

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other measures are recommended such as:

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

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