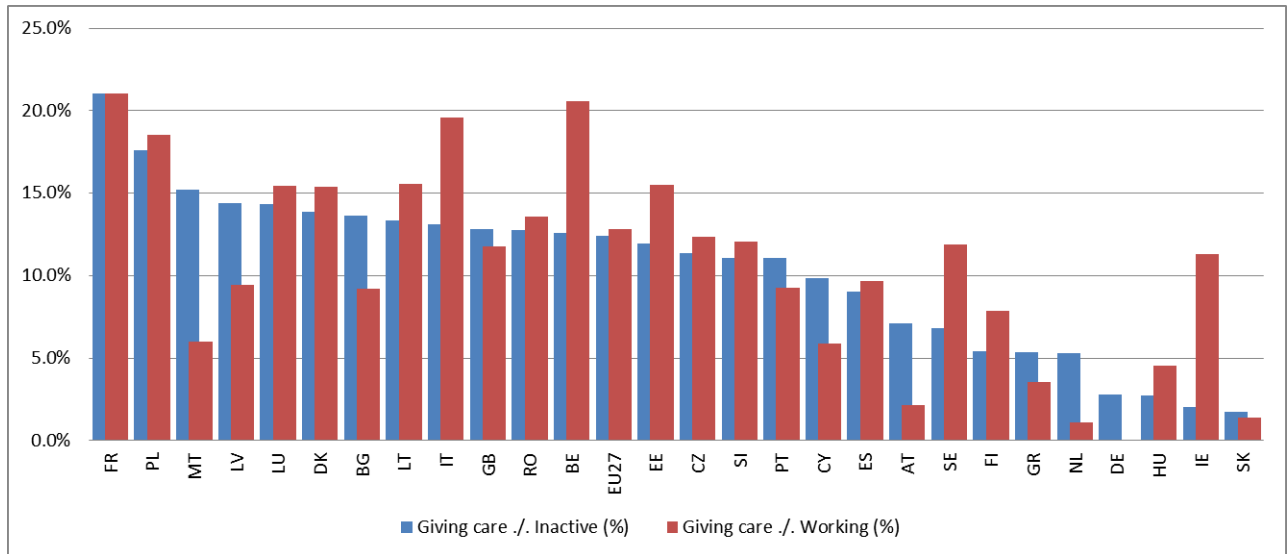
According to the EQLS, the unemployment rate for young parents aged 18 to 29 in the EU27 is 19% for women and 20% for men, while 11% of young fathers and as many as 35% of young mothers are inactive, the latter mostly classifying themselves as homemakers. However, the EQLS also found that as many as 80% of these inactive young mothers would like to work if they could freely choose their working hours, as would 85% of young fathers, meaning that they are not outside the labour force by choice.

2.1.2. Care for older relatives

According to estimates based on the European Labour Force Survey, there are about 3.3 million Europeans aged 15 to 34 who had to give up full-time work because they did not have care facilities for dependent children or older relatives in need of care. The absolute number has remained largely stable over the years since 2008, but there is a slight relative increase over the years from 1.25% in 2008 to 1.31% in 2011 when comparing to the age cohort each consecutive year.

¹ Figure obtained from:

http://ec.europa.eu/europe2020/pdf/themes/23_labour_market_participation_of_women.pdf

Figure 2: Share of carers of older relatives among economically inactive and working individuals between the age of 15 and 30

Source: Eurobarometer 76.2, 2011, own calculations.

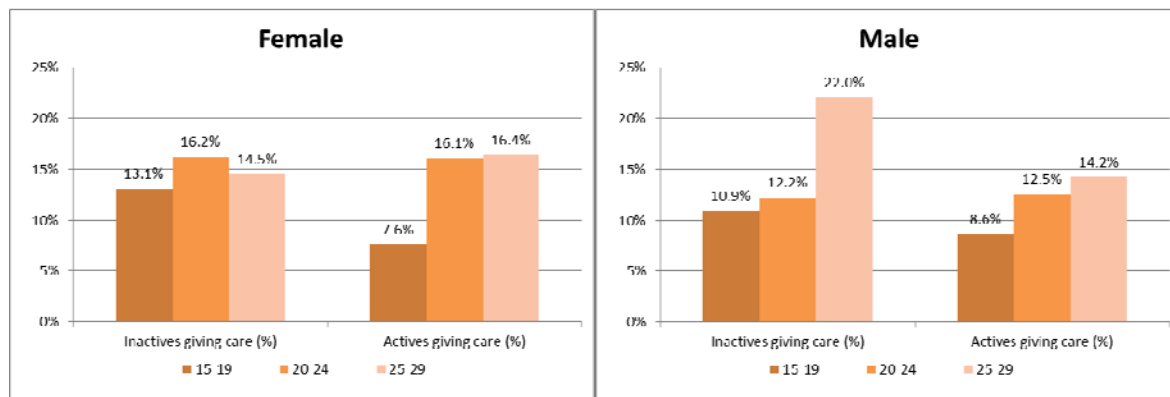
In general, carers of older relatives in most countries are economically inactive but a substantial number remain active. According to Eurobarometer 2011, around 11% say they are fulltime or part time carers when asked the question: 'Do you personally take care of an older family member?' Figure 2 shows the share of carers among both economically inactive and working individuals between the age of 15 and 30 in the Eurobarometer survey carried out in 2011. France has the highest level of carers among their inactive youth (21%). The relative figure is the same among working and inactive youth in France (21%), directly followed by working carers in Belgium (20%) and Italy (19.6%). The lowest relative number of carers is found in the Slovak Republic, Ireland, Hungary and Germany, although Ireland has a high level of working carers among its young people.

If we break down these figures by demographic characteristics, the Eurobarometer data shows that from 2.2 million people aged 15 to 30, or about 2% in the EU27 are full-time carers, with approximately 1.5 million being inactive and 686,000 working. Another 11.6 million (10.8%) are part-time carers, of which 6.6 million are inactive and five million are working. Surprisingly, another 13% (approximately 14 million people) are not currently providing care but have done so in the past.

Among the third EQLS respondents¹ around 6% of young people (aged 18-29) in the EU27 have responsibilities caring for elderly or disabled relatives every day, or several days per week. In general, the older individuals get the more likely they will be giving care to elderly, as the data from the 2011 Eurobarometer shows, especially considering part-time carers whose relative number increases from 8.6% of all 15 to 19 year olds providing care to older relatives to over 12% by their late twenties. Most young people providing care for an older family member are women - almost twice the number when considering full-time carers (1,486,000 women versus 714,000 men). However this difference disappears for part-time carers, where we observe nearly as many men as women. One exception is males in their late twenties, who report having care duties more often (22%) (see next figure).

¹ For further information on the survey itself, please see: <http://www.eurofound.europa.eu/surveys/eqls/index.htm>

Figure 3: Share of active and inactive men and women providing care for the elderly

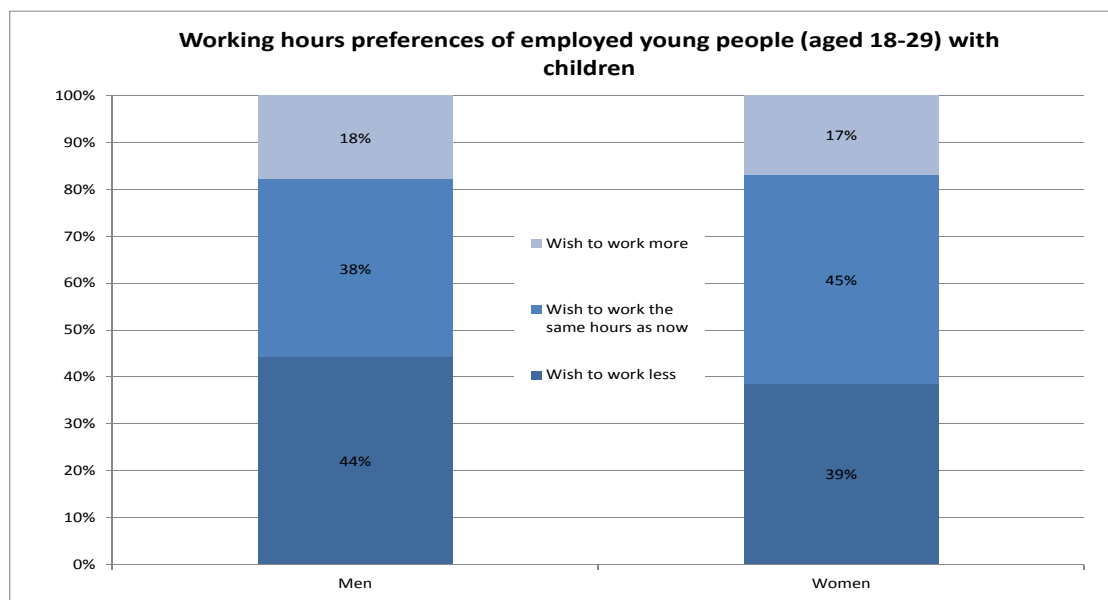


Source: Eurobarometer 76.2, 2011

Finally, when it comes to labour market status, full-time carers are more often students or looking after the household while non-carers are more often 'manual workers' or 'other white collar workers'. A particularly frequent occupational category reporting part-time care duties is the self-employed (6.9%), mostly farmers.

2.2. Working hours and work-life balance

Of those parents aged 18 to 29 who are currently employed, men work 43 hours on average, while women work 34 hours. Most men are dissatisfied with their long working hours and would like to work less. Young working mothers are slightly more satisfied, but nearly 40% of them would still like to reduce their working hours. Around 18% of young parents of both genders would like to work more than they currently do. This latter figure suggests that aside from those involuntarily outside the labour force, there is a significant proportion of young parents who are involved in involuntary part-time work.



Source: EQLS 2011

| Aged 18-29 | Work-life balance conflict | | |
|---|----------------------------|------------------------------------|-----------------------------------|
| | No or weak conflict | Conflict either at work or at home | Conflict both at work and at home |
| Male, with childcare responsibilities | 44.2% | 35.5% | 20.3% |
| Female, with childcare responsibilities | 39.1% | 40.6% | 20.4% |
| Male - without childcare responsibilities | 50.5% | 41.4% | 8.1% |
| Female - without childcare responsibilities | 41.0% | 48.1% | 10.9% |

Source: EQLS 2011

Work-life conflict in the EQLS is based on three questions, asking how often the respondent 1) comes home too tired after work to do household jobs, 2) found it difficult to fulfil family responsibilities because of working time, and 3) found it difficult to concentrate on work because of family responsibilities. The table above shows the proportion of people experiencing these kinds of conflicts at least several times a month. Women are more likely than men to have these kinds of problems in at least one life sphere (either at work or at home). Both men and women are significantly more likely to have work-life balance problems if they are also looking after their children.

2.3. Job security and employability

People aged 18 to 29 with childcare responsibilities¹, who are also at work are more likely to feel that their job is insecure than young people without childcare responsibilities (17% vs. 13% say it is very or quite likely that they will lose their job in the next 12 months). For both groups, women are more likely than men to feel that their job is insecure. In the Eurobarometer the question about the self-rated likelihood of finding a new job in six months' time if laid off is also answered with more pessimism by those with care duties.

At the same time, for working young people without childcare responsibilities, men and women are similar in assessing their job security: about half of them say that if they were to lose their job, they are very or quite likely to find a similar job. However, for people aged 18 to 29 looking after children the picture is strikingly different: women are significantly more likely to be optimistic about their employability than men if they have childcare responsibilities (54% vs. 47%).

When considering the position of people aged 15 to 30 caring for the elderly, if they are economically active alongside their caring activity, we can conclude that carers do not seem to have a good hold on the labour market. This is perhaps due to the fact that most young people who work between the age of 15 and 20 are mostly low qualified and their chances of finding a good job are reduced, especially in economically difficult times. According to data from Eurobarometer, people aged 15 to 30 with care duties feel more at risk of losing their job because of the crisis, 327 versus 206 for full-time carers and 2,281 versus 1,718 for part-time carers.

¹ This is defined in the EQLS as looking after their own children at least several days a week.

When considering the number of times individuals have changed employers, we can see that all those with experience of caring for older family members report to have changed employers more often. 9%, 11% and even 15% of the full-time, part-time and past experience of caring respectively have changed employers more than five times, compared to only 8% among those who never had to give care to an older relative.

2.4. Access to childcare services

One factor influencing the work-life conflict experienced by young parents is the availability of affordable and good quality childcare services. Data from the EQLS shows that overall in the EU27, of those young parents who used or would have liked to use childcare services (which is around a third of all young parents), over two thirds (79%) experienced some kind of obstacle. For 62%, cost was a factor that made it difficult to access childcare services, for 58%, availability of childcare facilities or places was an issue, while physical access (e.g. distance) remained a barrier for 40%. Quality of care was less of an issue, mentioned by only 27% of young parents.

Of those young women (aged 15 to 24) who have children, just 21% use childcare services for their youngest child. Most of those who do not use childcare services are not working (73%) suggesting that they are the main carers in the family, while 16% work full time, and 11% work part time.

An estimated 15% of mothers aged 15 to 24 (176, 000 people across the EU27) who are not working say that the main reason for not working is that childcare services are too expensive:

| | | |
|---|-----|-------|
| <i>Women, aged 15-24, with children</i> | | |
| Users of childcare | 21% | 434 |
| Non-users | 79% | 1,629 |
| Not working | 73% | 1,189 |
| Work full time | 16% | 258 |
| Work part time | 11% | 181 |
| Reason for not working: expensive childcare | 15% | 176 |

Source: LFS, 2010.

