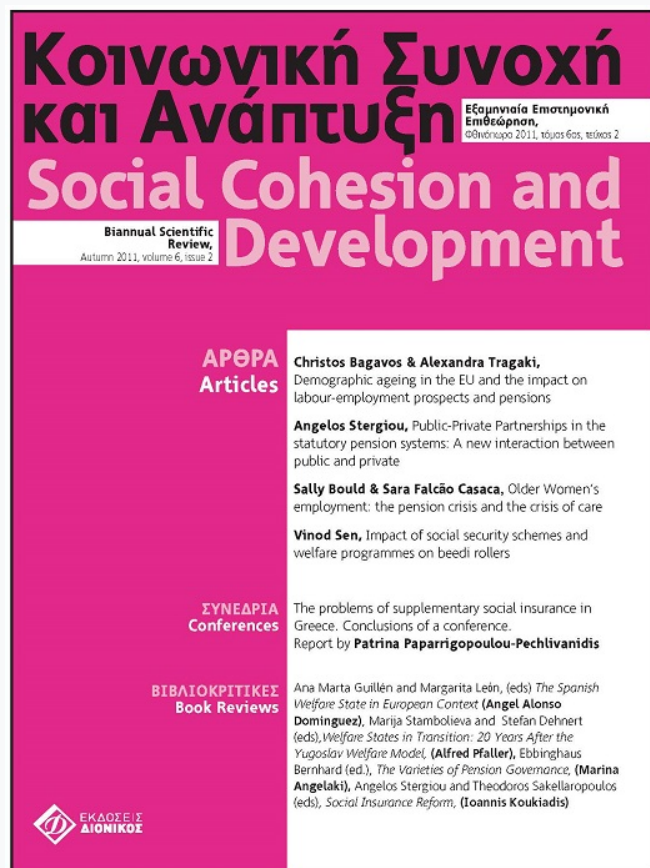


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# Older Women's employment: the pension crisis and the crisis of care

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## Η απασχόληση των γυναικών μεγαλύτερης ηλικίας: η κρίση των συντάξεων και η κρίση στον τομέα της φροντίδας

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### ABSTRACT

This paper explores the employment figures for older women, aged 55-64 in 14 European Union (EU) countries, with attention to the kind of support which is available to older working women caring for family members in need. There is a diversity of employment behavior for older women as well as services to assist them in caring for older family members but the current policies on "active aging" and the gender neutral approach to pension reform does not take into account the unpaid work of caregiving. Where older women are typically employed during these later years in the Nordic countries, there are a range of supports to assist them with caring for family members. In contexts where the state provision of eldercare facilities is weak if the adult daughters are now expected to work, who will care for the very old parents?

**KEY WORDS:** Older women's employment, retirement policy, caregiving, disability.

### ΠΕΡΙΛΗΨΗ

Το άρθρο εξετάζει την απασχόληση των γυναικών μεγαλύτερης ηλικίας (55-64 ετών) σε 14 χώρες της ΕΕ, εστιάζοντας στο είδος της υποστήριξης που παρέχεται στις εργαζόμενες γυναίκες μεγαλύτερης ηλικίας που έχουν αναλάβει τη φροντίδα μελών της οικογένειάς τους που βρίσκονται σε ανάγκη. Διαπιστώνεται ποικιλομορφία αναφορικά με την εργασιακή συμπεριφορά, καθώς και αναφορικά με τις υπηρεσίες που τους βοηθούν στη στήριξη των μελών μεγαλύτερης ηλικίας, ωστόσο οι υφιστάμενες πολιτικές για την «ενεργό γήρανση» και η ουδέτερη ως προς το φύλο πολιτική των συνταξιοδοτικών μεταρρυθμίσεων δεν λαμβάνει υπόψη τη μη αμειβόμενη εργασία που αφορά στη φροντίδα μελών της οικογένειας. Στην περίπτωση των γυναικών που εργάζονται στη διάρκεια των ετών αυτών, όπως συμβαίνει στις σκανδιναβικές χώρες, υπάρχει μια σειρά μηχανισμών που τους βοηθούν στη φροντίδα των μελών της οικογένειας. Όταν όμως οι παροχές του κράτους για τη φροντίδα των ηλικιωμένων δεν είναι επαρκείς, ποιος θα φροντίσει τους ηλικιωμένους γονείς όταν οι κόρες τους αναμένεται να εργάζονται;

