A gender analysis of the economic crisis on labour market in six European countries

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The financial and economics crisis that began in the fall of 2007 has deeply affected the European countries and the developed countries in general. In consequences, the labour markets were strongly hit by the shock. The unemployment rates have increased dramatically during this period with more or less magnitude according to the countries. By now, in most countries, employment has not yet reaches its level preceding the crisis. The aim of this paper is to analyse the gender consequences of the economic crisis on the labour market.

In almost every developed country, male employment was disproportionally affected by the crisis. This is the reason why many observers, especially in the United States, interpreted the crisis as an opportunity for gender equality. The gender bias of the economic crisis has a lot to do with the sex segregation on the labour market. The core of this paper deals with a gender analysis of the economic sectors and how it explains the fact that at least in the first step of the crisis, men were more affected by unemployment than women.

This paper aims first to assess the effect of the economic downturn and its impact on employment in a gender perspective, and secondly to analyse the consequences on gender equality. The comparison of the situation in six European countries, France, Spain, Germany, Sweden, UK, Italy is relevant for several reasons:

1. the crisis has not hit the countries with the same magnitude : for example Spain has been deeply affected and the Spanish unemployment rate has skyrocketed
2. the social protection and then the social and economic consequences of the crisis, are different according to countries;
3. Social norms imply different gender convention in countries : for example in Sweden, gender equality is integrated in the core of the Welfare State and in the society even if it has been not reached ;
4. the public policies in response to the current crisis were not the same according to these countries.

A deeper analysis is proposed for France.

The first section presents a brief analysis of the labour market in gender outlook and a theoretical framework of the potential impact of the crisis on labour in different kind of Welfare states. The second section describes the crisis and its timing in each studied countries and its impact on labour markets. The third section deals with the gender approach of the crisis with sex segregation analysis according to economic sectors. The concluding remarks focus on the long term effect of the crisis.
I. Gender inequalities and the potential effect of the crisis

I.1. Gender equality, Welfare state and labour market

I.1.1 The selected countries

In all EU countries, gender inequalities on the labour market are linked to family formation, from establishing a couple to the arrival of children. Even nowadays, therefore, actual or future motherhood is a major curb on the integration of women in the world of work. The traditional vision of a gender-based sharing of duties is still apposite despite the considerable progress made in recent decades. On the one hand, individual countries offer different historical and cultural contexts and, on the other, the realisation of this phenomenon dawned earlier and the public policy responses to it have been more proactive in some countries than others. Although this state of affairs applies in all EU countries, it varies in scale and nature from one country to another. The gender analysis of the current crisis must take these differences into account.

This paper focuses on six European countries chosen according to a typology of welfare state and a gender approach of the labour market.

A typology can be drawn up to give an overview of the specific factors hampering the progression of economic participation by women. The six European countries that have been selected on the basis of this classification: Germany, Sweden, France, the United Kingdom, Spain, Italy.

The four major ideal-types inspired by the work of Esping-Andersen (1997) are as follows:
- liberal or residual welfare states
- conservative or corporatist welfare states
- Mediterranean or clientelist welfare states
- social-democratic or universalist welfare states.

Feminist criticism of Esping-Andersen’s work was our point of departure for reflecting on different gender regimes, a broader concept than the welfare state, which therefore provides a suitable analytical framework for tackling the question of socio-economic inequality between the sexes. Other classification rely on gender regimes and on the issue of reconciling private life and working life, in that family formation is a major explanatory factor of gender inequality. Three dimensions are highlighted. The first has to do with expectations and practices around the division of market work and domestic work. The second concerns the need to take into account the social construct of motherhood. A third important dimension is the cultural construct of the relationship between working parents and the welfare state.

Within this conceptual framework, another typology can be drawn up (Wall, 2007) based on policy models concerning the interplay between private life and working life Europe:

- M1: model based on one year of parental leave and geared to gender equality.
- M2: model based on free parental choice as to the method of caring for a young child and the mother’s economic participation.
- M3: model based on the mother staying at home owing to long parental leave.
- M4: model based on short parental leave and the mother working part-time.
- M5: “male breadwinner” model offering short parental leave.

