

WOMEN AND THE LABOR MARKETS IN MACEDONIA AND WBT

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AGENDA

- Societal costs of gender labor market gaps
- Employment and activity gaps
- Wage gaps
- Gender dimension of entrepreneurship
- Policy Options to Promote Greater Gender Equality

WOMEN (NOT) IN LABOR MARKETS: LOSS FOR THE SOCIETY AND ECONOMY

- **16% of GDP** lost per year in Macedonia due to gender gaps in labor force participation, self-employment and entrepreneurship (Cuberes and Teignier, 2016)
- Globally, the loss in human capital wealth due to gender inequality is estimated at **\$160.2 trillion** if we simply assume that women would earn as much as men
- Total wealth could increase by 14% globally with gender equality in earnings (VWB, 2018)
- Women are constrained from achieving the highest leadership positions: Only 5% of Fortune 500 CEOs are Women
- **Violence and harassment in the world of work affects women regardless of age, location, income or social status.** The economic costs to the global economy of discriminatory social institutions and violence against women is estimated to be approximately **USD 12 trillion** annually

GENDER GAPS IN THE LABOR MARKETS OF WBT

	Employment rate males (20-64)	Employment rate females (20-64)	Employment gap	Activity rate males (20-64)	Activity rate females (20-64)	Participation gap
EU28	78	66.5	11.5	78.9	67.9	11
AL	72.1	55.6	16.5	75.8	57.7	18.1
MK	65.6	43.7	21.9	78.4	51.7	26.7
ME	65.2	51.4	13.8	70.5	56.5	14
RS	68.5	54.5	14.0	73.8	59.6	14.2
TR	76.1	34.5	41.6	78.2	37.5	40.7

LABOR MARKET DEVELOPMENTS: GENDER DIMENSION OF EMPLOYMENT CONT'D

- Women's employment rates are lower than men's at all levels of education (6% at tertiary education)
- Employed women are, on average, better educated than employed men
 - In 2016, 35% of employed females and 21% of employed males had completed tertiary education
- Wage employment: predominant type of employment for both genders (females 81%, males 73.8% in 2016)
- Very low part-time employment

LABOR MARKET DEVELOPMENTS: LABOR FORCE PARTICIPATION

- Education is a large predictor of labor market activity for both genders, but especially for women
- Most of the inactive persons report that they do not want to work
- The main reasons for not searching for a job among women in Macedonia are “family/caring responsibilities” and education
- Culture and tradition
- Stereotypes

GENDER WAGE GAPS

- Unadjusted gender wage gap in Macedonia is about 17.2% (16.3% in EU-28)
- No wage penalty for working mothers in the labour market of Macedonia – mothers payed equally to non-mothers (still, mothers earned 7.8% less than fathers)
- The gender wage gap in Macedonia can be attributed to:
 - self-selection into inactivity and into specific sectors/occupations
 - discrimination (different returns for the same characteristics)
 - the effects of men's and women's unobservable characteristics that are rewarded by employers

GENDER PERSPECTIVE OF ENTREPRENEURSHIP

- Females in Macedonia are much less likely than males to start a business (6.6% compared to 14%)
- Overall, in the WB region, there are both quantitative and structural issues with women entrepreneurship: only 27.5% of business owners are women, and they hold 14.2% of the top management positions in companies (Bekh, 2014)
- Self-employed workers in Western Balkan countries “pushed” into self-employment as a last-resort option (World Bank, 2015)
- 10.3% of adults in Macedonia try to set up a business (70.5% success rate), lower than the average share in the low-performing transition countries

GENDER PERSPECTIVE OF ENTREPRENEURSHIP CONT'D

- In the Western Balkans region, the main problem for lack of success in starting a business was **lack of capital** (44%) (LITS survey)
 - Higher share of males reported this reason (50%), relative to females
- Gender gap in financial indicators In Macedonia (80% of male citizens have an account in some financial institution vs. 64% females)
- Property ownership can also be a constraint to accessing financial markets - there is no collateral to obtain a loan to start a business
 - Women in Macedonia: small share in overall property ownership: 83.4% are owned by men
 - Legislation to protect women's right in property ownership exists
 - Women (especially low-educated women in rural areas) lack information on their rights in this area

GENDER PERSPECTIVE OF ENTREPRENEURSHIP: POLICY ASPECT

- Women's entrepreneurship is now on the policy agendas of all the WB economies, with most progress in designing and implementing policies
- Partnerships between public and private stakeholders to support women's entrepreneurship are arising/strengthening
- Ensure effectiveness and efficiency of collective efforts and support
- Complexity of challenges for women entrepreneurship, cultural, social, economic, legal, regulatory, etc.
- Safe route of wage employment

WOMEN'S ENTREPRENEURSHIP

	ALB	BIH	KOS	MKD	MNE	SRB	TUR	WBT average
Planning and design	3.00	3.67	2.33	2.33	4.33	4.33	5.00	3.57
Implementation	2.71	3.29	1.86	2.14	3.29	4.43	4.43	3.16
Monitoring and evaluation	1.80	2.6	1.80	1.00	2.60	4.20	2.60	2.37
Weighted average	2,62	3.26	1.99	1.97	3.46	4.35	4.17	3.12

POLICY OPTIONS TO PROMOTE GREATER GENDER EQUALITY

Recommendations for the government to reduce the gender gaps and improve the labor market position of women:

- support women's access to higher education and adult education
- promote gender equality in laws and collective agreements
- develop more flexible employment options
- expand the network of affordable, high-quality child- and eldercare
- strengthen activation policies for poorer women
- provide small-scale training programs targeting inactive women, particularly low-educated and rural women
- increase the scale of programs for business startups specifically targeting women and improve women's access to assets and productive inputs
- increase efforts to raise the career aspirations and expectations of young women
- Complex causes require complex efforts by the governments (role models, business angels for women's enterprises, property ownership, ...)

QUESTIONS/COMMENTS ARE WELCOME!

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