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Engendering pension policy in different welfare regimes

Overview. Welfare schemes for old-aged income security are important systems to prevent the elderly living in poor. Every country employs various kinds of old-age payments to keep the living quality of the elderly. Pension is a popular research topic in the area of social policy, economy, finance and public administration, but we seldom see papers which discuss gender inequality in pension systems. Because the qualifications and payments of pension are usually earnings-related and prefer full-time, long working history workers, women are vulnerable to the current pension system. As women's traditional roles are separated from the labor market, many women's careers are interrupted by child care and family care responsibility. Even if women stay in the labour market for the whole life, wage discrimination and other kinds of discrimination between genders still exist. The final wage level between men and women are usually extremely different and women are not easy to accumulate capital during their work periods, so the earnings-related pension payments of women are far lower than men's. Besides, many women work in informal labour market, they either work as part-time or unpaid family workers. They are out of the protection of social insurance schemes and do not have title to claim for pension in their old ages.

Feminists regard pension provision, like other kinds of social insurance schemes, as a product of patriarchal welfare states. Myles (1984) criticized that pension systems were usually designed by men, so «gender» was never a serious variable for academic researchers. Bryson (1992) regarded all kinds of social insurance schemes as a product of «men-made welfare states». So many gender traps were designed inside social security systems, so women were easy to fall into poverty in their old age (Millar, 1989). Any social security scheme which emphasizes on merit credit in the labour market will let women fall into the disadvantage group (Fu, 1999).

Marxists claimed that social security system double exploited the low-wage labour and enhanced the inequality among waged workers. For women workers, the exploitation of unequal pay has been extended from their young to their old age by way of pension systems (Pascall, 1997:199). It is widely observed that the majority of old people are women because they have longer life expectancy than men, but poverty among the elderly is concentrated on very old women. Therefore, when a government designs a new pension plan or introduces pension reform, it is very important to take account of gender-sensitive impact assessment. In this study, gender trap in pension schemes will be analysed in order to observe how welfare schemes reproduce, reinforce, extend, or reduce women's inferior status in economy and dependent roles of men. This study also tries to explore whether the introduction of welfare schemes indirectly leads to feminising poverty phenomenon? Or will it result in the empowerment of elderly women? Therefore, this study not only provides a social justice assessment, but also a gender-sensitive assessment of social policy. In terms of theoretic perspective, the nature of welfare regimes will also be discussed from gender-critical perspectives.

Although women groups begin to join the decision-making process of welfare policies, it is not the same story of pension policy (Gordon, 1992). Many feminist scholars argued that welfare states only enforced women to be dependents of men in order to keep them stay in the private sphere and maintain traditional family values (Wilson, 1977; Hernes, 1989). Women usually do not have full citizenship to accept welfare benefits. They either have to join welfare programs as men's dependent, or lose access to benefits if their husband has a high income or assets. If women leave their husband and remarry before 65 years old, they may lose the title to claim for pension payments (Lister, 1999). If women have not stayed in a

marriage longer than ten years, they were unable to claim pension payments from their ex-husband in America. All the requirements are regarded as a kind of social control towards women's behaviors to force them stay in single marriage. Ginn et al (2001) found that single old women were easy to fall in poverty in liberal countries as they did not have ability to attend private pension options and missed the title to receive spouse pension.

Earnings-related pensions embed a problem in this regard because women are less likely than men to work in formal labor markets and earn lower wages when they do. The majority of earnings-related pensions and private pensions are not compulsory. Some researchers are interested in finding out the key factors which affect men/women join those earnings-related pension schemes. Using regression analysis, Ginn and Arber (1996) found that «working history» was the most important factor which affected people's willingness to join private pensions. In other words, earnings-related pensions are designed to benefit those who stay in the labour market for longer period. However, women's careers are easy to be interrupted by their caring responsibilities, so they have less motivation to join private pensions than men. Even if women have full-time jobs and never quit the labour market, they are still disadvantaged under current private pension design. One of the reasons is that women have longer life expectation than men, so they are supposed to pay more for their own private pensions. Australian private pensions are paid in lump sums to avoid the annuity problem of women's greater average longevity (Shaver, 2001). Beside, women with lower income are reluctant to join any earnings-related pension because their pension income will affect their qualifications to claim for welfare benefits.