By crossing these two typologies, we find six countries which enable us to cover the following matrix (Table 1).
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<tr>
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<th>M1</th>
<th>M2</th>
<th>M3</th>
<th>M4</th>
<th>M5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>UK</td>
</tr>
<tr>
<td>Conservative</td>
<td></td>
<td></td>
<td>France</td>
<td>Ger</td>
<td>man</td>
</tr>
<tr>
<td>Social-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>democratic</td>
<td></td>
<td>Swed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mediterranean</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>ITALY</td>
</tr>
</tbody>
</table>

Spain is a specific example, since this country used to be classified in the same group as Italy, but it is no longer the case. The female labour force participation has increased dramatically during the last decade so that it is now closer from France than Italy (as it shown in the figure 1).

### I.1.2. Gender gap on the labour market

In most developed economies, huge social and economic progresses have been made for women since the 1960’s. In particular, the increase of labour force participation of women is a major economic change of our western societies. Nowadays, women are no longer seen as a flexible reserve of workers. But this does not mean that gender equality has been reached on the labour market. Different indicators still reveal a deep gender gap in many ways. Women are less engaged in economic activity than men in all European Union countries as it is shown in the figure 1 with the evolution of the gender gap in participation rate. Since they are less active, they are more involved in part-time work (as shown in figure 2). In three of the studied countries, women were during a long period more affected by unemployment than men, this has recently changed except for Italy. The trend has been reinforced by the current crisis. Eventually, women less commonly hold responsible positions and are confronted to a segmented labour market where they are confined to occupations very often akin to the tasks they traditionally perform within the family: childcare, education, social work etc. Lastly, women’s earnings are lower than men’s throughout Europe (Figure 4). In Italy the gender wage gap is the lower because few women work and so there is a kind of selected bias in this indicator.
Figure 1: Gender gap in the labor force Participation rate (in percentage points)

Source: Eurostat

Figure 2

Part-time employment as percentage of the total employment for a given sex and age group (%), in 2009

Source: Eurostat
The externalisation outside the family of caring work does imply a less gendered labour division. Indeed, women are concentrated in public sector, in care sector, health and social sector in general whereas men are concentrated in industrial sector. Eventually, the more women participate to the labour market the more it is gender segregated as shown in figure 5. Sweden has the highest female participation rate and the highest level of sex segregation of the labour market. Reversely in Italy, the participation of women to the labour force is low and the sex segregation is the lowest of our sample.
1.2. A short review of literature

Few researches on the gender impact of the current crisis have been realized by now, essentially because of the lack of data and perspective. Two kinds of works can be distinguished: institutional reports and academic papers.

1.2.1. Institutional reports

The main international institutions have been concerned by a gender analysis of the effect of the crisis. The United Nation reports deal with the effect of the crisis for women in developing countries. The Committee on Women’s Rights and Gender Equality, European Parliament has also produced a report on how women rights could be affected by the crisis.

The International Labour Organisation (2009) has made a report since 2009 analysing the impact of the crisis on gender equality according to different national economic context. Three groups of countries were identified:

1. Countries where the labour market has been affected lately (The Netherlands and Poland)
2. Countries whose labour market has been affected form the 2nd semester of the year 2008 but without gender differences (Canada and Australia)
3. Countries whose labour market has been affected form the 2nd semester of the year 2008 and where male employment was hit harder than the female one (the USA and France).

The conclusions of this report show that the magnitude of the crisis varies according the countries and according the different economic sectors. An analysis by economic sector can be useful in order to find out the gender impact of the crisis given the sex segregation on the labour market.

The OCDE annual report, Employment outlook in 2010, revealed that the crisis hit some specific groups of workers: young workers, temporary workers, unskilled workers as usual in the past economics crisis. The report emphasised that this crisis is peculiar in that the senior employment was not affected and in that male employment was particularly affected in
comparison to female employment. This phenomenon is due to the sex segregation on the labour market and the fact that male workers are concentrated in the construction and manufacturing sectors, and these sectors were the most affected by the economic shock.

I.2.2. Academic research

By now there are few academic researches on the gender impact of the crisis. Young and Schuberth (2010) argue that if men were more affected than women according to the increase of unemployment, women were nevertheless hit in many ways:

- they became the breadwinner in the family but most of them have bad job with bad working condition
- the lost of income induced but the unemployment of the man, implies that the household has to reduced its expenses that might increase the family working time of women since they are still in charge of most chores.
- This point should be confirmed with the time use survey when these statistics will be available.
- they point that the public policies are going to be reduced in response to the budget deficit and this will disadvantage women’s employment since most of them are employed in the public sector.

