

Preface

This publication, *Women, men and incomes. Gender equality and economic independence* is a translation of a report (*Kvinnor, män och inkomster. Jämställdhet och oberoende*) to the Swedish Committee on the distribution of economic power and economic resources between women and men, Kvinnomaktutredningen.

County governor Kristina Persson, Östersund, was appointed by the Swedish government to head this committee. In the same year, 1995, Göran Ahrne, professor of Sociology at Stockholm University, Anna G. Jónasdóttir, associate professor of Political science at the University of Örebro, Inga Persson, professor of Economics at Lund University, Elisabeth Sundin, associate professor of Business administration and associate professor of Technology and social change at Linköping University, and Eskil Wadensjö, professor of Labor market policy at Stockholm University were appointed to serve as scientific experts. Anita Nyberg, associate professor of Economics and of Technology and social change at Linköping University was appointed as secretary of the committee. The investigation was completed in January 1998.

Several monographs and anthologies have been published (in Swedish) within the framework of the committee (see Appendix B for a list of reports). Anita Nyberg is the author of this report, and responsible for the analysis and the conclusions. Kjell Jansson, researcher at Statistics Sweden, through an extensive reanalysis of data bases, has provided the main part of the tables and diagrams on which this analysis is based. He has also made valuable suggestions concerning the statistical analysis and the text. Diane Sainsbury, associate professor of Political science at Stockholm University, has given advice on the use of concepts and the text in general in the English version of the report.

Linköping, March 1998

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Appendix B. List of Reports to the Committee on the distribution of economic power and economic resources between women and men

1 Introduction

The goal of the equal opportunities policy is to achieve equal rights, responsibilities and opportunities for women and men in every essential area of life. One cornerstone of the policy is that women and men shall have equal opportunities for economic independence and for supporting themselves through paid work. The Committee on the distribution of economic power and economic resources between women and men (Kvinnomaktutredningen) has therefore by the Swedish government been given the task of charting and analyzing the distribution of various types of income between women and men (Dir. 1994:102).

The purpose of this report is to answer the following questions:

Which incomes are gender equal, female-dominated or male-dominated?

What are the size and sources of women's and men's incomes?

To what extent are women and men economically equal, and how has this changed between the 1970s and 1990s?

To what extent do women and men receive their incomes from the market as opposed to the welfare state?

Are women more dependent on the welfare state than men?

Does the welfare state increase or decrease income differentials between women and men?

To what extent are women in the family economically dependent on men?

Does the welfare state strengthen or weaken the economic independence of women in the family?

How do gender and care responsibilities affect incomes?

Do incomes vary for women and men during retirement?

Are we moving towards a feminization of poverty?

Are men wealthier than women?

What are the differences in entrepreneurial incomes of women and men?

To what extent are men in the family dependent on the unpaid household and care work provided by women?

Before attempting to answer these questions, we will discuss the concepts of economic independence and economic equality.

2 Economic independence and economic equality

Economic independence is a difficult concept

Economic independence is a difficult concept. One reason for this is that the concept has different interpretations for women and men associated with the varying historical experiences of women and men. Women have had to work since the beginning of time. They have worked in the household, the barn, the fields and at the periphery of the labor market in insecure, low paid jobs. To be able to work has not been a problem for women (Nyberg, 1989). The problem has been to gain admission to education and the professions, to get a job with decent pay comparable to men and the right to control their own money. This is particularly true for married women.

From the very beginning of the women's movement, its most important demand has been economic independence: that women should be able to support themselves and thereby have the power to control their own lives. This demand predates the demand for participation within the political sphere. As early as 1873, women in Sweden organized in the Association For Married Women's Right To Own Property to fight for their economic rights. However it was not until 1903 that they organized for political rights in The National Association for Women's Suffrage.

In 1845 women and men in Sweden were granted the equal right of inheritance, but if the woman was married it was still the man who controlled the family economy. Supported by law, he could take charge of his wife's assets and determine how to use the money by himself. In 1874 the act entitling married women to control their own earnings was passed, and in 1884 the law giving them the right of disposition over their own property. However, it took until 1920 before married women became legally competent at the age of 21. Not until 1950 was the mother entitled to the same authority over the economy of their children as the father, and up until the 1960s there were special wages for women within industry (Hamrin-Thorell, 1969; Ohlander & Strömberg, 1997).

Men have also always had to work, but they have not had the same problems as women. They have been able to control their own income and property, to the extent that they have had any. They have not been excluded from professions or education due to their sex. Men have had, and continue to have, higher wages or salaries than women.

As a result of industrialization and urbanization, increasing numbers of people became dependent on wage labor. New groups came

into existence in society—industrial owners and industrial workers. Those men who did not own capital were expected to sell their labor on the market on a full-time basis. However, paid labor did not guarantee a secure, lifelong income. Illness, occupational injuries, unemployment, and old age put the wage worker's economic situation at risk. Some form of safety net was needed when one no longer had the ability to earn a living. Discussions were initiated about social insurance, which would guarantee a minimum income security. The purpose was to prevent wage workers from becoming dependent on poverty relief. Relying on poverty relief resulted in the loss of one's rights as a citizen, and coming under the guardianship of the poverty relief board (Olofsson, 1996).

In the late 1800s and early 1900s, various schemes of social protection began to evolve, and they became the basis for today's social welfare system in Sweden. In the 1930s—in the wake of the Great Depression—the expansion of the welfare state gained momentum. However, many measures were selective in character, affecting only certain groups. The postwar period witnessed the introduction of universal welfare policy reforms. As standard of living rose, a new philosophy underlaid the expansion of the welfare state. The aim was not only to guarantee basic security, but also to counterbalance loss of income caused by illness or old age. In various ways, these forms of support share a common link to current or previous earnings (Ringqvist, 1996).

Up until the 1960s, the male breadwinner model dominated as the norm for the family. The man and the state were responsible for the family's financial livelihood, and the mother provided care work. This view changed during the end of the 1960s and 1970s. Family policy was remodeled, with the explicit purpose of facilitating a new type of family—the dual income family (Wennemo, 1996).

The concept of economic independence has a different meaning for women and men

The concept “economic independence” is interpreted differently, depending on whether it refers to women or men. An economically independent woman is one who earns a wage and who supports herself: she is *economically independent from men*.

Economically independent men are seldom mentioned. When the expression occurs, it does not refer to a man who is economically independent from a woman, but to a man who can support himself without working for a wage. He is *economically independent from working for a wage*. Previously, an economically independent man

referred to a gentleman with a fortune so large it provided his livelihood. However, except for very few individuals, the alternative to wage labor has never been a large fortune, but a national social insurance system that reduces the dependence of wage workers on the market and employers.

Thus the concept of economic independence is expressed in terms of class when it comes to men, but in terms of gender when it comes to women. Economically independent men are liberated *from* wage labor and economically independent women *through* wage labor.

In this report, the study of the extent to which women are economically independent from men is limited to married/cohabiting women. Women's economic independence from men is measured by studying the women's proportion of the family income. However, it can also be maintained that men are dependent on women's unpaid work in the home (household and care work). This is measured by studying the men's proportion of the family's household tasks.

Another reason why the concept economic independence is difficult is that it implies that economic independence is actually possible. However, it is impossible to be economically independent in any absolute terms. Most people today, women and men, live in combined dependence on the market, the welfare state, and a partner, if any. Particularly when viewed from a lifetime perspective, very few receive their income from only one of these sources. For example, women who are economically independent from men are economically dependent on the market and/or the welfare state instead. If the welfare state's contribution increases, then dependence on the market and/or a partner decreases, but the dependence on the welfare state and political decisions increases, and vice versa.

Economic equality of the sexes

The concept *economic equality* (ekonomisk jämställdhet) is used when studying the size and source of the incomes of women and men. This applies both to those who are single and cohabiting. Economic equality is present when income is distributed to the same extent to women as to men, and when the income of women is as large as that of men. This is measured by studying how large a proportion of women and men respectively have of a specific type of income, women's proportion of the total sum of these incomes, and women's average income as a proportion of men's. For example, we examine how large a proportion of women and men respectively have labor market earnings, how total labor market earnings are distributed among women and men, as well as women's average as a proportion

of men's. Even if women and men are economically equal in an income category, this does not necessarily mean that they can support themselves on this income. For this reason we supplement the information about women's proportion of men's with the size of income in Swedish crowns (SEK).

We study the size and sources of the income of women and men: from the market and the welfare state, respectively. The concept of the *market* is used in contrast to the welfare state. The market consists of both labor and capital markets, but we are primarily interested in the labor market and earnings derived from it. The primary focus is on women and men of working age. In this context, the *welfare state* refers only to cash transfers to households. The public sector's production of services and the public sector as employer are not included.

3 Income distribution studies

Income distribution studies are relatively common. Our analysis differs from earlier studies in two important respects. Typically these studies examine the distribution of income among different *households*, and the purpose is to measure *economic welfare* (e.g. Gustafsson & Uusitalo, 1990; Fritzell, 1991; Björklund & Fritzell, 1992; Jansson & Sandqvist, 1993).

Our purpose is to study women's and men's *individual incomes* as far as possible, not the household's. Nor is our primary purpose to study the economic welfare of women and men, but to study the size and sources of women's and men's incomes, economic equality of the sexes and economic independence. That is, how women and men earn their living, and to what extent they support *themselves* regardless of whether the income comes from the market or the welfare state. Alternatively, it could be argued that economic welfare is not only a question of levels of consumption, but that the right to one's *own* income is an essential aspect of economic welfare.

To find answers to the questions posed in the introduction we utilize data specially compiled by Statistics Sweden for this study. We compare the 1970s and 1990s to obtain a comprehensive picture of trends in development, and to study how changes in women's and men's paid employment have affected women's and men's incomes, as well as their dependence on the market, the welfare state or a partner. The first year with income data that are comparable with today's is 1975; and 1994 is the most recent year for which data have been available for this analysis. An appendix of tables is found at the end of the report.

4 Gender division of labor and income

Time is money

Crucial to women's and men's income is the distribution of paid and unpaid work between the sexes. Today, women work more or as much as men, but they devote more time to unpaid work than to paid employment (Rydenstam, 1992; Flood & Gråsjö, 1995; Nyberg 1996a). Whether they have a paid job or not, it is still the women who have the primary responsibility for child care and the household. By contrast, men generally devote themselves mainly to paid work regardless of family circumstances. This gender division of labor is fundamental to income differentials between women and men. It limits women's possibilities for economic equality and economic independence from men.

Women are paid for fewer working hours than men. Moreover, they have lower hourly earnings. In addition, social benefits are often linked to earnings. Paid employment means that not only is one paid a wage, but one also qualifies for sickness benefits, parental benefits, pension etc. That is, one is entitled to an income even when not in paid work. In contrast, housework, child care and care of the elderly in the family are unpaid services.

To begin with, there is a correlation between earnings and how much a person works—how many hours per day, how many days per year and how many years—and secondly, the wage per unit of time. The size of the amount of pay affects in turn welfare state entitlements. If earnings are low, means-tested benefits, such as housing and social allowances may be necessary. Persons with children and thereby the responsibility for their financial support, are entitled to child allowances and advance maintenance allowances. On the other hand, social insurance schemes to compensate for loss of income such as the supplementary pension and sickness benefits are earnings related. Women work for fewer hours and have lower earnings than men. Taken as a whole, this suggest that differentials from paid employment between women and men are reproduced in the welfare system (Persson, 1993).

Thus pay levels and amount of time we spend working play a crucial role in our total income. It is above all on the labor market that the right to economic resources is primarily established. Thus the gender division of labor concerns not only the distribution of tasks, but above all the distribution of income. Negotiations about the use of time in the family ultimately affect earnings.

Money is power

Sociologists and economists have not considered the economic dependence of women to be a problem. Family sociologists have emphasized sex roles in which the woman specializes in emotional activities and men in instrumental tasks (Parsons, 1942). Similarly, economists have explained the division of labor within the family as a method of maximizing material welfare. If women are more productive than men with regard to housework, and equally or less productive in paid work (i.e. have lower wages), then it is beneficial for the economic welfare of the family if women specialize in housework and men in wage labor. This theory assumes that an altruistic head of the household controls the resources and makes decisions in the interest of the entire household (Becker, 1965; 1981).

Other researchers have questioned these theories. How can the man, who is assumed to behave as an egoistic, competing Mr. Hyde on the market, be transformed into an altruistic, considerate Dr. Jekyll within the family (Ferber, 1993). The theory is also characterized by a circular argument. Women specialize in unpaid housework because they have lower wages, and have lower wages because they specialize in housework (Ferber & Birnbaum, 1977). Nor does the view of the family as a unit take into consideration conflicts of interest and power relations within the family (Folbre & Hartmann, 1988; England, 1993; Strassman, 1993). Such do occur, however. Even if both partners have an interest in working together to maximize the common material standard of living, they may have different opinions about how “the surplus” should be distributed (Sen, 1985).

The family may be viewed as an arena of negotiations covering the distribution of time and money. Disagreements are settled through negotiations which conclude either in compromise, or by one party conceding. The result is dependent on the negotiating power of the parties. The party with the best “fall-back position”—the one who could manage best following a separation or divorce—has a stronger negotiating position. Higher education and a personal income provide women with greater negotiating power; the higher the income of the man, and if children are involved, the less negotiating power the woman has (Ott, 1992). Women’s position in the family thus depends on their opportunities to work for pay, but also on access to cash transfers from the welfare state. They are significant to the woman’s fall-back position and her potential ability to support herself and any children in the event of a separation or divorce.

The gender distribution of paid and unpaid work in the family affects the position of women and men in the labor market and their rights in relation to the welfare state. But conditions in the labor market and the welfare state's cash transfers also affect the situation of women and men in the family. Together the labor market and the welfare state's system of rules create economic incentives that either strengthen or counteract economic equality between the sexes and women's economic independence from men.

5 Income formation

Before studying how incomes are distributed among women and men, we will describe the composition of income and how various components produce personal disposable income.

To begin with, individuals receive income in the form of earnings (wages, salaries and entrepreneurial income) as well as yields on capital. These are classified as *market income*. Sometimes they are called factor income; that is, they comprise income from the factors of production—work and capital.

Next come cash transfers from the *welfare state*. These can be categorized in various ways. Our aim is to study the distribution of income between women and men, and we divide the allowances into the following categories: earnings-related allowances, pensions, family-related (universal) and means or income-tested (selective) allowances.

The purpose of the *earnings-related* allowances—sickness benefits, labor market assistance including per diem unemployment allowance and labor market training grants, and parental allowances—is to level out earnings between periods of paid work and no paid work. *Pensions* are a combination of earnings-related and universal allowances. The supplementary pension system and collective agreement pensions are earnings-related benefits. One is insured against loss of income during retirement. However, the basic pension and the supplement are universal benefits. The basic pension is equal for everyone, regardless of previous earnings. Earnings-related benefits and pensions are taxable. We make no distinctions in the study among the various types of pensions.

The *family-related* allowances—child allowances and advance maintenance allowances—have other purposes. The purpose of the child allowances is partly to level out the incomes among families with and without children, but also to give the child a secure childhood, since the entire society is dependent on the production and tax payments of future generations. The purpose of the advance

maintenance allowances is to prevent the child from suffering economically as a result of a separation or divorce. If only one of the parents has custody of the child, the child is usually entitled to maintenance from the other parent. If the parent responsible for maintenance cannot or does not pay, the child will still receive support—the advance maintenance allowance—from the state. Child allowances and advance maintenance allowances are universal allowances without means testing.

The purpose of the selective *means- or income-tested* allowances—social assistance and housing allowances—is to strengthen the purchasing power of people with low income and/or children. Social assistance shall guarantee all citizens a “reasonable standard of living.” Entitlement to social assistance depends on the applicant’s current economic situation. The housing allowance is income based. It is calculated according to the size of the household and the cost of housing (Ringqvist, 1996).

In the case of married/cohabiting couples, we have divided child and housing allowances and social assistance, allocated half to the woman and half to the man. Child allowances and advance maintenance allowances are registered by the parents, not the child. This also applies to the study grants for 16–17 year olds, which comprises a small portion of the entire tax exempt study grants.

In addition we have the category, *other allowances*, which primarily consists of tax exempt and taxable study grants.

Then we have *negative transfers*. These consist primarily of income, real estate and property taxes, but also include repaid student loans and repaid advance maintenance allowances.

Finally, we have *disposable income*, or the income from the market and the welfare state minus negative transfers.

Table 1 Female-dominated, gender equal and male-dominated types of income, SEK billion, and women's incomes as a percentage of total, 0 years – , 1994

	Women	Men	Women's percentage of total
Female-dominated types of income			
Advance maintenance allowances	5.8	0.8	87.9
Parental allowances	14.0	3.6	79.5
Housing allowances	13.5	4.5	75.0
Taxable study grants	2.4	1.4	63.2
Other taxable allowances	3.7	2.3	61.7
Total	39.4	12.6	75.8
Equal types of income			
Child allowances	10.0	7.2	58.1
Tax exempt study allowances	7.4	5.9	55.6
Social assistance	5.1	4.5	53.1
Sickness allowances	9.5	9.3	50.5
Pensions	96.2	120.3	44.4
Interest, dividends	16.6	22.6	42.3
Capital gains	24.2	34.9	40.9
Unemployment allowances	14.9	22.1	40.3
Total	183.9	226.8	44.8
Male-dominated types of income			
Wages/salaries	254.7	386.5	39.7
Other tax exempt allowances	0.7	1.2	36.8
Labor market training grants	6.4	11.2	36.4
Entrepreneurial income	4.7	13.0	26.6
Total	266.5	411.9	39.3
Negative transfers			
Tax	115.4	184.7	38.5
Repaid study allowance	1.9	1.5	55.9
Repaid advance maintenance allowances	0.3	1.8	14.3
Total	117.8	188.1	38.5
Total disposable income	372.4	463.5	44.6

Source: Statistics Sweden. Adapted from the Income Distribution Study (See also Appendix, table 1–16).

