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Evaluating gender equality in politics and the labour market: the case of Albania

Abstract

The purpose of this article is to provide an evaluation of the progress made in Albania to achieve gender balance in two main areas – political decision-making and the labour market – in terms of the degree of alignment with the requirements of the Beijing Platform for Action and the UN's Sustainable Development Goals (SDGs). The methodology relies on qualitative research and is developed through an in-depth analysis of statistical data, mainly collected by the Institute of Statistics of Albania (INSTAT) and the European Institute for Gender Equality (EIGE). The findings indicate that women remain under-represented in parliament as well as in the labour market. Progress was made prior to Covid-19 in the context of gender gaps in employment, but in 2020 the situation changed and they fell back before rising in 2021, leaving the situation as regards women's labour force participation steady. Other results are quite promising and show particular strides in the position of the gender pay gap and in terms of women's political participation in the Albanian cabinet, ranking Albania in both cases better than the EU-27.

Keywords: *gender equality, labour market, political decision-making, gender gaps in employment, sustainable development*

Introduction

The achievement of the equitable participation of women in all aspects of political and public life is essential to build a strong democracy and to ensure sustainable development.

Over the past two years, due to Covid-19 recovery and the EU commitment that at least 85% of all new external actions will have gender equality as a principal objective by 2025, greater pressure has been exerted on governments to put women's empowerment at the centre of their agenda and to prioritise decent work for all.

Gender equality at the level of political decision-making ensures democracy and respects human rights. Albania has made important steps at all levels of political governance and what is making a difference is the achievement of women constituting 70% of ministerial portfolios – the best figure ever realised. Progress in the direction of gender equality is a work in progress but is also in accordance with the requirements of Albania's EU integration process. The empowerment of women in politics will bring Albania closer to social justice and it provides greater opportunities for women to advance a political career.

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Additionally, improving women's participation in the labour market is one of the main objectives of Albania's government agenda. Despite women in Albania making up more than half of the population, the labour force is characterised by a significant gender gap with employment rates for women remaining much lower than those of men.

Reducing the gaps between women and men in the workforce is not just good for women but for the world economy as a whole as it could substantially boost global growth. Research (Madgavkar et al. 2016) has shown that global GDP could increase by 26 per cent with the closure of gender gaps, which would benefit both advanced and developing countries.

This article aims to provide an analytical review of the electoral legal framework, drawn from national and international official statistical reports, as well as the most up-to-date data related to the promotion of gender equality in Albania's national parliament and labour market. Firstly, we provide a review of electoral law in the western Balkans regarding the adoption of minimum quotas. Secondly, we evaluate the progress made towards the achievement of the gender equity goal in relation to political participation in national parliaments in the western Balkans and in decision-making positions within government ministerial cabinets via the analysis of data collected from the European Institute for Gender Equality (EIGE) and the reports of the Inter-Parliamentary Union (IPU). And thirdly, we develop an in-depth analysis of statistical data related to the gender gaps in leading labour market indicators based on statistical data collected by the Institute of Statistics of Albania (INSTAT) and the Statistical Office of the European Union (Eurostat).

The importance of this article lies in that it facilitates an overview of women's participation in political decision-making and in the labour market, helping towards a better understanding of the ways in which the application of legislation and the National Strategy for Gender Equality 2021-2030 has influenced the reduction of gender imbalances in Albania. This is essential in order to review whether policies and the actions taken are in line with the requirements of the Beijing Platform for Action and with the fulfilment of the UN's Sustainable Development Goals in this direction.

Theoretical framework

Definitions and concepts

Women's political participation refers to the ability of women to participate equally with men, at all levels, and in all aspects of political life and decision-making. It is a key element in achieving gender equality and is fundamental for an inclusive democracy. The balanced political participation of women and men in Albania implies a minimum representation of 30% of women and men in political life.

