

## **SIMILARITIES AND DIFFERENCES OF THE SITUATION OF WOMEN IN THE LABOUR MARKET IN WINNET 8 COUNTRIES**

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### **Introduction**

In July 2010 at the University of Evora, Portugal, meeting of experts in gender issues from countries participating in the project WINNET8 took place. Polish representative in the project is inter alia The Faculty of Economics and Management of the University of Szczecin<sup>1</sup>. The employment situation in each country, in terms of similarities and differences between men and women, were one of the discussed subjects. Most of them were characterized by higher activity among men than women, strong wage gap, vertical and horizontal occupational segregation, and higher unemployment among women. The analysis unconfirmed by specific statistics converged too tightly analyzed markets.

This situation inspired the authors to create following article, which aim is a precise determination of differences and similarities in the labour market between men and

<sup>1</sup> Next to the Municipality of Lębork and District Office In Gryfice

women based on statistical data. The thesis was placed that despite occurring similar phenomena in the labour markets of WINNET8 countries, their scale and structure is strongly diversified.

Implementation of the aim was based on the following research tasks: a comparative analysis of the size of the countries and their labour markets, an analysis of economic activity<sup>2</sup> by sex and age, a study of employment rate and the growth rate of this factor, an analysis of part-time employment in particular countries, an analysis of women's employment in the context of occupational status and type of economic activity, as well as examining the differences in earnings in the WINNET8 countries.

### **Description of the target group and source of the statistical data**

Eight European countries are involved in the project carried out under the INTERREG IVC programme: Bulgaria, Finland, Greece, Poland, Portugal, Sweden, United Kingdom and Italy. The guiding idea of the project is the impact on the economic growth by increasing women's participation in the labour market, promoting innovation, entrepreneurship and the use of new

<sup>2</sup> Precise method of designating each of the analyzed variables was described in „*Labour market statistics*”, European Commission, Luxembourg, 2009

technologies. Special attention is given to prevention of vertical and horizontal segregation of the labour market. The statistical analysis was based on data contained in the Eurostat publication “Labour market statistics”, European Commission, Luxembourg, 2009. Data for most variables relate to 2008, an analysis of women’s salaries was carried out using data from 2006.

## The results

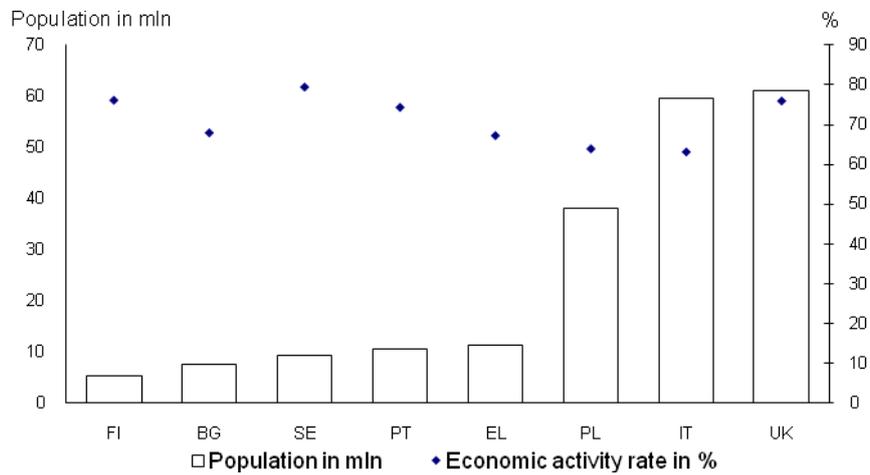
A basis for an economic comparison of countries is information regarding the domestic product. Forming of GDP per capita<sup>3</sup> showed strong differences in the study group. The richest countries participated in the project are the United Kingdom and Sweden, followed by Finland and Italy. The lowest places in the hierarchy rank Poland and Bulgaria. Answering the question of how the value of GDP changed in comparison with the previous year - the highest growth rates were observed in the least prosperous countries - Poland and Bulgaria, the lowest growth rate occurred in the most prosperous Sweden and the UK. Subsequently, an analysis of the economic activity rate in relation to the size of the country was made (Figure 1).

The activity rate has shown no relation to the size of the country. The high level of

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<sup>3</sup> The value of Gross Domestic Product divided by the number of its residents, measured in units of PPS - called Purchasing Power Standards, EU-27 = 100%.

economic activity has been observed in the Nordic countries: Sweden, Finland and as well in the UK. Those are countries with high level of the organization of the labour market. Low-value occurred in less affluent European countries: Bulgaria, Greece and Poland, what is associated with worse labour market situation. Low economic activity was also observed in Italy, the country of “the old EU”. One of the reasons is a widespread traditional model of social life where men are assigned to the public sphere and women are assigned to the domestic sphere. This division, in most of European countries, loses its clarity, however the process of converging the roles of men and women in some countries is slower.