**ΛΕΞΕΙΣ-ΚΛΕΙΔΙΑ:** Απασχόληση γυναικών μεγαλύτερης ηλικίας, συνταξιοδοτική πολιτική, παροχή φροντίδας, αναπηρία.

## Introduction

**T**he OECD has approached the issue of aging populations in developed countries by encouraging a policy of Living Longer, Working Longer (Keese et al. 2006). Similarly the European Union is requesting laws which will keep workers working longer by increasing the age of retirement. Under this framework, attempts are underway to require women as well as men to stay in the workforce by increasing the age at which they would qualify for a pension. This expectation of a longer working life, however, would have a greater impact on women than on men. In addition, if women work until age 65 this could impact the care available to disabled family members as well as grandchildren. A gender neutral policy is not an appropriate one for these older women workers and their families. Although European Union policies make sense given the demographics, they create special risks for women. Older women in many European countries are new to the work force and many lack the required technical skills to escape from poor jobs. In many countries women's retirement age has been increased more than men so now women and men are expected to retire at the same age (Eurostat 2008). The aim of this paper is to review the level of older women's employment in relation to the level of assistance that is available to them to care for disabled family members. The ability of older women to reconciliation of work and family issues will be critical to implementing new retirement policies.

This paper will explore the employment figures for older women, aged 55-64 in 14 European Union (EU) countries, with attention to the kind of support which is available to older working women caring for family members in need under the different welfare regimes. The uniform European Union (EU) employment directives and social policies are to be implemented in each of these 14 original EU countries. These countries, however, are quite diverse. They vary not only in demographic, economic and employment conditions and the provision of social services for elderly persons, but also in cultural expectations about older women's employment, women's retirement and women's unpaid family work. Each country has developed with its own history of social policy and welfare regime. This results in a diversity of employment behavior for older women (Figure 1; Cf. Eurostat 2008); it also raises questions about the risks imposed on older women by a gender neutral policy. The paper addresses the current policies on "active aging", which tend to overlook those age 55-64 with disabilities related to work limitations, and to ignore the needs of oldest old persons who need help and/or care in the activities of daily living. Many people in this oldest age cohort need care, which is usually given by older women aged 55-64 in the family (adult daughters and daughters-in-law). If the adult daughters are now expected to work, who will care for the very old parents? In contexts where the state provision of eldercare facilities is weak and women have to step out of the labor market and provide care for aged relatives this can put their current and future economic situation at risk.

## Active ageing through labour market participation as a goal of the EU countries

**I**n the majority of EU countries the new policies of active aging and later retirement require a greater change in the behavior of women than men. Older women in many European countries are new to the work force and many lack the skills to escape from poor jobs. In addition they often lived in countries where retirement policies allowed women, if they worked

at all, to retire earlier than men. Capitalist societies have traditionally placed much more emphasis on the economic activity of men than women. Women's unpaid work has not even been considered "productive" activity although changes have been proposed by the ILO (Cf. Bould and Gavray 2009). The European framework which promotes "active aging" appears to be driven by instrumental and financial purposes in order to reduce the state pension expenditure (Cf. Taylor 2006). This often ignores that much of the work that older women do is unpaid and "off the books". According to Picchio (2010, p.74) the woman's "...problem is not having too little but too much work to do. To take account of this and avoid mistakes in analyses and policies, one must adopt a different perspective and begin to reason in terms of total labour, paid and unpaid..." Although social policy has moved over the past 4 decades to take into account "reproductive work" and work-family issues of mothers, older women as caregivers for the very old are often invisible (Krekula 2007; Lewis 2009).

In many countries women's retirement age has been increased more than men so now women and men are expected to retire at the same age (Cf. Eurostat 2008). Furthermore the new policies of budget cutbacks are reducing the income available to older women from other sources, i.e. disability benefits and unemployment benefits. Together with early retirement benefits these benefits have provided financial support to older women who are taking care of elderly parents or grandchildren. The level of these non retirement benefits, however have already been judged to be inadequate (Litwin and Sapir 2009).

