

TRAPEZ.ANALYSIS

Gender Gaps in Pensions in Austria: Quantitative and Qualitative Analysis

Ingrid Mairhuber (FORBA) and Christine Mayrhuber (WIFO)

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Christine Mayrhuber (WIFO)

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Authors: Ingrid Mairhuber (FORBA), Christine Mayrhuber (WIFO), in cooperation with
Hedwig Lutz (WIFO) and Bettina Stadler (FORBA)

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The Gender Gap in Pensions

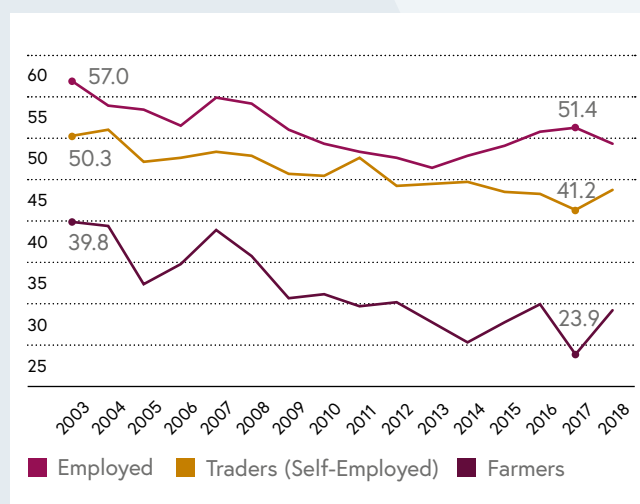
Regardless of the methods used for calculation and the statistical sources used, as an indicator the *gender gap in pensions* shows a systematic and structural income disadvantage for women in old age.

The Gender Gap in Pensions

The *gender gap in pensions (GPP)* compares the old-age income of women with that of men and shows the difference as a percentage. It illustrates economic inequality at a given time.

How high is the GPP in Austria?

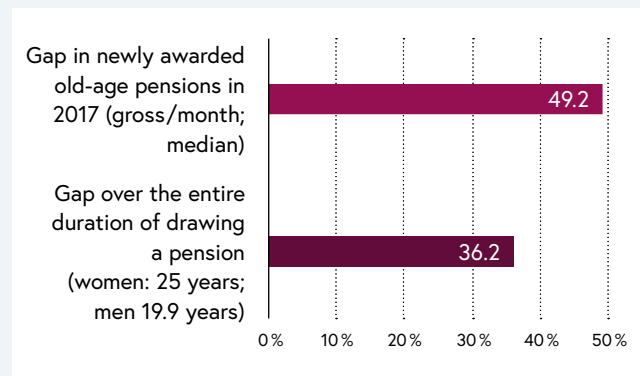
Of all of the newly awarded old-age pensions in 2017, women's were as a median 51.4% lower than men's pensions (2018: 49.2%). The gap is much lower for female farmers and slightly lower for traders (self-employed):



Source: WIFO-Calculations (s. Study Gender Gaps in Pensions in Austria 2020)

Even over their entire lives women draw less of a pension

Women draw a pension for an average of five years longer, because they retire earlier and have a longer life expectancy. Even if we look at this entire period, they still receive a lifetime pension total which is 36.2% lower.



Source: WIFO-Calculations (s. Study Gender Gaps in Pensions in Austria 2020)

Women more rarely have their own pension entitlements

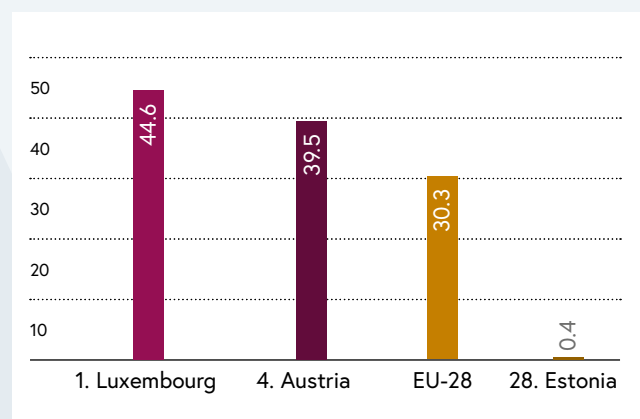
Only those people who draw a pension are included in the calculation of the GPP. In 2017, 18.4% of women over the age of 65 did not draw their own pension while 11.4% or 106,100 women did not receive either a pension or other benefits (such as a care allowance etc.).

2017	Women over 65	Men over 65
No pension of their own	18,4	1,0
No pension of their own or survivors' pension	13,6	0,8
No pension or other benefits	11,4	0,6

Source: WIFO-Calculations (s. Study Gender Gaps in Pensions in Austria 2020)

Austria has the fourth highest GPP in the EU

If the old-age income of all 64 to 79-year-olds is used for an EU comparison, Austria does not come off well: at 39.5%, its GPP is significantly above the EU average. Only Luxembourg, Malta and the Netherlands have higher gaps.



Source: Eurostat

Main causes: lower employment income and fewer years of employment among women

Cause 1: lower employment income

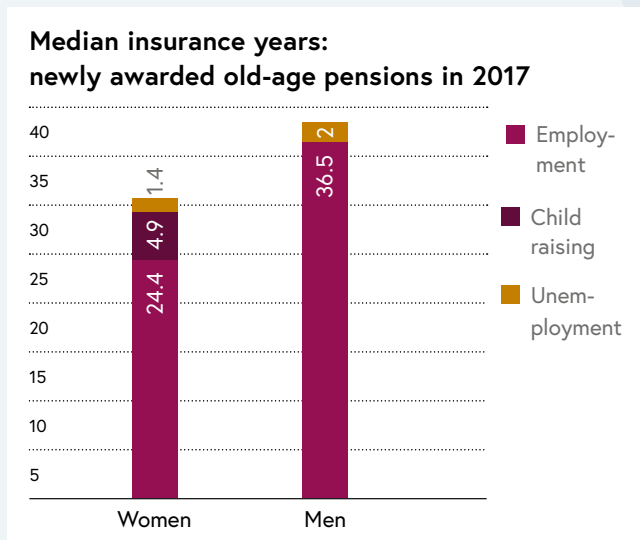
If we only look at compulsory insurance periods from employment, the gender gap between the median pensions is 60%. Partial insurance periods (such as child-raising periods) reduce this gap to 48.1% and increase women's median pensions by just under a third.

	Newly awarded old-age pension in 2017, median	"Insurance pension" (only from compulsory, insured employment)	Old-age pension including partial insurance periods
Women	EUR 612	EUR 612	EUR 811
Men	EUR 1.531	EUR 1.531	EUR 1.563
Gap	60,0%	60,0%	48,1%

Source: WIFO-Calculations (s. Study Gender Gaps in Pensions in Austria 2020)

Cause 2: fewer insurance years

In total, women have an average of nearly eight insurance years fewer than men. The difference in employment years is even higher, at 12 years. Child-raising periods only alleviate some of the shorter contribution periods and lower contribution bases.

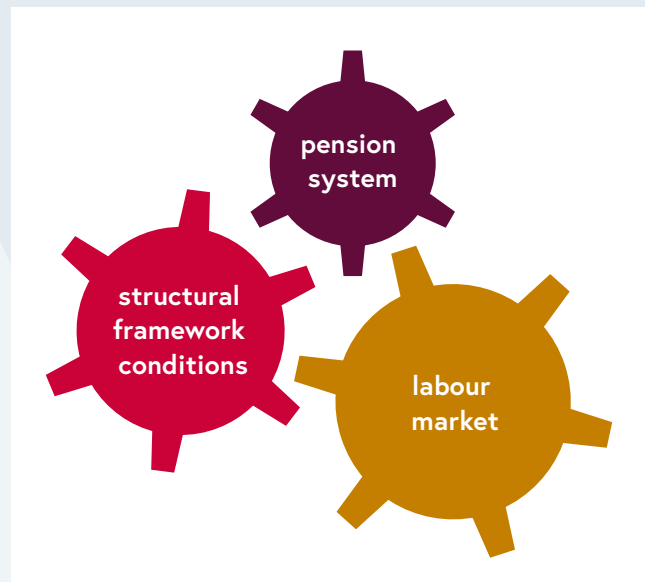


Source: WIFO-Calculations (s. Study Gender Gaps in Pensions in Austria 2020)

Perception of the pension disadvantage by the women interviewed

The level of the *gender gap in pensions* is predominantly estimated correctly and there is no great surprise about the actual level of this gap. The interviewed women are also clearly aware of the causes – income differences and unequal division of labour between the genders. At the same time, this enormous difference is considered as a great injustice among all of the women interviewed regardless of age, highest level of qualification and gender-based division of labour experienced etc. It is not understandable that women's provision in old age is so much worse than that of men (and that some of them remain dependent on their income) although they do the majority of the unpaid care work such as childcare and looking after relatives as well as working.

Approaches to decrease the GGP can therefore be found in the labour market (e.g. higher incomes, longer periods of employment), pension system (e.g. revaluation) and the structural framework conditions (e.g. care infrastructure):



Possible options for action: labour market

In earnings-related old-age provision systems, labour market inequalities are reflected in the social old-age provisions.

The GGP can primarily be decreased through equality on the labour market

As the analysis of the GGP shows, labour market factors contribute significantly to the lower women's pensions through:

- lower employment income for women as a result of structural differences in earnings;
- fewer insurance years from employment, only some of which are supplemented by additional partial insurance years (child-raising periods).

The vast majority of the gap in pensions is caused by the lower employment income. The shorter duration of insurance among women has the second most significant impact.

Women have a median of almost eight insurance years fewer for their old-age pension

This is a result of both career breaks (particularly for women with children) and the fact that women (still) retire earlier.

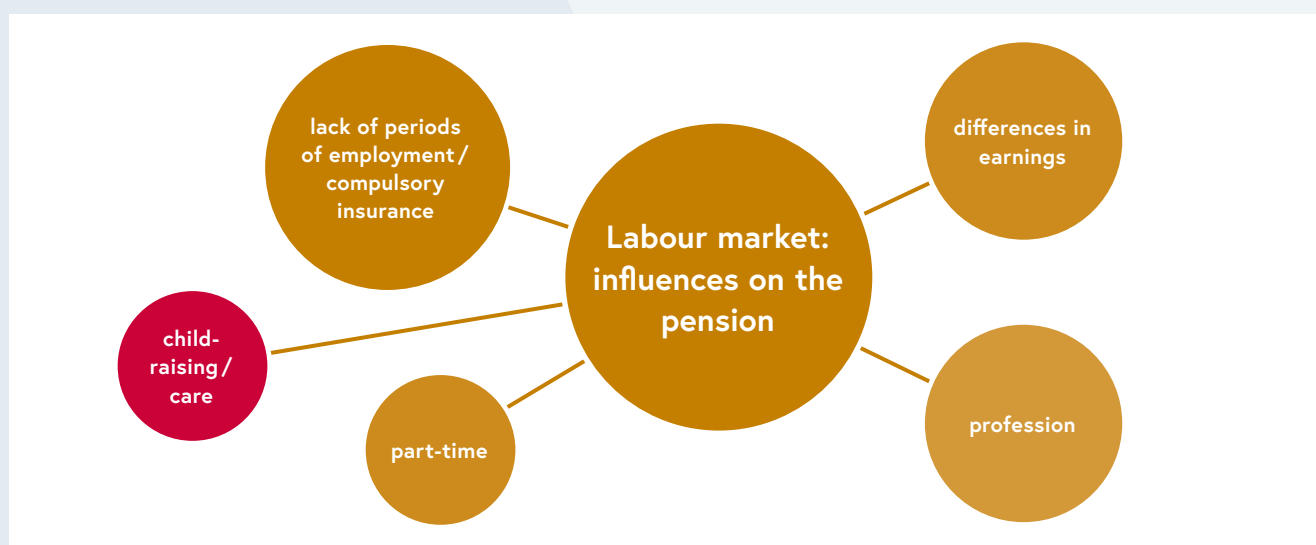
Many women work part-time (for a very long time)

Half of all employed women currently work part-time, with this figure rising to three quarters among women with children under the age of 15. The qualitative interviews show that women know about the impact that working part-time has, but at the same time see minimal opportunities to work more hours.

Yes, definitely. If it had been fundamentally possible [...] of course we would have gone out to work. But there's nothing. In the countryside there's nothing. (Ms I., age 53, Burgenland).

Continuing to work up to and after 60

Women can imagine continuing to work depending on their working conditions and health, but it is difficult for some to get (another) job.



Synthesis

In the earnings-related Austrian pension insurance system, the duration and level of the income which is subject to social security contributions determines the level of individual pension benefit. The labour market as a system which is upstream of the pension insurance offers numerous starting points to improve economic provisions for women both in the employment phase and subsequently in the pension phase. Conversely, changes to the employment system must always be viewed in terms of their effects on

old-age provision too. The increase in non-standardised employment situations has an impact on both the funding structure and the level of security of those affected: the increasing number of employed persons with more sporadic income means both lower contribution income as a whole and lower derived old-age pensions for these people. Improvements in the labour market also result in improved old-age provisions in the medium and long term. There are many varied approaches to this:

Approaches based on the analyses

- **Increasing employment income:**
Choice of profession, career guidance, starting salaries, collective agreements
- **Company income transparency**
and discrimination-free job evaluations
- **Granting of public tenders** promotes companies with a focus on equality
- **Reduction of excessive working hours** and compensation e. g. through parental working hours
- **age(ing)- and health-appropriate jobs**

Approaches suggested by the women interviewed

- **Shortening working hours**
“...But at the same time I can't imagine working more than the 35 hours [...] I've been working [...] So yes, I'm at the limit” (Ms A., age 53, Vienna).
- **Equal pay for equal work**
“Everyone should get the same pay, regardless of whether they're a man or a woman (Ms K., age 47, Burgenland).
- **Creating jobs**
“[...] just make sure there are more jobs, particularly in these rural areas” (Ms I., age 53, Burgenland)

Possible options for action: pension system

There are many ways to decrease the pension gap between women and men in Austria. Often, however, people are unaware of them.

Need for more information on applicable provisions

Some regulations are applied automatically, such as the crediting of child-raising periods. Others, such as supplementary insurance, pension splitting, continued insurance for those caring for relatives or self-insurance for those in marginal employment, need to be applied for. The interviews carried out as part of the study show that people continue to be unaware of these applicable regulations, although women would benefit from them. Even the information that is available is not often used.

Women often rely on equalisation supplements

There are many false expectations about the existing tool of the equalisation supplement. Many women are unaware that they do not have an individual entitlement to it. The fact that their partner's income is taken into account means they remain economically dependent in old age.

Voluntary splitting? Seems unrealistic

Although it has existed since 2005, it is rarely used in practice. The women interviewed are against (voluntary) pension splitting, among other things because

- it is once again an entitlement derived from the partner and
- the care work done by women with partners who earn well is worth more.

They feel that care work should be equal in society and under pension law and that it should be more highly valued in general.

Compulsory splitting?

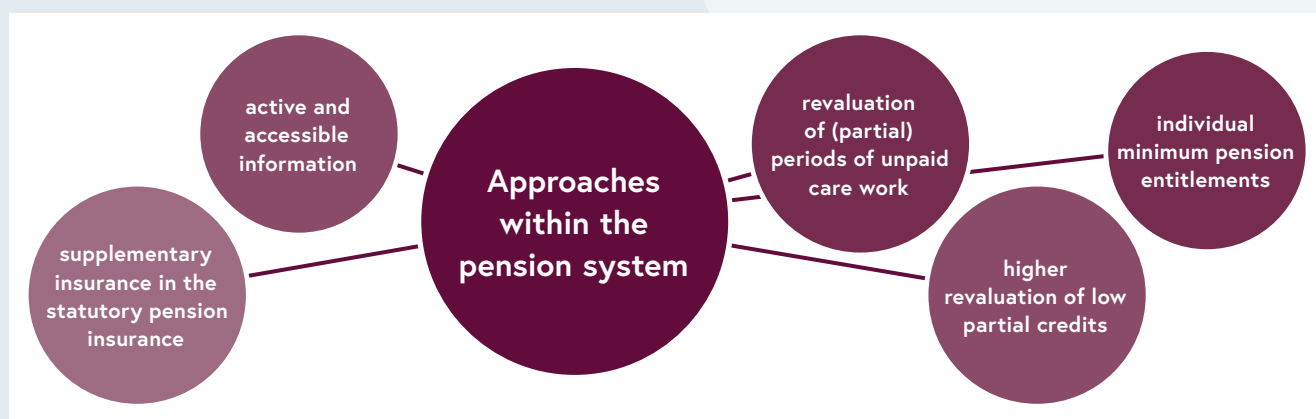
The option for compulsory splitting is, however, accepted, particularly in light of the fact that parents also separate and then voluntary resolution seems less realistic.

Private pensions are not affordable

Many of the women interviewed were expecting a very low pension. At the same time, they are often unable to afford additional pensions because of their low income. Supplementary insurance in statutory pensions would be an interesting option, but women would need to be able to afford it.

“... But I think...no, in principle it sounds really good, but in the low-salary industries in particular people can't afford it, they just don't have the money put to one side. And these are the people it affects. If you earn well, you may well not have any problems with your pension anyway” (Ms C., age 51, full-time blue-collar employee, Upper Austria, country).

Company pensions are of almost no significance for women in Austria, because companies in industries which employ large numbers of women do not offer company pensions.



Synthesis

Overall, there is little awareness about how the Austrian pension system works. Improved transparency of the system and a person's pension entitlements (which can be checked in the pension account) would both increase trust and give women the opportunity to take actions that would improve their pension in good time. One measure to improve women's pension benefits in the short term is better crediting and valuation of periods of unpaid care work. Good provision in old age would therefore not merely be based on previous employment and contributions paid in but also on the unpaid but socially necessary

care work. In pension splitting, however, there is merely a redistribution within couples, albeit it can increase men's awareness of the long-term consequences of care work. Women's individual pension provisions could be achieved by redesigning the revaluation factors in the pension account: lower incomes would be revalued more highly. The introduction of a minimum pension or an equalisation supplement which is not dependent on the partner's income would be a great help to women's pensions. If it is affordable, supplementary insurance in the state pension is a good way for a person to increase their own pension.

Approaches based on the analyses

- **New information formats:** active guidance and updated pension account statements sent out automatically each year
- **Accessible information:** modular, targeted information, including for younger age groups
- **Better crediting and recognition of unpaid care work** through higher ratings of periods for child-raising and caring for relatives; partial credits during parental part-time work
- **Compulsory pension splitting in the event of a divorce**, not just for parents
- **Higher revaluation factors for low incomes** based on the Gender Pay Gap
- **Minimum pension** which does not take into account the partner's income, for example as an individual equalisation supplement
- **Voluntary supplementary insurance:** contributions could be made by the partner, including as compensation for the gendered division of labour

Approaches suggested by the women interviewed

- **Improved crediting of care work**
“I think better crediting of childcare and care is important” (Ms A., age 53, Vienna).
- **Re-definition of the benefit principle**
“[...] you should maybe take lots of varied biographies to get a pension system which [...] guarantees more equal distribution” (Ms S., age 42, Vienna).
- **Taking into account parental part-time work**
“Something being credited for part-time workers for [...] school-aged children” (Ms E., age 55, Upper Austria, country)
- **Higher revaluation factors**
“[...] maybe not necessarily just women, but those who earn less [...], they then get a higher revaluation factor” (Ms E., age 44, Vienna).
- **Minimum pension**
“[...] like unconditional pension income. And if you want to have more, you collect pension insurance years. Then you would have [...] an equalisation supplement independent of your marital status” (Ms G., age 42., Lower Austria, country)

Possible options for action: structural factors

The re-distribution of paid and unpaid work is an important starting point when it comes to decreasing inequalities on the labour market and the gender gap in pensions.

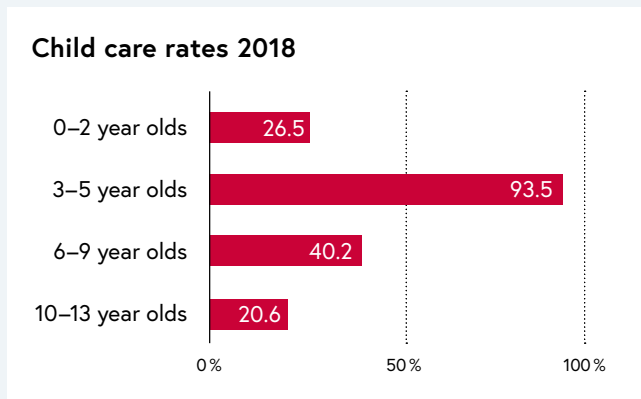
Adequate involvement of men in unpaid care work is needed

For many women, the gendered division of labour means longer career breaks and periods of part-time employment. This leads to much lower pensions. Both a fairer division at the couple level and rethinking on company and societal level are needed to improve this situation.

... I think it would be very attractive to say OK, there are two of you now, we can both work just 30 hours. But where can you do that? You'd need to find an employer, because then you're both working part-time (Ms B., age 33, Salzburg).

Lack of childcare is an obstacle not just when the children are kindergarten-aged

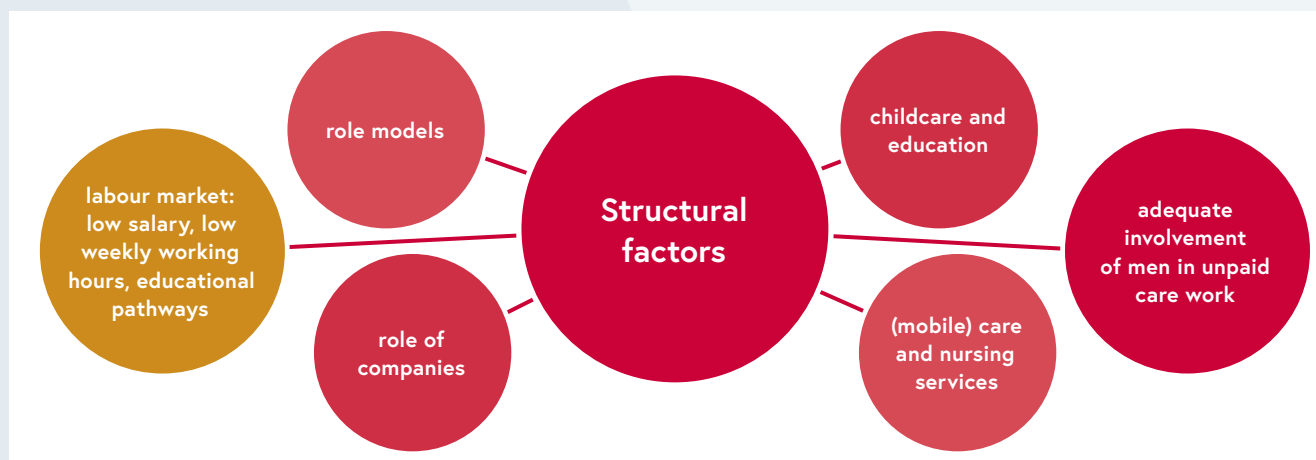
Affordable and flexible childcare facilities with plenty of staff are still not available to all families. The rate of (afternoon) care for children once they start school drops even further. For many women, this is a significant problem when it comes to (increasing) their employment. The additional earnings were often not enough to offset the additional costs of afternoon childcare for the women interviewed.



Source: Bildung in Zahlen

Childcare and (long-term) care: expanding the services creates jobs and allows for better reconciliation

The issue of reconciliation of employment and care work is not, however, limited to childcare but increasingly also relates to the care and nursing of relatives. In 2018, around 396,000 or 71% of people aged between 18 and 64 were caring for relatives who required assistance. Of those, 242,000 or 61% were women. For the women interviewed, both sufficient support facilities and services and greater involvement on the part of men are important topics.



Approaches based on the analyses

- **Division of paid and unpaid work** needs support at a societal, political, company and infrastructure level to be implemented.
- **Expansion of high quality, affordable childcare facilities** for children under the age of 3 and school-aged children, including in rural regions, which is both flexible and covers afternoons
- **Expansion of afternoon care for school-aged children** including a hot lunch and help with school work such as homework
- **Expansion of (mobile) high quality, affordable care and nursing services**, including in rural areas
- **Company responsibilities** for employment and income opportunities for employees with care responsibilities, for (further) training and for age-appropriate jobs which enable people to stay in their job for longer.
- **Education system and choice of profession** also have indirect, structural effects, so more support for women / girls in MINT subjects and professions

Approaches suggested by the women interviewed

- **Redistribution of paid/unpaid work**
“For me it’s simply the redistribution of paid and unpaid, I think that’s the way” (Ms E., age 44, Vienna).
- **Company responsibility**
“Something needs to be done so the men can have things a bit easier from the companies too. If a man takes his “daddy month” or goes on paternity leave for 2 or 3 months, it’s a big deal in the company: he’s going to be missed etc. etc. And what about the woman, she’d not going to leave or what? Is she perhaps not worth as much as a man?” (Ms C., age 51, Upper Austria, country).
- **Creating childcare places**
“[...] provide better childcare or create places at all [...]” (Ms B., age 33, Salzburg).
“...everything else needs to be regulated. Nursing facilities, you need facilities for children, you need...I don’t know, all kinds of things” (Ms A., age 53, Vienna).
“Our primary school [here in the country] finishes at 11.15am. [...] 3 days out of the week. Please, what am I supposed to do with these children?” (Ms I., age 53, Burgenland).
“So childcare is a real problem. [...] Afternoon care is madness. [...] It’s really inflexible and extremely expensive” (Ms G., age 42, Lower Austria, country)
“Well you can have them looked after in the day care facilities, but that will cost you as much as the job pays” (Ms K., age 47, Burgenland).

Background: This Executive Summary is based on the study *Gender Gap in Pensions in Austria (FORBA & WIFO 2020)*, which is available online on www.trapez-frauen-pensionen.at. Printed copies can be ordered from int.frauen@bka.gv.at. TRAPEZ is a collaborative project between the Division for Women and Equality (Federal Chancellery), the Ministry for Social Affairs, FORBA and WIFO and is being carried out between February 2019 and September 2020 with co-financing by the European Union *Rights, Equality and Citizenship (2014-2020)* programme. The contents of the TRAPEZ.Info are the sole responsibility of the authors.

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1 Introduction

For the vast majority of people in Austria, their employment income forms the basis of their economic livelihoods. In 2018, a total of 4.24 million people were actively employed. This is equivalent to 71.3% of 15- to 59-year-old women and 76.1% of men aged between 15 and 64.

The earnings-related public pension system in Austria is downstream of the labour market; or rather the labour market is upstream of the public pension system. The lower level of labour market participation among women in terms of weekly working hours and years of employment as well as the lower income of women on the segregated labour market lead to women having significantly lower pensions than men on average. The strengthening of the insurance principle as part of the past pension reforms (keyword: lifetime calculation) means that the structural inequalities on the labour market are expressed to an increasing extent in the pension system. The pension system echoes past disadvantages of women on the labour market. This effect is weakened only by regulations which take unpaid care work such as raising children or caring for relatives into account when calculating the pension. The *gender gap in pensions* (or GGP for short and used below) is significantly higher in Austria than the average Gender Pay Gap (Böheim et al. 2019).

Although Austria has an above-average gross domestic product per capita and an above-average female employment rate, the GGP in Austria is significantly above the average for the 28 EU member states. Austria is in a poor fourth place within the EU (EIGE 2015A; Eurostat 2020).

This above-average *gender gap in pensions* in Austria is addressed in greater detail in this report from two different scientific perspectives. Firstly, gender-specific differences in the labour market and the level of the gender gap in pensions for different groups of women in Austria are set out and quantified (WIFO, Chapter 2). Secondly, women's basic knowledge of the complex Austrian public pension system and its interactions with women's individual employment trajectories are analysed in depth (FORBA, Chapter 3). This approach includes the labour market conditions, the institutional design of the public pension system and "pension literacy" among women. At the same time, the approach does not merely focus on individual scope for action or the perception of these spaces but also on the heterogeneity of real life, which often leads to significant distortions and disadvantages for women when it comes to institutional (pension law) structures. Women in Austria are having their own say on the topic of pensions for the first time in this study and their perspectives were the starting point for the suggested measures formulated.

The knowledge from the analyses carried out ultimately feed in to recommendations for decision-makers based on both quantitative and qualitative evidence, taking into account the exchange of experience with national and international experts and stakeholders (Chapter 4).

