

The OMC and the European Employment Strategy: Broadening the possibilities for gender equality?

Julia S.O'Connor
School of Policy Studies
University of Ulster
Derry-Londonderry
Northern Ireland
BT48 7PF

Tel: 0044 28 7137 5657
email: js.oconnor@ulster.ac.uk

Draft, not for quotation.

Paper for presentation at ESPANET Conference, Vienna University of Economics and Business Administration, Austria, 20-22 September 2007

The OMC and the European Employment Strategy: Broadening the possibilities for gender equality?

Gender equality has long been identified as an objective of the European Union – its first mention was in the Treaty of Rome and it has been the subject of several Directives since 1976. It has gained a renewed salience with the recognition that the employment growth central to EU progress is heavily dependent on increased female labour market participation. This has placed gender equality in the European Employment Strategy (EES) frame and as a result it is a relevant area of interest for examination of the open method of coordination (OMC).

The OMC is the process through which the employment anchored social policy framework of the European Union, in particular the reforms stemming from the Lisbon Strategy, are formulated. It has been the subject of considerable analysis and commentary ranging from highly positive, at least in terms of its potential, to relatively negative and pointing to inherent limitations. This paper focuses on the potential and limitations of the OMC for enhancing social policy objectives in the EU, in particular the gender equality dimension as reflected in labour market participation and gender mainstreaming. Part I outlines the OMC relating to gender equality as reflected in the changing Employment Guidelines put into practice at member state level by the National Action Plans from 1998 to 2004 and by the National Reform Programmes since 2005. It also outlines the parallel developments in the broader gender equality commitments. Part II examines the progress in gender equality measures as reflected in the Joint Employment Reports and the reports on equality between men and women with reference to the labour market gender equality objectives outlined in the EES. It draws on the work of the European Commission's Expert Group on Gender and Employment (EGGSE) in particular their evaluation of the National Action Plans and their commentary on the changes in the Employment Guidelines over time.¹ It asks if the reduced prominence of gender equality in the Employment Guidelines over time is reflected in key gender equality outcomes.

¹ See DG Employment, Social Affairs and Equal Opportunities website for access to a wide range of reports by the Expert Group. These include synthesis reports for 2004, 2005 and 2006 on the EES and annual reports on employment related themes. These are all based on 30 country reports by national experts – the EU27, Norway, Iceland and Lichtenstein.

Part III points to the limitations of the OMC in terms of gender equality broadly conceived and links this to the two-way supranational-member state interface, in particular the subsidiarity and management by objectives trade-off and the widespread failure to realize the potential of the OMC in this area through the involvement of stakeholders at the national level not only not only in formulating national employment plans/national reform programmes but in monitoring their implementation. It also points to the context within which the EES and the associated employment guidelines have been modified. The post-Lisbon EU context demonstrates clear tensions at the EU institutional level centered on the balance between the elements of the Lisbon Strategy: on the one hand, giving primacy to making the EU, ‘the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth’ with more jobs *and the associated byproduct of fulfillment of social objectives* and, on the other hand, *giving equal primacy to ‘more and better jobs and greater social cohesion’* (my emphasis). This mirrors the tensions evident to varying degrees across Member States and is particularly reflected in the social, economic and political constraints and possibilities associated with the achievement of objectives in employment related policy areas that have structural and redefinition elements. Redefinition arises in two senses, a redefinition of the division of responsibility between the family, the state and the market for service provision as is the case of childcare; a redefinition of gender equality from eliminating inequalities to promoting equality between men and women in gender mainstreaming, both occurring in the context of changing labour market structures nationally and globally. Underlying this is the more fundamental issue of the structure of the labour market, the balance in the quality of employment being created and the disproportionate dependence of some groups on poor quality employment. The paper concludes with a brief discussion of the potential of the OMC process for gender equality objectives in the context of the 2008 synchronisation of the already integrated economic and employment OMC and the social OMCs.

http://ec.europa.eu/employment_social/gender_equality/gender_mainstreaming/gender/exp_group_en.html

I EU Commitments to Gender Equality in the Open Method of Coordination Era

In March 2000 the Lisbon Council set a ten year strategic goal for the European Union: ‘to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion’. The modernization of the European Social Model was identified as central to the achievement of this goal. The open method of coordination (OMC) was the governance mechanism by which this was to be achieved; this was identified as ‘a means of spreading best practice and achieving greater convergence towards the main EU goals’. The OMC is based on five principles: subsidiarity, convergence, management by objectives, country surveillance and an integrated approach; it involves policy exchange and mutual learning through establishing policy guidelines, setting benchmarks, targets and a monitoring system to identify good practice and evaluate progress through peer group review. A system of social indicators as a means of comparing good practice and measuring progress is central to this process. The OMC process was identified as such in the Lisbon Strategy but had already been established in economic policy in the Broad Economic Policy Guidelines and more directly related to gender equality in the European Employment Strategy / Luxembourg Process launched at the Luxembourg Jobs Summit in November 1997.

I.1 The Gender Dimension of the EES

The EES is a widely analyzed process. My concern in this paper is with its role in relation to gender equality and gender mainstreaming. The EES was the culmination of considerable concern about low employment growth and high unemployment, reflected for example in the 1993 White Paper on Growth, Competitiveness and Employment, the 1994 Essen Strategy² and most immediately in the new Title on Employment in the Amsterdam Treaty agreed in 1997. That Treaty has several elements that strengthen the Community’s approach to employment, including a

² The Essen European Council in December 1994 agreed on five key objectives to be pursued by Member States: (i) the development of human resources through vocational training; (ii) the promotion of productive investment through moderate wage policy; (iii) improvement of the efficiency of labour market institutions; (iv) the identification of new sources of jobs through local initiatives; (v) the promotion of labour market access for specific target groups including young people, long-term unemployed people and women.

commitment to achieve a high level of employment as one of the EU's key objectives, its recognition as a 'common concern' of Member States, the need to develop a coordinated strategy and the 'mainstreaming' of employment policy in the sense that the employment impact of all community policies must be recognized. The recognition of the centrality of employment for EU policy is reflected in its inclusion in the Treaty as a Title in its own right like the monetary and economic articles and not just as a chapter. The Luxembourg Jobs summit created a procedure, now known as the OMC, whereby Member States prepare National Action Plans for Employment in accordance with the Employment Guidelines prepared by the Commission and adopted by the Council. Member State's policies are examined yearly through a Joint Employment Report developed by the Commission and the Council; associated with this, the Commission may propose and the Council adopt recommendations to individual Member States.