3. CHILDCARE SERVICES AND YOUNG PEOPLE IN THE LABOUR MARKET

Esping-Andersen (2009) warns that the lack of services that support work-life balance can lead to two suboptimal scenarios': a 'childless low fertility equilibrium' or a 'low income-low employment equilibrium'. For many mothers living in countries with low investment in

services for children, the only possible way to enter the labour market is if grandparents look after their children (Herlofson and Hagestad 2012). However, the influence of informal care provided by grandparents on the mothers' labour force participation is not straightforward and depends on the context in each country. A recent study showed that the care provided by grandparents had a significant influence on the mother's labour supply decision in France, Germany, Bulgaria, and Hungary, but not in Russia, Georgia or the Netherlands (Aassve, et al. 2012).

The positive impact of childcare services on the situation of parents (especially mothers) in the labour market has been widely documented¹ and it is one of the main rationales for investing in early childhood education and care (European Commission 2009). In Italy for example, the rigidity of the labour market (which makes it difficult to work part time) and the lack of childcare services have been proven to be behind the low activity and birth rates (Del Boca 2002).

This situation is aggravated by the impact of austerity measures on services for children, which includes early childcare education programmes being cancelled (particularly in rural and deprived areas), less income in households to afford private childcare, less people working in childcare and early years education and welfare reforms that reduce the proportion of childcare costs that can be claimed against tax (Eurochild 2012). In the UK, the recession has led to a reduction of the for-profit childcare market and to nurseries raising fees up to 10% and being more stringent about the payment of parent fees (Penn 2011). It follows that in this context cost has become the main barrier to accessing childcare services. This is confirmed by data from the 2011 EQLS, where 59% of those trying to use childcare services reporting that cost made it difficult to use these services.

In addition to the impact on access to childcare services, high fees can reduce the incentives for parents to enter the labour market, since the cost of childcare when entering the labour market entails the loss of fee reductions, benefits and tax concession (OECD 2011). The average effective tax rates (AETR) before and after childcare costs calculated by the OECD taking into account all these factors show that returns to paid employment are reduced significantly in Ireland and the UK. It is therefore important to take into account these disincentives in tax and welfare reforms and to bear in mind that they can have a particularly negative impact on mothers. Apps (2007) labels the effect of raising tax rates on the income of the second earner in the family as 'the new discrimination', because the second earner in the family is typically the mother, and therefore these reforms can lead to a higher net-of-tax gender wage gap.

It is also important to bear in mind that in those countries with already well developed systems of subsidised childcare, further investments may have little effect on the employment rates of women. In Norway, newly subsidised childcare crowds out informal care arrangements, with almost no net increase in maternal labour supply (Havnes and Mogstad 2011). In Sweden, the 2002 childcare price reform that set a cap on the price that municipalities were allowed to charge parents had little effect on the female labour supply (Lundin et al 2008). Therefore in addition to policies reducing the cost of childcare services and increasing their quality, policies aiming to increase the participation of young parents in the labour market need to pay attention to enabling flexible working conditions and parental leave schemes (European Commission 2009, OECD 2011).

¹ It must be noted however that the relation between female participation and childcare support for families is quite complex. Jaumotte (2003) suggests that in the some countries (e.g. Denmark) "the sequencing of labour supply changes and policy changes over time seems to point to some reverse causation, from strong female full-time participation to strong pro-full-time paid work institutions". Declines in the numbers of children in full time child care can also be partially explained by the increase in female unemployment (European Parliament 2013).

4. ESTIMATING THE RETURNS ON INVESTING IN CHILDCARE SERVICES IN AUSTRIA¹

The 2012 Austrian National Reform Programme sets out as one of the policy measures to increase women's labour market participation the creation of more institutional childcare facilities and nursing services for older children. Moreover it also includes introducing a mandatory year for all five-year olds in the kindergarten (all day) free of charge (European Parliament 2012).

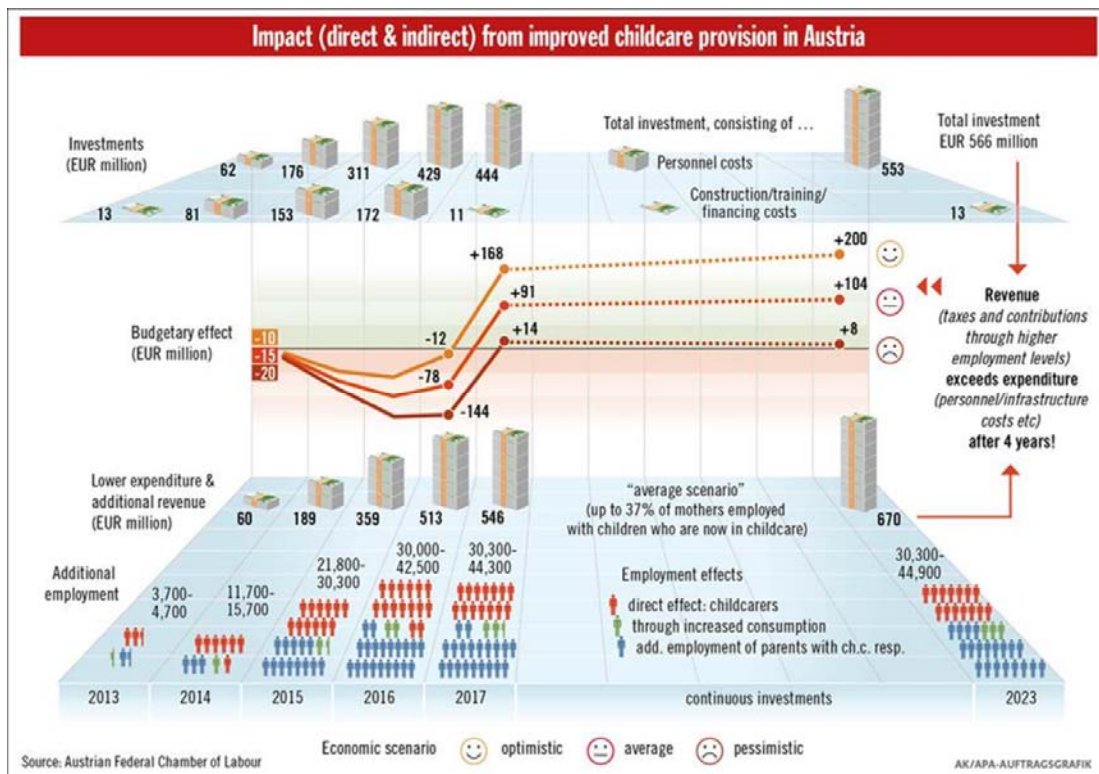
In this context, the Austrian Federal Chamber of Labour has carried out a study (Buxbaum and Pirklbauer 2013) estimating the potential employment effects of higher investment in childcare services. In order to estimate the returns for investing in childcare services, the annual balance of 'costs' and 'benefits' was calculated. The AK-model includes costs for construction, personnel, training and financing in period of ten years. The investment generates substantial employment effects that lead to higher revenues and lower unemployment benefits, if these 'new' jobs created are staffed with former unemployed people. All the assumptions are mainly based on evidence from national data (e.g. Austrian Economic Research Institute), from macro-economic multipliers to 'cultural change'-variables in female employment². All the values used are nominal values to better fit into a fiscal or budgetary logic. The effects through additional consumption are underestimated in the calculations as only the consumption derived from 'direct' employment is considered here.

| Measure: Improvement of childcare provision (in AT) | |
|--|---|
| "Costs" - Gross | |
| A | Personnel costs |
| B | Construction costs (incl maintenance) |
| C | Training costs |
| D | Financing costs |
| E | (Gross) Costs - Total sum Sum A-D |
| Employment effects | |
| 1 | Direct effect: childcarers |
| 2 | Indirect effect 1 (construction ind./training sect.) via macro-multipliers |
| 3 | Indirect effect 2 (better reconciliation of work and family life) |
| 4 | Through increased consumption [only direct employment considered = underestimation] |
| 5 | Employment effects Sum 1-5 |
| Lower expenditure and additional revenue | |
| F | Revenue (taxes/contributions) from 'direct' employment effect |
| G | Revenue (taxes/contributions) from 'indirect' employment effect |
| G1-G3 | [different scenarios (optimistic/average/pessimistic)] |
| H | Lower expenditure for unemployment benefits (UB) |
| I/J/K | Lower expenditure and additional revenue per scenario Sum F-H |
| Costs (net) or exceeding returns over costs (current year, nominal values!) | |
| L/M/N | Balance: (I/J/K) minus E |
| | if balance (-): annual costs of investment > annual return |
| | if balance (+): annual return > annual costs of investment |
| | as a "rule/interpretation": investments pay off after X years ... |

¹ The full version of this study including more detailed information about the main assumptions used in each scenario can be found at: <http://www.arbeiterkammer.at/online/page.php?P=29&IP=71614&AD=0&REFP=4088>

² The employment numbers estimated refer to a head-count and not to full-time equivalents (FTE) as part-time work still represents a huge share (>45%) of women's employment status in Austria.

The following graph illustrates the whole principle, the fiscal returns and the impact on employment:



Depending on the underlying economic scenario, the level of the net-returns differs between 14 million and 168 million euro. In all of the economic scenarios (optimistic, average or pessimistic) the investment will pay off after four years – mainly due to the 30,000-45,000 newly employed persons (representing ~1% of dependent workers in Austria). This is achieved by an annual gross investment of max ~0.2% of GDP. Within childcare itself about 14,000 new jobs are created. Furthermore, the investment in construction and the additional income of the personnel in the childcare facilities generates more than 2,300 jobs in other sectors.

The effects of enabling persons with childcare responsibilities to engage more in paid labour are also considerable. In a recent survey (Statistik Austria 2010), more than 140,000 parents said that they would seek employment or work more, if better childcare was available. And also recent medium-term employment forecasts of the Austrian Institute for Economic Research suggest the demand for this potential. Even with very moderate economic growth another 14,000 jobs could emerge. Assuming a better economic development, up to 28,000 parents – mostly mothers – could then find employment. So all in all between 30,000 and almost 45,000 people could find a job thanks to investments in childcare.

MAIN CONCLUSIONS

The data presented suggests that the care responsibilities for children and other dependant relatives are one of the main reasons for not being able to take up paid employment. Not being able to access childcare or other care facilities also makes it more difficult to avoid work life conflicts. In the field of family policy there is clear empirical evidence that the provision of in-kind benefits (such as social services) have a positive impact on female employment rates. Policies helping young parents enter the labour market also need to take into account the aggregated effects that childcare fees and welfare and tax reforms have on the incentives to work for these families.

REFERENCES

Aassve, A., Arpino, B. & Goisis, A. (2012). Grandparenting and mothers' labour force participation: A comparative analysis using the Generations and Gender Survey. *Demographic Research*, 27, 53-84 Available at: <http://www.demographic-research.org/Volumes/Vol27/3/default.htm> .

Apps, P. (2006). The new discrimination and child care The Australian National University Centre for Economic Policy Research Discussion paper n. 541. Available at: <http://cbe.anu.edu.au/research/papers/ceprpapers/DP541.pdf>

Buxbaum, Adi and Pirklbauer, Sybille (2013), *Social Investment –Growth, Employment and Financial Sustainability, Economic and budgetary effects from improved childcare provision in Austria*. Austrian Federal Chamber of Labour, AK, Vienna. Available at: <http://www.arbeiterkammer.at/online/page.php?P=29&IP=71614&AD=0&REFP=4088>

Del Boca, D. (2002), "The Effect of Child Care and Part Time Opportunities on Participation and Fertility Decisions in Italy", *Journal of Population Economics*, Vol. 15, Issue 3 (August), pp. 549-573.

Esping-Andersen, G. (2009): *The incomplete revolution: Adapting to women's new roles*. Cambridge: Polity Press.

Eurochild (2012) *How the economic and financial crisis is affecting children and young people in Europe*. Available at: http://www.eurochild.org/fileadmin/ThematicPriorities/Crisis/Eurochild%20updates/Eurochild_Crisis_Update_Report_2012.pdf

Eurofound (2012), *Third European Quality of Life Survey - Quality of life in Europe: Impacts of the crisis*, Publications Office of the European Union, Luxembourg.

European Commission (2009), *Early childhood education and care: key lessons from research for policy makers*. Available at: http://ec.europa.eu/education/more-information/doc/childhood_en.pdf

European Parliament (2012), *Analysis of five National Reform Programmes 2012 regarding the pursuit of the Union's gender equality objectives*. Available at: <http://www.europarl.europa.eu/committees/en/studiesdownload.html?languageDocument=EN&file=79310>

European Parliament (2013), *Gender aspects of the effects of the economic downturn and financial crisis on welfare systems*. Available at: <http://www.europarl.europa.eu/committees/en/studiesdownload.html?languageDocument=EN&file=90730>

Eurostat (2009), 'Youth in Europe – A statistical portrait', available at: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-78-09-920/EN/KS-78-09-920-EN.PDF

Havnes, T. and Mogstad, M. (2011), 'No child left behind: Subsidized child care and children's long-run outcomes', *American Economic Journal: Economic Policy*, 3/2, pp. 97–129.

Herlofson, K. & Hagestad, G.O. (2012), *Transformations in the role of grandparents across welfare states*. In Arber, S.. & Timonen, V. (ed.): *Contemporary grandparenting. Changing family relationships in global contexts*. Bristol: Policy Press, s. 27-49.