The table shows that women receive more income from advance maintenance allowances and parental benefits than men (but not child allowances, which is distributed equally). However, men receive more income from labor market training grants and entrepreneurial income. In addition to child allowances, tax exempt study allowances, social assistance, sickness benefits, pensions, interest, dividends, capital gains and unemployment allowances are also equally distributed.

The market accounts for the major portion of total income for both women and men. Of SEK 757 billion in wages, salaries, entrepreneurial income and capital gains, barely 40 percent goes to women and the remaining 60 percent to men. Least money goes to the female-dominated types of income, and most to the male dominated. However, the reason for the latter is that the heading “wages, salaries” falls just below the 40 percent cut-off for gender equal incomes.

A large proportion of cash transfers, 56 percent, consists of pensions, 24 percent of earnings-related allowances, 7 percent of means-tested and 6 percent of family-related. There is 7 percent remaining as “other.” Women account for 38.5 percent of the negative transfers—primarily taxes—and men account for the remaining 61.5 percent. 45 percent of disposable income goes to women, and 55 percent to men.

7 More female and fewer male working hours

Paid work is essential to the potential for supporting oneself. However, determining who supports her/himself through paid work is not exactly a straightforward matter. Those who are “at work,” as it is termed in labor force surveys, can without doubt be said to support themselves through paid work (including entrepreneurial incomes). But how should those who are absent from work with sickness or parental benefits be classified? Do they support themselves through paid work?

Who supports themselves through paid work?

“The labor market participation rate” is often used as a measure of the extent to which women and men support themselves through paid work. But the labor force includes not only those who work for pay, but also those who are unemployed, ill, on parental leave, or for some other reason absent from work. Initially, we use a narrow definition of “supporting oneself through paid work”, studying the time women and men devote to paid work. We compare the average working hours per woman in the population as opposed to that per man over time. The average working hours is calculated by dividing the total number of working hours for people at work, by all people in the same category of the population, whether they are included in the labor force or not. In this manner, we capture the changes in the proportion of women and men working for pay, as well as in the length of the work time. The comparison is made between the years 1970 and 1992 (comparable data for more recent years are not available). Women

and men, with and without children, are reported separately. For example, “Women with children age 7–16” in the table refers to women with children from the age of 7 through the age of 16, and “men age 16–24” refers to men in that age category without children (see Nyberg 1996a).

The table is set up so that the categories in which working hours have increased most are closest to the top, while those demonstrating the greatest drop in working hours are at the bottom.

Table 2 Average working hours per person in the population, hours per week, 1970 and 1992

	1970	1992	Change
Women with children aged 7–16	18.0	26.1	8.1
Women aged 45–54	19.1	26.5	7.4
Women aged 55–64	11.9	16.5	4.6
Women with children aged 0–6	11.4	15.7	4.3
Women aged 25–44	26.1	27.5	1.4
Men aged 45–54	35.8	33.6	-2.2
Men with children aged 7–16	39.4	36.4	-3.0
Men aged 25–44	34.0	30.6	-3.4
Men with children aged 0–6	38.6	33.2	-5.4
Men aged 16–24	21.7	15.6	-6.1
Women aged 16–24	20.9	14.8	-6.1
Men aged 55–64	31.2	22.2	-8.4

Source: Nyberg 1996a.

The exit of older men and the entry of mothers of older children

It is apparent from the table that the average working hours has increased for women in all categories, except for the youngest, while it has decreased for all categories of men. Both the proportion of working women and the time women work for pay have increased during the period, while the trend has been the opposite for men. While the transition from the 45 to the 40 hour work week between the years 1966 and 1973 is one explanation for the drop in men’s working hours, the exit of many men from the labor market is another influential factor. The greatest decline is found among older men. Their exodus is very dramatic. In the beginning of the 1960s, about 40 percent of men between the ages of 65 and 74 were part of the labor force. Today there are hardly any. In reality, the true retirement age today is not 65—but 59.

Even for young people, the number of working hours has plummeted, particularly during the 1990s with its high rate of unemployment. This applies to both young men and women. The work week has lengthened for other categories of women, particularly for women with older children (aged 7–16). It is often said that fathers of small children are the ones who work for pay the most. However, this is not confirmed by the figures in the table, which show that men with older children and even men aged 45–54 without children work for pay more. One reason for this is that fathers with very small children are absent from work more; they are on parental leave. Women in all categories work for pay fewer hours than men. Greatest equality in terms of time spent in paid work today is found among younger women and men without children, and least among parents of small children.

Figures from 1992 show that women and men share paid work more equally today than in the 1970s. However, it is important to note that the increased equality in this regard is not only because *women work more*, but also because *men work less*.

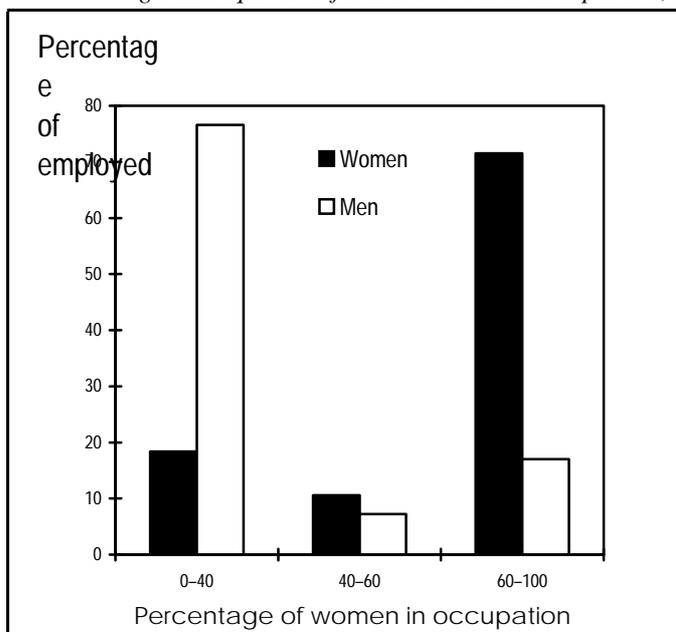
Decreasing male working hours is a product of the major changes that have taken place in the labor market. Increased productivity in the manufacturing of goods has led to a drop in the need for labor despite rising production in agriculture, industry and construction. Many “male” jobs have disappeared as a result. The declining number of people employed in agriculture has been going on ever since the end of the last century, within industry since the mid 1960s, and within the construction sector since 1970.

At the same time that the industrial sector has experienced a significant decline in terms of employment, the service sector has grown in importance. It is commonly believed that the work force laid off by industry moved into the public sector (e.g. see Åberg, 1996; Sander & Holmer, 1996). However, it is doubtful if this is the case. It is, and was, primarily men who worked in industry, while women dominate the public sector. Many of those men who could no longer work in the private sector left the labor force. Those who found employment in the public sector were women who previously did not work for pay. Thus it is actually a situation of men exiting from the labor force while women entered, rather than a flow of individuals from stagnating to expanding sectors (Nyberg, 1996a). This is the background to the rising number of female working hours and the decline in male working hours. Since the 1960s, most new jobs have been in areas which historically have been female occupations, particularly education, health care and social welfare.

*The gender-segregated labor market
is more of a problem than wage discrimination*

While the changes have made women and men more equal in one way, they have not had any particularly significant influence on equality in another. A large number of women have entered the labor market, and a large number of men have left it. Today, women and men are present in the labor market to an approximately equal degree. However, this does not mean that women have taken over men's jobs. In reality, it is quite clear that Sweden has two separate labor markets: one for men, and one for women. In a very small "sector" the occupations are "equal" in terms of gender (40–60 percent women). Only 10 percent of employed women and 8 percent of men work in occupations which are considered to be gender equal. Over 70 percent of women are in female-dominated occupations (60–100 percent women), while more than three quarters of the men are in male-dominated jobs (0–40 percent women).

Diagram 1 Percentage of employed women and men in male-dominated, gender equal and female-dominated occupations, 1996



Source: Calculations based on Labor Force Surveys (AKU).

The gender-segregated labor market is one of the explanations for the wage gap between women and men. Gender segregation is more of a problem than direct wage discrimination. The wages are low in those work places and positions in which women work—and higher where men work (Meyerson & Petersen, 1997). When women and men with equal qualifications are compared, women receive higher wages in the public sector, and men in the private sector (Zetterberg, 1990; le Grand, 1991).

Gender segregation by occupation is striking in the above diagram. It would be even more apparent if the occupations were separated into public and private sector jobs. Certain occupations, such as teachers and health care employees, are heavily concentrated in the public sector. Other occupations occur within both the public and private sector, such as attorneys or engineers. More female attorneys and engineers are found within the public sector than their male counterparts. Of all employed women during 1995, 56 percent worked within the public sector and 44 percent in the private sector. Equivalent figures for men are 22 and 78 percent respectively (SOU 1996:56 p. 13).

Women and men are rational, not traditional

Why, then, are women found to such a high degree in the public sector and men in the private sector? Several different theories have been proposed. One suggests that it is easier to combine child care and paid work in the public sector than in the private sector, and that the greater responsibility of women for care is of less importance for earnings and career in the public sector than in the private sector. The “care penalty” is lower in the former than in the latter (Nordli Hansen, 1997).

Men seldom have primary responsibility for child care. Therefore they can move into high paying, male-dominated occupations in the private sector. Women also have the opportunity to earn high wages in male-dominated occupations in private business, but since the “care penalty” is higher, this only applies to those women who are extremely career oriented.

The public sector offers women relatively high earnings and a lower “care penalty”. Much suggests that this is how women perceive the situation. Women with large or growing family responsibilities, measured by the number of children and the age of the children, are those who primarily transfer to female-dominated occupations in the public sector from other parts of the labor market (Nordli Hansen, 1997). Today’s women are much better educated than the women of

yesterday, yet to a great extent they still choose gender-typical educations which lead to work in the public sector. Particularly appealing are the male-dominated occupations in the public sector, where women may receive relatively high salaries and the “care penalty” is low. In recent times there has been substantial growth in the proportion of women working as attorneys, physicians, psychologists and administrators. There is no equivalent increase in private business. Against this background it would seem that women make a rational decision to enter these professions rather than, as is often maintained, just following tradition.

The differing attitudes of the public sector and private business regarding the responsibility for care in the family can be seen as a contributing factor guiding women and men into different sectors and occupations.

8 Women’s and men’s earnings

If today’s women work for pay to a greater extent than what was the case in the 1970s, and men to a lesser extent, then this should have affected the relationship between women’s and men’s earnings. This is precisely what has happened. There is greater economic gender equality. Of the total earnings almost 40 percent went to women and 60 percent to men in 1994. In 1975 the corresponding shares were 30 percent and 70 percent.

Women’s proportion of earnings has increased, no matter how the calculations are carried out. Even considering women’s proportion of men’s average earnings for the entire population, or only those who have had earnings during the year, there is still greater economic equality.

Table 3 Women’s earnings as a percentage of men’s average earnings, and percentage with earnings, 18–64 years, 1975 and 1994

	1975	1994
Women’s earnings as a percentage of men’s		
all	45.1	66.5
wage-earners	54.7	67.0
Percentage with earnings		
women	74.3	82.1
men	90.2	82.8

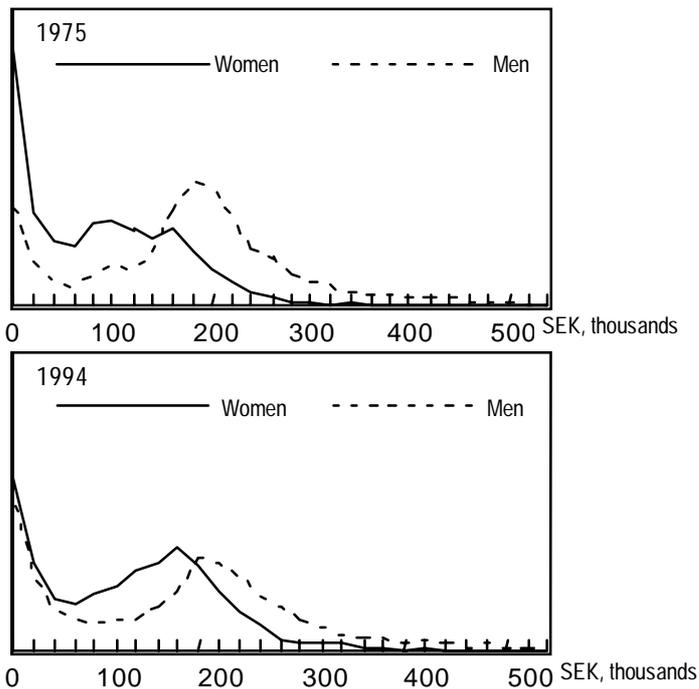
Source: Statistics Sweden. Adapted from the Income Distribution Study (See Appendix, tables 1–16).

The lower part of the table shows that today, a larger proportion of women have earnings than in the 1970s, while there has been a decline in the figure for men. Now the sexes are nearly identical at just over 82 percent.

17 to 18 percent without earnings

Diagram 2 below shows the distribution of earnings for women and men in the years 1975 and 1994. Major changes have taken place between those two years. In 1975, about 25 percent of women had no earnings at all, while the same figure for men was only 10 percent. In 1994, 17–18 percent of both women and men had no earnings at all.

Diagram 2 Distribution of earnings, SEK in 1994 prices, 18–64 years, 1975 and 1994



Source: Statistics Sweden. Income Distribution Study.

The diagram shows two smaller income peaks for women in 1975. One was at SEK 100,000, and the other at SEK 150,000. The first represents those women who worked on a part-time basis, and the other those who worked full-time. Men, who of course primarily worked full-time, were concentrated around SEK 180,000. In 1994, there is a more equal distribution of earnings between women and

men. Today, a larger proportion of women work longer part-time hours or full-time. As a result, the two income peaks have disappeared and the distribution is similar to the men's, though at a lower level. Men are still the recipients of the truly high incomes. Over 7 percent of men and less than 2 percent of women had earnings exceeding SEK 300,000 in 1994.

Female earnings two thirds of male earnings

Even if the difference in earnings between the sexes has decreased, the gap is still large. Women receive only about two thirds of men's average earnings. The primary reasons for this are that women work shorter hours than men, women in the same occupational category as men often have lower pay, and women are found in low-wage occupations more frequently than men.

The table below on "white collar workers in the private sector", shows this very clearly. Women's average earnings amounts to just under SEK 16,000 per month, while men's amounts to just over SEK 20,000. Within each of the four categories, women have lower earnings than men. In addition, a majority of women is in the categories "qualified work" and "routine work" in which earnings are low, and a majority of men in the category "independent qualified work" and "management positions" where earnings are significantly higher.

Table 4 Average earnings, SEK, and women's average earnings as a percentage of men's, white collar workers within the private sector by occupational level, 1994

Occupational level	Average earnings*		Percentage	Estimated number **	
	Women	Men		Women	Men
Management position	33,080	35,900	92	5,100	29,700
Independent qualified work	19,450	21,890	89	84,300	235,200
Qualified work	14,840	16,480	90	163,900	141,300
Routine work	13,060	13,780	95	85,700	31,900
Total	15,970	20,560	78	339,000	438,100

* Full-time

** Full-time and part-time

Source: Statistics Sweden. Wage statistics.

Young people economically equal but poor

In all age groups, 18–64, the proportion of women and men who have earnings is just about equally high. However, how high women's incomes are in relation to men's varies among the different age

categories (see Appendix, diagram 1). Young people are most equal in economic terms. In the age category 18–24, women’s annual earnings amount to 82 percent of men’s. However, this concerns an economic equality at a level so low that the earnings are hardly sufficient to live on: SEK 45,000 for young women, and SEK 55,000 for young men. One reason why average earnings are so low is because many young people are students. Also, there is a high rate of unemployment among young people. It is harder for young people to support themselves through paid employment today than in the 1970s.

Diagram 3A Percentage with earnings by age and family composition, 1994

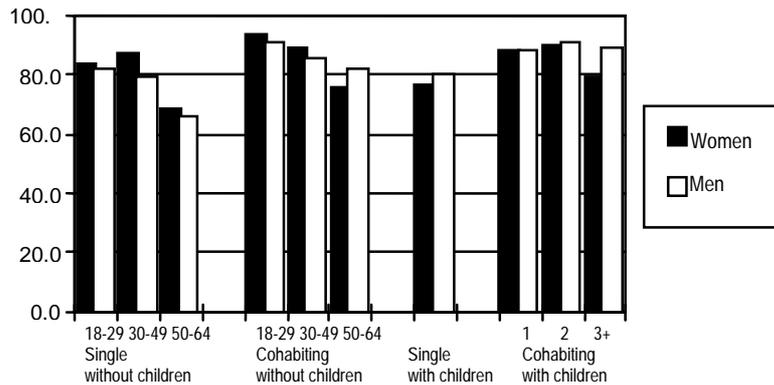
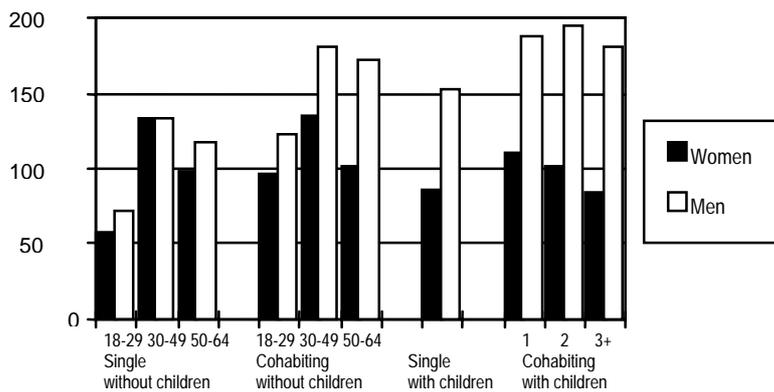


Diagram 3B Earnings in SEK by age and family composition, 1994



Source: Statistics Sweden. Income Distribution Study.

