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## THE PARTICIPATION OF WOMEN IN FULL-TIME JOBS: THE CASE OF ALBANIA

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### **Abstract**

*The economic rights of women are represented by the level of participation in jobs, in keeping the job and in the reward. Getting a job for the Albanian women is limited by a considerable amount of factors, such as the duty and the responsibility in growing up the children, doing housework, the education level, the limited access in professional personality, the possibility to get a loan etc.*

*The women in Albania have less access than the men in starting a job, and as a result, the level of their unemployment is higher. Even though the access of women in education is equal to the access of men, this does not provide the women with the same opportunities as the men in labour market.*

*The level of employed women is lower than the level of employed men and this phenomenon has attracted a lot of economists all over the world. It is obvious that the economic behavior of women related to the decisions in the work labour depends on some factors that are result of the graphic of the supply of the work on the life cycle.*

**Keywords:** *Level of employment, trend.*

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### **1. The history of the Albanian woman**

#### **1.1 What was the Albanian woman like?**

In the '90s, the Albanian woman was under the dictate of a military emancipation. For many years, she was victim of a totalitarian system, she was a soldier, a worker, an intellectual, co-operative, headmaster and in some cases, member of the Politic Bureau. The most important events of her life were determined: the time for engagement, love, birth of the children, but also the timetables of the work, the solitary training and firing were the same as the men.

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However the Albanian society after the '90s made an immediate change as far as the mentality for women is concerned. Unconditional liberation was part of all women life aspects, especially in the young generation. It should be mentioned the fact that after the '90s, the Albanian woman started to look for more space for intellectual possibilities and for her veto in a considerable amount of life fields. Nevertheless, the system change had social consequences for Albanian women.

### **1.2 What is the Albanian woman like in the years of democracy?**

From 1995 to 2008, the labour market in Albania had important changes and one of the main factors was the denationalization of the state enterprises. A characteristic for the labour market in Albania is still the sexual difference in the jobs, as the men are in most of them. These differences are reflected in the employment scale of men and women and referring to the figures, this difference was lower in 2005, as the employment scale of men was 51.4%, whereas the employment scale for women was 38.6%. After the year 2000, the employment scale of women is decreasing, and in 2008, according to the Questionnaire of the Labour Power, this figure is 45.6% and differs with 14.3% from the employment scale for men.

The average number of the employed labour power in the non-agricultural private sector after the year 1999 has followed an increasing trend and referring to the figures for the year 2000, this number was 116,024, whereas in the year 2008 the average number of the employed people in this sector has increased to 228,500 or with 50.5%.

The employment in the state sector from 1998 to 2008 has decreased, but this decrease has affected in the increase of employment in the non-agricultural private sector. The data for the average number of the employees in the agricultural private sector until the year 2006 is based on the result of the Questionnaire of the Measurement of the Living Level 2002 and 2005. However, for the year 2007 and for this sector, the data based on the Questionnaire of the Labour Power in Albania, the first result of which were in 2007, point out that there is an increase of the number of the employed labour power from 542,152 in the year 2005 (according to LSMS 2005) to 568,549. The employed people in the agricultural private sector are still the biggest part of the employed labour power in all economic sectors.

### **1.3 The woman in politics and taking decisions**

The formulation and execution of the law "For the Sexual Equality in Society" and the sexual quota in The Jugular Book, caused that in the last parliament elections, the proxy of the woman has risen from 7% in 16%, marking the first progress in this aspect, but not in the parameters established by the law in the limits of 30%.

But in the process of successful execution of the sexual quota, politic parties have played a considerable role, by expressing the desire for the woman participation in parliament, not just in the election lists.

Actually in the locative governance, referring to the last local election in 2007, there is one woman in the post municipal leader from 65 civic centers, 3 women in the post of leader of mini civic center from 11 mini civic centers in Tirana and 6 woman in the post of leader of comunal center from 291 comunal centers .

There are more women registered in universities than men, they are 58% of all students that follow academical studies. The academical staff in universities consists of 43,6% women and 56,4% men. Moreover 38% of them have scientific grades. In the state authorities the presence of women is more encouraging, the percentage of woman is 27%.