The gender gap in the labour market refers to the several statistical disparities between men and women workers such as the employment and unemployment gaps and the gender pay gap. The gender gap in the employment rate refers to the percentage point difference between the male employment rate and the female

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employment rate. For this analysis, the gender employment gap is the difference between the employment rates of men and women aged 20-64 years. The gender gap in the unemployment rate refers to the percentage point difference between the male and female unemployment rates. Likewise, the gender unemployment gap is the difference between the unemployment rates of men and women aged 20-64 years. Finally, the gender pay gap is the difference in average gross hourly earnings between women and men. Expressed as a percentage, the gender pay gap is a measure of how we value the contribution of men and women in the workforce.

We need more women in politics and in the workforce

Women's political participation promotes democratic gains, including an increase in policymaking that reflects the priorities of women. It means that more women at all levels of decision-making in politics will help advance gender equality.

In the monitoring reports of the Institute of Political Studies in Albania during 2017-20, it is shown that women members of parliament (MPs) have a positive balance of representation. The findings show that women MPs have been more active than their male counterparts and top the efficiency rankings within most parliamentary groups. The high percentage of active women in parliament is an indicator of the quality of women's representation in parliament and an argument against scepticism in terms of increasing the number of women MPs. Women MPs are more inclined to follow the legal path in conflict situations and thus have the direction to raise gender representation through the promotion of legal initiatives.

According to a scientifically validated analysis of 360-degree on leadership effectiveness undertaken immediately prior to the Covid-19 pandemic, women are rated on most competencies as more effective leaders (Zenger and Folkman 2019). These results indicate that the gap is even larger than previously measured and that women tend to perform better than men, demonstrating that, if women have the same starting position as men, they are perceived as better leaders.

Closing the gender gaps in the labour market is important to achieve the SDGs and will provide economic benefits. That research cited earlier, from the McKinsey Global Institute, indicates that, if women were to participate in the economy identically to men, the 26 per cent of annual global GDP that they could add by 2025 would amount to as much as 28 trillion dollars (Madgavkar et al. 2016). Another, more recent, report confirms the economic benefits of an increase in gender equality but inflates the value considerably (World Bank 2020), finding that the world could achieve a 'gender dividend' of 172 trillion dollars by closing gender earnings gaps in the labour market.

When women are fully integrated into the labour force they contribute notably to social wellbeing.

Methodology

The methodology of the study relies on qualitative data. The purpose of this article is to develop firstly an analysis of women's political participation tendencies in national parliaments in the western Balkans, following this up with in-depth

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analysis of the Albanian labour market, addressing gender perspective issues. In this latter respect, the study thus focuses on the position of women within the labour force and covers most of the aspects related to gender equality in this field such as women's employment and unemployment rates and the gender pay gap.

A descriptive approach is used to carry out content analysis based on secondary data collected through the review of public documents.

Data collection is based on:

- the collection of statistical data on women's political participation from the EIGE database, World Bank reports, UN Albania reports, IPU reports and other online international and national publications
- the collection of statistical data on the labour market from INSTAT reports, the Eurostat database, World Bank reports, UN Albania reports, the ILO database, reports and information gathered in relation to the link between decent work and the SDGs, and other online international and national publications.

The qualitative research approach for the study is focused on:

- a review of electoral law related to minimum quotas in western Balkan countries and the identification of some national employment policies regarding gender-sensitive issues in the labour market
- analysis of the trends in women's participation in the national parliaments of western Balkan countries and an identification of the progress made in Albania for the achievement of a gender-balanced parliament and cabinet
- analysis of the gender gaps identified regarding the main indicators in the Albanian labour market and the realisation of a comparison of the latest data for Albania with that of the EU-27 (from 2020).

Analysis of women's participation in political decision-making

The effectiveness of gender quotas

Gender balance in political participation and in decision-making at all levels in the political sphere is a goal set in the Beijing Declaration and Platform for Action for the empowerment of women.

In a roundtable event organised by the Inter-Parliamentary Union (IPU) on parliaments and women's rights, held on 22 June 2023 in Geneva, Cynthia López Castro, President of the IPU Bureau of Women Parliamentarians, stated that:

> To achieve gender equality in parliament is to have equal representation, to have the same opportunities and the same rights.

