

GENDER INEQUALITY ON THE MACEDONIAN LABOUR MARKET

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Abstract: *The labour market is facing different forms of inequality and discrimination against workers on the basis of gender, age and health. Gender gaps are one of the most pressing challenges. Globally, women are substantially less likely than men to participate on the labour market and to find jobs. Their access to quality employment opportunities is limited. Many researches have shown that there is a significant difference between the genders, in terms of the wage levels, occupation, working hours, economic status, duration of the unemployment etc.*

The research hypothesis of the paper is that Republic of Macedonia has gender inequality on its labour market, seen through different position of men and women regarding their economic activity, employment and unemployment. The aim of the paper is to identify the level of gender inequality and the differences between men and women on the Macedonian labour market.

The paper consists of two segments. The first is focused on the theoretical aspects of the gender inequality, as well as on the measures and indicators which can determine the scale of gender inequality. In the second part, the situation on the Macedonian labour market regarding the position and differences between men and women is observed. For that purpose, the economic activity, employment and unemployment of men and women (by age, educational attainment, economic status, working hours, sectors of activity, occupations, wages and other) is analyzed.

The results of the analysis show that the position of women was and remains worse than of the men. It is seen in their lower participation in the economic activity and employment in the country, in the higher unemployment rates, longer unemployment, lower wages, in an increase of the average time to find work, in the proportion of women in traditionally female occupations etc. The gender inequality demands more attention in order to improve existing legislation and to implement labour market policies which will ensure higher participation of women on the labour market. Therefore, the paper, also, notes some recommendations to overcome the unfavorable situation of women on the Macedonian labour market.

The study of the gender inequality on the Macedonian labour market is made for the last decade, using the available data from the State Statistical office of the Republic of Macedonia. For the purpose of the research, reports, data and statistical analyses on gender inequality from different international institutions (Eurostat, World Bank, World Economic Forum and International Labour Organization) are also used. Concerning the methodology, the study is based on the qualitative methods such as: analysis of literature and documents and deductive reasoning, as well as on the quantitative method of descriptive statistics.

Keywords: *gender inequality, labour market, employment, unemployment, Republic of Macedonia*

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1. INTRODUCTION

Gender gap on the labour market remain a pressing global challenge. The inequality between women and men can be seen in two ways. The first is related to the fact that men and women may decide to achieve different levels of education, resulting in a difference in productivity. Such differences in wages can be justified, because they are based on a different contribution of the employees to production. The second, may involve differences in rewarding women and men for equal productivity, and this falls within the domain of discrimination.

Over the past decades the position of women was constantly worse compared to men, because their participation in economic activities and employment was lower, unemployment rates were higher, the average time taken to find a job was longer, and the proportion of women in typically female occupations was rising.

The aim of the paper is to identify the level of gender inequality and the differences between men and women on the Macedonian labour market. The analysis is based on the position of men and women regarding their economic activity, employment and unemployment. The research attempts to identify in which areas, in the last decade, the gender differences are the most pronounced.

2. LITERATURE REVIEW

There are many studies which discuss the gender inequality on the labour market and most of the findings show that the gap stems mainly from the differences in wages, work hours and occupations between men and women.

The researchers who deal with the problem of gender inequality (Bergmann 1974; Hartmann 1976; Kalinowska-Sufinowicz 2013; Kryńska and Kwiatkowski 2013) usually consider that it derives from the labour market imperfections, i.e. from its institutional structure. One of the most common opinions among the researchers of this aspect is that some limitations regarding the employment and remuneration are reasons for gaps between men and women (Arrow 1972, pp.3-5; Hartman 1976, pp.137-140; Stiglitz 1973, pp.287-289; Zellner 1972, pp.157-159). The study made by S. Shulman (1992, pp. 434-439) or A. Giddens (2005, pp. 133-134) shows that occupational gender inequality usually is a result of the historical conditions and sociocultural norms. (Domagala, 2016)

There are studies which confirm that the gender inequality influences the stock of human capital of the next generation. Sen (1990) and Klasen and Wink (2003) argue that asymmetries in employment and income undermine women's bargaining power within the household. Because the increase in female education levels renders women's time more expensive, families tend to reduce the number of children they have and spend more on them. This lead, on average, to higher income per capita (Lagerlof 2003).