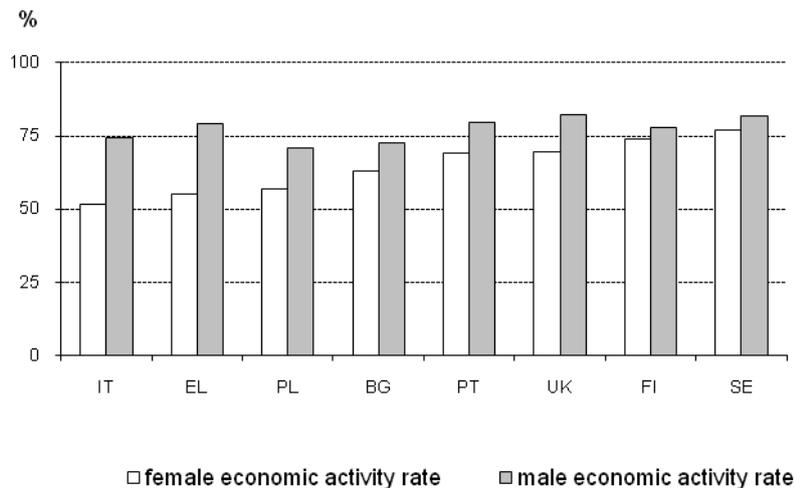


**Figure 1 the size of WINNET8 countries and economic activity rate in general**

Source: own work based on data from Eurostat, 2009

The next part answers the question; where and why the difference between the professional activity of women and men is

the largest and which countries have the strongest activity differences due to age and what may be the reason.



**Figure 2 Economic activity rates in WINNET8 countries in 2008**

Source: own work based on data from Eurostat, 2009

In all countries the economic activity rate is higher for men than for women (Fig. 2). A large gap between the two groups occurs in countries where the traditional model of a family is popular, in which a man is the “breadwinner” and a woman is running the house. These countries are: Greece, Italy and Poland. The issue concerns relatively low level of economic activity as in these countries, more than half of women aged 15-64 showed such activity. These countries, especially Poland and Greece, are less wealthy in comparison with other EU member states. The difficult situation on the labour market, lack of demand for labour, lengthy process of starting and running an own business and high taxes are factors that directly or indirectly lower economic activity. Large discrepancy in the level of economic activity between men and women was observed in the UK, one of the wealthier European countries. In this example, the main cause of the explicit difference is neither bad economic situation, nor the traditional model of social functioning attributing to women the domestic sphere, but a high level of economic activity of men (82.4%).

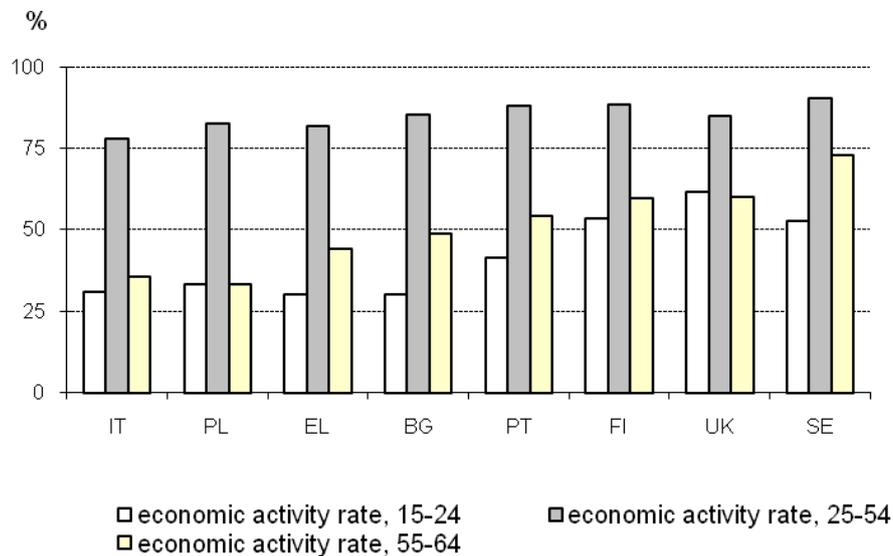
In WINNET8 countries, the higher economic activity, the lower the difference in activity levels between men and women, which may indicate that the better-organized and efficient labour market, the less diverse are roles of women and men. Then they share equally work and domestic responsibilities, increasing in the same time the popularity of the partnership model of labour division. The

condition of high total economic activity in a particular country is a high level of economic activity of women. The latter is, however, strongly influenced by the existing system of childcare. Lack of well-organized system, together with labour activation of women may deepen the country’s demographic problems. The situation may result in decision of not establishing and extension of a family by both men and women, which in the general public and long-term dimension will eliminate the economic contribution that they have made while being employed.