Moreover, she recounted that an effective way to improve equality is to have mandatory gender quotas in parliament. The findings presented in the IPU report, *Women in Parliament 2022* (IPU 2023), show that legislated quotas are again a decisive factor in the advance of women in the political arena as they provide parliaments with a significantly higher representation of women (a gain of 9.7% for women) compared to those without the adoption of gender quotas.

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Electoral gender quotas increase women's political participation and promote equality in politics. However, worldwide data indicate that women continue to be under-represented in political and decision-making positions and, at the current rate of progress, that gender equality in national parliaments will not be reached for another 60 years.

In Albania, the most important legal changes that have been made in the Electoral Code in terms of gender integration in politics are the determination in 2008 of a 30% gender quota for running in the parliamentary elections, followed by the implementation of a 50% quota in candidate lists at the 2015 local elections. The positive effects of these changes emerged in 2017 when, for the first time in its political history, Albania saw a 27.85% representation of women in parliament as MPs and the highest number of women ministers ever.

The application of a quota system for running in the parliamentary elections has been a successful measure as it has brought a gradual increase in the number of women MPs, and this trend of representation has been maintained even in the replacement processes that have taken place in the composition of the parliament. This is a very important step for the advance of women's political life in Albania compared, for example, to Kosovo where there are certain experiences that have negatively affected the representation of women in parliament. Such was the case of Mrs. Tinka Kurti who, although attracting a higher number of votes than male deputies, failed to enter the Kosovo Assembly in the October 2019 elections as the legislation allowed for the replacement of deputies only within the same gender.

The participation of women in the national parliament

In this subsection we analyse gender-related data in the Albanian national parliament and realise a comparison with other western Balkan countries to obtain a broad overview of the situation within the Balkan region.

Gender quotas require political parties to include at least 30% of the under-represented gender in their candidate lists in Albania, Montenegro and Kosovo, and 40% in Bosnia and Herzegovina, Serbia and North Macedonia (see Table 1). However, the data in Table 2 show that is necessary for women candidates to be better supported by political parties and government policies as the percentage of women elected as MPs is significantly lower than the percentage of men, and thus gender balance is some way from being achieved in the national parliaments of the western Balkans.

Analysing from the perspective of gender quotas (see Table 2), the poorest situation seems to be in Bosnia and Herzegovina and in Montenegro, in both of which women's rate of participation is considerably lower than that of men and also lower than the respective legal minimum quota. This implies that, if the gender quota had not been adopted, women's political participation would be likely to be even lower than this. Moreover, analysis of data shows that the best country in the Balkans for the representation of women in the national parliament is North Macedonia which not only has a higher legal gender quota of 40% in comparison to Albania, but it has surpassed this quota in regard to the election of women MPs with a 43% participation rate, becoming the country with the highest quota reached at this level.

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Table 1 – Electoral law: minimum quota (%) of women candidates represented in parliamentary elections

Country	**Electoral Code**
Albania	For each electoral zone, at least **30%** of the multi-member list and/or one of the first three names on the multi-member list must be from each gender.
Bosnia and Herzegovina	Every list of candidates shall include candidates of male and female gender, who are equally represented. Equal representation of the genders shall exist in the case where one of the genders is represented with a minimum of **40%** of the total number of candidates on the list.
Montenegro	The Election Law requires that there shall be no less than **30%** of candidates of the less represented gender in the candidate lists.
North Macedonia	In all lists of candidates for members of parliament submitted for parliamentary elections, at least **40%** of the candidates must belong to the less represented gender.
Serbia	There must be at least **40%** of members of the under-represented gender on the electoral list.
Kosovo	In each political entity's candidate list, at least **30%** shall be male and at least 30% shall be female, with one candidate from each gender included at least once in each group of three candidates, counting from the first candidate in the list.

Source: Authors' elaboration of data gathered by International IDEA.