There is an argument that jobs are highly gendered, with a tendency for high-status, high-paid jobs to be male-dominated because they have traditionally been perceived as 'masculine' (Haralambos & Holborn, 2008). With respect to gender-based discrimination, despite substantial progress made in promoting gender equality and narrowing gender gaps in the world of work during the last half a century, much of women's work remains in gender-stereotype occupations that are more precarious and vulnerable, and with less pay than men's, and this is across the world (ILO, 2010). As a consequence, women are disproportionately more affected by decent work deficits,

and hence poverty, than men. Women are also the main care-providers in society, though such work is largely unpaid, statistically unrecognized, and economically unaccounted for.

The researches confirm that the gender labour gaps may affect economic performance in several ways. One of them is the underutilization of talent associated with women's lower participation in the labour market. Increasing their participation would imply an increase in a country's potential GDP and per capita income (McKinsey Global Institute 2015; ILO Research Brief No. 10 2017). Blackden et al. (2006) argue that gender inequality in education reduces both the actual and potential stock of human capital.

3. GENDER INEQUALITY ON THE MACEDONIAN LABOUR MARKET

The analysis of the gender inequality on the Macedonian labour market is based on the indicators: activity rate, employment and unemployment rate, participation in part time work, annual average gross wage, economic status and occupation, all calculated by gender. For the purpose of the research the data from the State Statistical Office (SSO) of the Republic of Macedonia, for the period 2000-2017 is used.

In the observed period (2000-2017), the activity rate, both for men and women, has a tendency of increase. In the entire period the value of this indicator for women is significantly lower for around 22-25 percentage points (Figure 1). It shows that very large percentage of women are inactive. This is a result of their long-term historical and traditional role as housewives, who stay home and take care of the families. Although the situation is slightly changing, it is necessary to take measures to activate larger number of women on the labour market.

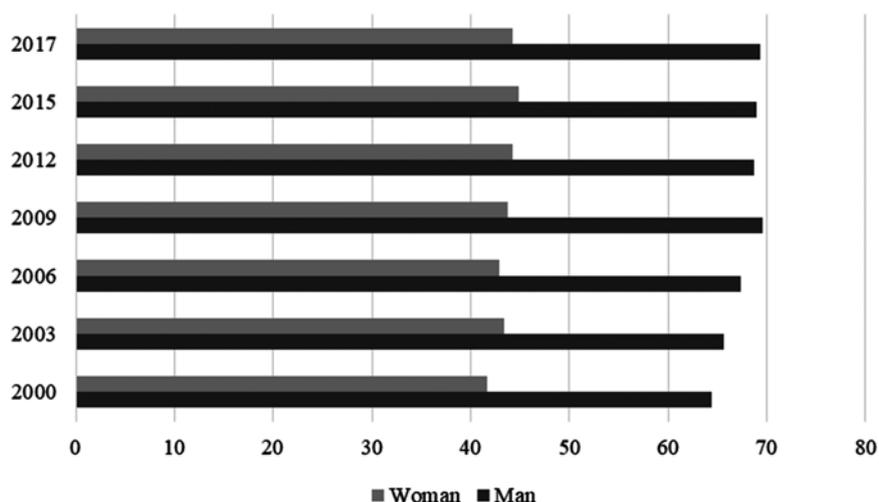


Figure 1: Activity rate by gender, 2000-2017

Source: State Statistical Office of the Republic of Macedonia, Labour Force Survey 2000-2017
<http://www.stat.gov.mk/PrikaziPoslednaPublikacija.aspx?id=3>

The differences regarding the employment rate by gender can be seen in figure 2. The employment rate of women is lower for more than one and half times. In 2000 the value of this indicator was 27.1% (women) and 44.7% (men), while in 2017 it was 34.6% and 53.6%, respectively. Although the employment rates of women, starting from 2012, are continuously increasing, the differences are deepening, because those of men are rising more intensively.