Literature Review. Ginn & Arber (1993) found that the variable of «with/without children», instead of «age» and «marriage condition», had significant effect on women's willingness to join earnings-related pension schemes. Women were less likely to join earnings-related pensions if they have children because the family were under great economic pressure during child-raising period. Other factors, such as part-time/full-time, skilled/unskilled, working history, income, also had significant effect on gender difference for joining earnings-related pensions. Hill and Tigges (1995) used country as the research unit; under regression analysis they claimed that those countries which had more women join trade unions tended to have pensions with gender equality. Thus, the power of labour may force the government to have gender-sensitive policies.

Scholars also tried to explore the reason why different countries have various performances on women-friendly pension policies. To discover it, it is very important to find out gender contract behind pension designs within those countries. Actually, different countries have different pension schemes because they have different ideology about gender contract and the family. Ginn and Arber (1992) divided countries as three categories according to the relationships between gender and pension. Firstly, in «residual countries,» such as Britain, the governments provide only basic income maintenance to those who do not have earnings-related pensions. Secondly, in «income security countries,» such as Germany, pension is highly related to income. Earnings-related pension payments are adequate and regarded as a merit for full-time workers. Thirdly, in «basic security countries,» such as Denmark, the governments offer high quality universal pensions to all citizens, and both men and women do not need to rely on private pensions in old age.

Ginn, Street and Arber (2001) analysed six countries which belong to liberal welfare regime, including Britain, America, Austria, Canada, Ireland, New Zealand. Those countries usually had three tiers of pension protections: flat rate state pension, earnings-related state pension, and private pension. However, most of women in those countries were entitled to receive pension payments as dependents of their partners instead of as workers. Flat-rate state pensions were very limited, so the majority of the retirees who fall into poverty were single women. Also, private pensions were not friendly to women workers, so seldom women joined

it. In those liberal countries, women have to rely on work and pension contributions of their husbands and therefore are forced to be men's dependents to be entitled to welfare benefit.

Doring et al (1994) analysed six EU countries and found that women in the UK and Netherlands had great opportunities to receive their own pensions. In the other four countries, women have to rely on spouse pension or widow's pension. Leitner (2001) explored the minimal mature periods of pension schemes in 15 EU countries. Some countries counted the period which women spend on taking care of children in their pension crediting, such as Germany. She regarded the policy as a kind of women-friendly pension design. Based on the existed research, it is no doubt that women are a disadvantaged group regarding pension policy, but women's situations are not the same in different welfare regimes. However, to what extent pension schemes produce gender gap? Which pensions have more gender equality mechanism? And how far welfare regimes lead to gender difference by way of pension systems?

Methodology. From comparative welfare states perspective, this study aims on analyzing secondary pension data in various countries. We used 2006 Luxembourg Income Study Project/Luxembourg Employment Study Project (LIS/LES) database for this purpose. LIS is an independent research agency in Luxembourg, and it focuses on collecting individual and family income data from countries all over the world. In LIS database, pension has been classified into two kinds: social pension and private pension. The former usually means «state pension», which is compulsory, basic pension system. In some countries, social pension is mean-tested or earnings-related, but it may be universal in the other. Generally speaking, it is the first tier of pension systems and run by the government. The latter usually means «occupation pension,» people who have jobs can choose whether to join this pension system or not. In some countries, private pension is compulsory, but it is definitely run by separate institution either in the public sector or in the private sector.

Like other research employing secondary analysis, we also found problems when we use LIS database. First of all, data in each country is collected in different year, so countries cannot be compared in the same year. Secondly, the database does not specify what title women receive pensions, based on their own title or as a dependent of their husbands. Thirdly, pension systems in those countries are different; some of them do not have private pension data. Therefore, some data is absent when we discuss private pensions. However, considering the purpose of this study, LIS/LES database is still the best resource for analysis.

Considering the measure of pension quality, following Hill and Tigges (1995), Barrientos (1998) and Ginn, Daly and Street (2001), we use four indicators to measure pension quality. Their definition and corresponding meanings of each measure are as follows:

(1) **Pension coverage rate** is defined as the percentage of labors who receive pension after retirement. It is certainly important to know how many old-aged have secured income from pensions and the first measure is designed for this purpose.

