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Gender Impact Assessment and the Employment Strategy
Finland

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by

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1 STATE OF DEVELOPMENT OF GENDER IMPACT ASSESSMENT

1.1 General background for mainstreaming


One of the major endeavours in the Governmental Plan of Action for the promotion of gender equality was developing mainstreaming methodology (DMM). This involved a cluster of specially tailored equality projects by six ministries during the period 1998-2000. The six ministries were the Ministry of Social Affairs and Health, Ministry for Foreign Affairs, the Ministry of Education, the Ministry of Agriculture and Forestry, the Ministry of Labour, and Ministry of the Environment.

The idea in the mainstreaming project was to create models for applying mainstreaming principle to preparation of Government proposals. The sub-projects of the Ministry of Education and Ministry of Labour were also part of a larger mainstreaming project of the Nordic Council of Ministers. This larger project was launched in five Nordic countries in order to develop methods and tools for mainstreaming a gender perspective into labour market policy and youth policy.

The aim of DMM project was to create a methodological package and an approach which can enhance the mainstreaming of equality in administrative activities and procedures. The project has arranged mainstreaming training for Finnish civil servants. An interim report of this project was published in 1999 and the final report is to be expected by the end of this year.

The gender equality objectives, strategies and methods of mainstreaming have been developed in the pilot projects of different ministries together with consultants. One

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1 The drafting of this equality programme took two years and involved some 150 national organisations and authorities. Two follow-up reports have been published on this plan, Työryhmämuuistioita (1998 and 1999). See also Horelli (2000a & 2000b) for further discussion.

2 The Parliamentary Equality Council was founded in 1972. Together with the office of the Ombudsman for Equality it aims at drafting reforms and making proposals for promoting equality in Finland.

3 Horelli (1999) and Horelli and Roininen (1999).
important goal is to produce instruments of gender impact analysis. For example, the
gendered personnel account has been developed to act as an instrument for evaluating
the equality balance of ministries.

By the end of this year the DMM project aims at publishing a web-site, which discusses
(and provides training on) matters related to gender mainstreaming. This web-site is
expected to include information on the following issues:

- Why do we need gender mainstreaming?
- International policy for gender equality
- International agreements
- What is gender mainstreaming?
- Gender Glossary
- Statistics
- Capacity Building (in gender issues)
- Methods of gender mainstreaming
- Experiences on gender mainstreaming
- Links
- Gender coaches and consultants
- Discussion group

It is clear from the above that gender mainstreaming is a much larger project in Finland
than just involving the National Action Plan for Employment. Six ministries have focused
on a large number of issues related to gender equality. In 1997 the Ministry of Labour
chose the reorganisation of the ministry as its mainstreaming project. The objective of the
project was not as much in the actual mainstreaming of the reorganisation but rather in
monitoring and assessing the consequences of the intervention. The equality group of the
ministry, assisted by consultants, tailored a four step gender impact assessment (GIA)
consisting of

a. "gender archaeology" (analysis of the historical context),
b. defining and mapping of the criteria and indicators of evaluation,
c. defining the gender balance (gendered personnel account), and
d. heading for "gender futurology" (new visions and steps).

In 1999 the mainstreaming process of the Ministry of Labour expanded to deal with the
gender impact assessment of the Finnish NAP. The original aim was that each ministry
involved in the NAP process would be responsible for the mainstreaming of its
contributions. It turned out that the gender perspective was a new area of know-how,
which the officials did not have. The mainstreaming approach was carried out jointly by a special officer responsible for mainstreaming and civil servants from different ministries. The Ministry of Social Affairs and Health's equality unit was also actively involved in this process. Despite this, the main problem, besides the lack of know-how, appeared to be insufficient resources for constructing a truly gendered NAP.

Ilmakunnas (2000) made an evaluation of the 1999 mainstreaming process. She concludes that division of work between the officer responsible for mainstreaming and the rest of the working group needed clarification. It was not clear whether the role of the special officer was to act as a gender equality 'consultant' for the rest of the group or was she supposed to draw up independently gender impact analyses on the Guidelines. Ilmakunnas finds the latter alternative more problematic, since the whole idea of mainstreaming approach is, that it should be an integral approach in administrative work, not a special issue on which only few have an expertise.