### **1.4 What's about women in Balkan countries?**

Overall, the impact of the transition has not been good for women. The socialist gender ideology and gender equity is currently regarded as a part of the repressive socialist system that has been overthrown. These ideological changes influenced new legislation and deprived women of the incentives they had previously

been granted by the socialist state. The new democratic governments now support women's right to stay at home. In this and other ways, the transition has encouraged a patriarchal ideology that pushes women back into the home.

Thus, women are the first to lose jobs, particularly higher-level and better-paid jobs, and particularly in industry, as a result of privatization. More and more women are working in low-paid industrial and service sectors, with a growing pay equity gap. Women's unemployment has increased, and at 26% it is higher than men's unemployment (20%), while there are decreasing opportunities to find jobs, especially for women over 40–45 in the private sector. The feminization of poverty is thus gathering pace, as women have lost the benefits of previous social welfare system. Women are more likely than men to be exposed to poverty, because the support of children depends mainly or totally on women; and they are more likely to be poor in old age as a consequence of the higher unemployment rate and the gender-based income gap. With growing poverty, sex trafficking and domestic violence are increasing. The needs of many of the most vulnerable groups of women (Roma, rural, minority, self-supporting mothers, elder, housewives, and disabled) are invisible and unmet.

As employees, moreover, women find their rights systematically ignored. Private-sector employers prefer to hire women, because they are considered to work harder, cause less trouble, and be readier to accept subordinate positions despite having greater expertise; they often perform jobs beneath their educational level. Employers also prefer to hire young women, so there are few or no jobs for women over 45. Many women work without a contract, without paid pension, social security or healthcare security, and without protection at work.

## 2. The employment of women

Every year though The Programs of Employment Stimulation, the albanian government has a fund of 20 million leks for the unemployed that are looking for a job and this fund is used on the average by 2200-2500 unemployed people, 80% of them are women and a considerable part of this percentage are victims of familiar violence. For these women the government offers free professional training in public centers of professional training and also social service in public and private centers.

On one hand, the women are 49% of all unemployed labour power, but on the other hand, they are 43% of the academical staff and 27% in public authorities.

The figures point out that the women are employed in public sector (education, health, state authorities, government institutions), in private sector (companies, small and medium enterprises) and also in business and agriculture.

The employed women in private sector, in different industries have the primary and secondary education and the average wage varies from 15.000 to 25.000 leks per month.

By analyzing the employment problems, in spite of the educational level and the limited professional qualification, other subjective factors are: the level of unemployment, economic factors, the patriarchal society etc.

In Albania the woman is present in the informal labour market, too. In a lot of regions, the informal sector competes in wages and employment the formal labour market. The employment for women in the informal sector is associated with unsecure economic activities, which do not guarantee full time employment, generate low income and are relatively characterized by the low productivity. The difference in men and women wages stimulates the employment of women in informal market.

Despite the society emancipation, as far as the employment of women in concerned, little things have changed. The women are 37% of all employed labour power. The difference between employed men and women is large. What is more, during these years, this figures have remained the same. This difference is more obvious in the non-agricultural private sector, where the percentage of employed women is still 25%.

The figures show the mentality that is still present: the breadwinner is the man, so the woman may stay all day without working. In Tirana this mentality has changed, but in other towns, especially in rural regions, there is no change at all. Another factor that affects strongly in the woman “discrimination” is the lack of labour market and the high rate of unemployment.

According to the figures, 13.6% of the population is unemployed. It is mentioned that special politics are going to be followed for the groups of women in need.

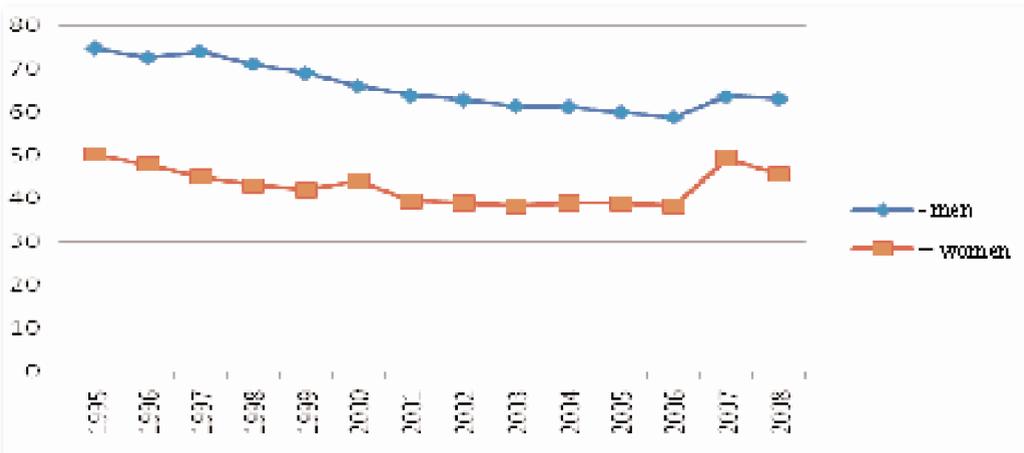
In order to understand the employment figures for men and women, we can refer to the table 2.1 and the graphic 2.1.