There is less economic equality between women and men over the age of 25. For example, women’s earnings in relation to men’s amount to only 69 percent in the age category 45–54. On the other hand, earnings are higher in this age group: women’s earnings are

about SEK 134,000, and men's around SEK 195,000. Even if women's proportion of men's earnings is lower, their potential for supporting themselves on their earnings is significantly better than among young people.

When considering different phases in the life cycle, it is seen that a larger proportion or equally large proportion of women have earnings compared to men. The exceptions are only two groups: aged 50–64 cohabiting without children, and families with three or more children. Looking then at women's earnings as a percentage of men's, not unexpectedly the smallest differences are measured among single men and women without children. Single women aged 30–49 without children on average have as high earnings as their male counterparts. The greatest difference is found among married/cohabiting couples with three or more children, where women have less than half, or 46 percent, of men's earnings.

Single men or women with children would seem to have a greater need to work for wages than those who cohabit. It is therefore noteworthy that the proportion of single mothers and fathers working for pay is lower than among married/cohabiting women with children. One reason for this is that unemployment is greater for single parents than for those who cohabit.

In summary, women and men are more economically equal with regard to earnings today than was the case in the 1970s. Women work for pay more and men less. Despite everything women still have only two thirds of men's earnings on average. Young people are relatively equal, but their earnings are so low that they can hardly support themselves. Middle aged men and women are less equal, but have significantly higher incomes. It is one thing to be economically equal, but having an income high enough to live on is a different issue.

9 Women's and men's work incomes

Until now we have used the concept earnings (wages, salaries, entrepreneurial income). But there is also another useful concept which often occurs in income distribution studies, "work income." Work income refers to not only those who work for pay and have earnings, but also to those who have a job but are temporarily absent due to circumstances such as illness or child care. Included in work income are earnings, sickness and parental allowances, and compensation in connection with military training and civil defense. However, pensions and unemployment benefits are not included.

As we saw above, major changes have taken place in the labor market for both women and men since the 1970s. The number of

female working hours has increased, and the number of male working hours has declined. Women have thereby not only increased their earnings, but also their share of the welfare state's earnings-related benefits.

Women's income has increased by SEK 28,000, men's has decreased by SEK 27,000

In 1975 the average work income for *all women* was 44 percent of all men's (see table 5 below). In 1994 this had increased to 69 percent. However, if we only consider those women and men who *had a job*, women's work income increased significantly less, from 62 percent to 70 percent. And lastly, if we only consider those who had a *full-time job*, the increase amounts to merely 1 percentage point, from 76 to 77 percent. In other words, the reduced differential in work income between women and men is not primarily due to an increase in women's earnings per unit of time in comparison with men's, but because women's employment has risen and men's has declined.

Calculated in SEK, the increase for all women was somewhat greater than the decrease for men, about SEK 28,000 and SEK -27,000 respectively. However, for women and men with jobs, work incomes have increased for both women and men. Men with full-time employment have succeeded in raising their work incomes more than women with full-time employment, by about SEK 18,000 as compared to SEK 16,000.

Table 5 Work income, SEK in 1994 prices, women's work income as percentage of men's, 20-64 years, 1975 and 1994

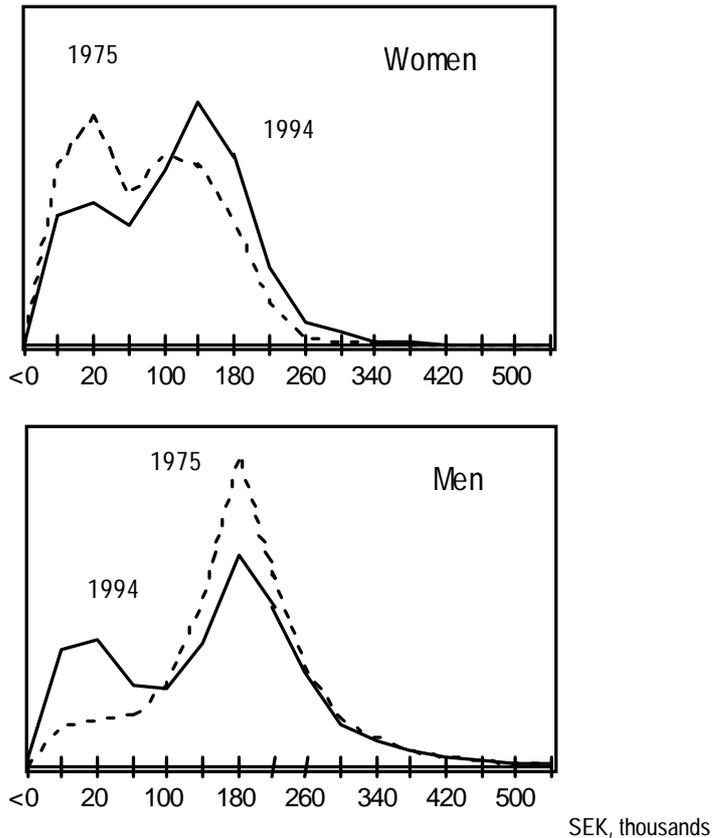
	Women	Men	Women's income as a percentage of men's
All			
1975	83,899	188,814	44.4
1994	112,132	161,950	69.2
Change	28,233	-26,864	
Part + full-time employed			
1975	128,556	207,014	62.1
1994	145,153	208,869	69.5
Change	16,597	1,855	
Full-time employed			
1975	166,880	220,060	75.8
1994	182,849	238,117	76.8
Change	15,969	18,057	

Source: Statistics Sweden. Income Distribution Study.
(See also Appendix, diagram 2-3.)

Women more like men, men more like women

In diagram 4 below the distribution of work income is shown for all women and men aged 20–64 respectively for the years 1975 and 1994. If we compare diagram 2 (on page 18), which shows the distribution of earnings, and diagram 4 we find certain similarities. However, there is one important difference. The group which completely lacks earnings in diagram 2, essentially disappears in diagram 4, when sickness allowances and parental allowances are included. Instead, we get a greater income peak at low income levels.

Diagram 4 Distribution of work income, SEK thousands in 1994 prices, 20–64 years, 1975 and 1994



Source: Statistics Sweden. Adapted from the Income and Wealth Study (IoF), large cross-section. (See also Appendix, tables 17–18.)

In 1975 the distributions of work incomes were very different for women and men. At that time, men's income distribution was close to what is known as a standard normal distribution curve; that is, with a

peak for average incomes and fewer individuals with low and high incomes respectively, while the distribution curve for women shows two income peaks. The first represents those women who lacked or had very low earnings and/or sickness and parental benefits, the other peak represents women who worked for longer part-time hours or full-time.

The distribution curves for 1994 for women and men are rather similar. However, men still have higher incomes. It appears as though the first income peak in the distribution curve for women in 1975 has been pushed down and the other up, which is due to women's increased employment. The opposite has occurred for men. The only income peak shown for 1975 has been pressed down and replaced by two smaller income peaks in 1994. Men's work incomes have become more like women's, and women's more like men's. There is greater economic equality. The explanation is that women have in part been "raised" to the level of men, but men have also been "lowered" to the women's level.

Fewer women and more men with low incomes

Major changes have occurred among those with low work incomes between the years 1975 and 1994. More men than previously have none, or a low income, while more women are employed and have a regular work income.

Table 6 shows the number and proportion of women and men respectively with a low income, defined as SEK 40,000 annually in 1994 prices. In the mid-1970s, 874,000 women had this extremely low income, which was the equivalent of about 37 percent of all women between the ages of 20 and 64. Only 8 percent of the men had an equally low income at that time. In 1994 the proportion of women with low income had dropped from 37 to 25 percent. The men have encountered a dramatic change in the opposite direction: the proportion of men with low income has risen from 8 percent to 22 percent.

Table 6 Number and percentage with work income under SEK 40,000 in 1994 prices, 20–64 years, 1975 and 1994

	Number		Percentage	
	Women	Men	Women	Men
1975	874,000	191,000	37	8
1994	611,000	560,000	25	22

Source: Statistics Sweden. Income Distribution Study.

How should these changes be explained? There are several explanations which are all more or less related to the high rate of unemployment. One hypothesis is the rise in the proportion of students, including adults. This may be considered to be a positive trend, but to some extent it is due to the hard times in the labor market. Another explanation is that since 1990, we have had a major influx of refugees, and it has been difficult for many of these immigrants to find a job. In addition, the number of persons who accepted early retirement benefits increased from just under 300,000 persons in 1975 to over 400,000 persons in 1994. The combined effect of this development is a rise in the proportion of men with low incomes. The proportion of women with low incomes has dropped, however. The fact that women to a greater extent work for pay, and for more working hours, has consequently been of greater significance than unemployment, immigration and early retirement.

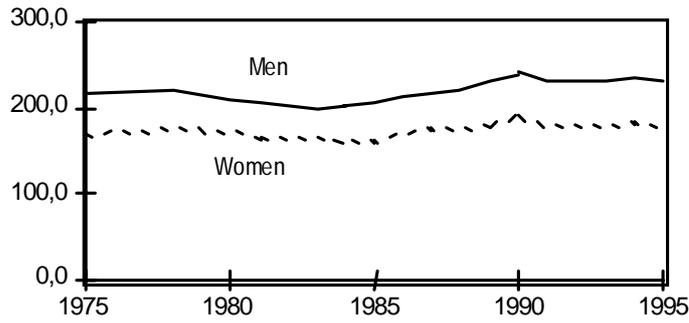
High income earners less equal than low income earners

Sometimes the work income for full-time and full-year employees is used to compare the situation and development for women and men respectively. On the one hand, there is the advantage that apples are compared to apples in the sense that the comparison is between women and men who work for pay for an equal amount of hours. The impact of women working part-time more often than men is excluded. Another advantage is that true work incomes are shown, including compensation for overtime, sickness and parental allowances, etc.

On the other hand, it means that apples are compared with oranges in the sense that full-time and full-year employed men are significantly more typical of their sex than the full-time and full-year employed women are for theirs. Most men work full-time, regardless of family situation and level of education (Nyberg, 1995; SOU 1996:56). However, this is true for only about 60 percent of women. Full-time employment is found primarily with women from large cities, who are single, have no children, are well educated and therefore not exactly a representative group.

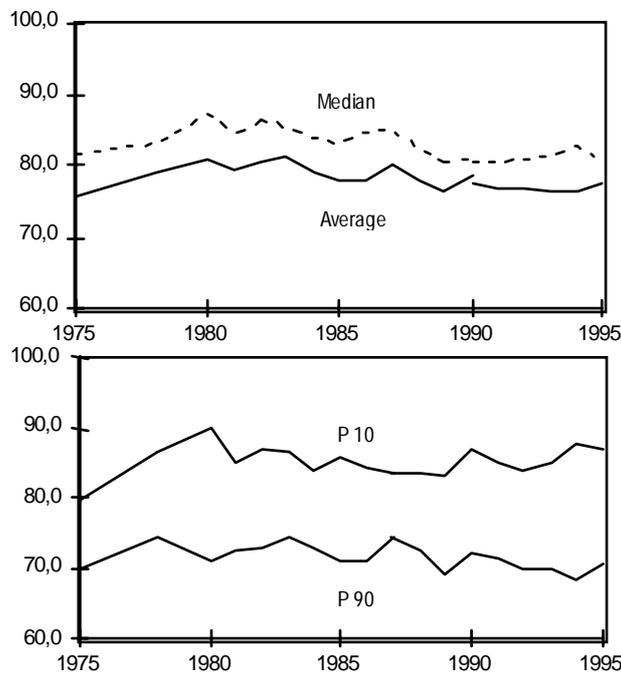
The diagrams show that the work income trend for those with full-time employment has developed essentially identically for women and men between the years 1975 and 1995. However, as was mentioned previously, the work income of full-time employed men have increased by about SEK 18,000, while women's have only increased by about SEK 16,000. The difference was smallest between women and men in the early 1980s. Then the gap widened somewhat, but has since remained at the same level during the 1990s.

Diagram 5 Average work income, SEK thousands in 1994 prices, full-time and full-year employees, 20–64 years, 1975–1995



Source: Statistics Sweden. Income Distribution Study.

Diagram 6 Women's average work income as a percentage of men's, full-time and full-year employees, 20–64 years, 1975–1995



Source: Statistics Sweden. Income Distribution Study.

The lower part of diagram 6 shows the situation for those with very low income as compared to those with very high income. The difference between the sexes is greater among those with high income

than among those with low income. Among the 10 percent who have the lowest income (percentile value 10, P 10), women reach 80 to 90 percent of the men's work income. Among the 10 percent who earn most (percentile value 90, P 90), the women's work income only amounts to between 68 and 73 percent. Thus women with low income earn almost as much as men with low income, while women with high income earn considerably less than men with high income.

In summary, it can thus be stated that there has been an increase in economic equality. Women's and men's earnings and work incomes are more similar today than they were in the 1970s. One reason is that women's incomes today are more like men's than in 1975. Also, men's incomes today are more similar to women's. The fact that women's income circumstances become more like men's means that women's work incomes are raised. The fact that men become more similar to women is more problematic, since it may mean that men's conditions have deteriorated. At the same time that economic gender equality has increased, economic equality among women has increased; that is, the gap between women with high income and women with low income is smaller today than in the 1970s. Among men the opposite is true. Here, there is less equality today than previously—the differences among men have increased.

10 Women's and men's incomes from the welfare state

In studies of the welfare state it is common to distinguish between "institutional" and "marginal" welfare states (Wilensky & Lebeaux, 1958). States classified as marginal offer a narrow range of benefits to a limited portion of the population. The allowances are meager and subject to a means test. In institutional welfare states, a broad selection of allowances has been developed which in principle are universal and available to all. The Scandinavian welfare states are considered to be institutional (Esping-Andersen, 1990; Sainsbury, 1996).

The rise of the welfare state and the social welfare insurance systems are often interpreted as being the product of the struggle by the labor movement for a more equal society (Esping-Andersen, 1990). Others explain the trend in terms of modernization and industrialization (Wilensky, 1975). In both cases, the fact that the rise of the welfare state, industrialization and modernization had very different effects on women and men respectively is ignored. Men

were transformed into industrial workers and women into “housewives.”

During the past few decades, research about the welfare state has concentrated on studying income differentials in different countries and the extent to which the welfare states reduce these inequalities. Accordingly, income inequalities among households is the focus. Implicitly, the family is assumed to be a unit with common interests, in which incomes are pooled and distributed equally among family members (Wilensky, 1975; Esping-Andersen, 1990; Smeeding et al., 1990). This point of departure omits income disparities between women and men, and the impact the welfare state has on them.

However, the relationship between the welfare state and women has also been discussed and studied. American and non-Scandinavian European welfare state researchers often point to the progress made by Scandinavian women in the form of social and economic rights. Comparisons of different welfare states have generally found that the Scandinavian countries are the most “woman friendly.” This is true regardless of whether the welfare states are classified according to “breadwinner models,” the form of the patriarchy and to what extent they are patriarchal, different types of gender contracts, or if women’s social rights are based on their roles as wives, mothers or workers (Lewis, 1993; Siaroff, 1994; Walby, 1994; Duncan, 1996; Sainsbury, 1994; 1996).

The contradictory nature of the welfare state

Scandinavian researchers are more likely to stress the contradictory nature of the welfare state in relation to women. The welfare state has the potential to liberate, but also reproduces the power relationships that exist between women and men in a new form. In the Scandinavian countries most women are in paid employment, they have their own income, public child care facilities are well developed, and in the tax and transfer systems women are considered as individuals and workers, rather than as wives and mothers. Even so, the power relations between women and men remain relatively unchanged. The citizen is a male “citizen-worker,” while women until very recently primarily were “citizen-mothers.” Social rights are determined by the degree of wage labor.

The trend is described in terms of women having gone from dependence on individual men to dependence on the welfare state (Hernes, 1987). Others believe that we have gone from a “housewife contract” in the 1930s to an “gender equality contract” in the 1970s, but that the gender hierarchy has been retained and new forms of

segregation have been created (Hirdman, 1990). Yet another group speaks about women as “junior” partners in the Scandinavian welfare state. Women are integrated in the welfare state only if they behave like men (Borchorst & Siim, 1987). However, the same researchers also point out the Scandinavian welfare state’s potential for changing the gender division of labor, increasing gender equality and strengthening the position of women. Reference is made to the woman-friendly state (Hernes, 1987), the bright outlook (Hirdman, 1990), and that women and the state have entered a partnership (Siim, 1990).

These authors carry on their discussions in terms of women’s participation in the labor force, women’s representation in politics, the organization of care, etc., not in terms of the outcome of transfers in money for women as compared to men. However, it appears probable that the contradictory nature of the welfare state is evident even in this respect. The welfare state contributes toward strengthening the position of women, but primarily privileges typical male behavior patterns and male use of time. Paid work is considered to be more important than unpaid, and many of the welfare state’s cash transfers are linked to earnings. To receive the maximum return an individual must work full-time for at least a few decades. Thus inequality between women and men is built into the transfer system, which is based on the gender division of labor between paid and unpaid work, and a gender segregated labor market. This is what we will study below.

Earnings-related, family-related, and means-tested allowances

The welfare state’s cash transfers are often divided into what are referred to as income insurance, or as we call them earnings-related allowances, which are taxed, and allowances of a more “social” nature, which are tax exempt. Earnings-related allowances such as sickness allowances, parental allowances and labor market assistance of various types exist to equalize income between periods of work and periods of illness, parental leave and unemployment. The compensation functions then as a form of insurance during times without earnings. Supplementary pensions (ATP) and pensions established through collective bargaining (but not the basic pensions) can also be considered to fall under the heading of earnings-related allowances.

The purpose of allowances of a social nature, which here refer to family-related and means-tested allowances, is to strengthen the purchasing power of people with low earnings and/or children. While

the earnings-related allowances are intended to equalize the income for the same individual over time, the social allowances equalize the economic conditions among persons with low and persons with high incomes or among those with and without children.