The EES and the Employment Guidelines have gone through considerable changes since 1997 and this is evident in the treatment of gender equality within the guidelines. Equal opportunities was one of the four pillars of the Employment Guidelines on which the National Action Plans were based between 1998 and 2002 and there were specific guidelines on gender mainstreaming, tackling gender gaps and reconciling employment and family life. In 1999 gender mainstreaming was introduced across all four pillars. Following the revision of the EES by the Barcelona European Council in 2002 the Guidelines for 2003 and 2004 were based on three objectives – full employment, improving quality and productivity at work and strengthening social cohesion – and ten priorities for action, one of which was gender equality.³ This mandated Member States to encourage female labour market participation and a reduction in gender gaps in employment and unemployment through an integrated approach combining gender mainstreaming and specific policy actions.

The EES went through its most significant change in 2005 as a result of the midterm review of the Lisbon Strategy. This review was strongly informed by the slow performance of the EU in terms of the economic growth and employment objectives

³ The Barcelona Council is significant in terms of the identification of targets relating to the reconciliation of employment and family life, specifically targets relating to childcare provision.

identified at Lisbon in 2000 (European Commission 2004). The review led to the adoption by the European Council of ‘Integrated Guidelines for Growth and Jobs (2005-08)’ in 2005 (European Commission 2005). These comprise of sixteen Broad Economic Policy Guidelines – six macro- and ten micro-economic guidelines – presented in the first two parts and eight Employment Guidelines presented in the third part of the document. Based on the Integrated Guidelines Member States are required to draw up National Reform Programmes focusing on economic and employment policy for a three year period with annual implementation reports in the years when NRPs are not being produced. An annual Joint Employment Report is still prepared.

None of the ‘Integrated Guidelines for Growth and Jobs (2005-08)’ and, of particular significance, none of the Employment Guidelines – Guidelines 17 to 24 - identifies a gender dimension in its title. The preamble to the Employment Guidelines identifies the overarching objectives and priorities for Member States’ employment policies as the implementation of employment policies aimed at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion. Equal opportunities and combating discrimination are deemed essential for progress and gender mainstreaming and the promotion of gender equality are to be ensured in all action taken (Council of the European Union 2005a: L205/23). The 2010 employment objectives are re-affirmed, these are to achieve an employment rate of 70% overall, at least 60% for women and of 50% for workers aged 55-64 by 2010 and to reduce unemployment and inactivity; the 2002 Barcelona Council childcare objectives are identified as targets and benchmarks - these are the provision of childcare by 2010 to at least 90% of children between 3 years and the mandatory school age and at least 33% of children under 3 years of age. Measures to promote a lifecycle approach to work (Guideline 18) include ‘resolute action to increase female participation and reduce gender gaps in employment, unemployment and pay’ and ‘better reconciliation of work and private life and the provision of accessible and affordable childcare facilities and care of other dependants’.

This brief overview points to the lessening prominence of gender over time in the Employment Guidelines although this has been paralleled by increased iteration of the importance of gender mainstreaming but not of indicators that would facilitate

examination of its success or failure. Before considering the progress or not in the gender equality objectives from 1997-2006, it is essential to consider the parallel process of gender equality action taking place under the headings of the *Framework Strategy for Gender Equality (2001-2005)*, the *Roadmap for equality between men and women 2006-2010*, the *European pact for gender equality (2006)* and the commitment to gender mainstreaming in the Structural Funds (Table 1). The EES does not operate in isolation, it must be situated in parallel to other EU gender equality policies.

I.2 Gender Equality Framework, Roadmap and Pact

The goal of eliminating inequalities and promoting equality between men and women in the European Union can be traced back to Article 119 of the Treaty of Rome – now Article 141 of the EC Treaty - which requires Member States to ensure that the principle of equal pay for men and women for equal work or work of equal value is enforced. While this was primarily a measure to prevent market distortion, it along with other articles made it possible for the Commission to prepare five gender equality directives between 1975 and 1986, three others in 1992, 1996 and 1998 and the amendment of the Directive on Equal Opportunities in 2002.⁴

In 1996 the European Commission adopted a formal commitment to gender mainstreaming and the Amsterdam Treaty recognized mainstreaming equality

4. Directive on Equal Pay (75/117);
Directive on Equal Treatment (76/207);
Directive on Equal Treatment in Matters of Social Security (79/7);
Directive on Equal Treatment in Occupational Security Schemes (86/378);
Directive on Equal Treatment between men and women engaged in an activity including agriculture, in a self-employed capacity, and on the protection of self-employed women during pregnancy and motherhood (86/613);
Directive on Pregnant Workers (92/85/EEC) – originally negotiated by the social partners under the provision of the 1992 Maastricht reforms;
Directive on Parental Leave (96/34/EC) – originally negotiated by the social partners under the provision of the 1992 Maastricht reforms;
Directive on Burden of Proof (98/52/EC) re indirect discrimination and burden of proof;
Directive on Equal Treatment (2002/73/EC); this amendment of the 1976 directive states that the principle of equal treatment means that there shall be no direct or indirect discrimination on the grounds of sex in the public or private sectors, including public bodies in relation to conditions for access to employment, vocational training, employment and working conditions including dismissal and membership or organizations or workers or employers. It also proscribes harassment related to sex and harassment of a sexual nature.

between men and women as a key objective.⁵ Gender mainstreaming implies a commitment to incorporate gender into all areas and all levels of public policy, rather than considering gender issues as a discrete policy problem. Mainstreaming shifts the focus from equality of treatment to equality of gender impact: policy makers are obliged to ask whether or not policy has a negative impact on men or women.⁶

Gender mainstreaming involves not restricting efforts to promote equality to the implementation of specific measures to help women, but mobilizing all general policies and measures specifically for the purpose of achieving equality by actively and openly taking into account at the planning stage their possible effects on the respective situation of men and women (gender perspective). This means systematically examining measures and policies and taking into account such possible effects when defining and implementing them (European Commission 1996).