**Table 2.1** The employment level during the years.

The year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
The level of employment (in %)	62.5	60.3	59.0	57.0	56.0	55.1	51.9	51.1	50.7	50.3	49.7	48.7	56.4	54.3
– Men	74.7	72.6	74.0	71.0	69.0	66.0	63.8	62.8	61.4	61.2	60.0	58.8	63.6	63.0
– Women	50.2	47.9	45.0	43.0	42.0	44.1	39.4	38.9	38.2	38.9	38.8	38.1	49.3	45.6

Source: INSTAT

**Graphic 2.1** The trend of employment in Albania.



As it is obvious from the graphic 2.1, the employment level for men and women is decreasing for the years 1995-2009. This decrease is explained by the fact that in Albania, the accurate figures exist only in the public sector. And as the private sector is concerned, there is lack of figures, as a result of non-declaration of the full number of employees in different enterprises in order to avoid social and health security. Therefore, in Albania are still individuals that work without securities. However, we are going to analyze the employment trends for both categories with these figures.

For the men, the employment level trend is:

The employment level for men =  $75.27 - 1.31 * t$

Se = (1.31) (0.16)

tv = (57.31) (-7.92)  $R^2=0.85$

It is obvious that we have an important statistical trend and with a high explanation of the employment levels during the time. The employment levels for men are decreasing. The prediction for the year 2010 based on this trend is 55.62%.

For the women:

The employment level for women =  $46.61 - 0.57 * t$

$$Se = (2.30) (0.29)$$

$$tv = (20.08) (-1.95) \quad R^2=0.25$$

The model of the linear trend for women is not statistically important. Therefore we are going to analyze the model of square trend of women employment. Based on this model:

The employment level for women =  $54.66 - 3.79 * t + 0.23t^2$

$$tv = (21.86) (-4.61) (4.029) \quad R^2 = 0.72$$

The model of the square trend is statistically important and for the women, the levels of the employment change during the time are not constant. They change based on a square trend, not a linear trend.

### 3. The problem

The number of employed women is smaller than the number of employed men and this fact has attracted the attention of many economists all over the world. The economic behavior of women related to the decisions in the labour market depends on some factors in the graphic of the work supply in the life cycle.

This behavior has been essential to the research of the work supply, since the year 1970 and of course it has been focused on analyzing the factors that affect in participation decisions, the effect of this factor, the explanation of non-participation, the effect of preferences and the relation with the marriage decisions, the growing up of children, the divorce and getting retired.

The level of unemployed women in Albania (registered) has changed from 20.1% in year 1998 to 19.1% in 2002 and 13.5% in 2008.

This parameter is decreasing and it is less than 36%.

**Table 3.1** The participation in work for the women aged 15-64

Years	1990	1997	1998	2000	2001	2002	03	04	05	06	07	08
USA	67.8	70.7	70.7	70.7	70.8	70.5	70.2	70.1	70.2	69.3	68.4	63.4
Europe	54.8	58	58.7	59.4	60.1	60.1	60	59.8	59.7	59.4	59.2	58.6
Albania	55.6	45	43	44.1	39.6	39.7	38.2	38.9	38.8	38.1	49.3	45.6

If we want to analyze the employment figures, the Albanian women have a lower employment level compared to the levels in other countries, even though they have increased the level of formal education, have postponed the age of marriage and have reduced the time for growing up the children. This level is lower, almost twice lower compared to the level of employed men in Albania in the same profession.