1.2 Gender perspective in evaluating the Finnish NAPs

Even though ample emphasis has been put on gender mainstreaming in Finland there are not yet any national instructions for gender impact assessment to be followed in the Finnish NAPs. This may be one of the reasons why, for example, in 2000, the gender perspective was almost invisible when new initiatives were discussed.

Ilmakunnas (2000) analysed the presence of gender mainstreaming in the 1999 NAP for the office of the Ombudsman for Equality. The report reveals that mainstreaming has proceeded at different speed in different pillars. The most promising results were obtained in the entrepreneurship Pillar. The NAP report focused on the low number of female entrepreneurs compared with that of men. Gender differences according to the industry and size of the firm were also noted in the NAP. Women's firms are typically small and provide personal services.

The most problematic from gender perspective in the 1999 NAP was the adaptability Pillar. Many important qualitative aspects of working life are discussed in relation to this Pillar. For example, many surveys show that young women are more prone to have temporary employment contracts than young men in Finland. Uncertainty in employment limits

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4 The equality unit arranged a seminar on gender mainstreaming for civil servants at various ministries and representatives of labour market organisations involved in drawing up the Action Plan in 1999.
women's choices when they want to combine family and working life, and it also affects negatively young women's future career prospects.

In the NAP for the year 2000, it is mentioned that the Employment Contracts Act is supposed to be assessed for its gender impact. This assessment will be an important pilot project which can be used as an example of evaluation of other legislative bills for gender impact.

Compared with other countries evaluating employment policy in Finland, in general, is in the hands of a small number of researchers. There are even fewer researchers interested in gender issues and there appear to be no studies using gender impact assessment in employment policies. In studies, where employment policy measures have been evaluated, the gender aspect has either been missing or it has been of marginal interest. In fact, at best in empirical analyses, where employment policies have been studied, gender has been added to the estimated model as one of the explanatory factors. It appears that also when interpreting the results gender has not been under particular focus even though some interesting differences between men and women can be found.

According to Hämäläinen (1999) the most efficient programmes (in terms of improvements in the employment possibilities of participants in open, non-subsidised labour markets) are enterprise allowance and labour market training. In this study gender was one of the many explanatory factors in the estimated models, but including gender revealed an important difference between men and women what comes to the efficiency of labour market programmes. The calculations from the study showed that a policy shift from private sector job placements to labour market training would weaken, not improve (as it did for men), the employment prospects of women, families with children, and the disabled.

The above result emphasises the need for gender impact assessment in the NAPs. It appears that for groups for whom entering the labour market is problematic (e.g. young women are more prone to have temporary employment contracts than young men), policy measures that alleviate entry are more beneficial than other measures which just postpone the problem into the future. It appears that young women, in particular, who are suspected

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5 See a survey of earlier studies on active labour market policy by Hämäläinen (1998). For more recent evaluations see Arnkil, Spangar and Nieminen (2000), Tuomala (2000), and Valtakari (2000). All these studies were commissioned by the Ministry of Labour.

6 This study was commissioned by the Ministry of Labour.
not to be as much attached to the labour market as men due to their childbearing ability, need to ‘prove’ their labour market attachment by actually participating the labour market.

It seems that gender perspective in employment policies is an issue in which only a small number of consultants (or researchers) are specialised in Finland. In fact, due to the limited number of interested experts, the possibilities of providing extensive gender impact assessments of employment policies are rather narrow in our country. The objective that ministries involved in the NAP process would themselves be able to provide the mainstreaming of their contributions has not been fulfilled, and the need for external experts remain in the NAP process. This is not an optimal state of affairs, if the objective is to enhance mainstreaming of gender equality in administrative activities and procedures. The expectations about the gender mainstreaming web-page are high in this respect. Hopefully it can be a tool in improving the general know-how in gender mainstreaming among the civil servants and other interested parties.