(2) **Pension wealth** is defined as the ratio of the pension payment of women to that of men. This indicator can show the gap between genders about the money difference.

(3) **Income security** is defined as the ratio of the retirement payment of a retiree to his previous average earnings. Pensions are said to provide income security and allow retirees to maintain pre-retirement standards of living throughout their retirement years. Therefore income security is typically measured by the wage replacement ratio.

(4) **Income adequacy** is defined as the ratio of the retirement payment of a retiree to the average wage in the society. Pension quality is not simply a matter of receiving benefits. What is also important is the ability of pensions to provide adequate incomes for the old-aged. The notion of income adequacy is being increasing linked to the concept of generation equality: Pension should provide a living standard comparable to that of society as a whole.

(5) **Guaranteed minimum** is defined as whether the retirement payment is enough to provide a minimum living standard for a retiree if the pension is the only income for him/her.

This is an important measure because it reflects the extent of poverty of the old-aged. Moreover it is also useful for understanding gender difference in poverty.

Because LIS database does not provide the retirees' previous wage levels, we cannot measure the third indicator. The fifth indicator actually equals to the second indicator. Thus in this study, we will use the first, second and fourth indicators to measure pension quality in selected countries.

The LIS database totally includes data from twenty-seven countries. Refer to Esping-Andersen's framework (1990) for classifying welfare states, the countries in the LIS database have been classified into five welfare regimes: liberal welfare regime (Australia, Canada, America, UK, Ireland), corporate welfare regime (Belgium, France, Luxembourg, Netherlands, Austria, Germany), Eastern Europe welfare regime (Hungary, Czech, Poland, Russia, Slovakia, Slovenia), Southern Europe welfare regime (Spain, Italy, Greece), social democratic welfare regime (Denmark, Finland, Norway, Sweden). Two countries has been exclusive from our analysis, Israel and Mexico, because their sample numbers are limited and they are difficult to be classified into the five welfare regimes. Besides, Taiwan's data are also listed as reference.

Research Result

Gender Difference on Pension Coverage Rate

In the case of social pension, shown in Table 1, men's pension coverage rates were higher than women's in the majority cases. In some countries, gender gap in pension coverage rate, such as Ireland, Belgium, Luxembourg, Poland and Spain, men's pension coverage rates were over 20% higher than women's. Regarding regime's difference, the situation in liberal welfare regime was not consistent, but pension coverage rates tended to be gender equal in most of the case. In corporate, Eastern Europe and Southern Europe countries, men's pension coverage rates were significantly higher than women's. On the contrary, women's pension coverage rates were slightly higher than men's in most of social democratic countries.

Table 1. Social Pension Coverage Rate between Genders in Selected Countries

Countries	Year	Men's coverage rate	Women's coverage rate	W-M%
Liberal				
Australia	1994	48.73%	62.04%	-13.31%
Canada	2000	99.18%	99.03%	0.15%
America	2000	85.97%	86.92%	-0.95%
UK	1999	98.14%	97.89%	0.25%
Ireland	2000	65.28%	39.66%	25.62%
Corporate				
Belgium	2000	90.36%	69.07%	21.29%
France	2000	99.23%	92.69%	6.54%
Luxembourg	2000	76.73%	54.57%	22.16%
Netherlands	1999	94.42%	96.07%	-1.65%
Germany	2000	91.70%	90.25%	1.45%
Austria	2000	92.80%	73.48%	19.32%
Eastern Europe				
Hungary	1999	82.71%	83.39%	-0.68%
Czech	1996	96.60%	98.37%	-1.77%
Poland	1995	86.40%	61.90%	24.50%

Russia	2000	89.73%	94.42%	-4.69%
Slovakia	1992	95.50%	89.80%	5.70%
Slovenia	1999	96.72%	83.89%	12.83%
Southern Europe				
Spain	2000	94.04%	59.82%	34.22%
Italy	2000	78.63%	62.01%	16.62%
Greece	2000	88.36%	78.94%	9.42%
Social Democratic				
Denmark	1997	92.60%	93.70%	-1.10%
Finland	2000	88.63%	93.92%	-5.29%
Norway	2000	82.52%	87.09%	-4.57%
Sweden	2000	99.37%	99.38%	-0.01%
Others				
Taiwan	2000	23.84%	8.36%	15.48%