**Table 3.2** The employment rate of women in Balkan countries (in %)

Years	2006	2007	2008
Greece	38.74	38.79	39.13
Slovenia	45.52	45.22	45.49
Croatia	-	44.42	44.66
Macedonia	38.28	39.2	38.67
Euro area (17 countries)	43.72	43.96	-

Source: Eurostat

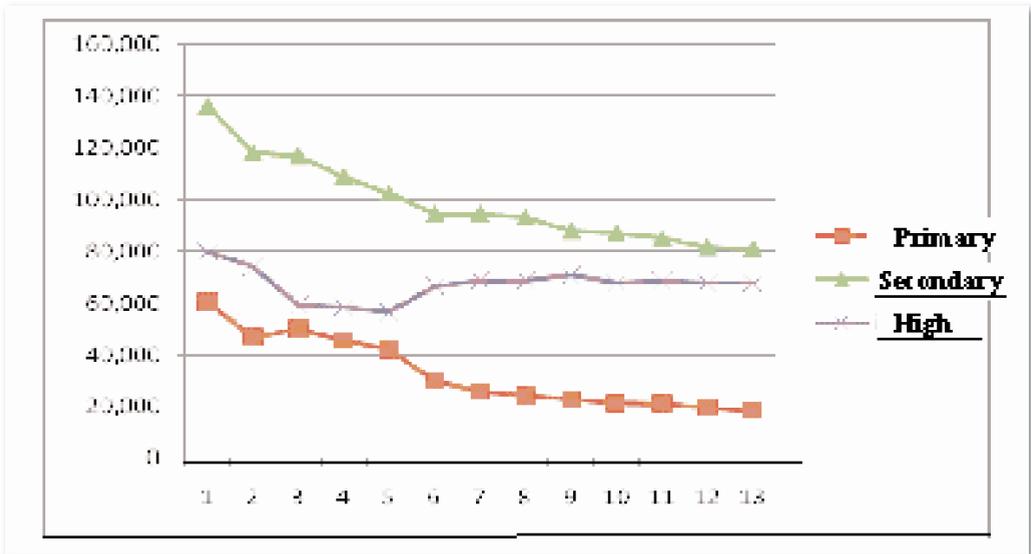
Referring to table 3.2, we see a large gap between Balkan countries. Greece and Macedonia have approximately employment rate of women and their trend. But Macedonia has a small decreasing rate in 2008 comparing to 2007, from 39.2 % to 38.6%. Slovenia and Croatia reflect a larger rate than two above Balkan countries and the same trends. Albania reflects approximately the same employment rate of Greece and Macedonia until 2006. After this year it reflects an increasing of women's employment rate approximately Croatia and Slovenia. In 2007 the employment rate of women is larger compare to Euro zone (17 countries), precisely 49.3 % versus 43.9 %.

**Table 3.3**

The data for the number of employed labour market in public sector according to the educational level

Year	Primary	Secondary	High
1995	60,144	136,012	79,731
1996	46,813	117,992	74,045
1997	49,972	116,983	59,340
1998	45,528	108,715	58,507
1999	41,897	102,728	56,804
2000	30,135	94,501	66,530
2001	25,793	94,410	68,762
2002	24,125	93,203	68,737
2003	22,736	87,955	70,725
2004	21,304	86,820	67,941
2005	21,177	85,057	68,781
2006	19,678	81,600	67,722
2007	18,528	80,900	67,672

The graphic consists of the employment according to the categories of education.

**Graphic 3.1** Trend of employed labour market in public sector according to the educational level**Table 3.4** The employment according to the age and the education level. (year 2007)

Education level	25-44 years	44-65 years
No education	0.4	2.4
4 year education	0.7	10.1
Primary education	26	13.2
Secondary education	15	7.2
High education	4.5	2.2

Source: INSTAT

According to the table 3.4, the most demanded in the labour market are the women with primary education and 25-44 years, who are more willing to work, despite of the wage. Most of them work in the private sector.