Movement from aspiration to practice depends on whether, or not, gender mainstreaming commitments are a formality to meet reporting criteria or have policy import and equally importantly whether or not they are accompanied by measurable implementation criteria.

The *Community Framework Strategy on Gender Equality (2001-2005)* was agreed in 2000. Its purpose was to establish a framework for action within which all Community activities could 'contribute to attain the goal of eliminating inequalities and promoting equality between women and men, as set out in Article 3(2) of the Treaty'. The Strategy committed to tackle structural gender inequalities by operationalising and consolidating gender mainstreaming and to continue to require the implementation of specific actions in favour of women (European Commission 2000).⁷

5. Article 3(2) of the EC Treaty, as amended by the Amsterdam Treaty 1997, provides that the EU should aim to eliminate inequalities, and to promote equality, between men and women in all its activities. While this does not create legally enforceable rights it does represent a Treaty-based political commitment to gender mainstreaming.

6 In considering gender one cannot assume homogeneity amongst either men or women. There is consistent evidence of differences in labour market experience and ability to exercise citizenship rights depending on level of education, occupation and location within the labour market and this is as true for women as for men (O'Connor, 1996: 78-100).

7 The Employment and Social Affairs gender mainstreaming website identifies several dimensions of the 'Commission method' including this dual approach, gender impact assessment and gender proofing, mobilizing all Commission services, mobilizing all Commission services, anchoring responsibility, training for an awareness raising among key

Building on the 2001-2005 Framework Strategy, a *Roadmap for equality between women and men 2006-2010* was issued in March 2006 by the European Commission (2006a) and reaffirmed the dual strategy of gender mainstreaming and specific measures. It identified six priority areas: equal economic independence for women and men; reconciliation of private and professional life; equal representation in decision-making; eradication of all forms of gender-based violence; elimination of gender stereotypes; and promotion of gender equality in external and development policies. It outlined priority objectives and actions for each area and pointed out that in many of the areas ‘the centre of gravity’ for action rests with Member States. To achieve equal economic independence for women and men the priority objectives include reaching the Lisbon employment targets and elimination of gender pay gaps. Flexible working arrangements for men and women, increasing care services and better reconciliation policies such as parental and paternity leave are identified as essential to enhancing the reconciliation of private and professional life. The Commission commits to monitor and strengthen gender mainstreaming in the Integrated Guidelines for Growth and Jobs and in the streamlined OMC process in pensions, social inclusion, health and social care; and to present a communication on gender pay gap in 2007 (see Section II below). It also commits to presenting a Communication on Demography addressing the issue of reconciliation and supporting the Barcelona childcare targets.

The *European pact for gender equality* was issued as an Annex to the Presidency Conclusions of the Brussels European Council in March 2006. Taking into account the gender equality roadmap and the need to contribute to fulfilling the EU gender equality objectives, close the gender gaps in employment and social protection and contribute to meeting the demographic challenges by promoting work-life balance for men and women, the pact is aimed at encouraging EU and Member State level action to (i) close gender gaps and combat gender stereotypes in the labour market; (ii) promote a better work-life balance for all and (iii) reinforce governance through gender mainstreaming and better monitoring. It concludes that it, and the annual

personnel, monitoring, benchmarking and break down of data and statistics by sex and establishing structures including a group of Commissioner on Equal Opportunities
http://europa.eu.int/comm/employment_social/equ_opp/gms_en.html

report on equality between women and men should be integrated into the established follow-up mechanisms of the partnership for growth and employment and aim to promote the implementation of gender mainstreaming in action taken within the strategy. When reporting on the implementation of their National Reform Programmes for jobs and growth, Member States are encouraged to include a perspective on gender equality, especially Guideline 18 on promoting a life cycle approach to work. The Commission and the Council are encouraged to do likewise in the annual progress report on the partnership for growth and employment (European Commission 2006b).

This outline of the key objectives of the gender dimensions of the EES and the other EU gender equality strategies indicates that at least in terms of commitments there is considerable overlap between the two. We now turn to an examination of whether or not this commitment is reflected in policy commitment at member state level. The more significant issue of policy outcome is also considered.

II Gender Equality Practice in the Open Method of Coordination Era

The *2007 Report on equality between men and women in the EU* points out that:

Since the launch of the Lisbon Strategy in 2000, six of the eight million jobs created in the EU have been taken by women. In 2005, the rate of female employment rose for the twelfth consecutive year, to stand at 56.3%, i.e. 2.7 points above its 2000 level, compared with a 0.1 point rise in the rate of male employment. If this favourable trend continues, the Lisbon objective of 60% female employment by 2010 will be attained (European Commission 2007: 5).

But it also identifies major gaps that are ‘always to women’s disadvantage.’ These include a significant and stable gender pay gap. In 1998 gender pay gaps averaged 16% in the EU15 – these ranged from 7 to 24% (European Commission 2002). In 2005 they still averaged 14% in the EU15 ranging from 5 to 22% (European Commission 2007a).

The *Joint Employment Report for 2006/2007 (JER)* also acknowledges the increase in the employment rate for women but concludes that ‘the potential contribution of women to increasing the aggregate employment rate is still not fully exploited’

(Council of the European Union 2007: 10). It points to the need for further policies to promote child and elder care and the reconciliation of work and family life. Despite an average female employment rate of 56% the rate was still below 50% not only in Poland and Malta – EU members since 2004 - but in Greece and Italy who have had the experience of the EES since 1998.⁸ The majority of Member States made no reference to specific measures aimed at promoting female employment and reducing gender pay gaps in the 2006 Implementation Reports on their National Reform Programmes. Ten Member States set childcare place targets in their Reform Programmes but few report on progress towards the EU target and overall progress towards this remains slow.⁹ Furthermore reference to strengthening the role of men in reconciling work and family life is absent (Council of the European Union 2007: 10).