2 The gender gap in pensions in Austria

Christine Mayrhuber

In the earnings-related Austrian social system, the majority of social benefits stem from previous income subject to social security contributions. The income position therefore shapes economic opportunities for people in Austria in both the short as well as in the long term. These opportunities vary structurally between various forms of employment, professions, qualifications, age groups and above all between women and men. Despite the enormous dynamism in the past few decades, labour market integration of women still differs significantly from that of men from both a quantitative and a qualitative perspective (Bock-Schappelwein et al. 2017). In the past two decades, the employment rate amongst women aged 15 to 64 has increased by 11.3 percentage points while the rate for men has only increased by 2.9 percentage points. Nevertheless, the female employment rate is still 10 percentage points below that amongst men. The median monthly income which is subject to social insurance contributions also increased to a greater extent amongst women than amongst men in this period, but still remains significantly below income for men (see Figure 2). The gender pay gap is determined by both the shorter weekly working hour (high female part-time employment rate) and shorter working careers, as well as lower hourly earnings on the segmented labour market (Huemer/Mahringer 2019) and gender-specific fields of training and professions (Bergmann et al. 2017).

In the medium term (for example in the case of unemployment) and particularly in the long term (in the pension system), the lower levels of labour market integration and the lower levels of earned income of women result in low old-age benefits. The Bismarckian, employment-centred Austrian pension system is a system downstream of the labour market while the labour market is a system upstream of the pension system. The gender-specific inequalities on the labour market are transferred into the pension system and in some cases enhanced by the equivalence principle: a closer link between the duration of employment, individual income level and the pension benefit is set out in the pension account law (from 2005) (Wöss/Türk 2018). In pension systems which are more focused on the minimum pensions, the transfer of gender-specific labour market differences into the pension system is less.

In Austria, women's income disadvantage in retirement income is actually greater than in income from active employment (see Table 2). Average pensions among women are significantly lower than the average male pension, both in terms of comparing pension stock and newly awarded pensions. This "pension gap" is also referred to as the *gender*

gap in pensions (GGP), based on the income gap. The term *gender gap in pensions* is following the terminology for the pay gap. The indicator compares the level of retirement income for women to that of men at a given point in time and therefore expresses the differences between women and men over their entire employment and income trajectories.

The aim of this chapter is to quantify the pension gap between women and men in Austria. The lack of equality between men and women on the labour market is outlined in the first section of the quantitative part (2.1). The second section (2.2) discusses the concept of the GGP and its strengths and weaknesses. The size of the GGP is analysed on the basis of cross-sectional data in the third chapter (2.3). The individual influence factors which determine the difference between men's and women's pensions are calculated in the fourth chapter (2.4). Possible starting points for reducing the pension gap are outlined in the final section.

2.1 Economic equality between women and men

The goal of equality is fundamentally derived from social, civil and economic human rights. Legal equality does not automatically mean *de facto* equality in all areas of life. Equality therefore requires a multidimensional approach (Downes et al. 2017). The goal of equality between women and men is set out in various international /supranational agreements and conventions (for example CEDAW 1979; European Council 1995; European Commission 1998). It is also set out in a legally binding form in the member states of the European Union in the Treaty of Amsterdam¹. Gender mainstreaming is a further instrument which pushes forward economic, social and political participation and equality of and between women and men, as well as gender budgeting, which it is integrated into the annual budget process (European Union 2016). In Austria, equality of women and men is legally enshrined at various levels of the federal state (for example in the Federal Constitutional Law 2019, Article 7 (1–4)). As part of the federal budget reform and with the introduction of impact-oriented budgeting,² gender budgeting has also been elevated to a constitutional level³ and further strengthened (Schratzstaller / Gössinger 2013).

1 Article 2 of the Treaty of Amsterdam (1 May 1999) states: “The Community shall have as its task, by establishing a common market and an economic and monetary union and by implementing common policies or activities referred to in Articles 3 and 3a, to promote throughout the Community [...] equality between men and women [...]”. Article 3 of the Treaty of Amsterdam states: “In all the activities referred to in this Article, the Community shall aim to eliminate inequalities, and to promote equality, between men and women.”

2 Article 51 (8) of the Federal Constitutional Law: “In the management of the federal budgets the principles of striving for efficiency, in particular also under respect of the goal of equal treatment of women and men, transparency, efficiency and the accurate depiction of the financial situation of the Federation are to be respected.”

3 Article 13 (3) of the Federal Constitutional Law states: “Federation, provinces and municipalities have to strive for the *de facto* equality between women and men in the budgeting.”

Equality has several dimensions: From economic equality to equal access to resources, equal social/cultural recognition and on to equal participation in power and decision-making processes (Gubitzer et al. 2008). According to Fraser (2005), equality has both a political-economic and a cultural-evaluative component. As a consequence, equality measures vary in terms measurement and comparability (Himmelweit 2018). Despite the extensive legal and institutional anchoring of the goal of equality, equality has not yet been achieved in Austria (Federal Ministry of Health and Women's Affairs 2017). The empirical results continue to show significant disadvantages for women (Bock-Schappelwein et al. 2017; EIGE 2015B), despite numerous empirical evidence which demonstrates the positive economic effects of promoting equality. The following can be found in the economic literature:

- Greater labour market participation of women and increasing levels of professional qualification lead to an **improvement in the human resources in an economy** and to a long-term **growth stimulus** for the entire economy. For example, the OECD estimates an additional growth stimulus for Austria by 2060 of the magnitude of 13% of the Gross Domestic Product (OECD 2015). This could be achieved by a more equal distribution of paid and unpaid work. More equal distribution of the two forms of work could be promoted by a change to the tax system by encouraging employment participation of women and single parents and by the creation of comprehensive childcare infrastructure (ibid).
- The economic stimuli of improved equality in the fields of education (increasing the percentage of women with technical qualifications), labour market participation and remuneration have been simulated by EIGE (the European Institute of Gender Equality). The estimates show that a reduction in the gender gap has significant **positive effects on the Gross Domestic Product (GDP)** overall. Greater levels of equality will lead to an increase of up to 9.6% in the GDP per capita in the EU by 2050 (EIGE 2017A; EIGE 2017B). In a comparison of countries in the EU, Austria already has a relatively high level of equality. Closing the gender gap in the areas mentioned will have a relatively minor effect compared to countries with greater levels of inequality. By 2030 and 2050, the GDP in the group of countries with lower gender gaps could still grow more strongly than in countries with constant gender gaps, by 2.5% and 7.5% respectively.
- The European Commission (2015) also quantified work-incentives from the **tax system**: there are significant negative incentives for women when the tax system is based on household taxation (Germany, France, Ireland, Portugal). Austria is in the middle of the pack of European countries when it comes to the negative incentive effect of marginal taxation. If **childcare costs** ("out of pocket" costs) are included in the incentive calculations, Austria's position in a European context improves thanks to the largely free kindergartens. A study on Vienna shows significant potential for growth as a result of improved equality: the operation of kindergartens in the city is linked to the creation of around 400 million

euros in value added and the employment of 7,600 people when the indirect and indicated effects are taken into account. Additionally, the introduction of the cost-free kindergarten lead to an increase in female labour market participation and of the Viennese gross regional product that is higher than that of other public consumption expenditures (Bachtrögler et al. 2020).

The following section focuses on the individual economic position of women, although the overall positive economic effects of closing the gender gap outlined here are significant.

2.1.1 Gender-specific differences in the labour market

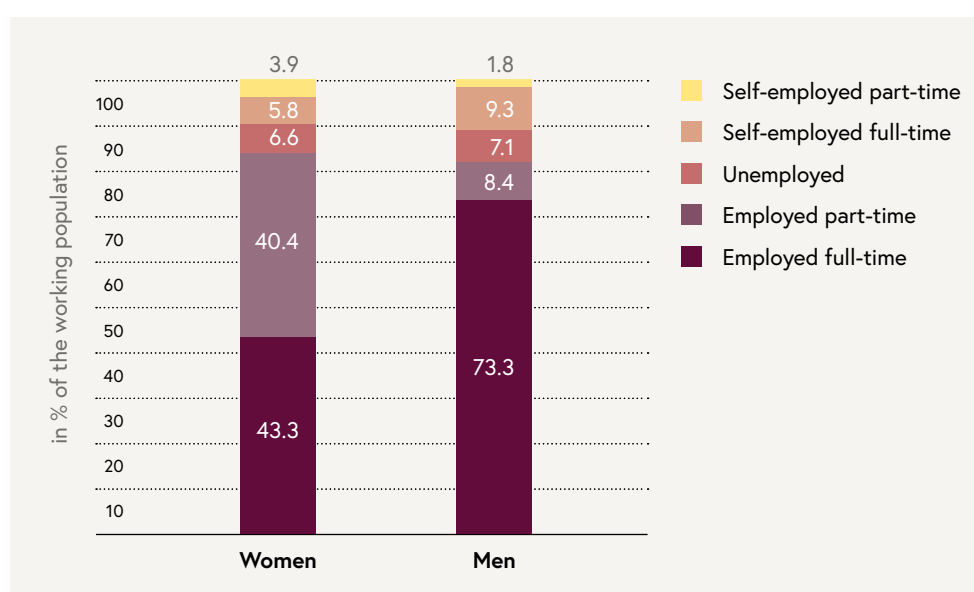
On the basis of 30 indicators from the fields of work, income, education and family, Bock-Schappelwein et al. (2017) demonstrate that there are significant gender-specific disadvantages (for women compared to men) in Austria (*Gleichstellungsindex Arbeitsmarkt*). The greatest gender-specific differences are in the field of family (take-up rate of parental leave, income before / after parental leave, employment rates for women / men with children under the age of 15), followed by the fields of income and work: the higher the concentration of women in specific professions or sectors on the labour market, the greater the difference to the detriment of women. There are already income differences at the beginning of a person's professional career and are reinforced by gaps in employment. In the field of education, higher numbers of women than men pass the school leaving qualifications, but overall there are more women than men with low levels of qualification (ibid). There are also considerable regional differences in Austria. With an index value of 81% (women's value in relation to men's value; equality would be achieved at 100%), Vienna's rate is better than the remaining 8 federal provinces, with index values ranging between 64% in Vorarlberg and 72% in Carinthia. Equality in the fields of the labour market and family is higher in Vienna than in the remaining federal provinces (ibid).

There has been little progress as time has passed. The index values calculated by Bock-Schappelwein et al. (2017) show a slight improvement for women compared to 2015. The authors conclude that the breaking of traditional educational pathways and occupational profiles, a rise in access to leadership roles, changes to job evaluations and an increase in men's involvement in caring, educational and household activities are still needed to get closer to the objective of equality.

The biggest group among the around 2 million working women are women with full-time jobs, followed by those with part-time jobs. Unemployed women are in third position at around 6.6%, followed by full-time and part-time self-employed women (Figure 1). Significantly higher numbers of women than men work part-time, with this pattern holding true for both employed and self-employed persons. In the recent past, the dynamics of changes in forms of employment have been very uneven. The vast majority of increasing in employment in the past 10 years (between 2008, the year before

the financial crisis with a high level of employment, and 2018) was in part-time work. Starting from an initially low rate of part-time employment among men, by 2018 a total of 69% more men were employed part-time than in 2008, with a part-time employment rate of 10.3%. Among women the increase in part-time work (starting from a high level of 29%) resulted in a part-time rate of 48.3% in 2018. The most common reason for part-time employment among men was further training (24.5%) while among women it is caring responsibilities (38%) (Statistics Austria 2019B). Conversely, the number of women employed full-time stagnated during this period, with men seeing slight increases (Figure 1). There is also a very high level of flux among new self-employed people and those in marginal employment.

Figure 1: Groups of working women and men 2018



Source: Statistics Austria, WIFO calculations.

This short observation period shows weaker labour market integration among women than among men. Empirical results confirm the gender-specific differences over a longer period of time, too. For example, the number of short-term employment contracts increased more significantly among women than among men between 1975 and 2015 (Mayrhuber et al. 2019). Women are also more commonly involved in non-typical forms of employment (Eppel et al. 2013; 2014).

Table 1: Change in forms of employment between 2008 and 2018 in %, comparison of women and men

Employees	total	of which full-time*	of which part-time*	of which temporary workers	of which new self-employed workers	of which marginal employees
Women						
2008	2,013,917	942,692	684,720	13,442	16,449	183,299
2018	2,239,522	948,215	884,575	18,570	24,316	216,001
				Change in %		
	+11.2%	+0.6%	+29.2%	+38.1%	+47.8%	+17.8%
Men						
2008	2,253,369	1,704,639	121,203	54,639	22,985	89,795
2018	2,427,222	1,764,376	203,425	67,376	28,176	131,616
				Change in %		
	+7.7%	+3.5%	+67.8%	+23.3%	+22.6%	+46.6%

Source: Statistics Austria, WIFO calculations
* only employed persons, WIFO calculations

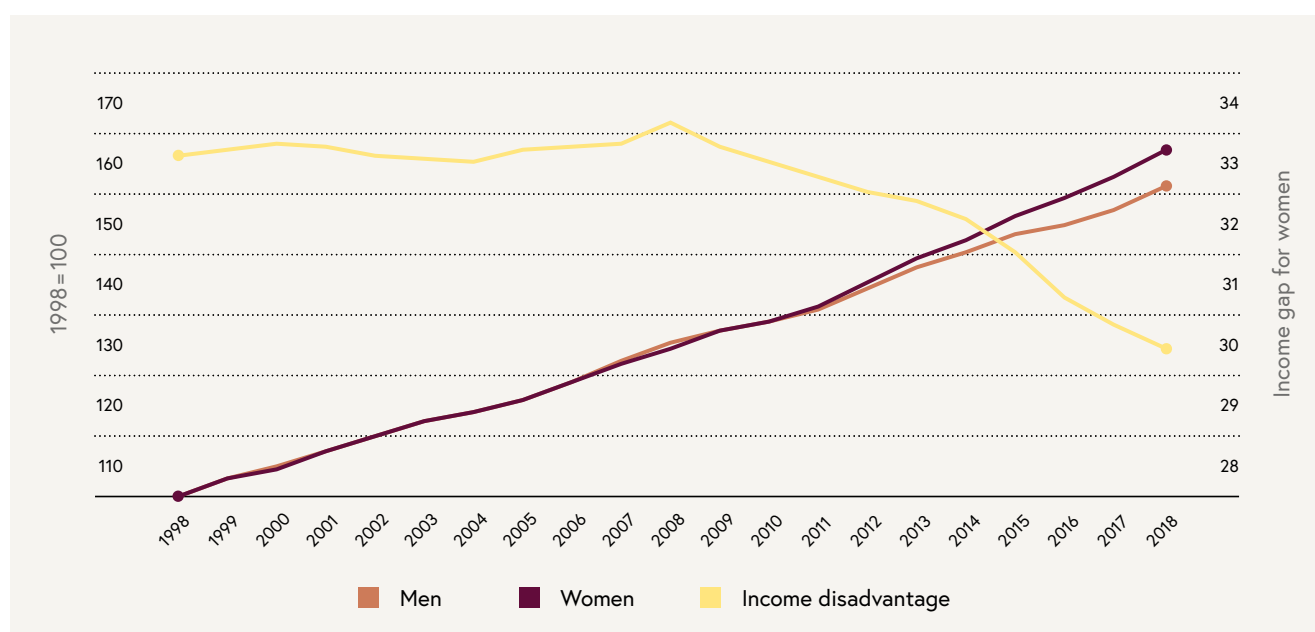
2.1.2 Wage gaps

On the basis of the cross-sectional data used, the equality index mentioned shows that women still have a significant disadvantage compared to men in terms of income – the field which is critical to both a person’s current economic situation and above all their financial situation in old age. Across Austria, women only reach 69% of the men’s index value in the annual income.

The situation is confirmed by the **gross hourly earnings** of employees: women in the private sector made an average of 22.2% lower gross hourly earnings than men in 2014 (Statistics Austria 2017). Taking into account the features of industry, profession, level of education, age, type of contract, amount of time spent within a company, region and company size, the wage gap adjusted in this way is reduced to 13.6%. More than half of the gender pay gap cannot be explained by differences in the observed factors. The structure of earnings survey only includes companies with more than 10 employees. Since Austria has a large number of small businesses (87% of companies have fewer than 10 employees and 25% of all employees work in these companies (Statistics Austria 2018B)) and the income in this area was therefore not included in the European comparison, the gap could be even bigger. On the basis of comparable data, the unadjusted gender pay gap in Austria in 2018 was significantly higher at 19.6% than the EU-28 average of 15.7% (Eurostat 2020A).

The considerable variation in weekly working hours between women and men is linked to significant differences in the median monthly income which is subject to social insurance contributions. This income, however, is used for social security provisions for employees (and self-employed persons) and is very important in terms of a person's economic situation in old age. With a median income subject to contributions (including bonuses) of EUR 2,139 (2018), the income disadvantage for women was 30.1%.

Figure 2: Development in monthly income subject to social insurance contributions (including bonuses) and the income gap in Austria



Source: Main Association, WIFO calculations.

The adjusted wage gap, in other words the wages of men and women after taking into account the differences in training, qualification, profession, industry, professional experience, working hours, company size, region etc., is lower than the unadjusted wage gap. Böheim et al. (2017) calculate a median gross hourly wage gap of 15.6% for 2015: between 4.2 and 8.9 percentage points of the wage gap by industry and profession can be explained by differences in the factors observed such as training, industry, professional experience, working hours, company size and region. The part of the wage gap which cannot be explained is an average of 10.7 percentage points and varied between 8.9 and 11.4 percentage points of the gender wage gap. The majority of the difference observed therefore cannot be explained by observable variables. This result was also confirmed on the basis of the structure of earnings survey. The unexplained wage gap dropped somewhat between 2005 and 2015, but if the adjustment continues at such a slow pace, it will take decades to close the income gap.

The rising women's employment rates did not automatically close the income gap yet. Also, the share of women in low-wage jobs has remained consistently high in the past decades: around 23.1% of women (compared to 8.7% for men) have gross hourly earnings of below 66% of the average median hourly income of all employees⁴ (Statistics Austria 2017). There has even been a slight increase in the percentage of low-salaried employees among those in full-time employment (Mayrhuber et al. 2014). The income disadvantage of women in full-time jobs is 15.2% (median income) or 19.3% (average income).

Pay also correlates closely with employment stability. Eppel et al. (2017) show that those in unstable employment earn a quarter less per month (median) than those in stable employment (employed all year round). Between 2000 and 2015 the gross median salary in the first group increased by 2.0% per year, whereas stable employees had an annual wage growth of 2.4%, which is a fifth higher.

All of the available income data show a significant income disadvantage among women compared to men (Table 2). The hourly salaries are between 15.6% and 19.9% lower, with only half of the disadvantage being able to be explained by personal (level of education, work experience etc.) and professional features (industry, region etc.). The difference increases to between 30.1% and 36.7% in the monthly and annual income due to the higher number of working hours for men.

Table 2: Gender-specific income differences in Austria based on different income data

Indicator (Source)	Value
Gender Pay Gap (2018) Average gross hourly wages for salaried employees, Eurostat	19.6%
Gap in median gross hourly wages for salaried employees (2015) according to Böheim et al	15.6%
Gap in median gross monthly wages (including bonuses) which are subject to social insurance contributions for salaried employees (2018)	30.1%
Gap in median gross annual wages for salaried employees (2018), income tax statistics	36.7%
Gap in median gross annual wages for full-time, year-round salaried employees (2018), income tax statistics	15.2%
Gap in average gross annual income for full-time, year-round salaried employees (2018), income tax statistics	19.3%

Source: Statistics Austria, MA, WIFO calculations.

4 A low salary is defined using the gross hourly salary. If this is less than two-thirds of the median hourly salary, it is classed as low-salaried employment. An average of 14% of salaried employees have an hourly income below this limit of EUR 9.35 per hour (Statistics Austria 2017).

Increasing levels of employment among women are an indicator of an improved economic situation and financial independence of women. But the high percentage of part-time employment, the high amount of women working in low-paid-jobs and the fact that women are still responsible for all forms of unpaid care work mean that women are still economically dependent, dependent on the household income.

2.1.3 Differences in the number of years of employment

There is a “standard-of-living-principle” in the statutory pension system in Austria. The pension benefit should be 80.1% of the average monthly life income for those with 45 years of employment at the statutory retirement age⁵. Among new pensions of former employees in 2018, only 2.2% of women actually reached this level, while 54.6% of men had 45 years of insurance behind them (Table 3). 36.7% of women had been insured for more than 40 years, while the corresponding percentage for men was 77.7%. The average difference in insurance years in old-age pensions between women and men is 6.0 years. This difference is less explained by the fact that the statutory retirement age is 5 years lower for women, as the average retirement age only differs in 2.8 years. Gaps in employment as a result of care work also take up a significant amount. The difference in contribution years from active employment is approximately 10 years, but partial insurance periods (mainly periods of child-raising) reduce the gap to 6 years. The shorter total insurance duration means women have a pension disadvantage of 11 percentage points compared to men. Added to this is the income disadvantage of women, which further increases the *gender gap in pensions*.

Table 3: Number of insurance years among new pensions in 2018 of former employees, in % of all new pensions

Insurance years	Disability pensions		Old-age pensions	
	Women	Men	Women	Men
Fewer than 20 years	17.5	12.9	7.8	4.0
20 to less than 30 years	30.4	25.8	19.9	8.5
30 to less than 40 years	42.4	31.4	35.5	9.8
40 to less than 45 years	9.7	25.8	34.5	23.1
45 years or more	0.1	4.1	2.2	54.6
Total	29.1	32.4	34.6	40.7
Total new pensions (persons)	5,274	8,649	34,692	27,713

Source: PVA 2019A, WIFO calculations.

5 According to pension account law and therefore valid to an unlimited extent for persons who started working from 2005.

But also in the case of an identical duration of insurance period, the fact that income levels among women tend to be lower, either as a result of lower levels of employment market integration (part-time) or the segmented employment market (low-salaried industries for women) means that women's pensions are significantly lower. Model simulations based on pooled EU SILC income information from 2008 to 2016 from seven professional groups and equally long professional careers show that in both professions with lower qualification requirements and academic professions, women's employment income was significantly lower on average than for comparable men (Kaniowski / Url 2019). Where there are significant income fluctuations, which are mostly linked to gaps in employment, the pension calculation on the basis of the overall income has a negative effect. Since women are more frequently affected by breaks in work, this regulation further curbs women's pensions (Mayrhofer 2006, Mayrhofer / Badelt 2019).

In earnings-based pension systems, a decrease in the *gender gap in pensions* can primarily be achieved by equality measures carried out on the labour market and secondly through pension law (European Parliament 2016).

2.2 The concept of the gender gap in pensions

The employment-related Austrian old-age pension system builds on the conditions of the labour market. Both the individual pension amount and financial sustainability of a pay-as-you-go system in general depend on employment rates and the level of income subject to social insurance contributions. With the pension account law passed in 2005, the pension calculation basis was increased from 15 to 45 years, reinforcing the equivalence principle. Thus the monthly individual pension is proportional (equivalent) to the pension insurance contributions made over the course of the person's professional life. The individual labour market position as well as structural and cyclical economic changes play an important role for the individual pension, since weak labour market and income developments have a direct impact on the individual level of security.

The concept of the gender pay gap compares the difference in the hourly wage for women and men at a given point in time. Based on the principle of "equal pay for equal work" women's income is presented in relation to men's income. On the basis of this indicator, the explanatory factors for the gaps are analysed. It is apparent that a considerable part of the gender pay gap still remains unexplained (for example Böheim et al. 2013; Rocha-Akis et al. 2017, Geisberger / Glaser 2017).

The concept of the *gender gap in pensions* (GGP) has been established in analogy to the gender pay gap. The GGP compares the old-age income of women with that of men at a defined point in time. The GGP values calculated can therefore be more easily compared with the gender pay gap on the basis of monthly or annual income; a comparison of the GGP with the income gap based on hourly earnings is less meaningful.

$$\text{Gender Gap in Pensions} = \left(1 - \frac{P_W^t}{P_M^t}\right) * 100$$

P = pension income
W = Women
M = Men
t = point in time

In principle, the GGP manifests the long-term consequences of the structural economic and social disadvantages faced by women compared to men (EIGE 2015A). The indicator quantifies the economic inequality between women and men which has developed in the employment system and persists in old age as a result of institutional regulations (Bettio / Tinios / Betti 2013). There are two possible forms of presentation: a comparison of women's pensions examining how they deviate from men's pensions or a comparison of men's pensions examining how they deviate from women's pensions. In the following chapter, men's pensions, the standard of comparison (=100%) and the gap are defined as a disadvantage women suffer compared to men. This form of presentation is predominantly used in the literature (for example European Parliament 2016; European Commission 2015; Fluder et al. 2015; Bardasi / Jenkins 2010).

2.2.1 Definition of the gender gap in pensions and its explanatory power

Since the individual pension amount is based on the entire professional career and other personal and institutional facts, the GGP indicator is based on a variety of factors. This complexity requires a clear classification of the indicator. There are different definitions of the *gender gap in pensions*, so there are different values for the GGP and for women's pension disadvantage. The following systematic and institutional differences in the definition and delimitation of the GGP must be taken into account:

- **Prevalence gap:** As shown in Chapter 2.3.2, a higher percentage of women than men aged 65 have no pension entitlement. When women's pension amounts are compared with those of men, those women who do not have any pension entitlement are not taken into account. The GGP must be interpreted in connection with the frequency of pension entitlements: a lower GGP should be interpreted differently depending on whether there is a low or a high percentage of women who have a pension entitlement (prevalence).
- Comparison of the **economic situation in old age:** If the aim of the indicator is to compare the economic situation of women and men in old age, **all pension income** (statutory pension (1st pillar), occupational pensions (2nd pillar) and private pensions (3rd pillar) should be taken into account. If only the first pillar is compared, as is the case in this paper, the GGP indicates only part of the welfare gap between women and men in old age. Occupational pensions in Austria are offered mainly to higher-level employees (men). Private pensions require a certain level of income, so more men than women receive benefits from the 2nd and 3rd pillar. According to SHARE data (Survey of Health, Ageing and Retirement in Europe),

10% of men and 7% of women had income from the 2nd pillar in 2013 (European Parliament 2016). This means that the inclusion of all pensions (statutory, company and private) would show a higher gender pension gap than merely looking at the statutory pensions (Bardasi / Jenkins 2010).

- The economic situation in old age is also determined by **property, property income and other income**. The distribution of wealth is more unequal than earnings and wealth is concentrated in older age groups (Fessler / Schürz 2015). Women own less property and have lower property income. In 2014, the wealth disadvantage of women in couple households was 28%, i.e. women own an average of EUR 58,417 less than men in couple households (Groiß et al. 2018). The gap is probably rising in older age groups. The gender-specific discrepancy can also be seen in single households: The (unexplained) gap in gross assets is 44% in Austria; the gap is only higher in Germany (45%) and Greece (48%) (Schneebaum et al. 2018).
- In addition to the income components mentioned above **additional transfer income, allowances and supplements** also play a key role in the welfare position of women and men in old age. In Austria, these include the equalisation supplements⁶ (“Ausgleichszulage”) and child supplements, which are directly linked to the pension, as well as accident pensions and long-term care benefits etc.⁷. This area is a mixture of old-age insurance instruments (such as the old-age pension), of instruments to avoid poverty (equalisation supplements) and of means-tested benefits (long-term care benefit). This is where different social policy objectives and instruments come together. It is therefore important to clearly define the reference parameters used for the GGP.
- This delimitation is also important in a **country comparison**: the setting of different institutional objectives in old-age provision (minimum pension versus income-related pension) and the different size of the three pension-pillars will already lead to differently high levels of the GGP caused by the institutions. These different levels are key to the interpretation of differences between countries. Country comparisons should therefore compare the economic situation of women and men along the various pillars of old-age provision (1st / 2nd / 3rd pillars) to obtain a differentiated picture for comparison.
- In Austrian statutory pension, there are still differences between professional statutes who have separate social insurance laws and institutions (employees, self-employed, farmers, pragmatized civil service). Income levels and thus extend

6 The equalisation supplement is a means tested supplement for the individual pension, if the household income 2018 (2020) is below EUR 909.42 (EUR 966.65) gross per month for single persons and EUR 1,362.52 (EUR 1,524.99) for couples.

7 In 2018 there were just under 210,000 equalisation supplement recipients, 52,000 pensions with children’s allowances, 95,000 accident insurances, around 455,000 care allowance recipients etc. in the statutory pension insurance system (Main Association of Austrian Social Insurance Institutions 2019).

of the GGP varies between these different insurance institutions. Detailed documentation and data are available for the incomes, pensions and insurance periods for all groups except civil service (*BeamtInnen*).