Jaumotte, F (2003), Labour Force Participation of Women: Empirical evidence on the role of policy and other determinants in OECD countries. OECD Economic Studies, No. 37, 2003/2, available at: <http://www.oecd.org/social/labour/34562935.pdf>

Lundin, Daniela, Eva Mörk, and Björn Öckert. 2008. 'How Far Can Reduced Childcare Prices Push Female Labour Supply?' Labour Economics, 15(4): 647–59.

OECD (2011), Doing Better for Families, OECD Publishing.

Penn, H. (2011). Gambling on the market: The role of for-profit provision in early childhood education and care. Journal of Early Childhood Research, 9(2), 150-161.

Statistik Austria (2010): Vereinbarkeit von Beruf und Familie, Modul der Arbeitskräfteerhebung 2010; Download under: http://www.statistik.at/web_de/dynamic/statistiken/soziales/gender-statistik/vereinbarkeit_von_beruf_und_familie/publdetail?id=742&listid=742&detail=631

Daniel Molinuevo is a research officer in the Living Conditions and Quality of Life unit since June 2010. Prior to his appointment, Daniel worked in a European network of social services, where he focused on policies for children and families as well as on mental health. He has also collaborated with the Spanish Open University (UNED) in the area of mental health policy. Daniel is Spanish and studied sociology in Salamanca (Spain) and at the Humboldt University in Berlin. He has a MA in European Political and Administrative Studies from the College of Europe in Bruges and a MSc in European Social Policy from the London School of Economics, where he also worked as a researcher.

Gender differences in the willingness to compete – Origins and the effects of policy interventions

Matthias Sutter, University of Innsbruck, Austria

INTRODUCTION

A successful career in business, politics, or science does not only depend on a participant's human and social skills, but essentially also on a readiness to accept the challenge of competition for scarce jobs and rewards. However, recent research has provided ample evidence that women shy away from competition much more than men (see, e.g., Gneezy et al., 2003, 2009; Gneezy and Rustichini, 2004; Niederle and Vesterlund, 2007; Cason et al., 2010; Dohmen and Falk, 2011; Flory et al., 2012; Buser et al., 2012; Datta Gupta et al., 2013). This finding is considered to be an important additional factor – besides more traditional causes like discrimination, time out of job, or self-selection into in specific branches – in explaining the persistent gender gap in wages and top-level positions in business, politics or science all over Europe.

1 OBJECTIVES OF THE BRIEFING PAPER

This paper presents evidence on two important questions with respect to the gender gap in the willingness to compete. First, it explores at which time in life gender differences in the willingness to compete emerge. This issue is important to deal with in order to tailor the timing and type of policy interventions to prevent a gender gap altogether or close an existing gap already at an age where participants can be targeted at presumably low costs. Achieving this aim would be beneficial for society and organizations in the medium and longer run. It would ensure that when hiring for upper-level positions, companies could expect men and women to apply roughly in equal terms, thus attracting both the best men and women, while current evidence suggests that qualified female candidates may abstain from applications because of a reduced willingness to compete.

Second, it examines how policy interventions, like the heavily disputed idea of introducing quota rules for representation of women, affect women's willingness to expose themselves to competition. Both in politics and within organizations, the gender gap in wages and top-level positions has been addressed by interventions in the spirit of affirmative action programs. Such programs often provide incentives to women to compete in order to attract also the best female talents for jobs. It is, however, still only poorly understood how such interventions works and what kind of unintended "side-effects" they may have.

2 METHODOLOGY

Both questions are studied by using the methods of experimental economics. In experimental economics, data are generated by letting participants make decisions in a controlled environment and under a given set of rules. In order to prevent arbitrary decisions, participants receive monetary payments on the basis of their and other participants' decisions, which make their choices salient. A main advantage of experimental economics is that it allows for a controlled variation of experimental conditions, which then make it possible to determine the factors that affect human behaviour in a causal way.

3 QUESTION 1: THE WILLINGNESS TO COMPETE

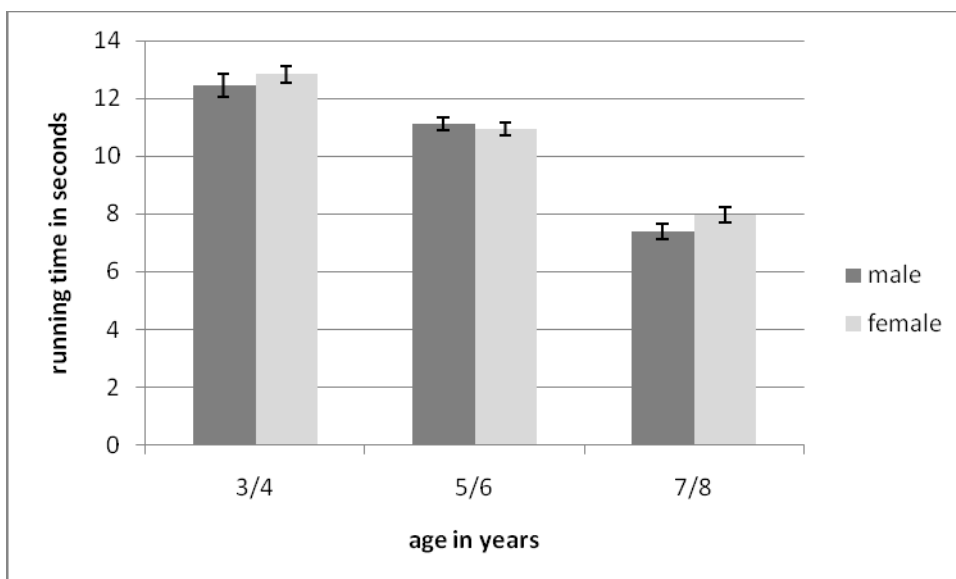
The first question examines at which point in life the gender gap in the willingness to compete emerges and whether it is stable within participants. The following evidence is based on Sutter and Glätzle-Rützler (2013). They present a series of four experiments, including in total 1,570 participants, 853 of them aged three to eight years, and 717 aged nine to eighteen years. In the following, the four experiments are presented in detail, before the main findings are summarized at the end of this section.

3.1. Experiment 1 – Running in kindergarten

This experiment was run with 412 children aged 3 to 8 years. They had to run for 30 meters and could choose whether they wanted to run alone or alongside a competitor. In the case of competition, the winner of the sprint won double the number of rewards, compared to running alone. Figure 1 shows in panel (A) the time taken by both genders for the 30 meters, and in panel (B) the average frequency of boys and girls to choose competition.

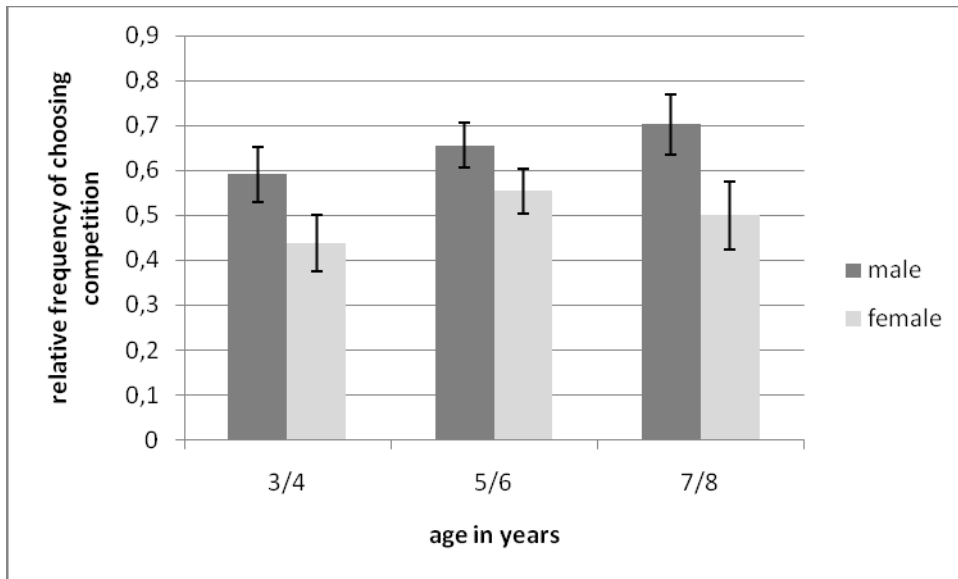
The data in panel (A) clearly show that there are hardly any gender differences in performance (except for a difference in 7/8 year olds. Yet, panel (B) shows that women are significantly less likely to choose competition than boys, despite roughly equal performance.

Figure 1 – (A). Performance in running in Experiment 1 ($N = 412$)



Error bars indicate mean \pm standard error.

Figure 1 – (B). Relative frequency of choosing the competitive payment scheme in the running task in Experiment 1 ($N = 412$)



Error bars indicate mean \pm standard error.

3.2. Experiment 2 – Manual task in kindergarten

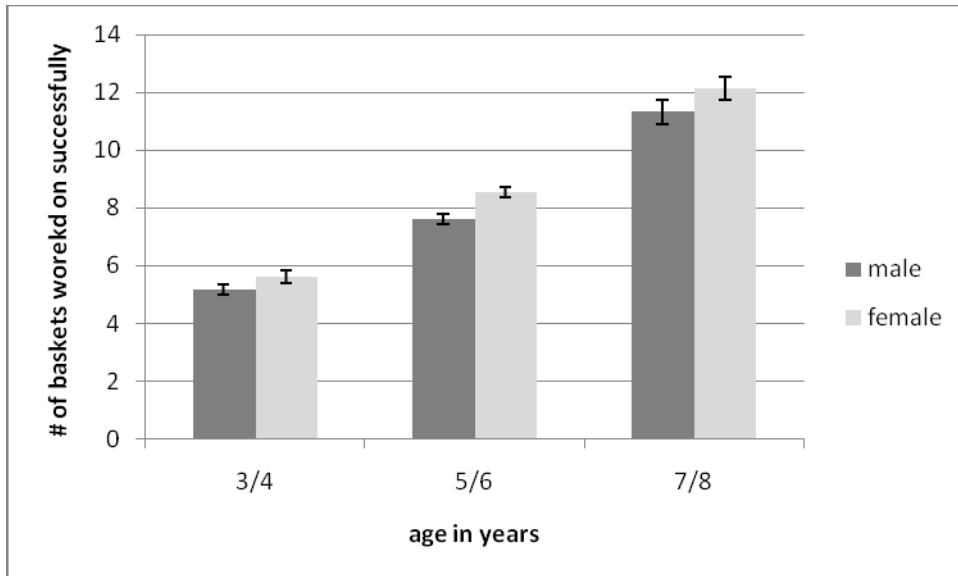
This experiment was run with 441 children aged 3 to 8. They had to do a stereotype female task, which is defined as a task where most people expect women to perform better. Children had to pick all cylindrical items from a basket. Figure 2 shows such a basket from which all cylinders had to be put into the white cup in front of the basket. Children had one minute time to work on as many baskets as possible (see right-hand side picture of Figure 2). Again, children could choose between a piece-rate payment (where they got one reward for each correct basket) and a competitive scheme (where they got two rewards for each correct basket in case they performed better than another, randomly paired child). Rewards could be exchanged into stickers, pencils, sweets, fruits, scrap-books, and so on.

Figure 2. A basket used in Experiment 2



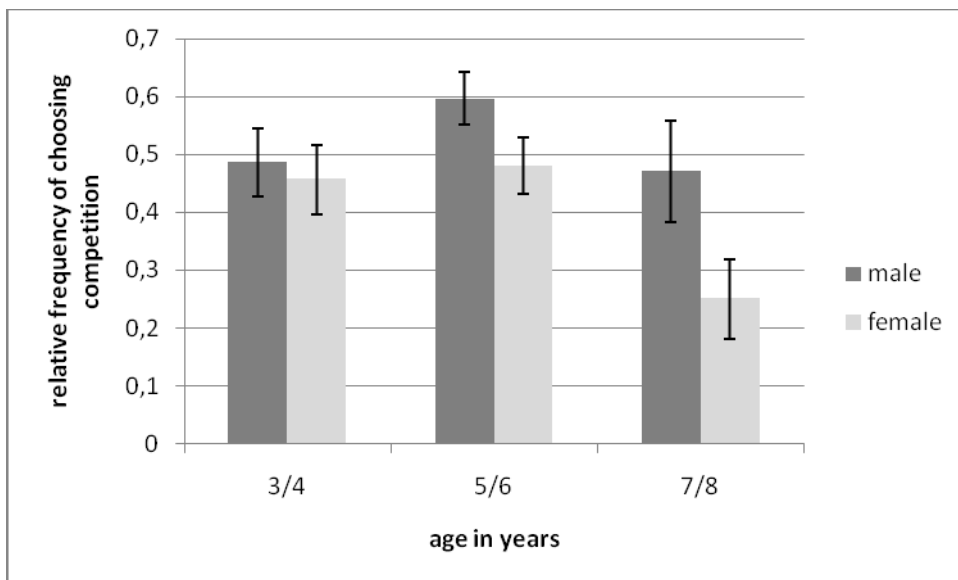
Figure 3 shows in panel (A) the actual performance in the manual task. Girls obviously outperform boys, and the difference is significant in each age group. However, panel (B) indicates that despite superior performance girls are much less likely to compete than boys.

Figure 3 – (A). Performance in picking items from baskets in Experiment 2 ($N = 441$)



Error bars indicate mean \pm standard error.

Figure 3 – (B). Relative frequency of choosing the competitive payment scheme in Experiment 2 ($N = 441$)



Error bars indicate mean \pm standard error.