The limited number of experts who are able to evaluate employment policies is a serious problem in Finland. One important reason to this is the general lack of funds for evaluating employment policy in Finland. For example, in Sweden research funds for studying the effectiveness of employment policy are manyfold compared with those in Finland.

1.3 Gender perspective in evaluating ESF programmes

In the structural fund programmes gender perspective has been more visible than in the Finnish NAPs. In 1998 a suggestion for a toolkit was made which aimed at offering a methodological package to assess regional and structural programmes and projects, their implementation, results and impact from the gender perspective.7

In 1977 the office of the Ombudsman for Equality and the Council of Equality published a report that evaluated from the gender perspective policies related to ESF during the programme period 1997-1999.8 The report revealed that during that period the role of women in structural policy was rather weak in Finland. The share of women at all levels and in almost all organisations related to structural policy was only between 20-40 per cent. The low representation of women meant that their interests were not sufficiently

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7 Horelli and Roininen (1998). There are also two previous studies by the same authors that interpreted the ESF programmes in the 1990s from the gender perspective, see Horelli and Roininen (1997a and 1997b).
8 Horelli and Roininen (1997a).
taken into account when policy measures were designed. For example, national programmes offered women ample support for training and education even though there was not that much demand for this due to the fact that Finnish women are already highly educated. This policy choice meant that there were less funds for other projects that would have been more beneficial for women.

It appeared that the best projects for women in the programme period 1997-1999 were related to networking and creating clusters of human resources. The support systems for every day life were found to be more important than creating technical infrastructure.

Mainstreaming equal opportunities between men and women is an important European-level objective in structural policy. The evaluation report on the ESF programmes in Finland that was made for the period 1997-1999 revealed that follow-up indicators were mostly gender neutral in our country, and thus were lacking gender perspective. It was recognised that the implementation of gender perspective into ESF programmes requires tools, i.e. actual methods of mainstreaming.

In 1998 a report “Engendering evaluation of structural policy” was published consisting of a toolkit that comprised 60 methods applicable to gender analysis. This toolkit offers a choice of different methods for the varying stages of assessment starting from (1) the ex-ante evaluation of the programming phase, (2) continuing through the interim evaluation of the implementation phase, and (3) ending with the ex-post evaluation. Some of the methods are suitable to any of the above phases of the evaluation process. Some tools are phase specific.

In the programming phase methods for gender impact assessment were suggested to cover

- description of labour market situation
- formulating targets and strategies
- financial planning as well as action plans
- setting criteria for selection
- setting up follow-up system
- providing possibilities to evaluate results and impacts.

In the implementation phase the corresponding areas to be covered by methods for gender impact assessment were suggested go be

- carrying out programmes and respective projects

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• selection of individual projects
• maintaining the follow-up system
• showing preliminary results and impacts
• revising the programme.

In the evaluation phase the following topics were mentioned
• involving different participants in the programme
• allocation of resources
• results and impacts
• fulfilling targets
• applicability of strategies
• learning from experiences.

The toolkit is targeted to authorities, experts, evaluators, politicians as well as to project leaders and NGOs, who wish to work with opportunities offered by regional and structural policies.

Horelli and Roininen (1998) suggest that evaluating equal opportunities between men and women requires a multidimensional approach. The gender analysis should focus from women's and men's point of view on the structures, processes, results and impacts of the suggested policy measures. The following matrix, presented in Table 1, was designed to help to organise the evaluation process.

**Table 1. Framework for engendering the evaluation process**

<table>
<thead>
<tr>
<th>The object of evaluation</th>
<th>Criteria for gender perspective</th>
<th>The division of work between men and women (roles)</th>
<th>The attainability and control of resources</th>
<th>The interests of men and women</th>
</tr>
</thead>
<tbody>
<tr>
<td>The structure of programmes and programme documents</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
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<tr>
<td>Different phases:</td>
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<td>- programming</td>
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<td>- implementation</td>
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<td>- follow-up</td>
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<tr>
<td>- evaluation</td>
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<td>Results</td>
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<tr>
<td>Impacts</td>
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</tbody>
</table>
Despite the fact that explicit methods for gender impact assessment have been developed for structural policy the gender perspective in structural programmes, and in particular, in the evaluation of policies is still rather weak in Finland. In most evaluation reports the gender aspect is still missing.

