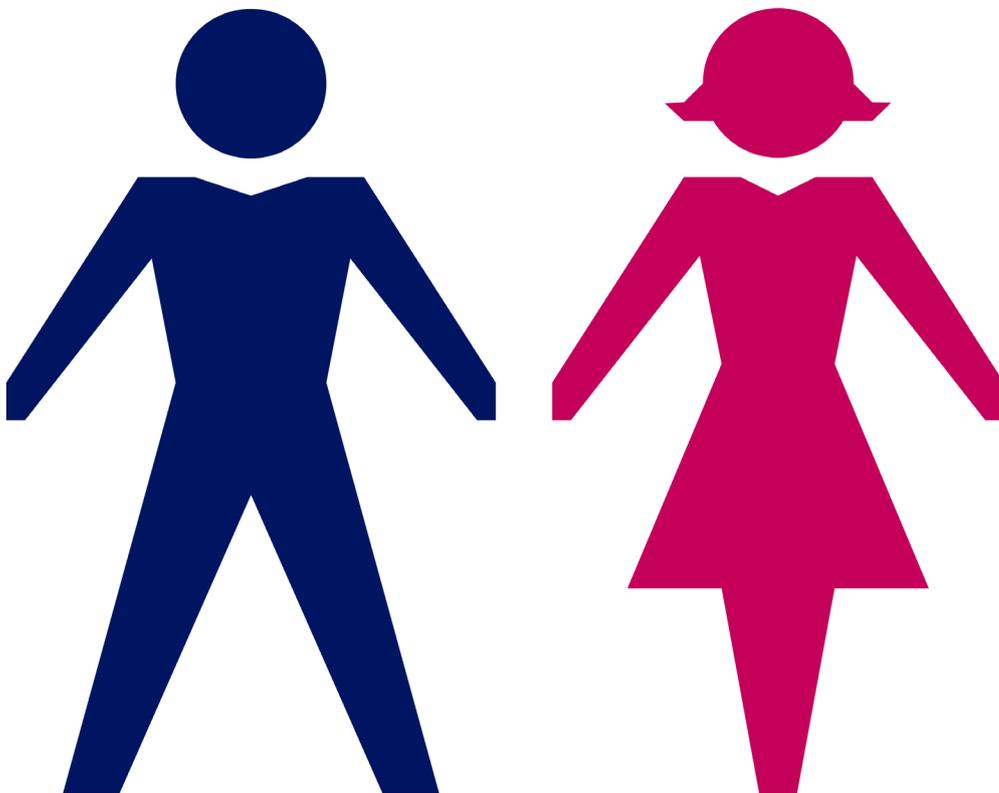


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GENDER INEQUALITY ON THE LABOUR MARKET IN THE REPUBLIC OF MOLDOVA

Policy Brief



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Institutul pentru Dezvoltare și Inițiative Sociale (IDIS) „Viitorul”

POLICY BRIEF

GENDER INEQUALITY ON THE LABOUR MARKET IN THE REPUBLIC OF MOLDOVA

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Mariana Buciuceanu-Vrabie*



IDIS „Viitorul” is a research, training and public initiative institution, which works in several areas related to economic analysis, governance, political research, strategic planning and knowledge management. IDIS serves as a joint platform bringing together young intellectuals concerned with the success of the transition towards market economy and an open society in Republic of Moldova. The Institute for Development and Social Initiatives (IDIS) „Viitorul” is the legal successor of Fundatia Viitorul (Viitorul Foundation) and, overall, preserves the traditions, objectives and principles of the foundation among which: building democratic institutions and developing a spirit of effective responsibility among policy makers, civil servants and citizens of our country, strengthening civil society and criticism, promoting the freedoms and values of an open, modern and pro-European society.

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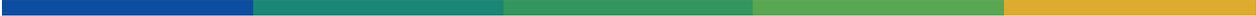
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For contemporary democratic states the concept of “gender equality” but especially successes in this field are an important feature of progress towards democracy, the fundamental and determinant component of a country’s competitiveness, of competences and education, productivity of labor, the principle of equality between women and men being integrated into all policies and programs in all areas and at all levels of adoption and implementation of decisions.

