
THE PARTICIPATION OF WOMEN IN LABOR MARKET – THE CASE OF KOSOVO

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Abstract: Women's participation in the labor market is one of the critical elements not only in the economic development of the country but also in ensuring gender equality and reducing unemployment. This issue continues to be a challenge for all countries in the world, especially for developing countries. Based on the fact that Kosovo has the lowest female participation in labor markets in the Western Balkans, this study analyzes women in the labor market, namely their participation, unemployment and employment over the years. Data from the Kosovo Agency of Statistics show little to no improvement in this aspect over years, as well as significant differences between men and women in the labor market. Our findings show that women in Kosovo face various factors that keep them out of the labor market such as: social norms and culture, taking care of their family, maternity leave, education, as well as other factors. Therefore, through this paper, we try to give an overview of the situation of women in the labor market in Kosovo, thus providing additional contribution to the existing literature.

Keywords: Women, labor market, participation, Kosovo.

1. INTRODUCTION

The changing nature of women's participation in the labor force has been a critical dimension of the development process since the Industrial Revolution (Verick, 2014). Women make up a little over half the world's population, but their contribution to measured economic activity, growth, and well-being is far below its potential, with serious macroeconomic consequences. Despite significant progress in recent decades, labor markets across the world remain divided along gender lines, and progress toward gender equality seems to have stalled (Elborgh-Woytek et al., 2013). Unemployment is affecting young women more than young men in almost all regions of the world. Women are more likely to be unemployed than men, with global unemployment rates of 5.5 per cent for men and 6.2 per cent for women (ILO, 2016). In the Western Balkans region, Kosovo has been hit hard by various shocks over the last two decades. As a result, in addition to numerous consequences of previous conflict and crises, the labor market is presently characterized by substantial imbalances along several dimensions, with gender disparities possibly being the most dramatic (Pastore, Satar, & Toingson, 2013).

This paper gives an overview of the women's participation in the labor market in Kosovo and contains four chapters. In the following chapter, we present a discussion of existing findings and literature, thus analyzing in general women's participation in the labor market in Kosovo. In the third chapter, we provide a more detailed analysis of women's participation in the labor market, unemployment and employment rate in Kosovo based on the data from the Kosovo Agency of Statistics. Similarly, the fourth chapter gives clarification in the factors that keep women of Kosovo outside labor market, lastly in the final chapter we discuss our findings.

2. LITERATURE REVIEW

Western Balkan countries have experienced an important level of economic growth last twenty years, but still their labor markets are characterized by a lot of labor market problems, especially high levels of unemployment and low rates of labor force participation (Prenaj, 2017). These countries are characterized by low participation of women in the labor market in Europe, especially Kosovo that has the lowest female labor force participation and the highest unemployment rate. Based on (RIINVEST, 2017), women's participation in labor market in Kosovo is the lowest in the Balkans with 18%, thus surpassing all neighboring countries (Bosnia and Herzegovina 34%, Macedonia and Montenegro 43%, Albania and Serbia 34%).

In Kosovo, before 1999 the number of women in work force was extremely small. This small number of women who had the luck to work were women who worked in private business and in primary and secondary school as a teacher. In health Institutional mainly as a nurses and very a few doctors (Pula, 2015). Kosovo after the war in 1999, has faced many life problems of all natures and such a problem is with employment as the majority of enterprises have been damaged by the war in different ways (burned, looted, damaged by bombing, etc.), and a large part of them that have survived these problems have lost their market and manufacturing technology which had in their possession and were not competitive in the regional market and could not afford a new system of market economy. As a result of all these problems that were noted above, employment has begun to appear as a problem and is creating a huge army of unemployed and the unemployment figures go higher (Haziri, 2015).

Kosovo's economy falls short of the potential it has to grow due to numerous issues, one of them being the under-representation of women in the economy. Women in Kosovo's economy face many challenges, in the labor force, more than 80% of the women are inactive, and of the remaining women who are active, the unemployment rate is around 37%; as entrepreneurs, women in Kosovo's economy represent only 10% of the business owners, and that is, largely owners of micro and small businesses (RIINVEST, 2017). Solid economic growth (3.9 percent) in Kosovo, did not lead to new job creation. Instead, after a steep rise in 2017, employment fell by 4.5 percent in the second quarter of 2018, partly due to a rising working age population, but also to outmigration of the previously employed. Employment decline in agriculture, industry, and construction, but increased in the services sector, particularly in trade, information and communication technology (ICT), and in the public sector. The employment rates for both men and women were the lowest in the region, amounting to 45 percent and 12 percent respectively (WIIW, 2019). The high unemployment and inactivity rates in Kosovo are largely attributed to low demand for labor as a result of sluggish economic growth which is based largely on remittances, donor assistance and public infrastructure investments. The high trade deficit and the limited growth of the private sector, which still lacks significant investment in large-scale manufacturing or other labour-intensive sectors, are also important contributing factors (Elezaj, Maliqi, & Çeku, 2016). According to MCC survey, almost half of Kosovo's population is economically inactive, one in five households receives a significant amount of its income from remittances, and the economy is largely dependent on the public sector, which supports one out of four jobs (MCC, 2018).