- A further institutional feature which also plays a role in the country comparison is the existence and the consideration of **survivors' benefits**. In Austria, survivors' pensions are a key part of old-age provision, particularly for women. Almost 13% of all pension expenditures and around 21% of all pensions in 2018 were survivors' pensions, 19% of which were widows' pensions, 2% widowers' pensions and 2% orphans' pensions. They are particularly important for women as 9.5% of all female retirees received only a widows' pension and a further 12% had a widows' pension in addition to an old-age pension (Korn / Schmotzer 2017). If the distribution of the paid and unpaid work is interpreted as an autonomous decision by the couple (Becker 1981), the survivors' benefits should be taken into account in the *gender gap in pensions*. The division of work is, however, neither autonomous nor independent from the economic, institutional and regional framework conditions, and this is to the economic disadvantage of women (Michalitsch 2002, Aulenbach 2009, Haidinger / Knittler 2013; Huemer et al. 2017, Bauhardt / Gülay 2010). With the aim of ensuring independent economic protection for women at any time in their life, derived pension entitlements are not a measure of achieving this objective, so they are not included in the following analysis.

2.2.2 Reliability of the GGP-indicator

GGP is an indicator determined by a large number of factors over rather a long period of time. Individual employment and income trajectories as determining factors of GGP depend on decisions made individually over the course of a person's life (Mayrhuber 2017). Social, political and economic developments also affect individual employment trajectories. The household context with possibly different income sources and asset situations (Fessler et al. 2019) plays a key role in these decisions but also in the economic situation in old age for the long-term economic protection of both women and men. The GGP, which is based on the individual, thus shows the part of the economic situation which arises from employment and the employment-related pensions system. Lower pensions for women are not necessarily linked to higher levels of old-age poverty in a household context (Faik / Köhler-Rama 2012). When it comes to independent old-age provisions for women, the GGP does not take into account either the household context or other sources of income.

An indicator which processes cross-sectional information (pension amount at a certain time) and longitudinal sectional information (employment trajectory) needs to set priorities when it comes to choosing the information basis depicted. The concept therefore naturally leaves questions open from various perspectives. The reliability of the indicator is related to the following considerations:

- The GGP cannot be used to discuss **old-age poverty** among women. The level of old-age income and the household context are critical when it comes to the risk of poverty. In this paper, the GGP relates to the group of new female pensioners and is not used as a poverty indicator.
- The **equivalence principle** in the earnings-related pension system is expressed through the GGP. This inevitably flags up structural differences in old-age provision beyond gender, for example depending on the stability of the profession (seasonal jobs), level of education etc. (Ståhlberg 2019).
- In this analysis, the GGP is calculated for the first pension pillar, occupational pensions and derived pension entitlements (survivors' benefits) are not taken into account. So our GGP shows a **section of the relationship between the economic situation of women and men** in old age. The results are not applicable to the entire pension population as the pensions benefits of new pensioners are taken into account.
- Low old-age income is not just a consequence of structural disadvantages on the labour market or income but also a consequence of different economic developments (years of high unemployment etc.). Decisions over the course of life influenced by socio-political circumstances also have an effect: These individual decisions include choice of profession, employment intensity depending on other (caring) responsibilities etc. **The GGP can be interpreted as an expression of cumulative structural inequality.**
- The GGP as an indicator referring to a specific point in time does not take into account the systematic differences in **life expectancy** between women and men. However, when comparing the average pension income on the basis of the different life expectancies of women and men, the income disadvantage for women remains on average (section 2.3.3).
- The GGP is based on figures which could either be means or medians. They reflect heterogeneous distributions of old-age income: the average new pension among women in 2017 was EUR 1,122, but 50% of women (median) had less than EUR 999. A high gap can accordingly occur both as a result of significant differences in pensions but also as a result of an entirely different distribution of old-age income between women and men.

The strength of the GGP lies in the fact that the indicator can conceptually be used on different income components (only old-age pensions, only occupational pensions etc.) and shows the structural differences between women and men in the respective area.

The extent of women's economic disadvantage in old age, measured by the GGP, can be decreased if both the influencing factors and their influencing variables are known. Knowing the size of the influencing factors, concepts can be developed which counteract the disadvantages at an individual, institutional and political level.

2.3 Gender gap in pensions in Austria

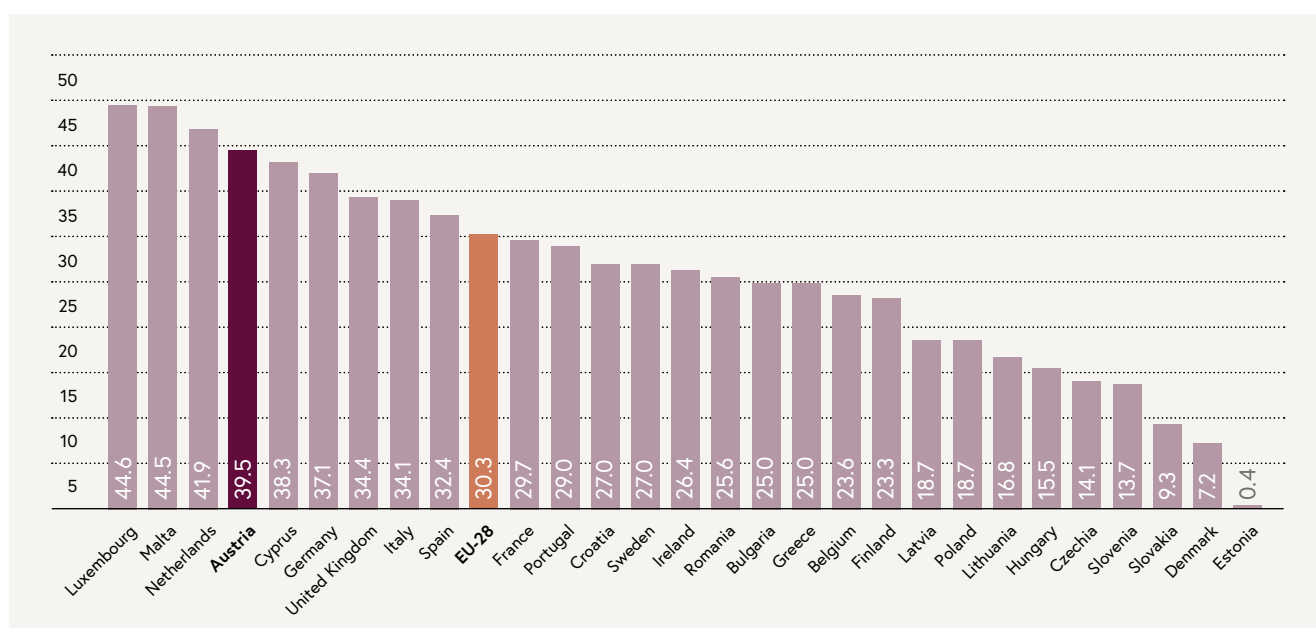
2.3.1 Austria in a European comparison

“Women receive lower pensions than men worldwide” (OECD 2019A, p. 45). The OECD has proven women’s systematic and structural income disadvantage in old age for 32 countries. Results on the GGP are independent of the various statistical sources used for the calculations and also independent of the methods of calculation used. The OECD shows a GGP of 33% for Austria on the basis of the data from the Luxembourg Wealth Study (LWS) or 42% on the basis of the data from the Luxembourg Income Study (LIS). An even greater distribution of more than 10 percentage points depending on the data used was identified by the OECD for Germany (33 to 46 percentage points), Luxembourg (39 to 50 percentage points) and Estonia (3 to 15 percentage points).

Within the European Union, the *gender gap in pensions* among 65 to 79-year-old persons in 2018 varied between 0.4% in Estonia and 44.6% in Malta when all old-age incomes were taken into account. At 39.5%, Austria is in fourth place in the group of 65 to 79-year-old populations behind Luxembourg, Malta and the Netherlands, and is significantly (9.2 percentage points) above the EU-28 average (30.3%) (Eurostat 2020).

The Austrian gap of 39.5% calculated in a manner comparable across Europe roughly corresponds to the pension disadvantages for women set out at the start on the basis of the newly awarded old-age pensions totalling 42.3% (average pension) and 49.2% (median pension). Eurostat takes into account all of the old-age income for the group of 65 to 79-year-olds.

Figure 3: Gender gap in pensions in % in an EU-28 comparison, 2018 among the population of 65 to 79-year-olds



Source: Eurostat 2020

2.3.2 Prevalence of pensions in the population

In the earnings-related pension system, the low labour market integration among women compared to men is reflected in a lower percentage of pension entitlements. In a country comparison, the institutional design is essential: if there is a minimum pension for all, the gap in the coverage or prevalence of old-age benefits is lower than in a strictly contribution-equivalent system. Country-specific differences in the gender-specific provision rate also show institutional differences in the design of the old-age provision systems.

In the age group of 65 to 74-year-olds across the EU-28 average in 2014, the prevalence in the degree of provision among men was 6.2 percentage points higher than among women (European Parliament 2016). Stronger minimum provision-oriented systems (Denmark, Netherlands) have lower gaps in coverage rate than contribution-focused systems (Austria, Germany). There are also systems with supplements for married couples, and here the prevalence gap is high, too (SPC 2015). There are, however, also countries in which relatively speaking more women than men have a pension entitlement, for example Slovenia, Croatia, the Baltic states and Finland. Between 2008 and 2014, the gender-specific provision gap dropped in 13 member states, including Austria. This dynamic is strongly driven by the fact that the proportion among younger pension cohorts with pension entitlements is higher than in older pension cohorts (Tinios et al. 2015). But there was also an increase in the prevalence gap in eleven countries including Italy, Luxembourg and Portugal (European Parliament 2016).

In Austria there has been a significant decline in the percentage of women who receive no old-age income at all in the recent past. If all women aged 65 and over are taken into account, the percentage of women without own pension entitlements dropped by 2.8 percentage points to 18.4% between 2011 and 2017. Including survivors pensions, 13.6% of women had no pension benefits. In European comparisons based on the comparable EU Statistics on Income and Living Conditions (EU SILC), in addition to these pension payments there are also (private) additional pensions, accident pensions and care allowances. This further reduces the percentage of women with no benefits to support them, with this figure at 11.4% in 2017 (see Table 4).

As expected, the percentage of men with old-age pensions is significantly higher as a result of their greater involvement in the labour market. This percentage increased considerably between 2011 and 2017. In 2017, just 1% of men over 65 did not have an old age pension. If all benefits are taken into account, 0.6% of men had no benefits to support them. Starting from a much lower level, the percentage of men without pension income dropped more significantly than the percentage of women. The gender-specific provision gap in own and derived pensions has therefore remained almost constant at 17% since 2011. If all other benefits (pensions, long-term care benefits etc.) are also taken into account, the gender-specific provision gap after a decline in the meantime – was almost the same in 2017 as it had been in 2011 at 10.8%.

Table 4: Percentage of women and men over the age of 65 without old-age income, 2011–2017

Population aged 65 years and above	2011	2013	2016	2017
Women				
Without their own pension	21.2	20.6	19.8	18.4
Without their own or a derived pension	16.3	15.4	13.8	13.6
Without pensions or other benefits*	14.6	13.7	11.3	11.4
Men				
Without their own pension	4.1	6.0	2.7	1.0
Without their own or a derived pension	3.6	5.4	2.7	0.8
Without pensions or other benefits*	3.1	5.1	2.3	0.6
Gender-specific provision gap				
Without their own pension	17.1	14.6	17.1	17.4
Without their own or a derived pension	12.7	10.0	11.1	12.8
Without pensions or other benefits*	11.5	8.6	9.0	10.8

Source: EU-SILC, WIFO calculations.

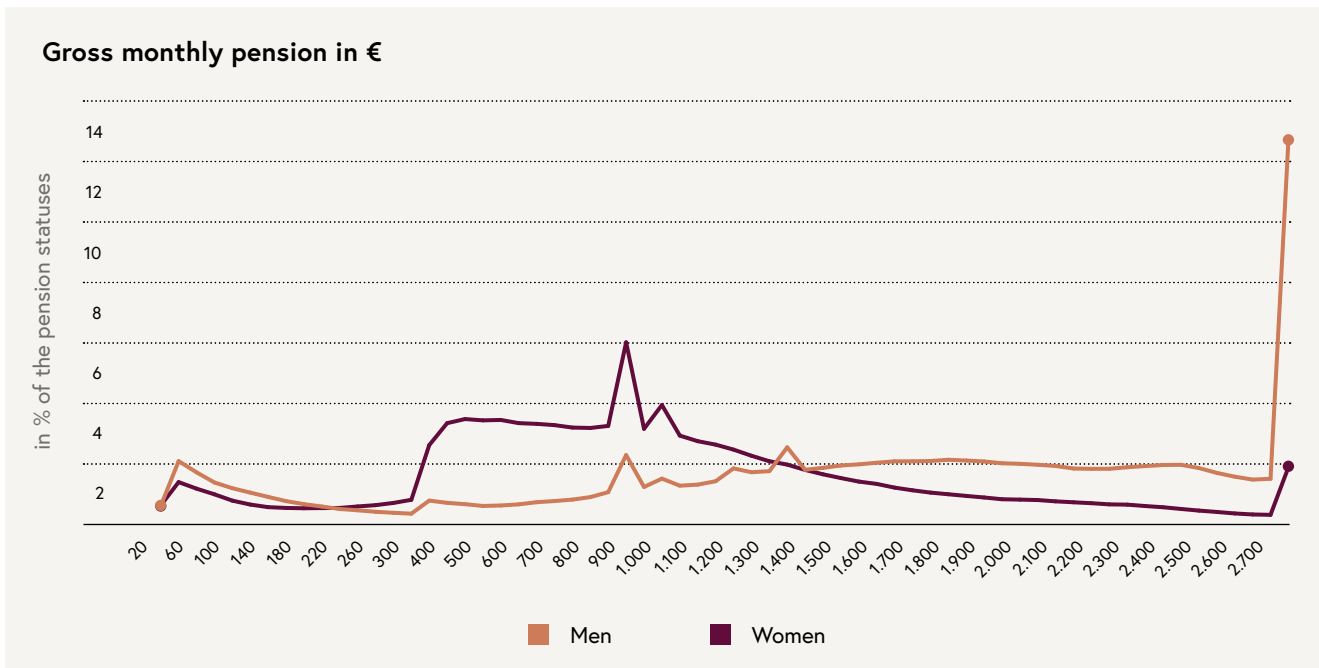
* Other services: private pensions, accident pension, long-term care benefits etc.

2.3.3 Gender-specific pension amounts in Austria

The higher percentage of women working part-time and their lower income are associated with lower pension amounts than those of their male counterparts. A first initial approximation of the differences in pension payments by gender in Austria is provided by the aggregated data on newly awarded pensions. As a result of the maximum pensionable earnings and the maximum pension derived from this, the *gender gap in pensions* should be lower than the gender pay gap (see Table 2). Since 10% of women and 7% of men receive the means-tested equalisation supplement, this measure should also lower the GGP. Despite these measures, the distribution of monthly gross pension income is very unequal. A higher proportion of women than men receive pensions below / at the equalisation supplement rate. On the other hand, 13% of men and 2% of women have monthly pensions of more than EUR 2,700. The mean value of pension payments is higher than the median among women (EUR 1,018 gross per month versus EUR 900 median). Among men the mean pension is EUR 1,623 and the median pension is EUR 1,700. However, the arithmetic mean⁸ deviates less from the median in the case of censored pension income data than in the case of uncensored earned income data. The median actually deviates from the mean more significantly in the case of old-age pensions than for disability pensions, since in the former case the number of insurance years varies more considerably (Figure 5).

⁸ The average (arithmetic mean) reacts more to outliers than the median.

Figure 4: Distribution of gross monthly pensions* of pension statuses in 2018 in statutory pension insurance



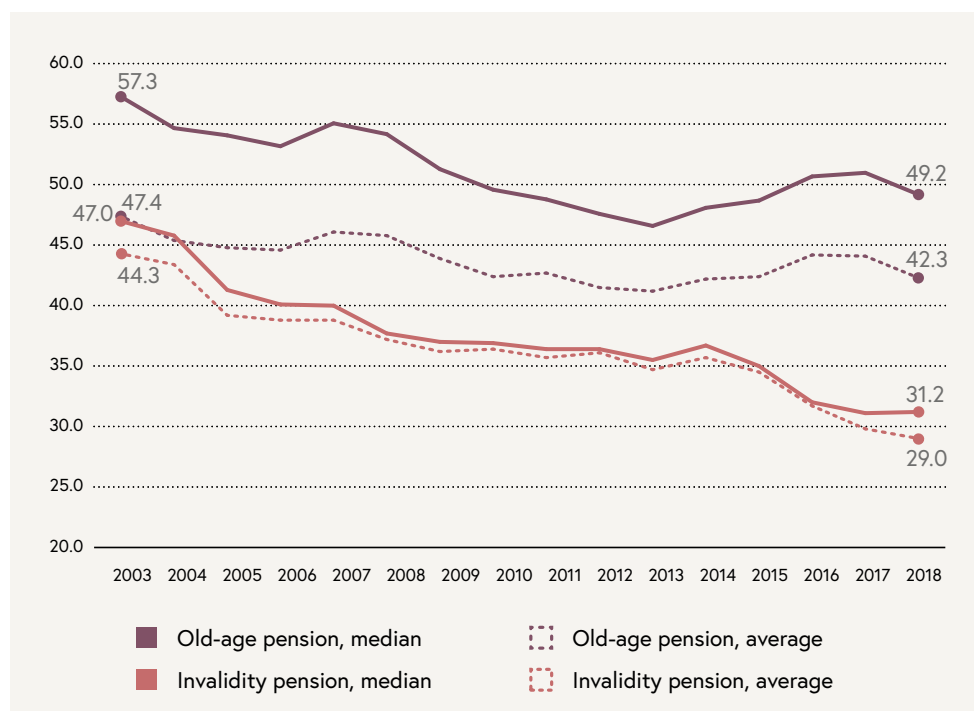
Source: Main Association of Austrian Social Insurance Institutions.

* including supplements, subsidies and partial pensions based on intergovernmental agreements

On average, women's old age pension reached just 57.7% of the average men's pension among new retirees in 2018. The *gender gap in pensions* was 42.3%. Despite the equalisation supplement and maximum pension, the GGP is significantly higher than the gender pay gap. If the median pension is compared, the GGP even increases to 49.2%. This pension gap has reduced by 5 to 8 percentage points over the past 1.5 decades. The disadvantage in disability pensions is less detrimental for women. Since the insurance years vary less in this category⁹ and there are credit months, the GGP between the mean (29.0%) and the median (31.2%) is less pronounced but still very high.

⁹ There are also credit months, hypothetical insurance months between the start of the permanent illness and the regular retirement age.

Figure 5: Gender gaps in pensions* in statutory pension insurance at the point at which the pension is awarded (old-age pensions, disability pensions), 2003 to 2018



Source: MA, WIFO calculations

* gross, not including partial pensions based on intergovernmental agreements, including supplements and subsidies.

Employees and self-employed persons

The employment and income situation between employees and self-employed workers differs sharply (Mayrhuber 2019). Correspondingly, large differences can also be expected in the pension benefits of the different insurance groups. In 2018, the lowest pension gap was among female farmers, at 29.1%. This comparatively low level of difference, however, is due to the low pension amount for men and the high percentage of women receiving equalisation supplements. Women who used to be self-employed have an average of 43.8% lower old-age pensions than men, while for employees the GGP is 49.4%. In the past 15 decades, there has been a decline in the gap across all three employment groups (Figure 6). This decline was most pronounced among female farmers at -10.8 percentage points, followed by -7.6 percentage points among women who used to be salaried employees (not including civil servants) and the self-employed at -6.4 percentage points. This decline was accompanied by the increase in women with their own old-age pension entitlements as described, a figure which has increased by 3 percentage points from 79% to 82% of all women aged 65 or over just since 2011.

The data in figure 6 shows the GGP calculated on the median pensions, as the distribution of pension income plays a greater role here than in the mean values. Partial pensions

based on intergovernmental agreements awarded to people who worked just part of their working life in Austria are excluded. On average, these pensions make up just a third of pensions based exclusively on insurance periods in Austria. Conversely, ignoring these pension benefits leads to both higher average pensions¹⁰ and a greater level of pension disadvantage for women.

Figure 6: Gender gaps in newly awarded old-age pensions*, 2003 to 2018 by insurance institution, median



Source: Main Association, WIFO calculations

* gross, not including partial pensions based on intergovernmental agreements, including supplements and subsidies.

Gender gap for the duration of pension receipt

The indicators set out thus far compare the monthly pension benefits of different groups at a certain point in time. In addition to the salary level (including as a result of working hours), the fact that insurance periods for women tend to be shorter than those of men is responsible for women's pension disadvantage. If the pension disadvantage for women is considered compared to that of men on the basis of pension receipts over the entire duration for which a pension is drawn, the gap narrows but does not close.

10 In 2018, the median newly awarded old-age pension (all insurance institutions) was EUR 1,970 (men) and EUR 994 (women) gross per month. If the contributions paid in more than one country are ignored, the median old-age pension for men increases to EUR 2,228 while that of women increases to EUR 1,284 (+14%). The contributions paid in more than one country amount to EUR 375 for men and EUR 185 for women gross per month.

On average, the retirement age of women and men differs by 2.8 years¹¹. The remaining average life expectancy at the age of 65 was 3.2 years higher for women than for men in 2018 (Statistics Austria 2019C). Klotz / Klimont (2016) calculated huge differences in the remaining life expectancy depending on the educational level: men aged 65 with a university degree have a remaining life expectancy of 21.2 years, while for men with low levels of qualification this is just 17.2 years. For women, this difference was just 1.5 years¹².

The differences in retirement age and in remaining life expectancies at retirement age show that on average women draw pensions for 6.1 years longer than men. The GGP calculated on the total sum of old-age pension benefits drawn over the entire remaining life expectancy decreases from around 42% to around 36%.

Table 5: Pension gap taking into account the total pension receipt period, in years

Pension Gap	Women	Men	Difference between women and men
			in years
Average retirement age for newly awarded old-age pensions (2018)	60.5	63.1	-2.6
Remaining life expectancy at retirement age = total duration for which the old-age pension is drawn	25.0	19.9	5.1
			Gap in %
			in EUR
Monthly old-age pension*, median	1,133.0	2,232.0	49.2
Total pension draw	396,550.0	621,835.0	36.2

Source: Main Association of Austrian Social Insurance Institutions

* median pension among newly awarded pensions in 2018, not including partial pensions based on intergovernmental agreement, including supplements and subsidies, WIFO calculations

11 The statutory retirement age of women is 60. According to current legislation, from 2024 the retirement age for women will increase at six-monthly intervals for cohorts born between 1963 to 1968, and for women born after 2 June 1968 will be 65 from 2033.

12 The remaining life expectancy in very good health for men with mandatory school-leaving qualifications was 9.9 years while for those with a university qualification it rises to 16.5; women with a university qualification can expect an average of 14.3 years in very good / good health while for those with mandatory school-leaving qualifications this figure is just 8.5 years.

Institutional equalisation mechanisms

Austrian pension law includes tools to compensate for existing employment gaps which are known as partial insurance periods. Certain circumstances beyond active employment are defined as insurance periods in the pension system. These include periods of monetary payments from unemployment insurance, maternity pay and periods of military and civilian service. In addition to this, the first 48 calendar months after the birth of a child are also insurance periods (child-raising periods) with a defined monthly contribution basis (EUR 1,864.78 for periods in 2019). If parents are working during these 48 months, the employment income and child-raising contribution basis are summarised, thereby increasing the later pension benefit significantly.

The partial insurance periods differ between women and men both in terms of their extent and their structure. More than half of the partial insurance periods taken by women are child-raising periods, while for men unemployment makes up the greatest share. Crediting the partial insurance periods increases pensions by an average of 13.7% for women and 6.0% for men compared to the pensions from compulsory insurance periods based on employment. In terms of the pension amount for newly awarded pensions in 2015, EUR 138 for women and EUR 91 for men out of the monthly pension came from partial insurance periods (Main Association of Austrian Social Insurance Institutions 2016). The *gender gap* in the newly awarded old-age pensions (including contributions paid in more than one country) in 2015 dropped from 39% to 33% as a result of the effect of partial insurance periods increasing pensions (Main Association of Austrian Social Insurance Institutions 2016).

In addition to the tool of partial insurance periods to decrease the pension-reducing effect of breaks in employment over the lifetime calculations, since 2005 it has been possible to split pensions: the employed parent can transfer up to 50 percent of their partial credit to the parent looking after the child for the first seven years of the life of the child (a total of a maximum of 14 years). In principle, this tool equalises the burden within families as the total pension income for both parents remains unchanged but the individual pension amount of the parent raising the child is increased. Between 2010 and 2018 there were just 1,366 cases of splitting corresponding to 0.2% of all births in this period (PVA 2019B). The tool is currently hardly used and therefore in practice has no relevant impact in terms of reducing the pension gap between women and men.

2.4 Basis for determining the pension gap in Austria – empirical analysis

As the explanations above showed, all of the existing national and international papers on the gender-specific differences in pension amount in Austria come to the conclusion that women are significantly disadvantaged. Against this background, the following empirical analysis quantifies the influencing factors. This is carried out for new pensioners in 2017 with the actual Austrian employment trajectories. For this cohort, a uniform pension benefit formula is used, although there were transitory rules arising from different pension law regulations.

2.4.1 Methodical boundaries and data basis

Which old-age incomes were taken into account?

In Austria in 2018, around 90 % of old-age income is out of the 1st pension pillar, 4.5 % occupational pensions (2nd pillar) and 6.3 % from private pensions (WIFO 2019¹³). The reference point for the following analysis is the **old-age** income of the 1st pillar, individual data from the other pillars are not available. For data reasons, civil servants were not able to be taken into account as a result of a lack of accessible insurance data.

Which groups of people were included?

The **newly awarded pensions in 2017** formed the basis for the analysis. This is a year with no significant pension reforms with possible anticipatory or delaying effects. A comparison on the basis of all pensions, not just new pensions in 2017, would take pension regulations and life models into account that are no longer relevant particularly in terms of female employment. The analysis of the gender differences in the newly awarded pensions does not reflect the economic disadvantages of all female pensioners but rather just those who retired more recently – a factor which is relevant in the interpretation.

Which types of pension were used for the calculation?

The comparison of the gender-specific differences was carried out **separately for old-age and disability pensions**. Disability pensions play an important protective function in old age. The qualifying conditions for disability pensions in general are met by more men than women and by more self-employed persons (particularly in the field of agriculture) than employees.

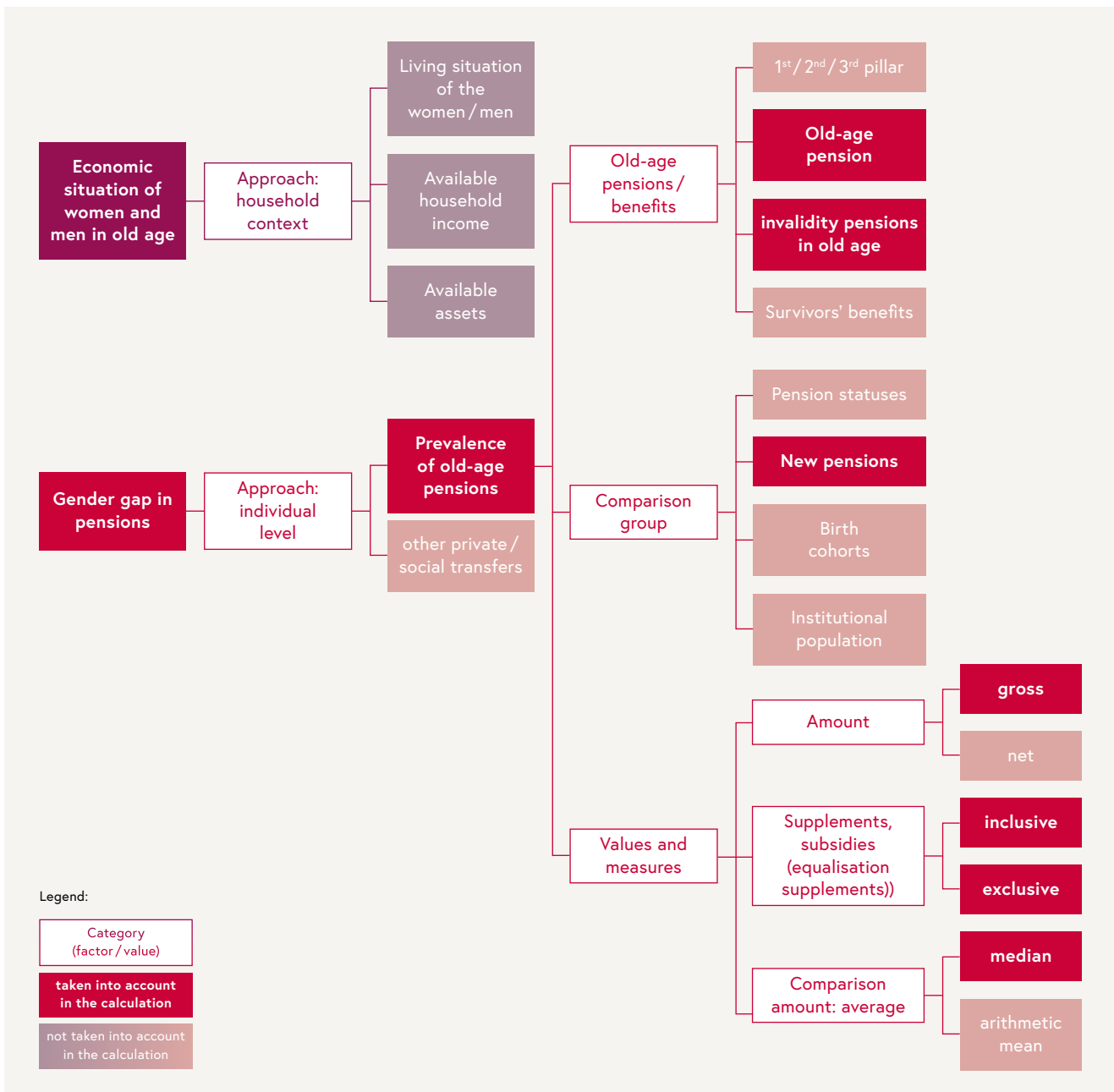
Around a fifth of newly awarded pensions are pensions with intergovernmental agreements. This group consists of those who were previously employed in Austria with insurance periods in other countries but who are also entitled to Austrian pensions. The average pension amount of this group is around two fifths of the **pensions without intergovernmental agreements**. As this group is excluded, the results are not valid for people working abroad.