Considering private pension, the pension coverage rates were far below social pension both in men's case and in women's case. In some corporate, Eastern Europe and Southern Europe countries, private pension coverage rates were below 10%, which means private pension play insignificant roles in those countries. Except Belgium, men's private pension coverage rates were considerably higher than women's. Gender gap in private pension was more serious than that in social pension. Especially in the case of the UK, the Netherlands and Sweden, the gap between genders was highest (Shown in Table 2). High percentages of working women in the UK and the Netherlands were in part-time areas, which is the same phenomenon as in Sweden before the 1980s (Sundstrom, 1993). According to Eurostat's data, 64.4% of working women were part-time workers in the Netherlands, 43.8% in the UK and 36% in Sweden in 1992. The percentages in these three countries were the highest among all EU member states (Eurofound, 2004). Ginn and Arber (1998) also observed that part-time jobs would affect women's willingness to join private pension schemes because of their low wages and short working hours. In some countries, workers with short working hours were even forbidden to join private pension schemes. Therefore, women worked in part-time areas may affect their abilities to join private pension schemes¹.

Table 2. Social Pension Coverage Rate between Genders in Selected Countries

Countries	Year	Men's coverage rate	Women's coverage rate	W-M%	M-W
Liberal					
Australia	1994	18.19%	6.67%	11.52%	2.73
Canada	2000	66.47%	46.26%	20.21%	1.44
America	2000	30.21%	18.18%	12.03%	1.66
UK	1999	64.85%	38.37%	26.48%	1.69
Corporate					
Belgium	2000	2.17%	2.46%	-0.29%	0.88
Luxembourg	2000	4.09%	1.17%	2.92%	3.50

¹ Usually, pension plans need 25-40 years matured period, so the retirees which we analyse in this study were actually in the labour market before the 1980s.

Netherlands	1999	81.30%	44.54%	36.76%	1.83
Germany	2000	13.96%	4.87%	9.09%	2.87
Austria	2000	4.73%	1.09%	3.64%	4.34
Eastern Europe					
Slovenia	1999	5.52%	3.79%	1.73%	1.46
Southern Europe					
Spain	2000	1.23%	0.65%	0.58%	1.89
Italy	2000	1.36%	0.74%	0.62%	1.84
Greece	2000	13.11%	7.77%	5.34%	1.69
Social Democratic					
Denmark	1997	27.40%	21.60%	5.80%	1.27
Finland	2000	85.83%	77.38%	8.45%	1.11
Norway	2000	67.17%	47.50%	19.67%	1.41
Sweden	2000	56.15%	28.30%	27.85%	1.98
Others					
Taiwan	2000	16.03%	0.77%	15.26%	20.82

Note: The cases in Belgium, Luxembourg and Taiwan is few, so their data are presented for reference only.

If we combine the data in individual welfare regimes, shown in Table 3, we found that women's coverage rates were far behind men's coverage rates in the case of corporate welfare regime and Southern Europe welfare regime. On the contrary, in liberal and social democratic welfare regimes, women's pension coverage rates were slightly higher than men's. As far as private pension was concerned, women's coverage rates were lower than men's in all kinds of welfare regimes. It is obvious that women are vulnerable to private pension systems as women are disadvantaged in labour market. In liberal welfare regime, gender gap in private pension coverage rate was the largest one among all regimes. Liberal welfare regime is regarded as a model which emphasizes the principle of free market and minimising state intervention (Esping-Andersen, 1990). Thus, social policies based on contribution in the labour market are likely to enlarge gender difference in social security.

Table 3. Pension Coverage Rate among Welfare Regimes

	Social Pension				
	liberal	corporate	social democratic	Southern Europe	eastern Europe
male	83.01%	87.22%	90.78%	87.01%	91.28%
female	86.47%	73.68%	93.52%	66.92%	85.30%
F-M	3.46%	-13.54%	2.74%	-20.09%	-5.98%
	Private Pension				
	liberal	corporate	social democratic	Southern Europe	eastern Europe
male	44.93%	21.25%	45.36%	5.23%	N.A.
female	27.37%	10.83%	36.69%	3.05%	N.A.
F-M	-17.56%	-10.42%	-8.67%	-2.18%	N.A.