Table 2 – Percentage of women in national parliaments in the western Balkans (2022)

Country	**No. women**	**No. men**	**Total**	**% women**
Albania	50	90	140	35.7
Bosnia and Herzegovina	11	31	42	26.2
Montenegro	21	59	80	26.3
North Macedonia	49	65	114	43.0
Serbia	87	151	238	36.6
Kosovo	42	78	120	35.0

Source: Authors' elaboration on the basis of EIGE data.

None of the western Balkan countries has achieved gender parity in the national parliament, despite the contribution made by gender quotas to progress in this direction. This reinforces the claim that, although the electoral quota system is not a perfect system, it has been successful in improving, to some extent, women's participation in politics, even if not to the point of parity between women and men.

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Women therefore continue to remain under-represented in all western Balkan countries and in all decision-making bodies. The only exception here is the government of Albania, which has the highest representation of women in ministerial positions.

Even so, the environment within the political parties in Albania remains a challenge as the low representation of women candidates in elections, mainly as a result of patriarchal gender norms, continues to exist and, furthermore, remains a social barrier to the effective achievement of the goal of gender parity. In the 2017 parliamentary elections, the main political parties did not respect the principle of equal representation and, despite the increase, women continue to be under-represented. None of the leaders of the competing parties were women.

In terms of policy changes, the political parties should, firstly, make the maximum effort to encourage women to run in elections and, secondly, make it possible that 30 per cent is considered the minimum and not the maximum of women's representation in parliament; according to women MPs in Kosovo, based on their experience in the field, the 30% quota tends to be seen as a ceiling (Evropa e Lirë 2021). In this regard, it has been suggested that the adoption of mandatory quotas should ensure a minimum representation in parliaments of 40% for the least represented gender (Fondacioni Kvinna till Kvinna 2020). The positive impact of setting high quotas through the amendment of the electoral law makes it imperative to examine the possibility of transitioning from legislated quotas on candidates to quotas for the number of women elected to parliament.

The government needs to encourage political parties to create appropriate internal policies to support women candidates and ensure gender balance in respect of party leadership and participation in decision-making. It is further important to raise gender awareness in society and to reinforce women's role and representation in the political arena. The existing law 'On political parties' does not provide sufficient support for the achievement of gender balance within a political party and this means that it is not harmonised with the gender equality law in Albania. It is, therefore, necessary to impose gender equality criteria in this law and to ensure this is consistent with the other legal frameworks that regulate gender equality. This will serve as an important indicator in attaining a sustainable impact for gender issues in both political and social life.

The participation of women in the cabinet

For the first time in the history of Albania, one level of gender equality in the representation of women in politics was achieved in 2018 when 50% of government ministers were women. In the report of the International Knowledge Network of Women in Politics for 2019, Albania was ranked among the top ten countries having the most gender-balanced cabinets (Agjencia Telegrafike Shqiptare 2019). These positive experiences show that quotas are an excellent option to ensure women's representation in the political arena, although they are not the only means of doing so.

Women are equally as capable of being good political leaders as men but, moreover, compared to men they are held to a higher standard of conduct. In line with

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the results of our data analysis, it seems that Albania's government has at least started out on a pro-woman journey by putting more women into senior political and decision-making positions. Actually, the journey towards success has culminated in Albania reaching the top position as women lead 66.7% of ministerial portfolios, allowing the country to surpass both Finland and Spain in the global rankings within the short four-year period since gender parity was first achieved, shifting Albania from fourth place (in 2019) to first, referring to the figures contained in Table 3 below.

Such figures indicate that Albania is on the right direction to strengthen women's political role on the grounds that more women than ever are holding political decision-making posts in Albania.

Table 3 – Top five countries with the highest percentage of women in the cabinet

Country	**% women in cabinet**
Albania	66.7
Finland	64.3
Spain	63.6
Nicaragua	62.5
Liechtenstein	60.0

Source: IPU-UN Women, 2023 Map of Women in Politics.