**Table 3.5** Employment based on the sectors.

Year	2006	2007
A. In public sector	0.17	0.176
- Budgetary	0.13	0.131
- Non-budgetary	0.04	0.045
B. In non-agricultural private sector	0.24	0.245
- Employed	0.16	0.17
- Self employed	0.077	0.069
C. In agricultural sector	0.58	0.57

Source: INSTAT

**Table 3.6** The employment of women according to the activity for the year 2008 (in %).

Sector	Total
Agricultural private	56.7
Non-agricultural private	29.7
Public	45.7

Source: INSTAT

The highest level of employment is in the agricultural private sector, as in this sector the women that live in rural regions are employed and this kind of employment is one of the best alternatives they have. A good figure in employment is also in the public sector, where the women are 45%, because the latest years the number of women in universities has risen dramatically and they have the priority to get a job.

#### 4. The theoretical and econometrical consideration.

One of the main objectives of many researchers of the labour supply is the identification and the analysis of the factors. The theoretical model is based on the maximal utility of the consumer theory and the division of time. The behavior of the labour supply for an individual is defined firstly by the relations between the market wage and the hidden wage (the value of the time for the activities out of the market). The first wage refers to the function of the market demand, whereas the second wage refers to the function of the individual supply.

The empirical studies show that the behavior of the women work supply, the participation decisions and the work supply translated in the number of work hours is sensitive to the changes in the wage, the income not from the job, the partner's income if the women is married and the presence of children, especially those who have not started school and are in home.

Supposing that there are no fixed costs for coming or going out the labour market and that the work timetable vary freely, the behavior of the married women labour supply depends on two factors: the first has to do with the wage in the market ( $w_t$ ) and the second has to do with the hidden value of the spent time not in market activities ( $w_r$ ).

According to Franz (1985) we accept that the market wage is defined by the independent variable  $X_t$  as follows:

$$(1) \quad w_t = \beta X_t + \varepsilon_t \quad \text{where } \varepsilon_t \text{ is the residue that has normal spreading}$$

The first equation of the reserve wage (zero in work) is also linear function of  $X_r$ :

$$(2) \quad w_r = \beta_r X_r + \varepsilon_r \quad \text{where } \varepsilon_r \text{ is the residue that has normal spreading.}$$

Taking into consideration the participation of the labour market  $w_t > w_r$ :

The reduced equation of the function of the labour supply is:

$$w_t = \beta X_t + \varepsilon_t$$

$$(3) \quad h_t = \begin{cases} 0 & \text{nese } w_r \geq w_t \\ \beta_h X_{hi} + \varepsilon_{hi} & \text{nese } w_r < w_t \end{cases}$$

Where  $h_t$  represents the work timetable for the sub model when the women are working,  $X_{hi}$  is explanatory variable. The system of equations (1) and (2) is identifiable, whereas the model (3) can not be estimated with the simple regression, because the women that do not work are not included.

As the estimation of the wage in (3) is limited only with the women that work, the expected value is:

$$(4) \quad E(w_t \mid h_t > 0) = E(w_t \mid \varepsilon_{hi} > -\beta_h X_{hi}) = \beta_w X_t + E(\varepsilon_w \mid \varepsilon_{hi} > -\beta_h X_{hi})$$

$$= \beta_w X_t + \left( \frac{\rho_{hw}}{\sigma_h} \right) M_i$$

where  $M_i \equiv \left[ \frac{\phi(z_i)}{\Phi(-Z_i)} \right]$  and  $Z_i \equiv \frac{\beta_h X_{hi}}{\sigma_h}$

so the market wages are explained by the equation (5)

$$(5) \quad w_t = \beta_w X_w + \left( \frac{\rho_{hw}}{\sigma_h} \right) M_i + \varepsilon$$

As long as  $M_i$  is unknown, we are not able to estimate the equation with traditional methods. We can get an estimation of it if we maximize the probability that a married women is working (the effects of  $M_i$  for every woman are included as a variable in the equation of the market wage).

We can continue the results (5) with the function of the labour supply for all the women of the population.

In the forwarding analyze for estimating the model, we have classified workers those women that have positive income from the job. The difference between this group and those who do not work is that this group of women is younger, more educated.

In this analysis are included:

- One descriptive variable that takes the value 1 if the women has positive income from the job and 0 if otherwise.
- Another important variable are the work hours that is measured by the variable usual work hours with weekly base.
- Wage, is reflected by the weekly profits of the divided work according to the hours. The market wage is considered independent from the education, as this is included in another variable.
- Education. Based on the figures, a woman with a high level of education in more preferred in the labour market.
- Age, the more the experience the woman has, the more demanded in the market she is. f) The partner's income. When the partner has relatively high income, the woman has the tendency to leave the labour market, especially when the child is less than 10 years old.

