PRESS RELEASE

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International Day for the Eradication of Poverty, 17 October

AGE calls for a strong proclamation of the European Pillar of Social Rights to protect older women, still exposed to high risks of poverty

For the World Day for the Eradication of Poverty, AGE highlights the risk of poverty that still persists for older people, and particularly for older women, despite figures put forward by the European Commission. We therefore call for a strong proclamation of the European Pillar of Social Rights in the coming months, together with decisive follow-up actions by the Commission and Member States to make older women’s rights a reality.

While the European Commission often highlights that the rate of poverty and social exclusion has declined for people over 65 during the crisis, this hides very diverse realities.

‘The EU gender pension gap of almost 40% should raise alarm among policy makers. Yet they prefer to show national average poverty rates that do not reflect the reality faced by many older women’, says Anne-Sophie Parent, Secretary-General of AGE Platform Europe. ‘Older women face multiple poverty risks: they bear the financial consequences of spending more time educating children and caring for family members, of gender discrimination in pay and of longevity. And the gender pension gap will continue to increase if nothing is done to address inequalities faced by women and ensure they have access to a fair and decent income throughout their lives.

The gender pension gap varies between member states, reaching almost 45% in Germany, Luxembourg or the Netherlands. Member states with a lower gap are actually also countries with extremely low pensions overall, such as Estonia. The gender pension gap translates a lifetime of inequalities that women face: spending more time with children accounts for a large part, as well as the gender pay gap of 16%, the fact that professions mainly exercised by women are lower valued and that women are much more likely to work part-time and in precarious contracts. The European Institute for Gender Equality has pointed out that this also exposes women to a higher risk of staying with abusive partners in old age, as they are financially very dependent on them.¹

The healthy life years indicator is the same for women and men (9.4 years from age 65) - while women have a higher life expectancy (21 years at age 65 for women, 18 years for men). This means, as demographers put it: ‘men die, women suffer’. This also means women have a double financial burden in old age: they live longer and need more capital to keep themselves out of poverty; and they have higher financial needs to finance the costs of health and long-term care.

Still too often, poverty figures are broken down in only three age brackets: young people, prime-age and retired people, while the decades of life span after 65 hide very different realities.

Welcoming some positive steps from the EU institutions, AGE Secretary-General also insisted that ‘stronger actions to fight gender discrimination in the labour market and all other relevant domains such as reforms in child and eldercare, are needed to further allow women to receive their fair share of protection for the contributions they bring to society’.

The Gender Equality Index now contains an indicator on the time spent in caring, showing huge differences between men and women, and sketches out the situation for different age groups. The EU’s Pension Adequacy Report 2018 will assess the pension levels for different types of careers, including those with longer care breaks. However, these actions just better describe the situation, but do not recommend concrete action. The European Pillar of Social Rights constitutes an opportunity to bring the fight against poverty again upfront: the proposal on work-life balance, if adopted, will promote a more equal share of child care and introduce remunerated carers’ leave - a major achievement for many women who have to stop employment because a relative becomes dependent on their care. A possible framework directive on adequate minimum incomes and the principle of decent pensions should also help older women to keep out of poverty.

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Note to the editor

About AGE Platform Europe:
AGE is a European network of organisations of and for people aged 50+ aiming to voice and promote the interests of the 190 million citizens aged 50+ in the European Union and to raise awareness of the issues that concern them most. www.age-platform.eu

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