Gender equality means rights, equal opportunities and obligations of women and men in all spheres of social life: equal opportunities to work and to ensure materially personal life, combining career and family life and exclusion of abuse and violence from the representative of the opposite sex. Gender equality, as a rule, is evaluated in four areas: economics, politics, education and health.

Despite progresses, particularly in education and employment, women still face obstacles in achieving real equality. Statistics and studies in the field reveal the fact that although a legal framework and institutional mechanisms were created to prevent, combat and sanction discriminatory practices, gender inequality in the labor market still remains an important issue affecting its efficient development and functionality.

If we refer to official statistical data, then the evolution of key indicators of labor force participation in economic activity

shows substantial further decreases. Thus, in 2011, in the Republic of Moldova, the economically active population accounted for one third of the total population, decreasing by 25% compared to 2000. Although the assessed years do not indicate significant gender differences, since 2005, with the reduction of the number of women of working age, the share of women in the economically active people is exceeded a bit by that of men, the ratio being 49.0% and respectively 51.0% in 2011.

Simultaneously with the decrease in employment indicators there are significant changes in the structure of employed population according to age, sex, environment and the field of activity. In Europe recent statistics¹ show that at the end of 2009 women accounted for 45% of the labor market registering a major increase compared to less than 30% in the ‘70s. Despite the increasing role of women in society, and their participation in the labor market, differences between men and women in employment are still there.

According to national statistics, over the years, the economic activity rate of women records lower figures compared to those of men, being in 2010 38.6% versus 45%^[1]². We mention that, in the European context and the CIS, according to the International Labor Organization, in 2000 Moldova was

¹ http://stats.oecd.org/Index.aspx?DataSetCode=LFS_SEXAGE_I_R

² The labor force in the Republic of Moldova. Employment and unemployment. NBS, Chisinau, 2011

placed after Russia, Romania, Germany etc. in terms of the activity rate of women (62.8%), but before Ukraine, France, Bulgaria, Poland, Italy and other countries in the region, including the CIS (Fig.1). But by 2010, however, our country recorded the lowest level of female activity rate (44.3%) compared with the average of the countries in the region (Central and South-Eastern Europe (non-EU) and CIS) which was more than 6% higher (50.4%).

Possible explanations for these differences might be: a higher retirement age in other countries, the opportunities to keep longer in employment, and also a developed system of social services, enabling women to combine better the family status with the professional one. On the other hand, for the Republic of Moldova, the economic downturn, lack of jobs, especially in rural areas, stimulate the massive emigration of women, whose share reaches 30% of the total number of migrants.