There are sharp differences between earnings-related and means-tested allowances with regard to benefit levels, legitimacy and administrative controls. Earnings-related allowances are more generous than those subject to a means test. They enjoy popular support and are considered to be legitimate “earned rights,” while there is deeply rooted suspicion towards social assistance and recipients, for example. Willingness to pay taxes to finance means-tested allowances is often weak. Earnings-related allowances are paid through simple standard procedures, while means-tested allowances involve reduced integrity for the individual, more monitoring and a certain measure of arbitrariness on the part of the authorities (Halleröd, 1996).

Since men work full-time for pay and earn higher wages than women, it can be assumed that they receive a greater proportion of the earnings-related allowances, while women, who have the primary responsibility for child care and lower wages, are more dependent on the family-related and means-tested allowances. In comparing the 1970s and 1990s, we assume that women’s earnings-related allowances have increased, with a concurrent drop in family-related and means-tested allowances, since women are in paid employment to a greater degree today than previously.

Parental allowances to women and labor market assistance to men

Table 7, on next page, presents the average for different incomes received by women and men, aged 18–64 in Sweden. The amounts paid out during 1994 to women and men respectively have been divided by the total number of women and men respectively in the age category.

The average income from the earnings-related allowances for both women and men, in round figures, amounted to SEK 17,000–18,000. Pensions amounted to SEK 11,000 for women and SEK 12,000 for men, the family-related to SEK 6,000 for women and SEK 3,000 for men and the means-tested to SEK 4,500 and SEK 3,000 respectively.

The results, then, were as expected. Women receive more of the family-related and means-tested allowances, and men more of the earnings-related including pensions. If we consider the earnings-related allowances excluding pensions, however, women and men

receive about the same amount. Thus men do not receive higher amounts even though they work for pay more, and despite the earnings differential between women and men. The reason is that the amounts do not only depend on the level of earnings, but also on how high a proportion receive such incomes and for how long.

Table 7 Average income, SEK, and women's average income as a percentage of men's, 18–64 years, 1994

	Women	Men	Women's average income as a percentage of men's
Earnings-related allowances			
Sickness allowances	3,644	3,569	102.1
Parental allowances	5,400	1,390	388.5
Labor market assistance	8,207	12,774	64.2
per diem unemployment allowances	5,725	8,457	67.7
labor market training grants	2,482	4,317	57.5
Total earnings-related allowances excl. pensions	17,251	17,733	97.3
Pensions	11,227	12,330	91.1
Total earnings-related allowances incl. pensions	28,478	30,063	94.7
Family-related allowances			
Child allowances	3,864	2,774	139.3
Advance maintenance allowances	2,236	302	740.4
Total family-related allowances	6,100	3,076	198.3
Income and means-tested allowances			
Housing allowances	2,771	1,341	206.6
Social assistance	1,861	1,661	112.0
Total income and means-tested allowances	4,632	3,002	154.3
Other allowances			
Tax exempt study grants	2,711	2,117	128.1
Other taxable allowances	1,387	732	189.5
Taxable study grants	919	540	170.2
Other tax exempt allowances	172	320	53.8
Total other allowances	5,189	3,709	139.9
Total	44,399	39,850	111.4
advance maintenance allowances as income to parent with custody			
Total	42,465	41,784	101.6
advance maintenance allowances as subsidy of the maintenance provider			
Total	38,299	36,774	104.1
excl. child allowance and advance maintenance allowances			

Source: Statistics Sweden. Adapted from the Income Distribution Study (See also Appendix, tables 1–16.)

Concerning parental benefits, the proportion of women who receive these is much higher than the proportion of men, women receive them

for longer periods and they thereby also receive higher amounts on average. A larger proportion of women receive sickness benefits, but the male recipients of sickness allowances receive higher amounts; the average for all recipients is thereby approximately the same.

A higher amount of labor market assistance goes to men than to women. One explanation for this is that men's open unemployment was higher than women's in 1994, 9.1 percent as opposed to 6.7 percent. In 1975, women's unemployment was higher than men's, 2 percent as opposed to 1.3 percent. Women at that time received labor market assistance to a greater extent than men. However, both years male recipients received greater amounts than the female recipients.

The cash transfer that most clearly reflects the disparities in earnings between women and men is pensions. Men's pensions today are much higher than women's. This becomes more apparent if we also include those over age 65. For persons aged 18–64, women's average pension amounted to 132 percent of the men's in 1975 and to 91 percent in 1994. The high proportion in 1975 is due to the fact that a larger proportion of women (12 percent) than men (7 percent) received pensions. The proportion of women was also higher in 1994, but now the difference is significantly less, 15 percent as opposed to 13 percent. We will return to senior citizens in a separate section.

In summary, there is no simple correlation between gender disparities in earnings and the amount which women and men receive on average from different earnings-related allowances during one year. Men's higher earnings are reflected in earnings-related allowances in that male recipients receive a higher amount than female recipients with regard to sickness benefits, labor market assistance and pensions. But when it comes to parental insurance, women receive a higher amount since a larger proportion of women receive these allowances. A larger proportion of women than men also receive sickness benefits. This means that sickness benefits are not only redistributing between periods of wage labor and non-wage labor, which is actually their primary purpose. They are also redistributing between low and high income earners, and thereby also between women and men, since the risk of illness is greater among women and low income earners than among men and high income earners. Even labor market assistance is redistributing between low and high income earners, since the risk of becoming unemployed is greater among the former than the latter. However, it is not redistributing between women and men since men are unemployed to a higher degree than women. Pensions reflect most clearly the earnings disparities between women and men, since they are based on "male" use of time for a long period of time. However, it should be noted that

the earnings-related allowances are taxable, unlike those which are family-related or subject to a means or income test.

More persons supported by women's incomes

Thus according to table 7, the earnings-related allowances including pensions go to men to a greater extent than to women. However, the family-related and means-tested allowances go to a greater extent to women than to men. Still, this conclusion should be discussed. The question is if child allowances and advance maintenance allowances should be included in the *parents'* incomes—these could also be considered to be the *children's* incomes.

Women's incomes on average are higher for advance maintenance allowances and child allowances. The reason is that there are more single mothers than single fathers. If we consider advance maintenance allowances and child allowances as the children's incomes instead of the parents', the difference between women and men with regard to the family-related allowances becomes much smaller. Since advance maintenance allowances go to the parent who has custody if the parent responsible for providing maintenance cannot or will not pay, the advance maintenance allowances could also be considered a subsidy to the parent responsible for maintenance rather than an income for the one with custody.

The difference between women and men with regard to means-tested allowances is primarily due to women receiving more in housing allowances than men. This also has a correlation with the presence of children. According to our data, 38 percent of the housing allowances goes to single parents. All in all, this means that women and men as a whole receive approximately equally high amounts from the welfare state.

The figures in the table are also misleading because they do not take into consideration the number of persons who are to share the income. Women's total average income from the welfare state amounts to just over SEK 44,000 and men's to just under SEK 40,000 including advance maintenance allowances and child allowances. However, there are more persons sharing the women's transfers than the men's, since there are substantially more single mothers than single fathers. In addition, on average single mothers have more children than single fathers. About 300,000 more children live with women than with men. Since the number of women aged 18–64 amounts to just over 2.5 million persons, this means that about 12 percent more persons are to be supported on women's incomes than on men's. If one takes into consideration the number of persons who

share the cash transfers, the difference between women and men in the total income from the welfare state becomes very small.

*More earnings-related allowances
to women and more pensions to men*

Against the background of women's increased and men's reduced employment, it might be expected that women today receive a greater proportion of transfers in the form of earnings-related allowances and less of means-tested allowances than in 1975. This is actually the situation. The earnings-related allowances have increased for women, and are unchanged for men. Pensions have become increasingly more important for men, and somewhat less so for women. The family-related and means-tested allowances have decreased as a proportion of transfers for both women and men.

Table 8 Earnings-related, family-related, income and means-tested and other allowances as a percentage of total cash transfers, 18–64 years, 1975 and 1994

	1975		1994	
	Women	Men	Women	Men
Earnings-related allowances	33.9	44.5	38.9	44.5
Pensions	26.0	25.0	25.3	30.9
Family-related allowances	19.8	14.5	13.7	7.7
Income and means-tested allowances	12.5	10.0	10.4	7.5
Other	7.8	6.0	11.7	9.4
Total	100.0	100.0	100.0	100.0
Average SEK in 1994 prices	21,064	16,683	44,399	39,850

Source: Statistics Sweden. Income Distribution Study.

The trend is due to the overall growth of cash transfers. Between 1975 and 1994, they have more than doubled in fixed prices for both women and men. One reason is the high rate of unemployment, which is apparent in the increase in unemployment allowances for both sexes, and pensions for men. However, because short-term absence due to illness is currently reimbursed directly by the employer, there has been a drastic decline in the proportion of sickness benefits. The first fourteen days of an illness are no longer included in the calculations for 1994. In 1975, about half of both women and men received sickness benefits at some time during the year.

11 Are women more dependent on the welfare state than men?

Sometimes it is maintained that women are more dependent on the welfare state than men. The status, earnings and influence of men are determined to a large extent by the market, while the state creates and reinforces differences among women more than the market. Women have gone from depending on individual men to depending on the state, and women are more dependent on the state than men are (Hernes, 1987). The primary cause is the production of services in the public sector which has had a greater influence on the lives of women and children than on men's. To a large degree, the public sector comprises the labor market for women, and it is also to a large extent a prerequisite for women to be able to combine children and paid work. In this section we will investigate whether women are more economically dependent on the welfare state than men in terms of cash transfers, and if this dependence has increased or decreased.

Naturally the answer depends on the definition of "dependent." Women are more dependent on the welfare state than men if one considers the *proportion* of the total income which comes from the welfare state. This is the case regardless of whether we consider the category aged 18–64 or all women and men, and even if child allowances and advance maintenance allowances are considered to be the children's incomes. However, this is due to the fact that women's earnings from the market are much lower than men's, not because women receive much larger amounts in crowns from the welfare state than men.

Table 9 Average income from the market and the welfare state and average gross income, SEK, and income from the market and the welfare state as percentage of total gross income, 1994

	Aged 18–64		Aged 0–	
	Women	Men	Women	Men
Market				
SEK	109,575	167,175	70,225	109,096
Percentage	71	81	61	70
Welfare state				
SEK	44,399	39,850	44,371	46,434
Percentage	29	19	39	30
Total gross income				
SEK	153,974	207,025	114,596	155,530
Percentage	100	100	100	100

Source: Statistics Sweden. Adapted from the Income Distribution Study.

Measured in SEK, the amount which goes to women age 18–64 is higher than for men. If we consider the fact that certain incomes go to children even if they are paid to women, or the number of people to be supported on the incomes, then generally speaking women and men age 18–64 receive the same amount. If we expand the category to include all women and men, that is regardless of age, on average a higher amount goes to men than to women—SEK 46,000 and SEK 44,000 respectively—without considering the incomes of children or how many are to share the incomes. Should we factor this in as well, the difference becomes even greater.

Reduced dependence on men

It might be assumed that the increase in women's paid work combined with the decrease in men's would result in a reduction in women's dependence on the welfare state and an increase in men's. However, this is not the case. There has been an increase in the proportion of cash transfers of the total income between the years 1975 and 1994 for both women and men; that is, both sexes receive a larger proportion of their incomes from the welfare state today than previously. The increase is larger for men than for women.

Table 10 Average income from the market and the welfare state as a percentage of average gross income, 1975 and 1994

	Women		Men	
	1975	1994	1975	1994
Aged 18–64				
Market	79	71	92	81
Welfare state	21	29	8	19
Total	100	100	100	100
Aged 0–				
Market	69	61	84	70
Welfare state	31	39	16	30
Total	100	100	100	100

Source: Statistics Sweden. Adapted from the Income Distribution Study.
(See also Appendix, diagram 4.)

The conclusion may seem paradoxical in several ways. First of all, women work for pay more today than in the 1970s, but still receive a larger proportion of their incomes in the form of cash transfers. One reason for this is that the welfare state has expanded since the 1970s and a growing number of women receive earnings-related allowances.

Secondly, it may appear to be paradoxical because the trend in employment is completely different for women and men, yet their incomes today consist to a greater degree of transfers. Men's earnings have dropped, and this loss of income has been compensated by transfers primarily in the form of labor market assistance and pensions. Women's earnings have increased, and as a result they become eligible for earnings-related allowances.

In summary, women are more dependent on the welfare state than men when the dependence is expressed as a proportion of the total income. This is because women have lower incomes from the market than men, not because women receive a higher amount measured in crowns. If we consider the entire population, men receive a somewhat higher amount than women.

For women this trend has meant increased earnings and increased allowances from the welfare state, and thereby reduced dependence on men. Being dependent on the welfare state as a wage earner and recipient of cash transfers is significantly different than being dependent on an individual man. For men, this has meant decreased earnings and increased dependence on the welfare state.

12 Does the welfare state reduce the income differentials between women and men?

The Swedish government's budget proposal for 1997 states that the distribution of earnings is the most significant factor in terms of distribution policy, and that an important goal in the government's policy is to reduce income disparities (Prop. 1996/97:1 p. 50). We know that there are great disparities in women's and men's earnings. Does the welfare state reduce these differences, or does it widen them?

We study this by comparing women's proportion of men's *market incomes* with women's proportion of men's *disposable incomes*. Disposable income is market incomes plus cash transfers minus negative transfers (taxes, etc.).

Disposable income refers to women's and men's *own* disposable income respectively. How cohabiting women and men distribute incomes among themselves and how they are used is not examined.

Table 11 shows that women's incomes from the market have increased by SEK 30,000 in fixed prices between 1975 and 1994, while there has been a decrease in men's by SEK 14,000. Women's average income from the market in 1975 amounted to 44 percent of

men's, and disposable income to 58 percent. Thus the welfare state reduced the income gap between the sexes.

In 1994 women had 66 percent of men's market incomes, but 78 percent of their disposable incomes, which means that the welfare state even today reduces income disparities between women and men. However, this does not mean that women and men have equal incomes. Men have about SEK 32,000 more in disposable income.

Cash transfers or taxes?

The welfare state narrows the income gap between the sexes. Does this take place with the help of cash transfers or taxes? In 1975 women paid SEK 4,200 more in taxes than they received in cash transfers. Despite women's increased employment in the 1990s, they received about SEK 5,000 more in transfers than they paid in taxes. Thus cash transfers increased more than taxes. Men paid more in taxes than they received in transfers both years, but the difference dropped between the years 1975 and 1994 from SEK -51,000 to SEK -20,000 as a result of factors such as men's reduced employment.

In 1975 taxes and transfers had an approximately equal leveling effect on women's and men's incomes. In 1994 transfers were of greater significance than taxes. One reason for this is that women pay more tax today than previously and men less. The tax reform of 1990/91 was also influential. It was intended to be neutral in terms of distribution among different households through changes of both the tax and social security systems. However, it is doubtful if it was neutral regarding distribution from a gender perspective, since women have lower earnings than men—there has actually been a notable decline in the tax system's equalizing potential. However, this has been countered by higher child and housing allowances, which means that allowances have gained a more central role in the redistribution of income (SOU 1995:104).

Table 11 Average income, SEK in 1994 prices, and women's average income as a percentage of men's, 18–64 years, 1975 and 1994

	Women	Men	Women's average income as a percentage of men's
1975			
Market	79,030	181,168	43.6
+ Payment transfers	100,094	197,851	50.6
- Taxes etc.			
= Disposable income	74,812	130,085	57.5
1994			

Market	109,575	167,175	65.5
+ Payment transfers	153,974	207,025	74.4
- Taxes etc.			
= Disposable income	114,956	146,894	78.3

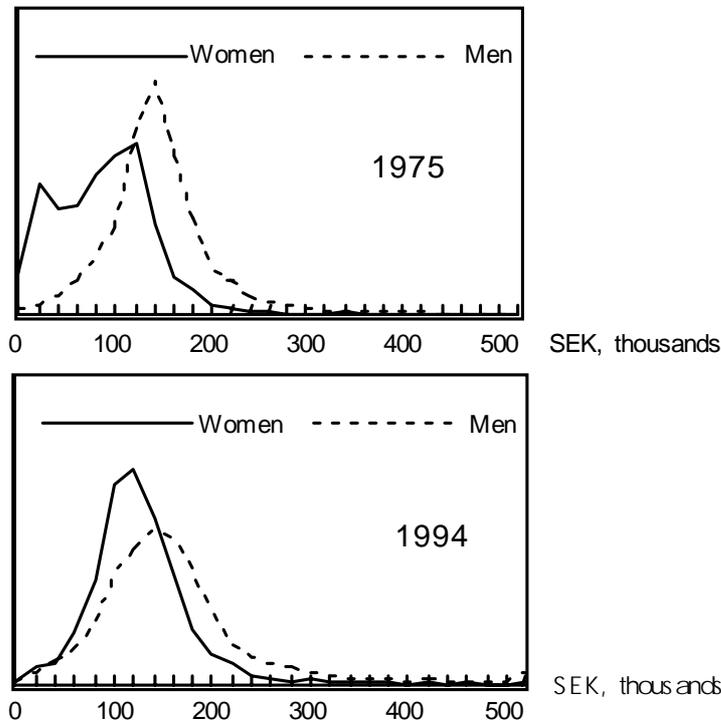
Source: Statistics Sweden. Income Distribution Study.

Women's three-quarters society in the 1970s, men's today

In the same manner that we previously showed the distribution of earnings and work incomes for women and men respectively in diagrams 2 and 4 (p. 18 and p. 23) below we present the corresponding diagrams for disposable income.

If we compare the distribution of earnings in diagram 2 on page 18 with the distribution of disposable income, we find that disposable income is significantly more evenly distributed than earnings.

Diagram 7 Distribution of individual disposable income, SEK in 1994 prices, 18–64 years, 1975 and 1994



Source: Statistics Sweden. Income Distribution Study.

Nearly all women and men in the age group 18–64 have their own disposable income today. This was also the case in the 1970s. Only

about 4 percent of women lacked a disposable income in 1975. Even though women then were employed to a lesser extent, they had an income of their own in the form of child allowances, for example, and to some extent even interest, etc. However, a very large proportion, one quarter, had a disposable income below SEK 40,000. In 1994 this figure had dropped to just under 4 percent. For men, the proportion was about the same both years, just under 4 percent.