Although the fertility rate has fallen by two-thirds over the last forty years, with over half of its population aged 25 or under, Kosovo has a very young population compared to the EU-28 and most other Western Balkan countries. The working age population is taken as people aged 15 to 64, though many of the younger members will be in full-time education and therefore classified as inactive. The size of the latter group may also be increased by the very high youth unemployment rates in Kosovo. Countries with a younger population will tend, *ceteris paribus*, to have lower participation rates and lower employment rates (Gashi, Rizvanolli, & Adnett, 2019). According to the latest Labor Force Survey in Kosovo one in five (22.2%) females of working age are active in the labour market, compared with about three-fifths (61.4%) of working-age males. Among persons in the labour force, unemployment is higher for females than for males (36.4% compared to 20.2%). The employment rate among working age females is only 14.1%, compared with 49.0% for males (KAS, 2019).

In recent years, Kosovo has made its efforts to promote and the advancement of equality and in fighting the discrimination of women, especially the advancement of women in leadership positions, but still the country faces many challenges in exploiting the potential of women in the labor market (Gashi & Gashi, 2019). The Constitution of the Republic of Kosovo (adopted in 2008) provides the legal basis for introduction and regulation of the principles of gender equality in Kosovo and establishes gender equality as a fundamental constitutional right. Under Article 15 of the Constitution, the state must guarantee equality between women and men and develop equal opportunity policies. The Constitution also sets out the principle of the prohibition of discrimination, including, *inter alia*, gender-based discrimination (KAS, 2016).

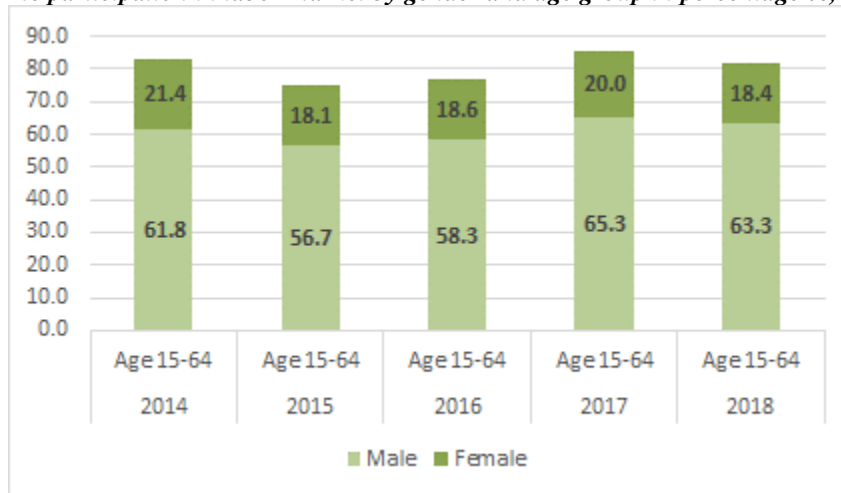
Despite improvements related with equal representation of women and men after 1999 that came as a result of joint efforts of groups of women, activists and international institutions, achieving full equality and participation, in terms of political, economic and cultural empowerment, remains highly challenging. Poverty, unemployment, patriarchal mentality, gender violence remain major challenges that impede equal representation between men and women (Kosovo Center for Gender Studies, 2011).

In the following chapter, we provide a more detailed analysis of women's participation in the labor market, unemployment and employment rate in Kosovo based on the data from the Kosovo Agency of Statistics.

3. AN OVERVIEW OF WOMEN IN THE LABOR MARKET IN KOSOVO

The low participation of women in the labor market and the challenges they face in social and economic life are one of major concerns of Kosovo as a new state. In the following we shall analyze the participation of the population in the labor market, unemployment and employment rate by gender for 2014-2018 for the working age population of 15 - 64 years.