In addition to their exposure to turbulent labour markets (Beck 2000; Taylor 2006) there are questions concerning older women in the paid labour market and their ability to combine work and care. First, what services and policies are available to assist women with these caregiving tasks? Second, how will employers react to the competing demands on their older women workers? "Family responsibilities discrimination" in employment has been identified as discrimination against workers based on their responsibilities to care for a family member. While much of this discussion has been focused on young mothers, older woman workers are also affected by the need to care for an elderly parent. Overall care work is "devalued labour" (Calasanti 2003) defined as women's work.

Older women suffer from a combination of sexism and ageism (Krekula 2007, p. 161; Venn, Davidson & Arber 2011; Calasanti 2003). These factors are not just additive but also interactive. For example employers of older male workers usually do not face as much of a demand for employment adjustments due to caring for an elderly parent, although the role of men in caregiving varies in different cultures. The extent to which older women's unpaid family services are expected varies culturally, historically and even within each society (Vincent 2000). As many EU nations have historically had lower retirement ages for women as compared to men there is a context where women over the age of 55 have been defined as "too old to work." Even in countries where women and men have traditionally retired at the same age, older women face discrimination on the basis of lookism; much of women's employment involves public contact and employer preference for young good looking women adds to the interaction of age discrimination and gender discrimination. While gender and age are critical variables, social class is also very important. For example, women with a tertiary level of education may be able to reduce the caregiving burden by hiring help especially where immigrant labour is available.

There is, also, the overall framework of the welfare regime found in each country. The welfare state policies have had an important influence upon women's situation in society, either encouraging or discouraging their participation in the labor market. Some welfare regimes attempt to provide the necessary conditions for defamiliarisation (McLaughlin and Glendinning

1994 cited in Mahon, 1998: 158). Jane Lewis (1992) states that when non-paid work dimensions are added to paid work ones, it is then possible to identify some variations of Welfare States: those which are based on a strong male breadwinner model (where Mediterranean countries are included), those which may be classified as a modified male breadwinner model, and finally those where a weak male breadwinner model prevails (a model found in the Nordic countries). Birgitt Pfau-Effinger (1999) has also incorporated the importance of gender ideologies; each welfare state regime reflects its national the ideologies about women's and men's roles in society and in families. These ideologies shape the way public policies are defined and social facilities are implemented. Hence, one further crucial issue is to what extent European welfare states have been committed and able to tackle social inequalities, including those grounded on age and gender asymmetries (Lewis 1992; Orloff 1993).

## State or Family Care for Elderly Persons

### *The Nordic cluster*

In order to understand the risks to the elderly person and their caregivers, countries are grouped by their family care policies (Cf. Sundstrom et al 2008). The clearest cluster is the Nordic countries; Denmark, Sweden, Finland and Norway (Norway is included based on OECD data). In this cluster there is an explicit family policy with the state having the final responsibility for the care of elderly persons. There is no family obligation to care for elderly family members; each municipality provides for the financing and provision of care for its elderly residents in need. In this cluster older women, ages 55-64, have a high employment rate (see Figure 1 below). According to Birgit Pfau-Effinger (1999), the dominant gender model is based on the idea of a full-time integration of men and women into the workforce; the state has for long been committed to this principle. Both genders are regarded as individuals, who are both breadwinners for their own livelihood and that of their children. This results in a weak male breadwinner model (Lewis 1992). These countries provide supports, such as child care to support young women's employment capabilities but they also provide care services for elderly persons allowing women aged 55-64 to work, knowing that their parents will be adequately cared for while they are on the job. Sweden and Norway have adapted to longer life expectancy with high rates of employment for older men and women for the past 3 decades; they have also provided very high rates of community services for the elderly (Cf. Lowenstein, Katz and Gur-Yaish 2008). In Denmark these high rates for women are more recent, and Finland has experienced an extremely rapid increase in the rate of participation of older men and women since 1994; these latter two countries also provide a high level of community services for elderly persons.