Income dispersion has increased among men. The distribution curve is flatter in 1994 than in 1975. The opposite has occurred for women. The curve for 1975 with two income peaks has in 1994 been replaced with a curve which essentially resembles the one for men in 1975. In 1975, there was greater income dispersion among women than among men, today it is the reverse.

It is sometimes maintained that "the three-quarters society" not only is on its way, it is already here (Sander & Holmer, 1996). Judging from the changes shown in diagram 7, the three quarter society for women existed in the 1970s, while distribution is significantly more even today. However, it is possible that this period of relative female equality will be brief. The differences among men appear to have increased as a trend since the beginning of the 1980s, while income dispersion for women dropped substantially up until 1988, and was constant until 1990 (Björklund, 1992). We do not know what happened between the years 1990 and 1994. Against the background of developments in the labor market, the probability is great that there has been an increase in income disparities even among different categories of women during the 1990s.

13 Women's and men's incomes in 1975 and 1994

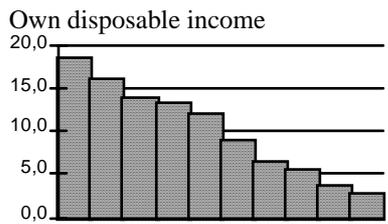
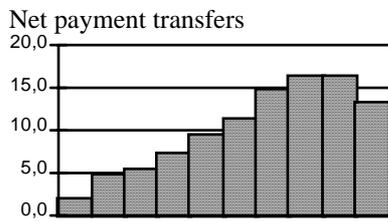
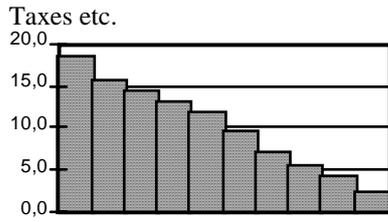
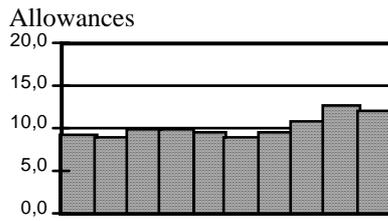
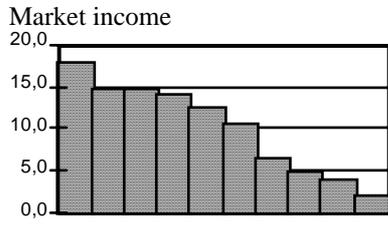
Another method of demonstrating the differences between the years 1975 and 1994 is to divide the population into ten equally large decile groups, that is the 10 percent with the lowest incomes, the 10 percent with the next lowest incomes, etc. We can then study the size of the proportion of all women found in the different decile groups. A completely even distribution between the sexes would mean that 10 percent of women would be in each decile group. In the diagram, the first decile represents the 10 percent with the lowest incomes and the tenth the group with the highest incomes.

The diagram shows that a leveling of market incomes has occurred. In 1975 about 18 percent of women were found in the lowest decile. In 1994 the proportion of women in that decile was only just over 10 percent, almost an equally large proportion as men. The proportion of women in the top decile increased from 1.8 percent in

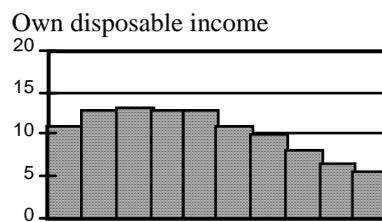
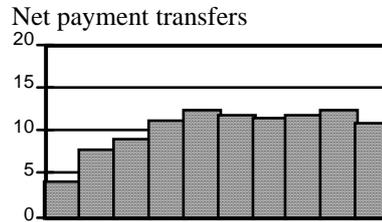
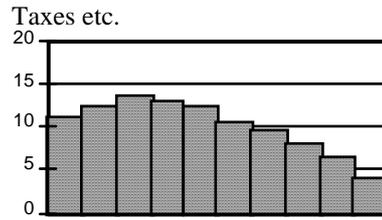
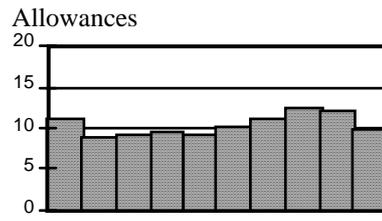
1975 to 4.1 percent in 1994. Despite major changes regarding market incomes, there has been very little change in how transfers have been distributed among women and men between the years 1975 and 1994.

Diagram 8 Distribution of respective income in deciles, women as a percentage of the total population, 18–64 years, 1975 and 1994

1975



1994



Since market incomes have become more evenly distributed between the sexes, this has occurred for taxes as well. In 1975, 18 percent of women were in the first decile, as compared to 11 percent in 1994. There were only 2 percent of women in the top decile in 1975, but by 1994 the proportion had climbed to 4 percent.

When calculating net transfers (transfers minus taxes), we find that women dominate among those who had the highest net transfers in 1975. In 1994 net transfers were significantly more equally distributed between women and men.

Finally, we find that a major change has taken place with regard to disposable income. In 1975, 18.3 percent of women were among the 10 percent with the lowest own disposable income. In 1994, this had dropped to 10.4 percent. Thus women today are not over-represented among those with the very lowest incomes.

In summary, both transfers and taxes level out income differentials between women and men. In 1975 the leveling effect of payment transfers and taxes was essentially the same. In 1994 transfers were more significant than taxes. However, this does not mean that the disposable income of women and men is equal. Women's disposable income today amounts to SEK 115,000, and men's to SEK 147,000.

14 Economic independence of cohabiting women

Thus far we have examined the size of women's and men's incomes and their source. Our calculations have been based on all women and men, and women's incomes have been calculated as a percentage of men's. Now we will study women and men in *families* and women's economic independence from men. We will do this by calculating the woman's income as a percentage of the family's, that is, of the combined income of both partners. This figure is then used to calculate the woman's average proportion of the family income during the years 1975 and 1993 and in various family categories.

However, before studying the incomes and their trends, let us consider the trends in employment for women and men in families.

The single breadwinner family is rare today

Today both the woman and the man work for pay full-time in about 30 percent of households. The proportion has increased somewhat in comparison with 1975. The proportion in which the man works for pay full-time and the woman part-time is approximately the same both years. The greatest change has taken place with regard to families in which the man works full-time and the woman is not

employed. In 1975 these families comprised nearly one third of those cohabiting, but only 8 percent today, despite rising unemployment. However, we also find a slight increase in the proportion of families in which the man does not work for pay at all.

During the 1970s those households in which both the woman and the man worked for pay full-time also had a disposable income which was significantly higher than for all cohabiting couples. The median value for the disposable income in such families was then 38 percent higher than the median value for all cohabiting couples. In 1993 the median value had dropped and was 24 percent higher than for all women and men. This is primarily due to the fact that the total income level has risen since the proportion of families in which the wife does not work for pay has dropped drastically.

Table 12 Married/cohabiting, by working hours and median value of disposable income adjusted for family size as percentage of the median value for all married/cohabiting couples, 18–64 years, 1975 and 1993

Working hours for		Per cent of couples		All = 100	
Man	Woman	1975	1993	1975	1993
Full-time	Full-time	22.5	29.9	138	124
Full-time	Part-time	32.1	33.2	106	94
Full-time	0	31.7	8.2	79	90
Part-time	Full-time	2.2	4.9	113	107
Part-time	Part-time	3.4	6.9	96	90
Part-time	0	2.9	3.2	66	85
0	Full-time	1.3	3.6	108	104
0	Part-time	1.7	4.4	86	89
0	0	2.3	5.6	72	77
All		100.0	100.0	100	100

Source: Statistics Sweden. Adapted from Household Income Study (HINK).

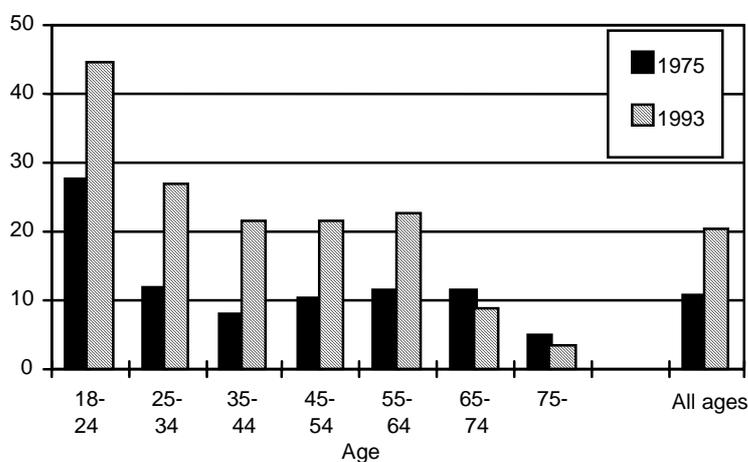
Women with higher income than the man

We move on to study family income and the proportion of women with higher income from work than men. Income here refers to earnings, sickness and parental allowances, labor market assistance and pensions. Capital earnings are not included, nor are the children's incomes, which in general are very small. The data are for the years 1975 and 1993 and are from a special (unpublished) study (Jansson, 1996). The study has not been replicated with data for 1994. It is our opinion that the changes between the years 1993 and 1994 are minimal.

In 10 percent of the families, the woman had a higher income in 1975. This proportion rose to 20 percent in 1993. In the earlier year, the woman had an income less than one fourth of the man's in 36 percent of the families. The corresponding proportion in 1993 amounted to 12 percent.

There are great differences between different age categories. However, the pattern is the same for both 1975 and 1993. In 44 percent of the youngest families the woman has a higher income than the man in the 1990s. However, it may be suspected that their incomes are significantly lower than in families in the age category 45–54, in which about 20 percent of women have a higher income than men. In the age group 35–44, the proportion of women with a higher income than the man decreases, and among older women increases somewhat.

Diagram 9 Percentage of women with higher income than men within families, 1975 and 1993



Source: Statistics Sweden. Income Distribution Study.

In the oldest households, the proportion of families in which the woman had a higher income than the man was larger in 1975 than in 1993. Neither women nor men had ATP (supplementary pension) to any great extent in 1975. Since the basic pension benefits are equal for everyone, the income distribution within senior citizen households was more even then than it is today.

The proportion of women who have higher incomes than the man has increased substantially. Women who are economically independent of their partners have also increased, as has the proportion of men

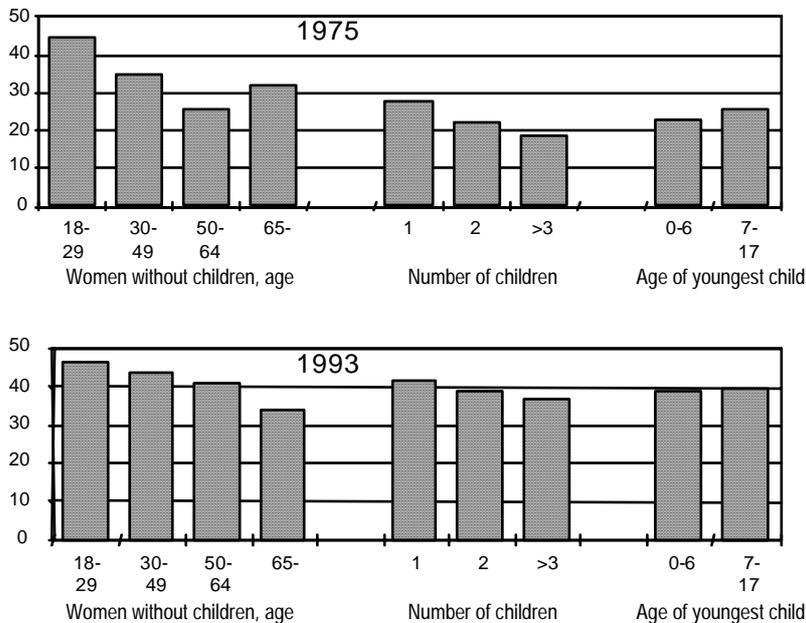
who are economically dependent on their wives, between the 1970s and the 1990s.

Women's proportion of the family income

We will now study women's proportion of the family income in various family categories. To start, we can note that there has been a rise in women's proportion of family income in all categories. But the difference between 1975 and 1993 in the youngest and the oldest households is very small. Already in 1975, the youngest women accounted for just over 40 percent of the family income.

In 1975 age, number of children and the child's age affected to a significantly greater degree women's proportion of the family income than today. In 1993, the age of the child has no significance, but the number of children still has some effect. Retirement age is the factor which increases women's economic dependence on men the most.

Diagram 10 Women's income as a percentage of the family's taxable income, 1975 and 1993



Source: Statistics Sweden. Income Distribution Study.

In table 13 we study how distribution is affected as we add different incomes, using market incomes as a point of departure. To the market incomes we first add pensions, followed by other taxable allowances: sickness and parental allowances, as well as labor market assistance. In the next step we deduct taxes and other negative transfers. The last step is to add tax exempt transfers such as child, housing allowances and social assistance, etc. These allowances to the family are divided equally between the man and the woman. We have then obtained the family's disposable income. For the total of each type of income, we calculate the average proportion which the woman contributes to the family's income. If this proportion amounts to 50 percent it means that the woman stands for just as large a proportion as the man.

Table 13 The woman's average income as a percentage of the family income, 18 years – , 1975 and 1993

	1975	1993
Market income	25.0	40.3
+ Pensions	27.1	37.4
+ Other taxable allowances	27.7	39.0
- Taxes etc.	29.8	39.8
+ Tax exempt individual allowances, family subsidies		
= Disposable income	31.1	40.5

Source: Statistics Sweden. Income Distribution Study.

In 1975 women accounted for one quarter of the family's market incomes, but by 1993 this figure had climbed to a full 40 percent. When pensions were added, women's proportion of the family income rose in 1975, but declined in 1993. Pensions in the 1990s are more unevenly distributed among women and men than market incomes. Other taxable allowances such as sickness, parental and labor market assistance, involve an increase in the women's proportion. This applies to taxes as well. Taxes had a larger equalizing effect in the 1970s than in the 1990s. Tax exempt individual allowances and family benefits—child, housing, and study allowances, social assistance and advance maintenance allowances—also increase the women's proportion somewhat. In 1975, women accounted for 31 percent of the family's disposable income on average, and in 1993 for 40–41 percent. Thus also measured in this manner, cohabiting women are more economically independent today than in the 1970s.

In the 1970s women's market incomes amounted to one quarter of the family's market incomes, and 31 percent of the family's dispos-

able incomes. This means that in the 1970s the welfare state—transfers and taxes taken together—strengthened women's economic independence of men in families. This is not the case in the 1990s. Women's proportion of the family's market incomes and their proportion of disposable income is almost identical. However, the situation can vary among different family categories.

Families with and without children

If all women and men aged 18 and older are considered, the welfare state does not reduce income disparities between cohabiting women and men. However, transfers and taxes are of varying significance at different periods in the life cycle. Table 14 below is similar to table 13, but now we examine age, families with and without children, the number of children and the age of the youngest child.

Not surprisingly, women without children contribute to a higher degree to the family's total market incomes than women with children. Adding pensions has little effect on categories other than those aged 50 and older, in which women's proportion of the income drops. On the other hand, adding taxable allowances has little impact on any categories other than women with small children. In this case, parental allowances increase women's proportion of the family income.

Even taxes have little significance, except for those who are age 65 and older. Men pay more in taxes than women in this age group since they have higher incomes, which means that women's contributions to the family income increase in relative terms. Finally, we add family benefits to get the disposable income. Family allowances have some significance for women with children, and women's contributions to the family income increase in these families.

Table 14 The woman's average income as a percentage of the family income, 18 years – , 1993

	Without children				With children						All
	18-29	30-49	50-64	65- child	Number of children			Youngest child			
					1	2	3+	0-6	7-17		
Market income	45.5	43.0	44.0	45.3	34.4	36.4	34.6	30.2	30.6	39.2	40.3
+ Pension	45.7	43.4	40.7	34.2	34.2	36.0	34.6	30.2	30.5	39.1	37.4
+ Taxable allowances	45.8	43.0	40.3	34.6	38.3	39.8	38.2	35.9	37.7	39.2	39.0
- Taxes etc.	45.8	43.0	41.0	37.5	38.4	40.0	38.2	36.1	37.8	39.3	39.8
+ Family benefits Tax exempt allowances											
= Disposable income	46.3	43.2	41.2	37.7	39.9	40.8	39.4	39.0	39.5	40.3	40.5

Source: Statistics Sweden. Income Distribution Study.
(See also Appendix, tables 19-30.)

In families, aged 18-49, without children, transfers and taxes do not change the relationship between women's and men's contributions to the family income, nor do they if we look at all families, with and without children in different age categories. However, the latter is due to two different factors. On the one hand, in senior citizen households the welfare state's transfers increase the men's incomes to a greater extent than women's. On the other hand, in families with children the welfare state contributes to a greater extent to women's incomes than men's primarily through parental allowances, and thereby reduces women's economic dependence on men.

Cohabiting women's paid work has increased substantially since the 1970s, while men have experienced a decline. Women's proportion of the family's disposable income has increased from 31 percent to 40 percent. This 40 percent of the disposable income may appear to be relatively substantial. However, in crowns this means that on average women have an own disposable income of about SEK 116,000, and men have one of about SEK 175,000, that is, a difference of almost SEK 60,000 per year.

15 Women's and men's pensions

Of the welfare state's transfers to households, pensions accounted for 56 percent, the earnings-related allowances for 25 percent, the means-tested for 7 percent and the family-related allowances were 6 percent in 1994. Pensions thus dominated the welfare state's transfer system.

Men have higher pensions than women, and the gap in retirement income has widened. In 1975 women had an average pension that was 71 percent of men's, but in the 1990s this had dropped to just 59 percent. While the distribution of income between women and men generally speaking became more even since the 1970s, the opposite has occurred for senior citizens. The explanation for the trend is found in the changes to the Swedish pension system.