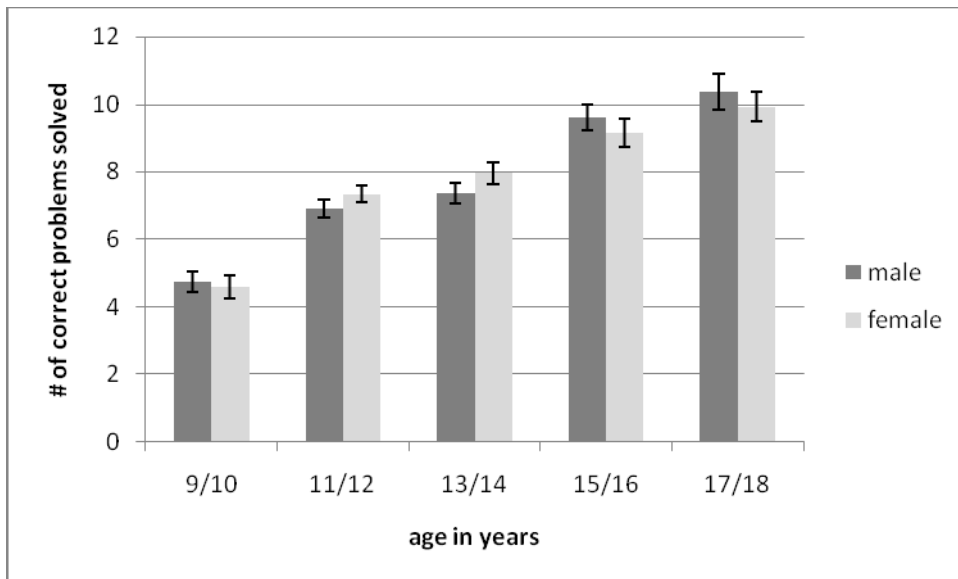
3.3. Experiment 3 – Adding up numbers in primary and secondary school

This experiment was run with 717 children and teenagers, aged 9 to 18 years. They had to add up three two-digit numbers. There were three minutes time to add as many sets as possible. The compensation depended on whether a person opted for a piece-rate – yielding 0.50€ for each correct addition – or for a competitive payment scheme – yielding 2€ for each correct addition if the person was the best performer in a group of 4 persons.

Figure 4 shows in panel (A) that both genders perform practically equally well. However, panel (B) indicates again that boys are much more likely to choose the competitive payment scheme than girls.

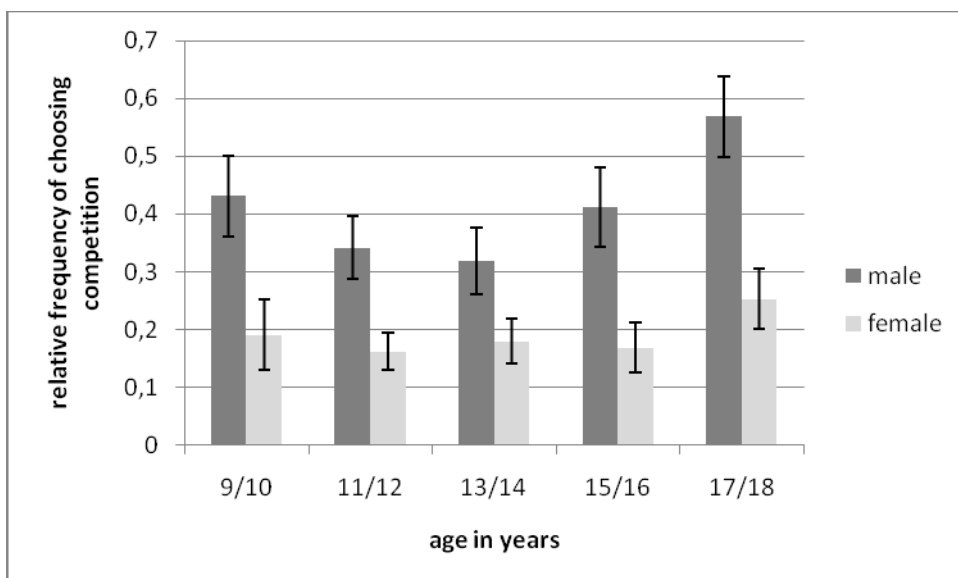
About 20 percent of the gender gap in the willingness to compete can be explained by women being more risk averse than boys, preventing them from choosing the competitive payment scheme. Another roughly 15% of the gap can be explained by women being less optimistic about their performance in competition. Men are systematically overconfident, meaning that they expect much better performance than their actual performance. Women, on the contrary, have a fairly accurate self-assessment in the aggregate.

Figure 4 – (A). Performance in adding two-digit numbers in Experiment 3 (N = 717)



Error bars indicate mean \pm standard error.

Figure 4 – (B). Relative frequency of choosing competition in Experiment 3 (N = 717)



Error bars indicate mean \pm standard error.

3.4. Experiment 4 – Repeating experiment 3 two years later

This experiment was an exact repetition of experiment 3 with a subset of 316 persons two years later. The results show that 77% of participants make the same choice (either piece-rate or competition) two years later, and that there is still a very strong and significant gender gap in the willingness to choose competition.

3.5. Summary of answers to Question 1

- 1) Gender differences in the willingness to compete emerge in kindergarten age when boys are already significantly more likely than girls to accept the challenges of competition.
- 2) In the group of three- to eight-year old children, the gap is about 10 to 15 percentage points large, both for a stereotype male task (running 30 meters in the gym) and a stereotype female task (picking items from a basket). As regards performance, there is no significant gender difference in running, and girls are even significantly better performing than boys in the manual task. Nevertheless, boys compete much more often than girls. The gender gap in the willingness to compete is robust to controlling for actual and expected performance and gender differences in risk attitudes.
- 3) In the group of nine- to 18-year olds, there is also a strong gender difference in the willingness to compete in a simple math task (adding up two-digit numbers). Although women perform equally well as men, men choose a competitive payment scheme about twice as often. Controlling for risk attitudes, expected and actual performance, the gender gap is about 15 to 20 percentage points large. It is worrying that the gap is even wider for the top-performing quartile of men and women.
- 4) When repeating the same experiment (with the math task) two years later with a subset of 316 teenagers, 77% of participants stick with their initial choice. For those who change their decision, women are noticeably more likely to opt out of competition, while men are about twice as likely as women to opt in. These results indicate a high degree of persistent choices over a relatively long period of time, supporting the interpretation that attitudes towards competition are formed early in life and then remain stable for a large majority of participants.

4 QUESTION 2: EFFECTS OF POLICY INTERVENTIONS ON WOMEN'S READINESS TO COMPETE

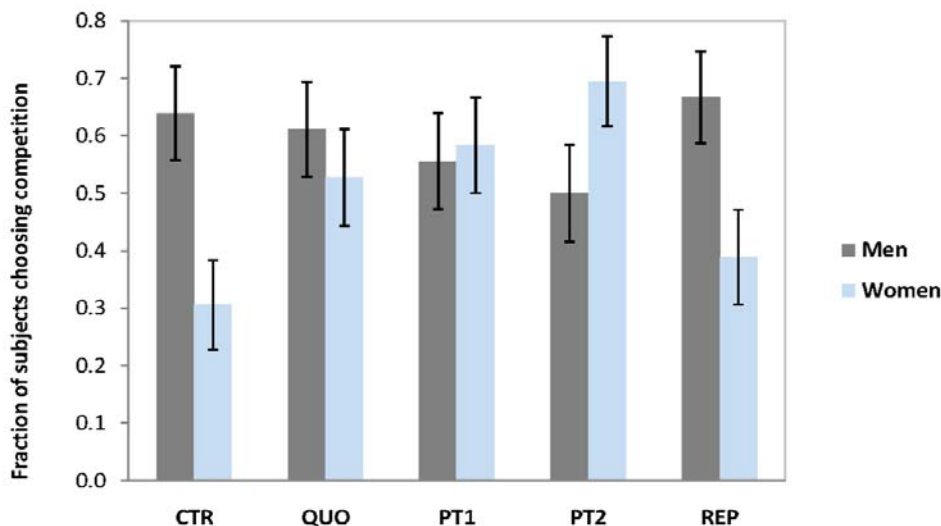
The second question examines how policy interventions like quota rules affect the willingness to compete. The following evidence is based on Balafoutas and Sutter (2012). They present an experiment with 360 participants, all of them university students in their early 20ies. In this experiment, participants were randomly assigned into groups of six, each consisting of three men and three women. The task of the participants was to add as many sets of five two-digit numbers as possible within a timeframe of 3 minutes. The participants had to choose whether they wanted to be paid for each correct calculation (0,50€) or to receive three times as much per correct calculation (1.50€) if they chose the competitive scheme and were among the two best performing competitors. Balafoutas and Sutter (2012) examined five different experimental treatments in order to examine the effects of policy interventions:

- 1) In a control treatment (CTR) gender was not taken into account. The two best performing group members received 1.50€ per calculation, all others got nothing.

- 2) The second treatment (QUO) corresponded to a minimum quota regulation, often used in public institutions. There had to be at least one woman among the two winners, meaning that the best woman was a winner for sure.
- 3) In the third treatment (PT1) women received preferential treatment and received one additional point (meaning that they got one correct task for free). This rule serves as a tie-breaking rule that favors women in case they perform equally well as men.
- 4) In the fourth treatment (PT2) women were strongly favored by receiving two additional points. Hence, women were given a head-start that could lead to less qualified women winning against better qualified men.
- 5) Treatment 5 (REP) allowed for a repetition of the competition in the case that no woman was among the two winners. In the repetition, the rules of the control treatment applied (hence gender played no longer any role).

Figure 5 shows the relative frequency with which both men and women chose to compete in the different experimental treatments.

Figure 5. Relative frequency of choosing competition ($N = 360$)



Error bars indicate mean \pm standard error.

Without intervention (in CTR), the number of women willing to compete was only half the number of men. In three of the other four treatments the frequency of competing women is significantly higher, whereas there was no significant effect for men. The option of repeating the competition was the only treatment that had no significant effect on women's entry choices. The frequency of women opting to enter competition was particularly high when they were strongly favored. Importantly, overall performance did not suffer from the interventions. If anything, the contrary effect was observable, because the effective interventions (QUO, PT1, and PT2) induced in particular highly qualified women to compete.

In a last stage of their experiment, Balafoutas and Sutter (2012) examined whether the implementation of interventions to promote women results in efficiency losses when groups have to cooperate later on. They set up a simple coordination game, which was about the efficient coordination of actions. In this game, it would have been simple to discriminate through inefficient actions against someone who won because of a certain policy intervention. However, that did not happen.

4.1. Summary of answers to Question 2

- 1) Women respond strongly to policy interventions. When quota rules or preferential treatment apply, there is no longer a gender gap in the willingness to compete. Hence, policy interventions make women as competitive as men.
- 2) It is in particular the set of highly qualified women that accepts competition in the presence of such interventions, while this set often shies away from competition in the absence of any women-promoting policies.
- 3) The application of policy interventions does not have a negative effect on the level of cooperation in work-teams after policy interventions have been used in competitions.

CONCLUSION

A gender gap in the willingness to compete can be found already in early childhood, and this is worrying since it may limit women's chances on the labor market later in life. Parts of the documented gender gap can be explained by women being more risk averse and less self-confident. However, there remains a large gender gap even when controlling for risk and self-confidence. The underlying reasons for this gap are still subject to further examination. While some scientists claim that there might be biological foundations (Buser, 2012), cross-cultural evidence seems to suggest that this may, at best, explain parts of the gap, whereas socialization is a fundamental factor contributing to the gender gap (Gneezy et al., 2009).

REFERENCES

- Balafoutas, Loukas, and Matthias Sutter.** 2012. "Affirmative Action Policies Promote Women and Do Not Harm Efficiency in the Lab." *Science* **335**: 579-582.
- Buser, Thomas.** 2012. "The Impact of the Menstrual Cycle and Hormonal Contraceptives on Competitiveness." *Journal of Economic Behavior and Organization* **83**: 1-10.
- Buser, Thomas, Muriel Niederle, and Hessel Oosterbeek.** 2012. "Gender, Competitiveness and Career Choices". Working Paper, University of Amsterdam.
- Cason, Timothy N., William A. Masters, and Roman M. Sheremeta.** 2010. "Entry Into Winner-Take-All and Proportional-Prize Contests: An Experimental Study." *Journal of Public Economics* **94**: 604-611.
- Datta Gupta, Nabanita, Anders Poulsen, and Marie-Claire Villeval.** 2013. "Gender Matching and Competitiveness: Experimental Evidence." *Economic Inquiry* **51**: 816-835.
- Dohmen, Thomas, and Armin Falk.** 2011. "Performance Pay and Multi-dimensional Sorting – Productivity, Preferences and Gender." *American Economic Review* **111**: 556-590.
- Flory, Jeffrey A., Andreas Leibbrandt, and John List.** 2010. "Do Competitive Workplaces Deter Female Workers? A large-scale Natural Field Experiment on Gender Differences in Job-Entry Decisions." NBER Working Paper No. 16546.
- Gneezy, Uri, and Aldo Rustichini.** 2004. "Gender and Competition at a Young Age." *American Economic Review, Papers and Proceedings*, **94**: 377-381.

Gneezy, Uri, Kenneth L. Leonard, and John A. List. 2009. "Gender Differences in Competition: Evidence from a Matrilineal and a Patriarchal Society." *Econometrica* **77**: 1637-1664.

Gneezy, Uri, Muriel Niederle, and Aldo Rustichini. 2003. "Performance in Competitive Environments: Gender Differences." *Quarterly Journal of Economics* **118**: 1049-1074.

