A. Women and poverty (and social exclusion)\(^1\)

**Strategic Objectives:**

A.1: Review, adapt and maintain macro-economic policies and development of strategies that address the needs and efforts of women in poverty.

A.2: Revise laws and administrative practices to ensure women’s equal rights and access to economic resources.

A.3: Provide women with access to savings and credit mechanisms and institutions.

A.4: Develop gender-based methodologies and conduct research to address the feminisation of poverty.

**Introduction**

The terms ‘poverty’ and ‘social exclusion’ are now increasingly replaced in European public discourse by more positive concepts such as ‘social inclusion’ or ‘active inclusion’. The persistence of high levels of poverty among women demonstrates that current social protection systems and the wide range of EU social, economic and employment policies are not designed to meet their needs. In order to have a positive impact, it is essential to tackle the structural causes of poverty in general and of the feminisation of poverty in particular. The intersectionality of gender with other factors must be accounted for in the gender analysis of poverty and social exclusion.

**EWL FOCUS**

The issue of women’s poverty has always been an integral part of the EWL’s work on employment and social policies. The EWL is an active member of the Coalition of Social NGOs for the European Year 2010 for Combating Poverty and Social Exclusion, which is calling for real political change to address poverty across Europe. In January 2010, the EWL issued a statement on women, poverty and social exclusion.\(^2\) In order to understand more clearly how the current recession is affecting women in Europe, the EWL and Oxfam released in February 2010 a joint policy report on *The Impact of the Recession on Women’s Poverty & Social Exclusion in Europe – The Hidden Crisis*. The EWL persistently lobbies for the individualisation of rights both in data collection on income-related poverty and with regards to social security benefits.

1. The current situation in the EU regarding women and poverty and social exclusion

   a. The vulnerability of women to poverty and social exclusion within the EU

Women’s at-risk-of-poverty rate stands at an average of 17% across the EU today, two percentage points higher than that of men. In every age group, more women are likely to be

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\(^1\) While the term ‘social exclusion’ does not appear in the Beijing Platform for Action, we have added it here to denote a process of exclusion that extends beyond income-related issues. The barriers that women face lead to their exclusion from full participation in all areas of life.

living in poverty than men. Despite relative economic prosperity, this rate has not significantly decreased over the last five years. The figures nevertheless vary substantially between Member States: the highest at-risk-of-poverty rate for women is in Lithuania (27%), whereas the rate in the Czech Republic is comparatively low (10%).

Risk of Poverty among women by Member State

Source: Eurostat

Certain groups of women are particularly vulnerable to poverty and social exclusion. These include notably women over the age of 65, 21% of whom live in poverty, as women accumulate lower earnings in comparison to men over their life-cycle. Single parents, 80-90% of whom are women, are strikingly vulnerable, having an at-risk-of-poverty rate of 33%. National studies highlight other smaller but radically affected groups: for example, women fleeing domestic violence have an at-risk-of-poverty rate of 63% in the UK. In addition, difficulties and inequalities in the job market, violence against women, exorbitant housing prices and lack of social housing contribute to women becoming homeless; there is evidence that the number of women affected by homelessness is increasing in some EU countries. For instance, in France the percentage of women among the homeless has increased from 14% in 1999 to 20% in 2008.3

Another group particularly vulnerable to poverty is immigrant or ethnic minority women. Different factors contribute to this. Some groups of women have very limited access to financial services; pilot projects have only just started offering micro-credit to Roma women.4 Many immigrant women are forced to work in the grey economy or in sectors not covered by generic labour codes (such as domestic work). Cultural stereotyping and discrimination by employers result in many ethnic minority women having to take

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3 Coordination Francaise du Lobby Européen des Femmes, Note pour le groupe thématique de l'AG du LEF sur les femmes et la pauvreté, June 2009.
4 See for example pilot micro-credit projects in Spain and the training and enterprise creation project in Bulgaria referenced in: EGSSI - Expert Group on Gender equality, social inclusion, health and long term care, Ethnic minority and Roma women in Europe: A case for gender equality?, November 2008.
temporary and/or low-skilled jobs. Consequently, migrant women are frequently excluded from social protection measures, including maternity benefits, pensions and medical leave.

b. The hidden nature of women’s poverty

Poverty and social exclusion are the result of inequalities, including those between women and men. Their gendered nature is hidden because women are usually referred to as a ‘vulnerable group’ as opposed to being recognised as constituting half of the population. Women’s poverty and social exclusion in Europe is a multifaceted problem making it difficult to assess and address.