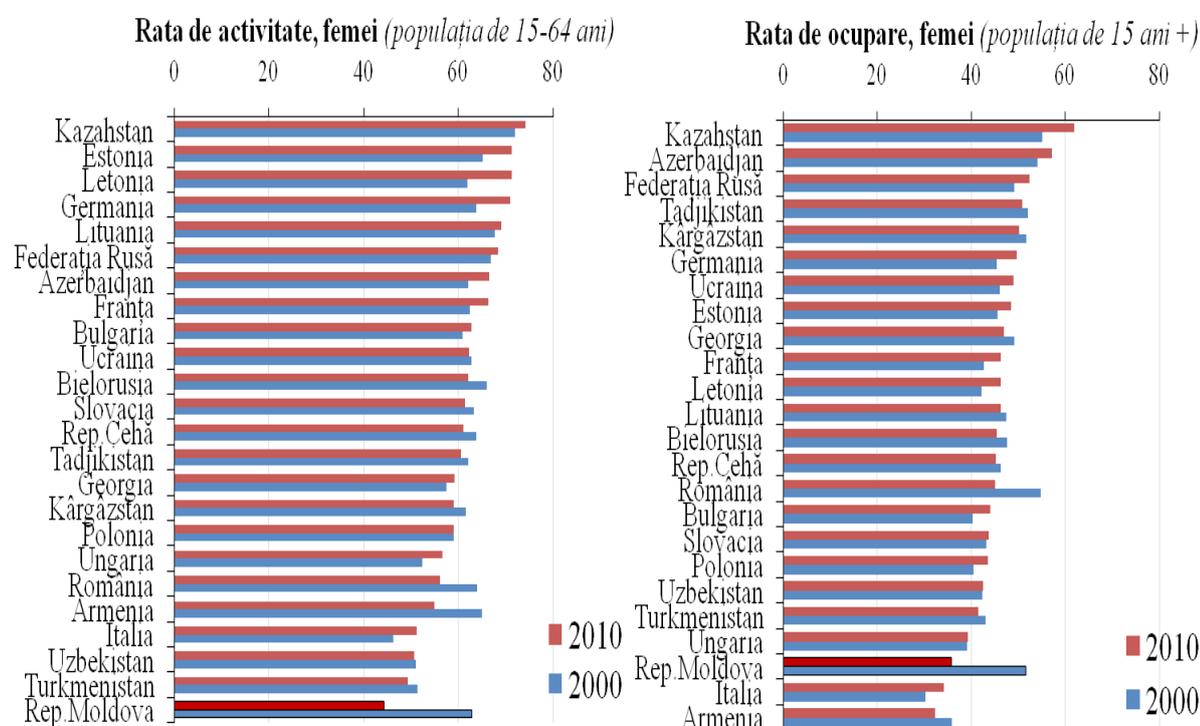


Fig.1. Occupational indicators among women, in some countries in the region, during 2000-2010 (in%)

Source: Database of International Labor Organization, <http://kilm.ilo.org/KILMnet/> *Global Employment Trends 2011. ILO, Geneva, 2011.* http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_150440.pdf

Reflected in international statistics³, the Republic of Moldova lags behind most countries in the region, including the CIS, in terms of women employment (35.7%). This is, to some extent, conditioned by a number of processes of social mobility taking place in our society, but also by the latent forms of discrimination of women in employment in other fields, nourished by prejudices and stereotypes related to gender roles in the family and society.

The most pronounced decline in the employment rate of women in the period 2000-2011, significantly exceeding the male employment rate, was specific for the age group 25-34 years old with a reduction of about 36% for the last decade, followed by the population over 55 years old, with an average reduction of 20% (Fig. 2). These differences persist over the years due to the peculiarities of integration of women in social and family

life. In the younger age groups (15-24/25-34 years old) women, as a rule, remain longer in the family, start working later and namely during these age periods women get married, give birth and take care of the first children. Furthermore, more women than men interrupt their economic activity or leave the labor market to take care of children of preschool age. Thus, while the statistics of economically developed countries⁴ witness a rapid growth of female participation in the labor market, so that more than 61% of women with dependent children (0-16 years old) are present more frequently in the labor market, in the Republic of Moldova are seen lower indicators related to their economic activity. According to national statistics, the employment rate for women of 20-49 years old who had at least one child of preschool age was 37.2% in 2011, while that of men was 56.3%.

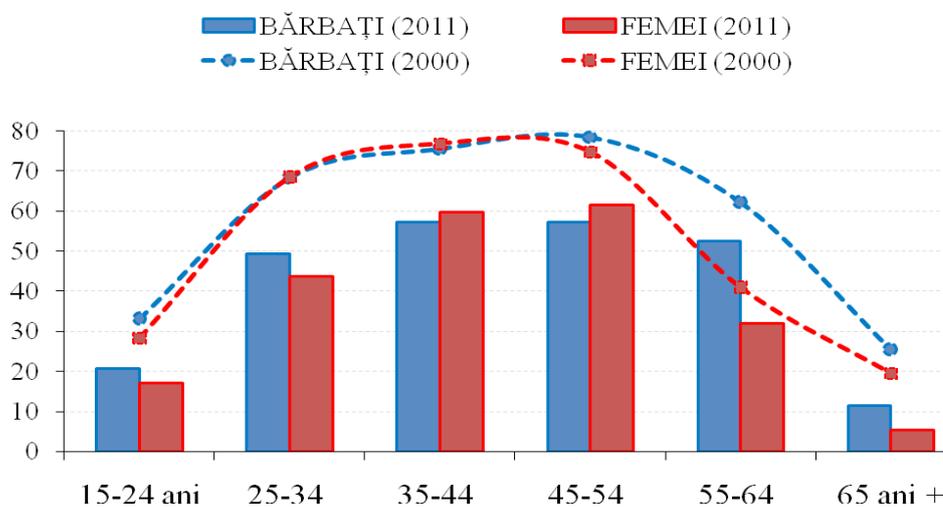


Fig.3. Employment rate of population aged 15 and over, by age group and sex, 2000 and 2011 (in%)