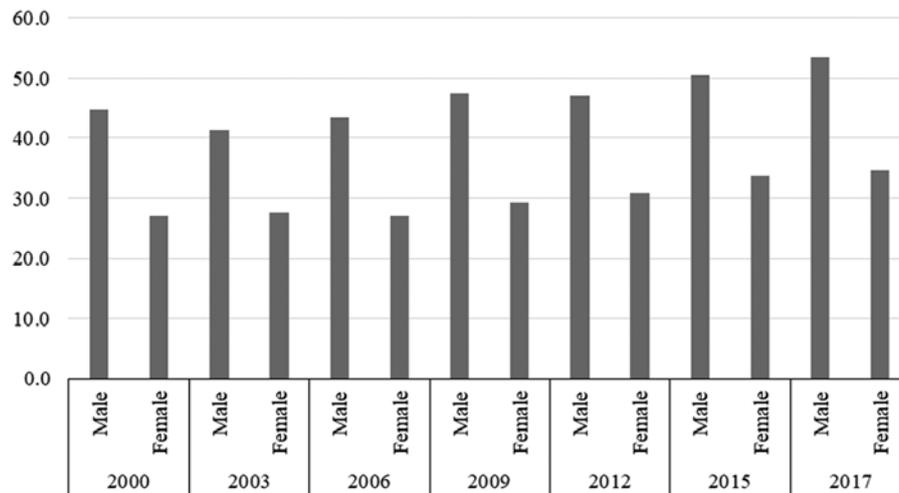


Figure 2: Employment rate by gender, 2000-2017

Source: State Statistical Office of the Republic of Macedonia, Labour Force Survey 2000-2017
<http://www.stat.gov.mk/PrikaziPoslednaPublikacija.aspx?id=3>

The available data on the unemployment by gender show that the unemployment rate of women was higher in 2000, 2006 and 2009 (Figure 3). However, it has a tendency to decrease and from 34.9% (2000) reached 21.8% (2017). The unemployment rate of men was highest in 2003 (37.0%) and has decreased to 22.7% in 2017. This implicates that the decrease of the women unemployment rates is more emphasized.

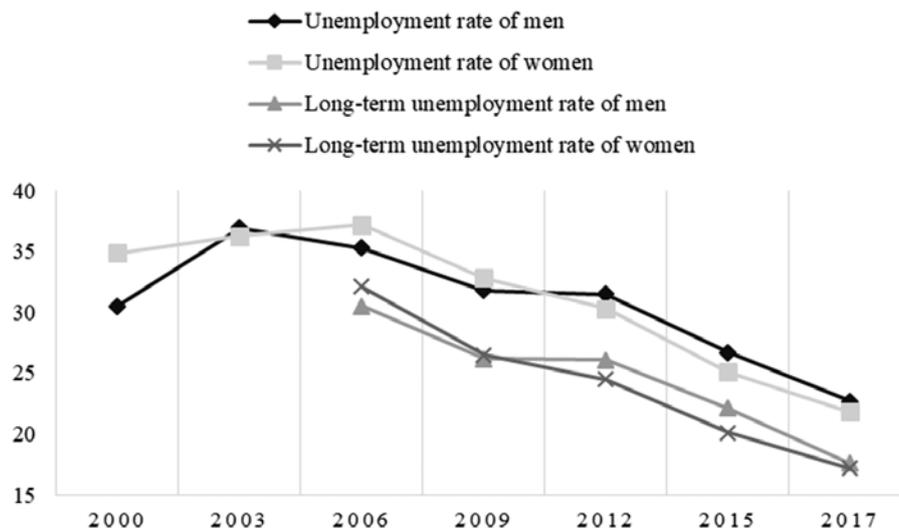


Figure 3: Unemployment rate and long-term unemployment rate, by gender, 2000-2017

Source: State Statistical Office of the Republic of Macedonia, Labour Force Survey 2000-2017
<http://www.stat.gov.mk/PrikaziPoslednaPublikacija.aspx?id=3>

The long-term unemployment rate, in the period 2006-2017 (for which there is an available data) is decreasing both for men (from 30.5% to 17.6%) and women (from 32.1% to 17.2%), but faster for the second ones (Table 1). Despite the declining, the long-term unemployment rate is still high. It may cause a large proportion of men and women to lose motivation for work according their education, to compete with younger labour force with newer and contemporary knowledge, to loss the investments in human capital etc.