Niederle, Muriel, and Lise Vesterlund. 2007. "Do Women Shy Away from Competition? Do Men Compete Too Much?." *Quarterly Journal of Economics* **122**: 1067-1101.

Sutter, Matthias, and Daniela Glätze-Rützler. 2013. "Gender differences in the willingness to compete emerge early in life and persist." Working Paper (a shorter version with less experimental evidence was circulated as IZA Discussion Paper No. 5015 in June 2010).

Matthias Sutter (born 1968) is Professor of Experimental Economics at the University of Innsbruck in Austria. He is also Visiting Professor at the University of Gothenburg. He is one of the most eminent experimental economists in Europe, focusing in his work on team decision making and how economic behaviour develops with age. Recent work examines the effects of quota rules on women's willingness to compete, and has been published in "Science".

The youth employment package: effective assistance for both young men and women to integrate into the labour market?

Professor Antigone Lyberaki and Katie McCracken -
OpCit Research, UK

1. INTRODUCTION: GENDER EQUALITY AND YOUTH EMPLOYMENT PACKAGE POLICY ANALYSIS

The Youth Employment Package (YEP) recognises the serious issue of youth unemployment. It builds on the EU's Youth Strategy²² (2010-2018) and is supported by a €6 billion fund for the period 2014-18. The YEP also develops actions outlined in the wider EU Employment Strategy, actions within the European Social Fund, and Youth on the Move. The YEP includes:

- A Youth Guarantee²³: young people receive a quality offer of employment, further education or training within four months of becoming unemployed or leaving formal education.
- A quality Framework for Traineeships and Apprenticeships
- Targeted mobility schemes for young people.

The Youth Employment Package (YEP), therefore, is intended for young people who are economically inactive - not being in employment *and neither* in training or education - sometimes referred to as (Not in Education, Employment or Training) 'NEET'.

There are no specific references to **gender or gender equality** within the texts on the YEP. However, the YEP does intersect with existing EU policy on gender equality in employment²⁴. Table one shows where the YEP, together with existing EU youth employment policies, *should* fit with EU gender equality policy

²² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2012:394:0005:0016:EN:PDF>

²³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0729:FIN:EN:PDF>

²⁴ Gender Equality is a Treaty obligation and is shaped presently by the Commission's Strategy for Equality between Women and Men (2010-2015). The thematic priorities for gender equality are: equal economic independence for men and women, equal pay, equality in decision-making, dignity, integrity and ending gender based violence, promoting gender equality outside of the EU, horizontal issues (that cut across the other priorities).

Table 1: EU Youth Employment and Gender Equality Policy areas and initiatives that *should* intersect

| OVERALL YOUTH EMPLOYMENT POLICY | | EU GENDER EQUALITY POLICY | EU GENDER EQUALITY SPECIFIC INITIATIVES |
|---|---|---|--|
| (should) INTERSECT WITH → → → → | | | |
| Improve employment and entrepreneurship opportunities²⁵ | <i>Youth Guarantee of a 'quality offer for Education, Training or Employment'</i> | Equalise and improve employment rates between men and women²⁶ | Actions to promote female entrepreneurship |
| | <i>Mobility schemes for young people.</i> | | Improving child care provision |
| | <i>Erasmus and da Vinci company placements and entrepreneurs</i> | | Actions to improve parental leave and family policy |
| | <i>ESF technical assistance for young businesses</i> | | |
| | <i>Support for young entrepreneurs (microfinance)</i> | | |
| | <i>Your First Eures Job</i> | | |
| | <i>University business forum</i> | | |
| Improve training and education²⁷ | <i>A quality Framework for Traineeships and Apprenticeships</i> | Reduce gender segregation in | Eurydice Network (collects data on educational outcomes by gender) |

²⁵ E.g. EU's Youth Strategy 2010-2018 and the Youth Employment Package, Youth on the Move (Europe 2020)

²⁶ E.g. Commission's Strategy for Equality between Women and Men (2010-2015)

²⁷ E.g. EU's Youth Strategy 2010-2018, Youth on the Move (Europe 2020), Youth Opportunities Initiative

²⁷ E.g. Commission's Strategy for Equality between Women and Men (2010-2015)

| | | | |
|--|---|---|--|
| | | education choices and outcomes²⁸ | |
| | <i>ESF technical assistance for apprenticeship schemes</i> | | Gender training in education good practice sharing |
| | <i>European Voluntary Service</i> | | Member States to adopt actions to tackle gender segregation in education choices |
| Improving social inclusion of young people²⁹ | <i>European Platform against poverty and social exclusion³⁰</i> | Improving women's economic independence³¹ | Open method of coordination to encourage Member States to tackle discrimination |
| | | | Actions to improve parental leave and family policy and child care |
| | | | Legislation on equal gender pay |
| Increasing young people's participation | counteract gender stereotypes in all actions to empower young people ³² | Achieve gender balance in decision making | Mentoring and professional women's networking |
| | Youth in Action programme | | |
| | Create dialogue with young people ³³ | | |

Source: own analysis of EU policy documents. Text in yellow indicates initiatives that have been specifically mentioned in regard to the YEP

²⁸ E.g. priorities of the Danish EU Presidency, communication by EC 2010 (http://europa.eu/rapid/press-release_IP-10-695_en.htm)

²⁹ E.g. Youth Strategy 2010-2018

³⁰ This covers all age and demographic groups however, specific actions for youth listed under this work are Youth on the Move and Agenda for new skills and jobs

³¹ E.g. in the Women's Charter: Declaration by the EC 2010

³² E.g. this is an objective for the EU Youth Strategy (Com(2009) 200 final); see also Resolution of the Council and of the Representatives of the Government of the Member States, meeting within the Council, on the participation of young people with fewer opportunities. This is an overarching objective in many gender equality initiatives including those on education and training and women in decision making.

³³ •EP/EC communication on Promoting young people's full participation in education, employment and society: mentions gender imbalances in participation

2. GENDER MAINSTREAMING AND THE YOUTH EMPLOYMENT PACKAGE

In accordance with the Treaty, EU policies should be 'gender mainstreamed'. This means that all policies should automatically address potential and actual gender implications. Gender mainstreaming involves conducting gender impact assessments prior to adoption of a new policy, ensuring relevant staff are trained to understand gender issues and monitoring policy outcomes for differences between genders³⁴.

The lack of reference to gender issues within policy documents relating to the YEP represents a failure to 'gender mainstream' the policy.

3. UNEMPLOYMENT AMONG YOUNG MEN AND WOMEN

3.1. Unemployment

Across Europe 23% of the under 25 year old labour force are unemployed. This percentage reaches above 50% in some Member States. Young people are automatically vulnerable to unemployment. They have fewer resources to assist them with moving to where jobs are available; are unskilled at looking for work; have fewer marketable skills and are less productive than older, more experienced workers, which makes them less attractive to employers in a competitive labour market.

3.2. Economic Inactivity

Faced with persistent unemployment and drops in income, as in the current time of economic crisis, individuals may drop out of the labour market and stop looking for work (the discouraged worker effect) or reinforce attempts to find work in order to supplement family income (the added worker effect). In practice, men tend to be more 'discouraged', and women more likely to be activated – a trend especially marked in Southern Europe during the current crisis. However, this gender difference is less marked among the under 25 age group: younger men and women tend to show discouragement to a similar extent. Young carers may be even further constrained from seeking employment if social service provision declines as a result of austerity measures – this will impact on young women far more than young men³⁵.

³⁴ See the E.I.G.E's Manual for gender mainstreaming: employment, social inclusion and social protection policies <http://eige.europa.eu/content/manual-for-gender-mainstreaming-employment-social-inclusion-and-social-protection-policies>

• ³⁵ Relatively little is known about the circumstances of young carers, apart from the information provided in the Labour Force Survey (LFS). The LFS provides data only on the number of young (aged 15-24) *females* who are inactive due to family or other caring responsibilities (excluding those in education). However, the data show that the % of females who are inactive due to child caring and other family responsibilities is 2.3% higher than the rate of the total population (aged 15-24). Therefore, there would appear to be a gender dimension to the issue of young carers who are not in education, training or employment.

4. GENDER ISSUES RELATING TO TRAINING, APPRENTICESHIPS AND HIGHER EDUCATION

4.1. Numbers of young men and women who are inactive but also absent from education, apprenticeships or training

The Youth Employment package is concerned with young people who are economically inactive but also outside of training or education. Chart one shows percentages of young people who are employed as well as those who are unemployed and also absent from training or education -: 'not in education, employment or training' -so called 'NEET'. This shows significant gender differences.

Chart 1: Youth unemployment rate, NEET rate and employment rate persons, EU-27



Source: LFS

- The unemployment ratio is larger for young males, which complements lower employment for young women; a smaller proportion of young women are in employment (31.5 as opposed to 35,8) and a correspondingly larger share of women are inactive.
- If one divides the population according to degree of preparing for the labour market, we see that a larger share of women are in education and training (55.2% as opposed to 51.7%), which is not sufficient to prevent women having a higher NEET rate than men.
- Thus, for the EU27, while men appear to be more exposed to the threat of unemployment, women are more exposed to being NEET.

There are also gender differences in the *causes* of being outside of training, education and employment. Table two shows that there is a sizeable group reporting that caring for children or incapacitated adults is the reason for economic inactivity and being absent from training or education. This group consists exclusively of young women. Thus, even though the total number of young mothers is falling over time, as women delay their first pregnancies, they still feature as a distinct category in the 'NEET' group.

Table 2: Percentage composition of NEETS in EU27, by reason for inactivity

| 2011 | EU-27; persons 15-24 | Total | Males | Females |
|---|--|-------|-------|---------|
| Inactive population NOT in education - Main reason for not seeking employment - Distributions | Own illness or disability | 16.1 | 23.4 | 12.1 |
| | Other family or personal responsibilities | 13.6 | 10.6 | 16.3 |
| | Looking after children or incapacitated adults | 22.9 | | 35.5 |
| | Think no work is available | 16.1 | 24.5 | 11.3 |
| | Other reasons | 31.4 | 41.5 | 24.8 |
| | Total | 100.0 | 100.0 | 100.0 |

Source: LFS data

4.2. Lessons from research about gender, training and apprenticeships

A review of academic literature on training or apprenticeships and higher education found a number of important gender issues to consider when designing youth employment and training policy.

4.2.1. Gender differences in training and apprenticeships:

- **A growing number of employers in areas where there are skills shortages indicate their wish to recruit 'non-traditional learners'** including women in 'male' occupations and vice versa. However, these employers cite difficulties in attracting 'atypical' trainees (Miller et. al. 2005, Dale, 2006). Sectors which have the strongest gender segregation are those reporting highest levels of skills shortfalls (ibid, 2005)
- **Gender segregation in training and apprenticeships tends to reflect that in the labour market.** Despite similar numbers of young men and women entering apprenticeships, males dominate those in construction, engineering and plumbing whilst women are mainly found in hairdressing, early years care and education (Dale, 2006)
- **As a result of being channelled according to accepted gendered- roles in training** women have lower incomes and lower social status (Gundert and Mayer, 2010)
- **For young men, accessing gender stereotypical training** such as in construction, places them in industries which are most affected by cyclical unemployment, although generally it is the low skilled that are most vulnerable to unemployment, whether male or female (Rothstein, 2012)
- **Female apprentices tend to be engaged in 'lower level' apprenticeships** compared to men and there are fewer women in apprenticeships for large employers (TUC, 2008)

- **Apprenticeships in 'female' roles** are found to be shorter in duration compared to male roles, thus providing less security for those apprentices, in the UK (Hogarth et. al., 2005).

4.2.2. Improving gender equality in training and apprenticeships:

- **Reducing gender segregation in training, education and apprenticeships** would improve productivity and also address the gender pay gap (Campbell et al, 2006, Bettio 2008)
- **Large employers** with strong histories of providing apprenticeships are more inclined to consider gender diversity in their recruitment although they may resist positive discrimination (IES, 2012)
- **Having family members and social networks engaged in 'atypical' occupations** is a strong predictor for taking up an atypical apprenticeship. Those interested in atypical occupations or apprenticeships have been since a young age (Dale, 2006)
- **Gender diversity in apprenticeships may improve during periods of high unemployment.** However, young people should be provided with information and encouragement *before* they leave school to consider gender 'atypical' apprenticeships or training
- **Incentivising employers** may be effective for ensuring diversity in apprenticeships (IES, 2012)
- **Existing gender segregation of the labour market** might be improved or worsened by investments in certain sectors. For example planned investments in the technology and green energy sectors, which are male- dominated, may be less beneficial for young women (Smith, 2009). Gender mainstreaming of employment policy would encourage gender equal economic recovery (ibid, 2012, UN 2011)
- **Improving gender mainstreaming in EU education policy will improve the gender skills and pay gaps.** EU education policy is assessed as inadequate for eliminating gender gaps in education and training (Verloo et. al. no date)³⁶.

5. ANALYSIS OF THE YOUTH EMPLOYMENT PACKAGE FROM A GENDER EQUALITY PERSPECTIVE

As shown in section one, gender is not specifically mentioned in EP/EC communications about the YEP. This is despite evidence that in education, training and employment amongst the young, there are clear gender differences in output and outcome. Moreover, as table one shows, there is only limited provision within the broader relevant Youth Policy framework to address gender dimensions. However, as gender mainstreaming is a policy priority across EP and EC policy areas, policy tools do exist to ensure gender aspects form an integral part of the YEP. In order for this to be realised, robust gender impact assessments, data collection and evaluation would have to be conducted on YEP activities, thus an integrated gendered approach is necessary. Currently, it would appear that the gender dimension of youth un/employment is inadequately considered.