Because of the lack of information, we have not included an important variable, such as the secondary income from the wealth etc.

In the following table are the estimations for the coefficients and their standard deviations:

	Coefficient	Std. Error	t-Statistic	Prob.
Education	0.19316	0.018	10.400	0.002
Age	0.23034	0.033	6.900	0.000
Work hours	0.91318	0.430	2.100	0.0021
Partner's wage	-0.5	0.016	-3.100	0.001

R-squared	0.955047		
Adjusted R-squared	0.953725	S.D. dependent var	4.677317
S.E. of regression	1.006164	Akaike info criterion	2.891501
Sum squared resid	68.84084	Schwarz criterion	2.987107
Log likelihood	-99.64830	F-statistic	722.3528
Durbin-Watson stat	1.349425	Prob(F-statistic)	0.000000

Dependent Variable: Participation in work.

Based on these result it is obvious that:

The model is statistically important and the woman participation in work is explained considerably by the variables of the study.

- The education has an important impact on the decision of working and the impact is positive, which means that the more educated the woman, the more is the part of the active living.
- The age has also an important impact in taking decisions, the women that have children older than 10 years are more inclined to work.
- The work hours have a positive impact, because the more stable is the offered job, which means that it is a full time job, the more positive is the decision.
- The partner's age has a negative impact in the probability of decision for working in a full time job.

## 5. Conclusions

The main feature of macroeconomic performance in Albania related to economic growth without the employment. Economic growth did not generate employment. Referring to the economic data we see the same trend of economic growth and unemployment, higher economic growth and higher unemployment, lower employment. This trade-off related to economic growth and employment reflects the lower employment of female compare to employment of male. This is more related to female due to:

- (i) Shutting down a lot of industrial activities developed before years '90, which employed a large number of female;
- (ii) Development of economic activities oriented to more employment of male like construction or trade;
- (iii) Rural-urban movement gives a small chance for female coming to rural zones to enter in urban labour due to lower education, actual level of technology, ect;
- (iv) High level of informality in labour market;
- (v) Lower wages for female compare to male considering age, education and other personal characteristics.

In spite of the society emancipation in Albania, the women employment level is still lower than the women employment level in other countries.

After the year 2000 there is a decreasing trend in the employment level for both, women and men. Their trends seem to have changed in parallel, which shows that the difference in men and women employment has remained the same. The estimated trend models for both categories point out that the employment trends do not change with the same rate. Even though the women employment level is decreasing during the time, it has a smaller change than the men employment level. Therefore the difference between both levels is reduced.

Albanian governments are supporting strongly the woman employment and especially in the political and leading positions. The issue is still problematic in the rural regions, where the employment is difficult and the biggest possibility is the employment in agriculture. Employment policies have a large impact in improvement of labour market. Otherwise they have not an expected impact in reality due to high costs of implementation. Meanwhile it is more important to focus on effective uses of programmes and instruments like instruments of information, intermediation, professional training, fiscal incentives, ect.

Based on the theoretical and econometrical consideration, we have created an important model for the participation of woman in work related to important factors of positive impact such as the woman age, education and work hours and related to factors of negative impact as the partner's income.

In this context, there are a host of barriers to women's advancement. Underpinning them all is the persistence and strengthening of the dominant patriarchal society. Such barriers include:

### *Rights*

- Shortage of mechanisms and political will to protect and fulfill economic and social rights; blindness to women's concerns;
- Lack of respect of international labour and environmental standards, lack of transparency, and adequate legislation to regulate foreign investments;
- CEDAW and other UN Covenants ratified, but not implemented, no mechanisms, no national strategies for implementing them;
- Absence of gender-sensitive legislative mechanisms to protect women against discrimination.

### *Development planning*

- Development policies do not take gender concerns into account;
- Lack of gender awareness and awareness of gender dimension of trade, unemployment, SAPs, poverty;
- Absence of adequate statistics;
- No national strategies for advancement of women;
- Underrepresentation of women in decision-making positions;
- Administrative barriers to development of women's entrepreneurship;
- Low participation of women in enterprise ownership.

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