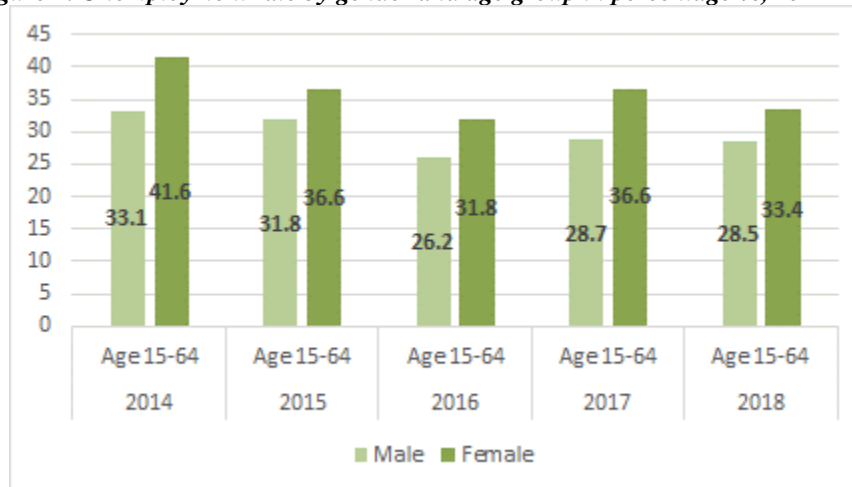
Figure 1. The participation in labor market by gender and age group in percentage %, 2014 - 2018



Source: Kosovo Agency of Statistics

The chart shows that there is a major difference between men and women in labor market participation for the period of 2014 - 2018. Women's participation in 2014 was 21.4% whereas men's participation was 61.8%, which was in fact the highest during those years. Two upcoming years we have a decrease in the participation of women in the labor market, then a slight increase in 2017. Whereas in 2018, women's participation continued to be low at 18.4% whereas men's participation at 63.3%. According to this data there has been no improvement in the situation of women in the labor market as well as the difference between men and women during this period has been quite evident.

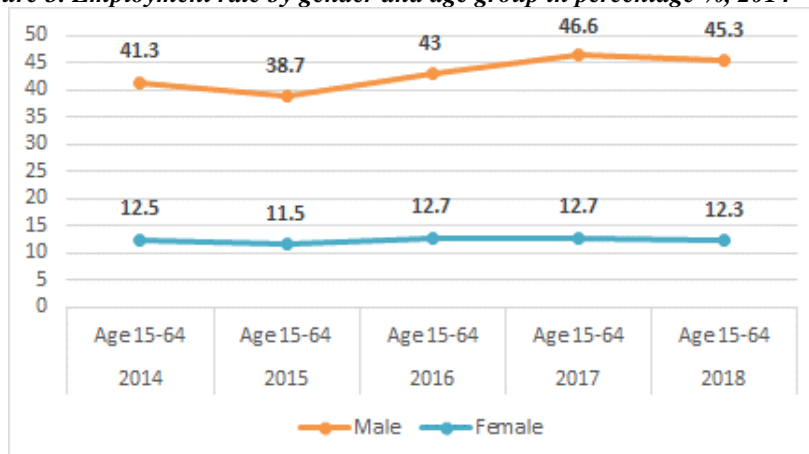
Figure 2. Unemployment rate by gender and age group in percentage %, 2014 - 2018



Source: Kosovo Agency of Statistics

In the chart above we have presented the unemployment rate by gender for the working age population of 15 - 64 years. The data shows that the unemployment rate of women is higher than men for all years, with a larger difference in 2014 where the unemployment of women was 41.6% whereas that of men was 33.1%. In 2016, the unemployment rate for women was the lowest throughout these years with 31.8%, which continued with an increase for the next two years. According to the data, we can conclude that unemployment among women continues to be higher and more pronounced than among men.

Figure 3. Employment rate by gender and age group in percentage %, 2014 - 2018



Source: Kosovo Agency of Statistics

Major differences are also seen in the employment rate between men and women, where the scale of employment of women was 12.5% in 2014 and has continued with an almost same trend for the following years. On the other hand, the employment rate for men was much higher for all years.