In 2000, a final evaluation report on the ADAPT programme was published. As part of this evaluation the successfulness of the objective of taking gender equality into account in designing policy measures was discussed. It appears from this report that at the beginning phase the objective of gender equality was missing due to the fact that the application forms of different projects did not indicate that promoting gender equality was one of the selection criteria. Gender equality was added to the programme documents only after the representatives of the European Commission requested it. All in all, it appears that the objective of gender equality was at the background when different projects were selected. Even though, the gender equality was only a marginal factor in the ADAPT programme, according to the evaluation report the programme had some beneficial but unanticipated effects on gender equality.

It appears from the above discussion that gender perspective in the actual programming phase of the ADAPT programme was basically missing. It also is clear that despite this the programmes did have an impact on gender equality. Because no gender impact assessment was made beforehand these effects were unanticipated. This should not be the case and this kind of a situation is in contradiction with the explicit goal of promoting gender equality in the ESF programmes.

One of the ways in which equal opportunities between men and women is promoted in ESF projects is through quotas specifying the minimum percentage of women/men that should participate. Quotas are, at one hand, beneficial for forcing decision makers to involve both genders but, on the other hand, they may not be efficient, if women and men clearly benefit from different projects. To be able to decide what would be the right percentage of women/men in different projects, one should focus on evaluation studies; which projects benefit women/men most. This type of evaluation is still missing in Finland.

What comes to actual gender impact assessment of ESF policy, one could say that we still are at very early stages in Finland. To my view, what has been obtained is the general


acceptance that the gender perspective is important. The first steps to create methods for gender mainstreaming have also been taken, but we still lack concrete gender impact assessment of policy measures.

1.4 Gender statistics

There have been conscious efforts to create statistics and new indicators in order to follow gender equality in Finland. An equality barometer was introduced in 1998 as a new tool for monitoring the development of gender equality.\[12\] Gender statistics in the Statistics Finland have been developed. New studies that use these statistics are now emerging. A recent study by Savola (2000) provides a comprehensive analysis on women in the Finnish labour market in the 1990s using gender statistics of the Statistics Finland. This type of data is of use when employment policy is evaluated from the gender perspective.

Furthermore, there is a data base on gender equality that is maintained by the Parliamentary Equality Council and the office of the Ombudsman for Equality. A recent study, which used this data base, shows how important it is to develop gender perspective in labour and social statistics by describing many interesting features of the status of women in and outside the labour market.\[13\]

In 2000, a research project was launched, that will serve as a basis for constructing a systematic framework for monitoring gender pay differentials at regular intervals. This research project will report its first results at the beginning of 2001, and hopefully it is a beginning step for creating a permanent system that monitors gender pay differentials in Finland.

To my view gender statistics do not create bottlenecks for gender impact assessment in Finland. The Finnish authorities are able to produce new gender specific information very easily and in a large number of statistics gender perspective is already explicit.

1.5 Concluding remarks

What comes to the general policy line one could easily conclude that the general political culture is favourable for gender impact analysis in Finland. Huge efforts have been put on

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\[12\] Melkas (1998).

\[13\] Haataja and Nurmi (2000).
developing mainstreaming methodology in order to enhance mainstreaming of equality in administrative activities and procedures.

However, to my view we are still at very early stages in the process of introducing mainstreaming into employment policy. The first steps to create methods for gender mainstreaming have been taken, but we need to go further and produce concrete gender impact assessments of policy measures.