The research of Veric (2009) is interesting too as he showed that the young men working in construction were the most affected by the crisis and unemployment. Leschke and Jepsen (2011) propose a statistical analysis of the crisis in a gender perspective that is the closest to the analysis presented in our article. They concentrate their research on three countries Denmark, Germany and the United Kingdom. Their results show that, despite the fact that men were in general more affected by the shocks, women have been less sheltered than in the past crisis. Their analysis of the stimulus package and of the responses to the crisis indicates that in UK and Germany, women are less likely to have access to unemployment insurance. They conclude that in long term, the austerity measures are usually targeted on social sector and education and in cut-back in social security system and this should have negative impact on the economic position of women relatively to the men’s position.

II- Global trends

II.1 – Men massively affected

The worst crisis in the post-war period

The economic and financial crisis that most developed countries experience began in the 4th quarter of 2007 in Sweden, and at the beginning of 2008 in the other European countries. Everywhere, this is the most severe crisis in the post-war period: the economic activity at the worst time of the crisis fell from 3.8% in France to 6.8% in Italy (table 1). At the end of 2010, only Sweden has recovered the crisis level of activity which preceded the crisis (Figure 6), carrying the output gaps on historically low levels. The economic downturn was specially concentrated in industry, but also in the construction sector in countries facing a real-estate crisis (mainly Spain, and the United Kingdom). The collapse of these two sectors contributed for more than half of the decline in GDP over the crisis period (Table 1), in most countries. The crisis then has affected the services associated to construction and industry: temporary work, transport, telecommunications…
Table 1- Real value added growth

<table>
<thead>
<tr>
<th>In %</th>
<th>France</th>
<th>Germany</th>
<th>Italy</th>
<th>Spain</th>
<th>Sweden</th>
<th>UK</th>
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<tbody>
<tr>
<td>Cumulative GDP loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>between peak and trough</td>
<td>-3.8</td>
<td>-6.6</td>
<td>-6.8</td>
<td>-4.9</td>
<td>-6.6</td>
<td>-6.5</td>
</tr>
<tr>
<td>contribution industry</td>
<td>-2.3</td>
<td>-5.4</td>
<td>-4.3</td>
<td>-2.7</td>
<td>-3.9</td>
<td>-2.2</td>
</tr>
<tr>
<td>contribution construction</td>
<td>-0.2</td>
<td>-0.2</td>
<td>-0.5</td>
<td>-1.0</td>
<td>-0.6</td>
<td>-0.8</td>
</tr>
<tr>
<td>contribution private services</td>
<td>-1.6</td>
<td>-1.3</td>
<td>-2.4</td>
<td>-0.8</td>
<td>-2.0</td>
<td>-3.5</td>
</tr>
<tr>
<td>Cumulative T3 2010/T1 2008</td>
<td>-1.8</td>
<td>-1.8</td>
<td>-5.4</td>
<td>-4.5</td>
<td>-0.0</td>
<td>-3.9</td>
</tr>
</tbody>
</table>

Source: Eurostat

Figure 6- Real GDP growth
2007 Q4 = 100

Source: Eurostat

As a result, labour markets have been affected sharply in the first quarter of 2008 - with a response time to the activity - in varying proportions in the different country. Spain has experienced the most important employment collapse, but in other countries the labour adjustments to the recession was small compared to the violence of the downturn. The figure 7 indicates the employment evolution we should have observed since the beginning of the crisis if it had followed the same pattern of adjustment than in previous crisis. It appears then that only Spain seems to have completed its reaction to the recession. In other countries, the fall in employment is far below the theoretical impact of the crisis.
This can be partly explained by the implementation of exceptional employment strategies in some countries in order to contain the effects of the crisis, as shown in Appendix 1 (Cochard et. al. 2011). Job losses have been particularly limited in Germany, thanks to a sharp decline in working hours and to a lesser extent in Italy as a result of a combination of a decline in working hours and a compression of wage costs. In the other countries, the adjustment of the labour market was basically realized through job destructions, and internal flexibility was little used. Despite these job destructions, the adjustment is not yet completed in most countries, which means that one can still expect job losses in the future, or more likely in years of lack of job creation.