Table 15 Average pension, SEK in 1994 prices, and women's average pension as a percentage of men's, 65 years –, 1975 and 1994

	Women	Men	Women's average pension as a percentage of men's
1975	50,380	70,721	71.2
1994	81,820	139,049	58.8

Source: Statistics Sweden. Household Income Study (HINK).

Different pension systems

The Swedish pension system consists primarily of four different sub-systems:

- State basic pension
- ATP—national supplementary pension
- Collective agreement pension
- Private pension.

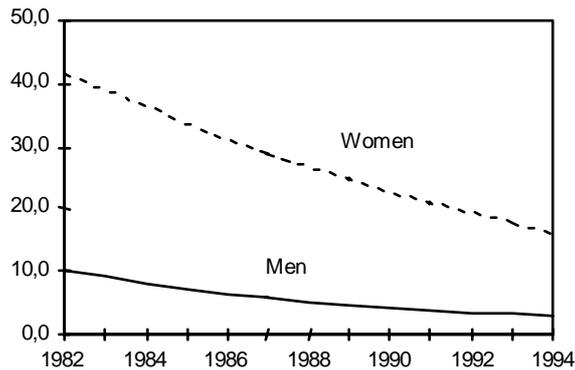
The general retirement age is 65, but it is flexible, which means one can choose to retire between the ages of 60 and 70. Everyone who has lived or worked in Sweden for at least three years has been entitled to pension. If you have no or low ATP you receive a pension supplement.

The ATP—national supplementary pension—was introduced in 1960. Full ATP has been available after thirty years of employment, and the pension has been calculated based on the fifteen best income years. Thus the first senior citizens entitled to full ATP benefits retired in 1990.

In addition to the state pension systems, collective agreement pensions have evolved as the result of negotiations between the parties in the labor market. From the 1980s personal private pension savings plans became more common.

There has been a steady drop in the proportion of people with only basic and pension supplement. In 1994 3 percent of men aged 65 or older and 16 percent of women had only basic pensions and pension supplement (See also Appendix, table 31).

Diagram 11 Percentage with basic pension only, 65 years – , 1994



Source: Statistics Sweden. Total calculation of income statistics.

The basic pension is equal for women and men, but when ATP and other pensions are added, the disparities arise. Through the continued development of the ATP system, pension benefits have risen substantially and the income gap between female and male senior citizens has expanded.

Almost all men and two thirds of women have ATP

Today a majority of retired senior citizens receive ATP pensions. This applies to 96 percent of men and 67 percent of women. Among the younger senior citizens (where more women have been able to accumulate ATP points) the figures are 98 percent for men as opposed to 85 percent for women.

Men have pensions based on collective agreements to a greater extent and with larger benefits than women. However, today's senior citizens receive a very small proportion of their pension income from own private pension savings plans. In 1994 only 9 percent of all senior citizens received this kind of private pension. The proportion of men was twice as large as the proportion of women. Among the younger senior citizens there are more who have a private pension savings plan, 20 percent of the men and almost 12 percent of the women.

Table 16 Percentage with different pensions, 1994

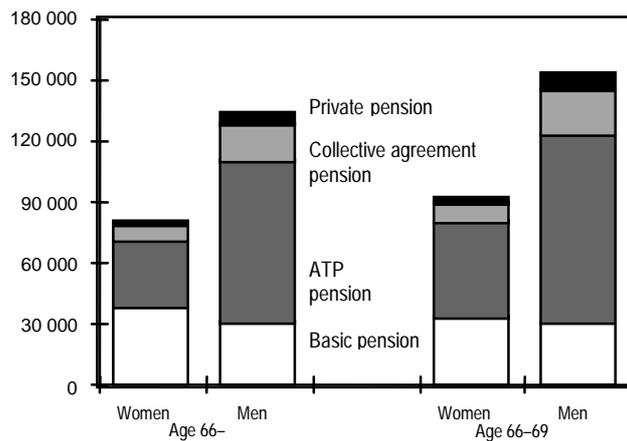
	All aged 66–		Aged 66–69	
	Women	Men	Women	Men
Basic pension with supplement	99.5	99.5	99.3	99.3
ATP pension	67.0	96.4	85.1	97.9
Collective agreement pension	51.1	71.4	64.6	76.2
Private pension	6.6	13.4	11.8	20.5

Source: Adapted from Income and Wealth Study (IoF), 1994, large sample, residing in Sweden the entire year.

Even if many have pensions based on collective agreements and some also have their own private pension insurance plans, the public pension system accounts for the majority of pensions paid. However, there are major differences between the younger and older senior citizens, as well as between women and men.

The total of basic pensions and pension supplements is higher for women than for men. The purpose of the pension supplement is to increase the pension for people with no or low ATP, and women have on average lower ATP so they receive a higher pension supplement.

Diagram 12 Different incomes from pensions, SEK, 1994



Source: Statistics Sweden. Total calculation of income statistics. (See also Appendix, tables 32–33.)

The diagram above shows that men have much higher pensions than women. In 1994 women's pensions on average amounted to just under 60 percent of men's. Economic inequality is thus larger among senior citizens than among those who work for pay, where women

during the same year on average had 72 percent of men's income (SEK 130,600 and 181,200 respectively for age group 20–64). The diagram also clearly shows the insignificance of personal private pension savings plans for today's senior citizens.

Growing numbers invest in pension savings plans

Private pension savings plans increased substantially during the second half of the 1980s. In 1980 only 4 percent saved in pension insurance plans. In 1995, 1,360,000 people invested in individual tax deductible pension premiums. More than every fourth person between the ages of 20 and 64 saved in private pension systems. In the age group 45–54 the figure was as high as 36 percent. In addition to these registered payments, there are also private pension savings plans paid by the employer separately from the collective pension agreements.

The substantial increase in saving among women may be based on concern about one's own pension. Women have in general lower earnings and thereby receive lower ATP benefits and compensate for this through individual pension savings plans.

Diagram 13A *Percentage with private pension savings plans, 20–64 years, 1984–1995*

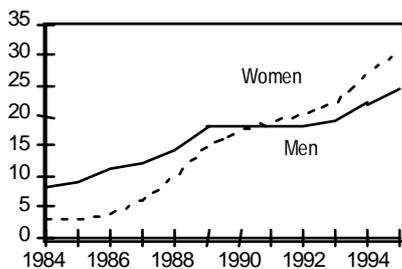
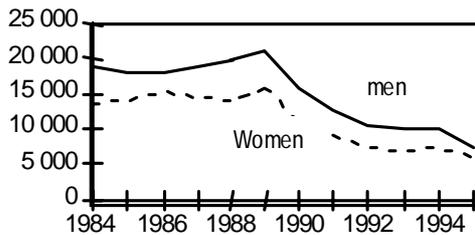


Diagram 13B *Average annual amount of private pension savings, SEK in 1995 prices, 1984–1995*



Source: Statistics Sweden. Income Distribution Study.

Women save smaller amounts, on average SEK 5,900, compared with the men's SEK 7,500 in 1995. On the other hand, they usually begin to save earlier and have a more long-range approach to saving.

The average amount saved dropped significantly after 1989 for both men and women. For men there is a clear reduction in the amount saved, which can be explained by less generous tax deductions. The reason may be the same for women, but the drop could also be explained by the fact that recent savers save smaller amounts.

The pension system privileges "male" use of time

The pension system in particular favors a male use of time. Pensions are also the dominant welfare state allowance to households, accounting for 56 percent of cash transfers in 1994. The purpose of the current pension system when it was introduced in 1960 was to provide the elderly with their share of the rising economic welfare (Ringqvist, 1996). The system has gradually expanded, and public sector expenses for pensions, calculated in fixed prices, have more than tripled since 1970. The increase is due to higher replacement levels for growing numbers, the reduction of the retirement age to 65 in 1976, and the rising number of beneficiaries due to the increased population of the elderly, more women are entitled to an ATP pension, the growth of disability pensions, and the inclusion of several allowances as income counting toward the ATP pension. These allowances include sickness benefits, unemployment allowances and parental benefits.

The Swedish pension system has been criticized because the connection between benefits and insurance contributions is too weak. The criticism resulted in the establishment of an inquiry commission in 1991 to overhaul the pension system (Ringqvist, 1996). The commission presented a proposal which would mean that the individual's future pension benefits to a greater extent would be based on contributions paid personally by the beneficiary. It also proposed that the lifetime income should be the basis for pensions. Parliament decided that as a complement to ATP, a portion of wage earners' pension contributions would go to an individual pension savings plan. In principle this would function like a private pension insurance plan. How then would this affect economic equality between the sexes? On the one hand, it probably means that, if the current use of time between women and men remains constant, the differences in pensions between women and men will once again increase. That is, economic equality will decrease. On the other hand, it may also further strengthen women's inclination to increase their

number of hours in paid work so that economic equality would increase. However, the latter assumes that there exists a demand for the increase in labor supply, which is not the case today.

16 The feminization of poverty?

Studies of the poor in the United States and other countries in the 1980s gave rise to the concept “the feminization of poverty.” The increased proportion of women among the poor is a result of the proportion of single mothers—either unmarried or divorced—having increased, as well as the over-representation of women among the elderly, particularly among the very old. However, many scholars have pointed out that an over-representation of women among the poor is not a new phenomenon from a historical perspective (Lewis & Piachaud, 1992). The question is sometimes asked whether the feminization of poverty has taken place in Sweden as well. Has growing inequality meant that the proportion of women in the low income category has increased?

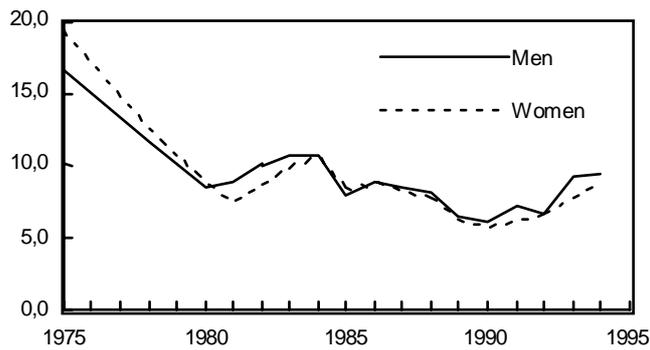
There are no official measurements of poverty in Sweden. However, we can analyze incomes from a traditional low income perspective. We have already found that women have lower incomes than men, but also that the proportion of men with very low incomes has increased and the proportion of women has decreased.

Women and men with incomes below the social minimum

One method of measuring the extent to which women are over-represented in the low income category as opposed to men is to investigate if women more often live in households with low incomes, i.e. households below the social minimum, i.e. eligibility for social assistance. In these calculations, the family’s income has been divided equally between women and men in cohabiting households.

Diagram 14 shows that the proportion of women and men below the social assistance norm is nearly identical. The proportion below the minimum dropped from 1975 until the 1990s, with a temporary rise in the beginning of the 1980s. During the 1990s the proportion has again increased. The pattern is the same for women and men, and the rise in the proportion low income category also includes both sexes.

Diagram 14 Percentage below the social minimum, 1975–1995



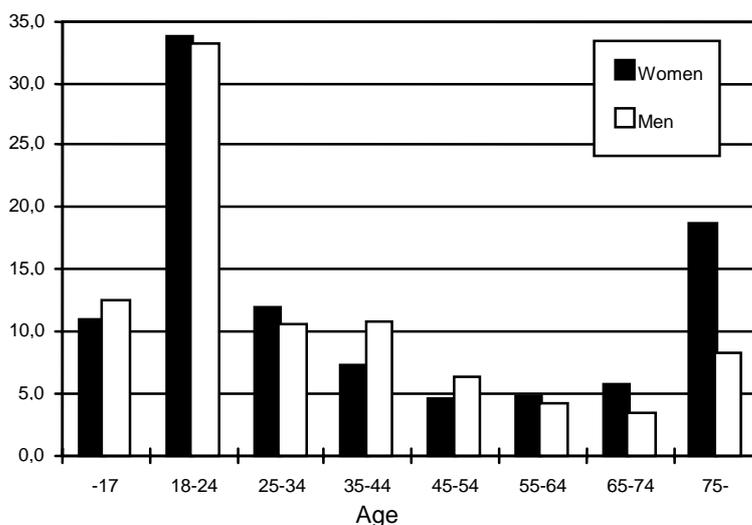
Source: Statistics Sweden. Income Distribution Study.

Alternative social minimums

The social minimum above has been calculated based on the norm which was established in the mid-1980s, adjusted for changes in the consumer price index excluding its housing component. The cost of housing has been set as equal to the average rent for households in apartments bordering on crowded housing conditions. (A family is considered to be overcrowded if there are more than two people per room, one room excluded).

We have made a special calculation for 1994 which gives a more detailed picture of households below the social minimum. To begin with, we have calculated the households' true housing expenses. Then we have added to these figures expenses for child care, standard costs for local travel, and union dues for those who are employed. The final calculation, which is thus based on true expenses instead of standard rents, places a somewhat higher proportion of the population below the social minimum and a somewhat higher proportion of women than men.

Diagram 15 Percentage of adults living in households with income below the social minimum, calculated using real expenses, 1994



Source: Statistics Sweden. Income Distribution Study.

Diagram 15 shows that the proportion of people with income below the social minimum, as calculated here, varies substantially with age. As much as one third of young people between the ages of 18 and 24 fall below the social minimum. The second worst-off category is older female senior citizens.

However, just because a certain proportion of households fall below the social minimum does not mean that they are automatically entitled to social assistance. A household may have income below the minimum for many reasons, yet still not be entitled to social assistance. For example, many young people included in the calculation have not yet moved out of their parental homes. They are included in our data—since they are of legal age—as individual households, and their incomes are compared with those of other single people. Other young people have left their parental homes, but receive assistance from their parents, so their financial situation is actually better than what is apparent from the income measurements.

Women and men among recipients of social assistance

Women and men are social assistance recipients to about the same extent. In 1995 there were about 445,000 adults in those households which received social assistance. Slightly under half of them were

women. The number of assistance recipients varies with the economic trends, but since the 1980s it has increased somewhat regardless of these trends. The increase has not affected the distribution between women and men.

During 1995, 8.5 percent of adult women and 8.2 percent of adult men between the ages 18 and 64 received social assistance. These households contained a total of 720,000 people, including children. A larger proportion of social assistance recipients was found among younger households, with major differences depending on family composition. Social assistance is most commonly found among single parents, both among women and men, followed by single people without children.

Table 17 Percentage of adults living in households with social assistance, 1985, 1990 and 1995

	1985	1990	1995
Women			
Single with children	37.4	35.2	35.4
Single without children	7.1	10.0	13.1
Cohabiting with children	4.7	4.3	6.2
Cohabiting without children	1.6	1.9	2.4
All women	5.7	6.6	8.5
Men			
Single with children	17.0	18.8	16.4
Single without children	11.3	12.4	15.4
Cohabiting with children	4.7	4.3	6.2
Cohabiting without children	1.6	1.9	2.4
All men	5.9	6.3	8.2
All women and men	5.8	6.4	8.3

1985 age 18–74; 1990, 1995 age 18–64.

Source: Calculation from Statistics Sweden's and The National Board of Health and Welfare's social allowance statistics for 1985 households aged 18–74, and for 1990 and 1995 households aged 18–64.

Around half of the adults living in households with social assistance are women. In 1995, 49.7 percent of social assistance recipients were women and 50.3 percent were men, an insignificant increase of the proportion of women compared with 1975, when the corresponding figure was 48.6 percent as compared to 51.4 percent for the men.

Table 18 Distribution in percentage of adults with social assistance in different households, 18–64 years, 1975–1995

	1975	1980	1985	1990	1995
Women					
Single with children	12.1	14.7	13.8	14.7	13.2
Single without children	14.7	14.3	18.5	18.5	18.9
Cohabiting with children	15.0	14.0	11.8	12.1	13.0
Cohabiting without children	6.8	5.2	5.0	4.7	4.7
All women	48.6	48.2	49.1	50.1	49.7
Men					
Single with children	0.6	1.1	1.3	1.8	1.6
Single without children	29.0	31.4	32.8	31.2	31.0
Cohabiting with children	15.0	14.0	11.8	12.1	13.0
Cohabiting without children	6.8	5.2	5.0	4.7	4.7
All men	51.4	51.8	50.9	49.9	50.3
All	100	100	100	100	100

Source: Calculation from Statistics Sweden's and National Board of Health and Welfare's social assistance statistics.

Based on the proportion of women and men among social assistance recipients, there is no basis for discussing the "feminization of poverty" in Sweden. Nor do women comprise the largest individual group of social assistance recipients; rather, single men without children do. They comprise 31 percent of adult social assistance recipients.

17 Are men wealthier than women?

Information about assets and debts is significantly more limited than is the case for various types of incomes. Official statistics only report information about taxable wealth. In addition, information about taxable wealth is compiled to obtain a basis for taxation. Some assets are omitted, and no market value is placed on the assets.

In the statistics published regularly, information is only reported for households, and it is not divided into categories of women and men, since the total wealth is jointly taxed for married couples and others who qualify for joint taxation. Data for 1992 are the most reliable in recent times. Data for this year were collected about assets and debts for Statistics Sweden's regular income distribution study. The study was supplemented with a special sample of households with substantial taxable property. The purpose was to obtain a more accurate estimate of the distribution of wealth among households.

This information has been used to examine the distribution of wealth between women and men.

*Wealth is more evenly distributed
between women and men than income*

Studies of the distribution of wealth among households show that wealth is more unevenly divided than income. However, this does not apply to the distribution of wealth between women and men. Wealth is more evenly distributed than income from the market. However, women's and men's net wealth and own disposable income are approximately equally distributed. In 1992 women owned nearly 47 percent of the private net wealth. The corresponding proportion of individual disposable incomes was 45 percent in 1994.

Women's various assets in 1992 were somewhat less than men's. Women owned slightly under 45 percent of total net wealth at market value. This applies to financial assets, residential assets as well as assets in business activities, as shown in table 19.

