Assessment of the National Action Plan for Employment 2002 from a Gender Perspective

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ASSESSMENT OF THE 2002 NAP FROM A GENDER PERSPECTIVE

Germany

Introductory Note

The Report mentions that only “parties with a decisive influence on the implementation of employment policy” had been involved in the process. There are no gender equality bodies mentioned, although the Ministry for Family Affairs etc. is responsible for gender mainstreaming activities in the Federal Government. I do not know whether the gender equality experts of the bodies mentioned (Federal Employment Service, social partners etc.) had been involved.

A. National employment policy in context

The first chapter on “Employment Policy Framework” (p. 4 – 8) mentions women (not gender gaps at all) only in one paragraph: this is the paragraph on demographic change (p. 7/8). It states that it is crucial to help women (and older employees) to enter, re-enter and remain in the world of work. This seems to be necessary because of labour shortages. No mentioning of other gender related aspects of the German economic development (f.e. job cuts in public service do affect women more than men, job losses in the construction industry are more a men's affair..., p. 4). The whole paragraph does not include gender aspects in a broader sense.

B. National action to raise employment rates and improve quality at work

1/ Gender dimension

The gender dimensions of the employment policy are only mentioned by pointing to the various changes in legal regulations which create a “statutory framework to promote economic growth an employment”. Within the legal regulations and programmes some do have a definite gender impact like the act on part-time work and fixed term employment, the programme women and work, this is mentioned here and in different guidelines. There is no direct integration of question concerning women's employment in the first pages, only in section 1.2 (Job quality) the following confession is included: “An important goal here is to enhance women's access to the kind of jobs that represent the future of the labour market” (page 10, no further explanation what these jobs are? high-skilled IT professions? medium skilled care professions? and how to reach the goal???) Another confession is included here: the Government is committed to improving equal opportunities between women and men “since the concept of enhanced job quality also involves ensuring that all people have an equal chance to participate in the knowledge bases society”. Women are mentioned in the context of “individual areas of activity” (pages 11 to 13) on page 11 in connection women and older persons access to the labour market, in the context of the Act on part-time work and fixed term employment contract (page 12) in which is stated that the act is “intended to meet not only the objectives of labour policy but also those in the area of the family and gender equality”. The reform of the Works
Constitution Act, which sets up a quota systems concerning women's representation in the work councils, is mentioned here – as far as we have first results of the elections for works councils they show an increase in women's participation.

The last paragraph is this section (page 12/13) reports on gender issues, pointing to three different initiatives:

- the Job Aqtiv- Act (labour market policy and programmes), which is now more explicit on women's participation in labour market programmes (but as the figures in table 8 show, is **women's proportion in active labour market schemes declining**, it falls below women's proportion in registered unemployment in most programmes).

- the (signed) initiative of the federal government and main employers and business association which is aimed at promoting equal opportunities policies on enterprise level on a voluntarily base. This initiative is the answer of Germanys industry to prevent the Government from initiating a **legal regulation concerning equal opportunity policy in the private sector**. The Government had promised to develop a legal framework within this legislative period...due to big resistance of German industry it now came over with an agreement (evaluation of the initiative announced for end 2003). This initiative is described in more length on page 24/25 of the NAP. The usefulness of this initiative is doubted by various groups, including the trade unions.

- Increase of women in IT-professions and studies: what we observe in table 18 and 19 is an increase in female students in maths, science and engineering (if you go into detail, you will observe that the increase is very small in IT and engineering, and quite high in biology, veterinary medicine etc.). In contrast to what is said in the text, there is **no increase in female shares in the IT-related professions** in the apprenticeship system (Table 19). Table 19 shows a highly segregated development of the IT-apprenticeships, with the biggest professions having only a minority of female apprentices, only media designer (as a big profession) is mixed. The few occupations with mixed or high female shares are rather small professions, which do not play a major role in the job structure of the IT-occupations.

2/ **National medium-term targets in terms of employment rates overall and for women**

In this part of the paper, the Government points to the fact that Germanys employment rate (for women) is actually higher than demanded in the Stockholm Conclusions. This position is repeated in section Pillar IV on page 66. By considering the overall targets for the year 2010, the 2010 targets are characterised as “ambitious targets for Germany” (page 9). More concrete plans how to achieve the targets are only developed concerning older workers (in detail in guideline 3), as the government sees this as a major challenge (page 10). No special references here to the employment target concerning women, no reference to initiatives related to women's employment here.