13 WIFO recalculation on the basis of Url (2007).

Which measures are used for the comparison?

In an aggregated consideration of the *gender gap in pensions*, different values can be identified depending on the average measure used: the mean is around 12% above the median for the newly awarded pensions. The arithmetic mean reacts more strongly to outliers than the median. The **median** is therefore the more suitable indicator for GGP, but both values are included in the results tables.

Figure 7: Delimitation of the pensions of women and men used for the analysis in comparison



Source: WIFO compilation.

Which data are used?

The analysis is based on Austrian Social Security Database (ASSD) of the Main Association of Austrian Social Insurance Institutions. These anonymised individual data records detailed labour market histories and earnings of all private-sector workers on a daily basis from 1972 onwards. It is administrative data, not a sample.

The around 85,000 newly awarded pensions in 2017 were investigated. Only provisional contribution information was available for the year 2018, so 2017 was used as the starting point. Insurance information for a period of up to 45 years is available for the 2017 new pension cohort along with correspondingly long contribution basis information. The income subject to social insurance contributions is based on salaried and self-employed work. In contrast to employees and most self-employed workers, the information on civil servants is incomplete, they are therefore not included in the analysis.

Partial insurance periods are also provided for a range of different circumstances and are relevant to the pension. Episodes of registered unemployment and time spent caring for children born in the country were included in this analysis. Military / civilian service, rehabilitation allowances, sick benefits, family hospice leave, carer's leave, carer's part-time work etc. are not taken into account. This means that around 2.5% of pension relevant insurance time is missing in the analysis.

The analyses were based on the following factors: gender, date of a birth, age at retirement, pension type, duration and situation of employment periods and pensionable income of salaried and self-employed episodes since 1972, level of pensionable income (in the case of multiple jobs up to the upper earnings limit for pension contributions), situation and number of birth among women, duration and situation of periods of unemployment.

The following disadvantages of the data set used should also be mentioned, as the econometric analysis¹⁴ was determined by the data set.

- Both sociodemographic information on the persons (such as marital status) and information on their profession or education (unless this was associated with an academic qualification) is missing.
- There are also some gaps in the facts relevant to pension insurance, such as periods of unemployment before 1995, freelance self-employed workers with pensions through chambers. Information on foreign insurance periods is also missing, so

14 The planned Blinder-Oaxaca decomposition did not show any clear results due to a lack of information on the number of children the men observed had and a lack of figures for robust explanatory variables over the observation period of 45 years.

people who spent some of their working lives abroad will have their contribution years underestimated.

- The information on the insurance episodes is available on a daily basis, but there is no information on daily or weekly working hours.

The complexities of the regulations under pension law with the respective transition provisions were simplified for the analyses. The comparison between women's and men's pensions is calculated according to identical institutional regulations, albeit this is a simplification.

In the first step, the pension benefit based on active employment is determined. This is done based on the sum of the insurance periods attained by the salaried or self-employed activity on the one hand and the associated pensionable income on the other. In order to calculate this, the yearly gross income for the individual limited to the respective maximum contribution basis was taken and multiplied by the revaluation factor of earnings.

The level of pension benefits is also determined by the partial insurance periods. Time in unemployment and child-raising periods were taken into account:

- The individual **unemployment benefits** as the basis insurance period were approximated using an average benefit amount for women and men in each calendar year. As all periods of employment were defined as partial insurance periods, there could be an overestimation in the sense of too much insurance time for women because women were often not entitled to unemployment benefits as a result of their partner's income.
- Partial insurance period for **child-raising** are allocated exclusively to women and not to men. Of the 44,800 new female pensioners, the data record the birth of at least one child for around 29,800 (66%). The periods are assessed using the basis for assessment which has been defined for these partial insurance periods since 2013.

The *gender gap in pensions* can be broken down into differences in the pensionable income over the working, the differences in insurance years and the differences in partial insurance periods, specifically unemployment or childcare.

2.4.2 Determining factors in the Austrian GGP

The descriptive analysis (section 2.3) shows the influence of various features such as pension type, social status (employees, self-employed) etc. on the size of the *gender gap in pensions*. The question now is how the different factors interact and how the individual factors determine the GGP of the new pensions in 2017.

The size of the pension gap is shown in two dimensions and gradually: on the one hand, there is a comparison of the insurance periods, in other words the periods of contributions from active employment, and partial insurance periods (“time effect”). On the other hand, the differences are analysed on the basis of the respective contribution bases (“income effect”). These factors are also broken down by pension types.

Of the newly awarded pensions, around two thirds of the women had children and one third were childless or had not given birth in Austria¹⁵. Women with and without children do not differ greatly in terms of pension types (see Table 6: New female pensioners in 2017: Percentage of women with and without children*). Only the early retirement pension was taken up by women with children to a greater extent.

Table 6: New female pensioners in 2017: Percentage of women with and without children*

Type of pension	Women	of which with children	of which without children*	With children	Without children*
	in % of all newly awarded pensions			in %	
Normal old-age pension	75.3	49.0	26.3	74.2	77.5
Health-related pension	13.9	8.9	5.0	13.4	14.8
Vorzeitige Alterspension	10.8	8.2	2.6	12.4	7.7
	100.0	66.1	33.9	100.0	100.0
Number	45,163	29,839	15,324	29,839	15,324

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

* children who were not born in Austria.

Legend: 75.3% of all pensions newly awarded to women in 2017 were normal old-age pensions (49% to women with children, 26.3% to women without children). Among the women with a child / children, 74.2% of the newly awarded pensions were normal old-age pensions while for women without children this was 77.5%.

Gender gap in employment years “time effect 1”

The insurance years of active employment (employees or self-employed) differ both by pension type and by gender. A quarter of the new female old-age pensioners had just 11.3 years of active employment, while half had up to 24.2 years. For male pensioners these figures were 18.1 and 36.1 years. For half of women receiving an old-age pension the “time gap” was 12 years; for the early retirement and disability pensions it was slightly lower at around 7.5 years.

15 Births which did not take place in Austria are not included in the insurance file. This information is missing for women who settled in Austria, so the children are underestimated in the calculations.

Table 7: Pensions newly awarded in 2017: Distribution of insurance periods from active employment in years between women and men and pension types

Newly awarded pensions by gender	25% (1 st Quartile)	50% (Median)	75% (3 rd Quartile)	Average
Old-age pension				
Women	11.9	24.4	32.2	22.5
Men	19.8	36.5	42.0	30.0
GAP for women in years	-7.9	-12.0	-9.8	-7.5
Disability pensions				
Women	9.7	18.8	27.3	18.7
Men	14.8	26.4	36.5	25.1
GAP for women in years	-5.1	-7.7	-9.2	-6.4
Early retirement pensions				
Women	32.9	36.5	39.4	34.9
Men	42.2	44.0	44.5	40.0
GAP for women in years	-9.4	-7.5	-5.0	-5.1

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

Gender gap in partial insurance periods “time effect 2”

The most important partial insurance periods are those for child-raising and periods of unemployment benefit. Women with children have, on average, five years of child-raising insurance years. At 4.6 years, this partial insurance period is slightly shorter in the group of women receiving an early retirement pension.

Female pensioners also have around 2.6 years of partial insurance periods due to unemployment. For those men affected, unemployment covered an average of 3.5 years in normal old-age pensions. In the case of disability pensions, the number of unemployment years is significantly higher at 3.9 (women) and 4.6 years (men). Among this group, long-term unemployment is widespread: Men have 3.2 years in median but 4.6 years on average, women 2.7 years (median) and 3.9 years on average. Both the lower levels of employment and the lack of emergency assistance if a partner earned too much¹⁶ may determine the fewer years of partial insurance due to unemployment.

¹⁶ This regulation was abolished in 2017.

Table 8: Pensions newly awarded in 2017: distribution of the partial insurance periods (child-raising, unemployment) in years, only affected persons

Partial insurance period	25% (1st Quartile)	50% (median)	75% (3 rd Quartile)	Average
Alterspension				
Child-raising (women)	4.0	4.9	6.7	5.2
Unemployment women	0.6	1.4	3.4	2.6
Unemployment men	0.7	2.0	4.9	3.5
Vorzeitige Alterspensionen				
Child-raising (women)	2.8	4.7	6.2	4.6
Unemployment women	0.5	1.2	3.5	2.8
Unemployment men	0.2	0.5	1.0	0.9
Krankheitsbedingte Pensionen				
Child-raising (women)	3.5	4.9	7.0	5.3
Unemployment women	1.1	2.7	5.6	3.9
Unemployment men	1.1	3.2	6.7	4.6

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

On the basis of the living standard principle in Austrian old-age provision, the duration of individual working live forms the basis of the individual income replacement rate¹⁷. The partial insurance periods increases the replacement rate for both women and men. Overall, this results in a reduction of the *gender gap* by 7.7 percentage points, from 21.3 to 13.6% among old-age pensions. The high number of insurance years needed for an early retirement pension is responsible for the lower gap of 3.9 percentage points. Periods of child-raising also contribute significantly to making up for the income replacement rates in disability pensions.

17 We define the replacement rate as ratio of the first pension of the pension calculation basis. In each insurance year, 1.78% of gross income are accounted for in the pension account resulting in 80.1% replacement rate of 45 insurance years.

Table 9: Pensions newly awarded in 2017: Income replacement rates from employment and partial insurance periods (child-raising, unemployment), median

Pension type by gender	Old-age pension			Early retirement pensions			Health-related pensions*		
	Women	Men	GAP	Women	Men	GAP	Women	Men	GAP
Employment	43.1	64.3	-21.3	64.9	78.2	-13.3	33.4	47.0	-13.6
Child-raising	8.7		8.7	8.3		8.3	8.8		8.8
Unemployment	2.5	3.5	-1.1	2.2	0.9	1.3	4.9	5.6	-0.7
total	54.3	67.9	-13.6	75.4	79.2	-3.8	47.0	52.6	-5.6

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

* not including the credit months (fictional insurance years from the pension time to the regular retirement age).

Gender gap in the assessment basis “income effect 1”

In addition to the low pension-related insurance periods, which are largely due to the lower number of employment years, the structural differences in income levels contribute to women’s pension disadvantage and even reinforce this significantly. There are considerable differences in the assessment basis starting from differences in pensionable income over a person’s entire professional career. Women have, on average (median), an assessment basis from their active employment of EUR 1,526, which is almost 40% less than the comparable value for men. Among early retirement pensions, too, the gap is very high (38.7% which is equivalent to EUR 1,100), although the eligibility criteria (years of active employment) are the same for men and women.

Table 10: Pensions newly awarded in 2017: Comparison of the bases for assessment arising from employment

Newly awarded pensions by gender	25% (1 st quartile)	50% (median)	75% (3 rd quartile)	Average
Old-age pension				
Women	1,107.0	1,526.0	2,119.0	1,709.0
Men	1,881.0	2,527.0	3,314.0	2,613.0
GAP for women in %	-41.1	-39.6	-36.0	-34.6
Disability pensions				
Women	1,199.8	1,522.8	1,939.6	1,630.1
Men	1,753.3	2,232.2	2,710.1	2,273.3
GAP for women in %	-31.6	-31.8	-28.4	-28.3
Early retirement pensions				
Women	1,450.5	1,859.7	2,425.9	1,998.6
Men	2,518.1	3,034.8	3,650.1	3,006.9
GAP for women in %	-42.4	-38.7	-33.5	-33.5

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

Gender gap in pension amounts “income effect 2”

The insurance and income trajectories for women lead to a theoretical insurance pension which is half as much lower than that of men on average in old-age pensions. For 50% of women the lag is even 60% (see Table 11).

Bringing together the years of active employment, the partial insurance periods (“time effects”), and taking into account the corresponding income basis, both women’s and men’s pensions are increasing. Child-raising periods close employment gaps as well as income gaps of women. In total, around 14% of women were employed within the maximum possible child-raising period, while for women who took early retirement this figure was 19%. For them, the child-raising insurance basis is added to pensionable income and they gain by a twofold positive effect.

In comparison to the pension benefit based exclusively on periods of active employment, the *gender gap in pensions* decreases when the partial insurance periods are taken into account, but is not completely eliminated. In old-age pensions, the gap drops by just under 12 percentage points from 60% to 48.1% (median) and by 13.6 percentage points from 49.0% to 35.4%. If deductions for early retirement, credit months for disability pensions, without equalisation supplements, are not taken into account, the *gender gap in pensions* was 40.1% for half of female early retirement pensioners and 33% for those with disability pensions.

Table 11: Pensions newly awarded in 2017: pension amounts for women and men arising exclusively from employment – “insurance pension”

Newly awarded pensions by gender	25% (1 st quartile)	50% (median)	75% (3 rd quartile)	Average
Old-age pension				
Women	260.0	612.0	1,086.0	762.0
Men	660.0	1,531.0	2,254.0	1,496.0
GAP for women in %	-60.6	-60.0	-51.8	-49.0
Disability pensions				
Women	227.6	488.3	828.8	587.8
Men	481.4	1,010.2	1,589.8	1,085.8
GAP for women in %	-52.7	-51.7	-47.9	-45.9
Early retirement pensions				
Women	849.9	1,177.3	1,610.1	1,264.8
Men	1,857.8	2,296.0	2,806.9	2,190.2
GAP for women in %	-54.3	-48.7	-42.6	-42.2

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

Table 12: Pensions newly awarded in 2017: Pensions amounts for women and men after taking into account partial insurance periods

Newly awarded pensions by gender	25% (1 st quartile)	50% (median)	75% (3 rd quartile)	Average
Old-age pension				
Women	395.0	811.0	1,393.0	1,003.0
Men	671.0	1,563.0	2,333.0	1,552.0
GAP for women in %	-41.1	-48.1	-40.3	-35.4
Disability pensions				
Women	372.0	711.1	1,170.5	853.2
Men	499.5	1,060.7	1,697.4	1,158.7
GAP for women in %	-25.5	-33.0	-31.0	-26.4
Early retirement pensions				
Women	984.4	1,381.3	1,919.3	1,509.6
Men	1,861.2	2,304.5	2,823.2	2,204.6
GAP for women in %	-47.1	-40.1	-32.0	-31.5

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

Decomposition of the GGP

Income level and insurance years: The contribution years from active employment and the pensionable income are the main components of the *gender gap in pensions* calculated. An analysis of these components shows that the **higher incomes among men** contribute more to the explanation of the gap than the number of insurance years. If the higher income of men is transferred to women, the gap would have been reduced by more than half for both the normal and the disability pensions. In this case, the gap in the median old-age pension drops from 48.1% to 21.7%. In the early retirement pension, which requires long durations of insurance, the income components can be seen to an even greater extent. The gap here falls to below 10%, in the case of a median pension of 40% it falls to 8.7% and in the case of an average pension of 31.5% it falls to 9.3%.

The use of **insurance years completed by men** on the lower median assessment basis of women would also result in a drop in the *gender gap in pensions*. But the reduction is quite a bit lower: if women had the contribution years that men have, the median gap would have dropped from 48.1% to 28.5%. The lowest change would be in the early retirement pension, as the insurance periods for women and men differ less significantly here.

Table 13: Component analysis: gender gap in pensions employment income and years of contribution – compared to the actual new awards

Newly awarded pensions by gender	Actual new awards 2017					Bases for the assessment for men & years of contribution for women ¹⁸					Years of contribution for men & bases for the assessment for women ¹⁹				
	25% (1 st quartile)	50% (median)	75% (3 rd quartile)	Average		25% 1 st quartile	50% median	75% 3 rd quartile	Average		25% 1 st quartile	50% median	75% 3 rd quartile	Average	
Women	395.0	811.0	1,393.0	1,003.0		514.0	1,224.0	2,030.0	1,166.0	Old-age pension	498.0	1,117.0	1,716.0	1,032.0	
Men	671.0	1,563.0	2,333.0	1,552.0		671.0	1,563.0	2,333.0	1,552.0	Old-age pension	671.0	1,563.0	2,333.0	1,552.0	
GAP for women in %	-41.1	-48.1	-40.3	-35.4		-23.4	-21.7	-13.0	-24.9		-25.8	-28.5	-26.5	-33.5	
Women	372.0	711.1	1,170.5	853.2		447.3	889.5	1,460.1	900.8	Disability pensions	459.8	859.7	1,402.6	873.0	
Men	499.5	1,060.7	1,697.4	1,158.7		499.5	1,060.7	1,697.4	1,158.7	Disability pensions	499.5	1,060.7	1,697.4	1,158.7	
GAP for women in %	-25.5	-33.0	-31.0	-26.4		-10.5	-16.1	-14.0	-22.3		-8.0	-19.0	-17.4	-24.7	
Women	984.4	1,381.3	1,919.3	1,509.6		1,607.3	2,104.3	2,696.0	1,999.2	Early retirement pensions	1,222.9	1,589.6	2,054.2	1,550.6	
Men	1,861.2	2,304.5	2,823.2	2,204.6		1,861.2	2,304.5	2,823.2	2,204.6	Early retirement pensions	1,861.2	2,304.5	2,823.2	2,204.6	
GAP for women in %	-47.1	-40.1	-32.0	-31.5		-13.6	-8.7	-4.5	-9.3		-34.3	-31.0	-27.2	-29.7	

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

¹⁸ The calculations are based on bases for assessment from active employment of men and the contribution period (active employment) of women.

¹⁹ The longer contribution duration for men was used on the lower basis for assessment for the women.

Children: Two thirds of new female pensioners in 2017 had children, and their number of contribution years was higher than the women without children. But the group of women without children is very heterogeneous: some of them had shorter insurance periods and higher bases for assessment while others had short insurance periods with below-average bases for assessment. The lower fertility rate among women with higher levels of educational qualification (Neyer 2009, Beaujouan et al 2015) and a higher level of precarious employment among women without children could be explanatory factors. These different group compositions enable the effect of child-raising to be demonstrated more clearly compared to men’s pensions.

Table 14: Component analysis: GGP in % in the insurance pension*, total women, women with child(ren), before / after taking into account child-raising periods

Gender gap in pensions in %	25% (1 st quartile)	50% (median)	75% (3 rd quartile)	Average
Old-age pension				
GGP* total women	60.6	60.0	51.8	49.0
GGP* women with child(ren)	43.0	54.6	49.7	44.7
GGP after taking into account child-raising	23.8	43.1	38.5	31.3
Disability pensions				
GGP* total women	52.7	51.7	47.9	45.9
GGP* women with child(ren)	40.7	48.4	47.7	44.5
GGP after taking into account child-raising	14.4	30.7	31.8	25.8
Early retirement pensions				
GGP* total women	54.3	48.7	42.6	42.2
GGP* women with child(ren)	55.7	51.8	46.8	45.4
GGP after taking into account child-raising	48.9	43.8	37.8	36.3

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

* GGP relates to the pension amount from active employment.

Child-raising periods increase both the insurance period and the basis for assessment for women with children. The gender gap in active employment alone is 60% (median) and 49% (mean) among old-age pensions. The gap is smaller for women with children. Child-raising periods decrease the *gender gap in pensions* from a median of 54.6% to 43.1% and a mean of 44.7% to 31.3% in the average old-age pension (Table 14). Child-raising periods reduce the median pension disadvantage for women by a fifth and the mean disadvantage by almost a third. This attenuating effect is significantly higher in disability pensions than in old-age pensions.

If the women with children also had the same income and the same assessment bases that the men do, the gap for them would further decrease to around 5% (Table 15).

Table 15: Component analysis: GGP in % among women with child(ren) using the bases for assessment* of the men

Gender gap in pensions in %	25% (1 st quartile)	50% (median)	75% (3 rd quartile)	Average
Old-age pension				
Women, in EUR	724.0	1,448.0	2,360.0	1,413.0
Men, in EUR	660.0	1,531.0	2,254.0	1,496.0
GAP for women in %	9.8	- 5.4	4.7	- 5.5
Disability pensions				
Women, in EUR	487.0	1,010.9	1,685.7	1,024.9
Men, in EUR	481.4	1,010.2	1,589.8	1,085.8
GAP for women in %	1.2	0.1	6.0	- 5.6
Early retirement pensions				
Women, in EUR	1,595.3	2,185.6	2,906.8	2,106.5
Men, in EUR	1,857.8	2,296.0	2,806.9	2,190.2
GAP for women in %	- 14.1	- 4.8	3.6	- 3.8

Source: WIFO-INDI-DV on the basis of data from the Main Association of Austrian Social Insurance Institutions, own calculations.

* Calculation of the women's pensions (with children) using the basis for assessment of the men from active employment taking into account the insurance periods from child-raising.

Main results

The calculation of the GGP on the basis of longitudinal individual insurance data confirms and highlights the huge disadvantages of women compared to men. New female pensioners faces gaps in early retirement, old age, disability pensions:

- Half of women with a normal old-age pension had 12 contribution years fewer from active employment than men. Even in the early retirement pensions the average insurance gap from active employment was 7 years.
- The differences in the number of working years result in a theoretical replacement rate which is lower by between 9 (early retirement) and 17 (normal old-age pension) percentage points for women than for men.
- The average contribution bases for women from employment reach an average of just 60% (old-age pensions) and 72% (disability pensions) that of men's incomes. This means the gender gap in the contribution bases is between 40% and 28%.

- Taking into account partial insurance periods for unemployment and child-raising increases the insurance periods relevant for pensions. The gender gap in the income replacement rate drops by 8 to 9 percentage points. The pension gap in the form of the insurance periods (“time effect”) is therefore reduced by the partial insurance periods by up to a fifth. This means that without this socio-political tool women would have income replacement rates which were up to a fifth lower.
- The partial insurance periods also increase pension benefits as they form a basis for assessment. Overall, they increase the pension benefits for women by 32% compared to a purely insurance-based pension (normal old-age pensions). The increase is 45% in disability pensions.
- Even after taking into account the partial insurance periods, the *gender gap in pensions* remains high.
- The main factor in the pension deficit gap amongst women is their lower employment income over the course of their professional lives, with the second influencing factor being the smaller number of employment years (“income effect”).
- The gender-specific differences in the pensions are an expression of inequality on the labour market. In the existing system the gap is more likely to be closed through structural changes on the labour market than through changes to pension law.

The analysis carried out shows a *gender gap in pensions* of 48.1% in the median old-age pension, corresponding to a pension gap for women compared to men totalling EUR 752 gross per month. The different employment income levels over the course of a person’s professional life explain 55% of the difference. Women’s lower income as a result of lower salaries and part-time work lead to monthly pensions being lower by EUR 413. The lower number of insurance years explain 41% of the gap, corresponding to EUR 306 per month. The different position and level of partial insurance and contribution periods explain around 4% of the *gender gap in pensions*.

Figure 8: *Gender gap in pensions*: pension amount of old-age pensions (median), 2017

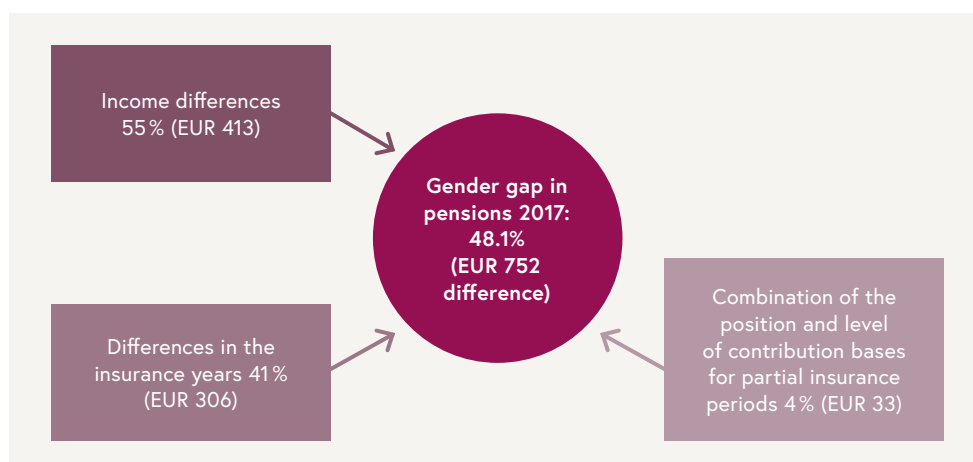
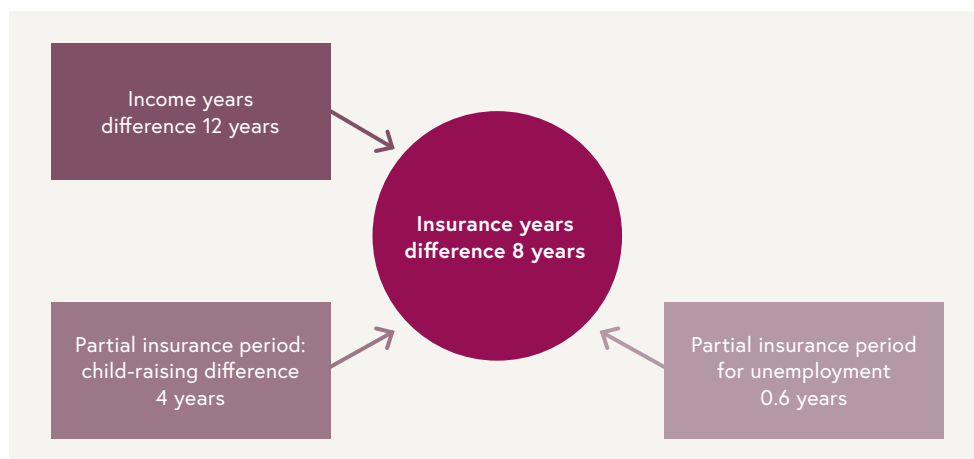


Figure 7: Gender gap in pensions: insurance years for old-age pensions, 2017



2.4.3 Outlook

The analysis of the above-average GGP's size and contributing factors clearly show the need for measures to reduce the gap in Austria. The main driver is the huge pay gap, to a smaller extent the gap in insurance years. Both are dominated by the fact, that women are still responsible for unpaid care work. The GGP is the result of structural differences in the distribution of paid and unpaid work between women and men. A set of defined measures to decrease the pension disadvantage can be found in the synthesis report (chapter 4). Overall, possible changes could be less far-reaching (a, b, c), but also transcending the system (d), in other words a redesign of old-age provision in general:

a) Labour market

In earnings-related pension systems, labour market inequalities are reflected in the pension benefits: a decrease in women's pension disadvantage can therefore primarily be achieved through equality on the labour market.

b) Pension and family law

By taking into account defined care provisions (child-raising, credit for periods of care leave or part-time care leave), pension law already includes regulations which compensate for the lack of employment periods during breaks from paid work, at least in part. An additional possible source of compensation in the old-age provision system is the division of pension entitlements between (married) couples. Empirical studies show that the division of entitlements helps to decrease gender-specific pension gaps but the different models of division are not able to close the gap (Fluder et al. 2015, European Parliament 2019).

c) Tax law

Austrian tax law has an impact on the extent of labour market participation: although (unlike in Germany) taxation is individual, the tax limits include a high marginal tax rate particularly at the tax threshold, which may prevent an increase in employment or working hours (Schratzstaller / Dellinger 2017). Changes to the tax law should always be made together with behavioural changes, particularly among part-time employees and those with care responsibilities.

d) System transcendence

Pension law tools to decrease GGP are overwhelmingly linked to motherhood. This means they are just additions and adjustments to an extremely gender-specific system (Frericks et al. 2008). Frericks et al. (2008) argue that these tools in fact increase gender segregation. They favour a 1.5 earner model, as this tends to involve adjustments to the male (working) standard. The removal of gender-specific differences in old-age provision requires significant efforts starting from the training of both women and men through to the redistribution of socially relevant work and on to new labour market principles (job assessment, working hours etc.). Esping-Andersen (2002) already spoke of the need for a new gender contract as far back as 2002.