The crisis has not yet produced all its effects. Nevertheless, employment decline have reached more than 2% in most countries, and up to 9.2% in Spain between late 2007 and late 2009. Only Germany has avoided the labour market worsening, and experienced job creations in the crisis period. The overall analysis of the impact of the crisis on the labour market has been explored by many researches and articles, but many questions remain about the gendered aspect of the labour market deterioration in crisis: To what extend has the crisis differently affected men and women? Beyond the question of employment and unemployment evolution, what can we say about the evolution of job quality, particularly for women, who are still specially concerned by under-employment in all developed countries? Four hypothesis for a gender analysis of the crisis can be proposed to explain a gender impact of the crisis (as suggested by Rubery 1988, quoted by Leschke and Jepsen (2011):

1. the flexible reserve of labour force (women are draws into the labour market during the economic expansion period and expelled during downturn)
2. substitution hypothesis meaning that during recession “cheap labour force” is searched that would explained a counter cyclical trends of women employment
3. the job segregation hypothesis : men are concentrated in economic sectors that are more sensitive to the economic downturns
4. We add another hypothesis: the fact that the secondary worker in the household, namely most of the time women, has to increase its labour force participation as soon as its partner loses its job.
The propositions 1 and 2 seem not to hold anymore in our social and economic context. The available data do not allow us to test the third hypothesis. We focus our statistical analysis on the job segregation hypothesis.

**Men’s employment heavily affected**

By focusing on the major indicators of employment and unemployment, men were particularly affected by the economic downturn between 2007 and 2009 (Figure 8). In general, the employment of men is much more cyclical than the women’s one, with significant variations during recessions - it was the case in past recessions: in 1983, 1992-1993 and to a lesser extent 2001 - but also symmetrically in periods of recovery. The gender impact of recession was obvious during the current crisis in all countries except Sweden, the only country in which women’s employment decreased slightly, while male employment continued to grow (with a drop of 0.2% of female employment between 2007Q4 and 2009Q4, versus +0.6% for men). In other studied countries, female employment resisted better than men’s: in Spain, where the deterioration of the labour market was particularly strong (-13% between 2007Q4 and 2009Q4), women’s employment declined, but less than men’s (-3.3% for women versus -7% for men). In France, Italy and the UK, women’s employment was nearly flat, while the men’s one experiencing a significant drop.

Figure 8- Employment growth
In %

![Employment growth graph](image)

Source : Eurostat

Thus, during the first stage of the crisis, the gender employment gap has decreased, even if significant gender differences still remain. In all countries, the lowest participation of women induces lower employment rates for women than for men (from 5 points lower in Sweden to nearly 25 points in Italy). The Lisbon Strategy thus set a target of 60% by 2010. During the crisis, the reduction of the gender employment gap did not occurred thanks to a higher employment rate of women but mainly through the decline of the male employment rate. In all countries, except Sweden, women’s employment rates have better resisted than men’s (Figure 9). In
France for example, it remained nearly stable during the crisis period (after years of growth), while male employment rate decreased by 2 points between 2007 and 2009. The analysis by age furthermore shows that the employment rate for men was particularly affected in the group 25-49 years. In contrast, employment rate of seniors has been maintained for women as for men. Moreover, young people under 24 years have absorbed a significant portion of the shock at the beginning of crisis (mainly young men, Veric, 2009), before their employment rates rebound and that the gap between young men and women returns on its long-term level.

Symmetrically, the employment’s recovery that occurred in most countries - except Spain and Italy - has mainly benefited to men (Figure 3). Since the beginning of 2010, the change in the ratio of male to female in employment was reversed in all of these countries (Appendix 2). Moreover, women’s employment declined in 2010 in Germany and the United Kingdom, while men benefited of the labour market improvement.

**Unemployment and activity**

Consequently to this extremely strong degradation of men employment, the gap in unemployment rates between men and women declined further. In France, Spain, and Italy, the unemployment rate for men has always been lower than that of women, but the gap between both has steadily declined for years. Figure 3 illustrates the acceleration of this decline since early 2008, so that except for Italy, the unemployment rate for men and women is nearly the same today in most countries. In other countries (Germany, Sweden and United Kingdom), unemployment rates of men and women were nearly identical before the crisis and the crisis pushed the men unemployment rate beyond that of women. The breakdown by age of that gap in unemployment rates between men and women in France shows that this convergence is mainly due to the age group 25-49 years, since unemployment rates of seniors were already similar between men and women before the crisis (Figure 10). Concerning young people, we know that it remains extremely difficult to interpret changes in their unemployment rate as the
population is small and sensitive to economic fluctuations, and the unemployment rate is particularly volatile.