I hope that the new web-site on gender mainstreaming will make it easier in the future to apply mainstreaming methods in practical situations. Due to the limited number of experts in this field there is a need for training e.g. among the civil servants that participate in designing employment policy measures. The positive attitude for gender mainstreaming has already been established in Finland. What we now need are funds and other resources so that these ideas can be put into practice.
2 GENDER IMPACT ASSESSMENT (1)

Pillar I: Improving employability, Development of skills and a learning environment according to the needs of work organisations (Guidelines 5-6, 17)

Measure:
"The use of indicators will be promoted for describing the staff situation at the workplace (personnel strengths, individual qualities and the work community). An example would be the use of personnel accounting." 14

Human resource (personnel) accounting is a relatively new phenomenon in the Finnish working life. The statement of human resources is a summary report that can, among other things, be used as tool for personnel strategy. It covers the personnel structure, competence, training and development, and employee related investment. 15

Even though in the Finnish NAP personnel accounting has been introduced as a gender neutral tool for improving employability, its potential for increasing gender equality has been recognised in the Government Plan of Action on Equality in 1997-1999. In order to enhance promotion of equality in the daily practices of the governmental departments, one of the methods was assessing the gender balance as part of annual human resources accounting procedures within ministries. 16

1. Position of men and women

Finnish labour markets are highly segregated, and it is a well recognised fact that reducing segregation is an important policy objective in order to promote equality in the labour market.

Among salaried employees about 75 per cent of managerial positions were held by men, and 71 per cent of lower level jobs were held by women in 1999. Among blue collar workers, due to the dominance of men in manufacturing, 68 per cent were men.

Furthermore, 68 per cent of women work in the public sector. A recent study 17 shows that only 5-15 per cent of top positions in municipalities and governmental departments are held by women. There is a clear under-representation of women in high positions also in other public institutions.

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15 Eronen (1999) and (1997).
16 Horelli (2000a).
17 Statistics Finland (2000).
In 1998, among female employees aged 25-49 as many as 14.3 per cent had a temporary employment contract in Finland. The corresponding figure for EU-15 was 7.7 per cent and for Finnish men 8.2 per cent. In this age group almost 80 per cent of Finnish men and 83 per cent of women said that the reason why they were temporary employees was because they could not find a permanent job.

Combining family and working life through part-time work is not a concept that Finnish women follow. Only 13 per cent of women aged 25-49 worked part time in 1998. Almost 32 per cent of women in 15 Member States did so.

In 1998 women earned for normal working hours, on average, about 82 per cent of men's earnings. The ratio of women's earnings to men's earnings was highest in municipalities, 85 per cent, and lowest in government, 81.8 per cent.

2. Trends in men's and women's positions

Despite the efforts to the opposite, both vertical and horizontal gender segregation in the Finnish labour market remains strong.

The gender wage gap has been declining in the private sector but in government women's earnings to men's earnings fell in the 1990s. The gender wage gap is expected to rise with the increases in performance-related and profit sharing schemes. These schemes are more common in male-dominated branches.

What comes to lifelong learning about 41 per cent of male employees and 43 per cent of female employees were on-the-job training in 1998. In 1995 these figures were about the same, 45 and 44, respectively. Men received somewhat longer training: the median was five days of training for men and four for women.

3. Priority to be attached to adopting policies which actively promote equality

When new initiatives were introduced in the current Finnish NAP gender issues were not explicitly discussed. The implicit message from this seems to be that most of the initiatives for Pillars I-III are regarded as gender neutral. This implies that the general approach has been defensive mainstreaming, i.e. proposed measures are thought to be such that they do not increase gender inequalities. This does not, however, mean that proposed measures do not promote gender equality. In fact, there are examples of measures
(including the one we are discussing now) which can be argued to be consistent with proactive gender mainstreaming.

4. Potential impact of policy

Promoting indicators for describing the staff situation at the workplace (personnel strengths, individual qualities and the work community) is likely to be a measure that will strengthen the labour market position of women. These measures, indicate the skills of women more clearly to the management, which can have positive effects on women's career and training possibilities. This requires, however, that the gender perspective is taken into account in the normal personnel accounting.