3 Gender gap in pensions – knowledge, perspectives and needs of women

Ingrid Mairhuber

3.1 Objectives and methodological approaches

The primary aim of the qualitative part of the study was to find out what women of working age in Austria know about the current regulations on pension insurance, what they perceive to be the causes of the gender-specific pension difference and what possible individual opportunities for actions they see but also what changes they deem to be necessary.

In order to answer these questions, the current regulations on Austrian pension insurance for blue-collar and white-collar workers were reviewed and a qualitative empirical study carried out. Since there are no qualitative studies on the *gender gap in pensions* in Austria and there is therefore very limited information, this is a suitable research instrument as it is explorative.

Precise knowledge of the regulations on Austrian pension insurance were an important requirement both for carrying out the qualitative survey and interpreting the results.

The centrepiece of the empirical study was formed by in-depth interviews with eleven women and three focus group discussions in which a total of 26 women took part. Qualitative approaches in the form of interviews and focus groups provide an opportunity to obtain new insights and findings on the topic which go beyond existing and previous knowledge. Qualitative approaches can also provide more in-depth explanations of the results of the quantitative part of the study.

One special feature of these interviews and focus groups was that the women questioned were informed about Austrian pension insurance law over the course of the interviews and focus groups, as it was demonstrated that they knew hardly anything about it. In order to find out their attitudes towards the individual regulations and what they mean for them individually, the discussion partners therefore needed to be given the corresponding information.

All of the interviews and focus groups were carried out between April and October 2019. The total of 37 women involved are between 30 and 56 years old and differ in the following aspects: They come from five different federal provinces, live in cities or in the country, are married, living with a partner, widowed or divorced, have no children or up to four children, their highest educational qualifications range from compulsory schooling, completed apprenticeships, secondary school up to university qualifications, they are blue-collar or white-collar workers or unemployed, Austrian citizens or have a migration background (see Table 16).

FORBA was supported by abz*austria and the Upper Austria Chamber of Labour in finding suitable women to take part in the interviews and focus groups. We wish to express our heartfelt thanks for this at this point!

3.2 Key results

3.2.1 Pension insurance and pension account law

Austrian pension insurance is relatively complex.

The aim of the pension reform in 2005 and the introduction of the new pension account law was to reduce this complexity and above all create a greater level of transparency (for more information on this, see BKA 2019; BMASGK 2019A). Insured persons can inspect their personal pension account at any time, and since 2014 they have been able to track the progression of their own pension benefits easily. The effects of changes in employment behaviour (such as reducing or increasing working hours and therefore employment income) are immediately visible from the annual partial credit notes. Insured persons are therefore better able to take timely actions to improve their own provisions in old age by making the “right” decisions in terms of pension insurance law during their working life (for more information on this, see BKA 2019). This requires future-oriented thoughts and actions and means that the insured persons are dealing with the topic of “pensions” and also know the regulations in pension insurance and pension account law.

Individual provision in old age – taboo subject and significant gaps in information

As the interviews and focus groups showed, women in Austria have so far hardly dealt with the topic of pensions. There is a considerable psychological barrier, which is also linked to concerns about having very low levels of pension benefits. Once women had learned a little about the topic in the personal discussions as part of the interviews and focus groups, they were very interested and there was a considerable need for information. Existing information and information materials (both analogue and digital) provided by the Ministry for Social Affairs, the Division for Women and Equality, the Pension Institution and the Chamber of Labour are hardly used, as most people are unaware of their existence.

No, I've not come across the information brochures before. To be honest, I haven't ever consciously picked up a copy anywhere. And I haven't been given them either (Ms H., age 48, Vienna).

Those few women who are aware of the information materials make the criticism that it is sometimes difficult to comprehend, and they state that the specialist terms and even the excessive number of legal details put people off from engaging with the content. Only after particularly interesting contents of the folders, brochures and websites are specifically discussed do they state that they want more information or want to read up more on the topic.

Credits for child-raising and care work periods – how does that work?

Overall, the current regulations in Austrian pension insurance or pension account law are not or barely known among the women interviewed, regardless of their age, residence, highest level of education etc. They are most likely to know that future pension benefits fundamentally depend on the extent of employment and take into account child-raising periods. Women mostly do not know how exactly child-raising periods are credited, that they are regarded as partial compulsory insurance periods and, since their introduction in 1993, have had a positive effect on the pension amount even in the case of simultaneous employment (for more information on this, see Mairhuber 2000, page 165 et seqq.).

I know that there's something for child-raising, but I don't know exactly how it works because I have twins so I was only on maternity leave for a year (Ms C., age 49, Vienna).

The women interviewed also do not know which contribution bases are used or that the child-raising periods are fundamentally charged to the mother and that on request they can be transferred to the father (BKA 2019, page 20 et seqq.).

So I know that child-raising periods are credited, but I don't know the extent of it. I believe it is included in the calculation. But I always wondered what sort of salary is used and I don't know how many years it is. (Ms D., age 42, Vienna).

Before the interview, Ms G., the mother of two small children, assumed that she would not have any child-raising periods credited to her in the pension calculation. After she found out in the discussion that these will be taken into account, she is very pleased.

As I said I assumed I would get nothing. But I never looked at the calculator. It's great news for me now of course. (Ms G., age 42, Lower Austria, countryside).

Credits for child-raising periods are viewed as very important for the security of women in old age and are also felt to be fair. Ms C., who has four children, explicitly highlights the social value of the private child care she provided.

That [= crediting of child-raising periods] is good. Yes, you did something. The children will then do something too and pay in. I mean what you do for your kids ultimately comes back for society. It's not for me. (Ms C., age 49, Vienna).

There is also minimal awareness that with the introduction of care leave or partial care leave in 2014, these periods are credited as partial compulsory insurance periods (see BMASGK 2019 for more details). The option to get cheap or free continued or self-insurance in the pension insurance in the event that you provide care for a relative²⁰ (with an entitlement to a long-term care benefit from level 3 or a disabled child) is barely used even by the people affected by this (for more information on this, see BKA 2019, page 33, Mairhuber / Sardadvar 2017, page 17 et seqq.).

No, I didn't know anything about that option [for voluntary additional or self-insurance while caring for a relative]. No, I know people in that sort of situation too, but I don't feel like anybody knows that. (Ms D., age 42, Vienna)

Only women from Burgenland had heard about it when questioned. This could be because of current media reporting on the option to work as a caring relative in a newly created federal province body ("Pflegeservice Burgenland GmbH") at the time at which the interviews were carried out.

It depends on the care level, right, which care level. That was on TV yesterday. Yes, it's very interesting. (Ms J., age 50, Burgenland).

The option for free self-insurance or continued insurance linked to caring for relatives is overall viewed very positively, although some emphasised that a longer period of time outside of employment can be particularly problematic in advanced age.

"Lifetime calculation", supplements and deductions – hardly known

There is also a real lack of information when it comes to the pension calculation. Women know that it is no longer the "best 15 years" which are used to calculate the pension, as it used to be until 2003 (for more information on this see Mairhuber 2012, page 42 et seqq.), but almost nobody had heard of the lifetime calculation. Only very few women know that since the pension reform in 2005 income from the entire employment history is used for the pension calculation.

20 People who leave employment to look after or care for a relative of care level 5 to 7 have already been able to get continued or self-insurance under preferential terms within the pension insurance since 1998. Caring relatives only had to pay half of the pension insurance contributions. In the subsequent years, this option was expanded to include relatives of care level 3 and 4. Since 2009, the federal government has paid the pension insurance contributions in full (Mairhuber / Sardadvar 2017, page 12)

Yes, previously they took the best 15 years and now they calculate everything. (Ms L., age 56, Vienna).

I just know that effectively all of the working time you have is taken into account. Yes, it makes a difference whether I'm employed for 40 hours or whether I work less. (Ms A., age 53, Vienna).

In connection with the lifetime calculation, it is also noted that this calculation method is unfavourable to women due to the gendered division of labour. This is indeed perceived as discrimination.

It [= the lifetime calculation] is definitely a system which really disadvantages women because they work part-time for longer and stay at home (Ms D., age 42, Vienna).

Some of the female blue-collar workers interviewed are aware that in the event of early retirement the pension benefit is lower or deductions are applied (for more information on this, see BMASGK 2019, page 15 et seqq.). This could on the one hand be because they are most likely to be entitled to early retirement as they tend to enter the labour market earlier (for more information on this, see BMASGK 2019A, page 9 et seqq.). On the other hand, it could be to do with the reform passed shortly before the election in September 2019, which included an abolition of the deductions after 45 years of employment and was widely discussed in the media. The female blue-collar workers do not know, however, how exactly the deductions are regulated. None of the women interviewed have heard of the option to continue working beyond the statutory retirement age and receiving percentage supplements in return. This option is very interesting to some, while others express concerns about reaching the currently applicable statutory retirement age because of health problems or a lack of employment opportunities (for more information on this, see Chapter 3.2.2).

Periods of unemployment and equalisation supplements – no or incorrect information

Barely anybody is aware that the partial compulsory insurance periods are credited to the pension insurance for periods of unemployment or while drawing cash benefits from unemployment insurance. Even some of the women who were unemployed at the time of the interview do not know that, but are pleased that those periods will be included in their pension account too.

That's good news, I didn't think it would be credited or that something would still be going into my pension account (Ms H., age 48, Vienna).

However, it is not known which contribution basis will be used for this and how the periods of unemployment will thus affect the later pension benefit exactly.

When it comes to minimum provisions in old age, talk in Austria often focuses on a minimum pension. Many of the women interviewed incorrectly assumed that the Austrian pension insurance provides for an individual minimum pension and were relating on that in the sense of a “worst-case” scenario.

I'm sure it's probably easier when you get 2 minimum pensions, but you only have one household to maintain, one rent payment to make and everything. I think it's easier then. Also otherwise if you're a single parent and have children you have to do everything by yourself (Ms C., age 49, Vienna).

Since 1972, though, the equalisation supplement right has only provided for a minimum income depending on marital status (for more information on this, see Mairhuber 2000: 120 et seqq.). The crediting of a person's entire own income to calculate the equalisation supplement met with less of a lack of understanding and rejection among the women interviewed than the fact that the pension or the income of the spouse / partner is credited (for more information on this, see BKA 2019, page 34 et seqq.). The reference rate levels (currently around EUR 933 for single persons and just under EUR 1,400 for married couples) are seen as much too low to live on.

You can't live on EUR 933 a month. (Ms F., aged 41, Vienna).

EUR 1,400 between two really is very little. It's crazy if, like it used to be, the woman was at home and gets absolute peanuts, it's crazy because she's then totally dependent. (Ms G., age 42, Lower Austria, countryside).

No more than EUR 1,400 between two? How are you supposed to live on that? (Ms J., age 51, Upper Austria, countryside).

In summary, we can state that except for the fact that pension benefits are based on previous employment income, the regulations of Austrian pension insurance are broadly not known. This is true for both elements which have a positive effect on women's own old-age provision, such as the crediting of child-raising periods, and for elements which may have a negative impact, such as the equalisation supplements which are dependent on marital status and the joint household.

Trust in Austrian pension insurance – very low

This lack of knowledge is not only problematic for individual provisions, it also undermines trust in the sustainability of Austrian pension insurance as a whole. Younger women doubt whether they are even going to receive a pension (for more information on this, see also BMFJ 2014, page 58; Institute for Youth Culture Research 2015; 2016). The opinion is often expressed (and older interviewees stated this too) that young people are no longer relying on their own public pension or are of the opinion that pension insurance

will in any case change many times before they draw their own pension so engaging with the current regulations seems to be unnecessary.

Young people are of the opinion of 'well I'm not going to get a public pension any more anyway'. (Ms A., age 53, Vienna).

Because I haven't engaged with it and because I believe that for me it's so long until I get my pension that it'll have changed five times by then. And who knows whether then ... whether people will even get anything by then. No idea. They could just suddenly decide that it doesn't exist anymore or is much less. I don't trust this social system to be honest (Ms B., age 33, Salzburg).

Young people don't believe they're going to get a pension any more anyway. I think that's bad (Ms E., age 55, Upper Austria, countryside).

But even the older women interviewed assume that the regulations, particularly the pension calculation, will change several times before they draw their own pension and that the amount of their pension benefits is therefore very difficult or impossible to predict.

I just don't know how they're going to tinker with the pension system and whether there will even still be one for me that I can live on (Ms I., age 45, Vienna).

Yes, I mean we'll get something, but I don't know what the situation will be like in 15 years. (Ms J., age 50, Burgenland).

Honestly, I don't think much about the pension because I think things are changing all the time. I still have a while until then. I'm 49 now, who knows what's going to happen in the next 13, 14, 15 years. Who knows what's going to come and how often it's going to change (Ms C., age 49, Vienna).

Paradoxically, it seems at least superficially that they trust private pension provision more, as the interviewed women, who have very little trust in public pension insurance, state that they may want to get private provisions in the future.

I believe it is most sensible to get a private pension provision because then you are most likely to know what you're going to get (Ms B., age 33, Salzburg).

In response to a question about whether that was really the case, it was determined, however, that trust in private provision and the financial markets is also very low. There is probably a certain degree of internalisation of the discourse that has developed over several decades of "if you want enough provisions in old age, you need private provisions".

The women interviewed also report that private provisions are out of the question in any case due to a lack of financial means (for more information on this, see Chapter 3.2.4).

Forward thinking – non-existent

The transparency of the new pension account discussed above is viewed as positive by the women interviewed, but the necessary individual forward thinking and actions are broadly viewed as excessive and out of touch with reality.

Well a lot of it is about, so they are decisions you need to make relatively early for them to have an effect. So you say you're going to work however many years and you start at a certain age. But nobody does that, nobody lives like that (Ms S., age 42, Vienna).

On the one hand I think it's good that it [the pension account] is transparent, I think it's good that you can look in and then probably calculate for yourself OK if I want to get this amount out, what do I need to do? But of course I know I'm never going to have stable employment, so I don't know. In the modern world you can never say how long you're going to be in a job or how long you're going to earn a given amount (Ms B., age 33, Salzburg).

The women interviewed, including the older women, state that a forward-looking attitude is rarely or not at all the case in reality, because their own pensions are too far off. There is still minimal awareness of the fact that it is not just the final years before the pension which are important, but rather the entire employment trajectory is critical to a good provision in old age.

Probably when I get closer to the pension I'll learn more general information about it (Ms A., age 53, Vienna).

I really don't think about the pension, I'm not really aware because I think it's still such too far away for me (Ms C., age 49, Vienna).

The women interviewed are more concerned about managing day-to-day life and about making ends meet with their employment income at the given point in time. Successfully combining employment and childcare, already a challenging task, is more important than planning for the future in the long term. There is (at least after they participated in the qualitative survey) an awareness that part-time employment and a lower income will have a directly negative effect on the pension benefit. Nevertheless, some of the women feel that they are not able to increase their working hours due to a lack of childcare facilities or a lack of qualified part-time jobs with large numbers of hours and due to the “traditional” gendered division of labour (for more information on this, see Chapter 3.2.5). Ms M. is one of these women. She has two children and lives with her husband with a traditional, gendered division of labour. She is unemployed after 4 years of maternity leave and has been looking for a qualified part-time job, thus far without success.

You have this romantic idea of having lots of children and ... you don't really think about that sort of thing, so 5 years ago I didn't think 'what will happen about my pension?' No idea. Yes, you don't think about it. Because what is the alternative? I have the child and go back to work 6 months later. I didn't want that (Ms M., age 40, Vienna).

Ms D., an artist who has three different jobs, is well aware that a well-paying full-time job would be better for her subsequent pension benefits than the employment activity made up of her salaried employment and her work as a self-employed artist. She does not, however, want to make any further compromises that would be to the detriment of her art.

Ultimately it's all a bit too far away. Then there's the fact that I don't want to shape my employment around that just yet. So I'm already making compromises. It's a long time since I understood that it was important to have social insurance and how much it's worth to have health insurance and unemployment insurance and to be entitled to something if you're not able to work for a period of time etc. (Ms D., age 42, Vienna).

Ms F., a 55-year-old female white-collar worker from Upper Austria with two adult children, also notes that the requirement of a continuous employment career is becoming increasingly difficult for young people and is also not necessarily desired by the economy. The requirement for flexibility and mobility in working life on the one hand contrasts with the requirement for continuous, full-time employment to ensure good old-age provision on the other.

So what I think is problematic is that people's professional lives are no longer quite so consistent. It's not, or at least not only, because people don't want to, but it's also because you always hear that if you're still in the same company in 20 or 30 years' time nobody will want you any more (Ms E., age 55, Upper Austria, countryside).

Ms K., mother of two children, took a break from employment for childcare for several years and currently only has marginal employment because it is very difficult to find a qualified, part-time position in southern Burgenland. She has self-insurance within her pension insurance so she can collect insurance years and contributions for her subsequent pension. She is an exception among the women interviewed.²¹

Oh yes, I got self-insurance in the pension. So I have marginal employment, but now I'm employed I am insuring myself so there's at least something there (Ms K., age 47, Burgenland).

21 In July 2018, just 27,147 women had this form of insurance. In total, over 216,000 women had marginal employment in 2018 (Main Association of Austrian Social Insurance Institutions they are most likely to be entitled to early retirement 2019, survey of 16 January 2020).

Conclusion

Overall, the current regulations in Austrian pension insurance or pension account law are not or are barely known among the women interviewed, regardless of their age, residence, highest level of education etc. They are not even aware of the provisions which affect women more significantly or even benefit them, such as credits for child-raising periods, either.

The information materials which are available are not used, either because women do not know about them or they are not formulated in a sufficiently understandable or appealing manner. In any case, it is difficult for the women interviewed to relate the general and simultaneously complex information to their individual situation. This means that the positive effects of the desired transparency of the pension account cannot be achieved or women are not able to take timely actions to improve their own provisions in old age. Only through direct and personal discussions can psychological barriers be broken down and taboos about engaging with the topic of pensions or your own provision in old age be overcome.

The lack of knowledge undermines trust and is therefore not only bad for women's own provision but also in terms of the ideal or political sustainability of the public pension insurance as a whole.

3.2.2 Statutory retirement age and desired point of retirement

The increase in the statutory retirement age for women is a problem for older or unemployed women or those with health problems

The statutory retirement age is gradually being aligned with that for men from 2024 (for more information on this, see Mairhuber 2013, page 114 et seqq.; BKA 2019, page 13). Many of the women interviewed, particularly the older women, know about that, but few of them knew whether and how they themselves would be affected.

I think I'm the last year who will retire at 60. So my normal old-age pension would be at 60 because I still come into that group, or at least that's currently the situation, without any deductions anyway (Ms E., age 55, Upper Austria, countryside).

I was born in 1967 so I think it will be at 63, but I'm not 100% sure. I looked it up one time (Ms V., age 52, Vienna).

The gradual increase in the statutory retirement age for women is viewed as problematic by older workers and women who are currently unemployed, because they are already concerned about reaching the current statutory retirement age as active workers as a result of health problems or because they have no prospect of a job. After the individual women found out about their personal retirement age during the interviews or the group discussion, the reactions were bleak, particularly among female blue-collar workers.

It's horrible for me ... 64 years and 6 months. Boo. I still have to work for 13 years. Well I can't imagine I'll still be working in 13 years (breathes in deeply) (Ms H., age 52, Upper Austria, countryside).

Yes, if you think about it, actually you generally start an apprenticeship at 15, then you work until 65, you've generally worked for 50 years. I feel like that's really hard ... (Ms L., age 55, Upper Austria, countryside).

Ms F., who works as a nursery teacher, thinks that the increase in women's statutory retirement age to 65 is extremely problematic. Unless the framework conditions change in her profession, the number of staff is so low that older teachers may have to look after a group of children alone, and she feels that is not possible or at least not reasonable.

Well we laugh about it. In our profession [childcare] looking after a group of children alone at the age of 65 is inconceivable. That's what I can't imagine (Ms F., aged 41, Vienna).

Older, unemployed women and older women with health problems will probably want to retire before the statutory retirement age. The financial deductions are, however, a problem (for more information on this, see BMASGK 2019A, page 15 et seqq.). The reintroduction of the option to take a deduction-free pension after 45 years of work,

which was passed in late 2019, was very much welcomed by the female blue-collar workers interviewed.²²

In principle I think it's a good solution in any case, because a lot of people kept going to work until they were 65 so they didn't [have] these deductions, because the pension is lower anyway for women. And if such and such a percent is then deducted women can no longer afford to take early retirement (Ms P., age 53, Upper Austria, countryside).

The women interviewed, particularly unemployed women and those who live in the country, are more concerned about whether there will be jobs for older women or women over the age of 60 which would allow them to keep working for longer.

There are already very few jobs and there will probably be even fewer by 65. That's the problem. The fact that you might have more experience or something or whatever when you're older is not valued. When you have a job interview, everyone always wants to have people who have a lot of experience but are super young so the company doesn't have to pay them a lot (Ms K., age 47, Burgenland).

Grandparents, particularly grandmothers, play an important role in childcare in Austria. This is often the only way it is possible for young women to go back to work.²³ The need or the requirement to look after grandchildren in old age is mentioned by some of the women interviewed and can be a restriction to them focusing on work in old age (for more information on this, see also Statistics Austria 2013, page 51 et seqq. Hochman/Lewin-Epstein 2013; Samek Lodovici et al. 2016, page 23).

The way I am, I don't think I'll want to retire. I mean, no, I like having something to do, unless I get 6 grandchildren or something and, I don't know, need to look after them (Ms C., age 49, Vienna).

Women want to work longer – if the conditions are right

When asked about the time they wanted to retire, some of the women interviewed say that they very much want to work longer or would not necessarily retire at the earliest possible point provided their health permitted it and there was a job available.

I could definitely imagine working longer if with the work somehow, if I can do it. I don't know how I'm going to be doing in 10 years, right? So if I'm still as healthy as I am now, I'll have no interest in retiring (Ms A., age 53, Vienna).

22 The federal government is currently (January 2020) discussing repealing this regulation.

23 In 2010, 24% of children under the age of 15 were looked after by their grandparents while their mothers were at work, 24.8% by childcare facilities and 30.8% by the partner, with a considerable difference between the city and the country (Statistics Austria 2010, page 174).

That's the next point where I think I can barely imagine getting to 65 or whatever, when I get that far, maybe later, saying 'yes, I'm going to retire now' and living off the state as it were and just sitting in front of the television. I just can't imagine that. I think if I'm fit and healthy and everything I'll always work and make sure I'm earning money, so from my current position (Ms B., age 33, Salzburg).

It is important for the women interviewed in any case that their job seemed to be feasible and meaningful even in old age. These are important requirements for being able to and wanting to continue to work even in old age.

Honestly, I'm in two minds about the topic, because I've done very different jobs. For me, I think a job I had at one point in gastronomy I wouldn't want to do for a long time. I would want to retire earlier if that were my main job. If you're in another job, if I look at the other side of my employment history and go in more of a planning direction and into shop design, so more linked to creative work, then I would say it's OK, I could stay here longer (Ms H., age 48, Vienna).

The use of part-time employment for older workers (for more information on this, see BKA 2019, page 69) was also seen as a good option for remaining on the labour market for a longer period of time.

I think if I'm healthy I'll work. I only work 20 hours, so if I'm healthy ... But if I'm not healthy? I can imagine continuing with my job until 62 or longer ... just with fewer hours (Ms J., age 50, Burgenland).

I like working. Maybe I would reduce it a bit, yes part-time employment for older workers, I could imagine that (Ms A., age 53, Vienna).

But the women need to be able to afford part-time employment for older people or a reduction in their income. This is not really an option for the female blue-collar workers interviewed who have a very low income anyway and in some cases work part time, particularly if they are single parents or living alone.

That's the problem, they can't afford it [= partial retirement]. That's how it is. It's difficult for single parents or those living alone to get by (Ms C., age 51, Upper Austria, countryside).

The higher pension benefit only plays a minimal role in the desire to remain working for longer among the women interviewed. As we can see from the quotations above, it is more about enjoyment of work, doing a meaningful activity and their role in society through involvement in the world of work (for more information on this, see also Radl 2012, page 758).

But for me money is a poor motivator in this case. Because, and this has always been the case, I think other things in life are very important too. Once I've reached a certain base level, that's enough for me (Ms A., age 53, Vienna).

Conclusion

Women definitely want to remain in work for longer (in other words beyond the statutory retirement age) provided their health allows and that there is a suitable job for them. For the women interviewed, it is mostly about social integration and the joy of work.

Older unemployed women and older women with health problems, however, are already worried about being able to reach the current even lower statutory retirement age in active employment.

The presence of grandchildren can also impact when women want to retire. This is especially true when the care of grandchildren is an important prerequisite for their daughters or daughters-in-law to be able to work due to a lack of childcare facilities.

Companies who (continue to) employ older women and offer them age-appropriate jobs are, however, needed for women to remain actively employed until the statutory retirement age.

3.2.3 Pension amount and individual future pension benefit

Initial account credit – a “shock” for many

On 1 January 2014, the pension calculation for all insured persons born in 1955 or later was converted to the pension account system. Everyone who was already employed before 2005 and had collected contributions received what was known as an initial account credit.²⁴ This initial account credit included all of the insurance and contribution periods which had been collected in the Austrian pension insurance up to the end of 2013.

The women interviewed consistently state that they are shocked or disappointed about the initial account credit, which in many cases is very low.

Of course I get these letters from the pension insurance. I think the message gave an absurd amount of EUR 370.00 per month or something like that, which they say I would be entitled to (Ms A., age 53, Vienna).

Yes, it was a laughable EUR 400 for me (laughs) (Ms H., age 52, Upper Austria, countryside).

Yes, I got that. I think I just laughed because there it was so little, but I can't remember the amount any more (Ms F., aged 41, Vienna).

Exactly. It was back then, I must have the letter somewhere in my documents still. I think if I had retired now I would have got a pension of EUR 350 (Ms G., age 42, Lower Austria, countryside).

I mean back then, in 2014 I think, when they sent the initial credit, it dawned on me how little I'm getting so far (Ms I., age 45, Vienna).

Although they mostly know that the pension benefit is based on employment or employment income and some of them have longer breaks in employment or work part-time, they feel like the amount of the initial credit was much too low, particularly in terms of ensuring sufficient provision in old age. This affects both older and younger women.

Only Ms. J, who did an apprenticeship and took breaks of several years from employment to look after her children, states that she is positively surprised because the child-raising periods had been credited.

I was positively surprised. For me they credited from the age of 15 because I was doing an apprenticeship. I have two boys, so I was credited for 6 years, and now I've been working

24 For more information on the provisions and effects of the 2004 pension reform and the introduction of the new General Pension Act (Allgemeines Pensionsgesetz, APG): Mairhuber 2013, page 128 et seqq.; BMASGK 2019A

again for 9 years. I was surprised, I didn't actually think I would have so much already (Ms J., age 50, Burgenland).

For most of the women interviewed, the very low initial account credit had the effect that they did not want to engage with the topic any more. With the exception of two of the women interviewed, none of them had ever looked at their own pension account again. One woman did so because of her somewhat more complex employment trajectory, which led to obvious mistakes in the initial credit. The second woman, who is already older and currently unemployed, has looked at her future pension because the Public Employment Service (AMS) is recommending that she applies to the Pension Insurance Institution for retirement due to poor health.

Some of the women interviewed, however, state that after receiving the positive information from the interview and the focus group they would now look at their personal pension account and wanted to engage more with the topic.

Because of all of this information, I have to be honest, I'm feeling a bit better about it. Just because I know now that I can look at where I currently stand. It's very interesting. The fact that I don't feel super unfit and don't feel that I won't be able to work anymore the day after tomorrow. But things can always change. But simply the option to do additional years and improve it a bit or this last information about supplementary insurance is also interesting (Ms H., age 48, Vienna).

Sufficient individual pension benefits – are they realistic for women?

Since the biographies of the women interviewed often include (long) breaks from employment and (many) years of part-time work and women's income is fundamentally relatively low, they consistently rate their future pension benefits as (very) low. But even women with a good level of education and relatively good income opportunities fear that their financial provision in old age will not be very high. Ms E., an academic with two children who is currently employed 30 hours a week, views her very flexible employment situation in particular as a problem.

Well if you look at your own history, employment history and see what you have in terms of occasional jobs, non-jobs, marginal employment, unemployment etc., then you think to yourself 'yes, part-time'. So then you think 'OK it probably won't be that high' (Ms E., aged 44, Vienna).