**Figure 10- Gender gap unemployment rate in France (percentage points)**

Finally, participation rates analyses shows that the gender gap was slightly reduced in most countries during the crisis (Figure 1). This can be explained - as will be detailed later - by a discouraging effect even more important for men. This effect is particularly strong in Spain, where the labour market collapsed. Spanish men were lead to massively withdraw from the labour market, meanwhile women remained on a trend of increasing participation rates.

### II.2 – Employment quality

The gender impact of the crisis on both sexes has to be analysed also through the job quality. It is possible that the economic downturn had affected differently employment of men and women: on one hand men ‘employment would be affected through a decrease of available jobs and women could have been affected through a deterioration of the quality of jobs?

**Skilled employees and graduates relatively unaffected, especially women**

Figure 11 shows the contribution of different levels of education in employment trends between early 2008 and early 2010 in France. It appears that in all countries, low educated workers were the first victims of the crisis, men and women alike. In most countries, men have suffered from the effects of the crisis whatever their level of education. Low educated women also faced job losses. The only job creations, all degree levels and sexes, concerned graduate women. The rising numbers of job seekers in category A is consistent with this fact, regarding

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1 Category A: unemployed job seekers, required to perform positive job search. This category therefore excludes underemployed job seekers.
the level of qualification (Figure 12), since the women unemployment has increased very little for all categories of qualifications, particularly for high skill levels, although that workforce is the most dynamic.

Figure 11

**Employment growth between 2008 Q1 and 2010 Q1: contributions of the different levels of education**

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<tbody>
<tr>
<td>Germany</td>
<td>-3.2</td>
<td>-5.4</td>
<td>-2.8</td>
<td>-2.3</td>
<td>-4.1</td>
<td>-3.6</td>
</tr>
<tr>
<td>Spain</td>
<td>-6.5</td>
<td>-9.3</td>
<td>-4.2</td>
<td>-4.3</td>
<td>-6.5</td>
<td>-5.7</td>
</tr>
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<td>France</td>
<td>-3.0</td>
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<td>-1.5</td>
<td>-1.8</td>
<td>-3.3</td>
<td>-2.7</td>
</tr>
<tr>
<td>Italy</td>
<td>-1.5</td>
<td>-3.0</td>
<td>-0.5</td>
<td>-0.8</td>
<td>-1.6</td>
<td>-1.2</td>
</tr>
<tr>
<td>Sweden</td>
<td>-2.5</td>
<td>-3.8</td>
<td>-1.0</td>
<td>-1.2</td>
<td>-2.6</td>
<td>-2.1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>-2.0</td>
<td>-3.5</td>
<td>-0.5</td>
<td>-0.8</td>
<td>-2.3</td>
<td>-1.7</td>
</tr>
</tbody>
</table>

Source: Eurostat

Figure 12-

**Job seekers, in thousands**

Source: Pole emploi
**Underemployment and part-time employment**

In all developed countries, part-time - and under-employment in general - is far more common among women than among men. But the Figure 13 shows, that if this gap remains considerable (30 points in Germany), it remained almost constant in all countries in 2008 and 2009.

*Figure 13-*

![Gender gap in part time work, in percentage points](image)

Source : Eurostat

In the French case, the share of part-time jobs has not been more dynamic for women than for men but it has declined among women at the beginning of the crisis, probably because these jobs were the first destroyed. But in 2010, the share of part-time women returned to its long-term average, when it increased by more than one point for men. Consequently, the number of underemployed persons experienced the same increase for both sex. This finding is consistent with changes in the number of underemployed jobseekers (categories B and C), which shows that the increase for different categories of skills is substantially the same for men and women.