Women may well dominate top leadership positions at government level, but progress is much slower in terms of business leadership. While the Albanian cabinet is dominated by women, in the private sector women-led businesses have remained at the same level over the last three years, accounting for no more than 25.0% of all active enterprises.

Analysis of women's participation in the labour market

From the perspective of the UN, for the achievement of the specific SDG goals No. 5 'Gender Equality' and No. 8 'Decent Work', it is important to support women's economic empowerment and the strengthening of employment through the improvement of access to employment opportunities and to decent work and good working conditions.

The active participation of women in the workforce is a key element of economic recovery. Referring to the impact of Covid-19 on women's employment, research shows that women's jobs were 1.8 times more vulnerable to the pandemic crisis as more women work in those sectors that were forced to shut down (McKinsey Global Institute 2020). Further research indicates that it was actually young women, aged 15-24 years, who bore the greatest burden (EIGE 2021a). Moreover, according to this research recovery has brought more men than women back to the labour market.

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Main labour market trends

According to INSTAT's annual statistics, data in the latest reports on Men and Women 2020-22 shed light on gender gaps in the labour market. For the main indicators, the statisticians analysed figures for the 2019-2021 period to determine the extent to which the economic positions of women in the labour market had improved or deteriorated during and immediately after the pandemic.

Decrease in employment rates for women

Women make up 53% of Albania's population and gender parity in the labour market cannot wait. Referring to the data in Table 4, women's employment rate in the 15-64 age group actually sharply increased in 2020 from 54.5% to 61.2%, but the positive trend was not maintained in 2021 as the employment rate dropped back to 53.8%. Moreover, the data show that all age groups in the working population exhibited the same tendencies during the three-year period under analysis. The overall result is that women's employment rate during 2019-2021 shows a negative trend as the decline in 2021 is greater than the increase in 2020 (-7.4% vs + 6.7%).

Table 4 – Employment rates (%)

Age group	**2019**		**2020**		**2021**	
	Men	**Women**	**Men**	**Women**	**Men**	**Women**
Total (15+)	**60.1**	**46.9**	**66.9**	**52.3**	**59.5**	**46.4**
15-64	68.2	54.5	77.1	61.2	68.2	53.8
20-64	74.7	59.7	83.9	66.9	74.6	58.3
15-24	31.2	22.2	43.0	28.5	30.6	22.3
25-29	74.6	61.7	87.8	74.2	73.0	62.0
25-54	80.9	69.2	89.7	76.6	80.1	67.4
54-64	73.7	46.9	78.3	51.1	73.2	46.7
65+	19.6	11.5	18.7	18.7	19.8	13.9

Source: Authors' elaboration on the basis of INSTAT data.

It is important to emphasise that, despite the improvements in employment in 2020, subsequent to the recovery Albanian women continue to be under-represented in the labour market as their employment rates remain lower than those of men. This conclusion is supported in that the structure of employees, according to activity status, shows that 21.9% of women are engaged in unpaid work in the family business while for men this figure is much lower at 11.4%.

The Labour Force Survey (LFS) indicates that, in terms of the population aged 15-64, the participation of women in the labour force shows a different pattern of development as it decreased in 2020 from 61.6% to 61.2% but, as a result of economic recovery, it then rose slightly in 2021 to 61.4%. Lower participation rates are