These patterns were already evident in 2002 when the European Commission (2002) carried out a five year review of the EES. While overall that report was positive and identified ‘significant changes in national employment policies, with a clear convergence towards the common EU objectives set out in the EES policy guidelines’ (2) and concluded that gender equality received an important impetus through the EES, it acknowledged considerable gender gaps. Furthermore, the impact evaluation associated with this report points out that the national evaluation reports provide hardly any impact assessment of their policies on gender gaps and where it does exist, as in Denmark and the UK, it is lacking in precision. Member States tended to see effects as indirect and long-term or impossible to measure. Furthermore, in most Member States the increase in female labour force participation due to economic growth, and not the implementation of the Employment Guidelines, was seen as the reason for the reduction in the gender gap in employment. Yet the persistence of gaps was associated with the factors identified in the Employment Guidelines, for example, childcare non-availability and limited availability of family friendly policies in some countries and labour market segregation in others (European Commission, Employment and Social Affairs 2002).

8. Overall the employment gender gap was 15 percentage points in 2005 and the full-time equivalent was 21.4 percentage points and the latter is decreasing more slowly than the former (European Commission 2006c).

9. Austria, Belgium, Denmark, Germany, Spain, Ireland, Italy, Luxembourg, Portugal and the UK.

An increasingly pessimistic perspective on the potential for gender equality through the EES is evident from a series of reports and articles by the coordinators of the European Commission's Expert Group on Gender and Employment (EGGSE) in their evaluation of the National Action Plans and their commentary on the changes in the Employment Guidelines over time and particularly on their format since 2005 (Rubery et al, 2003; Rubery et al, 2004 and 2006; Rubery 2005; Rubery, Grimshaw and Figueiredo 2005; Fagan, Grimshaw and Rubery 2006).¹⁰

The 2004 synthesis report on the country evaluations by national experts noted that most countries reported their gender equality activity only under the gender equality guideline (Guideline 6) and Sweden was the only member state to have a national action plan that made gender mainstreaming fully visible. Improvement in the position relating to gender mainstreaming was evident in only two of the EU25, that is Portugal and the UK where improvement in gender related information and greater recognition of gender gaps were noted. Only limited evidence was noted 'of any linkage between the setting of national employment targets for women and the development of a policy programme to support the objective' (227). The situation was even more dismal in relation to the gender pay gap. The report concludes that failures were evident not only on the part of Member States but also in relation to the Council Recommendations which promote a labour market model that includes high levels of part-time work 'that may be inappropriate or counterproductive for gender equality in some member states'. While the Council was found to be more likely to address the gender pay gap than were Member States it failed to identify the gendered nature of particular policies such as mobilizing the inactive and identify failures by member states to adopt an inclusive strategy to implement such an approach. In general there was an inadequate response to the challenges of gender equality in Member States. Gender mainstreaming outside of Guideline 6 was weak and patchy. While there was a lack of political commitment, especially in new Member States, institutional arrangements for promoting gender mainstreaming and gender equality were being put in place. Even in the EU15 Member States some improvements were evident but the negative gender impacts of new policies tended not to be identified, for example the gender implications of active ageing and associated pension reforms.

10. See footnote 1 re the Expert Group.

Rubery et al conclude that ‘Overall there needs to be a stronger link made in the recommendations between the general thrust of employment policies and the objective of gender equality. Such a link would highlight the need to focus more strongly on the enhancement of job quality within the employment strategy’ (2004: 233).¹¹ This brings into sharp relief the balance between the growth competitiveness and ‘more and better jobs and greater social cohesion’ elements of the Lisbon Strategy which is discussed in Part III.

The 2006 synthesis report of the Expert Group, which focuses on the first implementation reports on the NRPs prepared for the 2005-2008 period, identifies a continuing decline in the visibility of gender and the attention to gender equality policies and gender mainstreaming in Member State documents and links this to the disappearance of the specific gender guidelines following the earlier removal of the equal opportunities pillar (Rubery et al 2006). Furthermore, concern with employment relative to the other guidelines varies across Member State NRPs and within the employment guidelines concern with gender varies. The focus on gender tends to be employment-linked rather than gender-linked and while the visibility of gender varies across Member States there is ‘a general failure to gender mainstream the NRP reports. Almost all member states are regarded as providing either very limited or no gender mainstreaming in the chapters not related to employment’ (ibid: 47).¹² The only country experts to report some improvement were those for Greece, Spain and Italy and in the latter it was from a zero base; those for France, Ireland, Latvia and Luxembourg report less visibility in 2006 than in 2005 (ibid: Table IV.3 pp. 47-49).

Positive actions in some Member States were noted for example, Sweden’s new National gender equality objective but this was outweighed by regression in other countries even countries sharing the same social democratic welfare regime classification, specifically Denmark and Finland. The former’s action plan is

11. The report includes a critique of the employment review chaired by Wim Kok (European Commission 2004) arguing that the EU must focus not just on jobs but on better jobs especially for those disadvantaged in the labour market such as women (Rubery et al 2004: 62-5).

12. Further evidence of this is provided in the Expert Groups report on gender mainstreaming (Rubery et al 2007:76) which concludes that the focus on gender mainstreaming is ‘rather narrow and patchy’.

criticized for not including any specific equality legislation and for placing the responsibility for achieving equality on the individual while gender is almost absent in the Finnish NRP since the gender guideline has been removed. It is noted that some positive gender equality initiatives were not included in the NRPs but some countries have included these in their National Action Plans on social inclusion, for example France and Luxembourg (See Part III for discussion of relationship between the two OMC processes).