**France and Germany: job losses concentrated in the temporary jobs**

In both France and Germany, temporary employment has grown strongly over the past 20 years. Extremely insecure and flexible, these jobs have been destroyed as soon as the crisis started in 2008. The ratio of temporary employment has fallen sharply in both countries in 2008, especially for men who are more concerned with temporary employment. In other countries, where Interim is less widespread, the temporary employment ratio for men has declined less than the women’s one, suggesting that jobs losses did not primarily relate to temporary employment (Figure 14).
II.3 – Activity behavior

The evolution of the labour force during this crisis has been extremely varies according to countries (Appendix A2-A7). While some countries, like Italy, have experienced well-known discouraging effect on labor force participation considering the recession magnitude, others have reacted in a unexpected way.

France – Germany: Old Europe

In France and Germany, the change in participation rates for both men and women remained positive during the crisis. This is mainly due to the great vitality of the workforce aged 60-64, and two reasons can explain this fact: first the demographic trend and the secondly the sharp rise in labor force participation of seniors following the reforms of pension systems in both countries and the withdrawn of early retirement arrangements in France. The 55-59 years old also experienced an increase in participation in both countries. However, if the discouraging phenomenon has been very limited during this crisis, we still recorded a decline in participation rates of men younger than 54 years in both countries, and also women in Germany. The participation rate among young people has also fallen sharply in Germany, probably due to a postponement of their entry into the labor market in a context of jobs scarcity.

Italy: the last “latin” economy

The evolution of the workforce has been rather more consistent with conventional discouraging effects during the crisis. The labor force has declined for women as for men, largely because of the fall of participation rates. The participation rate of young people collapsed, and to a lesser extent, the 25-54 age group has been also affected. However, while the 55-59 group took advantage from the same dynamism that in other countries, the participation rate of the older, 60-64, remains extremely low, and labor force of older workers has increased only for demographic reasons, with the aging of the baby boomers.
Spain: the collapse

The Spanish case is atypical, from the magnitude of the crisis on the labor market point of view but also from the gendered impact of the crisis. Thus, if young people - men and women - have seen their participation rate collapsing in this context, the labor force of persons of more than 24 years old presents a gender trend. The participation rate of women has pursued its upward trend of the past 20 years, and the female labor force has remained very dynamic, especially in senior classes, as in other major European countries. In contrast, the collapse of employment in construction and industry have had such an impact on the situation of men on the labor market than their participation rate fell in almost all groups of ages. This is due to withdrawing from the labor market of discouraged unemployed, but also to the decline of the male population of working age, probably in connection with immigration flow.

United-Kingdom: the labor force based on demography

Variations in labor force were much less contrasted in the UK than in the previous countries. The first observation concerns the participation of older workers: unlike the continental countries, the participation of older workers is high (almost 60% in 2007 against 40% in France) and early retirement were not implemented. The United Kingdom was not in the trend of an increase in participation rates of older workers, so it is the only country in our sample whose workforce of more than 60 years decreased during the crisis. Moreover, as in other countries, the asymmetry of gendered degradation of the labor market has had an impact on the activity behavior: the men’s participation rate has deteriorated in almost all age groups allowed while among women, only young people have suffered of a discouraging effect linked to the crisis. In the end, the male workforce has been rising only thanks its demographic dynamism, while the discouraging effect contribution reaches -1.2 points.

II- Labour market segmentation

Analysis of key indicators shows that men’s employment was, as in previous crises, much more sensitive to economic downturn than women’s one. However, the structural elements of the labor market remained remarkably stable, since women continue to evolve in degraded segments of the labor market.

How do we explain these significant differences? They are mainly the result of the strong gendered segmentation of the labour market, since women are specialized in education, care sector ... and men in the production of goods, construction, business services (Figure15). The marketisation of some family tasks was a factor that favoured the female participation to the labour market but to reproduce the work they were doing before in the private sphere. Finally, the sex segregation indicators induced that it would be necessary to change the sector of more than 20% of the working population to achieve a gendered balance of sectors.
In France, the graphs 16 and 17 show in detail how the economic and financial crisis has - by now - less affected sectors in which women are overrepresented (public administration, health and social work, education ...). In contrast, men are overrepresented in all industry sectors, but also in business services such as transport, information and communication, sciences. Thus, even inside services sectors, male employment declined. Figure 17 illustrates this and shows that within sectors where men are overwhelmingly represented, only the high value added activities (IT, juridical activities, research and development ...) have been relatively unscathed by the crisis and continued to create jobs.