Table 19 Assets and debts, SEK billions, and women's assets and debts as a percentage of total amounts, 1992

	Women	Men	Women's percentage of total amount
Bank deposits (not in business)	214.4	214.5	50.0
Directly owned shares	34.1	46.9	42.1
Public savings programs	20.9	22.9	47.6
Other mutual funds	15.8	17.0	48.2
Own home	413.6	604.0	40.6
Vacation home	77.1	87.3	46.9
Condominium declared value	7.8	7.9	49.7
Other assets	23.9	71.4	25.1
Total assets	879.4	1221.6	41.9
Debts	243.1	512.1	32.2
Net wealth, private	636.3	709.5	47.3
Assets in business	107.6	327.2	24.7
Debts in business	31.9	152.0	17.3
Net wealth in business	75.7	175.2	30.2
Total assets incl business activities	987.0	1548.9	38.9
Debts incl business activities	275.0	664.0	29.3
Net wealth	712.0	884.9	44.6
Taxable wealth	380.2	336.3	53.1
Study loan debt	33.4	24.1	58.1

Source: Statistics Sweden, Income Distribution Study with special sample of wealthy households. (See also Annex, table 34 and on.)

14 percent of women and 24 percent of men own stock

Total private assets in bank accounts were equal for women and men. However, since there are somewhat more women than men in Sweden, the average value of assets is somewhat lower for women than for men.

Women concentrate their assets in less risky investments than men. Bank deposits, public savings programs and other mutual funds are more evenly distributed than ownership of shares of stock. 14 percent of women over the age of 18 own stock, as opposed to 24 percent of men.

There are four times more male than female entrepreneurs. This is reflected in the distribution of assets and debts in business activities.

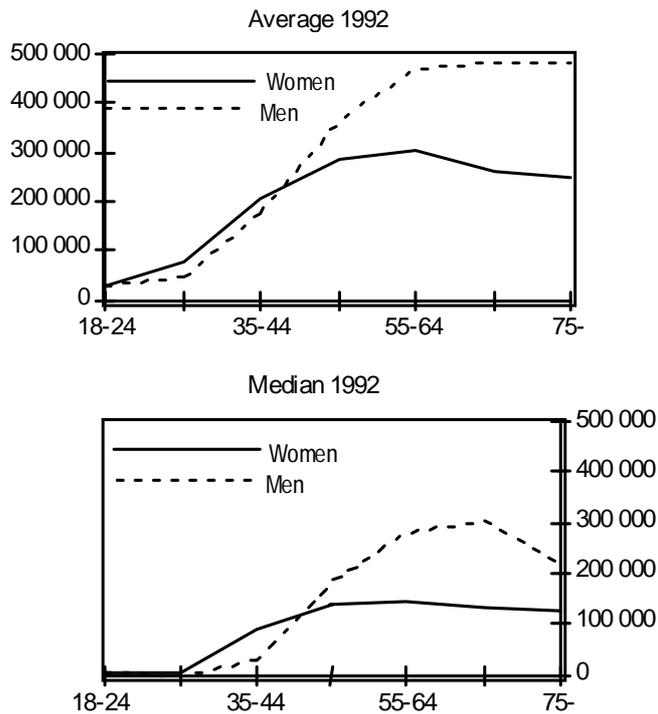
Women have higher values than men regarding two items. One is taxed wealth and the other is student loan debts.

In 1992 women had 53 percent of the total taxable wealth. Several factors explain why women have a larger proportion of taxable wealth than of the total net wealth. In the calculations of total net wealth, assets have been valued at market value. This means that stocks and real estate receive greater values than when they are included in the calculation of taxable wealth. Business assets are exempt from taxation of wealth and are therefore not included in taxable wealth. Since men have larger business assets and values of shares than women have, this means that more assets are omitted from taxable wealth for men than for women.

Diagram 16 clearly demonstrates that age is significant to the distribution of wealth. The average value and the median value for women and men in different age groups are presented in the diagram.

The results are very different depending on whether we consider mean value or median value of wealth. The mean value for all women and men is much larger than the median value. The median value reflects values for those people found in the middle of the distribution range. When the mean value is calculated, it is affected by people with very large wealth. However, calculations using both mean values and median values show that there is a definite concentration of net wealth over the age of 40.

Diagram 16 Net wealth, SEK at market value, average and median values by age, 1992



Source: Statistics Sweden. Income Distribution Study.

Women's mean wealth amounts to 79 percent of men's. If we calculate using the median value for women and men respectively, we find that women have 60 percent higher median wealth. These two results are both correct, but can appear to be contradictory. The different results are due to the fact that the dispersion of wealth is much greater among men than among women.

Less dispersion of wealth among women

A closer description of the dispersion of wealth among women and men is found in table 20. It shows that there is a greater dispersion of net wealth among men than among women. The value which represents the limit for the 10 percent of people with the greatest wealth (P 90) is considerably higher for men than for women. The reverse applies with regard to the value which represents the limit for the 10 percent of persons with the smallest wealth (P 10). Therefore,

women have higher values than men; that is, women with the smallest wealth are not as poor as men or, in other words, do not have as large debts as men.

Table 20 *Net wealth, SEK at market value, average and percentile values, 1992*

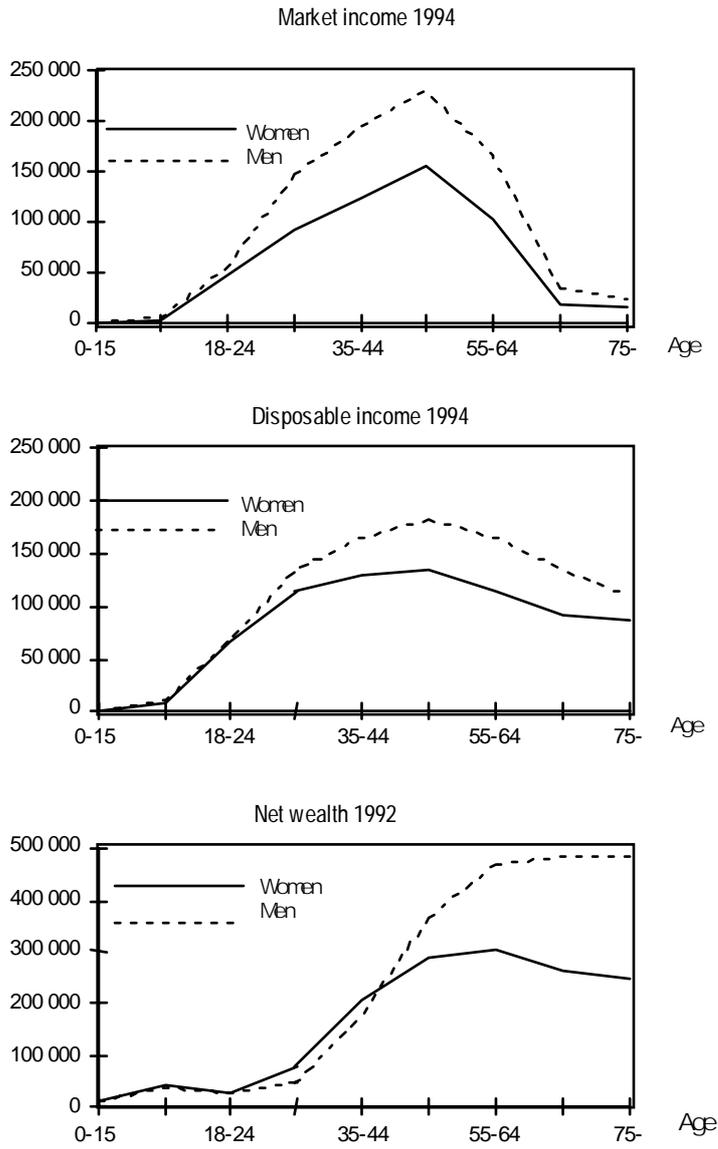
	Average	P10	P25 Quartile1	P50 Median	P75 Quartile3	P90
Women						
aged 18-64	183,379	-63,386	0	47,890	269,476	552,469
aged 65-	255,218	6,128	42,818	125,043	306,999	595,225
aged 0-	163,125	-22,223	0	31,450	204,030	488,192
Men						
aged 18-64	212,174	-134,194	-21,340	35,275	278,397	700,332
aged 65-	482,997	287	77,224	268,689	631,799	1 037,166
aged 0-	206,767	-71,000	0	19,611	237,394	672,085

Source: Statistics Sweden. Income Distribution Study with extra selection of wealthy households.

A comparison between wealth and market incomes shows that market incomes are more unequally distributed between women and men than wealth. Women's market incomes amount to 64 percent of men's, while women's proportion of net wealth amounts to 79 percent of men's, which is the same as women's proportion of men's disposable income.

Men are richer than women and the majority of those who are very wealthy are men.

Diagram 17 Market income, disposable income and net wealth by age, SEK, 1994



18 Female and male business incomes

'Doing business' is a concept which brings to mind associations of power and men. Entrepreneurs have power through their opportunities to make decisions about investments, employment, etc. Businessmen state that the strongest motivation for starting a company is the desire to be independent. Women consider their strongest motive to be the possibility to take care of the family at the same time that they contribute to the family's livelihood (Sundin, 1989).

However, going into business can also be an expression for lack of power. Difficulties in finding employment lead to the alternative of starting one's own company. One third of the men and nearly one fourth of women today mention unemployment as the motive for starting their own companies (Statistics Sweden, Statistiska meddelanden F 15 SM9301).

Table 21 Women's percentage of men's entrepreneurial incomes and percentage with entrepreneurial incomes, 18-64 years, 1975 and 1994

	1975	1994
Women's percentage of total entrepreneurial income	14.6	27.2
Women's percentage of men's entrepreneurial incomes		
all women and men	17.5	37.6
those with entrepreneurial incomes	52.2	67.1
Percentage with entrepreneurial incomes		
women	4.6	7.0
men	13.8	12.6

Source: Statistics Sweden. Income Distribution Study.

Between the years 1975 and 1994, the proportion of women with entrepreneurial incomes has risen, while the proportion of men has dropped. The latter is due to the substantial decrease in the number of farmers. Women today receive a larger proportion of entrepreneurial incomes than previously.

A company can be run either as a sole proprietorship or as a corporation. Entrepreneurial income in a corporation is considered to be a salary, and the entrepreneur determines the amount of a reasonable salary. However, in a sole proprietorship the income cannot be regulated in the same manner. Here the income quite simply is the net amount which is left after company expenses are subtracted from income. Agricultural companies are run as sole proprietorships.

Today there are three times more male than female business owners. Women run their business on a part-time basis more often than their male counterparts. Among those who run their own companies on a full-time basis all year long, there are four times more men than women. Among full-time businesses, the average income for women is about 75 percent of that of men.

In table 22, the income from employment is compared with the income from different forms of companies. Only full-time work is included, which eliminates the effect of part-time work.

Table 22 Work income for full-time work in own company, SEK, and women's income as percentage of men's average income, 20-64 years, 1994

	Average income		Women's income as percentage of men's	Calculated number	
	Women	Men		Women	Men
Sole proprietorship	88,200	124,500	70.8	29,400	91,600
Corporation	210,400	147,000	85.2	22,100	110,300
Farmers etc.	74,300	89,800	82.7	4,400	30,200
All proprietors	135,322	178,197	75.9	55,900	232,100
Employees	182,849	238,117	76.8	881,700	1 316,700

Source: Statistics Sweden. Adapted from the Income Distribution Study.

When the figures for all business owners are compared with figures for employees, it is noteworthy that the differences between women and men are approximately the same, but also that on average employees have higher incomes than proprietors.

However, there are major disparities within the group. Farmers have the lowest incomes, followed by those with sole proprietorships. However, those who run their business as a corporation have a higher average income than employees have.

The low average earnings of business owners conceals a much larger dispersion of income than that found among employees. There are entrepreneurs who have a very lucrative business, and others who run their companies despite poor profitability. The income difference between women and men recurs in all these groups, although perhaps somewhat less for those who own corporations and farmers.

The lack of economic equality between the sexes is about the same among entrepreneurs as among employees. Most economically equal are entrepreneurs with corporations, and least those who run sole proprietorships.

19 Men's dependence on women's unpaid household and care work

Until now we have concentrated on paid work and income in the form of money. However, just over half of all work performed is unpaid. Paid work is officially considered to be work; the major portion of it is performed by men. Unpaid housework (household and care work) is not officially considered to be work; the bulk of this work is done by women. We know significantly less about unpaid housework than about paid work. However, some time-use studies have been carried out. In this section unpaid work and men's dependence on women's household and care work will be discussed.

Gender-segregated housework

Between the 1970s and today, women's average hours of housework have dropped and men's have risen (Nyberg, 1996a). However, the fact that women on average devote less time to housework, and men more, is not necessarily an indication that women have been relieved of the burden of housework. Even housework is segregated by gender.

In the beginning of the 1990s, "care and production of clothing," i.e. mending and sewing of clothes was the category most segregated by gender. This was followed by baking bread, laundry and ironing, which women did, but few men. On the other hand, women spend very little time on auto repairs and maintenance. Those activities which take the most time, except laundry, are more equally divided. However, women devote more than twice as much time as men to washing dishes, child care and cooking. These data apply to single and cohabiting households combined. The distribution of labor in cohabiting households, and particularly those with children, is more segregated.

Decreased demand for hand-knit socks, and increased demand for washed cars

Considered over a longer period of time, household production has experienced a restructuring similar to paid production; that is, from production of goods to production of services as a result of changing needs and demand. Today we spend less time cooking, washing dishes, cleaning, and mending and sewing clothes. The demand for hand-knit socks and hand-sewn clothing has plummeted. The need for

cleaning has also declined since we spend less time at home. This drop in demand has perhaps coincided with the shift in women's identity from housewife to professional. In certain circles of well-educated women, the ideal appears rather that the home should look like a "creative intellectual workshop" than a neat, polished, well-cleaned home. We spend less time cooking since we have more meals outside the home: parents eat at work and children at school and day care centers. However, at the same time there have been increasing demands for a nutritious and varied diet. Demands regarding clean clothes have also risen. The time spent on laundry today generally speaking is unchanged since the 1930s, despite technological advances in the area, since we change clothes and bedding much more often than before (Nyberg, 1989; 1996a; 1996b).

The demand for men's service production in the household—maintenance and repairs including the washing of cars—has increased at the same rate at which growing numbers have bought family homes, vacation cottages, cars and boats. The time spent on maintenance and repairs has increased simply because today we have more to repair and maintain, that is, new tasks have evolved.

Household and care work in families with children

Cohabiting men without children do a larger proportion of the unpaid housework than men with children. This is not due to the fact that the former spend more time on housework than the latter, but because women without children spend much less time on housework than those with children. Men's dependence on women's unpaid housework thus increases, hardly surprisingly, with the arrival of children.

Table 23 Time for housework, hours per week, and men's percentage of total time for housework, 1990/91

	Cohabiting parents of small children			Cohabiting parents of older children		
	Women	Men	Proportion	Women	Men	Proportion
Housework	20.24	6.44	25	18.26	6.15	25
Care of own children	19.01	8.15	30	3.38	1.36	31
Travel in connection with housework	4.00	3.04	43	3.26	2.57	46
Purchase of goods and services	3.27	2.10	42	3.20	2.10	39
Maintenance work	1.44	4.23	72	2.36	5.24	68
Care of others	0.25	0.34	58	0.55	0.53	49
Other housework	0.40	0.44	52	0.39	0.45	54
Housework total	49.43	25.53	34	33.00	20.00	38

Source: Calculated from Statistics Sweden, 1992. Time-use Study 1990/91, table 8a and 8b.

Even in families with children, housework is the most time consuming activity. Men account for one quarter of women's and men's total contributions, and women thereby account for three quarters. This is followed by care of one's own children, where fathers account for 30 percent and mothers for 70 percent. This time applies only to active time with the children: feeding, changing, bathing, doing homework, etc. After that come travel in connection with housework and purchase of goods and services. Maintenance work appears in fifth place, where the men account for the majority of the work.

Men's dependence on women's care work

More active time is devoted to children today than previously. Despite women's increased paid work, women devote more active time to children today than in the 1970s. To some extent this is due to increasingly longer parental leaves being taken. The youngest children often have one parent at home, usually the mother. About 90 percent of children younger than one year of age have their mother at home, which means that other children in the family also have access to their mother. 43 percent of preschool children were at home with their parents.

In the 1960s it was sufficient in general that the mother made sure that the children had food and clean clothes. She was present, but did what had to be done: cooking, cleaning and laundry. The actual housework was physically more burdensome. Today there is prepared baby food, easy-care children's clothing, disposable diapers, washing machines and other household appliances, which means that the work has become easier physically. However, work caring for children has been redefined and intensified.

Mothers' responsibilities have changed from primarily making sure that children were fed, healthy and clean, to making sure that they become independent individuals, that all goes well at school for them, that they are active in their leisure time, etc. Previously, children had to take care of themselves to a greater degree. For example, according to a time-use study from the 1960s, parents spent no time helping their children with homework even though homework was a separate category in the survey (Nyberg, 1996b). Nowadays it is generally understood that the mother is extremely important for the child's intellectual and emotional development. Today mothers prefer to organize the housework around the children, rather than the children around the housework. Mothers are expected to be available to their children, to be interrupted in their housework and to regularly devote themselves solely to the children.

For fathers, the change is even greater, in some ways. Not in terms of time, but in terms of attitude. In the 1960s (and earlier) it was very uncommon for fathers to take care of small children. Only 1 percent of fathers fed, changed diapers, dressed and undressed their children, and only 4 percent played with them according to the time-use study referred to above from the 1960s. A larger proportion of fathers participated when the children became older, but still the proportion was very low—14 percent. One third of the fathers played with their 4–6 year olds (Nyberg 1996b). In the 1960s, a man who could change diapers was a rarity, but this is not the case today. A father who delivered his children to the day care center could wind up on the first page of the local newspaper in the 1960s; today it happens all the time. However, men's increased participation in housework does not mean that it is equally distributed between women and men.