C. **Response to recommendations**

Germany had one recommendation directly related to gender aspects:

“There is a high gender pay gap, according to available data, and relatively few child care facilities.
Germany should therefore:

5. strengthen action to reduce the gender pay gap and address the impact of the tax and benefit system on women's employment; promote the availability of child-care facilities and improve their correspondence with working hours and school schedules. The implementation of these policies, involving the respective actors at all levels, should be monitored with appropriate verifiable indicators and targets.”

The Government answers in the NAP: (pages 22 to 249)

- **Gender pay gap**: firstly the government has no means of intervening in questions regarding wages (responsibility of collective bargaining partners) – my opinion: but the government could put more pressure on social partners (for example within the alliance for Jobs talks, the wage gap is not part of the initiative on equal opportunities in the private sector, see above). Secondly the government starts three projects (one of them an international conference on equal pay, last week, 17. to 19.6. in Berlin) on “equal pay for work of equivalent (?) value” with international comparative research.

Thirdly the government just recently published the report on “Beschäftigungss- und Einkommenssituation von Frauen und Männern in Deutschland” which presents clearly problems in wage determination processes, in Germanys work and job classification systems and in collective agreements. The ministry of family etc., which was responsible for the report, hesitated in publishing the results because of employers associations resistance against the main findings concerning the gender pay gap. Private and public employers rejected the main findings in a very rude way. Against this background it is a good idea to initiate a project to analyse the job grading system used in the Federal Collective Agreement for Public Employees, which is included in the NAP as fourth point. As other projects have shown is the job grading system of the public sector highly gender-based, putting women's jobs at the end of the grading system. Comment on this topic: the gender pay gap, as far as it is related to wages, job grading systems etc. is a quite complicated issue, in which the government does not dare to intervene quite actively. On both sides, employers and trade unions, this is one of the hot spots of the German wage bargaining system, and it is not the case that trade unions are really willing to demand a change in the used classification systems in favour of more gender equality (or neutrality). The classification of jobs and the allocation of low paid jobs to women need to be addressed at the same time – this is a major task in a country where the trade unions are still proud of fighting for “breadwinner/family wages” in the core sectors.

- **Tax and benefit system**: the answers of the government is as vague as the recommendations of the Commission: the Commission did not address directly the tax-splitting system in the Income tax regulations, so the government does not answer this question either. The government answers that ALL families with low and medium income will benefit from the general tax reform, that parents are allowed to offset childcare costs against income tax and that the child-care activities are now less punished in labour market programmes and in the pension system as before. (for details of tax policy see for example guideline 12). My comment: the Government’s answers is directly the opposite of the question under consideration: asked was the impact of tax and benefits on women's employment – the answer points to the fact that the economic situation of tax payers has improved, whether women are in paid employment or not. Most measures mentioned do improve women's situation as
members of a household with children, they do not increase women's propensity towards paid employment. The distributional impact of the mentioned tax policy is best for very high income families – those who do not need to worry about women's employment, either because highly skilled women are employed anyway or because the husbands income is high enough to profit from the tax splitting system quite substantially. To push the German government more in the direction concerning the impact of the tax splitting system one has to ask directly and point to the fact, that Germany's wage gap is highest when using the household panel data.

- **Childcare:** Child-care has a higher priority as the other points and it seems to have quite high political consensus in Germany now. It is difficult to implement, as it is the responsibility of the Länder, but the task is recognized (at least in the election campaign). The problems are substantial in this area (see guideline 18, page 78).