Source: NBS data, <http://www.statistica.md/pageview.php?l=ro&idc=320&id=2294>

³ Employment rate (population 15 years +) of women in the labor market in some countries in the region, 2000-2010// According to database of the International Labor Organization, <http://kilm.ilo.org/KILMnet/>

⁴ OECD Family database, http://www.oecd.org/document/4/0,3746,en_2649_34819_37836996_1_1_1_1,00.html

Increased employment for the age groups 35-44 /45-54 years old is partially influenced by low population income and respectively the necessity of the second “supporter” of the family, the women looking not for a big salary but more for a more stable employment, and concentrating, thus, in the

was 63.1%. The lower level of employment of women with high education level signifies both losses for the society, on account of incomplete capitalization of costs for a higher level of education, and for the individual who has invested time and resources in education.

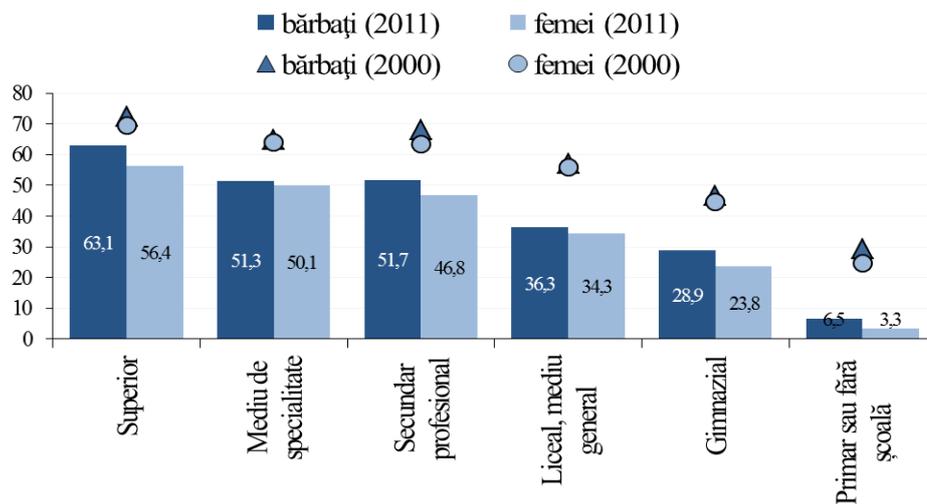


Fig.4. The distribution of employment rates by sex and educational level, 2000 and 2011

Source: Database of the National Bureau of Statistics

official employment, providing minimum safeguards or social facilities, otherwise favoring the easier registering of the employed population by statistical institutions.

Although the distribution of active and employed population in terms of the level of education is higher for women than for men, the general trend is that, for each level of education, women have an activity and employment rate slightly lower than that of men. (Fig.4). In the European Union member states, women accounted for approximately 59% (2006) of the potential with higher education employed in economy. In the Republic of Moldova, by 2011 only 56.4% of women with higher education were employed, while the employment rate of men with higher education

The positions women hold in the labor market do not reflect their high level of education, compared to that of men. Of all specialists with higher and medium level of qualification, the majority are women with a positive dynamic range over ten years. In 2011 they comprised 65.7% and 67.4% respectively, the number of women with higher level of qualification increasing by 22% compared to 2000, while the same category for men increased by 12%. The division of men and women employed in industries generally is characterized by significant vertical segregation - predominance of men in leadership positions and positions of responsibility in accordance with the specific of the branch. Women have the majority among administrative staff (83%) and ser-

vice workers, households and communal services (74%), but have a significant minority among managers in public authorities at all levels (36.4%).

During the period 2000-2011 increased the gender gap between the share of salaried employees and self employed in the labor market. Unlike the labor market characteristics of other countries, where paid labor is prevalent for men, in the Republic of Moldova although there are no notable differences, women in greater numbers than men are placed in the category of salaried employees, accounting, in 2011, for about 53% of all staff employed in the economy and about 3/4 of all employed women. Moreover, we can notice that women account for two thirds of unpaid family workers, a thing that can be explained by our country's agrarian specific character and respectively the high share of employed population, including women, in agriculture (1/3 of the total workforce) but also by the fact that half of these people are working in their own private household, the share of women being higher in this case: for two men there are three women working on the subsidiary plots.