³⁶From Verloo et al (no date): 'EU efforts directed towards gender mainstreaming in education suffer from two key limitations. The first is the limited competences of the EU, and the second is the narrow scope for gender mainstreaming in the EU view of education, which focuses on the 'competitive and knowledge-based economy'.

5.1. An initial assessment of the YEP drawing out potential gender implications

The YEP includes specific initiatives which are linked. There is a consultation on a quality Framework for Traineeships and Apprenticeships, a European Alliance for apprenticeships and also targeted mobility schemes for young people including EURES. Although action on training and apprenticeships are not new policies either at the Member State level or European level, the key policy instrument in the YEP is the provision of a 'youth guarantee' of training, education or employment to any young person who has been without one of these things for four months. The guarantee commits national governments to focus funding on under-25 year olds and is further supported by ESF funding. The guarantee thus acts as a lever to ensure training, education and employments schemes are implemented and is the significant element of the YEP.

Drawing on evaluations of similar youth employment packages, the following section sets out evidence of (in)effectiveness. There is scant literature on effectiveness by gender of youth guarantees so inferences were made based on the wider literature on youth, employment and gender.

Table three shows broader strengths and weaknesses of active labour market approaches (backed by a 'Youth Guarantee') in Europe and infers potential gender implications from these.

Table 3: Strengths and Weaknesses of Youth Guarantee schemes

| Strengths | Weaknesses | Potential gender issues |
|--|---|---|
| Forces local employment advice agencies to focus on young people and their specific needs. | If emphasis is placed on meeting quantitative targets to get young people into employment or training, this may be less effective for harder to reach groups of young people. | There is a need to consider individual needs which have gender dimensions in particular child care and other family needs. Training needs to address local skills gaps. It may, therefore, be necessary to encourage one gender to take up gender 'atypical' training. |
| Encourages immediate action to address youth unemployment and inactivity, before disengagement sets in. | Even when the scheme offers short-term solutions, it does not address the structural problems that create vulnerability in young people such as low skills and low education. | Research shows that training and apprenticeship schemes reinforce existing labour market segregation rather than training in the skills that are needed. |
| Avoids long-term consequences or "scarring effects" of youth unemployment and marginalisation. | Success depends crucially on the operation of other public policies such as education (and the availability of training places). | |
| Contributes to "trust-building" between young people and authorities (regardless of employment outcome). | Success depends on the quality and competence of local employment and advice services, which may not be adequate. | Advisors' skill and knowledge is needed to overcome hurdles of a gender segregated labour market and to encourage "atypical workers" to take up training |

Source: 'Strengths' and 'Weaknesses' column adapted from Eurofound, 2012. Gender implications from own analysis

SUMMARY

- The YEP brings together existing education, employment and training policy, building upon existing schemes but offering an increased EU financial investment.
- There are clear gender patterns relating to young people not in education, employment or training so a gender-sensitive approach is needed for the YEP.
- The YEP mostly represents an active labour market policy for young people. However, active labour market policies have been shown to inadequately address the needs of young mothers and also carers, the majority of whom are women.
- Training and apprenticeships have been shown to replicate labour market gender segregation and such segregation is shown to exacerbate the gender pay and status gap.

- Generally, low skilled workers are most vulnerable to unemployment, regardless of gender. Thus improving skills for both genders should be a priority for preventing unemployment.
- EU education policy is shown to inadequately address gender equality or to address structural disadvantages (young) women in particular face in the labour market. Thus, more needs to be done to mainstream gender in education policy.

RECOMMENDATIONS

- Future challenges for the new YEP will be to ensure that a) it coordinates with existing youth priorities and b) in doing so, it addresses the gender dimensions of those priorities.
- Gender Impact Assessments should be undertaken at a high level for each investment for the YEP.
- Gender implications should be addressed when developing the Quality Framework for Traineeships.
- Outcomes of investments should be monitored according to a broad gender mainstreaming framework and should address structural and social barriers to employment for young men and women.
- Gender-relevant outcomes for young people's education, training and employment should be reported within Member States' National Reform Programme reports.
- Further emphasis for YEP funding should be placed on sharing good practice in terms of breaking down social and structural barriers to young people's engagement in gender 'atypical' apprenticeships.
- Policy makers at the EU and member state level should learn lessons from wider active labour market policies, particularly their weaknesses in addressing child care and other caring needs.
- Particular attention should be paid to the situation of young carers as this group is more likely to have left education and training due to their caring needs and are also more likely to suffer as a result of recent austerity measures as services are withdrawn.

REFERENCES

- Bettio, F, 2008, 'Occupational segregation and gender wage disparities in developed economies: should we still worry?' in F.Bettio and A. Verashchagina (eds), *Frontiers in the Economics of Gender*, Routledge, London, pp 167-191
- Campbell J. McKay A., and Thompson E. (2006) *From Gender Blind to Gender focused: re-evaluating the Scottish Modern Apprenticeship Programme*
- Dale V. (2006): *Gender Segregation in the Labour Market: What motivates entry into non-traditional occupations?*
- Gundert S. and Mayer K.U. (2010) *Gender Segregation in Training and Social Mobility of women in West Germany*
- Hogarth T., Hasluck C. and Daniel W. W. (2005), *Employing Apprentices: The Business Case*, Report for the Apprenticeships Task Force, Institute for Employment Research, University of Warwick, September.
- McCracken K. Lyberaki A., Jessoula M., Bartlett W., Kusidel E. (2013). *Gender Aspects of the financial crisis and social welfare systems*. European Parliament
- Miller L, Pollard E, Neathey F, Hill D, Ritchie H *Gender Segregation in Apprenticeships*. Working Paper 25, Equal Opportunities Commission, April 2005
- Rothstein J. (2012) *The Labor Market Four Years Into the Crisis: Assessing Structural Explanations*

- Smith M. (2009) Analysis Note: Gender Equality and Recession. European Commission's Network of Experts on Employment and Gender Equality issues.
- Trades Union Congress, UK (2008) Apprenticeships and Gender segregation, European Sociological Review. 28
- Verloo M., van der Vleuten A. and Jansen W and Acar F (no date) GENDER MAINSTREAMING IN EDUCATION AND EMPLOYMENT. European Training Foundation
- United Nations (2011). Working towards a Balanced and Inclusive Green Economy

ANNEX: AVAILABILITY OF GENDER DISAGGREGATED DATA RELATING TO YOUNG PEOPLE AND EMPLOYMENT

Availability of Gender disaggregated data

In order to effectively manage youth employment policy ensuring gender equality is addressed, the collection and analysis of gender disaggregated data on key outcome measures is necessary. Table four provides an overview of available gender disaggregated data sets and their gaps.

Table 4) available gender disaggregated data

| | data set | gender disaggregation | gaps |
|--|---|-----------------------|--|
| labour market gender segregation | LFS and Eurostat ISCO-88 classifications | yes | |
| gender segregation in education | share of Share of job-related learning activities by sex | yes | |
| gender pay gaps | Eurostat | yes | |
| gender segregation in apprenticeships and training | Adult education survey participation in Continual Vocational Training | yes | lifelong learning and CVT data not by subject area |
| not in education, employment or training (NEET) | Eurostat: participation in education by | yes | |
| reasons for NEET | Labour Force Survey | Yes | |

- **Antigone Lyberaki** is Professor of Economics, Department of Economics and Regional Development, Panteion University, Greece. She has conducted extensive research on employment and social welfare systems in the European context. Antigone has been adviser to the Ministry for Labour and Social Affairs, Greece, and to Action Aid in Kenya.

- **Katie McCracken** is Director of OpCit Research, London. Katie has worked for a number of UK think tanks and research institutes. She leads policy-focused research projects for government and the voluntary sector, in diverse fields including crime and disorder, social welfare policy, health care systems, media and justice.

Advantages of an integrated and gender-sensitive approach to youth unemployment

**Flavia Pesce and Eugenia De Rosa -
Istituto per la Ricerca Sociale (IRS), Italy**

INTRODUCTION

Youth employment is very much linked to the overall employment situation. It has its own dimensions however, which require specific responses. For many working age young people the lack of decent job prospects increases their vulnerability in the transition from childhood to adulthood. The investment of governments in education and training will be lost if young people do not move into productive jobs that enable them to support themselves, contribute to their families' earnings, and pay their public dues. Youth unemployment may be linked to the school to work transition, various forms of discrimination, disadvantages linked to lack of job experience, cyclical labour market trends, and a number of structural factors.

The particular dimensions of youth employment vary according to sex, age, ethnicity, educational level and training, family back-ground, health status and disability, amongst others. Young people as a group are not homogenous. Some groups are more vulnerable and face particular disadvantages in entering and remaining in the labour market.

This is particularly true when considering youth unemployment according to a gender-sensitive approach. If, on average, young people are two to three times more likely to be unemployed than adults, this is particularly pronounced for young women. All too often, they work unacceptably long hours under informal, intermittent and insecure work arrangements, characterized by meagre earnings and reduced labour protection. Poor employment in the early stages of young women's careers can harm their self-esteem and their employment prospects throughout their lives. One of the main dangers is that with a build-up of grievances, vulnerable female youth may become "discouraged female youth", implying that undertaking job searches would be futile. The economic crisis appears to be having a significant negative effect on the lives of women, not only in relation to the labour market, but also, crucially, beyond it.

Within this framework, this note firstly presents the different starting points of a gender-sensitive analysis of the different aspects related to youth unemployment compared to the gender-neutral approach both in relation to data and phenomena and to policies and intervention planned and implemented around Europe; then presents and discusses suggestions and practical recommendations for a gender-sensitive approach to youth unemployment based on the preceding analysis.

The analysis is mainly based on literature review on gender issues and on European and national approaches to the phenomenon of youth unemployment.

1. A GENDER SENSITIVE ANALYSIS OF YOUTH UNEMPLOYMENT DATA AND PHENOMENA

As it is widely recognized, young people have been particularly hit by the current economic crisis as well as by the increasing importance of flexible forms of employment in all Member States.

In the EU27, between 2007 and 2012, the youth (aged 15-24) employment rate dropped by 4.8 percentage points (from 38,8% to 34%) and the unemployment rate increased by 7.2 percentage points (from 15.4% to 22,6%). The youth unemployment rate (under 25 years old) is currently more than twice as high as the rate for adults in most Member States (22.6 % as against 9.2 % in the third quarter of 2012) and has dramatically increased over the last four years. Young people accounted for almost 16.5% of total unemployment growth and the unemployment rate differential between youth and adults widened. Furthermore, the inactivity rate has increased due to discouragement effects. As a result, the NEET rate reached 12.9% in 2011 in the EU27. In contrast to past recessions, this time the increase in the NEET rate has also involved young highly educated workers.

Apparently the crisis has worsened the labour market conditions more for young men than for young women. However, when using a gender perspective in analyzing data and phenomena, it appears clear that **young women still face worse labour market conditions relative to young men and that a more “traditional” and neutral approach towards the main component influencing youth unemployment may not be enough.**

The following are examples of EU main youth phenomena usually tackled in a “neutral” way with the indication of how the use of a gender-sensitive approach (i.e apply “gender lenses” to the way in which data are collected, phenomena are analysed, policies are planned, implemented and assessed) may highlight quite different aspects:

- The problem of young people not in employment, education or training (the so-called NEET) is a phenomenon that is developing in many countries and which is taking an increasing relevance, both for the number of people involved, and because it affects a proportion of the population which will form the future of society. As pointed out by the 2012 OECD report³⁷ in the first quarter of 2011, in the OECD Countries, the so-called “NEET rate” accounted for 12.3% of all youth aged 15-24, up from 10.7% in the first quarter of 2008. 22 million young people were jobless in the first quarter of 2011, 14 million of whom were inactive and not studying, almost double the level of those who were unemployed (8 million). This group comprises young people who, regardless of their educational level, are disengaged from both work and education and are therefore at higher risk of exclusion from the labour market and social exclusion. However, young NEETs *per se* are not an homogenous target group and looking this phenomenon from a gender perspective allows to put in evidence that:

³⁷ “Challenges Facing European Labour Markets: Is a Skill Upgrade the Appropriate Instrument?”. <http://www.oecd.org/els/offtoagoodstartjobsforyouth.htm>.

- ✓ NEET rate for young women reached 13.4% in 2011 while it is 12.5% for young men. In all Member States it is especially the inactive component of NEETs that is higher for females and gender gaps tend to increase with age: for youth aged 25-29, NEET rates reach 24.7% among young women relative to 15% among males. Furthermore, young NEET women show a greater persistence in the status and lower turnover rates than men. Among young women the inactivity component accounts for 58.2% relative to 41.7 % for young men³⁸.
- ✓ Inactivity among young women appears to be largely due to family responsibilities, even if young women are also more likely to be discouraged workers than young men, particularly in some southern and eastern countries. Family composition, especially the presence of children, plays an important role in influencing gender differences in youth inactivity. In most countries the gender gap among NEET-inactive without children is very small and sometimes negative, confirming that gender differences in inactivity are mainly driven by the behavior of young women with children.
- What makes the socio-economic position of young people especially fragile is not only the high unemployment and inactivity rate, but also the changing labour market conditions.
 - ✓ All over Europe, flexible forms of employment such as part-time work, fixed-term contracts, and self-employment are gaining importance. Also in this case the use of a gender approach allows underlining that this phenomenon is strongly influenced by gender. Young women are more likely than young men to be employed in part time and temporary jobs and to earn lower wages than young men and thus to experience high risk of future unemployment. Women across Europe are more likely to work part-time than are men, but are also more likely to be working as involuntary part-time workers.
 - ✓ Flexibility forms of employment may often turn out in precarious work that is a phenomenon strongly associated with young female employment. Several studies have pointed out evidence of precarious working conditions for women and of increasing discrimination in the labour market with a subsequent shift to informal work and identified gender as a predictor of precariousness.
 - ✓ Similarly, key research literature reveals that, within the labour market, career choice is influenced by an individual's values, attitudes, and expectations concerning how work should be balanced with the rest of life. Individuals are also susceptible to influence from their families of origin with regard to occupational choice and prioritizing work over family, or vice versa. Career opportunities, in the form of prospects for advancement within an organization or more generally in one's chosen field, are impacted by family commitments and the use of flexible working practices designed to assist employees balance their work and home responsibilities. At the same time, recent studies also show that "a gender gap in the willingness to compete can be found already in early childhood, and this is worrying since it may limit women's chances on the labor market later in life"³⁹.