**D. Progress Report**

1. **Gender Mainstreaming**

   a) **Mechanisms**

   The NAP reports on gender training programmes for employees in each Federal government department and the start of pilot-projects in each department. The Länder report some progress in implementing gender mainstreaming in various departments (see Annex 3 and guideline 16). The government says (page 66), that “gender mainstreaming approach is reflected in all guidelines in the present Action Plan” – this is not true, neither empirically nor in the understanding of the “gender mainstreaming approach” – the NAP does not reflect a gender-sensitive analysis either in policy areas nor in policy programmes/measure.

   b) **Policies: gender mainstreaming in the three first pillars:**

   Pillar I: employability:
   In the priorities women/gender aspects not mentioned
   In the guidelines 1, 3, 4, 5, women are mentioned as a statistical category (giving the relevant proportion of women in a target group or programme).
   In general there is more emphasis put on the employment situation of younger people and especially older people without mentioning the gender dimension of the employment rates of for example older women, or migrant women (here o even statistical information is given). Young women are mentioned with respect to training policy (job segregation, IT-jobs, health care jobs now included in promotion schemes allowing people to participate in training programmes and women's access to Internet).
   No explanation is given for the high proportion of long-term unemployed women, no idea is put forward concerning the very low employment rate of older women (neither explanation nor initiatives etc.), no comment, who to achieve the goal “of a 40% increase of women in IT-training by 2005” (see my comment on the apprenticeships in IT-occupations above).
   The guideline on taxes/benefits excludes all gender sensitive analysis, especially the aspect of negative incentives via the income tax system (see my comments on recommendations)
From a GM perspective the first guideline is highly insufficient in analysing the gender aspects of the policy areas and the initiatives/programmes

Pillar II: entrepreneurship
Policy areas: gender aspects not mentioned
In guideline 9, gender aspects are integrated, especially programmes for start-ups, which do include special programmes for female entrepreneurs/start-ups or do have quota concerning women's proportion among the participants. Furthermore the Government announces an action programme for addressed to women (Power to Women entrepreneurs) which will increase the consultancy infrastructure for female start-ups and launch public campaigns. The government announces a study on gender-specific processing of data of the official statistics...as far as I could see, this is only related to data on business start-ups.

In guideline 11, the government points to the fact, that the key instrument for regional and local economic development is a programme called "Verbesserung der regionalen Wirtschaftsstruktur, GA (Improving Regional economic Structure), which gives subsidies to enterprises in certain regions and with certain economic activities. Since quite a long time, this programmes includes special incentives (higher subsidies) for enterprises which create jobs for young people and women. It would have been worthwhile to give more information here about the efficiency of this programme and the further development...

Guideline 12, again the tax and benefit system: the government repeats its family related tax policy which is – in fact – NO incentive to take up paid employment or remain in employment once children are born. Whether the macroeconomic effects (stimulation of domestic demand) will be as positive as mentioned...I doubt. The chosen example for tax burdens (page 56 and table 17) are based on a ONE wage earner family with two children...taking implicitly into account that the ONE wage earner is taxed via tax-splitting system. The calculation would look quite different for a dual earner couple which is not married, or a non-married one earner couple or a single mother/father. No mentioning of the tax systems effects on female labour supply at all.

Pillar III: Adaptability
Policy areas: do not mention gender dimensions, although all new legal regulations do have explicit gender paragraphs: the law on work councils, on part-time work and fixed term employment.

The policy of social partners (guideline 13) addresses mainly collective agreements – what is definitely missing here is a paragraph taking up the main findings of the study on gender pay gap which shows quite clearly that one factor of gender inequality is embedded deeply in the German system of job classification which is fixed in collective agreements. As already explained (see Recommendations above) this element of German industrial relation is one taboo zone, neither touched by trade unions nor by employers, and the government does not dare to push the partners. Other guidelines do not address gender issues directly, although there would be a clear need: we know, for example, that women's proportion in enterprise related further training is quite low, that older women are widely excluded from any further training activities etc.

The fact that it was possible (after a hard work in discussing and convincing social partners) that a working group of the Alliance for Work etc. adopted a resolution regarding equal opportunities is NOT mentioned in this pillar...it is only included in
pillar IV. On the other hand; it was not possible to include equal opportunities issues in the main plenary sessions of the Alliance for work etc.