Well-organized labour market and child care system is possible, as exemplified by the Scandinavian countries. Multi-faceted support for women in the market and a “wise” combining domestic and professional sphere resulted in a good situation in the labour market, as demonstrated by the analysis and the highest level of fertility rate (Sweden: TFR<sup>4</sup>= 1.91).

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<sup>4</sup> TFR – total fertility rate indicates the number of children born by a statistical woman in reproductive age (15-49)



**Figure 3 Differences between economic activity rates by age**  
 Source: own work based on data from Eurostat, 2009

Analysing the forming of the economic activity rate by age (see Fig. 3) it should be noted that in all countries, the highest activity was observed for the middle aged group 25-54, followed by the oldest group 55-64 years. Particularly impressive is the economic activity of older people in Sweden, Finland and Great Britain, therefore in countries with the best organization of the public sphere, including the labour market. The lowest economic activity was observed for the youth, which is related to the fact that some of these young people are educating due to increase their future labour prospects. Nevertheless, the situation of young people who want to participate in the labour market is the most difficult. The unemployment rate in the youngest group is two times higher than for the total population, irrespective of

the level of economic development of the country<sup>5</sup>.

The next step was to analyse shaping employment rates of women and men. And also to have an answer to the question: in which countries the difference between the two factors were the biggest, and why (see Tab. 1)? In all studied countries, male employment rates were higher than the female rates. The essential reason is that women combine gainful employment with maternal function (procreation and upbringing children), and therefore women

<sup>5</sup> More in K. Wawrzyniak: *Bezrobocie wśród osób w wieku do 24 lat w Polsce oraz w krajach Unii Europejskiej*, Wiadomości Statystyczne 2002 nr 11, Warszawa, 2002

more likely to interrupt or postpone professional activities. Institutionalized and well-organized child care system makes it easy to reconcile the two life spheres - the sphere of employment and family. In countries where this system works well, as noted earlier, there is both high fertility rate

and high employment level. It should be noted that the high rate of employment for women often involves part-time employment. In Sweden and the UK the share of such employed in all employees is the highest, in comparison with other countries.

Country	M Employment of men, %	W Employment of women, %	Difference between M and W	Growth rate of male employment 2008/2007, %	Growth rate of female employment 2008/2007, %
Bulgaria	68,5	59,5	9	3,5	3
Greece	75	48,7	26,3	0,7	2,1
Italy	70,3	47,2	23,1	-0,4	1,4
Poland	66,3	52,4	13,9	4,1	3,9
Portugal	74	62,5	11,5	0,2	0,7
Finland	73,1	69	4,1	2	1,2
Sweden	76,7	71,8	4,9	1,1	0,7
Great Britain	77,3	65,8	11,5	-0,2	0,4

**Table 1 Employment rates of women and men, and the rate of employment growth in 2008**

Source: own work based on data from Eurostat, 2009

The smallest differences between the ratios of employment for women and men were observed in Sweden and Finland, the largest occurred in Greece and Italy. The last two countries are examples of highly patriarchal societies with a high popularity of the traditional model of family, in which a man works professionally, and a woman runs the household.

In most studied countries, videlicet, in 5 out of 8, the growth rate of employment in 2008 compared with the previous year for women was higher than the corresponding rate

designated for men. It is caused by lower values of coefficients for women, while implementing programs, directives and recommendations of activating this group in the labour market. In addition to programs in general supporting women, many of them are focused on selected groups with particularly low level of participation in market, such as older women, women from rural areas or women who are returning to the labour market after childbirth.

Country	Female employers or self-employed women, %	Women employed by other person, %	Primary education, %	Secondary education, %	Higher education, %
Bulgaria	8,1	91,9	12,8	55,3	32
Greece	23	77	26,8	41,7	31,4
Italy	16,8	83,2	29,3	48,9	21,9
Poland	15	85	7,2	63,1	29,7
Portugal	17,2	82,8	62,9	16,8	20,3
Finland	7,9	92,1	14	43,8	42,2
Sweden	5,3	94,7	11,5	51,2	37,7
Great Britain	7,5	92,5	21,2	43	35,8

**Table 2 Professional status and education of women working in WINNET8countries**

Source: own work based on data from Eurostat, 2009

Subsequently, the variation in occupational status and education of women working in comparable countries was examined. The results are shown in Table 2.