Attitudes in Sweden reflect the view that the state is responsible for elder care. Nevertheless Sundstrom et al. (2008) and Thane (2010) argue that this does not mean that the family fails to contribute. Welfare states "do not crowd out family care" (Thane 2010 p. 119; Suanet, Van Groenou & Van Tilburg 2011). In fact, state support enables older women to continue working. In Sweden, women over age 50 who are caregivers report a 30% employment rate and in Denmark 25%; these rates are higher than in any of the other EU countries studied (Sundstrom et al. 2010, p 244). Women's carework is also supported by opportunities for well paying, secure part-time jobs. Both men and women have some protection from risks resulting from working at older ages in the current "turbulent labor market" (Cf. Taylor 2006). Even part-time work can provide adequate wages and security. In Norway 49%, in Sweden 43% and in Denmark 37% of older women work

part time and less than 20% of this part time work is involuntary in these countries. In the Nordic countries older women are more likely to report choosing voluntary part time work due to family and personal responsibilities (Eurostat 2011a & 2011b). Furthermore, women can often count on men to provide care, especially men caring for their disabled elderly wives. Results from SHARE data indicate that persons 65 and over in Sweden and Norway use either formal care only or a combination of formal and informal care (Suanet et al. 2011).

The Nordic countries are ahead of the rest of Europe in that the retirement age has already been increased to age 65 or over; the rates of employment are high for both older women (Figure 1) and older men. The increasing costs of an aging population may result, however, in the restriction of public care services or other programs which indirectly support caregiver's unpaid work such as unemployment benefits in Denmark (Alderman 2010).

### ***Southern Europe: The Mediterranean cluster***

The second clear cluster is, not surprisingly, the Mediterranean countries, Italy, Greece and Spain. Here older women's employment rate is below one third and prime-age women's employment rate below 65%. These countries have a strong breadwinner model and a familistic approach (Trifiletti 1999; Ferrera 1996) in which a woman's first priority is care of her family. As previously mentioned, these are the countries where traditional gender ideologies prevail in social practices (Lewis 1992); the dominant model has been sustained on the dichotomy between men as the main breadwinner and women as the home carer (Pfau-Effinger 1999). These three countries also have very large differences between older women's and older men's rates of employment, more than 20 percentage points, in the case of Spain and Greece more than 30 percentage points in Italy (Eurostat 2010). Historically these countries have also provided earlier retirement for women in contrast to men.

The limited employment of older women is linked to the cultural expectation that these women are responsible for care of elderly family members in need. Over 85% of the population surveyed in Italy and Greece sees the family as the principal provider of care for elderly family members (Sundstrom et al. 2008 p. 250). In Greece, Italy and Spain the family has a legal obligation to provide care for its elderly members. Elder care in these countries is often provided in three generation households and SHARE respondents in these countries report a high preference for co-residence (Suanet et al. 2011). In Spain and Greece there is only limited formal care available (Casaca and Damiã 2011). The low level of employment for older women is congruent with the cultural expectations as well as the legal requirements. In terms of family responsibility for elder care these countries will face difficulties with very low fertility rates providing fewer intergenerational family caregivers. Of course these countries all face a severe fiscal crisis (Cf. Thomas and Sitsantonis 2010).

The contrast between the Nordic cluster and the Mediterranean cluster is also evident in terms of the role of men in carework. In the Nordic countries there is an expectation for men to help out in child care and parent care as well as to be the primary caregiver for their spouse. This provides a system in which older women can continue to work, choose decent part time work and rely on state provided services for family care; they can also count on their fathers, husbands and brothers to help out. In the Mediterranean cultures a patriarchal attitude prevails in that care giving is more strictly a women's obligation. She will be primarily responsible for providing services for her elderly mother even if her father lives with her mother and is physically capable of providing all the care needed. The same situation is also likely for her married mother-in-law.

There is an important exception to the universally very low employment rates of older women in the Mediterranean countries. Older women with high education at the tertiary level (ISCED 5-6) are much more likely to be employed. In 2009 the employment rate in Greece for older educated women is 46.9%, greater than educated women in Belgium (40.4%); in Italy the employment rate (55.5%) is higher than in France (50.1%); and in Spain the rate is 61.8% as high as in the U.K. (60.0%) (Eurostat 2010; Eurostat 2008). Furthermore in the Mediterranean countries older women's employment is predominantly full-time in contrast to a majority part-time in the U.K. Perhaps this is because educated working women in the Mediterranean countries are usually able to hire the help of immigrants, both legal and illegal.