2/ Analysis per guideline of the IV Pillar

guideline 16:
The legal regulations mentioned (Bundesgleichstellungsgesetz – relevant ONLY for women employed in the FEDERAL administration,...), the Law to promote employment/ job aqtiv Act are positive signs, the implementation of gm programmes/trainings etc. goes on and the set up of the centre of excellence for equal opportunities is a signal as well. No progress in producing a check-list/gm manual (this is announced since 1999), vague announcements for creating a database - and NO information of BUDGET allocation (not in the whole NAP!!!!)

guideline 17:
unemployment rates and labour market policy had not been as successful to reach targets (see tables 1 and 8, women’s percentage in programmes decreased!!!) as written on page 71. Tables 7a and b on retention rates use a misleading indicator: retention rates are defined as the share of participants in a scheme who are not registered as unemployed six months after finishing or pulling out of a scheme. Concerning Germanys registration criteria in unemployment offices and the “alternative” of staying home as non-registered housewife, this indicator is misleading and tell us only that xx percent are not registered as unemployed again, whether they are in employment, inactive, in training etc.
segmentation: see comment on IT-training – women's share in university IT and science related subjects is increasing, whereas is remains stable or even decreases in the major IT-related apprenticeships – no comments on this facts in the NAP..
Income gap: see my comments on recommendation. The report mentioned on page 73 is now published and available (only in German) – only here the Government mentions the problem of gender-sensitive analysis of the impact of the tax and benefit system.
Promotion: mentioning of measures already described, new is here the paragraph on female academics (which is – overall seen – a quite successful programme giving financial incentives to universities to increase the proportion of female professors, some of the programmes had been strengthened/combined with Länder activities like in Berlin)
Aims and Initiatives: I would like to highlight the importance of the project on job grading in public sectors collective agreements, as it will cover a relevant number of women in the labour market and special women's jobs. The other initiatives are – more or less - highly symbolic policy, some of the mentioned new regulations (status of a junior professor) are heavily criticised by all women's organisations as they create new discrimination of young female researchers.
The budget figures given here (11 million € in the budget of the Federal ministry for Family etc., plus 6 million € in training an research plus 30,8 million € for the programme equal opportunities in Research and University teaching, in total 48 million € ) show the minimal resources attributed to these programmes – ONE medium sized university has a annual budget like this.

guideline 18: most of the legal changes are o.k., the child allowance act is not meant to increase women participation in the labour market but allow parents to stay at home with only one income. The father-campaigns are symbolic policy, no real incentives to change child care responsibilities, the Agreement to promote equal opportunities by
Some firms do implement equal opp. policy anyhow, the aim of the agreement was to prevent the government to develop a legal base covering the private sector.

Child care is becoming a bigger issue now, at least in the election campaign. But it is the responsibility of the Länder, which follow quite different policies here. The federal government offered additional money to build up new facilities. If the Länder will accept the financial subsidies and increase child care is still open. When you study the Länder reports in detail you will discover that some Länder do not even offer school opening hours on a regular base (called dependable primary school), so that children sometime come home at 10 a.m. or at 12 a.m. or start at 9 a.m. instead of regular time tables. This is really a big problem. another problem is the falling number of children in East Germany leading to the closure of child care facilities – once the facilities are gone it will be rather complicated to “re-open” them again, when the demand is growing again.

E. Statistical Information

1/ Are the requested indicators (see annex) in the NAPs?
No, Germany does not include all requested data.

F. Example of good practice
The first example (Learning Regions) is a good example of not using Gender Mainstreaming approaches: women, especially older women and migrant women should be a special target group of life-long learning initiatives – they are among the most disadvantaged persons and have limited access to education and training – this aspect is neither mentioned in the NAP nor in the programmes (as far as I know the details....)

The second example is a good example, we already mentioned it last year. The first example shows the necessity to integrate gender aspects in official policy development and high level actors meetings, the second examples shows that that works actually only on the local level...the Centre of Excellence is involved in training policy initiatives on the local level and tries to advise local actors on gm.

The third example (Federal Employment Service) is a good example how to anchor gm in a centrally administrated service – in the NAP 2000 we already mentioned this as a positive example. But: as the statistics in table 8 and 9 show is the impact of gm in terms of women's participation in labour market programmes not convincing (in most programmes below women's proportion among the unemployed). The Law to promote employment, the Job Aqtiv Act and other legal initiatives in 2000 and 2001 show in details that neither the government /ministry of labour nor the parliament understand the gm principles so that both laws still discriminate against women, especially mothers with small children. The experts of the Federal Employment Service pointed to these weaknesses as well as other independent researchers and women's organisations. The discussion in the parliament showed, however, that gender mainstreaming had some effect, as the interventions in the legislative process had been more successful than before and changed the legal regulations in some points in favour of women.