Despite the higher potential of education and professional qualification of women in comparison to that of men, and the principle of equal remuneration for equivalent work⁵, women earn on average 24% less than men. In the EU this discrepancy is 18% (2010)⁶ and in the OECD countries the average is 16% (2010) [2].

Although in some cases the law [3] provides for additional guarantees of employment for pregnant women and people (regardless of gender) with children up to the age of 6, however, national studies [4, 5] highlight the practical helplessness of these legal guarantees. We see the situation where the principle of equal access to employment according to the legislation in practice turned into a traditional subjective attitude towards women of reproductive age with a negative impact on the realization of the right to work. In this context, the argument lies in reflections of empirical studies [5], about a quarter of women of childbearing age argue that at least once they were refused employment on account of pregnancy/ or having small children and 15% maintained that they were made redundant (fired) from employment for these reasons.

In the Republic of Moldova, the decline in the indicators of population economic activity caused significant increases in the inactive population aged 15 and over- 36% from 2000 to 2011, with special features for the female population. The share of women in the total inactive population was, over the years, on average about 56%. The determining factor in enlarging the group of economically inactive people is mass migration, particularly of the potential of working age.

The evolution of women inactivity rate in the Republic of Moldova differs from that of some countries in the region (*Fig. 5*), highlighting an excessive increase in the last twenty years compared to other states.

5 The principle is legalized in Article 128 (2) of the Labor Code of the Republic of Moldova, by which at wage determination there can be no discrimination based on sex.

6 <http://m.rfi.ro/articol/stiri/societate/una-cinci-femei-ue-traieste-saracie>

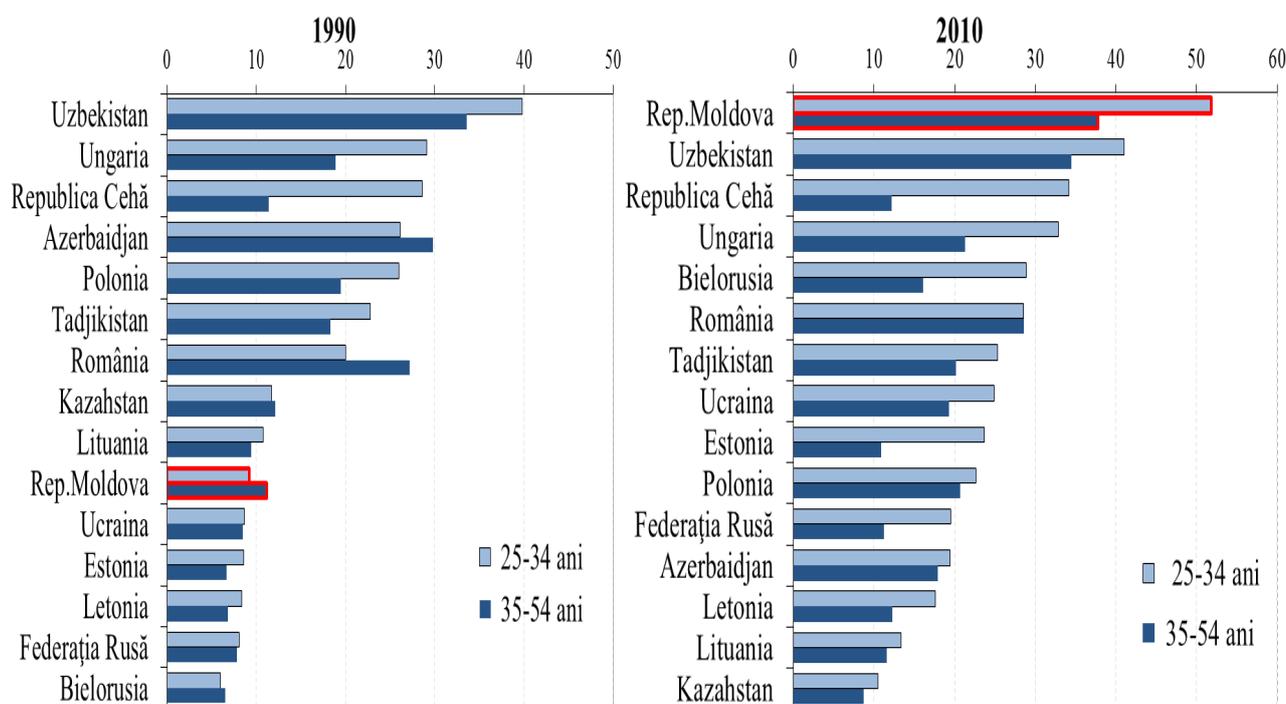


Fig.5. The evolution of inactivity rate of women by age, in some countries in the region, 1990 and 2010 (%)