Gender Difference on Pension Wealth. The second indicator which can describe pension quality between genders is pension wealth. Regarding social pension quality by average money people received, we found that women received less pension payments in

most of countries, except in Australia, Netherlands, Demark and Finland. Women received 60-80% of men's pension payments in most of cases. Women's social pension wealth was especially low in corporate countries, except in the Netherlands, where Doring et al (1994) also pointed out that most of women could received their own social pensions.

Table 4. Social Pension Wealth by Gender in Selected Countries

Countries	Year	Men's pension wealth	Women's pension wealth	W/M
Liberal				
Australia	1994	6443.42	6922.00	1.074
Canada	2000	11394.89	9992.19	0.877
America	2000	11003.50	8342.70	0.758
UK	1999	4365.14	3221.24	0.738
Ireland	2000	8920.65	5702.61	0.639
Corporate				
Belgium	2000	523315.08	367593.19	0.702
France	2000	100114.34	60770.00	0.607
Luxembourg	2000	964270.65	669413.54	0.694
Netherlands	1999	17650.84	17915.60	1.015
Germany	2000	27840.66	18505.94	0.665
Austria	2000	219168.28	143397.15	0.654
Eastern Europe				
Hungary	1999	438765.45	334009.92	0.761
Czech	1996	56998.90	50475.63	0.886
Poland	1995	5702.274	3841.4474	0.674
Russia	2000	11006.21	8801.58	0.800
Slovakia	1992	289.7715	232.4761	0.802
Slovenia	1999	964228.19	741632.80	0.769
Southern Europe				
Spain	2000	1465206.37	998290.54	0.681
Italy	2000	17638830.00	13143660.00	0.745
Greece	2000	1916425.53	1351347.20	0.705
Social Democratic				
Denmark	1997	78435.51	81854.2	1.044
Finland	2000	8922.75	14660.18	1.643
Norway	2000	122807.68	90885.25	0.740
Sweden	2000	125236.52	84326.91	0.673
Others				
Taiwan	2000	15412.77	11200.16	0.727

Note: The cases in Belgium, Luxembourg and Taiwan is few, so their data are presented for reference only.

In the case of private pension, people received higher payments than they received from social pension. Therefore, private pension tends to have the function for accumulate lifelong capital. However, we found that gender difference in private pension wealth was more sever

than that in social pension. Women received only 40-60% of men's pension payments in most of cases. UK, Netherlands, Spain and Sweden had largest gender gaps among those countries in our research. The majority of women worked as part-time may be the reason for women's inferior status in private pension payments in those countries. Spain was an except example, only 13.8% of working women were part-time in 1992. The main reason for women's inferior status in private pension payments should be wage discrimination between genders in labour market (Ruivo et al, 1998).

Table 5. Private Pension Wealth by Gender in Selected Countries

Countries	Year	Men's pension wealth	Women's pension wealth	W/M
Liberal				
Australia	1994	14570.79	8473.47	0.582
Canada	2000	15153.06	8853.93	0.584
America	2000	11160.22	6198.62	0.555
UK	1999	5906.33	3122.33	0.529
Corporate				
Belgium	2000	176609.25	239529.72	1.356
Luxembourg	2000	399912.57	216939.85	0.542
Netherlands	1999	27297.66	13218.09	0.484
Germany	2000	10813.13	7403.28	0.685
Austria	2000	112542.79	61166.53	0.543
Eastern Europe				
Slovenia	1999	707002.85	557209.25	0.788
Southern Europe				
Spain	2000	1260267.00	447101.67	0.355
Italy	2000	13163460.00	11984910.00	0.910
Greece	2000	704927.49	664080.72	0.942
Social Democratic				
Denmark	1997	80514.86	49228.44	0.611
Finland	2000	55952.97	30403.33	0.543
Norway	2000	55227.24	38126.37	0.690
Sweden	2000	29139.51	14017.77	0.481
Others				
Taiwan	2000	429900.90	546429.86	1.271

Gender Difference on Income Adequacy. The third indicator for pension quality is «income adequacy.» By this indicator we will compare the pension payment with the average wage payment in current society to see to what extent pension payments maintain living standards for the elderly. In LIS database, each countries provide only one data about «average wage payment,» either before tax or after tax. In this study, we will present income adequacy as the ratio of pension payment of a retiree to the average wage in the society before tax.