Regarding the occupations by gender, in the period 2003-2017, the highest participation, both for men and women, have the elementary occupations (around 20%) and service and sales occupations (from 15 to 18%). The employed men are more involved in the craft and related trades occupations and their participation is in the interval of 17-18%. The women are more engaged in the occupations as professionals, with participation which has risen from around 13% (in the period 2003-2009) to more than 19% (in the period 2012-2017) and as technicians and associate professionals, with share from 11-15%. The changes in the employment by occupations show that women are more likely to work as experts, scientists or technicians (SSO, LFS, 2017).

The gender structure of the employees according the economic status points to smaller participation of women as employers and self-employed and higher share as employees and unpaid family workers. The portion of women as unpaid family workers, usually engaged in the agriculture, although is characterized with decrease from 18.1% in 2003 to 10.9% in 2017, was and remains higher than men. The slight increase of their participation as self-employed (from 3.8% in 2003 to 6.0% in 2017) illustrates that women more often present entrepreneurial skills (SSO, LFS, 2017).

One of the gender inequality indicators is the participation of men and women in part-time work. The available data points out that women have relatively smaller share in part-time work than men, which, also, declines over time. In 2000 their share was more than 11 percentage points lower than of men, while in 2017, the difference was nearly 18 percentage points (Table 1). These changes can be considered as unfavorable, since women more often need to have possibility to work part-time, especially for taking care of their family.

Table 1: Participation of men and women in full time and part time employment, 2000-2017

	Total			Full time			Part time		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
2000	549846	61.8	38.2	510140	62.2	37.8	39706	55.8	44.2
2003	545100	60.0	40.0	446200	60.3	39.7	98900	58.7	41.3
2006
2009	629901	61.8	38.2	594677	62.4	37.6	35224	52.5	47.5
2012	650554	60.4	39.6	608716	60.8	39.2	41838	55.4	44.6
2015	705991	60.0	40.0	674693	60.1	39.9	31298	58.1	41.9
2017	740648	60.8	39.2	709228	60.9	39.1	31420	58.8	41.2

Source: State Statistical Office of the Republic of Macedonia, Labour Force Survey 2000-2017
<http://www.stat.gov.mk/PrikaziPoslednaPublikacija.aspx?id=3>

The analysis of the gender wage gap is made for 2010 and 2014, since there is available data only for these two years and it focuses on the differences in the wages according the age groups and educational level. From the data in table 2 can be seen that the average annual gross wages of men are significantly higher compared to women.

The gender wage gap in 2010 is in the range from 7160 denars (age group 25-29) to 38720 denars (age group 60 and more), while in 2017 from 20547 (age group 60 and more) to 90373 denars (age group 45-49) (Figure 4). This implicates that the gender wage gap is increasing over time, more or less for all age groups.

Table 2: Annual average gross wage in denars, by gender, 2010 and 2014

	2010		2014	
	men	women	men	women
15-19	133499	122940	199514	148602
20-24	214426	202793	252032	226362
25-29	319222	312062	322718	300737
30-34	367048	336524	418771	374734
35-39	374603	340221	439785	383940
40-44	368250	335183	432306	378698
45-49	368845	357018	447946	357573
50-54	385954	367281	429858	377816
55-59	389339	380378	435409	391356
60 and more	472374	433654	475764	455217

Source: State Statistical Office of the Republic of Macedonia, <http://makstat.stat.gov.mk>