Source: Database of International Labor Organization, <http://kilm.ilo.org/KILMnet/>

Distribution of population on the categories of inactivity emphasizes the fact that women are the majority of homemakers (96.4% in 2011), this category including people who are on maternity leave or on child care leave; 2/3 of all pensioners, and 54% of those who are studying. Thus, within the inactive female population stand out two major categories that differ significantly compared to the male population: homemakers (17% compared to 0.9%) and the retired (38.2% compared to 27%). Housewives' share is the highest for relatively young people, aged 25-34 (55.3%), and decreases with woman aging, being 29.4% in the age group 35-44 and 15% in 45-54.

Studies, including local, [6] highlight the burden of daily household chores assigned to the woman: they take care of children 1.9 times more often than men; carry out household duties - 2.2 times more often; take care

of kinship older people - 1.7 times more often, while 2.1 times less than men have the opportunity to spend time in sporting and cultural activities. Even fathers who do not work devote less time to child care and household tasks, compared to mothers who are employed in the labor market.

It is found that among the female population unemployment issue does not fall within the defining characteristics of this economic category. However, it can not be asserted that the employment situation among women records particular progress. According to national statistical data, the unemployment rate among women in Moldova is lower than among men (5.6% against 6.7% recorded in 2011), this situation having a constant character over the last decade. We indicate that according to international statistical sources⁷, for the countries of Central and Western Europe,

7 Eurostat data base // <http://epp.eurostat.ec.europa.eu>

in the last ten years is typical rather the inverse situation. In 2010, in the European Union unemployment among women and men hardly differed, with an average rate of about 10% each.

We should mention that in Moldova, the scale and spread of unemployment registered in the employment agencies and that unregistered (calculated based on ILO methodology) differ greatly: for the period 2000-2010 on average almost four times. The analysis of labor statistics data refer to the pronounced “male” profile of unemployment in Moldova, men predominating in the total number of unemployed calculated based on ILO methodology. It stands out that over the years women are the majority of unemployed registered in employment agencies, and of recipients of unemployment allowance (over 54% in 2010 [7]).

The distribution of unemployed by level of education differs substantially for men and women. For women the incidence of unemployment is higher among people with higher education. In the dynamic of 2000-2010 years the share of unemployed women with higher education increased by 2.3 times, reaching in 2011 a share of 26.5%. In 2011 the share of unemployed women with higher education exceeded by 1.5 times the share of unemployed men with the same level of education.

A “feminine” problem appears to be the duration of stay in the status of unemployed. Given that long-term unemployment causes major losses for the human capital, generates relatively high costs for households, it can be seen that although unemployment affects both sexes, its consequences are different for men and women. Studies [6] show that the marginalization and isolation of women enhances the

processes of their long and very long-term unemployment and the state of discouragement in finding a job. Thus, it is found out that the share of long term and very long term unemployed for women is 1.3 times higher than among men and that more women are among those discouraged.

International studies reconfirm that gender inequality remains a problem in labor markets globally [8]. Eliminating the gender gap and provision of equal status for women in the labor market becomes an imperative of the time and an alternative not only correct but also intelligent in boosting social development and ensuring economic sustainability.

Women face more disadvantages in terms of access to the labor market, and often do not enjoy the same level of freedom as men to choose to work, are often constrained in terms of economic sectors they would like to work in, but also by the working conditions to which they aspire. In promoting the active economic potential of women it is important to design a package of measures intended to provide a better reconciliation of work with private life and family life; capitalize upon women labor by extending care services; economic incentives for employers to provide special programs for people with children (both women and men); it is required a better balance between studies and gender-segregated occupations, etc.

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