Shown in Table 6, as far as social pension is concerned, men could receive 10-60% and women received 20-60% of current average wage in most of the countries. The income adequacy of women's pension was higher than that of men's because average wage payments of women were lower than men's in all countries. The income adequacy of social pension in Taiwan was the lowest, only 3.6% for men and 3.1% for women. The income adequacy of

social pension in Slovakia (55.8%) was the highest for men; whilst that in Netherlands (86.9%) was the highest for women. Analysing by welfare regime, the income adequacy of social pension was low in liberal welfare regime, so both men and women hardly rely on social pension for survival in their old ages. The income adequacy of social pension was high in Eastern Europe countries, maybe because social pension payments were the only income resource in those countries.

Table 6. Income Adequacy of Social Pension by Genders

Countries	Year	Average wage of men	Social pension of men	Men's income adequacy	Average wage women	Social of pension women	women's of income adequacy
Liberal							
Australia	1994	28461.28	6443.42	0.227	23462.58	6922.00	0.295
Canada	2000	39642.56	11394.89	0.287	26544.84	9992.19	0.376
America	2000	39722.68	11003.50	0.277	24173.49	8342.70	0.345
UK	1999	17313.17	4365.14	0.252	11081.28	3221.24	0.291
Corporate							
Netherlands	1999	44703.52	17650.84	0.395	20616.13	17915.60	0.869
Germany	2000	57309.49	27840.66	0.486	41870.68	18505.94	0.442
Eastern Europe							
Czech	1996	120108.00	56998.90	0.475	89064.94	50475.63	0.567
Slovakia	1992	518.9437	289.7715	0.558	389.206	232.4761	0.597
Social Democratic							
Denmark	1997	197984.83	78435.51	0.396	138766.89	81854.2	0.590
Finland	2000	142596.36	8922.75	0.063	113358.72	14660.18	0.129
Norway	2000	293123.39	122807.68	0.419	212513.42	90885.25	0.428
Sweden	2000	243363.43	125236.52	0.515	164525.12	84326.91	0.513
Others							
Taiwan	2000	427488.47	15412.77	0.036	361294.77	11200.16	0.031

In Private Pension, the income adequacy of men's pension was higher than women's in all counties even if women had a lower wage level than men in average. Therefore, the introduction of private pension actually enlarged gender discrimination in the labour market. As far as welfare regime is concerned, the income adequacy of private pension was higher than that of social pension in liberal welfare regime both in men's and in women's cases. Thus private pension payments played more important roles in maintaining retirees' living standards in liberal welfare regime; on the contrary, social pension payments were more important for the retirees in social democratic welfare regime.

Table 7. Income Adequacy of Private Pension by Genders

Countries	Year	Average wage of men	Social pension men	Men's of income adequacy	Average wage women	Social of pension women	women's of income adequacy
Liberal							
Australia	1994	28461.28	14570.79	0.512	23462.58	8473.47	0.361
Canada	2000	39642.56	15153.06	0.382	26544.84	8853.93	0.334
America	2000	39722.68	11160.22	0.281	24173.49	6198.62	0.256
UK	1999	17313.17	5906.33	0.341	11081.28	3122.33	0.282
Corporate							
Netherlands	1999	44703.52	27297.66	0.611	20616.13	13218.09	0.641
Germany	2000	57309.49	10813.13	0.189	41870.68	7403.28	0.177
Social Democratic							
Denmark	1997	197984.83	80514.86	0.407	138766.89	49228.44	0.355
Finland	2000	142596.36	55952.97	0.392	113358.72	30403.33	0.268
Norway	2000	293123.39	55227.24	0.188	212513.42	38126.37	0.179
Sweden	2000	243363.43	29139.51	0.120	164525.12	14017.77	0.085
Others							
Taiwan	2000	427488.47	429900.90	1.006	361294.77	546429.86	1.512

Conclusion and Discussion. Via comparative analysis this study explores which form of the pension system has embedded with gender equality mechanism, and observes how welfare schemes reproduce, reinforce, extend, or reduce women's inferior status and dependent role in economy. Using Luxembourg Income Study Project/Luxembourg Employment Study Project (LIS/LES) database, this study analyses gender difference in pension quality in 25 countries, in which are classified into five welfare regimes: liberal, corporate, social democratic, Southern Europe and East Europe regimes. This study found that men received better pension payments than women in all kinds of pension quality indicators and in all kinds of welfare regimes. However, social pension has less gender discrimination than private pension. Gender gaps in social pension coverage rate were far better than that in private pension, although the payments of social pension were usually low. The payments of private pension were a big deal but the issue of women's status was even more acute. Even if the average wage payments of women in current society were far lower than that of men, women's pension payments had lower income adequacy than men's. Thus private pensions not only extend but also expand gender discrimination in the labour market. Women suffer gender discrimination in job opportunities when they are young, and that inequity is enlarged after they retire using the private pension scheme.