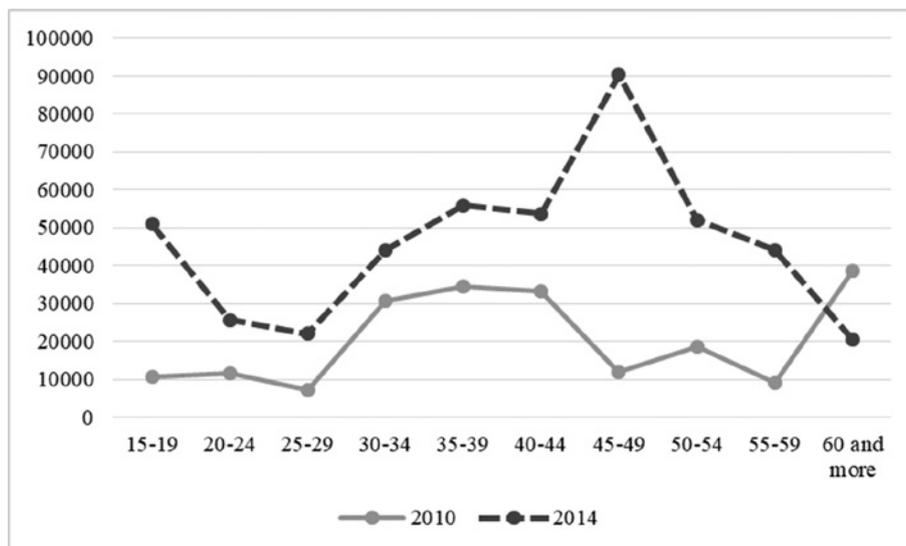


Figure 4: Gender annual gross wage gaps, by age groups, 2010 and 2014

Source: State Statistical Office of the Republic of Macedonia, <http://makstat.stat.gov.mk>

In respect to the gender wage gaps by educational attainment, the available data for 2010 and 2014 show that in both years, the differences in the wages are more emphasized at men and women with higher level of education (Figure 5). The gender wage gap for this level of education has doubled (from 69000 denars in 2010 to 135000 denars in 2014). Similarly, among all other educational levels, the wage gap is broadening over the years. Considering these changes, it can be noted that the returns to education are significantly lower for women.

This gender wage gap can stem from discrimination against women or can reflect different traits and preferences on the labour market. Also, it can be explained by various characteristics of men and women or by their different number of working hours. However, in order to determine the reasons for the wage gap, broader research should be done.

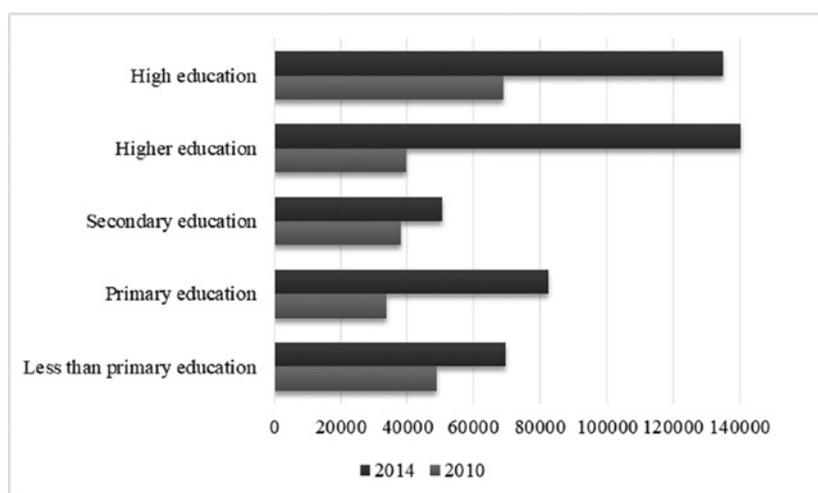


Figure 5: Gender annual gross wage gap, by educational attainment, 2010. and 2014.
Source: State Statistical Office of the Republic of Macedonia, <http://makstat.stat.gov.mk>

4. CONCLUSION

The analysis made in this paper confirms that there is a gender inequality on the Macedonian labour market, regarding their economic activity, employment and unemployment. The country has adopted many documents which are concerning the question of gender inequality. Some of the measures and activities provided in these documents has given results in reducing the differences between men and women in many aspects, including in their position on the labour market. However, it is necessary to continue taking appropriate steps to provide gender equality.

In order to overcome the gender inequality on the Macedonian labour market it is necessary to establish adequate institutional mechanism and to implement all documents, activities and measures which are concerning the inequality in the country. It will help to improve the women position in all aspects of their lives, as well as, on the labour market. This institutional mechanism should be aimed towards promoting, upgrading, and securing the equal participation of men and women, monitoring the implementation of regulations and initiating and adopting measures of affirmative action to upgrade the position of women.

Concrete activities should be taken to increase the employment and participation of women on the labour market, particularly of those with low level of education or inadequate skill, as well as of those who have lost the motivation to take part in continuing education and improvement. Also, the country must strengthen institutional protection of women's rights, develop atypical forms of employment contracts and initiate transition from fixed to flexible working hours. It should be accompanied with appropriate changes in the educational policy and informal forms of education. The media should have more responsible role in changing the stereotypes about women. It is also important to achieve equal distribution of responsibilities in family and working environment between men and women, and to affirm the principles and values of equality in every aspect of one person's life.

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