In response to the question of how high a person's individual pension benefit needs to be to get by in old age or to be well provided for, even women working full-time say that they would need a net replacement rate of 75% to 100% of their current income.

Well actually, I think it would be super, OK, it would need to be almost $\frac{3}{4}$ of what I currently earn. Then I can look after my grandchildren a bit too and things like that (Ms A., age 53, employee, 35 hours, Vienna).

I think 80% of my current income. I don't know. You'd probably have to go and live in another apartment. No idea. Get rid of the car. At 60% I think you'd be able to survive (Ms F., aged 41, full-time employee, Vienna).

The same income I have now (Ms L., age 55, full-time worker, Upper Austria, countryside).

Two of the married female blue-collar workers who are currently employed part-time would need even more than their current income for individual provision in old age as their incomes are very low. Ms H. only earns EUR 1,150 net working 32 hours a week after working for the company for 19 years.

Well I would need more because I work part-time (Ms S., age 30, 20 hours, Upper Austria, countryside).

Yes, me too (Ms H., age 52, 32 hours, Upper Austria, countryside).

Since the women interviewed earn less anyway due to part-time employment but also as blue-collar workers in the low-wage sector, a high replacement rate is necessary to ensure that they can continue to make ends meet in old age, since the cost of living, which currently accounts for a large part of expenditure, does not necessarily decrease in old age in this income segment.

When you retire, you might not want to or be able to change everything, move into a smaller apartment or something because the rents have got higher again. That won't help (Ms B., age 33, Salzburg).

At the same time, we can note that the women interviewed have consistently very low demands and their idea of a sufficient pension is EUR 1,000 with a good pension of between EUR 1,500 and EUR 1,800.

I can live a dignified life as long as I can afford a home and some food, and maybe one or two goodies. My pension would need to be EUR 1,500 for that (Ms H., age 48, Vienna).

I think EUR 1,500 would be great. EUR 1,000 would be the lower limit. It wouldn't be that important to me whether I could maintain a house by myself or not, I could move into an apartment. That would be OK, I'm flexible (Ms G., age 42, Lower Austria, countryside).

The living space plays a special role in connection with sufficient financial provision in old age. As we can see from the quotations listed above, some of the women interviewed assume that they will no longer be able to afford the apartment they are renting or the house they are currently living in after retirement. The sale of owned houses is viewed as very difficult in some areas and in light of the developments on the housing market moving to a cheaper apartment in old age appears to be not particularly realistic.

Property ownership can, however, also offer security in old age, either because this makes living costs lower than in a rented apartment or because if necessary, this can be sold and therefore offers additional old-age financial provisions.

Significance of occupational pensions very low

The significance of occupational pensions in Austria for social security in old-age is low. In late 2018, around 22% of salaried blue and white-collar workers were part of an occupational pension scheme. The percentage of women within these was 47%, but if the assets saved were taken into account the ratio shifted significantly to the detriment of the women, with their share now making up just 25% (FMA 2019, page 20 et seq.)²⁵. Just two of the women interviewed state that they had company old-age provision. They do not, however, have any more information, for example about the amount being paid and above all what that would mean specifically for their security in old-age.

We have an occupational pension plan. It's not very much ... but the company does something. [...] There is another model, though, where the company effectively pays in, which is good for both sides, the company and us. Yes, they probably save something by doing so and we have something left over (Ms E., age 55, Upper Austria, countryside).

I know I've joined a mini pension scheme through my employer. It's deducted from my salary. I think it's about EUR 30 (Ms F., aged 41, Vienna).

Dependence on the partner versus financial independence even in old age

Women who have taken long breaks from paid work and had long periods of part-time employment assume that they will be dependent on their partner in old age and see this as the logical consequence of their life plans.

Occasionally I think about it. I know that I definitely won't get much of a pension because I was at home with the children for so long, so in old age I'll be totally dependent on my husband. Yes, I thought 'well I'll have to care for him' ... but I wouldn't have it any other way (Ms I., 53, Burgenland).

25 The level of the assets generally depends on the amount of time a person has been working for a company, the contributions paid in and the basic income (FMA 2019, page 23).

I've never worked full-time. I've always worked part-time because of our four children. I won't get more than the minimum pension, I don't think. Really. But there are two of us, me and my husband, I think. (Ms C., age 49, Vienna).

At the same time, many of the women interviewed do not think about having a sufficient "family income" in connection with old-age provisions. They think explicitly about their own pension benefits and are of the opinion that dependence on their spouse / partner is much too insecure or they do not want to lose their financial independence in old age either.

I mean, of course, you often say, together ... you have the money together. But what's the situation? I mean I don't know, I'm realistic enough that I say I can't rely on us staying together for our whole lives, because you never know. What happens when something doesn't work out? (Ms B., age 33, Salzburg).

To be honest, I haven't thought about it [= old-age provision] yet, I've only thought 'would you get by with the money if you didn't have a partner?' And I thought 'OK, if I were alone, I would get by' (Ms E., age 55, Upper Austria, countryside).

Nobody has a guarantee that their partner will stay. I would never rely on a man, not even my own husband (Ms L., age 56, Vienna).

There is also the problem, however, that financial insecurity and dependence are very much suppressed. Women do not want to think about the fact that they may be financially dependent on their partners or that they may separate or divorce and their own provision in old age would then not be sufficient.

But there are two of us, me and my husband, I think. He's got his own pension. And if you live in a family and have so many children, it's different to if you're a single parent. And then you'll either get a widow's pension if he dies or you'll live with the man. I'm not planning to get divorced at 60, I don't think (Ms C., age 49, Vienna).

But of course you never know what will happen, maybe he'll just suddenly say 'right, bye then, I'm off' or she might, you never know. But I think nobody thinks about how they will get by or about what sort of livelihood they will have with their income afterwards. You only think about it afterwards when you're actually in the situation (Ms P., age 53, Upper Austria).

Some of the women interviewed only thought about the fact that their relationship could break down and that this could have consequences for their old-age provision during the interview or focus group discussion. Ms A., married with one child and currently working part time, also feels that she will now need to think about increasing the number of hours she works.

Maybe keep that aspect in the back of your mind, the fact that maybe when you've retired, even if it's now, maybe you'll be alone and no longer in a couple ... because I realise now that I hadn't even thought about that because there's just ... well right now there's no reason (Ms A., age 40, Upper Austria, countryside).

Ms M., 2 children, currently unemployed after 4 years of maternity leave and currently looking for qualified part-time employment, states during the focus group discussion that she and her partner have decided together that she will work part-time in the next few years. In the event of a divorce, however, she would have to bear the consequences of a lower income and consequently a lower pension alone.

It's hard because well if you have children ... so we decided that I would work less, which means I inherently earn less money because I'm a woman and I also earn less because I work fewer hours to be there for the children, because of course he earns more. It's somehow ... so I couldn't get divorced because then I'd have 2 children and no money (Ms M., age 40, Vienna).

Conclusion

The initial account credit, which in some cases was very low, was very much a “shock” for the women interviewed. Anxiety about insufficient provision in old age is mostly suppressed and leads to them not engaging further with the topic and not looking at their pension accounts.

The women also think that their own future pension benefit will be very low, and at the same time the women (even those employed full-time) state that a sufficient pension would need to be between 75% and 100% of their current employment income. Only a few of them are aware that this is unrealistic.

Since they expect their pensions to be low, some women assume that they will have difficulty paying for their rented apartment or affording their own home after retirement. At the same time, property ownership can also be an additional form of financial provisions in old age.

Occupational pension schemes barely play any role at all for women in Austria.

Financial dependence on their partner in old age is accepted by women with a “traditional” life plan and gendered division of labour. The problem of divorce or separation and the effects of this on individual old-age provisions are suppressed, for the most part. Many of the women interviewed, including older women, feel that financial independence is important even in old age.

3.2.4 Gender gap in pensions

The enormous gap is viewed as a great injustice

The *gender gap in pensions* has been persistently high in Austria for decades. In 2018, the average newly awarded old-age pension among women who had been salaried employees in Austria (not including contributions paid in more than one country but including supplements and subsidies) was only around half of that of men, and among female blue-collar workers it was just 45% (Main Association of Austrian Social Insurance Institutions 2019, accessed 16 September 2019; see also Chapter 2.3).

The women interviewed mainly estimate the level of the *gender gap in pensions* correctly. In some cases, however, there was a considerable amount of outrage about the actual degree of the *gender gap in pensions* after they had been informed of this in the interviews or focus groups. The enormous gap is viewed as extremely unfair among all of the women interviewed regardless of age, highest level of qualification and gendered division of labour experienced etc.

I don't know the level [of the gender-specific pension gap] exactly, but it's a huge, huge disadvantage. I think it's horrendous, I have to say, because women just inherently earn less. That's definitely the case for me (Ms E., age 55, Upper Austria, countryside).

[The gender gap in pensions is] catastrophically high. A total catastrophe. And I think in the countryside it's much worse than in towns. It's a real catastrophe (Ms I., age 53, Burgenland).

[The gender gap in pensions gap is] vast. It's utterly unjust (Ms J., age 50, Burgenland).

The women interviewed discuss about how unfair they find it that their provisions are so much lower than those for men although they had taken on unpaid care work such as childcare and looking after relatives, and that they will be dependent on the men in old age.

We look after the children, we look after the relatives and ultimately we end up in old-age poverty and are once again dependent on the men who keep us. Honestly, it creeps me out (Ms U., aged 50, Vienna).

And if women retire at 65 and still get 60% less, it's laughable, right? And you had children and everything (Ms B., age 50, Upper Austria, countryside).

Ms V., married with two children, gets to the heart of the perceived inequality of treatment very well when she says that after 45 years of employment and unpaid care work women would theoretically get the same pension benefit as a man would after 20 years.

As I said, if I ultimately ... now I would have to work another 10 years, so then if I get to 45 working years, ultimately I will maybe get as much as a man who has worked for 20 years, you'd have a lot of questions in old age (Ms V., age 52, Vienna).

Ms M., married with two children, also addresses the injustice of the alignment of the retirement age of women with that of men in connection with the *gender gap in pensions*. She cannot understand why women will have to work for just as long as men in the future if they are only going to get half of a man's pension.

What I don't understand is why the men earn such a crazy amount more or get such a crazy amount more pension but we have to work for just as many years. It doesn't make any sense to me. We both have to work until 65, but the men get almost twice as much. We have emancipation, including of women and men, but not in salaries and pensions. That's not quite right (Ms M., age 40, Vienna).

The causes of the gender gap in pensions are clearly identified

In an employment-related pension insurance system, the women interviewed correctly identify the existing gender pay gap and the persistent gendered division of labour as the main reasons for the enormous *gender gap in pensions* (for more information on this, see Chapter 2.2.1).

The causes are first and foremost that women do most of the child-raising and housework, at least as soon as there are children, particularly a generation above me. I think things are changing, but to a minimal degree. Of course I mean my parents' generation or my grandparents' generation, we're not talking about them because there was a clear division then and the woman was simply at home. And now the situation is that most women go out and work part-time. The part-time work is simply just poorly paid jobs. And yes, women generally earn less, to make a sweeping statement (Ms B., age 33, Salzburg).

Well women didn't work, lots of them were at home. That means they don't have any rights. Not ... the unpaid work is not counted towards the pension insurance. It's not that they were lazy, they just did the unpaid work and the men worked, right. That's the main point, I think. And of course there's the unequal pay too, not for the same work but also for the same qualifications, which is still the case (Ms G., age 42, Lower Austria, countryside).

It's logical if you think about the fact that on average you take the entire working years. It's understandable if the woman is on maternity leave for example and earns less and works part-time or whatever (Ms C., age 49, Vienna).

The gender pay gap is also felt to be extremely unfair among all of the women interviewed regardless of age, highest level of qualification and gendered division of labour experienced etc.

Some of the women interviewed also state that a failure to take into account unpaid care work in pension insurance or a failure to take it into account sufficiently is unjust.

The incomes still vary accordingly. This is probably because women invest more time in their family or social matters, care, children and so on, so this removes some of the working hours. I think that's really unfair, because people should be remunerated for that in particular (Ms A., age 53, Vienna).

If I spend time on looking after someone without being paid for it, for example, I shouldn't be penalised for that down the line (Ms E., age 55, Upper Austria, countryside).

The gender division of labour is identified as a key reason for the *gender gap in pensions*, but at the same time it is not particularly questioned and is considered to be almost impossible to change. As with the question of voluntary pension splitting (see next section), women appear to want to avoid conflicts in the partnership relating to this and feel that responsibility for decreasing the effects of gendered division of labour lies with society or politicians.

Voluntary or compulsory pension splitting?

Since 2005, couples with children have been able to voluntarily split parts of their pensions in Austria (for more information on this, see BKA 2019, page 23; BMASGK 2019A, page 23). In connection with the decrease in the *gender gap in pensions*, the women were also asked if they were aware of this option and what they think of splitting and whether it was an option for them personally. We determined that the women interviewed are hardly aware of the voluntary pension splitting option, but this issue was one of the most discussed points in the interviews and focus groups.

I know the term. I'm not really sure what it means. I think it's that effectively the pension earned by the man is shared a little bit somehow in old age (Ms A., age 53, Vienna).

The attitude towards voluntary pension splitting, however, was sceptical. Many of the women interviewed, including those who are in a relationship, are of the opinion that no man would voluntarily do that.

No man would voluntarily give part of his pension to the women. No man would do that (Ms K., age 38, divorced, 2 children, Vienna).

I think it's great, but nobody would do it voluntarily. My husband would never think of that. He is of the opinion that 'we're going to be together for the next 40 years anyway, so what's the point?' My money is your money, I hear that every day. But as soon as we argue it's suddenly his money and my money (Ms M., age 40, married, 2 children, Vienna).

I can imagine it being compulsory, but I can't imagine it being voluntary. Would any man really do that voluntarily? He would have to be perfect (Ms F., aged 41, Vienna).

The women interviewed are also concerned that women's demands could lead to a conflict in the relationship and they would prefer not to risk that.

Yes I was just about to say that, in a previously functioning marriage you would then argue and stuff (Ms K., age 47, 2 children, Burgenland).

Well, you have a father who earns a lot and a mother who earns very less or a person who earns less..and then they're supposed to discuss with one another, who would then ... that you're going to get a bit of your partner's pension, right? [...] I think it would create resentment in the relationship, that's what I think (Ms E., age 44, 2 children, Vienna).

Some of the women interviewed think that voluntary pension splitting is very interesting, but it depends on the framework conditions. In cases in which the relationship between the mother and the father does not work well or they have already separated, voluntary splitting seems even more unrealistic.

Of course if you're in a situation in which you separate when the children are little, the voluntary nature will definitely be a problem. It'll be difficult for you to say 'hey, give me some of your pension' (Ms H., age 48, 1 child, Vienna).

It would have been interesting. I would have been in favour but then ... I mean I could maybe have convinced my husband. But what do you do about marriages that aren't working? It's very ... well for us it might have been possible (Ms I., age 53, 2 children, Burgenland).

I think it might not be bad because ... I mean you always forget ... I also assume that we're going to retire together and still be together. I think people don't think about the fact that in 20 years or 25 years things might not be the same any more (Ms A., age 40, Upper Austria, countryside).

Women, particularly the blue-collar workers interviewed, criticise the fact that men have to give something up from their pensions, which are not that high in the first place, and that this small amount would also not greatly improve women's pensions.

I mean someone who I think has a high pension per month might be able to do that. But it's not possible if a man then gets so little money when he retires (Ms L., age 55, 2 children, Upper Austria, countryside).

Yes, because it's the same rubbish, either I get a bit more or he gets a bit more, EUR 100 for him or EUR 100 for me ... (Ms S., age 30, 2 children, Upper Austria, countryside).

If women earn almost the same amount or more than their partners, pension splitting does not appear to come into question. Even if women have primarily dedicated themselves to child-raising, the assumption is not made that the partner would transfer some of their pension entitlements. The unpaid care work done by women is therefore not recognised in the pension benefits, with the exception of the periods of child-raising.

Other women in turn emphasise the fact that pension splitting only results in a redistribution between the partners and therefore not in the financial recognition that they want for the unpaid and extremely socially valuable care work.

It's one approach. It would be better if the small amount that is there didn't have to be divided but if it came from outside instead (Ms G., age 42, 2 children, Lower Austria, countryside).

I don't think it's particularly interesting. I think you need to balance it out in another way. I think it's something like private provision which someone else is taking on for me privately because he is giving me his share. I think the state should cover it or it should be regulated in another way. Because once again there's no recognition for the time (Ms A., age 53, 2 children, Vienna).

Another area of criticism was linked to the fact that the provision for women in old age is once again dependent on their partner's income. Many of the women interviewed, including married women, however, want to be financially independent from their partners even in old age.

But I just want to have my own money. And I want to be ... I don't know ... independent. And it's such a ... yes, it's so repugnant to me (Ms B., age 33, 2 children, Salzburg).

First of all, I don't know if anybody knows that. I've never heard that it even exists. Second, you're dependent once again (Ms G., age 42, 2 children, Lower Austria, countryside).

To be honest, I never want to be dependent on my husband in any way, so that may be pointless for me, so I might just disregard it (Ms E., age 55, 2 children, Upper Austria, countryside).

Since the introduction of compulsory splitting has been discussed in Austria for some time and is planned by the current government (see Chapter 4.2.1), the women interviewed were also asked whether they would be in favour of compulsory pension splitting instead of voluntary.

Some of the women find that compulsory splitting is better than voluntary, including because it would save women from the dreaded conflict in the relationship.

It would need to be done more generally and not voluntarily but rather just something that happens as a matter of course. That would at least be fairer, so I'm never relying on him saying 'OK, let's do it' but instead it's just done automatically. Since the man would effectively be equal there, yes, I think that would be OK I have to say. You have the child together, and if I can't go out and work and earn less the man is just as responsible (Ms E., age 55, 2 children, Upper Austria, countryside).

Ms I., married, two children, is in favour of the voluntary nature of pension splitting but thinks that compulsory splitting would be advantageous for women who cannot assert themselves in a relationship.

Yes, on the other hand it's definitely not a bad thing for women who can't assert themselves (Ms I., age 53, 2 children, Burgenland).

The women interviewed who think that their husbands would reject the idea of voluntary splitting are the main respondents in favour of compulsory splitting. Ms M., married, two children, unemployed after maternity leave and currently looking for a qualified part-time position, is in favour of compulsory splitting as she assumes that her husband would not agree to voluntary splitting, even if the gendered division of labour was a joint decision as she stated in the discussion.

Yes, it should happen automatically. And a smaller percentage would be enough, and if it's just 20% but automatic that would be great ... he wouldn't do it voluntarily. And I understand that (Ms M., age 40, 2 children, Vienna).

Ms H., who separated from her partner when her child was very young, is of the opinion that compulsory pension splitting would be sensible in precisely these cases, because the assumption cannot be made that fathers would transfer some of their pension entitlements to the mother in situations such as those.

As long as it's a voluntary thing, it depends on the relationship between the [separated] partners and whether he wants to do it. I always question that in situations like that. Compulsory splitting would then make real sense (Ms H., age 48, 1 child, Vienna).

Other women reject the idea of compulsory splitting, with many giving similar reasons as those given for voluntary splitting. Some, however, also think that the men should not have something taken out of their pension entitlement by law.

There is also criticism of the fact that with pension splitting the unpaid childcare of women with a partner who earns well is worth more than that of women with a partner who does not earn as well.

But pension splitting then actually increases the income hierarchies, right? So if my husband earns a lot, I'm lucky. But if my husband is a bricklayer or something then I'm not so lucky ... (Ms S., age 42, Vienna).

Supplementary insurance, subsequent purchase of school and study periods, private provision – is it all a question of affordability?

During the interviews and focus groups, the women were also asked about the option of voluntary supplementary insurance (*Freiwillige Höherversicherung*) within the scope of the Austrian pension insurance (for more information, see BKA 2019, page 33). Supplementary insurance could at least reduce the *gender gap in pensions* to an individual level. Very few women have heard of this option prior to the interviews and focus groups. There is, however, significant interest in finding out more. Some women intend to learn more about the matter at the Pension Insurance Institution after the interview or focus group.

Supplementary insurance, that's really something because it's effectively like saving. Interesting option, you'd need to compare what's on offer and whether it's worth it. But fundamentally I don't have any information on it. I didn't know about it at all (Ms A., age 53, Vienna).

That [= voluntary supplementary insurance] sounds exciting because I can choose the amount I want. And like I put, I don't know, money into my building society savings account as is tradition, I could pay into my public pension insurance (Ms G., age 42, Lower Austria, countryside).

I'll have a look, because that's really interesting. Yes, yes. I mean that's really something. It's definitely more than ... a private provision. I want to at least look at it when I have the time and calculate a bit and collect together all of the documents so I can calculate everything somehow ... (Ms I., age 53, Burgenland).

Ms U. does not feel that paying voluntary pension contributions is a sufficient way of decreasing the *gender gap in pensions*, particularly in light of the gendered division of labour. She thinks society or the men should pay corresponding financial compensation.

We look after the children, we look after the relatives and ultimately we end up in old-age poverty and are once again dependent on the men who keep us. Honestly, it creeps me out And then we need to pay for supplementary insurance with our own money?! I think it's absurd, really society or maybe the men should pay financial compensation to us (Ms U., aged 50, Vienna).

However, the female blue-collar workers interviewed who have a low income and the women employed part-time speak primarily about the affordability of voluntary supplementary insurance. The idea that the partners could pay the contributions, perhaps

as compensation for the gendered division of labour, is not really up for debate and fell on deaf ears.

I think it's great but once again it's only something for people who have some money left over. I mean most women work part-time, well not most but many women work part-time, so there's not much left over (Ms I., age 45, employed part-time, Vienna).

No, there's nothing left over, not for me. I don't know how it is for you, but I have 2 children, school-aged children, it just doesn't work (Ms M., age 38, 2 children, employed full-time, Vienna).

But I think ... no in principle it sounds really good, but in the low-salary industries in particular people can't afford it, they just don't have the money put to one side. And these are the people it affects. If you earn well, you may well not have any problems with your pension anyway. I'm just throwing that out there (Ms C., age 51, full-time worker, Upper Austria, countryside).

Yes, but if you earn less you can't afford something like that each month. That's the next thing (Ms L., age 56, unemployed, Vienna).

Ms B., a 33-year-old married employee from Salzburg with two children, points out that she needs the income from her part-time employment for day-to-day life and would only make an investment in her distant pension future when she was working full-time again or earning more.

It depends how much it is. I mean you have to be able to afford it, too. At the moment I'm thinking I'd prefer to have the money now while I need it for other things. And then, well, in terms of 30 years, I don't know, it doesn't affect me now really. Because above all now, particularly with working part-time, you don't spend money on something which is in the distant future. I think if you're earning a bit more again and have some left over, OK, yes, why not? (Ms B., age 33, Salzburg).

The issue of trust in the sustainability of the pension insurance comes into play again in connection with the payment of voluntary contributions. Ms D., a 42-year-old artist with three different jobs, says that she finds it difficult to make contributions into the pension insurance because she has little trust that the entitlements will still be valid in the future.

Yes, I also find it a bit difficult to invest in things which are so far in the future. It would be different if you were certain that it would stay the way it is and you would really have this entitlement in 20 or in my case 25 years. And then that it's worth it all (Ms D., age 42, Vienna).

The same is also true of the subsequent purchase of school and study periods, although more women are aware of the fundamental availability of this than are aware of the supplementary insurance. None of the women interviewed are considering a subsequent purchase, however. It is too expensive for everybody.

H. calculated it for me and it wouldn't have actually have come to anything. It's much too expensive (Ms E., age 55, Upper Austria, countryside).

Yes, the subsequent purchase of school and study periods is incredibly expensive. It's actually ridiculous (Ms S., age 42, Vienna).

The question of affordability also applies to the topic of private pension provisions. A few women state that they have private pension provisions. Interestingly, some of them were set up for them by their parents. The exact details of the private pension insurance, for example the amount of future benefits, are not known, and some women do not even know the amount they paid in each month.

I have a private pension, it's from my father, but I think only a very small amount is paid in. So it's just ... I don't even have a clue. Yes, it needs looking into more (Ms F., aged 41, Vienna).

Some of the women interviewed who are interested in voluntary supplementary insurance after the interview are also very critical of the topic of private pension provisions and about the price / performance ratio. Two of them report that they had closed down their private provision when they found out it was no longer worth it.

So the private pension insurance, I've already closed it down. I closed my private one, it wasn't worth it. My husband calculated it. He added everything up and said 'it's not worth it' (Ms K., age 47, Burgenland).

We used to have life insurance, but only because you could deduct it from your taxes. Then my husband calculated the projection and X years ago we found out that it was actually no longer profitable, so that's over (Ms E., age 55, Upper Austria, countryside).

Conclusion

The enormous *gender gap in pensions* does not appear to be a surprise, but at the same time it is viewed as a great injustice by all of the women interviewed, regardless of their age, highest level of qualification and division of labour experienced etc. Income inequality and gendered division of labour are identified as main causes of the enormous gap, with the latter viewed as something that is barely able to be changed. As with the case of voluntary pension splitting, women appear to want to avoid conflicts in the partnership relating to this and feel that responsibility for decreasing the effects of gendered division of labour is lying with society or politicians.

The option of voluntary pension splitting is viewed with a great degree of scepticism, as the women interviewed do not believe that men will voluntarily give up some of their pension entitlements. Some of the women are therefore in favour of compulsory pension splitting. The fact that it is once again provision derived from the partner, it does not provide any social compensation for the unpaid but socially necessary care work done by women and the value of this work varies for each individual depending on the income or pension contributions of their partner are all factors which argue against (compulsory) pension splitting.

The women are predominantly not aware of the option of voluntary supplementary insurance. The problem here, though, is one of affordability. As is the case for subsequent purchase of school or study periods (or even private provisions), this would be particularly necessary for those women who are least able to afford it because of their income situation. The fact that the “inequality” is balanced out by the women themselves is also an argument against voluntary supplementary insurance as a way to reduce the *gender gap in pensions*. Payment of the voluntary contributions by the partner does not appear to be up for debate, particularly where the “family budget” is low.

3.2.5 Individual actions women can take

Increasing weekly working hours if circumstances allow

A total of 73% of women aged between 25 and 49 with children aged under 15 worked part-time in Austria in 2018, while this figure was just 6.4% for men of the same age. The rate of part-time work among women with no children requiring care was 25.9%, while for men it was 11.6% (Statistics Austria, accessed 30 January 2020).

In an employment-related pension insurance system, an improvement in women's own pension entitlements primarily depends on their integration in the labour market. An increase in weekly working hours and therefore of income and consequently contributions is an obvious action which can be taken. Many of the women interviewed are aware of this.

But that's always been the case. People knew that. Some people or women have gone to work more when their children have grown up so they would get a better pension. It wasn't any different even years ago (Ms C., age 49, Vienna).

The idea of increasing weekly working hours has occurred to some of the women interviewed, but is put off to a later time (when the children no longer need quite as much care), and this depends considerably on how well they can reconcile their job and their childcare responsibilities.

Yes, in general it is worth considering increasing hours at least. Right now I think 45 would be a good time. When the children are maybe ... when you can do more again. In any case I would gradually increase working hours, because in principle when it is possible again from year to year, when they are in school for longer anyway. Then definitely, I think, at 45 I would go back towards full-time, at least that would be the goal. That would definitely work I think. Because with what I'm currently earning and my pension, it will definitely, I think anyway it will be too little (Ms A., age 40, Upper Austria, countryside).

In many cases, however, the weekly working hours are effectively not able to be increased because women cannot reconcile work and family. A lack of childcare services, fathers who are not available but also a lack of qualified part-time positions with a greater number of hours for women and men lead to long breaks in employment and part-time employment with a lower number of hours.

Yes, definitely. If it had been possible for me to work for 20 hours, maybe even some of it in the mornings, with no great effort, in other words I wouldn't have had to drive God knows how far, of course we would have gone out to work. But there's nothing. In the countryside there's nothing. It's really sad. There's just nothing. I would have to commute, but my husband is abroad (Ms I., age 53, Burgenland).

So actually I want to work more again as soon as possible. I think it would be very attractive to say OK, there are two of you now, we can both work just 30 hours. But where can you do that? You'd need to find an employer, because then you're both working part-time (Ms B., age 33, Salzburg).

Women are also deterred from the lower earning opportunities in employment or full-time work if they have to pay (high) childcare costs at the same time.

Ultimately, earnings here in Burgenland are so low that you ... I don't go to work to be able to afford to go to work, because if I go to work I need a car again, I need this, I need that, and then I have to pay for childcare on top of that. It's not worth it for us (Ms K., age 47, Burgenland).

But it is not just the personal care of young children that women view as a restriction to their employment. They also feel responsible for helping older children with their school work. This also prevented some women from returning to work earlier.