### ***Southern Europe: Portugal***

While Portugal has often been classified together with the Mediterranean countries, Portuguese women have had a long tradition of employment, especially in the primary ages 25-54 (Cf. Ferrera, 1996; Casaca and Damião 2011). Women this age have an employment rate over 70%, equivalent to the employment rate of women in Belgium (Figure 1, below). This is surprising, first because the availability of publicly supported child care in Belgium is high and in Portugal almost nonexistent. Secondly, the prime-age Portuguese woman is more likely to be working full-time than the Belgian woman. The explanation is found in the much lower employment rates of older women in Portugal than in Belgium; it is the Portuguese grandmothers who are providing much of the child care. They are able to do so because of their long work history and their ability to retire early with pensions. Portugal shares many characteristics with the Mediterranean countries with similar kinds of welfare state provisions, gender ideologies and family characteristics (Casaca and Damião 2011) but clearly the cultural expectation in Portugal is for prime age women to work. In the older ages (55-64), women have retired and thus are free to provide essential care for aging parents as well as grandchildren. In Portugal the problem is not of getting prime age women to work but that of expecting them to continue working during ages 55-64. Not only do the grandchildren need care but Portuguese persons age 75-84 have the poorest reported health of any of the other countries studied (Eurostat 2008) and thus are likely to need the help of another person.

### ***Netherlands and Finland: Rapid Increases in Older Workers Employment Rates.***

In the years since 1994 the Netherlands and Finland have experienced the most dramatic increases of 20 percentage points in older workers employment rates for both men and women. Men and women aged 55-64 in Finland moved from around 33% to about 55% employment rates during these years. In the Netherlands the starting point was different for men and women but the efforts to increase the rate of employment among older workers since 1994 have been successful. Forty percent of older Dutch women (55-64) are employed, a more than doubling the initial low rate of 17% for older women in 1994 (Eurostat 2010). Furthermore older Dutch women can obtain help in the home from the state for their elderly parents (Suanet et al. 2011). Social exclusion on the basis of income is rare for those over 65 in the Netherlands and inequality is low.

Finland, in contrast, has had a long tradition of structural supports for women's life time employment and the employment rates for older men and women have been quite similar. Explicit policies of pension incentives encourage working into older ages. But studies found that one reason for women not taking on this opportunity for continuing to work was the "need to help others". A program of part time pensions and retiring from full time work was developed to give women

a choice; a survey found that “38% of part time pensioners, especially women, were involved in care activities related to their family members, most typically a spouse, parent or grandchild.” (Kauppinen, 2010). The rapid success of the Netherlands and Finland in increasing employment rates of older women is no doubt dependent on the ability of older women to combine work and care in these countries. Both countries provide state supported services for the elderly as well as decent opportunities for part time employment.

### *The Rest of Europe*

The rest of Europe, often described as Northern Europe i.e. not Southern nor Nordic (e.g. Sundstrom et al. 2008; Pissarides, Garibaldi, Olivetti, Petrongolo and Wasmer 2005) has a mixture of family and state responsibility for the elderly. Although there is a legal responsibility to care for elderly parents in Germany but not in the United Kingdom a similarly low percentage of respondents reported that the care of the elderly is mainly a state responsibility ( 11 % of respondents in Germany and 12% in the UK). Patterns of employment for older women in 2009 vary from a low of 27.7% in Belgium to a high of 49.2% in the UK. While there are a great many possible causes for this behavior in each country, the liberal welfare state of the UK (also Ireland) can be distinguished from the continental welfare states (Epsing-Anderson 1990). “In Britain, official policy continued, as it had done since the 1950s and for long before, to assume that formal services were ancillary and complementary to those of the family” (Thane 2010 p. 119). The tradition is to provide services only for the elderly who are poor. The family, with its access to the market, is responsible for the care of the majority of elderly persons.

The liberal welfare state is characterized by a greater degree of inequality than the continental welfare states (Judt 2010) and also a large inequality of income among state pension recipients. The UK pension web site has a section on how to manage with low income. They have also introduced the “second state pension” to assist those with low income and help low income caregivers. In liberal welfare states, handling the financial crisis often results in cutting benefits for the poor; since much of the liberal welfare state expenditure is focused on helping the poor, it is the poor who are at the highest risk from budget cuts.

All of the welfare states of Northwestern Europe, however, have provided unemployment benefits or other special benefits for older workers who are out of work and/or with a work disability and too young for full pension benefits. This system can provide support for older women with work histories who cannot find work. The impact of raising the retirement age in these countries will vary depending on the extent to which these benefits will be sustained. Before the current fiscal crisis, however, these benefits were already low in many welfare states. The findings from SHARE (Survey of Health, Aging and Retirement in Europe) indicate that income from unemployment benefits and disability benefits for those over the age of 50 are already judged to be inadequate (Litwin and Sapir 2009).

