

## **Executive Summary**

### **Research on the economic consequences of divorce on both spouses – gender-based economic disparities of divorced spouses**

This study «*Research on the economic consequences of divorce on both spouses – gender-based economic disparities of divorced spouses*» was carried out by “YPATIA” Foundation Promoting Equality. The study was commissioned by the Ministry of Justice and Public Order so that it can be part of the 8<sup>th</sup> periodic report for the Republic of Cyprus to in compliance to the Convention on the Elimination of All Forms of Discrimination against Women –CEDAW. The concluding observations of competent United Nations Committee on 15 February, 2013 (Geneva), article 36(b) recommends that the Republic of Cyprus “undertake research on the economic consequences of divorce on both spouses, bearing in mind gender-based economic disparities between spouses”.

#### **1. Aims and methodological framework of the research study**

This study endeavors to examine the economic consequences of divorce for both men and women, taking into consideration gender-based economic disparities, especially during the economic crisis. The study also aims to examine issues faced by divorced spouses in relation to possible legal voids / weak points/lack of provisions of related family law.

The research covers: a) a representative and weighted random sample of 220 divorced spouses throughout Cyprus, so that the research can produce credible results, b) personal interviews on 12 divorces spouses (qualitative research) and c) the period since passing and enactment of family laws until today (i.e. passing the Divorce and Property Law of 1991, as it was amended in 1991, Child Custody and Support of 1990, as it was amended etc.)

To achieve research objectives the research study was developed along the following stages:

The first stage includes conducting an overview of demographic data for divorced spouses in Cyprus, an overview of family law in Cyprus and EU member state, and a brief presentation of issues raised by NGOs who are active in the promoting rights of single parenthood and the rights of divorced spouses, especially those of the Pan-Cypriot Association of Single Parents and the Association of Divorced Women of Cyprus.

The second stage entails the undertaking of telephone survey in a stratified and weighted sample of divorced spouses, as well as personal interviews with an aim

examine perceptions in regards to the economic impact following the divorce and the functioning of family law. Through elaborate analysis of findings, the research study delineated the economic hardship and gender-based disparities, the shortcomings of family law, as well as measures needed to alleviate economic adversity and deprivation of divorced spouses with dependent children. Moreover, policy recommendations were developed with a view to improve living conditions of single parent families and needed amendments to family law.

## 2. Findings and conclusions of field studies

Analyzing the findings of the field studies the following conclusions are derived:

**Demographic findings:** a) Educational attainment of divorced spouses is greater than the national average according to Statistical Service of Cyprus in 2010, however, divorced man with tertiary education exceed national average by 11,17% reaching 41,51%, while divorced women exceed the national average by 6.52% reaching 38,52%, b) the number of children living with a single parent is mostly one child at 54,71% of the sample, and two children at 41,51% of sample surveyed.

**Child custody** is granted to women at 70% of divorced spouses. Single parents are mostly women who experience a substantial decline in their financial circumstances after divorce, having also the responsibility to pay defaulted loans created during marriage.

**Employment situation** of divorces spouses: a) divorced men are employed full time at 83,53%, while women at 61,48%, b) part-time employment for divorced women stands at 8,9% and for men at 2,35%, c) unemployment for men is at 14,11% for man and 28,15 for women, d) gender segregation in employment follows the national pattern with women to hold jobs mostly as administrative personnel and sales, while the findings show no participation in executive positions, few run their own business ,and fewer hold jobs as a technician, e) family and friends contribute financial assistance to the unemployed single parents more so than any state social protection schemes.

Divorced women with depended children are faced with **poverty and social exclusion** at 51,45%, while 10,71% men are in this precarious situation.

Divorced women with depended children are **facing problems to meet basic needs** at 67%, while 34% of men are in this situation.

The **economic crisis** had devastating effects on the standard of living of divorced spouses, especially women with depended children. Major issues include the reduction of income, the increase of unemployment, the elimination of social service programs for children and the defaulted loans.