Even if the personnel accounts are not at first "gendered" they focus on personnel strengths that are measurable. With personnel accounting one needs to explicitly quantify different qualities of the personnel, which makes women's skills more visible than they would otherwise be. It is a common cultural feature that women are, on average, less prone than men to explicitly praise their own abilities in work places.

Due to the fact that the statement of human resources is a summary report of personnel strengths and individual qualities, it is a useful tool for personnel strategy among management. This type of accounting can have a positive influence on women's career prospects.

Empirical evidence suggests that it is more difficult for women to be promoted than it is for men in Finland. For example, evidence from the banking sector shows that both gender segregation into different jobs as well as the lower probability of promotion from similar jobs makes it more difficult for women to be promoted.\textsuperscript{18} Furthermore, an interesting feature in the banking sector was that a large number of managers felt that women were not in a similar fashion interested in their careers as men. Already this kind of a notion that a certain group is not interested in more demanding jobs may lead to a situation where the group members are not encouraged in a similar fashion as others are to apply for these kinds of jobs. In terms of equality it is important that women are not treated as a group but as individuals in work places. At best, personnel accounting would make sure that notions on women's abilities and ambitions are based on reality and not on assumptions or lack of knowledge.

\textsuperscript{18} Lilja (1999).
In the project on "gendered" account of the personnel in Finnish ministries it was found that the positive effect of this assessment tool was that its gender disaggregated statistics concretely displayed the difference between women and men on certain important factors such as the vertical and horizontal segregation of work tasks and the corresponding imbalances of male and female wages. In addition, the application of the annual account of the personnel brought forth a gendered routine into the organisation. This may have a positive impact on the way in which organisations are inclined to questions related to combining family and working life.

5. Impact of policy on particular groups

If the personnel accounting is performed in such a way that gender perspective is also included, it could have beneficial impacts on the position of women who are working in the labour market. Their skills and strengths would be accounted for in a manner that has not been done before. If the personnel accounting is properly used as a tool for personnel strategy, it would, in particular, help young women entering the labour market. The career prospects of young women would improve compared with that those that their older colleagues had at the beginning of their careers.

If the personnel accounting increases the general gender consciousness in firms, and brings along gendered routines into the working place, it would also be a tool that would possibly make it more "acceptable" for young mothers and fathers to combine family and working life.

6. Indirect impacts

Vertical gender segregation is a serious problem in the Finnish labour market. Women who have attained higher positions in organisations have often paid a high price what comes to combining family and working life. The Finnish working culture can be argued to be in many respects male-dominated, and family situation of employees plays at practice a minor role when working conditions of employees are considered. Even though personnel accounts do not directly address these issues, it is hoped for that by quantifying the strengths and skills of women, it will be more noticeable that women are important resources in organisations. Therefore, there are strong grounds to take into account the different needs of people at different phases of their lives. Since women still bear the main

19 Horelli (2000a).
responsibility of childcare, designing working routines without considering the family situation of employees is not an optimal state of affairs.

7. Need for redesigning the policy initiative

Personnel accounts have been introduced as a gender neutral tool to improve employability. The example of "gendered" personnel accounts in Finnish ministries clearly point to the direction that gender perspective should be explicit in this initiative. It would be a tool that would help promoting gender equality in the labour market.
3 GENDER IMPACT ASSESSMENT (2)

Pillar I: Improving employability, Reinforcing the information society (Guideline 8)

Measures:
“Economic policy incentives will be applied to ensure that the environment of IT and communications businesses is as competitive as possible. Competitiveness in the IT and communications sector will be promoted on the national and international level. Steps must be taken to ensure that there is adequate public investment in long-term research in the IT and communications sector.”

1. Position of men and women

The gender segregation in qualifications is extremely strong in Finland. In 1998, as many as 89 per cent were women among those who had qualifications in the field of health or welfare. The contrary appears to be true in technology and engineering; 83 per cent of people who had qualifications in this field were men.

In 1998 about 71 per of employed people in manufacturing were men, whereas in services women accounted for 73 per cent of all employed people.

In 1997 about 60 per cent of jobs in the IT sector were held by men.