This review of labour market gender equality issues in the OMC era, that is, from 1998 to 2007 presents a rather negative picture. First, with the exception of labour market participation and some improvement in childcare provision there has not been marked positive movement in any of the indicators, in particular there is ‘nothing to indicate that the [gender pay] gap is narrowing in any significant way’ (European Commission 2007b: 2). The Commission’s Communication on tackling the pay gap between women and men recognizes that women continue to be affected by direct and indirect discrimination. It points to the complexity of the phenomenon, the need to improve the capacity to analyze it and the need to engage member states and the social partners. The *2007 Report on equality between men and women in the EU* concludes that Member States need to take action to

- eliminate the gender pay gap;
- strengthen gender mainstreaming in the implementation of employment policies;
- continue efforts to allow for the reconciliation of employment and family life.

It is noteworthy that these are the gender equality objectives of the EES Employment Guidelines although as illustrated in the previous section their relative prominence has been lessened over time. This brings us to the second important conclusion of this review, that is, that the reduced prominence of gender in the employment guidelines over time is associated with a lessening of commitment to gender equality by Member States as reflected in their Employment Action Plans and particularly in the implementation of their National Reform Programmes 2005-08.

In parallel to this negative pattern two new gender equality initiatives must be recognized, specifically, the *Roadmap on gender equality* and the *Gender equality pact*. These are important in situating the EES in a broader context but they reinforce the obvious failure of the EES and the associated OMC to make significant progress in gender equality beyond the lessening of gender differences in labour market participation and it is not obvious that this is due to OMC linked gender equality commitments. In addition to these gender equality specific initiatives, it is noteworthy that the Commission has issued a Communication on tackling the pay gap between women and men (European Commission 2007b) and that the Commissioner for Employment Social Affairs and Equal Opportunities made a commitment in March 2007 to present a Communication on childcare in 2008. This follows a statement in the 2006 *Report on equality between men and women in the EU* that Member States should step up efforts to meet the Barcelona childcare targets and other care service targets (European Commission 2006c).

Examination of the evidence on gender equality measures in the OMC era, particularly the failure to achieve progress in some measures, raises the issue of a gulf between Member State implementation not only of EU level commitments but Member State implementation of guidelines which they have participated in formulating. The OMC is built on the assumptions of policy exchange and mutual learning through establishing policy guidelines, setting benchmarks, targets and a monitoring system to identify good practice and evaluate progress through peer group review. In view of the success of some indicators of gender equality, such as labour market participation, it must be asked if there are particular difficulties concerning the OMC process in areas of gender equality broadly conceived, specifically those which involve structural and redefinition elements.

III The Limitations and Possibilities of the OMC for Broadening the Possibilities for Gender Equality in a Changing Context

Gender equality is an objective of the EU and as such is reflected in considerable output of frameworks, strategies and pacts for gender equality broadly conceived, that is, in the sense of promoting equality between men and women. Gender equality is also a means to the end of achieving high levels of employment, which was

recognized as a 'common concern' of member states in the Amsterdam Treaty. In the latter sense gender equality is often rather narrowly conceived as equality in labour market participation. The evidence relating to labour market gender equality in the OMC era reflects these differences and illustrates the limitations of the OMC. This does not mean that the radical potential, including the potential for gender equality broadly conceived, inherent in the OMC cannot be realised. We now consider the limitations and the possibilities associated with the 2008 synchronisation of economic, employment and social inclusion OMC processes.

Limitations of OMC process

A review of gender equality outcomes over the first decade of the OMC era illustrates the disjuncture between commitments at the supranational level and implementation and, especially, outcomes at the Member State level. This is not to suggest that a causal argument linking an iterative process such as the OMC and particular *outcomes* could be easily made. It is recognised that the methodological challenges to such an exercise would be substantial. What is evident at this stage is that we have very little evidence to suggest that examining such an argument would be warranted in terms of several of the key indicators of gender equality. Furthermore the evidence relating to the prior stage of *policy outputs* as reflected in commitments in these areas is almost as weak.¹³ Yet, reviews of the operation of the EES demonstrate positive influences in several countries and policy areas including putting equal opportunities higher on the political agenda (see Zeitlin et al (eds) 2005). What is at issue is the kind of commitments on which progress can be identified and the limitations of the process particularly from the point of view of gender equality objectives in the context of the subsidiarity and management by objectives trade-off. For example, Rubery (2005) points to the absence of specification of what a gender equal society means which 'allows Member States extreme freedom in presenting their policies as promoting gender equality' (Rubery 2005: 404).

The OMC assumes mobilisation of national stakeholders around the formulation and implementation of the National Action Plans / National Reform Programmes. Effective involvement of stakeholders would necessitate wide dissemination of

13 Martinsen (2007) also recognises this difficulty in her analysis of the Europeanization of gender equality and concentrates on policy outputs.

comparable data on key social outcome indicators. The radical potential of the OMC lies within these elements. Active national debate on recommendations agreed between Member States and the EU is dependent on the involvement of all relevant national actors. Otherwise the process is merely an exercise for a minority of officials (Scharpf 2002: 654). Atkinson has made a similar argument relating to the social outcome indicators. He argues that the involvement of social partners, non-governmental and grass-roots organisations and the academic community is essential to disseminate knowledge and to modify indicators as appropriate (Atkinson 2002: 630). The evidence on involvement of national stakeholders in formulation and implementation of National Actions Plans is not encouraging (O'Connor 2005).

Apart from the limitations of the present operation of the OMC, we identify two other reasons for the relatively poor performance on gender equality outcomes, specifically: the tensions within EU institutions relating to policy priorities for meeting objectives; and the tensions at Member State level relating to objectives that have structural and redefinition elements.

While the inherent limitations of the OMC process must be borne in mind the economic and political context within which the EES and the associated employment guidelines have been modified is also relevant to considering progress or its absence in indicators of labour market gender equality through this process. In 2003 the European Commission (2003) proposed a streamlined framework for the open coordination of social protection and inclusion OMC processes, that is, social inclusion, pensions and health and long-term care and eventually a process relating to making work pay with a view to synchronising these streamlined processes with the already streamlined employment and economic strategies from 2008 onwards when both systems will be on a three year reporting cycle. It was envisaged that this synchronization will enhance the mutual reinforcement of the social, economic and employment processes. The streamlining took account not only of experience of Member States and other stakeholders of the OMC process (European Commission 2006) but the revision of the Lisbon Strategy that followed the report of the High Level Group chaired by Wim Kok (European Commission 2004) and the integrated guidelines for economic and employment policies 2005-2008 (European Commission 2005a).