In all countries under comparison, most women are employed by another person. This means that they are neither the owners of companies in which they work nor do they sit in a high-level posts- boards, supervisory boards. It was observed that the less wealthy country, the higher the share of self-employed women and female employers-business owners. This fact can be explained with a big number of micro-enterprises run by women in countries such as Greece, Italy, Poland and Portugal. Quite often self-employment is the only chance for professional activity.

Difficult labour market situation in some way is “forcing” women to open and run their own business. It is in some cases the result of the restructuring of existing companies, which decide to reduce their number of employees, sometimes offering an opportunity to continue the cooperation after setting up employee’s own business. In this case, the burden of benefits, such as health care, is transferred to the self-employed employee. Therefore, positively judging the high level of self-employment in some countries have to be done with caution, as the reasons may worsen processes on the labour market.

While examining the education of women working in WINNET8 countries, it should be noted that women with secondary education dominate, the second largest group are women with higher education and the lowest

with primary education. The exception is Portugal, where the structure of education of female workers is the opposite to the rest of the analysed countries. The largest share of women working in Portugal have the primary education, then the higher education, finally the narrow group of working women have the secondary education.

The level of education of men and women in EU countries increases steadily. Activation programs for education are necessary to achieve the objectives of the knowledge economy and the objectives, which delimit information society. Sometimes, however, lengthening of the educational process can mean difficulty in finding a proper place in the labour market and the especially difficult situation on the market.

Issues related to women’s education are important for WINNET8project partners as one of the objectives of the project is mobilization of women in the use of new technologies. The key factor here is the care of the level and nature of women’s education, which is linked with remuneration received by women (Table 3).

Country	The average salary of women in EUR	The average salary of women in EUR					
		Lawyer, senior officer, manager	Specialist	Technician	Official and related	Seller and related (services)	Craftswoman and related (trade)
Bulgaria	183	434	273	231	169	118	136
Greece	1 400	2833	2016	1531	1325	1204	1582
Italy	1 865	4546	2248	2031	1964	1528	1410
Poland	597	1192	747	637	537	361	365
Portugal	1 089	2658	2132	1334	934	671	505
Finland	2 267	3786	3104	2385	2125	1874	2025
Sweden	2 635	4035	3157	2745	2325	2391	2233
Great Britain	2 760	4178	4538	3243	2260	1854	2359

**Table 3 Women's remuneration by occupation<sup>6</sup> in WINNET8 countries**

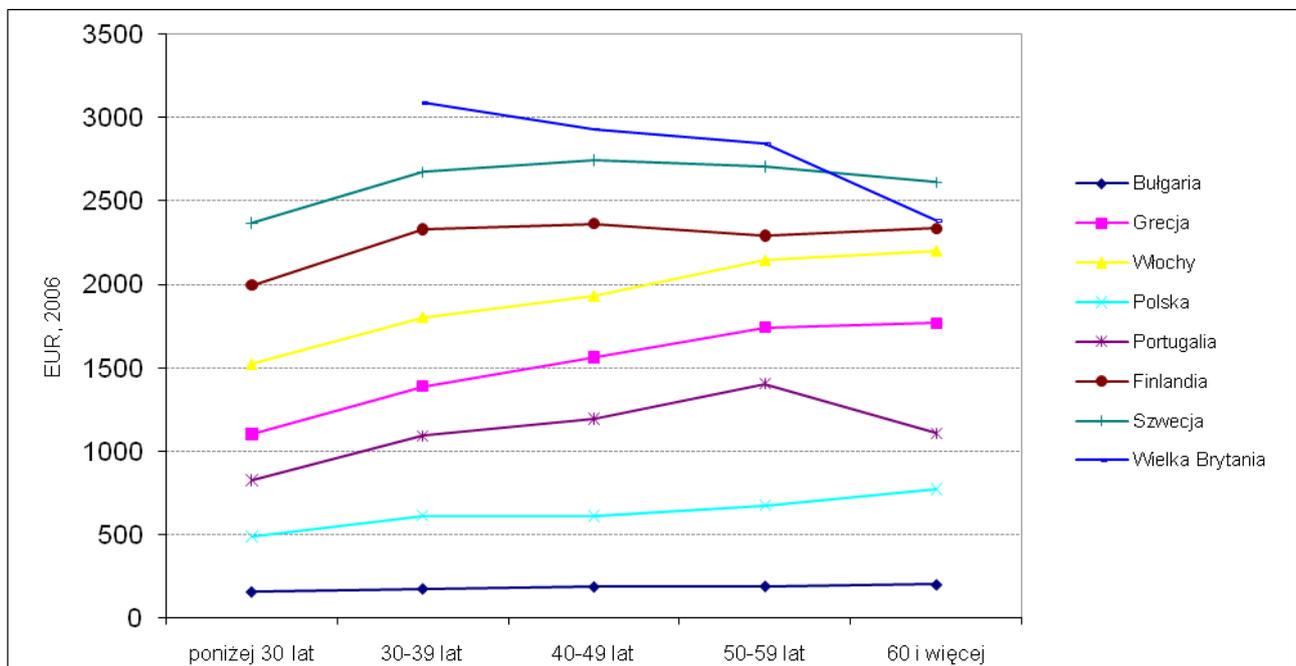
Source: own work based on data from Eurostat, 2009