2. Trends in men’s and women’s positions

The gender distributions of the various fields of education have not become any more equal over the past 20 years or so in Finland. On the contrary, it appears that women’s fields of education are becoming more female-dominated and men’s fields more male-dominated.

The gender segregation in employment remains strong in Finland despite the efforts to the opposite.

3. Priority to be attached to adopting policies which actively promote equality

When new initiatives were introduced in the current Finnish NAP gender issues were not explicitly discussed. The implicit message from this seems to be that most of the initiatives for Pillars I-III are regarded as gender neutral. This implies that the general approach has been defensive mainstreaming, i.e. proposed measures are thought to be such that they do not increase gender inequalities. This is not always the case, and it is possible that

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some initiatives in the Finnish NAP are not neutral and, in fact, have some negative long-run effects on gender equality in the labour market.

**4. Potential impact of policy**

Even though there is no doubt that the measures that promote the competitiveness of IT sector have beneficial effects on economic growth and the overall well-being in Finnish society, they do put more resources into a sector which is highly male dominated and quite competitive already. There is a danger that due to the productivity growth gap between IT sector and many female dominated sectors, the suggested measures enhance gender gaps in employment and in wages in the long run.

The recent trends in employment growth are worrying. A large bulk of employment growth has been in male dominated industries, where the economic growth has been strong. Typical female industries have created new jobs much less than male dominated industries.

When looking at public investments in the IT and communications sector one important point of view from gender perspective is its allocation between men and women. Should typically female dominated service sector receive equal investment support as IT sector, is a question that has not been asked in Finland. The macroeconomic considerations related to promoting economic growth have been more important than these microeconomic considerations.

What does it mean in terms of gender equality, if those sectors in which women typically work do not receive public support and male dominated sectors do receive it? How is this reflected in employment and gender wage gaps in the long run? The most obvious outcome is that gender wage gaps increase. This is due to the fact that in the IT sector the performance-related and profit sharing schemes are more common than in health and welfare sector, where the majority of women work.

**5. Impact of policy on particular groups**

If the gender segregation in IT and communications sector is not broken it seems that the investments that ensure the strong growth in this sector will hit relatively hard on young women's future position in the labour market. Men will be working in this highly profitable

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sector and women continue in health and welfare sector of which ability to provide employment and pay competitive wages is declining. This problem has already been noticed by Finnish politicians. The ageing of population requires a well functioning care sector, but this sector is having difficulties to offer steady employment and competitive wages. Functioning care sector is important for women's ability to participate in the labour market in general. A very strong policy focus on one sector may create problems in other sectors of the economy. To alleviate these types of problems it would be important for policy makers to give signals that care sector is not regarded only as a cost factor (as it seems to be the case now) but also as an important investment. This emphasis is important to make sure that also in the future both men and women have equal opportunities to participate in the labour market.

6. **Indirect impacts**

Horizontal gender segregation is a serious problem in the Finnish labour market. Women work in health and welfare sector and men in technical sectors. It is a well know fact from public discussion that in IT industry people work long hours. What does this mean for family life is an important question. Even though public investments in IT sector do not consider these issues, increasing the economic importance of a sector, which have a higher than average demands in terms of working hours, influence every day lives of families. Is it in this type of a situation even possible to share care responsibilities in families between men and women evenly?

7. **Need for redesigning the policy initiative**

There are undoubtedly strong reasons for the policy line to promote the competitiveness of IT and communications sector in Finland. If promoting gender equality is of concern among policy makers, this policy line requires other measures. Firstly, one should introduce measures to fight gender segregation in education and employment. To some extent the Finnish NAP addresses these issues but not in the connection with these measures. Secondly, one should consider the adequacy of public support to other sectors in the economy. Private services sector is not as well developed in Finland as it is in many countries, partly due to the fact that public sector is a large provider of services. For improving female employment, services sector remains significant and allocating resources into the development of this sector are important from the gender perspective as
well as from the perspective of guaranteeing services that ageing population requires in the future.
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