## **Education**

**I**t is women with high education who are most likely to be working at every age. The difference in the employment rate between the most educated older women (ISCED 5-6) and the least educated women (ISCED 0-2) is even greater at older ages in every country studied (Cf. Eurostat 2008). As mentioned earlier, in Italy, where women have been eligible for very early retirement,

over half of highly educated older women aged 55-64 are still in the workforce in contrast to only 15% of women with low education. In Spain older women with low education have an employment rate of 25.0% in contrast to 61.8% for those with high education in 2009. Even with the excellent retirement benefits in France, half of older women with high education were working in 2009 (50.1%) in contrast to 29.8% of those with low education (Eurostat 2010; Eurostat 2008). Educated women are more likely to be in better health and to have jobs which do not require physical strength. Although educated women are more likely to have living parents, they or their parents are also likely to have the economic resources to hire careworkers. In the United States where the adult children have a high imputed wage, the elderly family members in need are more likely have care provided by a paid caregiver than informal care provided by family members (Johnson 2008). The availability of low-wage help in the labour market is closely related to the degree of inequality in the society (Gibson 1996; Krekula 2007).

The situation of women age 55-64 with low education, however, is quite different. If they are working their work is more likely to be in a physically demanding job. But they, themselves, are more likely to have poor health and physical disabilities than women with high education. Although they will likely have fewer living parents, their parents are more likely to be disabled and in need of hands on care. Policies to raise the retirement age for women, then, can result in a greater hardship for older working women with low education.

Women with low education are already in need of training and up-skilling. But training opportunities provided by European governments are also scarce and short-term oriented (except for Nordic countries), and tend to leave out older and unskilled workers (Gallie 2002) and especially older women (Pestana, 2004). Women are typically viewed as less committed and more likely to retire soon. Furthermore, women with low education may already be busy with care responsibilities and think that they have neither the time for the training programs or that the training programs will help them. This is especially the case for countries where familist and traditional gender ideologies prevail and public care services/facilities are insufficient. In the current difficult economic context, these low educated older women workers are more likely to be vulnerable to labor market marginalization, irregular and low incomes and poverty.

### ***Strategies for combining work and care for older workers***

Part-time employment has been the solution to combining work and care in the Netherlands and the Nordic countries. In Denmark and Sweden a significant minority of persons 50 and over who provided care also worked (Sundstrom et al. 2008). The Netherlands is a newcomer to this group and the rapid growth in women's employment discussed above is in part-time not full-time work; 82% of older women work part time; less than 4 % of older women work part time because they cannot find full-time work.

(Eurostat 2011a). Thus it appears as if part time work could be a model for increasing older women's employment but ensuring that they have time for family care of disabled family members.

Part-time work has been seen as a solution to combining work and family care for young women so it could also be proposed for older women. In the Mediterranean countries and Portugal, however, older women who work, typically work full-time. For those who are working part-time in these southern countries the main reason is because the worker cannot find full-time work (Eurostat 2011a). The woman and her family need the income of a full-time job and

in these countries part-time work is often low-wage work with limited protection of the worker. The EU policy to promote part time work as a solution to work and family issues for women can only encourage exploitation of older women in marginal low wage work where part time work has no protection. Except for the Nordic countries and the Netherlands, part-time jobs are mainly characterized by low status, poor pay and precarious futures. It is gendered work and no doubt reinforces women's position of economic subordination as well as the ideology of female domesticity (Casaca & Damião, 2011). These patterns indicate that part-time work has been socially constructed as a female form of employment, since it allows women to keep their traditional responsibilities (caring/domestic duties) and to earn some money, without calling into question the men's long-established breadwinner role (Fagan, O'Reilly & Rubery 2000).

An additional issue is older women's work on temporary contracts. Although only a minority of women in each country work with temporary contracts, temporary contracts are especially risky for older workers; if their temporary contract ends they must look for another job and thereby face a higher risk than younger workers due to discrimination because of age as well as the interaction of age and gender. The incidence of precarious jobs in the form of temporary contracts has been increasing across Europe in general with the liberal approach to loosen job regulation. But the Mediterranean countries and Portugal have not had much effective job regulation to begin with. This explains the striking labor market segmentation and the dualisms so well identified in these countries (Ferrera 1996).