**Employment for divorced women became insecure, hard to maintain and hard to progress a career.** Major issue is the reconciliation of family life and work. Research findings indicate: a) 34% of divorced women were affected by job loss after the divorce versus 17,95% of men, b) 59,70% of divorced women with depended children faced difficulties at work versus 38,46% of men, c) 32,84% of divorced women with depended children were adversely effected in their career vs 17,95% of men, d)

37,31% of divorced women with depended children were adversely effected in their promotion at work vs 20,51% of men.

Divorced men were faced with **loss of dwelling** by 45% of sample after the divorce vs 18,51% of women.

The majority of divorced spouses with depended children experience great difficulty **in meeting the mortgage payments** (women at 67,50% vs 51,61% of men). Difficulties were also experienced with **business loans** at 41,03% of sample. However, there was a disparity between man and women who had business loans: 45,89% of man had a loan vs 28,89% of women.

Divorced women are **struggling to provide the basic needs of their children** at 64,18% vs 48,72% of men.

Divorce resulted in **the loss of social life** for 79,25% of women vs 52,94% of men. Men with depended children were affect by 58,97%.

**GMI** (Guaranteed Minimum Income) was not a choice for most, but for those who became recipients it is not a viable solution.

**Legal assistance** is not granted to all applicants. The majority of divorced spouses pay legal fees on their own, the average costs stands at 1.000 – 3.000 Euros.

**Child support** amount is acceptable for 25,68% of women vs 66,67% for man. Only 51,47% of divorced women regularly receive child support from former spouse. 54,43% of women filed for court order to receive child support at some stage during divorce. 48,57% of women who are not receiving child support never filed for a court order.

Evaluating the factors that lead to **child support court order** the following findings emerge: a) 44,44% of women believe that the court does not take into consideration actual needs of children, vs 8,23% of men, noticing a considerable gender-based deviation, b) 57,78% of women believe that the court takes into consideration the economic capacity of the father vs 21,18% of men, c) 40% of men believe that the court takes into consideration the parent who has child custody vs 19,26% of women, d) 42% of sample agreed that court order to receive unpaid child support is not effective, e) qualitative research indicates that child support and single parent benefits should include the period children serving in the army or when pursuing tertiary education.

**Debt creation.** Quantitative research findings indicate that 58,82% of divorced man believe that the court should take into consideration how debt was created and to rule accordingly vs 48,15% of women. Qualitative research findings indicate that divorced women “inherit” the family debt.

The majority of divorced spouses choose to **resolve property disputes extra judicially**. However, 61,36% of women feel property settlements are not fair, while 56,75% of men fell that it is fair.

Findings from quantitative and qualitative research indicate that family laws in every aspect need to be amended.

Multiple filings for divorce matters and adjudication is not necessary, it takes longer time to arrive at court ruling and the process is very costly.

Open to the public deliberations and court proceedings violate privacy of contentious parties and become a humiliating experience.

### **3. Policy recommendations**

Research findings warrant the immediate regulation of several problematic provisions in family law or gender-based stereotypes that lead divorced women in poverty and social exclusion:

- Regulation for an equitable child custody and child support provision.
- Amendment of Law for Property, introducing a provision making liable the spouse who created debt and share responsibility.
- Amendment of family law, allowing for ruling on property dispute before action is taken to liquidate property.
- Creation of state schemes to protect vulnerable families from defaulted loans.
- Amendment of family law to treat separated spouses with children in an equitable manner in regards to receiving benefits and support as the divorced spouses.
- Regulation of family law so that child support is sufficient to provide satisfactory standards of living of child and the single parent.
- Improving collection mechanisms, regarding child support and spousal alimony.
- Introduction of provision separating business loans from other property and liabilities of the household
- Enhance the system of legal assistance in family court cases to enable women to file for a divorce.
- Amendment of law regarding the eligibility criteria for GMI, so that the rights of single parent children are protected.
- Amendment of GME Law and providing procedures with integration of gender dimension. GME must not be neutral or blind in gendered issues, such as those of single parent families.
- Amendment of functioning of family courts and sensitization of judges not to reproduce gender-based stereotypes.
- Simplification of Family Court - one application for all divorce matters.
- Amendment of court orders so that they are not only binding for women that usually have child custody.
- Adaptation of measure to reconcile family life and work so that women are able to keep their job or enter the labor market.
- Increase availability of suitable resource centers for child minding while single parents are working.