Conditionality requirements of social protection benefits and the absence of individualised rights in social protection systems render women dependent either upon their partner or the State. Women’s unpaid work in the home, including work undertaken by assisting ‘spouses’/partners in family businesses, continues to be ignored in terms of its contribution to Gross Domestic Product; and the lack of mandatory social security protection for assisting ‘spouses’/partners increases their risk of poverty and social exclusion, especially in cases of separation or death of their partner.

Income-related poverty is measured in terms of accumulated household income (referred to as ‘equivalised disposable income’), which presupposes that all members of a given household are equal and that income and resources are distributed equally therein. However, efforts to estimate income-poverty on the basis of individualised income (as opposed to combined household income) show that women’s poverty could be as high as 36% against 11% for men in situations of separation, divorce or death of a partner.6

2. European Union framework of policies, legislation, programmes and projects regarding women and poverty and social exclusion

Promoting equality and the wellbeing of the Union’s peoples are the main objectives of the Union as laid down in the Treaties. The EU does not have competence per se to legislate in matters relating to social wellbeing other than through employment related issues. Most social policies remain within the competence of Member States but the European institutions can make somewhat substantial policy contributions to relieve the risk of poverty across the EU. Article 9 TFEU provides for a horizontal social clause and Article 3(3) TEU calls for ‘combating social exclusion […] and the promotion of social justice and protection’. Article 160 refers to the Social Protection Committee’s role ‘to modernise and improve social protection systems’.

While the Lisbon Treaty provides a framework for the social dimension of EU policies it is too early to predict its impact. Currently, social policies are addressed through the intergovernmental Open Method of Coordination (OMC) established in 2000 and strengthened in 2006. The OMC for social protection and social inclusion addresses issues of poverty and social inclusion, pensions and health and long-term care; however, strands relevant to women (health, care and pensions) remain underdeveloped.

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a. New EU legislative acts affecting women and poverty and social exclusion since 2004

The Council in 2008 endorsed a non-binding Commission Recommendation on the *Active inclusion of people excluded from the labour market* which covers three strands of the active inclusion policy, namely: adequate income support; inclusive labour-markets; and access to quality services. The Recommendation stresses that the active inclusion policy should ‘promote gender equality and equal opportunities for all’. The Active Inclusion Strategy once implemented will provide a more solid framework to assess and monitor the structural barriers that maintain women on the margins of society.

b. Other initiatives of the EU concerning women and poverty and social exclusion since 2004

The European Commission has taken a range of actions since 2004, including designating 2010 as the European Year for Combating Poverty and Social Exclusion. Other initiatives include issuing a Communication in 2008 on *A Renewed Commitment to Social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion* which recognises that ‘delivery on common objectives – fighting poverty and social exclusion, ensuring pension adequacy and sustainability, ensuring equitable access to health and long-term care – remains a challenge’ and states that ‘there are no signs of an overall reduction in poverty rates in the EU.’

Another 2009 Communication on *A Shared Commitment for Employment* equates care services with ‘alternative employment strategies’ such as ‘services cheques’ which lowers the value given to care and maintains workers in this area, mainly women, on the margins of socio-economic power and structures.

In publishing in 2008 a *Manual for Gender Mainstreaming Social Inclusion and Social Protection Policies*, the Commission sought to assist Member States with a step-by-step practical guide to mainstreaming gender in employment, social inclusion and protection policies. It includes reference to the needs of specific disadvantaged groups of women, including women from ethnic minorities and Roma women.

A couple of significant initiatives have been taken by the other EU Institutions over the period. The European Parliament adopted a Resolution on *Women and poverty in the European Union* in 2005. This is the only political resolution that specifically addresses women’s poverty and social exclusion in the EU. In 2007, the Council developed a number of

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8 Ibid., 3 (b), p. 4.