Overall older workers (both men and women) experience longer spells of unemployment than younger workers (Taylor 2006) and often drop out of the labor force as a result of long term unemployment (Bould 1986). For women facing double jeopardy the issue could become even more serious as EU countries such as France, are moving to "flexible" labor markets with less protection and security or "flexploitation." In Denmark older women have escaped flexploitation with a system of "flexicurity". This provides workers of all ages with income security in terms of generous unemployment benefits. Generous unemployment benefits for older workers can also support older women's unpaid caregiving work. The OECD encourages a "gender neutral" policy of gradually reducing unemployment benefits and disability benefits available to older workers (Oxley 2009); this ignores the role these benefits can have in supporting older women (and men) in caregiving tasks. In the current fiscal crisis these benefit programs are at risk of being cut; this is the case even in Denmark (Alderman 2010). Other countries are also facing a "fraying of the safety net" (Daley 2010) used by older women who are too young for official retirement benefits. The OECD approach to healthy aging is one of increasing the retirement age as well as reducing unemployment benefits and disability benefits which now support older women until they become pension eligible.

Eleven out of the 15 original EU countries have had special programs to subsidize employers for hiring older workers, age 50 or over (Keese et al. 2006, pp 118-119). This method does not necessarily protect older women workers from gender discrimination. But a public policy of subsidizing older women's employment could be counterproductive if an elderly person in her family needs her care. The effort to solve one problem, the pension crisis, would result in the creation of another problem, lack of care for the elderly and disabled.

## Delayed retirement, life expectancy and disability

Official European Union documents stress certain demographic changes in Europe, but ignore others, e.g. the increase in life expectancy but not the increased risk of disability at older ages (Europa 2011 b). The year of 2012 will be promoting Active Aging in Europe (Europa, 2011c). The EU reports assume that increasing “life expectancy means higher life expectancy in good health and in the absence of disability” (Europa 2011a) but that is only part of the picture. What is striking about the aging of the population is the diversity in health and ability at older ages. Many individuals age well, while many others suffer from two or more chronic diseases by age 55; women are significantly more likely to be disabled than men at these ages. At ages 85 and over, a population with a significant majority of women, one quarter of this very old population (28%) in the U.S. is reporting an ability to work without limitations. This can be contrasted with the 24% of this very old population who are living in a nursing home (Bould, Smith and Longino, 1997).

At every age over 50 women have a higher rate of disability than men. The level of disability is not especially high (Wray and Baum, 2001) but is one that could create work limitations, especially for older women. A gender neutral approach does not take into account work limitations and disabilities that can create serious problems for older women in the workforce. Of course, older women in good health face other obstacles in the labour market such as discrimination (Cf. Arber, Davidson and Ginn 2003; Philips and Bernard 2000, p. 169ff. Calasanti and Slevin 2001). In the U.S. older workers, both men and women often retire involuntarily due to disability, job displacement or care responsibilities (Szinovacz and Davey, 2005).

The European Union has approached the issues of an aging population by increasing the retirement age and encouraging a longer working life for both women and men. Even the French legislators have passed legislation to increase the formerly sacrosanct minimum retirement age of 60 to 62 (Erlanger 2010). But this gender neutral approach not only ignores the health and other problems women aged 55-64 face in the labour force, but also ignores the need for care among persons over 65 and especially those over 80 years of age. It is usually women between the ages of 55 and 64 who will be called upon to provide care for their elderly parent's ages 75 to 95 years of age. In these ages there is a high risk of disabilities in performing the activities of daily living, such as shopping, or even cooking. At younger ages the disability can often be managed with a device, like a wheelchair, but by age 80 the need is for the help of another person. It is typically the daughters and the daughters-in-law who are needed to provide care for disabled elders in their family (Cf. Calasanti 2003). If the daughters are now expected to work, who will care for the aged parents?

The time between the onset of disease and death has increased dramatically in the last half century. It has also created a situation where elderly people risk having two or more chronic diseases at the same time. Assumptions about health care, mortality, morbidity, family care and custodial care made a half century ago are no longer relevant. The proposed “solution” to the pension crises does not take into account the increasing risk of disability, both work disability and functional disability among aging populations. Increasing the working life of both women and men without attention to the risk of disability can only exacerbate the care crisis especially where the state does not take a significant responsibility for the care of elderly persons.