<sup>6</sup> The table lists the names of main occupations in this group - the professions 'representatives'

The average women's earnings in the 27 European Union countries in 2006 amounted to EUR 1,932. Variable showed very strong differences between countries implementing the project. The average wage in the UK, a country with the highest observed values, is over 15 times higher than the average wage in the least wealthy Bulgaria. For the proper conduct of international and interregional cooperation, for example during the transfer of good practices, the described relationship has to be kept in mind. The leaders in terms of remuneration were once again a trio – the UK, Sweden and Finland. The lowest average earnings of women occurred in Poland and Bulgaria. Table 3 contains the average wages in

selected occupations. The series is in descending order, from the highest to the lowest average earnings: lawyer, specialist, technician, official, shop assistant (and related), and craftswoman (and related).

The leader in terms of remuneration in the above analysis is a lawyer in Italy, whose average wages amounted to EUR 4,546 per month. Second place belongs to a specialist in the UK who earns on average 4,538 EUR. Ranking close representatives from Bulgaria - the average salary of a women working in the craft profession was 136 EUR, and the average annual salary of a saleswoman is 118 EUR, nearly 40 times less than the average wages of top earners European women.



**Figure 1 the average wage of women by age in WINNET8 countries**

Source: own work based on data from Eurostat, 2009

Figure 4 shows the dependence of the average wage of women by age. In most countries the average women's wage increases over the years. It is a result of the growth of competences, experience, maturity and the ability and willingness to devote more time to gainful work. Interesting phenomenon was observed in three of the eight analysed countries – the UK, Sweden and Portugal. In these countries, average earnings rise with age, but in the oldest group -60 and over- decrease. In the case of Sweden the decrease was small, while for the UK and Portugal very clear. The main reason for the decrease in the average wage in the oldest group is “structural” and is a decrease of professional commitment in this age group, understood as the end of their careers or professional part-time work. Among the other reasons may be pointed out: conscious or unconscious decline in labour productivity, which may be dictated by a desire to engage in other spheres of life, and in some cases the possibility of a maintaining with the previously accumulated capital in place of daily professional duties. In some cases, decline in economic activity due to (economically forced or not) willingness to help children in the form of taking care of their grandchildren.

## Summary

One of the objectives of WINNET8 project participated by the University of Szczecin under the INTERREG IVC Programme is to support women in the labour market, inter alia, through implementation of best

practices; projects, programs and strategies proven in other countries of the European Union. The condition for the proper transfer of good practice is the knowledge of the situation of women and characteristics of labour markets in all countries of the project.

The empirical analysis showed a very strong diversity of the situation of women in the labour markets of the eight studied countries. Precise determination of the differences and similarities can be based only on statistical material. The previous description, not confirmed by specific statistics too strongly resembled surveyed areas. Strong differences were observed for all the major characteristics of the labour market - the average salary, economic activity rate, level of education of employed women, employment and participation rates of women working part-time.

Three groups of countries clearly established-prosperous countries of Northern Europe: United Kingdom, Sweden and Finland; countries in Southern Europe: Portugal, Italy and Greece; and the third group of the least prosperous labour markets: Poland and Bulgaria. Clear division present for most variables analysed empirically, is the confirmation of well-designed project WINNET8partnership, representing different levels of economic development. Less developed countries will have the opportunity to learn and “implement”, in the form of a Regional Action Plan, proved instruments that improves the situation in the studied area.

## Literature

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