9 See Civil Society Coalition to end poverty, initiated by EAPN and including the EWL: [www.endpoverty.eu](http://www.endpoverty.eu)


13 In addition to this manual, the *Common Basic Principles on Roma Inclusion* makes specific reference to Roma women (see principle 5). The CBPs on Roma inclusion were included in the *Council Conclusions on Inclusion of the Roma*, 8 June 2009, available at: [http://ec.europa.eu/social/BlobServlet?docId=2808&langId=en](http://ec.europa.eu/social/BlobServlet?docId=2808&langId=en)

indicators which, if properly used, will help expose the various natures of poverty and social exclusion and the importance of sensitivity to gender in related policies.  

3. Gaps and Recommendations

Women’s lower earning power should mean that they are a significant target for ameliorative action under policies tackling poverty and social exclusion. However, European social policy strategies do not explicitly include achieving gender equality as a target and gender mainstreaming remains very weak. The relationship between women’s poverty and social exclusion on the one hand and migration and anti-trafficking on the other must also be better understood and reflected in EU policies and actions. Not assessing the impact of policies or actions on women carries the danger that these policies will both fail to redress gender inequalities and increase the precariousness of vulnerable groups of women.

The EU’s lack of competence to legislate in the area of social welfare is a major drawback for women and men living in Europe. In this context it is critical that the most effective use is made of the intergovernmental Open Method of Coordination (OMC). In particular, priority must be given to social protection and social inclusion in relation to pensions, health and long-term care policies which can help to provide part of the solution to women’s structural poverty. To address the gender dimension of poverty effectively it is essential to listen and respond to the voices of vulnerable women themselves and women’s civil society organisations with long-term expertise on these issues.

The EWL calls on the EU to:

- Strengthen collective mechanisms of solidarity, in particular the European Social Model.
- Develop a human rights framework to combat poverty and social exclusion and show political leadership by affirming the right of all women, men, girls and boys in the European Union to lead a dignified life, free from poverty and social exclusion; and committing to a society that is inclusive of all rather than developing a two-tier system within the EU.
- Ensure a gendered socio-economic framework based on equality, anti-discrimination and human rights is applied to policies aimed at combating poverty and social exclusion.
- Implement the Commission Recommendation on the Active inclusion of people excluded from the labour market.
- Guarantee individualised social protection coverage to self-employed workers and their assisting partners in line with the European Parliament’s Report.

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16 European Commission Recommendation 2008/867/EC.
• In the context of ‘services of general interest’, guarantee universal provision of water, electricity, gas, health, housing, transport and access to the internet and ensure that the internal market review will not adversely affect social inclusion; guarantee public funding of affordable, good quality and accessible care structures.
• Strengthen the social dimension of the Open Method of Coordination, particularly the strands relating to long term-care, health and pensions; provide systematic gender-disaggregated data and information in national reporting and in the annual Joint Report on Social Protection and Social Inclusion; engage with national and specific interest women’s organisations to ensure their needs are taken into account.
• Carry out research, particularly within the socio-economic strand of the European research framework programmes to meet the strategic objective to ‘develop gender-based methodologies and conduct research to address the feminisation of poverty’.
• Carry out research on the financial sustainability of social protection systems, especially in light of changing demographic trends.

The EWL calls on the Member States to:

• Guarantee individualised rights to taxation and social protection entitlements to eliminate women’s dependant status through derived rights.
• Assess and reform social protection systems from a gender equality perspective, in particular, to guarantee universal pension rights.
• Address and redress the gender gap by: revising the household unit measure used to determine income-poverty thresholds that presuppose gender neutrality within households; implementing the indicators in respect of women and poverty; and addressing women’s poverty throughout the life-cycle, including ensuring full pay for women during statutory maternity leave and access to and indexation of pension schemes.
• Ensure that lifelong learning opportunities are available to women to support the development of recognised pre-labour market and basic skills training: reading, writing, language, internet and digital learning.

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