Mothers of small children spend 19 hours a week and fathers of small children spend 8 hours a week on care of children; this means that fathers account for 30 percent and mothers for 70 percent of the total time for child care. But in addition mothers and fathers are also together with their children while they spend time doing other things: housework, meals and leisure activities. Mothers of small children are alone with their children a total of 47 hours a week, and fathers just over 18 hours; that is, fathers of small children account for 28 percent of the total time and mothers of small children account for 72 percent.

Table 24 Time together with children, hours per week, men's time as a percentage of the time one parent spends alone with children, 1990/91

	Parents of small children			Parents of older children		
	Women	Men	Men's time, percentage	Women	Men	Men's time, percentage
Child care	19.01	8.15	30	3.38	1.36	31
Housework	22.48	7.51	26	5.47	2.33	31
Meals	2.02	0.38	24	0.58	0.29	33
Leisure	3.18	1.57	37	1.39	1.50	53
Total	47.09	18.41	28	12.02	6.28	35

Source: Calculated from Statistics Sweden 1992 Time-use Study, table 8a, 8b, 45a and 45b.

The time devoted to the children drops significantly for both mothers and fathers when the children grow older. The table reveals some increase in the proportion of total time spent with the children for fathers of older children. However, this is not because they devote

more time with the children, but because the mothers devote less time with the children.

Calculated in terms of time, men's dependence on women's unpaid housework is substantial. However, seen from a historical perspective their dependence has declined. Today most fathers know how to change diapers, feed and bathe children, etc. This was not always the case in the 1960s.

20 Women, men and incomes

Women's and men's incomes must be regarded as the product of the situation in the family, the labor market and the welfare state. The gender division of labor in terms of paid and unpaid work means that women devote more time to unpaid work and less time to paid work than men. The labor market is segregated by sex, and wages in female-dominated work places and positions are lower than in male-dominated work places and positions. Shorter paid working hours and lower wages per time unit mean that women have less earnings than men. More people are supported on women's incomes. Women therefore to a greater degree than men receive family-related and income and means-tested allowances, and men receive earnings-related allowances, including pensions, to a greater degree than women. Women's and men's incomes are differentiated both in terms of size and source.

Until now our discussion has been in terms of women and men. In this concluding section we will expand the categories somewhat and compare single and cohabiting women and men as well as women and men with and without children.

Paid work

When we measure paid work in average working hours per person in the population, "the population" includes the employed, the unemployed, those on leave, and those not included in the labor force. This permits us to capture differences among various categories in all these situations. Measured in this manner, men in all categories work for pay more than women. But cohabiting women and men work for pay more than single women and men in the same category, and cohabiting women without children work for pay the same amount as single men without children.

One reason for this is that cohabiting women and men as categories have a stronger position in the labor market than single women and men. Those who cohabit are in the labor force to a larger extent

than single women and men, and there is lower unemployment in these groups.

Table 25 Average working hours per week and person in the entire population, 1994

	Single		Cohabiting	
	Women	Men	Women	Men
Without children				
aged 25–44	23.1	25.1	25.7	30.1
aged 45–54	24.4	25.5	25.2	33.0
With children				
aged 0–6	14.7	22.8	15.0	30.8
aged 7–16	22.9	30.6	24.6	33.3

Source: Adapted from Labor Force Surveys (AKU).

Traditionally, married women have been in employment less than single women, and less than men. Measured in terms of average working hours per person in the population, this is no longer the case. On average, cohabiting women without children have greater potential to support themselves through paid work than single women without children, and the same potential as single men without children.

It is readily apparent that responsibility for care influences working hours, since women with children work fewer hours than those without children. The main reason for this among cohabiting mothers of small children is that a large proportion of them are on parental leave. Thus they are included in the labor force, but they are not working for pay.

Single fathers must be assumed to have the primary responsibility for child care, while this is not true for the majority of cohabiting fathers. Single fathers are a relatively small group, about 31,000 men, while single mothers amount to 216,000 (Välfärdsprojektet, 1996, p. 22). The labor market situation for single fathers is affected by their responsibility for care. This is particularly true when small children are involved. The average workday of single fathers of small children is significantly shorter than that of cohabiting fathers. One reason is that a lower proportion of single fathers of small children is employed, while a much higher proportion is unemployed. Single fathers appear to suffer from “male” unemployment since male-dominated sectors of the economy have so far been affected most by open full-time unemployment. Also, unemployment of “single parents

of small children” is probably due to the current unwillingness of employers to hire single parents of small children.

Table 26 Average working hours per week and person at work, 1994

	Single		Cohabiting	
	Women	Men	Women	Men
Without children				
aged 25–44	36.1	40.4	36.3	41.5
aged 45–54	36.4	40.1	34.3	42.1
With children				
aged 0–6	30.6	37.6	30.0	41.2
aged 7–16	35.0	40.9	33.3	42.3

Source: Adapted from Labor Force Surveys (AKU).

If we then limit ourselves to comparing working hours for those who are employed, women work fewer hours than men regardless of whether they are single or cohabiting, or if they have children or not. One might wonder why single women without children have shorter working hours than men. Do the number of working hours and part-time work comprise a factor influencing the gender structure of the Swedish labor market? Do “female” work places and positions not only offer lower wages but also shorter working hours? Is this due to women’s part-time unemployment and/or that women to a greater degree work irregular hours and therefore have a shorter workday? We know very little about this.

Responsibility for care predominantly influences mothers and single fathers with young children so that their working hours are shorter. Single fathers, like mothers, work part-time to a greater extent than cohabiting fathers.

In summary, the predominant effect of gender upon the situation on the labor market is that employed women have shorter working hours than men regardless of whether they are single or cohabiting. However, they participate in the labor force to an equal extent. Responsibility for care reduces working hours. This applies to both mothers and single fathers of small children.

Earnings

Naturally, earnings are affected by the number of hours worked. Men’s earnings are on average higher than women’s in all categories. If we only consider those who have earnings, women’s earnings are less as a proportion of men’s earnings in most cases.

Table 27 Earnings, SEK, 1994

	Average for all		Average for all earners	
	Women	Men	Women	Men
Single without children				
aged 18–29	55,917	70,208	67,058	86,374
aged 30–49	132,616	132,641	153,333	169,508
aged 50–64	97,418	115,568	143,480	177,914
Single with children	84,883	151,467	112,384	189,908
Married/cohabiting without children				
aged 18–29	94,317	121,733	101,471	134,719
aged 30–49	134,322	179,750	151,817	211,282
aged 50–64	100,947	170,441	134,582	210,549
Married/cohabiting with children	100,210	188,047	115,893	211,252

Source: Statistics Sweden, Income Distribution Study.

On average, cohabiting women and men, with and without children, have higher earnings than those who are single. One reason for this is the higher rate of employment and lower unemployment among those who are cohabiting.

Cohabiting men and among the women those who are single and cohabiting without children age 30–49 have the greatest opportunities to support themselves through paid work.

Cohabiting mothers have higher earnings than those who are single. Single mothers are those who have the greatest difficulties supporting themselves through paid work of all categories. Single fathers have significantly higher earnings than single mothers, but significantly lower than cohabiting fathers.

Measured in this manner, earnings are affected by gender as well as responsibility for care. In all categories, men have higher earnings than women in the same category. The primary responsibility for care of the children reduces earnings. Single fathers have lower earnings than cohabiting fathers. The difference in earnings calculated in Swedish crowns is greater among fathers than between single women and men. However, shared responsibility for care in the sense of cohabiting parents encourages earnings, which is demonstrated by the fact that cohabiting mothers and fathers have higher earnings than single parents.

Women's and men's opportunities to support themselves through paid work depend in part on their family situation, as well as on their position on the labor market. Cohabitation and having children appears to strengthen men's position in the labor market, while cohabitation, but without children, strengthens that of women.

Cohabiting women with or without children have greater opportunities to support themselves through paid work than single women with and without children.

Earnings-related allowances

Above we have found that women and men receive different types of allowances from the welfare state. Women receive family-related allowances, which are the same for everyone regardless of income, as well as means-tested allowances to a greater extent than men. The purpose of these allowances is to guarantee a basic security, or a certain minimum standard. Men predominantly receive earnings-related allowances including pensions. They are linked to current or past earnings in order to maintain the worker's economic standard.

If we compare cohabiting and single women and men without children, we find that in all categories men receive larger allowances than women. However, this does not apply to those who have children.

Against the background of the fact that earnings-related allowances are assumed to favor men, it is somewhat surprising that mothers are those who receive the greatest amounts of the earnings-related allowances. For cohabiting mothers this is due to parental benefits. However, single mothers receive more in unemployment allowances than in parental benefits. This is true to an even greater degree for single fathers.

Table 28 *Earnings-related allowances and pensions SEK, 1994*

	Earnings-related		Pensions	
	Women	Men	Women	Men
Single without children				
aged 18–29	11,714	19,446	1,657	1,219
aged 30–49	13,959	22,140	9,309	8,002
aged 50–64	7,543	18,973	47,520	38,363
aged 65–74	35	37	103,981	133,517
aged 75–	0	4	79,220	107,884
Single with children	26,859	18,979	8,391	6,033
Married/cohabiting without children				
aged 18–29	16,178	18,319	337	337
aged 30–49	12,675	15,170	6,126	5,712
aged 50–64	9,098	13,456	26,482	39,756
aged 65–74	90	113	77,560	158,096
aged 75–	0	4	59,113	126,986
Married/cohabiting with children	26,101	16,848	2,470	4,925

Source: Statistics Sweden. Income Distribution Study.

Naturally pensions go primarily to the elderly. Men receive pensions to a greater degree, and the amounts are significantly higher than the earnings-related allowances. It should be noted that much of the earnings-related allowances and the pensions return to the welfare state in the form of taxes.

In general, men have worked on a full-time basis for many decades. Their pensions are therefore much higher than women's. For example, cohabiting men aged 65–74 on average have a pension which is more than twice as large as women's in the corresponding category: SEK 158,000 and SEK 78,000, respectively.

Pensions and parental allowances have the common effect of providing benefits for a very large proportion of people. Nearly all of us become senior citizens, and a very large majority become parents, and in this manner pensions and parental allowances redistribute incomes between periods of earnings and periods without earnings. Since such a large portion of the population receives pensions and parental benefits, they are not redistributing to any great degree between high and low income earners. However, this occurs for sickness benefits and labor market assistance. The risk of becoming sick or unemployed is significantly higher among low income groups and single parents than among high income groups and cohabiting parents. All in all, this means that sickness benefits and labor market assistance are redistributing from cohabiting parents and high wage earners, to single parents and low wage earners.

Earnings-related allowances are assumed to reinforce the wage disparities between women and men. This is true when it comes to pensions, but is not the case in general. Parental insurance is of great significance to both cohabiting and single mothers, but even labor market assistance is important, since single parents are hit hard by unemployment.

Family-related and means-tested allowances

Naturally the family-related allowances—advance maintenance allowances and child allowances—go only to women and men with children. Single parents receive these allowances to a greater extent than those cohabiting, which is due to the fact that the entire child allowance goes to one person instead of being divided between two cohabiting persons. Also, single parents receive the advance maintenance allowance, which is less common among those who are cohabiting.

For single parents family-related allowances are more dominant than earnings-related allowances. For those who are cohabiting the opposite is the case. Parental benefits go to a greater degree to those who are cohabiting probably because their children are younger than the children of single parents.

Table 29 Family-related and means-tested allowances, SEK, 1994

	Family-related allowances		Means-tested allowances	
	Women	Men	Women	Men
Single without children				
aged 18-29	-	-	4,323	3,248
aged 30-49	-	-	6,704	6,162
aged 50-64	-	-	6,269	4,453
aged 65-74	-	-	11,551	4,000
Single with children	32,966	28,299	23,330	12,430
Married/cohabiting without children				
aged 18-29	-	-	1,474	1,620
aged 30-49	-	-	386	902
aged 50-64	-	-	259	110
aged 65-74	-	-	366	284
aged 75-	-	-	857	653
Married/cohabiting with children	9,826	8,593	2,899	2,961

Source: Statistics Sweden. Income Distribution Study.

From the table it is apparent that those who are single also receive relatively large amounts of means-tested support in the form of social assistance and housing allowances. This is particularly true for the housing allowance, which also has a correlation with responsibility for support and children.

Economic equality and economic dependence

The welfare state's cash transfers to households is an expression of our welfare policy, or society's desire to redistribute resources among different types of households and among individuals in different age groups and among those who have earnings and those who do not because of illness, unemployment, etc. Social policy should function as a safety net by compensating for loss of income and providing support for economically weak groups. The objective is to give all people an opportunity for economic independence. Therefore, to a large extent transfers go to those without earnings because they are senior citizens or unemployed, as well as to those who are singly responsible for supporting and caring for children.

If we use women's and men's own disposable income as a measure of economic equality, we find that single women and men are more equal than those who are cohabiting. However, this is because single men have lower incomes than cohabiting men. Most economically equal are single women and men aged 30–54. Cohabiting women and men are more economically equal, the younger they are. However, they also have the lowest incomes.

Table 30 Net payment transfers and disposable income, SEK, 1994

	Net payment transfers		Disposable income		Women's disposable income as a percentage of men's
	Women	Men	Women	Men	
Single without children					
aged 18–29	9,924	5,925	72,816	81,484	89
aged 30–49	-12,814	-15,504	124,608	133,468	93
aged 50–64	14,438	4,808	138,380	143,311	97
aged 65–74	87,527	93,727	104,780	120,684	87
aged 75–	77,134	81,836	93,677	112,661	83
Single with children	63,752	13,418	154,230	178,669	86
Married/cohabiting without children					
aged 18–29	-5,454	-13,598	95,623	114,615	83
aged 30–49	-27,703	-44,175	121,687	156,292	78
aged 50–64	-6,877	-27,462	114,638	182,608	63
aged 65–74	58,176	99,262	79,863	138,730	58
aged 75–	50,860	87,254	65,012	108,415	60
Married/cohabiting with children	5,892	-35,341	115,751	175,787	66

Source: Statistics Sweden. Income Distribution Study.

Net payment transfers may be considered to be an expression of economic dependence on the welfare state. Those categories in which allowances are larger than taxes on average can be said to be dependent, to a varying degree, on the welfare state. Naturally the elderly are most dependent on the welfare state. This applies particularly to older men, but also to older women. In addition, single mothers are dependent on the welfare state to a large degree. One reason is that they are responsible for supporting their families. Also, they are unemployed to a greater extent. However, it must be remembered that eventually, many single parents become cohabiting parents.

It could be said that least dependent on the welfare state are those who pay more in taxes than they receive in payment transfers. They are dependent on the labor market instead. This applies to cohabiting

couples without children, cohabiting fathers, and single women and men without children in the age category 30–49 .

The welfare state has meant major advantages for women, but the traditional gender division of labor has not been broken, which is apparent in the differences in the size of incomes between women and men and the source of the income. Women's economic dependence on men has decreased and their opportunities to support themselves and their children, should there be any, have risen. Paid work and welfare state transfers have significantly strengthened women's "fall-back" position, that is their potential for managing in the event of a separation or divorce. However, single mothers are dependent on the welfare state to a high degree, and single mothers' economic standards are probably on average significantly lower than those of persons who cohabit.

Today women have triple roles as workers, family providers and caregivers to children. This is apparent in the income structure. Women have a high rate of participation in the labor force, but work for pay for shorter hours, have lower earnings, more family-related and means-tested allowances than men. The income structure for men reflects the gender-segregated labor market with higher unemployment and thereby resultant labor market assistance and pensions. On the other hand, men's parenthood is rarely seen to mean anything other than higher participation in paid work and higher earnings. Gender relations have changed, but they have been resurrected in a new guise.

Strategies for changing these conditions require that choices be made and measures be taken in the three arenas in which economic outcomes are determined: the family, the labor market and the welfare state. An economically equal society requires changes to reduce the gender division of labor in terms of paid and unpaid work and to end gender segregation of the labor market. Economic equality of the sexes is a matter of individual and societal choices.

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Appendix A.

Diagrams and tables

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Appendix B.

Reports to the Committee

The following reports are published in Swedish, and are on sale at Fritzes Bookshop, Stockholm. Address is given on inside of cover.

- SOU 1997:83 Om makt och kön
– i spåren av offentliga organisationers omvandling
Editor: Elisabeth Sundin
- SOU 1997:87 Kvinnor, män och inkomster. Jämställdhet och oberoende
Anita Nyberg
- SOU 1997:113 Mot halva makten – elva historiska essäer
om kvinnors strategier och mäns motstånd
Editor: Ingrid Hagman
- SOU 1997:114 Styrssystem och jämställdhet.
Institutioner i förändring och könsmaktens framtid
Editor: Anna G. Jónasdóttir
- SOU 1997:115 Ljusnande framtid eller ett långt farväl?
Den svenska välfärdsstaten i jämförande belysning
Editor: Agneta Stark
- SOU 1997:135 Ledare, makt och kön
Editors: Anita Nyberg & Elisabeth Sundin
- SOU 1997:136 Kvinnors och mäns löner – varför så olika?
Editors: Inga Persson & Eskil Wadensjö
- SOU 1997:137 Glastak och glasväggar?
Den könssegregerade arbetsmarknaden
Editors: Inga Persson & Eskil Wadensjö
- SOU 1997:138 Familj, makt och jämställdhet
Editors: Göran Ahrne & Inga Persson
- SOU 1997:139 Hemmet, barnen och makten
Förhandlingar om arbete och pengar i familjen
Göran Ahrne & Christine Roman
- SOU 1998:3 Välfärdens genusansikte
Editors: Inga Persson & Eskil Wadensjö
- SOU 1998:4 Män passar alltid? Nivå- och organisationsspecifika
processer med exempel från handeln
Elisabeth Sundin

- SOU 1998:5 Vårt liv som kön.
Kärlek, ekonomiska resurser och maktdiskurser
Anna G. Jónasdóttir
- SOU 1998:6 Ty makten är din ...
Myten om det rationella arbetslivet och det jämställda Sverige