The revision process demonstrates clear tensions at the EU institutional level centered on the balance between those who give primacy to making the EU ‘the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth’ with more jobs and those who argued that ‘more and better jobs and greater social cohesion’ be given equal primacy. The Kok report pointed to the failures of the Lisbon process in terms of the key competitiveness, employment and transition to a knowledge economy objectives; it called for the refocusing of objectives and targets on growth and employment and argued for more explicit benchmarking and peer pressure on Member States and public affirmation of success and failure in implementation of programmes. The report argued that fulfillment of the social objectives would result from economic and employment growth. The alternative emphasis by the ‘socially-oriented’ stakeholders stressed the equal importance and mutual reinforcement of social, employment and economic policies and drew on the extensive EU documentation on social policy as a productive factor. This was supported not only by non-governmental organizations, for example European Anti-Poverty Network (EAPN), European Federation of National Organisations Working with the Homeless (Feantsa) and the European Social Platform, but by some elements of the European Commission and the European Parliament.¹⁴ It is noteworthy that the Communication to the 2005 Spring European Council by the President and Vice-President of the Commission (European Commission 2005b) and the Council conclusions reflected the change in approach advocated by the Kok report. The Council conclusions called for a refocusing of priorities on growth and employment arguing that:

Europe must renew the basis of its competitiveness, increase its growth potential and its productivity and strengthen social cohesion, placing the main emphasis on knowledge, innovation and the optimisation of human capital (Council of the European Union 2005b: paragraph 5).

This tension or at least contradiction is evident in the increasing assertion of a commitment to gender mainstreaming at the EU level and its active promotion by DG Employment and Social Affairs while DG Economic and Financial Affairs

14. A division between ‘socially-oriented’ and ‘economically oriented’ actors within the European Commission has been noted by several analysts (Guillén and Palier 2004; Pochet 2005). Pochet includes trade unions, centre-left governments and Members of the European Parliament in the former group and centre-right governments in the latter (op.cit.: 38).

emphasises competitiveness and flexibility although advocating a context of flexicurity.

This mirrors the tensions evident to varying degrees across Member States and is particularly reflected in the social, economic and political constraints and possibilities associated with the achievement of objectives in employment related policy areas that have structural and redefinition elements. Redefinition arises in two senses, a redefinition of the division of responsibility between the family, the state and the market for service provision as is the case of childcare; a redefinition of gender equality from eliminating inequalities to promoting equality between men and women in gender mainstreaming, both occurring in the context of changing labour market structures nationally and globally (O'Connor 2005a). Underlying this is the more fundamental issue of the structure of the labour market, the balance in the quality of employment being created and the disproportionate dependence of some groups on poor quality employment.

Childcare has been long recognised in the EU as essential to the reconciliation of employment and family life (O'Connor 2005b). This is strongly stressed in most National Reform Programmes, and formerly in National Action Plans, and associated Commission documents where such reconciliation is seen as pivotal to increased labour market participation. This is paralleled by the several OECD reports in the *Babies and Bosses* series (OECD 2005). In these, and more explicitly, in an earlier report childcare was framed as an important contributor to the prevention of educational difficulties (OECD 2001). In an article on childcare in the EU published in 2000, Vicki Randal (2000) pointed out that those countries that were relatively advanced in the 1970s were still the leaders in the late 1990s. Furthermore she concluded that EU childcare policy was 'better able to influence the terms in which childcare is discussed than substantive policy' (Randal 2000:367). While she was addressing the result of policy largely in the pre-OMC period her conclusion still applies. Progress is dependant on national historical policy legacies and reflects the division of responsibility for services between state, market, family and the voluntary sector, current social policy and labour market priorities and the advocacy of national social forces. Much of the success of the latter in relation to gender equality measures was due to the use of the courts to enforce compliance by Member States with

directives (O'Connor 2005a). This possibility was always missing in relation to childcare and is not relevant under the OMC process. Despite the slow progress in childcare and the apparent lessening of salience in the Implementation Report (2006) on the NRP 2005-08, it is identified in the Integrated Economic and Employment Guidelines as a key element in the reconciliation of employment and family life. In its identification as a policy commitment in several Member State NRPs we can at least speak of some level of 'cognitive Europeanization', understood as 'the shaping and reshaping of the perceptions of, and attitudes towards, social problems and the way to tackle them' (Radaelli 2000). Perhaps of more significance in terms of childcare outcomes is activity under the Structural Funds, in particular the European Social Fund. In relation to OMC activity the social inclusion process may be of particular importance in the childcare area. We return to this below in discussing the 2008 synchronisation of the OMC processes.

Gender mainstreaming is the area of least progress identified in the previous section. Despite widespread affirmation at the EU and Member State levels, this is not surprising in view of the fact that like childcare it has a redefinition element. It demands redefinition of policy goals to incorporate the promotion of equality between women and men as a policy objective in all policy areas and the adoption of gender impact assessment at all stages of the policy process.

Underlying the barriers to the achievement of labour market gender equality in all areas, and most prominently in relation to pay, is the more fundamental issue of the structure of the labour market, the balance in the quality of employment being created and the disproportionate dependence of some groups on poor quality employment. While the majority of jobs being created in the EU are of reasonable or good quality, the European Commission 2001 Employment in Europe report indicated that 25% of jobs created in the EU15 were of low quality including 8% in the 'dead-end' category, that is offering neither job security nor employer provided training and over half of these have low pay and productivity (European Commission 2001). Women and young people were more likely to be in low pay/low productivity jobs and the gender earning gap was greatest in these jobs. There is no evidence to indicate that this pattern has changed in recent years.