³⁸ Source: Eurostat, LFS

³⁹ Sutter, Matthias, and Daniela Glätze-Rützler. 2013. "Gender differences in the willingness to compete emerge early in life and persist." Working Paper (a shorter version with less experimental evidence was circulated as IZA Discussion Paper No. 5015 in June 2010).

- Educational attainment is also an important factor in employment opportunities, especially for young women and thus it should be analyzed with a strong gender perspective: even if young women tend to remain in education longer than men and women's participation in tertiary education has increasingly improved, a gender gap persists in terms of integration of women into the labour market and income inequalities. Gender gaps in employment are lower for young persons with a tertiary education and the probability of being NEET declines for young women having tertiary education. As the Education, Audiovisual and Culture Executive Agency – Eurydice (2012) notes: 'Two interesting general trends can be noted. The first reveals a strong relationship between higher levels of unemployment and greater degrees of gender disparity. Across the educational levels, the countries that experience the highest levels of unemployment tend to report wider differences between women and men. This trend becomes more evident along the levels of education; moving from lower to higher levels of education, the coincidence between countries with high unemployment rates and wide gender gaps increases ... This may indicate that while men and women are affected by similar rates of unemployment in lower-skilled jobs, the gender disparity is generally more pronounced in jobs requiring medium and high-level qualifications. The second trend concerns the balance between men and women in those countries that report the highest levels of variance between genders. While for lower and medium qualification levels women seem to be less affected than men by unemployment, for higher education the opposite is true' (p. 184).
- ✓ As women traditionally have a more vulnerable position in the labour market, the school to work transition may be even more difficult for young women. Indeed, in a number of countries young women have more difficulties finding a job than young men, even when they have a higher educational level. This might be due to labour market discrimination, greater care responsibilities than young men, a higher probability for young women to be employed with temporary or part time employment contracts or in the informal economy, gender differences in skill mismatches (due to gender segregation in education and training patterns), in access to information channels and job search mechanisms, which might result in higher probabilities of unemployment or inactivity due to discouragement effects. When they do find a job it is often lower paid and in the informal economy, in unprotected low-skill jobs which imply greater job insecurity, as well as lack of access to training, social protection and other resources, making them comparatively more vulnerable to poverty and marginalization.
- ✓ All over Europe, there is still a gender disparity in terms of what kind of education men and women receive. Vocational enrolment is also largely gender segregated, and women are less likely than men to participate in vocational training, especially when it includes technical, mechanical or scientific disciplines. Moreover, even when choosing vocational training young women are concentrated in specific apprentices in the service sector.
- ✓ Intersecting with gender, ethnic origin, ability and the problem of cheap labour (apprentices used as a source of cheap labour) are affecting differences in terms of studies and the access to apprenticeship schemes and vocational training.

- ✓ In the face of this imbalance, some Member States have begun to take action in encouraging the take up of unconventional jobs and the rejection of traditional gender roles. However the introduction of gender in education is still a long and complex process and requires a considerable effort to involve the different actors needed (politicians, teachers, gender researchers and experts, but also parents and citizens). In the last years quite some progress has been achieved by several countries, but there is still a lot more to be done. Several projects and training experiences have been designed and tested, but in many cases single projects struggle to become stable and formally recognised and/or widespread in all education sectors with the risk that the introduction of gender into the school curriculum is left to teachers' good will and expertise. Overall, the impression is that much has been done to predispose the necessary conditions for successfully mainstreaming gender issues as such in teaching, acknowledging the legitimacy of such an approach and developing the necessary tools to concretely apply this principle to the formal curriculum at all schooling level. Meanwhile several gender-specific education and training programs have been promoted in Europe to face the gender inequality in the process of migrants' educational and labour market integration. On the whole, the implementation of gender in education as a field of research and policy making must be further advanced and strengthened, and more should be done to translate broad gender objectives (formally included in national laws and programming documents) into practice and effective pedagogical actions.

2. POLICIES SUPPORTING YOUTH EMPLOYMENT: THE IMPORTANCE OF A GENDER IMPACT ASSESSMENT

Following the same patterns highlighted above, although a large number of recommendations and resolutions have been enacted and studies have been carried out on the issue, the **gender dimension in youth policies both at EU and national level is in most cases lacking.**

Gender differences are also ignored in the recent policy debates and in the measures taken to fight youth unemployment. This gender-blindness might endanger the efficiency and effectiveness of the new policies. At the same time, the deterioration of youth labour market conditions has stimulated new research that however does not usually consider gender differences. Even those analysing the weaker position and the additional difficulties of young women in entering the labour market do not consider the gender dimension in the assessment of policies favouring the access of young Europeans to the labour market. On the contrary, **the systematic use of a Gender Impact assessment (GIA) in the policy planning phase would be a crucial tool for implementing gender mainstreaming** in EU and national policies helping policy makers in identifying whether the policy under scrutiny has positive or negative outcomes in terms of promoting gender equality and can be used to improve the quality and efficacy of policy design. GIA general purposes are, in fact, those of: (i) identifying gender bias in the policy context; (ii) identifying the potential gender impact of a specific policy, measure, intervention; (iii) identifying different strategies to achieve the same goals taking into account a gender perspective.

European strategies

At the EU level, the EU Youth Strategy (2010-2018)⁴⁰ lists among key areas of intervention education and training, employment and entrepreneurship, health and well-

⁴⁰ COUNCIL RESOLUTION of 27 November 2009 on a Renewed framework for European cooperation in the youth field (2010-2018)(2009/C 311/01)

being, participation, voluntary activities, social inclusion, youth and the world, creativity and culture. Promoting gender equality and combating all forms of discrimination are formally declared as key issues of the strategy which calls for initiatives by Member States and the Commission within their respective spheres of competence to address gender and other stereotypes via formal education and non-formal learning. However, very few targeted initiatives are described and proposed, a part from the interesting fact that the promotion of opportunities to reconcile working life with family life is considered a priority both for young men and for young women.

In the *Europe 2020 strategy*, the EU explicitly recognises youth unemployment as a problem at the highest political level. Two of its seven flagship initiatives are particularly relevant to this concern. The *Youth on the Move initiative* (European Commission, 2010b) recalls that temporary contracts, considered as a cheaper alternative to permanent ones, produce a segmented labour market and young women are particularly at risk of falling into this segmentation trap, but, again, no targeted initiatives are then taken in consideration. The recent *Youth Opportunities Initiative* is a set of measures planned for 2012 and 2013 as part of the EU's *Youth on the Move* education and employment initiative. Its goals are to help those who left school or training without having achieved upper-secondary education to return to school or enroll in vocational training for in-demand skills, and to help graduates to get a first work experience. Early school leaving involves usually more young men than young women and would also require a gender approach that, on the contrary, is not considered or even mentioned.

The flagship initiative *An Agenda for new Skills and Jobs* (European Commission, 2010c) supports gender equality and non-discrimination in the labour market, but when it comes to policies it only mentions the ESF as a possible co-funder/supporter of measures to reconcile work and private life, gender mainstreaming, and actions for tackling gender-based segregation in the labour market.

Within this Framework, the European Commission in the recently released *Youth Employment Package* (5.12.2012)⁴¹ proposes a *Recommendation to Member States on introducing the Youth Guarantee* to ensure that all young people up to age 25 receive a quality offer of a job, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed. The Commission will support Member States through EU funding, by promoting exchanges of good practice, monitoring implementation of Youth Guarantees and awareness-raising. To facilitate school-to-work-transitions, the Package also launches a *consultation of European social partners on a Quality Framework for Traineeships* so as to enable young people to acquire high-quality work experience under safe conditions. Furthermore, it announces a *European Alliance for Apprenticeships* to improve the quality and supply of apprenticeships available by spreading successful apprenticeship schemes across the Member States and outlines ways to reduce obstacles to mobility for young people. Overall there is however still little attention to gender differences in these policy documents and often the actions foreseen do not explicitly take into consideration gender differences.

National policies

Member States are particularly active in promoting initiatives and strategies aimed at fighting unemployment and at promoting the employment of young people, but again a specific attention to the gender perspective is hard to be found.

⁴¹ <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1731&furtherNews=yes>

To help young people to enter the labour market, and on the basis of European framework and indications, a number of countries have implemented initiatives to improve their employability by enhancing their skills through the organization of *apprenticeships, traineeships or training/re-training courses* also adopting *LMPs measures* to meet youth needs. **Although important in facilitating the transition to employment of young people, this kind of policies may have a difference “impact” on young men and women.**

According to a recent study carried out for the European Commission (2012)⁴² when analysing the issue of apprenticeship-type schemes it is important to consider that the access to *apprenticeship* shows important bias in terms of gender, ethnic origin or ability: “young women are usually underrepresented in apprenticeship-type studies compared to their share in the total population, especially as far as some specific professions and studies are concerned”. Research shows that in countries where apprenticeships and/or work-related learning scheme models and effective guidance services are implemented as ways of facilitating the access of young people to employment, gender inequalities exist. The following data that refer to Germany confirms this: 60.1% of the total number of all concluded training contracts within the dual system (data for 2009) are male apprentices (ibid., p. 107).

On the contrary, as far as *traineeships* is concerned another recent study⁴³ demonstrate that there is some evidence of an opposite gender imbalance in the take-up, with more young women undertaking traineeships than young men. “It is not clear from the data available whether this gender imbalance can, to some extent, be explained by sectoral or occupational factors. This may also highlight the greater difficulties which young women face in entering the labour market”. A part from general considerations on take up rates it is important to note that in some countries the study identified a traineeship-related gender pay gap with a larger proportion of women in unpaid or low paid placements. According to the authors again this could be related to sectoral labour market segregation rather than to direct discrimination, since it may be that more women can be found in poorly paid sectors, or sectors known for low quality traineeships.

Moreover, in both cases, young people with caring responsibilities in order to be free to accept an employment and/or a training activity also through the form of apprenticeship type and traineeship schemes may require *access to childcare or other kinds of support*. According to Eurofound (2012) “only in a small number of countries measures have been implemented to take account of the difficulties faced by those with caring responsibilities to commit to a full-time job or training course”, while all measures focusing on people who are taking part in training courses or on parents of young children such as kindergarten in firms represent an essential tool to foster young women’s employment.

Different effects that measures tackling the school-to-work transition and LMP measures may have on both young women and men may be due, among other factors, also to the scarce involvement of young people, and especially of young women, in the adopted measures. A recent study⁴⁴ shows that gender differences in young beneficiaries (less than 25 years) of LMP and the changes occurred in participants between 2006-2007 and 2008-2009 are particularly important:

⁴² European Commission (2012) Apprenticeship supply in the Member States of the European Union, drafted with the support of IKEI Research & Consultancy

⁴³ European Commission (2012), Study on a comprehensive overview on traineeship arrangements in Member States drafted with the support of IES, IRS, BIBB.

⁴⁴ Starting fragile-gender differences in the youth labour market, European Commission, Directorate-General for Justice; Unit D2 'Equality between men and women', in the framework of a contract managed by the Fondazione Giacomo Brodolini (FGB) in partnership with Istituto per la Ricerca Sociale (IRS).

- Young people (less than 25) represent about 30% of participants in active labour market measures (categories 2-7). The incidence is higher for males than for females: in 2009 it is 32% for males and 27% for females.
- Big differences are found with regard to the different measures typologies which are implemented. Young women represent a high share of young beneficiaries in Job rotation and job sharing (80.6%), employment incentives (51.8%) and direct job creation measures (51.3%). Conversely, the share of young men is higher with regard to start-up Incentives (62.9% of young beneficiaries) and training (59.5% of young beneficiaries).
- Coverage rates of the NEET population are lower for young women than for young men in all countries and for all types of measures.

3. MAIN CONCLUSIONS AND RECOMMENDATIONS FOR ACTION

The previous two sections have highlighted that: data covering the youth unemployment phenomena and European and national policies aimed at tackling it have strong different "impacts" for both men and women; and that a gender impact assessment carried out at an early stage in the policy decision-making process is necessary in order to better promote gender equality in tackling the phenomena of youth unemployment.

Conclusions are presented together with a set of practical recommendations for actions on the European and the national level according to a gender-sensitive approach to youth unemployment in order to detect main differences among young women and young men and to, accordingly, design policy measures and specific interventions aimed at better tackle gender differences and at supporting a gender tailored solution to youth unemployment at EU and national level. Both conclusions and recommendations are structured alongside the three main aspects briefly discussed in the previous chapter namely:

- the effects of the gendered segregation of education and possible skills mismatches;
- working conditions affecting the employability of young women and men;
- child care and other care facilities affecting employability and career choices of young women and men.