So if you send your child to secondary school here in the countryside, you can be certain that you'll need to sit with the kids in the afternoon. Who will sit with them? The mother will. And that took until ... for me it only changed when the children went into year 8, then they were already very independent (Ms L., age 53, Burgenland).

But the women interviewed who have taken very long breaks in employment would still advise their daughter or daughters-in-law against doing so and would encourage them to return to work early on, at least on a part-time basis.

But that doesn't apply to us anymore. I think that my daughter-in-law or whatever, she would have to look at it differently. I would advise her to simply go on with training and do it differently and not stay at home too long, so at least do 20 hours at work (Ms J., age 50, Burgenland).

Yes, me too I tell my daughter 'please go and work!' but there needs to be the opportunity to leave the children somewhere and ensure that they are well raised (Ms I., age 53, Burgenland).

The behaviour of the partner plays a key role

The individual options that women have, particularly if they have children, depend very much on their partner's behaviour. Women can only do more paid work when men take on their share of the unpaid care work. It can be seen that the women interviewed make the arguments that repeatedly occur on the issue of reconciliation: men cannot (currently) reduce their employment because there would be professional disadvantages or they would not be able to accept certain professional opportunities. Women also experience

these disadvantages, but they put up with them (for more information, see Mairhuber / Sardadvar 2018, page 42 et seqq.; Wagner-Pinter 2014, Possinger 2013).

In principle yes. So we've talked about it. He said he could ... well we can do it that I go and work 40 hours and he does 20 or 25, but he still has master craftsman training and hasn't done the exam, and wants to do that beforehand (Ms B., age 33, Salzburg).

He was the first in his company to take parental leave. He was still promoted. He still had lots of positive feedback, still got a raise and went on parental leave twice. I think now he doesn't want to overstep the mark and do parental part-time work (Ms G., age 42, Lower Austria, countryside).

You have to say, no, so he earns so much that if it came down to it he could keep us afloat. That's why. I don't want him to risk that, including in terms of his position. It wasn't a subject of discussion (Ms M., age 40, Vienna).

At the same time, the women interviewed are, at least theoretically, of the opinion that men should take on their share of the care work (including caring for relatives) so they could integrate better into the labour market and therefore get a better pension.

... of course the men taking a bit more responsibility (Ms B., age 33, married, Salzburg).

And for men it needs to be clearer that men can do the same things too. But I think we're really quite a long way away from that. I don't know, that's the situation throughout my friendship group anyway. They have very open families, and still the organisation remains the responsibility of the woman. Even if she works 40 hours, she still does those things too (Ms F., aged 41, divorced, Vienna).

Well in any case the men should be included in caring for the parents. I think it's so annoying that it's thought of as the woman's job. If a man gives up the care work, it's understandable, but if a woman doesn't do it herself, she's cruel (Ms G., age 42, married, Lower Austria, countryside).

The women interviewed do not give their opinions about how to go about ensuring a greater involvement of men, who should take responsibility for that and what this could look like in a specific case.

Full-time work is not really an option

Full-time work is not actually an option for any of the women interviewed with (school-aged) children, and some women do not want to work more than 30 hours if that is feasible or if they earn enough working part-time because of the work / life balance.

I've always worked part-time. And I know that it doesn't necessarily have a positive effect. But at the same time I can't imagine working more than the 35 hours I've been working for several years, I can't imagine giving that up. So, yes, I'm at the limit. It used to be 25. I think that's plenty with 2 children (Ms A., age 53, Vienna).

I can imagine working between 20 and 30 hours. I don't want to work anymore than that again. I decided really early on that 30 hours was the maximum for me because of the work / life balance (Ms G., age 42, Lower Austria, countryside).

In the (intensive) childcare period, a gendered division of labour between the partners has been established which remained once the children no longer needed to be looked after (for more information, see also Ehnis 2009). It is hard to imagine switching to working full-time. The women interviewed also state, however, that after the intensive years of childcare or the double burden they no longer feel able to work full-time. This is either because they want to take care of their health or because it is no longer possible for health reasons.

I notice that there are so many young people around me dying. I want to stay healthy and look after myself. And really, it's really important, the first thing is to be healthy enough to make it that far. That's why I changed work and work less. I used to be a mobile home helper. Now I work in a home because I couldn't manage it any more (Ms C., age 49, Vienna).

You need to think about it when you get older. The will may be there to work full-time. The children are also old enough. But you don't have the strength for it anymore, because you've done so much with your life. You get older. You need to watch out too, and I don't intend to do this, going to work full-time now and bust a gut or whatever (Ms A., age 53, Vienna).

I think some work, depending on the company, I think there's no problem with full-time, but in terms of the health of each individual (Ms P., age 53, Upper Austria, countryside).

In addition to the individual problems, there is the fact that it is not really possible to work full-time in some industries such as mobile care or even childcare, particularly in old age. This is either because the working conditions do not allow for it, or because it is almost exclusively part-time jobs which are available (for more information, see Astleithner et al. 2017, page 101 et seqq.).

It's also difficult in this sector [= long-term care], very difficult to find a full-time job. They only take on part-time workers and expect you to do overtime in the care sector. But mostly there are lots of colleagues off sick and the old people sit there and wait for someone to come (Ms C., age 49, Vienna).

Well I wouldn't want to ask my company if they could make me 40 hours because I know they wouldn't do it. Yes, it means there is effectively a cap. It wouldn't work (Ms A., age 53, Vienna).

“Too old” for the labour market – elderly unemployment among women

In some cases, for older women, it is not a question of whether they should work part-time or full-time, for them it is difficult to hold down a job or find one if they become unemployed. In Austria, women are deemed to be “too old” for the labour market very early on and are already very badly affected by elderly unemployment five years before the current lower retirement age of 60 (Mairhuber 2015, page 13). The average unemployment rate among women aged between 55 and 59 in 2019 was 9.5% and for women aged between 50 and 54 it was 6.2%. (Public Employment Service (AMS) Labour Market Data Online; Würfel amb\wub500; as at: February 2020)

If you're young you can think about it and get stuck in. But if you're 50+, when companies don't want you and you have no hope of a job, how are you supposed to pay in more and earn more and improve your pension? (Ms L., age 56, unemployed, Vienna).

It was difficult for me. It was also lucky that I found work after a year. I did a computer course and a bunch of courses at the Women's Employment Centre and with the Public Employment Service. Then I got a job working half days by chance. But it really was by chance because they were looking for a woman who couldn't have any more children. At 53 I very much fit into that category (Ms I., age 53, Burgenland).

As already described above, women can very much imagine staying in employment for longer if they are healthy enough to do so, and can also imagine working beyond the statutory retirement age (for more information on this, see Chapter 3.2.2). But jobs and employers who (continue to) employ older women are needed to be able to do this.

Conclusion

Increasing the weekly working hours or staying in work for longer are options for women who want to increase their future pension benefits. The implementation of these individual options is, however, severely limited by several factors: women are deemed to be “too old” for the labour market very early on, and elderly unemployment is very high among women a full five years before the current lower statutory retirement age. In some sectors and professions such as long-term care, the only jobs available are part-time jobs, or the work can only be done part-time, at least in the long term, because of the heavy burden.

The inability to reconcile paid work and unpaid family care work, in other words above all a lack of childcare facilities, fathers who are not available and a lack of qualified part-time jobs with a larger number of hours make it very difficult to increase the weekly working hours, and some women cannot or do not wish to (for health reasons or the division of labour within the household which has become established over several years) increase their hours any further or work full-time.

There is a desire for men to take on more of the unpaid care work so women can invest more time in employment and therefore in their future pension benefits, but the specific implementation of this remains an unanswered question.

3.2.6 Need for change and support²⁶

Although the persistent gendered division of labour to the detriment of women was identified as one of the main reasons for the lower level of labour market integration of women and therefore their significantly lower pensions, the women interviewed do not really try to do anything about it, as already mentioned several times, and they do not seem to be particularly hopeful that anything will change any time soon. Some women make the argument that often comes in relation to the issue of the redistribution of paid and unpaid work between women and men, namely the gender pay gap (for more information on this, see Chapter 2.1)²⁷.

How you divide it, the burden, that's always individual anyway. Each person will solve the problem differently. And probably, as long as we're not even close to equal pay, it will still be that the person who earns more money simply continues their full-time job (Ms A., age 53, Vienna).

Measures in pension insurance

Since the gendered division of labour appears to be something that cannot be changed, the interviewed women are in favour of **better credits for periods of unpaid care work** in pension insurance. This could be achieved through longer and higher credits for periods of child-raising and caring for relatives.

For me it's simply the redistribution of paid and unpaid, I think that's the way. But I can see, of course, that's just not the case, things are different. And that's why ... for example I think that getting these years for childcare, I think that's a really good system. I think that's good. It could be even higher, I think. They could make some amounts even higher (Ms E., aged 44, Vienna).

I think better crediting of childcare and care [in the pension insurance] is important (Ms A., age 53, Vienna).

And I just think much more should be done. The state and everyone want you to work more, work more and have more children so the state can continue ... But then the state maybe needs to consider how to better support the women who are actually having the children by crediting more periods for later for the pension or things like that (Ms C., age 51, Upper Austria).

26 All of the proposals set out in this chapter were made by the women interviewed themselves.

27 For more information on the relativity of the income argument: Mairhuber / Sardadvar 2018, page 44, Schmidt et al. 2015; Peukert 2015.

Better credits for periods of unpaid care work as part of the pension insurance is not only viewed as compensation for the gendered division of labour and therefore lower labour market integration of women, but also as a necessary system change in the sense of a **redefinition of the underlying benefit principle**. It is not just employment but also the socially necessary but unpaid care work which should be used to calculate the pension benefit and contribute significantly to good provisions in old age.

Above all, I think the main problem is just the system itself, it fundamentally needs to be changed. Right now, it's just about what you do and what you earn. This work you're doing for society, child-raising or all of the unpaid work that keeps things running, none of that is seen (Ms B., age 33, Salzburg).

Now those who work as much and as long as they can and earn as much as they can are favoured. Conversely, this means that everyone else is worse off in comparison. I think you should change that because I think parental leave and part-time work, to express it polemically, is often a service to society too (Ms D., age 42, Vienna).

Well if you talk about the male biography, you should maybe take lots of varied biographies to get a pension system which simply guarantees more equal distribution (Ms S., age 42, Vienna).

It is also about **credits for periods of part-time employment** due to childcare. For example, periods of parental part-time work could be credited to the pension account – similar to the case of part-time care leave.

Childcare should be taken into account to a much greater extent. Because what I do with a child after these 4 years is also a lot of work, through their entire schooling. It's many hours a day. And it's just ignored, there's nothing. If I work just 20 hours, then that's 20 hours I can't invest in my family (Ms A., age 53, Vienna).

Something being credited for part-time workers, regardless of whether they're male or female, for, let's say, school-aged children. I would be very much in favour of something like that. Because the most important thing is being with your child (Ms E., age 55, Upper Austria, countryside).

One option to improve women's pension benefits could be to introduce **higher revaluation factors** in the pension calculation for lower income. This would mean years with lower earnings would have a less negative impact on the pension amount.

Yes, or maybe not necessarily just women but those who earn less, for example those who have an income of XY per year, they then get a higher revaluation factor (Ms E., aged 44, Vienna).

The introduction of an individual **minimum pension** or at least the reintroduction of an **equalisation supplement regardless of marital status**, which was the case before 1972, would also help to improve individual provisions for women in old age.

I mean if I could wish for something I would just say that regardless of what somebody earns there's a minimum pension which is, I don't know, EUR 2,000 per months, and you get that no matter what, regardless of how much you've worked. That would be great. And it would also need to increase each year in line with inflation so it really reflects the change in purchasing power and everything (Ms I., age 45, Vienna).

Yes, one idea would be something like unconditional pension income. Something like that. And if you want to have more, you collect pension insurance years. Then you would have a sort of equalisation supplement which is independent of your marital status. That would be an improvement (Ms G., age 42, Lower Austria, countryside).

Changes to the labour market and in working life

One of the reasons identified by the women interviewed for the enormous **gender gap in pensions** is the gender pay gap. All of the women interviewed, regardless of their age, residence, highest level of qualification etc. are vehement in their insistence on **measures to decrease the gender pay gap**.

That fundamentally needs to be stopped. Everyone should get the same pay, regardless of whether they're a man or a woman (Ms K., age 47, Burgenland).

That would be the first thing that needs to be changed, that equal pay is offered for equal work, regardless of whether it's a woman or a man doing the work (Ms H., age 48, Vienna).

I think it should be equal for men and women, in terms of salary, because if a woman earned more she would get more in the pension. So that's the basis for me (Ms L., age 55, Upper Austria, countryside).

The women are of the opinion that equal pay for work of equal value and the breaking down of the gender pay gap are key requirements for the redistribution of paid and unpaid work between women and men. Higher earnings for women would also mean that they would be better able to build up pension entitlements with part-time employment or part-time income.

Yes, of course if the pay gap were gone then the men of course or the fathers could take on the obligations and they could also stay at home. But it depends once again on the pay gap and as long as that just doesn't fit ... (Ms C., age 51, Upper Austria, countryside).

Because then I can ... even if I stay at home with my children I can earn enough with a 20-hour job to have a halfway decent pension. And when the children then ... mainly when they go to secondary school I can work full-time or 30 hours (Ms I., age 53, Burgenland).

In order for men to take on their share of the unpaid care work and women to have more time for paid work as a result and be able to invest in their individual old-age provisions, the women interviewed suggest limiting weekly working hours or overtime, 30 working hours per week for parents and measures for fathers at company level.

I would limit the working hours for everyone. I think it's intolerable for a family even if one partner works for 50 hours or more a week, because then effectively they're not present (Ms A., age 53, Vienna).

So actually I want to work more again as soon as possible. I think it would be very attractive to say OK, there are two of you now, we can both work just 30 hours. But where can you do that? You'd need to find an employer, because then you're both working part-time (Ms B., age 33, Salzburg).

Something needs to be done so the men can have things a bit easier from the companies too. If a man takes his "daddy month" or goes on paternity leave for 2 or 3 months, it's a big deal in the company: he's going to be missed etc. etc. And what about the woman, she'd not going to leave or what? Is she perhaps not worth as much as a man? (Ms C., age 51, Upper Austria, countryside).

Ms B., age 33, academic, married, 2 children, laments the fact that women with young children suffer professional discrimination. In her experience, there is a lack of acceptance in companies. Women with young children who cannot or do not wish to work full-time are no longer viewed as full employees.

Honestly, as soon as you have kids it's just over. Your career is over, unless you're the sort of person who says 'OK I'll get my children looked after mostly by other people and do my professional thing'. But still, I believe as a woman it's not that easy because you still have your children and in the back of your head you know you still need to make it work (Ms B., age 33, Salzburg).

The part-time positions available are below their level of training and their previous professional experience. At a company level, a **different treatment of female employees who have small children** on the one hand and **qualified part-time employment opportunities** with a suitable number of hours on the other would therefore be particularly important.

I mean I'm definitely primarily someone who thinks every woman should ensure that she has a good education and that she works somewhere where she earns reasonably well. And I don't understand why ... I don't know where all of the women who have a good education and then do a part-time job are. I've seen it for me. I've looked. I have a part-time job and looked for another but ... I don't know, there's nothing suitable (Ms B., age 33, Salzburg).

Even in rural regions, companies should not only offer qualified part-time positions with a higher number of hours but also offer **employment opportunities for older women**, as already mentioned several times.

In the countryside the job situation is a catastrophe. They should just make sure there are more jobs, particularly in these rural areas (Ms I., age 53, Burgenland).

As also mentioned several times, what is important is the creation of **age(ing)-appropriate jobs**. This could mean more staff, as the women interviewed report, who work in the mobile care service or are employed in childcare.

A rethink is needed. It's unreasonable for children to be with just one teacher and an assistant. There need to be more teachers and fewer children. Because then the job is feasible, including for longer periods of time. Because when you work together, as it should be, with 2 or 3 teachers in a group, then you can work in a nursery until you're 65 (Ms F., aged 41, Vienna).

Structural framework conditions

The options for women to increase their income and therefore their future pension benefits through better integration in the labour market in an employment-related pension insurance system very much depend on their ability to combine employment and unpaid care work. The fact that the men or partners play a key role here has already been mentioned. In addition to this, **public childcare facilities, afternoon care facilities for school children and care and nursing services** for relatives who need support also need to be expanded.

First of all provide better childcare or create places at all so it's even possible for you to have your young child looked after by someone else if you so wish to (Ms B., age 33, Salzburg).

While the pension is only based on paid work, you definitely need to ensure that as many people as possible can work and can spend as much time as possible there. That means everything else needs to be regulated. Nursing facilities, you need facilities for children, you need ... I don't know, all kinds of things (Ms A., age 53, Vienna).

But what needs to happen for us in the countryside is to ensure that there's an option for childcare. Our primary school finishes at 11:15am. Classes finish at 11:15am on 3 days out of the week. Please, what am I supposed to do with these children? (Ms I., age 53, Burgenland).

When expanding the care facilities, it is not just about having more facilities but also **having enough staff**, both in the sense of providing good care and, as mentioned above, in terms of the quality of the jobs.

For me, one of the most important points would be enabling women to go back to work earlier. But that's only possible if there's enough adequate childcare. And not, and it's just window dressing: we are expanding crèches more and more. It's great if the facilities are expanding but not if there are no staff to work there and if there's no money for more staff to be employed (Ms F., aged 41, Vienna).

The quality needs to be right of course, because it's no good if you offer a day care but you don't do anything with the children. And then maybe you come home from work and see that they haven't even done their homework (Ms K., age 47, Burgenland).

The issues of affordability and the **cost of childcare facilities** are particularly important. Many of the women interviewed say that they are much too high and that afternoon care sometimes costs the entire additional income. Therefore, an increase in weekly working hours is not really worthwhile for them.

For example, I have two children. If I leave them in the nursery until 3pm or 4pm and the bigger one in school in the day care here, then I have to pay EUR 300 to 400 between the day care and the nursery. If I didn't have to pay that, it would be great. Because even if I worked full-time, EUR 300 or 400 less ... why am I even going to work? (Ms S., age 30, Upper Austria, countryside).

So childcare is a real problem. It's ridiculously expensive. Afternoon care is madness. And this is the case when you can't rely on grandparents or whatever. It's crazy. It's really inflexible and extremely expensive (Ms G., age 42, Lower Austria, countryside).

Well you can have them looked after in the day care facilities, but that will cost you as much as the job pays (Ms K., age 47, Burgenland).

Conclusion

Many of the women interviewed are in favour of taking unpaid care work into account in the pension insurance to a greater extent – on the one hand as compensation for the gendered division of labour to the detriment of women and on the other hand in the sense of realigning the underlying principle of the benefits. This also relates to crediting part-time work due to childcare.

A better revaluation of low income years, the introduction of a minimum pension or an individual equalisation supplement regardless of marital status could also contribute to improving women's pension benefits significantly.

Measures to decrease the gender pay gap are vehemently demanded by all of the women interviewed. At least in terms of overtime, the weekly working hours should be limited, with a 30-hour working week made possible for parents and measures taken for fathers at a company level so men can take on their share of unpaid care work. Companies also need to offer qualified part-time jobs and (age-appropriate) jobs for older women too.

The better reconciliation of paid work and unpaid care work is a key requirement for better labour market integration of women. This needs to be achieved by expanding the high-quality care facilities for young children, school-aged children and relatives who need care and nursing. These facilities need to have sufficient staff and be affordable.

4 Synthesis of the results

Ingrid Mairhuber, Christine Mayrhuber

This study looks at the level of the pension gap between women and men in Austria, the factors which cause this *gender gap in pensions* and the perception of this gap among women.

For the first time, the income situation of women in old age is addressed in a multidisciplinary manner. Both the quantification of the pension disadvantage and the perception of the women affected are the focus of the analyses carried out: in addition to an insight into the extent to which the regulations of the Austrian pension insurance are known at all and understandable to the female population, this information improves the ability of decision-making, to encourage women and ensure a targeted change in the institutional design of pension system.

4.1 Empirical results on the gender gap in pensions

The *gender gap in pensions* is an indicator which compares the level of old-age income among women with that of men. Differences in the entire employment and income trajectory of women and men are shown with this indicator, which is based on a specific point in time. GGP echoes past labour market and income disadvantages.

Regardless of the methods used for calculation and the statistical sources used, the GGP shows a systematic and structural income disadvantage for women in old age. This disadvantage (gap) is found in all OECD countries and all EU member states, but it is particularly pronounced in Austria: based on comparable European data (Eurostat 2020; values for 2018), Austria has the fourth highest *gender gap in pensions* in the European Union at 39.5%. Within the EU, the GGP is higher in Luxembourg (44.6%), Malta (44.5%) and the Netherlands (41.9%). The Austrian gap is 9.2 percentage points above the EU-28 average of 30.3%. This negative finding is manifest in a country where the GDP per capita is 40% higher and the female employment rate is 5.2 percentage point higher than the EU-28 average. These quantitative and qualitative analyses take a closer look at this situation and provide the following explanations and proposals for improvement:

4.1.1 Measured pension disadvantage for women

The income position shapes economic opportunities for working people in Austria in both the short and the long term. These opportunities vary structurally between the forms of employment, professions, qualifications, age groups and above all between women and

men. Despite the enormous increase in female labour participation economic security for women, both during employment and in old age is still weak. In 2018, the pension gap was 42.3% among new female pensioners, significantly higher than the pay gap at 36.7%.

The gender-specific inequalities of the labour market are transferred into the pension system via the equivalence principle: the strong link between the duration of employment, income level and individual monthly pension benefits set out in pension account law (from 2005) (Wöss/Türk 2018). The gap is bigger compared to pension law before 2003 (Mayrhuber 2006). At the same time, we observe a general increase in short-term employment relationships, part-time jobs, low-paid (full-time) jobs etc. (Mayrhuber et al. 2020). Women are, overall, more affected by increases in non-standard forms of employment (Eppel/Horvath/Mahringer 2014). We are far from gender equality on the labour market, the prospects for a decreasing GGP are poor without major reforms.

Based on the increased female employment rate, however, there has been a significant reduction in the percentage of women without pension income at all. The percentage of all women aged 65 and without an old age or disability pension dropped by 2.8 percentage points to 18.4% between 2011 and 2017. If derived pensions (survivors' pensions) are also included, 13.6% of women had no pension income. If (private) additional pensions, accident insurance, long-term care benefit etc. are taken into account, the percentage of women who have no support benefits drops to 11.4%. Which means, that in 2017, around 106,100 women over the age of 65 did not have their own or a derived old-age provision; they were dependent on household income. For men, the comparable percentage is 0.6% which is equivalent to 4,200 men.

On the basis of cross-sectional data, the following pension disadvantage for women was identified in 2018: newly awarded old-age pensions (not including contributions paid in more than one country but including supplements and subsidies) for women made up just 57.7% of male pensions, representing a *gender gap in pensions* of 42.3%. If the median pension is compared, the gap increases to 49.2%. This gap has reduced by 5 to 8 percentage points over the past 1.5 decades. The disadvantage in the disability pensions is less detrimental to women at 29% (median 31.2%) as there is less of a distinction between the duration of insurance for women and men here.

The level of income disadvantage in old age is also determined by the profession: the gender gap in the newly-awarded old-age pension was 49.4% among employees, while that of former self employed tradespeople was 43.8%. The overall lower pension amounts among the farmers is linked to a GGP of just 28%, but the pension benefits paid to farmers are a quarter lower than those in general pension insurance.

The large pension disadvantage for women is also confirmed through the empirical analysis on the basis of longitudinal individual insurance data for the pension entrants

of 2017. The analysis carried out shows a *gender gap in pensions* of 48.1% in the median old-age pension, corresponding to a pension gap for women compared to men totalling EUR 752 gross per month. Half of women with a normal old-age pension had 12 contribution years fewer from active employment than men which leads to a replacement rate which is lower by 17 percentage points. Taking into account partial insurance periods for unemployment and child-raising periods the gender “time gap” drops by 9 percentage points. The main factor in the pension gap amongst women is their lower employment income over the course of their professional lives (“income effect”). The different employment income levels over the course of a person’s professional life explain 55% of the GGP. The lower number of insurance years explain 41% of the gap. The different position and level of partial insurance and contribution periods explain around 4% of the *gender gap in pensions*.

4.1.2 Perception of the pension disadvantage by the women interviewed

The level of the *gender gap in pensions* is predominantly estimated correctly and there was no great surprise about the actual level of this gap. At the same time, this enormous gap is viewed as a great injustice among all of the women interviewed regardless of age, highest level of qualification and gendered division of labour experienced etc. It is not understandable that women’s provisions in old age are so much lower than those of men and that they are dependent on them although they do the majority of the unpaid care work such as childcare and looking after relatives.

In an employment-related pension insurance system, the women interviewed correctly identified the existing gender pay gap and the persistent gendered division of labour as the main causes for the enormous gap. The latter is less questioned and the women view it as something that is not easy to change. Women seem to want to avoid conflicts about this in their own partnership relating to this and feel that responsibility for decreasing the financial effects of gendered division of labour lies with society or politicians. The same applies to voluntary pension splitting. Irrespective of the fact that this option to decrease the *gender gap in pensions* at least within couples with children is barely known, there is some scepticism about it as the women interviewed do not believe that men would voluntarily give up some of their pension entitlements. Women demanding this could lead to a conflict in the relationship that they do not want to risk. Some of them are therefore in favour of compulsory pension splitting, which is an approach being planned by the current federal government. At the same time, numerous arguments against pension splitting were given too, regardless of whether it would be voluntary or compulsory:

- Women receiving better pensions is once again dependent on a partner – many of the women interviewed want to be financially independent from their partner in old age (too).
- This therefore does not reflect the societal compensation for the unpaid but socially necessary care work carried out by women that they would like to see.
- In the split pension credits, the value of the unpaid care work would vary from individual to individual depending on the partner's income or pension contributions.
- The female blue-collar workers interviewed in particular criticise the fact that men's pensions, which are in any case low, are further reduced by this and at the same time the women's pensions are not improved a great deal by the small splitting amount.

The option to reduce the *gender gap in pensions* by means of voluntary supplementary insurance in the public pension insurance is also barely known, but there is significant interest in this. The problem here, though, is one of affordability. As is the case for subsequent purchase of school or study periods (or even private provisions), this would be particularly necessary for those women who are least able to afford it because of their income situation. The fact that the *gender gap in pensions* is being decreased by the women themselves was also an argument against voluntary supplementary insurance. Payment of the voluntary contributions by the partner does not appear to be up for debate, particularly where the "family budget" is low.

For the women interviewed, it is clear that in employment-related pension system it is primarily greater integration into the labour market which would contribute to an improvement in their pensions. It is often, however, not possible to actually increase the weekly working hours due to the inability to reconcile paid work and unpaid care work. Most of the women interviewed feel that they are unable to do anything about the situation, at least in the short term. The behaviour of the men or partners plays a key role in this. The gendered division of labour to the detriment of women remains untouched, a change seems almost unthinkable and constant renegotiation of the distribution of unpaid care work at individual or household level seeming to result in too much conflict and being too difficult (for more information on this, see Ehnis 2009; Richter 2012; Peukert 2015). Due to a lack of framework conditions such as adequate childcare facilities or qualified part-time jobs for women and men, women put up with (long) career breaks as well as with long periods of part-time employment and therefore lower levels of pension entitlements.

4.2 Starting points for measures to decrease the GGP

On the basis of our analyses and the results of the workshops with international and national experts and stakeholders (for more information on this, see BKA 2020; Duvury et al. 2020), we now outline measures which could contribute to decreasing the GGP and foster adequate pension provisions for women in old age in Austria.

The measures differ among three institutional areas and three time scales: changes in the public pension system, changes on the labour market or the professional life and changes in institutional framework conditions. Measures with a short-term, medium-term or long-term focus.

As emphasised by the international and national experts and stakeholders during the workshop, individual behavioural changes (which in turn are shaped by framework conditions) are not sufficient to close the pension gap in Austria. Instead, essential structural changes and measures to decrease the *gender gap in pensions* are necessary so the removal of the economic inequalities between women and men does not take another 170 years, as predicted by the World Economic Forum in 2016 (World Economic Forum 2016).

4.2.1 Measures in the pension system

New information formats and low-threshold information materials

In addition to very specific proposed measures in terms of regulating pension insurance aiming to improve the provisions for women (for more information on this, see below), it was determined, in the interviews and focus groups in particular, that there is a great need for further information about the applicable provisions.