4. FACTORS THAT KEEP WOMEN OUT OF THE LABOR MARKET

In general, women are more affected than men in many factors regarding their participation in the labor market. This is because they are more connected to their family and home, and their lifestyle as a mother (taking care of their children, maternity and breastfeeding) limits them and often discriminates against them in the labor market. These factors are more noticeable for women living in Kosovo and in similar developing countries, due to low economic growth, traditions and culture. Following we have concluded some factors that keep women in Kosovo out of the labor market.

➤ **Culture and social norms:** In Kosovo, due to the inherited mentality and culture, women are more discriminated in many areas, and this has led many women today to not work for various family and social reasons. Authors (Morina & Delibashzade, 2017) state that patriarchal societies suffer not only from the exclusion of women from the labor market, but also from gender discrimination in the workplace, lack of education opportunities for women, and gender-defined occupational standards. GAP institute mentions that the low level of employment of women comes as a result of barriers that women are faced. The first barrier has to do with the traditional separation of occupations, where the employer/s specifically seek men for "occupations of men" and women for "occupations of women". The second barrier has to do with the discriminatory language of job advertisements (GAP, 2017).

➤ **Family care:** Women in Kosovo continue to play the main role in taking care of their families, including here children, elders and maintaining daily chores. According to (Cojocar, 2017) over 50% of inactive women in Kosovo report personal or family obligations as the primary reason for not working outside the home. The results of a survey of 500 women conducted by (RIINVEST, 2018) show that women, regardless of their employment status, spend on average 3 hours and 30 minutes engaged exclusively in household work (that is, not including care work).

➤ **Education and skills:** World Bank explains that despite improvements among younger cohorts, women in Kosovo have significantly lower levels of education than male (e.g., 50% of working-age women have lower-secondary education or below, compared to 27% of men). Women are also more likely to lack work experience than men (e.g., at reentry to work after having children) (World Bank, 2019). According to the latest Labor Force Survey in Kosovo, the employment rate has increased with the increase of education levels for both men and women. That indicates that the higher the education is, the higher will be the possibility for employment (KAS, 2019). As a result, Lack of education and experience is an obstacle for women in Kosovo that are looking for a job.

➤ **Maternity:** Current legal provisions for maternity leave have further deepened discrimination for women in the hiring process. This becomes especially difficult as most employers see maternal leave as a burden, which increases their costs and diminishes productivity (Morina & Delibashzade, 2017). Total length of maternity leave a woman can take and maintain the workplace in Kosovo is 12 months. Thus, our country ranks among the countries that provide the longest general time period (compared to Albania, Bulgaria, Croatia, Montenegro and Serbia). The overall level of compensation or offered wage replacement however ranks Kosovo at the bottom of the group

(Kosovo Center for Gender Studies, 2011). As a result of maternity leave, women in Kosovo often are less desirable from employers in the labor market compared to men.

➤ **Others:** Various researches and reports also list a number of other factors that keep women out of the labor market: limited access to critical job-related information (e.g., about job vacancies, services at employment offices), lack of professional networks, distance to work and inadequate transport infrastructure (especially in rural areas), and high reservation wages (influenced in part by remittances) (World Bank Group, 2018), low salary level, no enforcement worker's rights, lack of benefits, lack of flexibility working hours, short-term contracts and lack of regular compensation (RIINVEST, 2018).

5. CONCLUSION

In this paper, we did an analysis of the women's participation in the labor market in Kosovo and we can conclude that there is a large gender gap in the labor market and that women face obstacles that explain their low levels of participation in the labor market for many years. Culture and social norms, taking care of their family, maternity, education, and other factors, cause women in Kosovo to be less desirable for work compared to men. Data published by KAS in Kosovo shows that the level of participation of women in the labor market is very low only at only 18.3% in 2018 compared to men where their participation in the labor market was 63.3% in 2018. Furthermore, our findings explain that unemployment among women is higher than among men (33.4% compared to 28.5% in 2018) whereas the employment rate for women is much lower compared to men (12.3% compared to 45.3% in 2018). In other words, we can conclude that no progress has been made in recent years, and should serve as a lesson for the society, government and competent bodies to work harder in this regard. The results show that no favorable conditions have been established in Kosovo that would enable women to participate in the labor market by reducing the unemployment rate, and above all, ensuring social and economic gender equality. Women first need more support from their family members in household chores and in taking care of their child, and then by the government and institutions in providing necessary education and protecting their rights by law. Moreover, employers need to offer better working conditions in order for women to adjust better in the labor market. Hence as a final point, increasing women's participation in the labor market will help Kosovo not only in reducing the unemployment rate but also in generating a sustainable economic development.

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