

SHORT TERM SCIENTIFIC MISSION (STSM) – SCIENTIFIC REPORT

The STSM applicant submits this report for approval to the STSM coordinator

Action number: IS1409

STSM title: Gender and health impacts of policies extending working lives in western countries

STSM start and end date: 01/01/2018 to 31/02/2018

Grantee name: Ulrike Spangenberg

PURPOSE OF THE STSM/

This STSM involved research between January and March 2018 and a stay at the Institute for Lifecourse and Society at NUI Galway under the supervision of Dr. Emer Mulligan in March 2018.

The STMS was intended to

- Gain and facilitate an exchange of knowledge and experiences about the gender impact of taxation and pensions with particular emphasis on extended working life policies and
- to develop a hypothesis and essential research questions that can serve as a basis for comparative analysis across the various Member States.

DESCRIPTION OF WORK CARRIED OUT DURING THE STSMS

The first weeks within the STSM period were spent on research concerning gender aspects of pension systems with a particular focus on the influence of taxation, the EU legal framework and recommendations about old age security from European institutions.

During March 2018 I stayed at the Institute for Lifecourse and Society at NUI Galway. I worked closely with Emer Mulligan, Michelle Maher, and Dinali Wijeratne and was introduced to some colleagues, that engage in research on pensions, gender and specific measures to extend working lives. During the visit, I had allocated office space in the department where I was based with other researchers and academics from various academic disciplines. I engaged with the researchers on

a regular basis and had many interesting discussions regarding pensions issues in Ireland compared to those in Germany.

I made myself familiar with the Irish pension system, the existing literature on extended working lives and life course perspectives in general, gender aspects in Ireland and Germany in particular and collected literature, that analyses the interplay of incentive to extend working lives, tax regulations and pension systems.

I also enrolled in the Working Group 2 of the COST IS1409 program.

DESCRIPTION OF THE MAIN RESULTS OBTAINED

Although the European Union has only limited legislative capacities, when it comes to pensions, the reforms processes in national pension systems are strongly influenced by European Union policies. As a result of the European focus on improving the financial stability of public pension schemes, EU member states introduced reforms with severe gender effects, such as increasing and equalising the retirement age of women, changing the level or reducing the indexation of pension benefits, reinforcing the link between contributions paid and benefits received, and prolonging the duration of contributory periods necessary to access pension, and increasing the role of private occupational and personal pension schemes. At the same time, gender equality and non-discrimination were mostly absent in early discussions of pensions reform on a European level. Existing research shows that reducing gender gaps in pensions requires a multifaceted approach that embraces a life-course approach and addresses disparities between men and women concerning inequalities in the labour market, which impact future pension entitlements, the division of unpaid work as well as disparities resulting from the design of pension systems. The European Parliament has only recently called on the Commission and Member States to implement measures that address the gender gap with regard to reducing career related gender inequalities as well as the design of pension systems. These recommendations are well suited to serve as a template for analysing national pension systems and reform plans from a gender perspective. The recommendations, issued by the European Parliament, include reviewing and abolishing counterproductive incentives, available under the taxation system. The relevance of taxation for old age security, however, is rarely researched. Relevant aspects involve taxation firstly as means to finance public expenditure, which is increasingly discussed concerning international obligations to maximize available resources. It includes secondly allocative and distributive effects of taxation that affect the gender pension gap. The Irish three-pillar pension system is a particularly striking example in that respect since tax incentives or rather tax subsidies play an essential role in building up old age security, that seems to go beyond regulations in other Member States, for instance, Germany. Irish statistics also provide the possibility to analyse the

gender impact of tax subsidies. First evaluations give evidence for the disparate impact of these regulations and can well serve as a starting point for comparative research.

Whereas the gender aspects of extended working life policies are well researched in several Member States, the particular role of taxation is rarely considered. Existing research suggests, that tax regulations, such as joint income provisions, influence gender-specific employment patterns and care roles, that in turn shape decisions and opportunities to expand periods of working in later stages of the life course. Furthermore, tax regulations may create specific incentives or disincentives to extend times of employment during the transition to retirement as a result of specific tax incentives, intended to prolong work (e.g., Sweden/ Netherland, tax rate; allowances, tax relieves) and implicit tax (dis)incentives, created through the overlapping of income from pensions and employment and the taxation of these types of income. These studies, however, often refer exclusively to stereotypical male circumstances.

FUTURE COLLABORATIONS (if applicable)

The findings suggest the necessity of further research concerning:

- gender aspects of tax regulations regarding inequalities during the life course, interdependencies with the design of pension system itself and their impact on the gender pension gap
- the European and international legal framework to prohibit discrimination and promote substantive gender equality in the field of old age security

Future collaboration will attend to these questions:

- Participation in an interdisciplinary workshop about pension systems in various countries at NUI Galway in September 2018
- Participation in COST-conference in November 2018 at NUI Galway with a paper on the role of taxation for old age security across the life course (abstract to be submitted 10th May 2018)
- Participation in the annual Conference of the Network for Research on Supplementary Pensions at NUI Galway in September with a paper on gender, tax, and supplementary pensions, that explores the gender impact and legitimacy of tax subsidies in the light of national and EU legal provisions, that prohibit indirect discrimination (abstract to be submitted 30th April 2018)
- Further research collaboration with Dr. Emer Mulligan on the role of taxation during the life course with regard to (gender) inequalities an old age security

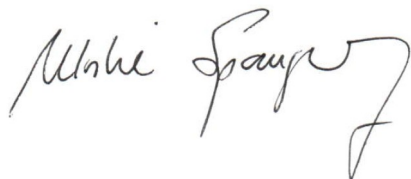
Foreseen publications

- Joint journal article with Michelle Maher and Emer Mulligan, by July 2018: Working Title: Gender equality and pension policies in the European Union: Options for Reform in Ireland (European Journal of Social Policies)
- Comparable article for pension policies in Germany
- Publication on gender aspects of supplementary pensions and legal requirements to promote substantive gender equality in collaboration with Irish researchers

Other comments

I very much enjoyed my visit to NUI Galway, people made me feel instantly welcome and introduced me to other colleagues. The contacts I made during the visit and the discussions from different national and disciplinary perspectives have benefited me as a researcher and will influence my future work.

I would like to extend my gratitude to COSTAction IS1409 for awarding me this grant to make the stay in Galway happen and to Dr. Emer Mulligan for offering to host, support and work with me.



Berlin, 24.4.2018