In tandem with the contradictions identified earlier in EU level institutions we find a pattern of widespread commitment to labour market gender equality objectives including gender mainstreaming in policy statements from Member States paralleled by a lessening of prominence in the commitment to gender equality and gender mainstreaming in their implementation of their National Reform Programmes 2005-08.

The 2008 synchronization: the possibilities

The Lisbon Strategy aimed ‘to bring together economic, employment and social policies by focussing them on the commonly defined [and mutually reinforcing] objectives of improving competitiveness, moving towards full employment and promoting social inclusion’ (Council of the European Union 2000). It is envisaged that the synchronization of the social OMC with the OMC processes for employment and economic strategies from 2008 onwards will enhance the mutual reinforcement of the social, economic and employment processes. Such mutual reinforcement has been a consistent theme in EU policy statements since the 1990s. The integrated Guidelines for Growth and Jobs reflect integration of the employment guidelines with the BEPG. At one level one might argue that this is potentially positive and levels the playing field but it is clear that the flexibility emphasis of the macro and micro economic guidelines are not formulated using a gender mainstreaming lens and neither are the employment guidelines. While the evidence presented in this paper on what has transpired in terms of gender equality under the integrated guidelines is not encouraging it is possible, but certainly not guaranteed, that a broader synchronised process as is envisaged from 2008 may facilitate greater recognition of the mutual incompatibility of some of the objectives and approaches pursued at present and allow for the positive interaction of social, economic and employment factors. It is noteworthy that Rubery et al (2003) point out that the 2003 Joint Report on Social Inclusion raises issues relating to gender equality in employment that are almost entirely absent in the Joint Employment Report. Furthermore, the Danish Progress NRP Implementation Report (2006) notes that the NRP only includes those aspects of social policy that are relevant to the Lisbon Strategy. Significantly, it asserts that ‘An *active social policy* must be utilised in order to handle the social problems that lie beyond unemployment’ (the Danish Government 2006: 49). In theory this is what was envisaged by the Lisbon Council which identified the building of a more socially

and economically inclusive EU as an essential element in the achievement of the Lisbon Strategy.

Conclusions

This analysis of gender equality in the context of the OMC as it operates in the in the European Employment Strategy points to a disjuncture between gender equality broadly conceived, that is in the sense of promoting equality between men and women as is the objective of gender mainstreaming, and gender equality in the narrower sense of eliminating inequalities in labour market participation. While the former is widely articulated not only in EU level documents but in National Action Plans and the more recent National Reform Programmes prepared by Member States the evidence for implementation of commitments is weak. With the exception of labour market participation and some improvement in childcare provision there has been no marked positive movement in any of the indicators of labour market gender equality, in particular there is ‘nothing to indicate that the [gender pay] gap is narrowing in any significant way’ (European Commission 2007b: 2).

While the OMC in the EES has been successful in putting gender equality on the policy agenda there are clear limitations in the operation of the process in relation to gender equality broadly conceived specifically those areas which involve structural and redefinition elements. These are linked to the present operation of the OMC, including the subsidiarity and management by objectives trade-off and the failure to realise the potential of the OMC through the involvement of stakeholders at Member State level and the failure to disseminate comparable data on key social indicators beyond a narrow policy elite. Two other reasons for the relatively poor performance on gender equality outcomes are the tensions within EU institutions relating to policy priorities for meeting objectives; and the tensions at Member State level relating to objectives that have structural and redefinition elements.

This relatively pessimistic assessment is reinforced by the reduced salience of gender equality commitments at each successive reform of the employment guidelines. However, the EES does not operate in isolation, it must be situated in parallel to other EU gender equality activity including the *Roadmap for equality between men and women 2006-2010* and the *European pact for gender equality (2006)* both issued by

the Commission, and the commitment to gender mainstreaming in the Structural Funds. While strong on gender equality commitments, the two Commission documents are largely dependent on Member States for action on the priorities outlined. A second parallel process that may offer more tangible potential for labour market gender equality objectives is the synchronization of the present integrated economic and employment OMC process and the social OMC in 2008. This could create the conditions for realizing the potential of the OMC process for broadening policy possibilities by facilitating the recognition of the contradictions and mutual incompatibilities of the objectives and approaches pursued. This is essential for the attainment of key labour market gender equality objectives. But this will be realised only if it is based on a more balanced interaction of social, employment and economic policies than is evident at present. This is unlikely to be realized unless it becomes an policy objective and focus of political discourse involving a wide range of stakeholders at the level of Member States and if this is reflected in the policy commitments agreed between Member States and the Commission.

References

- Atkinson, T. (2002) 'Social Inclusion and the European Union' *Journal of Common Market Studies* Vol 40 (4): 625-43.
- Council of the European Union (2005a) 'Council Decision of 12 July 2005 on Guidelines for the employment policies of the Member States' (2005/600/EC) *Official Journal of the European Union* L205/21-27.
- Council of the European Union (2005b) *Presidency Conclusions, Brussels, 22-23 March*. Brussels.
- Council of the European Union (2007a) *Joint Employment Report 2006/2007*. Brussels: EPSCO, 6706/07
- Council of the European Union (2007b) *Presidency Conclusions Brussels European Council 8/9 March 2007*. Brussels: Council of the European Union, 7224/07
- European Commission (1996) 'Incorporating equal opportunities for women and men into all Community policies and activities' (COM (96)67 final) http://europa.eu.int/comm/employment_social/equ_opp/gms_en.html
- European Commission (2000) *Community Framework Strategy on Gender Equality (2001-2005)*, COM (2000)335 http://europa.eu.int/comm/employment_social/equ_opp/strategy_en.html
- European Commission (2002) *Communication to the Spring European Council Taking Stock of Five Years of the European Employment Strategy*. Brussels: European Communities, COM (2002) 416 final.
- European Commission (2003) *Strengthening the social dimension of the Lisbon strategy: Streamlining open coordination in the field of social protection*. Brussels: Communication from the Commission, COM (2003) 261 final.
- European Commission (2004) *Facing the Challenge. The Lisbon strategy for growth and employment, Report from the High Level Group chaired by Wim Kok*, November 2004, Luxembourg: Official Publications of the European Communities.
- European Commission (2005a) *Communication to the Spring European Council Working together for growth and jobs Integrated Guidelines for Growth and Jobs (2005-08)*, Luxembourg: Office of Official Publications of the European Communities. <http://europa.eu.int/growthandjobs/>
- European Commission (2005b) *Communication to the Spring European Council Working together for growth and jobs A new start for the Lisbon Strategy Communication from president Barroso in agreement with Vice-President Verheugen*, Brussels: SEC (2005) 192 and 193.
- European Commission (2006a) *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the*

Committee of the Regions *A Roadmap for equality between women and men – 2006-2010*. Brussels: Com (2006) 92 final.