Table 1 - The effects of the gendered segregation of education and possible skills mismatches

| Aspects/Implications by gender | Recommendations | Advantages of a gender-sensitive approach |
|---|---|---|
| <ul style="list-style-type: none"> • Gender segregation within different fields of study is still strongly maintained. Such a gender segregated choice for education also reinforces gender segregation on the labour market and possible skills mismatch for young women looking for a job. • Gender segregation in education is strictly connected to gender stereotyping that may affect the employability of young women and their future earnings and socio-economic conditions. • Level of attainment, educational performance and early school-leavers rate of immigrants second-generation varies across countries and education systems. Ethnic education differences can affect the transition to high education and to the labor market of young women and men with an immigration background. • Young second-generation migrant women and men are also generally at greater risk of exiting the education and training system without having obtained an upper secondary qualification. | <ul style="list-style-type: none"> • Provide relevant gendered data and gender-based analysis to improve knowledge of the outcomes of the various education options and mechanisms behind educational paths and career choices. • Consider and validate informal and non-formal learning acquired outside the classroom when applying for a job, as girls may have several opportunities to be involved in outside experiences. • Introduce gender-responsive monitoring at all levels of the educational system. Specific targets and key performance indicators need to be defined to evaluate the extent to which educational policies, training programmes, teachers' practices and the educational material used (i) allocate resources equally to women and men (ii) address the different needs of women and men and (iii) are on track in reducing gender disparities in the educational system. • Address gender stereotyping in education among ethnic groups need to be addressed in order to tackle gender segregation of children of immigrants in school. | <ul style="list-style-type: none"> • A more tailored planning and implementation of education preventive measures addressing the specific needs of young women and young men. • Mitigation of effects that gender and migration background may have on young women and men. • Better use of skilled female in male dominated sectors, such as ITC, business. • Mitigation of possible skills mismatch strongly influenced by gender. The provision of information and in-school guidance/counselling may present a specific gender relevance if addressing gender stereotyping in educational and career choices, by targeting young people, parents, teachers, career advisors, social partners and training providers. These actions may help to reduce occupational segregation. • Mitigation of gender segregation (for both women and men) within education and consequently labour market. |

Table 2 - labour market segregation and other working condition affecting the employability of young women and men

| Aspects/Implications of a gender-sensitive approach | Recommendations | Advantages of a gender-sensitive approach |
|--|---|--|
| <ul style="list-style-type: none"> • Strong gender component in the NEETs phenomenon and inactivity component. • Femalesation of “flexible” and more and more precarious work. • Women are more likely to be working part-time than men. Since part-time work is also associated with precariousness, it was inevitable that women working in part-time jobs as more likely to be in precarious work. • Strong horizontal labour market segregation that may influence employability of young women. • “Neutral” policies to tackle youth unemployment phenomenon. • Gender different impacts by the mostly adopted measures both at European and national level to tackle young unemployment. • The (partial) exclusion of young women on standard contract, may lead to an increase of entrepreneurial forms for young women. | <ul style="list-style-type: none"> • Ensure a gender approach in tackling the NEETs phenomenon. • Carefully analyse part-time work and other form of flexible work as there might be hidden gender discriminations, leading to precariousness. • Ensure gender desegregation of youth employment/unemployment data and analysis. • Strongly address the issues of gender segregation in occupations and gender segregation in economic sectors also attracting young men into so called “female jobs” especially those, like care jobs, that will increasingly requested in the future. • Ensure that all youth employment policies, strategies and programmes are gender responsive. • Identify context mechanisms and design gender sensitive indicators for measuring the impact of youth employment policies, strategies and programmes. • Consider the gender component when programming and implementing apprenticeship and traineeship programmes. • Improve measures to support entrepreneurship specifically addressing the greater constraints (for example in access to financial credit) young women face in starting their own business relative to young men. | <ul style="list-style-type: none"> • Better understanding of NEETs phenomenon moving from the awareness that NEETs are not an homogenous group and that the gender variable is crucial. • Mitigation of gender inactivity trap that may increase the discouragement effect for young women. • Develop gender-sensitive analyses and policy responses. • Mainstream gender into youth employment strategies assessing whether a strategy integrating gender and youth concerns ‘works’. |

Table 3 - the influence of the lack of child care and other care facilities on the career choices of young women and men

| Aspects/Implications by gender-sensitive approach | Recommendations | Advantages of a gender-sensitive approach |
|--|---|--|
| <ul style="list-style-type: none"> • Unemployment has a negative impact on family formation. In addition, the longer the period of unemployment, the more likely human capital investments will devalue. In order to avoid this devaluation, unemployed persons might be more inclined to focus on a (quick) return to the labour market than on starting a family. This is particularly the case for highly skilled women who will probably focus more on reintegration in the labour market as they face greater loss in terms of skill degradation and lost opportunities. • The (partial) exclusion of young females from standard contracts has strong effects on their maternity and parental rights. • Responsibility for childcare is strongly associated with women's precariousness and/or career pathways in the workplace. • The different positions of men and women (within the labour market and within the system of social security) might also imply that there are differences in the impacts on personal lives as well as in the effects on employment, education and work-life reconciliation policies which need to be addressed in order to design effective policy measures. | <ul style="list-style-type: none"> • Strictly connect labour policies and interventions with other policies, in particular work-life balance policies (part-time, flexible working time, parental leaves and childcare) by paying attention at reducing gender differences in the take up of parental leaves, part time, flexible time and tele-working. • Make distinction between voluntary and forced part-time work. • Encourage the diffusion of flexible, affordable and good quality childcare arrangements to help both parents to balance work and family life. • Encourage company initiatives related to work place arrangements (flexible work place, telecommuting), working time arrangements (flexible working time, part time, shift trading), job-sharing models and specific measures for persons with caring responsibilities (child care facilities, nursery vouchers) for both young men and women. • Pursue gender equality policies in support of dual labour market participation/dual family care. Paid parental leave may be a powerful policy tool for improving young women's labour market participation. | <ul style="list-style-type: none"> • Mitigation of the possibility that flexible working arrangements may turn into precarious working arrangements. • Mitigation of the effects on young women first employment carriers. • Increase a more balanced gender culture towards family responsibilities. |

REFERENCES

Anxo, D., Mencarini, L., Pailhe, A., Solaz, A., Tanturri, M.L. and Flood, L. (2011), *Gender Differences in Time Use over the Life Course in France, Italy, Sweden, and the US*, *Feminist Economics*, 17(3): 159-195.

Arslan, Y. and Taskin, T. (2011), *Explaining the Gender Gaps in Unemployment across OECD Countries*, MPRA Papers Series, University Library of Munich, Germany, n. 34873.

Cedefop (2012), *From education to working life*, The labour market outcomes of vocational education and training.

Bettio F. et al. (2012), *The impact of the economic crisis on the situation of women and men and in gender equality policies*, Nov. 2012 http://ec.europa.eu/justice/gender-equality/files/documents/enege_crisis_report_dec_2012_final_en.pdf

Choudhry M. T., Marelli E. and Signorelli M. (2012), "Youth Unemployment and the Impact of Financial Crises", *International Journal of Manpower*, 1, 2012. "

Crul M., Schneider J. (2009), "The Second Generation in Europe: Education and the Transition to the Labour Market"

Education, Audiovisual and Culture Executive Agency – Eurydice (2012), *Key Data on Education in Europe*, Brussels: European Commission. European Commission (2010a), *Recent developments in the EU27 labour market for young people aged 15–29*, Brussels: European Commission.

European Commission (2010b), *Strategy for Equality between Women and Men 2010-2015*, SEC(2010)1080.

European Commission (2011), *Youth on the move*, Analytical report, Flash Eurobarometer.

European Commission (2012a), *Apprenticeship supply in the Member States of the European Union*, Final report, Brussels: European Commission:

<http://ec.europa.eu/social/main.jsp?catId=738&langId=en>.

European Commission (2012b), *Study on a comprehensive overview on traineeship arrangements in Member States*, Final Synthesis Report, Brussels: European Commission:

<http://ec.europa.eu/social/main.jsp?catId=738&langId=en>.

European Commission (2012c), *Moving youth into employment*, 5.12.2012 COM(2012) 727 final and SWD(2012) 406 final, Brussels: European Commission.

European Commission (2012d), *Employment and Social Developments in Europe 2012*, Nov.2012.

European Commission (2012e), Commission Staff Working Document, *EU Youth Report - Status of the situation of young people in the European Union*. Brussels, 10.9.2 012 SWD(2012) 257 final.

Eurofound (2011a), *Young People and NEETs in Europe: First Findings*, Eurofound, Dublin.

Eurofound (2011b), *Foundation Findings: Youth and Work*, Eurofound, Dublin.

Eurofound (2012a), *NEETs: young people not in employment, education or training: characteristics, costs and policy responses in Europe*, Eurofound, Dublin:

<http://www.eurofound.europa.eu/pubdocs/2012/54/en/1/EF1254EN.pdf>.

Eurofound (2012b), *Recent policy developments related to those not in employment, education and training (NEETs)*, Eurofound, Dublin:

<http://www.eurofound.europa.eu/emcc/erm/studies/tn1109042s/index.htm>.

European Employment Observatory Review (2011), *Youth employment measures - 2010 (01/04/2011)*.

European Parliament (2010), *Precarious women workers*.

European Parliament (2011), *Gender Aspects of the Economic Downturn and the Financial Crisis*.

European Parliament (2012a), *Data for the evaluation of the European Semester Process from a Gender Equality Perspective, 2012*.

European Parliament (2012b), *Analysis of 5 National Reform Programmes 2012 Regarding the Pursuit of the Union's Gender Equality Objectives, 2012*.

Flabbi, L. (2011), *Gender differentials in education, career choices and labour market outcomes on a sample of OECD countries*. Background paper for the World Development Report 2012. The World Bank.

Hanusheck, E.; Woessmann, L.; Zhang, L. (2011), *General education, vocational education and labour market outcomes over the life cycle*. IZA discussion paper; 6083.

ILO (2012), *Global employment trends for youth 2012*. Geneva: International Labour Office.

Jahn, E.J., Riphahn, R.T. and Schnabel, C. (2012), *Flexible Forms of Employment: Boon and Bane*. The Economic Journal 122(562): F115--F124.

Knijn, T. (ed) (2012), *Work, family policies and transitions to adulthood in Europe*. Hampshire: Palgrave Macmillan.

Knijn, T. and Plantenga, J. (2012), *Conclusions: Transitions to adulthood, social policies and new social risks for Young adults*, in: Knijn, T. (ed), *Work, family policies and transitions to adulthood in Europe*, pp. 202-215. Hampshire: Palgrave Macmillan.

Mills, M., Präg, P., Rohr, C., Tsang, F. and Hoorend, S. (forthcoming), *School-to-work transitions in Europe*. Short Statistical Report no. 4. Prepared for the European Commission, DG Justice.

O'Connor, J. (2010), 'Precarious Employment and Flexicurity in the European Union' Employment-Anchored Social Policy Framework.

OECD (2006), *Starting well or losing their way, the position of youth in the labour market in OECD countries*, OECD Publishing, Paris.

OECD (2010), *Off to a Good Start? Jobs for Youth*, OECD Publishing, Paris.

OECD (2011), *OECD employment outlook 2011*. Paris: OECD.

Oxfam International / European Women's Lobby (2010), *Women's poverty and social exclusion in the European Union at a time of recession*.

Plantenga J. et al. (2013), *Starting Fragile – Gender Differences in the Youth Labour Market*, (forthcoming) ENEGE network.

Samek Lodovici M. and R. Semenza (eds.2012), *Precarious Work and High Skilled Youth in Europe*, F. Angeli.

Şahin A., Song J. and B. Hobijn (2009), "The Unemployment Gender Gap During the Current Recession", <http://www.ny.frb.org/research/economists/sahin/GenderGap.pdf>.

Schmitt, C. (2008), *Gender-specific effects of unemployment on family formation: a cross-national perspective*. SOEP papers no. 127. Berlin: DIW.

Sutter, Matthias, and Daniela Glätze-Rützler. 2013. "Gender differences in the willingness to compete emerge early in life and persist." Working Paper (a shorter version with less experimental evidence was circulated as IZA Discussion Paper No. 5015 in June 2010).

Veric S. (2009), "Who Is Hit Hardest during a Financial Crisis? The Vulnerability of Young Men and Women to Unemployment in an Economic Downturn", *IZA Discussion Paper*, n° 4359.

Flavia Pesce holds a Ph.D. in Political Sociology. Free lance since 1993, since 1999 she is senior researcher at the IRS Training and Labour Policies Research Unit where presently is Director of Gender Mainstreaming and International and European Division. Expert of gender policies, social inclusion, labour market policies, and evaluation. Member of the Board of Directors of AIV, Italian Evaluation Society, of EES, European Evaluation Society and of EES Technical Working Group on "Gender and Evaluation". Consultant for Gender Equal Opportunities Department of the Italian Government since 2001 and for many other public and private organizations. Country expert for Italy in the European Network of Experts on Gender Equality – ENEGE – European Commission Dg Justice.

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT CITIZENS' RIGHTS AND CONSTITUTIONAL AFFAIRS **C**

Role

Policy departments are research units that provide specialised advice to committees, inter-parliamentary delegations and other parliamentary bodies.

Policy Areas

- Constitutional Affairs
- Justice, Freedom and Security
- Gender Equality
- Legal and Parliamentary Affairs
- Petitions

Documents

Visit the European Parliament website: <http://www.europarl.europa.eu/studies>

PHOTO CREDIT: iStock International Inc.



ISBN: 978-92-823-4349-4

DOI: 10.2861/19670