As for the difference among welfare regimes, women were regarded as independent citizens in social democracy countries, so those countries had more equal social pension coverage rate and more adequate social pension wealth between genders. On the contrary, gender gaps in all kinds of pension quality indicators in Southern Europe counties were the largest one among all kinds of welfare regimes. This situation may result in strong male breadwinner ideology and the emphasis of family as a unit in welfare (Ferrera, 1998). In liberal countries, income adequacy of social pension was far away enough; whilst that of

private pension was high. Although private pension played an important role in economic security for retirees in liberal welfare regime, few women were able to get private pension and gender gap of income adequacy was enlarged. In Eastern Europe, social pension was usually the only source of pension payment, but its quality was superior, especially its income adequacy. The situation in corporate countries was not constant and thus difficult to be analyzed as a whole. We also found that those countries with high percentage of women working as part-time had greatest gender gaps in private pension quality. Gender difference of economic security in old age is highly related with women's inferior status in the labour market.

Therefore, the design of pension policy should recognize the different modes of working pattern between genders and tries to create women-friendly pension policy. First of all, based on the result of this study, social pension, compared with private pension, had less gender discrimination. The introduction of «adequate» social pension in a country is important for women's income security in old age. In many countries, however, the payment of social pension is far away from enough or decided by critical family need-tested system (Ginn et al, 2001). Also, women's right to social pension are often affected by husband's income. For a women-friendly pension policy, the government should introduce a high quality social pension. Secondly, in many countries, state pension contained two tiers: basic state pension and earnings-related pension. The mature period of meditate earnings-related pension should not be long, no longer than 35 years, due to the characteristic of women's careers. Besides, some countries allow the insured to pay reduced fees for absences from the labour market, such as Canada and USA. Canadian government also allowed women with children under seven to pay reduced fees for their pensions up to seven years (Ginn et al, 2001). In Sweden, parents have the right to four years for each child of a supplement, which is regarded as «earning.» It is estimated that every Swedish women can have her benefits increased by 10% from pension credits for childcare years (Palmer, 2000). In a women-friendly pension policy, regulations should not be set up by men's working mode and be sensitive to the different work pattern between genders.

The third suggestion for a women-friendly pension policy is about widow pensions and spouse pensions. In liberal welfare regime and corporate welfare regime, the majority of women were entitled to receive pensions as their husbands' dependents. 60% of British women and 50% of American women received pensions under their husband names (Street and Wilmoth, 2001; Ginn et al, 2001:223). If women want to receive widow pensions or spouse pensions from their original marriages, there usually have restricted regulations about remarriages which are regarded as a kind of social control. Under a women-friendly pension policy, women should be entitled to receive social pensions in the individual own right.

Fourthly, based on the point of income adequacy, a tax-free pension payment is very important for retired women. Since the pension payments of women are low, the deduction of pension will let many women fall in poverty in their old age.

Finally, private pensions and state earnings-related pensions are all highly related to people's merits in the labour market, especially their wage levels and working histories. A society with equal pension quality between genders is impossible without gender equality in the labour market. This study emphasizes that the design of pension schemes should not enlarge the original gender inequality in the labour market. For example, people who have long working histories or wage payments can get more times of pension payments than others. Or a pension is paid by defined contribution instead of defined benefit. Since women's life time wage levels are much inferior than men's, women workers receive less under a defined contribution pension system (Chen, 2005). Towards a gender equal pension system, we suggest that the linear correlation between pension payment and wage level should be reduced. The introduction of pension, therefore, should emphasize its influence on income

security for the elderly instead of its influence on reward for work. Welfare policies shall not be a tool of capitalism and return to its nature of income redistribution.

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