European Commission (2006b) ‘European pact for gender equality’ Annex II to the Presidency conclusions (2/15) *Bulletin of the European Union* 3-2006.
<http://europa.eu/bulletin/en/200603/p000015.htm>

European Commission (2006c) *Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on equality between women and men – 2006*. Brussels: Com (2006) 71 final.

European Commission (2007a) *Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on equality between women and men – 2007*. Brussels: Com (2007) 49 final.

European Commission (2007b) *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions Tackling the pay gap between women and men*. Brussels: Com (2007) xxx.

European Commission Employment and Social Affairs (2002) *Impact Evaluation of the European Employment Strategy Technical Analysis supporting COM (2002) 416 final OF 17.7.2002 Taking Stock of Five Years of the European Employment Strategy*. Brussels: European Communities

European Economic and Social Committee (2007) Opinion on the Proposal for a Council Decision on guidelines for Employment Policies of the Member States Com(2006) 815 final – 2006/0271 (CNS). Brussels: SOC/264 – CESE 608/2007 (CNS) EN/o <http://www.eesc.europa.eu>

Fagan, C., D. Grimshaw and J.Rubery (2006) ‘The subordination of the gender equality objective: the National Reform Programmes and ‘making work pay’ policies’ *Industrial Relations Journal*, 37(6): 571-592.

Guillén, Ana M. and Bruno Palier (2004) ‘Introduction: does Europe matter? Accession to EU and social policy developments in recent and new member states’ *Journal of European Social Policy*, 14 (3): 203-10.

Martinsen, D.S. (2007) ‘The Europeanization of gender equality – who controls the scope of non-discrimination?’ *Journal of European Public Policy*, 14 (4): 544-562.

O’Connor, J.S. (2005a) ‘Employment-Anchored Social Policy, Gender Equality and the Open Method of Coordination in the European Union’ *European Societies*, 7(1): 27-52.

O’Connor, J.S. (2005b) ‘Policy coordination, social indicators and the social-policy agenda in the European Union’ *Journal of European Social Policy*, 15 (4) 345-361.

O'Connor, J.S. (2007) 'Convergence in European Welfare State Analysis: Convergence of what?' in Clasen, J. and N.A. Siegel (eds) *Exploring the Dynamics of Reform: the dependent variable problem in comparative welfare state analysis*. Cheltenham, UK: Edward Elgar: 217-243.

OECD (2001) *Starting Strong Early Childhood Education and Care*. Paris: OECD.

OECD (2005), *Babies and Bosses: Reconciling Work and Family Life*, [series covering Australia, Austria, Canada, Denmark, Finland, Ireland, Japan, New Zealand, the Netherlands, Portugal, Switzerland, Sweden and the UK] Paris: OECD.

Pochet, Philippe (2005) 'the Open Method of Co-ordination and the Construction of Social Europe. A Historical Perspective' in Zeitlin, Jonathan, Phillipe Pochet (eds.), with Lars Magnusson *The Open Method of Coordination in Action The European Employment and Social Inclusion Strategies*. Brussels: P.I.E.-Peter Lang: 37-82.

Radaelli, Claudio M. (2000) 'Whither Europeanization? Concept Stretching and Substantive Change' paper presented at the Political Studies Association Annual Conference (April) London.

Randall, V. (2000) 'Childcare policy in the European states: limits to convergence' *Journal of European Public Policy* 7(3): 346-68.

Rubery, J. (2005)'Gender Mainstreaming and the OMC. Is the Open Method Too Open for Gender Equality Policy' Pp 391-416 in Zeitlin, J. & P. Pochet (eds.), with L.Magnusson *The Open Method of Co-ordination in Action The European Employment Strategy and Social Inclusion Strategies*. Brussels: P.I.E.-Peter Lang.

Rubery, J., D. Grimshaw, C. Fagan, H. Figueiredo and M. Smith (2003) 'Gender Equality still on the European Agenda' *Industrial Relations Journal* 34 (5); 477-497.

Rubery, J., D. Grimshaw, and H. Figueiredo (2005) 'How to close the gender pay gap in Europe: towards the gender mainstreaming of pay policy' *Industrial Relations Journal* 36 (3); 184-213.

Rubery, J., D. Grimshaw, M. Smith, and H. Figueiredo (2004) *Gender Mainstreaming and the European Employment Strategy* Prepared as part of the work by the co-ordinating team of the Expert Group on Gender Inclusion and Employment commissioned by the Equal Opportunities Unit in the European Commission.

Rubery, J., D. Grimshaw, M. Smith, and R. Donnelly (2006) *The National Reform Programme 2006 and the gender aspects of the European Employment Strategy. The Co-ordinators' synthesis report* prepared as part of the work by the co-ordinating team of the Expert Group on Gender Inclusion and Employment commissioned by the Equal Opportunities Unit in the European Commission.

Scharpf, F.W. (2002) 'The European Social Model: Coping with the Challenges of Diversity' *Journal of Common Market Studies* Vol 40 (4): 645-70.

The Danish Government (2005) *Denmark's National Reform Programme*

<http://europa>

The Danish Government (2006) *Denmark's National Reform Programme First Progress Report*. <http://europa>

Zeitlin, Jonathan, Phillipe Pochet (eds.), with Lars Magnusson (2005) *The Open Method of Coordination in Action The European Employment and Social Inclusion Strategies*. Brussels: P.I.E.-Peter Lang.