These are largely unknown, even those from which women benefit more, such as the credits for child-raising periods. The existing information offers, be it information material or on-line tools (e.g. pension account, pension calculator), are not sufficient or are barely used by the women interviewed. As the stakeholders report, this also applies to information events, which are mostly attended only by older women who are shortly about to retire, if at all. This means that the desired effects of the transparency of the pension account cannot be achieved or women are not able to take timely actions to improve their own provisions in old age. Only by actively approaching the women and discussing this in person in interviews and focus groups was it possible to break down those barriers which currently prevent women from engaging with the subject of their own economic security in old age.

This showed that new information formats are needed, but also targeted information campaigns via social media to reach young women in particular.²⁸ The large amount of information material available should also be formulated in a very simple manner without using (unexplained) specialist terms, and should be structured in a modular manner. This could make access to what is definitely a relatively complex topic somewhat easier. The pension account notification can be transformed into a low-threshold information when the account statement is automatically sent annually to persons from a certain age group (see also BKA 2020, p. 54). Currently, this pension account statement has to be ordered online. Via an automatic annual letter this topic will become more accessible also to younger insured persons. The change of pension account credits over the years also illustrates the level of one's own old-age provision and thus the interdependence between level of income, duration of employment and protection level in old age. This would also help strengthening trust in the Austrian pension insurance.

A lack of knowledge about the regulations of the public pension system or pension account law (at least the main features) but also the ongoing public debate about funding problems undermine trust in the pension insurance and are therefore not only bad for women's own provisions but also for the ideal and political sustainability of the public pension system as a whole (WIFO/GALLUP, 2020).

Better credits for and recognition of unpaid care work

One option to increase women's pension benefits which could be implemented in the short term are longer and higher credits for periods of unpaid care work. This should not merely be seen as compensation for the persistently gendered division of labour to the detriment of women, but above all means a redefinition of the underlying benefit principle in Austrian public pension insurance. Sufficient or good provision in old age would therefore not merely be based on previous employment and contributions paid in but also on the unpaid but socially necessary care work.

Specific measures for this would be:

- A higher valuation of child-raising periods through the contribution basis being adjusted from currently around EUR 1,864 to the median income of all employees (for more information on this, see also BKA 2020, page 52).
- This higher valuation should also be applied to the contribution basis for care leave benefit and part-time care leave benefit. The partial compulsory insurance periods or periods which are currently credited in pension insurance when relatives are cared for should also be increased. This would, however, require the care

²⁸ It is hoped that the planned information measures in the current government programme meet these requirements (Government Programme for 2020–2024, page 251).

leave and the part-time care leave regulations to be re-regulated, so this would need to be implemented in the medium term.

- The credits for periods of parental part-time could, however, be implemented in the short term. As is the case for part-time care leave, partial compulsory insurance periods could be credited to the pension account. A restriction of the credits for part-time work due to childcare to the years of parental part-time appears to be sensible in order not to provide an incentive for a longer-lasting reduction of working hours.

Compulsory pension splitting, including in the event of a divorce

The introduction of compulsory pension splitting among couples with children is already being planned by the current government (Government Programme for 2020–2024, page 251). The contribution basis added together for both parents should be credited 50% to each of the pension accounts. This proposal also includes the option for a one-off, time-limited opt-out. Extensive, voluntary pension splitting is also planned to be introduced for all forms of partnerships.

Another variant of pension splitting is what is known as care compensation or voluntary or even compulsory splitting in the event of a divorce in line with the German or Swiss model (for more information on this, see BKA 2020, page 28.; Hohnerlein 2014, page 7 et seqq.). The bases for contribution collected during the marriage are then divided between the partners in the event of a divorce. The effects which would be achieved by this measure and the difficulties which can occur in implementing it very much depend on the specific legal design (for more information on this, see Hohnerlein 2014).

Both splitting models involve a redistribution within (married) couples. For women without a spouse or partner and those with low income, this tool cannot improve their provisions in old age.

Higher revaluation factors for lower incomes

Women's individual provisions in public pension insurance could, however, also be achieved by a different design for the revaluation factors for the credits accumulated in the pension account. This would occur in the event of very low income and would be technically possible, according to Reiter (2015, page 100) in two different manners. One option is for the annual partial credits to the pension account to be multiplied by a gender pay gap factor (= percentage of the gender pay gap) for the previous year in each case. The advantage of this is that the income disadvantage would be balanced out more quickly. The other option is for the total account credit to be multiplied by the gender pay gap in the last full calendar year when the person retires (Reiter 2015).

Introduction of a minimum pension or individualisation of the equalisation supplements

The introduction of a minimum pension which does not take into account a person's additional income or their partner's income is also a measure which could improve the individual provision of many women in old age and could be implemented in the short term. This would also fit with the ideas of the women interviewed. Many actually assume that the Austrian pension insurance already provides a benefit of this kind and that they will be entitled to an individual minimum pension in old age. Making the equalisation supplement individual again as it was before the reform in 1972 (for more information on this, see Mairhuber 2000, page 120 et seqq.) would be an important first step here.

Occupational pensions – not a suitable tool to decrease the GGP

As the international comparison shows, occupational pensions are not a suitable tool to decrease the *gender gap in pensions* (BKA 2020; Samek Lodovici et al. 2016; Fredericks / Knijn / Maier 2009; Brimblecombe / McClanahan 2019). Since they are based on employment and (mostly) do not recognise social circumstances such as child-raising periods (D'Addio 2014, page 3), they reflect and reproduce the gender-specific inequalities on the labour market. Women more frequently work in companies and industries without occupational pension schemes, or minimum earnings limits exclude low-pay and part time (mainly female) employees from occupational pension schemes (Samek Lodovici et al. 2016, page 22; OECD 2019, page 107 et seqq.; Brimblecombe / McClanahan 2019, page 332 et seqq.) Due to their lower earnings, shorter working life etc., women generally accrue lower occupational pension benefits. In Sweden, for example, if occupational pensions are included, the *gender gap in pensions* increases by 10 percentage points (BKA 2020, page 36), and in the Netherlands, a country in which occupational pensions play a very significant role, the *gender gap in pensions* is greater than it is in Austria (see Chapter 2.3.1). In order to ensure that women are able to benefit from occupational pension schemes, these need to be designed accordingly (Fredericks et al. 2009, page 711) and included in the splitting regulations as they are in Switzerland or Germany (for more information on this, see Hohnerlein 2014, page 8 et seqq.).

4.2.2 Measures on the labour market and in working life

In the employment-related Austrian pension system, number of working years and level of the pensionable income determines the level of pension benefit. The labour market as a system which is upstream of the pension system offers numerous starting points to improve income security for women during working life as well as for the pension phase. Conversely, changes to the labour market must always be viewed in terms of their effects on old-age provision too. The increase in non-standardised work, "digital daily labourer" sporadic income (Risak 2017) has an impact on the general funding structure of the pensions system and the individual level of social security. A wait-and-see attitude to these developments is not expedient. New regulation measures are needed which

subsequently also include requirements on employers to review their employment and salary structures from the perspective of equality (Greenfield / Levine 2017).

Possible measures to improve women's old-age provision therefore face two challenges. On the one hand, women's labour market and income participation need to be improved. On the other hand, the existing de-standardisation trends (see Chapter 2.1) need to be reformed. In other words, the long-term consequences of the short-term changes need to be taken into account. The focus of the measures set out below is on the medium-term and long-term perspectives.

Measures to increase employment income

The income options and opportunities are predominantly already defined through the **choice of profession**. Among the younger generation who are starting training, there is still a pronounced gender difference in the choice of profession. This is associated with gender-specific income disadvantages (lower starting salaries) for women (WKO 2018, BMASGK 2019B). There is also gendered segregation in areas of professional activity, which is also associated with segregated income opportunities. An improvement in women's income situation starts with changing behaviour when it comes to choosing professions and more comprehensive career guidance which focuses more on the income side.

Collective agreements should consider care leave when calculating the amount of annual leave, for increases on the salary scheme, for the prerequisites of sickness benefits. It is an important tool to attenuate the negative (income) effect of career breaks to raise children. The comprehensive anchoring of parental leave periods of up to 24 months in collective agreements as a result of the amendment to the Maternity Protection Act in 2019 was an important step in this direction (Federal Law Gazette I No. 68/2019). The annual **collective agreement negotiations** offer a means of increasing low (women's) salaries, which ultimately results in an increase in the women's pensions which are based on this.

Transparency in company income structures is also a tool which can be used to empower women (Aumayr-Pintar et al. 2018). In Iceland, the "Equal Pay Act" entered into force in 2018 and, in a reversal of the burden of proof, obliges companies to document the equal payment of the women and men they employ. Swedish companies are also required to document their income disparities every three years. In Germany, the Salary Transparency Act has provided an option for employees to receive written information about the incomes of colleagues who are doing equivalent work since 2017. In Austria, this transparency does not yet exist at an individual company level (Eurofound 2018). Since company income reports have been compulsory for companies with 150 employees or more since 2014, there are tools available which could improve the income transparency and therefore the empowerment of women.

Measures for better labour market integration of women

A targeted **granting of public tenders** to companies depending on the share of women in management positions and their income distribution could indirectly promote women's economic provisions.

We observe a stagnating volume of work (total working hours completed by self-employed and employed persons) and increasing employment figures in the past decade. The growing percentage of part-time workers is an expression of this development and can be interpreted as an uncontrolled individual reduction in working hours. The **reduction in excessively long working hours which are harmful to health** in connection with an increase in the number of part-time hours worked in the direction of a 30-hour working week would promote both the alignment of employment income and the unpaid care work and would therefore strengthen women's economic independence in both the employment phase and the pension phase. Regulations on working hours are becoming increasingly important from a gender perspective. The average number of working hours carried out by those working full-time is above-average in Austria in a European comparison. A limit on overtime and the elimination of the tax benefits of working overtime would enable the working hours to be aligned "from the top down".

The **legal entitlement to parental part-time** up to the child's 7th birthday should be expanded to small businesses with fewer than 20 employees, where 28 % of all employees in Austria work (Statistics Austria 2019D). In combination with a restriction on working hours (for example overtime) for parents and in combination with a grant for part-time workers who replace employees who are on parental leave could promote greater participation of men in the child-raising work.

Company measures

The principle of **equal pay** for work of equal value can be used if there are structured processes to ensure a discrimination-free evaluation of work and jobs. These regular evaluation processes start with clear and identical criteria for female-dominated and male-dominated activities (evaluation of lifting / carrying in construction professions and care professions) and extend to formulations and interpretations which do not refer to gender stereotypes (Krell / Winter 2004). A new job evaluation can strengthen the income level particularly on the gender segregated labour market. This also improves old-age provision in the long term.

The extension of the working life by the recent pension reforms and the ageing of the work force are associated with an increase in health problems among the labour force. This requires an **adaptation of jobs to maintain employment** at the company level. Existing tools ("fit2work") are moving in this direction, but should include greater levels of obligation. Jobs promoting health and employment until the statutory retirement age not only mean an increase in the productive potential of a company and for the

economy as a whole, but also protect individual income and the financial sustainability of the welfare state. It also prevents the high economic and personal costs of sickness and unemployment (Leoni et al, 2020).

4.2.3 Institutional framework conditions

Expansion of high quality and affordable childcare facilities

Adequate involvement of men in unpaid care work is essential to ensure better labour market integration of women.²⁹ At the same time, a further expansion of childcare facilities is needed, particularly for children under the age of three, in rural regions and in individual federal provinces along with an expansion of the care hours beyond midday and into the afternoons, with fewer days closed over the course of the year (Statistik Austria 2019F).

In addition to the expansion of facilities and the expansion of care hours, more and well trained staff enhance care quality, particularly for young children, thereby encouraging reconciliation of paid work and unpaid family care work. This is the only way to ensure sufficient quality of care and working conditions for the employees (mostly women). The affordability of childcare is also particularly important. An increase in the weekly number of hours worked by part-time women should not be prevented by the additional costs of afternoon childcare.

Expansion of afternoon childcare for school-aged children

The same applies to afternoon childcare for school-aged children. In Austria, the vast majority of compulsory schools do not run all day. Affordable and high-quality afternoon childcare is therefore essential to ensure the reconciliation of employment and childcare. The currently declining institutional care levels in Austria in childcare facilities, with 97.5% for 5-year-olds to 40.2% for 6–9-year-olds and 20.6% for 10–13-year-olds in childcare or afternoon childcare (Statistik Austria 2019E & 2019G), means a shift in care work back to the families and is definitely one reason which explains the high level of part-time work among women.

The subject of afternoon childcare for school-aged children is not sufficiently considered in the debate on the issue of reconciliation. The women interviewed also state, however, that the insufficient afternoon childcare is a major problem in terms of their employment or increasing their weekly working hours. This deficiency primarily applies to children aged between 6 and 10, but children aged between 11 and 14 also need to be looked after, for example with a hot meal, and often support in school matters and homework are needed too (for more information on this, see also Hörl et al. 2012).

²⁹ The current government programme talks about the promotion of “fair division of family and care work” at several points (Government Programme for 2020–2024, page 250, 257, 261). There are, however, no specific proposed implementations.

Expansion of (mobile) care and nursing services

The question of the reconciliation of employment and care work is not, however, limited to child care but increasingly also relates to the care and nursing of relatives. In 2018, around 396,000 or 7.1% of persons aged between 18 and 64 were caring for relatives who required assistance. These figures consisted of 242,000 women, or 8.7%, and 154,000 men, or 5.5% (Statistik Austria 2019F, page 145 et seq.). The expansion of care services in light of the anticipated increase in those who would require care will both create jobs and improve the reconciliation of employment and care of relatives.

An increase in the actual retirement age or an expansion of active employment means that measures are also required in terms of the reconciliation of employment and care of relatives. As the women interviewed mentioned and as proven by other qualitative studies, it is additional affordable, high quality mobile and (semi-) residential care and nursing services which are needed (for more information on this, see also Mairhuber / Sardadvar 2017; Sardadvar / Mairhuber 2018).³⁰ The same applies to the quality of these services as to the quality of the childcare facilities. Only sufficient, well qualified staff are able to ensure both the quality of care and the jobs, which are often filled by women (for more information on this, see Staflinger 2018; Famira-Mühlberger / Firgo 2018; Mairhuber 2019).

4.2.4 Possible implication of measures to decrease the GGP

The empirical evidence set out shows an above-averagely high pension gap between women and men in Austria. The measures set out here in the public pension system, the labour market and institutional framework conditions not only lead to anticipated effects on improved long-term provision for women in old age but are also linked to a large number of interactions.

It is not possible to quantify the various interactions at this point, as this would require a greater level of detail about the measures. The specification of the measures and the evaluation of them are not the subject of our project. Nevertheless, the following interactions can be outlined.

Measures in the pension system

With the exception of pension splitting, the proposed measures would directly increase pension expenditures. The pension contributions do not cover the total pension expenditures at the moment. The measures set out would involve a greater amount of taxes in the pension system. The burden of the proposed measures to promote equality would therefore fall on the taxpayer. In Austria, however, the tax burden is very unequally

30 The expansion and the increase in flexibility of outpatient services in the field of nursing and care are envisaged in the current government programme (Government Programme for 2020–2024, page 246).

distributed: on the one hand, indirect taxes such as VAT and consumption tax are the biggest tax-burden on low-income-households. On the other hand capital and capital income is taxed at a low level (Bierbaumer / Loretz / Mayrhuber 2019). Greater funding of public pensions through taxation needs to be combined with a general tax reform in order to avoid negative distribution effects at the expense of low income groups.

A greater proportion of tax money spent on pensions would, all else being equal, decrease the expenditure on other targets. Equality measures would then be in a conflict of objectives. The funding of reform measures via budget deficits is limited by the European Stability and Growth Pact. Conflicts of objectives clearly show the need for a comprehensive funding approach. Higher pension benefits, however, are also associated with higher tax revenues and a higher demand for consumption, with corresponding positive effects on production and employment (the key term here is “self-financing capability”).

Measures which empower women to improve their individual income or broad pension-splitting models, could increase female pension benefits and reduce their reliance on equalisation supplement (“Ausgleichszulage”). This would in turn have a dampening effect on pension expenditure dynamics.

Labour market measures

The formulated measures to improve women’s income contribute to improving Austria’s economic power. The direct (salary costs) and indirect (job restructuring) labour costs for companies would increase too. The additional costs should be viewed in connection with the positive long-term effects of an expansion of production. The high propensity to consume among persons and households with low (women’s) incomes leads to a higher demand for consumption with a positive overall economic impulse in the medium and long term.

Institutional measures

Expanding the care infrastructure results in employment effects, as jobs are created when care facilities are built, care is given, and mothers can engage on the labour market. Bachtrögler et al. (2019) show, for example, that the introduction of free kindergarten provision in Vienna increased the employment rate among women aged between 20 and 39 by 1.5 percentage points. This is linked to additional value creation effects and to additional tax revenue for the public sector as a result of additional production and employment. This is contrasted with the additional costs of publicly subsidies / operated care infrastructure. The short-term effects are not as significant as the long-term effects, but the latter should form the main basis for making the decision when it comes to institutional reforms.

4.3 Conclusion for the empirical research

Quantification of the economic effects of equality measures

As stated in section 2.1, equality is a human right as set out in the Universal Declaration of Human Rights (United Nations) passed in 1948. There are also numerous empirical findings about the positive economic effects of promoting gender equality. These effects range from growth stimuli for the overall economy to the better performance of companies with higher percentages of female employees (Zulehner / Weber 2014) and on to the positive long-term impacts of financially independent women on the health and equality of opportunity of household members, above all children (Lenhart 2019, Deaton 2003, Frijters et al 2005).

Positive economic effects do not need to be perceived as positive at every point in time and by all actors. For example, increasing labour market participation among women in a stagnating economy can lead to an increase in competitive pressure on the labour market in the short term. The need for a redistribution of the reproduction work may also be linked to negative effects for those affected as the giving up of habits and privileges can be linked to relearning with both economic and emotional costs.

While economic effects are quantified for specified areas, what is lacking is a comprehensive approach which takes into account the sum of all of the long-term changes. This would enable a weighing up of the positive and negative costs and would therefore provide a comprehensive basis for political decisions.

Quantification of the effects of not implementing equality measures

Economic and social effects do not only occur in response to reforms. They can also occur as a result of a lack of action. These effects are more difficult to quantify as their size depends on the alternative, in other words a scenario in which hypothetical measures are used. The effects of not carrying out equality measures to reduce the GGP would comprise the following areas: women's pensions continuing to be low could mean lower pension expenditure on the one hand, but on the other hand lead to additional costs (equalisation supplements) in other areas. Lower women's pensions would also mean lower health insurance and tax revenue for the state sector. The long-term individual ability to fund any care services could be decreased, resulting in additional costs for long term care. Research is needed to examine the long-term consequences in greater detail, in other words to identify the direct, indirect and intangible (for example physical, psychological and social damage caused by old-age poverty and dependence) costs. This is also a basic requirement for a targeted equality policy.

Qualitative investigation of the gendered division of labour – discrepancy between perception and behaviour

The women interviewed identify the gendered division of labour as one of the main reasons for their pension disadvantage, which they simultaneously view as something which appears not to be able to be changed. In-depth qualitative research can contribute to a better understanding of the discrepancy between the perceived injustice and options and possible actions which are not perceived and to the development of starting points to overcome this discrepancy. The inclusion of the perspectives and realities of women and men strengthens both their ability to act and the effective shaping of policy, with research forming an important basis.

Qualitative examination of trust in the Austrian pension system

The observed increase in non-standard employment, income and life trajectories and perspectives not only leads to a lower level of financial provision for those affected. It is also accompanied by a great deal of uncertainty in the population. This uncertainty, reinforced by numerous, mostly short-time pension reforms, results in a low level of trust in the public pension system, as surveys demonstrated too. Further research is needed to counteract this lack of trust: knowledge is needed about the perspective and realities of young women and men in particular which can then be used as a starting point for formulating measures to ensure improved provisions and a build-up of trust.

Complex situations need interdisciplinary analysis approaches

The results of our interdisciplinary analysis show both a high *gender gap in pensions* and limited knowledge about the Austrian pension system as a whole. Integrated equality incentives (pension splitting, partial insurance periods) are not visible for all and have just a minor effect. Future changes also need more transparency and more knowledge about the design of the system so that the objectives intended in a reform can actually be achieved. Our analyses clearly show that the feedback of the results with more effective communication of the institutional provisions is a basic requirement both in terms of providing scope for decision making among those affected and for creating a targeted policy. Knowledge also strengthens trust in the welfare system. The multi-disciplinary approach chosen here clearly shows that measures to promote equality are only effective if they are realised among those concerned. The same approach (and there is significant need for research here) is needed in the field of companies, too, as they are also key actors when it comes to reducing the *gender gap in pensions*.

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Glossary

Annual contribution basis

Annual gross income subject to social security contributions up to the maximum contribution basis.

Bismarckian old-age provision system

In the “Bismarck system” (dating back to Otto von Bismarck, who introduced the health insurance system in Germany in 1883), the funding of the old-age benefits is based on social security contributions made by insured persons and companies. In its purest form, there is no redistribution between the income groups.

Child-raising periods

Child-raising periods are credited in the pension account as partial compulsory insurance periods. A maximum of 48 months can be credited for each child, or up to 60 months for multiple births. If the next child is born before the end of this period, the crediting for the older child ends and the 48 or 60 months start again.

Employment rate

Percentage of salaried or self-employed workers in the population aged between 15 and 65.

Equalisation supplement

A pension recipient is entitled to an equalisation supplement if their total income does not reach an amount set out by law known as the indicative rate. The total income consists of the (second) pension (gross), other net income and in the case of married couples also the net income of the spouse living in the same household.

Equivalence principle

The pension insurance contribution made by employed persons should correspond to the pension amount, in other words should be equivalent: the lower the (part-time) income, the lower the monthly pension insurance contributions and therefore the lower the monthly pension.

Gender budgeting

Analysis of the gender-specific effects of state revenue (taxes and levies) and expenditure and of changes to the budget structures and processes.

Gendered division of labour

Unequal division of paid (employment) and unpaid (care) work. For example, in a household made up of a couple with children, the man more commonly works full-time and the women more commonly works part-time. The most common

form among couples with children in Austria is the “one and a half earner” model. A higher percentage of long-term care work is carried out by daughters(-in-law) than sons(-in-law) too.

Gender Gap in Pensions (GGP)

Indicator of the gender-specific pension gap, which reflects the pension disadvantage of women’s pensions compared to men’s pensions. The gap is shown as the percentage by which women’s pensions are on average lower than men’s pensions. The English term is also used in German-language literature.

Gender mainstreaming

Internationally recognised and promoted strategy to achieve gender equality: consideration of different living situations of women and men in all political decisions / programmes in both politics and administration.

Gender Pay Gap (GPG)

Indicator which shows the gender-specific income disadvantage for women compared to men. The comparison is based on hourly earnings.

Gross Domestic Product

Traditional measure of the economic performance of a country within a year. It only includes the market production, and the work and established values within private households are not taken into account.

Household taxation

The income from earnings for (married) couples is added together and then taxed. In Austria, income is taxed individually, on a personal level.

Human resources

Knowledge, ability and skills of the people who live in a country and are used or can be used in the economy.

Income replacement rate

Level of the pension as a percentage of the previously earned employment income. The General Act on Pensions (*Allgemeines Pensionsgesetz, APG*) provides for a replacement rate of 80% of the average income after 45 insurance years and when a person retires at 65. The replacement rate is correspondingly lower if a person has fewer insurance years.

Initial account credit

On 1 January 2014, a basic amount was calculated from the pension entitlements already accrued for all insured persons born from 1955 and this amount was entered into the pension account as an initial account credit.

Labour market participation

People's participation in working life in the form of salaried or self-employed work or unemployment.

Lifetime calculation

The income over the entire working life ("lifetime") is used to calculate the individual pension amount.

Maintaining living standards

Design principle in the public pension system: in Austria, the gross pension after 45 insurance years and retiring at the statutory retirement age is 80.1% of the average lifetime income.

Non-typical employment

The following forms of employment are all covered by the term "non-typical employment": part-time employment (working fewer than 35 hours per week), marginal employment, working fewer than 12 hours per week, contract work, temporary employment, fixed-term contracts and freelance contracts.

Partial compulsory insurance periods

Periods in which no paid work is undertaken but contribution periods are still credited to the pension account, such as child-raising periods, periods of drawing benefits from unemployment or health insurance, periods of drawing a care leave benefit.

Partial credit

A total of 1.78% of the annual contribution basis is entered into the pension account as a partial credit.

Pension account

According to the provisions of the General Act on Pensions (*Allgemeines Pensionsgesetz, APG*) a pension account was set up for all insured persons in Austria who were born from 1955. The contribution bases of all pension insurance periods in Austria are entered into this.

Prevalence gap

Frequency, distribution; used here as the percentage of women over the age of 65 with an old-age pension compared to men over the age of 65 with an old-age pension.

Revaluation factor

The total credit in the pension account is multiplied by a certain factor as set out in law each year.

Statutory retirement age

The statutory retirement age for an old-age pension in Austria is 65 for men and currently still 60 for women. From 2024, retirement age for women will gradually be aligned with the retirement age for men by 2033.

Structure of Earnings Survey

EU-wide survey of the income of salaried employees in private companies with 10 employees or more.

Total pension credit

The total pension credit is the annual gross pension including special payments which the insured person has received up to a given point. The total credit divided by 14 shows the gross monthly benefit at the statutory retirement age.

Voluntary continued insurance for caring relatives

Persons who leave employment to care for a close relative can obtain continued insurance in the public pension insurance. The contributions are paid for from federal funds.

Voluntary pension splitting

Parents can agree on voluntary pension splitting for the years of child-raising from 2005. The parent who does not mainly dedicate themselves to child-raising and is economically active can transfer up to 50% of their partial credits to the pension account of the parent who does the child-raising for the first seven years after the birth of the child. The deadline to apply for this is when the youngest child turns 10 years old.

Voluntary self-insurance for caring relatives

Persons who reduce their employment to care for a relative or who were not employed before they started providing the care can obtain self-insurance in the public pension insurance. The contributions are paid from federal funds.

Voluntary supplementary insurance

If they request this, insured persons can make voluntary additional contributions to their public pension insurance, thereby increasing their future pension benefit.

Sample of the qualitative survey

Table 16: Brief description of the women cited in the report:

Initials	Age	Federal province	Employment status	Level of education	Weekly working hours	Marital status	Children (age)
Ms A.	53	Vienna	White-collar worker	School-leaving examinations	35	married	15, 16
Ms A.	40	Upper Austria / countryside	White-collar worker	Vocational secondary school	23	married	11, 8
Ms B.	33	Salzburg	White-collar worker	University	25	married	2, 4
Ms B.	50	Upper Austria / countryside	Blue-collar worker	Compulsory schooling	25	married	12, 17, 29
Ms C.	49	Vienna	Home helper	Vocational secondary school	25	married	15, 15, 20, 22
Ms C.	51	Upper Austria / countryside	Blue-collar worker	Apprenticeship	38.5	married	x
Ms D.	42	Vienna	White-collar worker and self-employed	University	15+	married	x
Ms E.	55	Upper Austria / countryside	Manager	School-leaving examinations	40	married	28, 30
Ms E.	44	Vienna	White-collar worker	University	30	single	12, 20
Ms F.	41	Vienna	Manager	University	38	divorced	10, 15
Ms G.	42	Lower Austria / countryside	White-collar worker	University	15	married	3, 6
Ms H.	48	Vienna	White-collar worker	Advanced vocational school	30	divorced	17
Ms H.	52	Upper Austria / countryside	Blue-collar worker	Vocational secondary school	32	married	18, 28
Ms I.	45	Vienna	White-collar worker	School-leaving examinations	25	single	x
Ms I.	53	Burgenland	White-collar worker	University	20	married	16, 19
Ms J.	50	Burgenland	White-collar worker	Apprenticeship	20	married	19, 22
Ms J.	51	Upper Austria / countryside	Blue-collar worker	Compulsory schooling	38.5	widowed	x
Ms K.	47	Burgenland	Marginal employee	School-leaving examinations	10	married	11, 25

Initials	Age	Federal province	Employment status	Level of education	Weekly working hours	Marital status	Children (age)
Ms K.	38	Vienna	White-collar worker	Compulsory schooling	40	divorced	15, 17
Ms L.	56	Vienna	Unemployed	Compulsory schooling		single	x
Ms L.	55	Upper Austria / countryside	Blue-collar worker	Compulsory schooling	38.5	married	24, 26
Ms M.	40	Vienna	Unemployed	University		married	3, 5
Ms P.	53	Upper Austria / countryside	Blue-collar worker	Apprenticeship	23	married	27
Ms S.	42	Vienna	White-collar worker	University	37.5	single	15
Ms S.	30	Upper Austria / countryside	Blue-collar worker	Compulsory schooling	20	married	3, 6
Ms U.	50	Vienna	White-collar worker	University	35	N/A	N/A
Ms V.	52	Vienna	Unemployed	N/A		married	28, 31