The sex segregation by sectors had also an impact through the distribution of temporary jobs in France, since two thirds of temporary employment is used only in sectors of industry and construction. These kinds of jobs are flexible and since they are the first jobs affected by economic adjustments, this explains the Job losses in these sectors.
Finally, a shift and share analysis gives a measure of the role of the sex segregation of the labor market in the evolution of women's employment (Figure 18). It appears that in most countries, the distribution of women employment by sectors explains much of the variation in employment over the period. Other factors leading to a change in women's share in total employment slightly contribute positively to women's employment in Germany, France, Spain and United Kingdom, and negatively in Italy and Sweden.
The second phase of the crisis

However, if the strong sex segregation of labor markets led to a relative resistance of women’s situation in these countries, this segmentation leads to expect a deterioration of their situation as the second phase of the crisis begins.

Indeed, in the first phase of the crisis, the private sector activity collapsed with falling demand, affecting firstly industry and construction sectors. But the magnitude of this crisis has seriously deteriorated the public finances of all developed countries (Table 2):
- Firstly because of the sharp decline in public incomes due to the collapse of the activity
- Secondly because of the stimulus package implemented in all countries, and the socialization of private debt, especially in the banking sector, in order to get out of a risk of systemic financial crisis.

Table 2- Public finance

<table>
<thead>
<tr>
<th>Source: Eurostat</th>
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<table>
<thead>
<tr>
<th>Country</th>
<th>Public Debt</th>
<th>Public deficit</th>
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<tbody>
<tr>
<td>% of GDP</td>
<td>2010</td>
<td>Variation 2007-2010</td>
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Source: Eurostat
Today, public deficits of countries in the euro area rose by over 5 percentage points of GDP since 2007, and the public debt by 18.9 percentage points of GDP, and all developed countries have already announced austerity measures (with fiscal impulses for the next two years from 1 percent of GDP in Germany to more than 4 points in the United Kingdom, Table 3). In these countries, austerity will be set up through cuts in public spending rather than tax increases (Leschke and Jepsen, 2011).

For the coming years, the resources allocated to public sector and welfare services (education, health, administration ...) should therefore be reduced drastically. The fiscal impulse over the next 2 years should reach between 1 and 4.4 percent of GDP (resp. for Germany and for the United Kingdom, see Table 3). Many countries also announced jobs cuts or freeze and wage freeze in the public sector, where women are overrepresented. Public job cuts should reach 100 000 in France until 2013, 330 000 in the United Kingdom by 2014-2015, in addition to wage freeze in both countries. Italy will reduce both public wages and employment, and Spain also, to a larger extent (with a 5% cut in public wages, in addition to a decrease of 7% of the workforce by 2013). Germany will be less impacted: the consolidation will be focused on cuts in social benefits – leading to household’s income decline -, and they expect to cut back some 15 000 jobs. In contrast to this widespread austerity trend, fiscal policy will be very slightly restrictive in Sweden in the coming years, thanks to the narrowest budget deficit in the European Union.

We can also assume that in this second phase of the crisis, rising long-term unemployment and declining welfare will weigh on household budgets. Eventually, the strong sectoral segmentation exposed men to the collapse of the construction and industry sectors at the peak of the crisis, but while male employment benefits of the labor market recovery, in the contrary women’s employment should suffer in the coming years of these fiscal adjustment and of the austerity plans. They probably will also experience a deterioration of their working conditions due to the reduction of the public spending.

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Source: OFCE economic forecasts
References:


OCDE, Employment Outlook, 2010


Organisation Internationale du Travail, Tendances mondiales de l’emploi des femmes mars 2009, pubdroit@ilo.org


Appendix

Figure A1 - Ratio

![Graph showing employment ratio for Men/Women in % across different years for France, Germany, Italy, Spain, Sweden, and United Kingdom.]

Source: Eurostat

Figure A2

![Bar chart showing labor force growth 2008T2-2010T2 for United Kingdom by age group and gender.]

Figure A3
Figure A4

Labor force growth 2008T2-2010T2
Sweden

Figure A5

Labor force growth 2008T2-2010T2
Italy
Labor force growth 2008T2-2010T2

Figure A6

Figure A7
Labor force growth 2008 T2-2010 T2

Germany

Women

-0.3% 0.7% 1.8% 31.1%

Men

-0.5% 0.2% 3.4% 17.0%

Labor Force

of which participation rate