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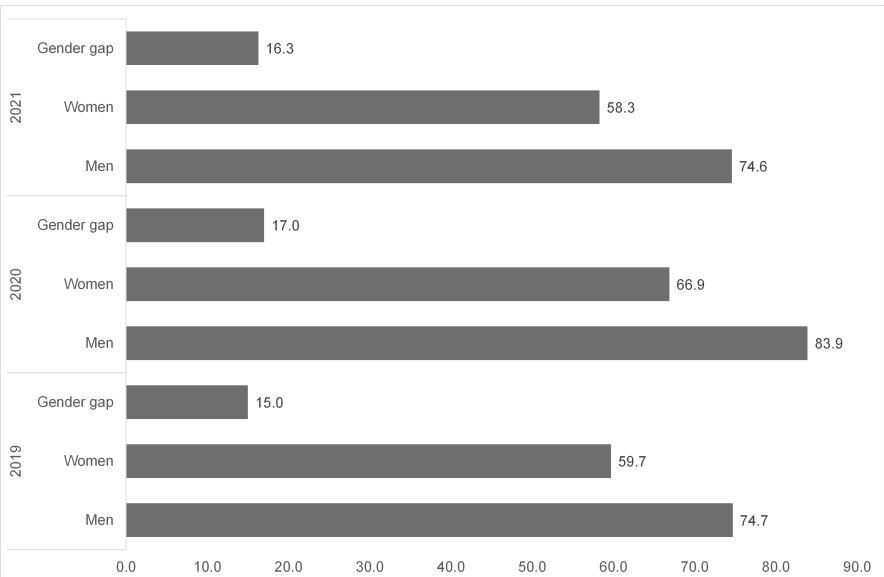
substantially due to women being busy with unpaid domestic work (22.9% compared to only 1.5% for men).

Decrease in the gender employment gap

As regards the level of equality between women and men in employment, a much clearer idea is given by an analysis of the gender employment gap (see Figure 1). According to 2019 data, there was a gender employment gap of 15.0% among the population aged 20-64. Moving to 2020 we see that the gap increased to 17%, confirming the findings of the McKinsey research that 'the recovery brought more men than women back to the labour market'. The gap in 2021 declined to 16.3% even though women's employment rates saw a negative trend, the explanation being that the employment rate among men decreased more than it did among women in this year.

In the National Employment and Skills Strategy 2019-22 (NESS), the target value for the gender employment gap is 14.1% for 2020, 13.9% for 2021 and 13.8% for 2022. The strategic goal behind NESS's attempt to reduce the gap is to increase employment opportunities as envisaged in SDG 8 – by 2030, to achieve full and productive employment and decent work for all women and men. Referring to our findings, as a result of the lasting impact of the pandemic crisis these target values have not been reached, with the actual individual values of the gap being larger and even the objective of seeing it reduced was not achieved as, in 2021, its value was higher than it was in 2019 (16.3% vs 15.0%).

Figure 1 – Gender gap in employment (20-64 year olds)



Source: Authors' elaboration based on INSTAT data.

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Steady unemployment rate for women

Referring to the data in Table 5, women's unemployment rate in the 15-64 age group increased in 2020 from 11.8% to 12.4%, a figure that was maintained in 2021, implying a steady state. Compared to men's unemployment rate, the situation was positive in 2019 since women's rate was lower overall while, for the 20-64 age group in the workforce, the rates were the same, at 11.6%. Thus in 2020, women saw the negative impact of the pandemic as their unemployment rate increased although the result for men is unexpected as their rate of unemployment reduced. This confirms the findings of previous research that 'women have been hit harder than men by job losses'. Moving to the data for 2021, we can see that, while for women there are no changes in the unemployment rate, for men there is a continuing improvement, from 12.0% to 11.8%. If we refer to the group of working age women aged 20-64, the unemployment rate demonstrates a small improvement of 0.1%.

Increase in the gender unemployment gap

In 2020, according to the data set out in Figure 2, the gender gap in unemployment rate for the 20-64 age group increased by 0.4% from 0.0%. This means that Covid-19 has had a negative influence on gender balance in this labour market indicator. As regards the value of the gap in 2021, this has continued to rise, from 0.4% to 0.7%, meaning that 12.1% of working age women in Albania would like to work but do not have a job compared to 11.4% of men.

Table 5 – Unemployment rates (%)

Age group	**2019**		**2020**		**2021**	
	Men	**Women**	**Men**	**Women**	**Men**	**Women**
Total (15+)	**11.6**	**11.4**	**11.5**	**11.9**	**11.3**	**11.8**
15-64	12.2	11.8	12.0	12.4	11.8	12.4
20-64	11.6	11.6	11.8	12.2	11.4	12.1
15-24	27.8	26.3	27.0	25.9	25.5	29.2
25-29	15.5	18.1	15.5	17.8	16.7	15.2
25-54	10.7	10.6	11.0	11.8	10.3	10.3
54-64	7.3	7.5	6.5	7.1	8.9	10.6

Source: Authors' elaboration on the basis of data collected by INSTAT.