It is not only increasing life expectancy and increasing years of disability which contribute to a crisis of care but also the demographics of who lives a long life have changed. Living into one's 80s was quite possible in earlier generations, but those who lived very long lives were typically

those of higher social classes who had servants to care for their custodial needs. The increase in life expectancy has resulted in more and more persons in or near poverty living to a very old age; in Spain, a relatively poor country, life expectancy is greater than in the Netherlands or Germany. But the years of "active life expectancy" have not increased greatly, especially for workers with limited education. There is now a large population of very old persons who are in need of home care, most of whom cannot afford to pay for it (Bould, 2010).

## Conclusion

**O**lder women's participation in the labor market is a major economic and social issue both for the women themselves and the EU policies intended to reduce the cost of pensions, increase the labor force supply and enhance economic growth. There is much political rhetoric on the benefits of working longer and on the flexible strategies to be introduced by companies including new recruitment mechanisms, different contract types, work organisation, working-time schedules and training methods. But these strategies will be self defeating if alternative care arrangements for the elderly are not available. Of course, it is important to provide older women with opportunities for "decent work" according to a recent ILO document on women workers (ILO 2009). But it is time to recognise the unpaid work of caregiving, essential work in an aging society. This is less important in the Nordic cluster where the state takes public responsibility for caregiving and men help out but these countries have already reached the goal of a longer working life for men and women. In the Mediterranean cluster and Portugal pension reform is likely to precede any state services and any change in men's roles. Furthermore families have the the primary responsibility for the care of the elderly and traditional gender attitudes put this burden on women.

In the current financial crisis, it is not likely that states will be spending more on providing services for elderly persons, especially home care. Before blindly increasing the pension age, it is important to confront the need to support caregivers for the very old and disabled. New policies of budget cutbacks are reducing the income available to older women from other sources, i.e. disability benefits and unemployment benefits. Together with early retirement benefits these benefits have provided financial support to older women who are taking care of elderly parents or grandchildren. The level of these non retirement benefits, however have already been judged to be inadequate (Litwin and

Sapir 2009). It is time to recognise that not everyone will live to a healthy old age. For the functionally disabled elderly the unpaid caregiving work of adult daughters and daughters in law (and adult sons) is essential for their well-being.

Gender neutral approaches to dealing with the pension crisis by raising the retirement age could further exacerbate the crisis of care for the aging populations of Western Europe. While it is the ageing of the population which is prompting the need for pension reform the same factor is involved in creating the crisis of care. A new social model is necessary in order to provide age and gender friendly working environments with decent work available for all but the model must also account for the growing need for care among the very old. The burden of pension reform should not be allowed to fall so heavily on older women and their aged relatives who need help.

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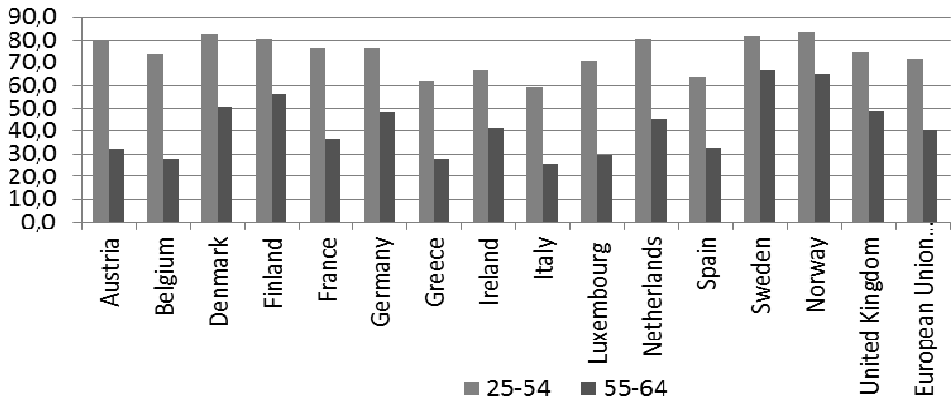
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## Annex

**Figure 1 - Female employment rates in 2009, by age groups and by countries (EU15)**



Source: Eurostat, Labour Force Survey. Extracted on 24th August 2010.