From an analysis of the gender gap in employment, we see that the pandemic has affected more women than men. Moreover, the signs of economic recovery are not yet visible in relation to the improvement of gender equity in terms of labour force participation as the gender unemployment gap has increased by 0.7% since 2019.

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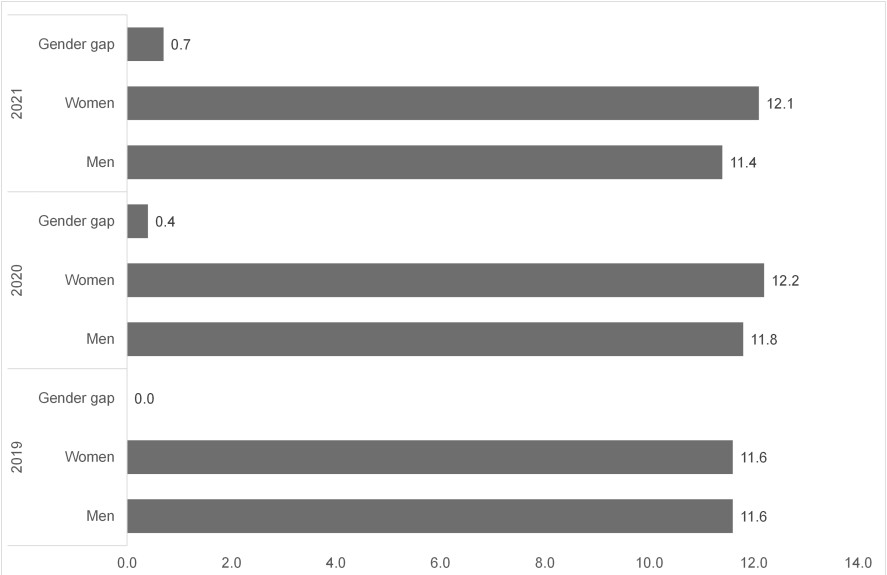
Figure 2 – Gender gap in unemployment (20-64 year olds)



Source: Authors' calculations on the basis of INSTAT data.

Women lead in top-level professions

Managers, professionals and technicians employ the highest percentage of women, making them the only women-dominated professions in Albania (see Table 6). In 2021, 54.2% of the category of managers, professionals and technicians were women. Moreover, the trend has been positive since 2019 as the participation of women at the top professional level increased by 1 percentage point in 2020 – even though that was a tough year for women regarding the other indicator values – and ending in 2021 with a slight increase of 0.2%.

From the perspective of the main groups and professions, the data in Table 6 (which shows a selection) highlight that the gender pay gap remains high among plant and machine operators and assemblers, despite a positive trend during this period which saw it reduce from 24.2% to 18.9%. Meanwhile, the gender pay gap is low among those in elementary occupations and in the armed forces, in each of which it stood at around 5% in 2021.

During this period, focusing on LFS data, the economic sector with the highest gender pay gap remains the manufacturing sector while that with the lowest gap is construction.

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Table 6 – Employment rates by selected profession and associated gender pay gap

Profession	2019			2020			2021		
	% of employment by profession		Gender pay gap	% of employment by profession		Gender pay gap	% of employment by profession		Gender pay gap
	M	W		M	W		M	W	
Total	**53.8**	**46.2**	**10.1**	**54.1**	**45.9**	**6.6**	**53.5**	**46.5**	**4.5**
Managers, professionals and technicians	47.0	53.0	**12.5**	46.0	54.0	**14.4**	45.8	54.2	**11.3**
Clerks, services and sales workers	54.4	45.6	**12.9**	53.9	46.1	**13.0**	52.5	47.4	**13.5**
Skilled agriculture workers	77.3	22.7	**7.0**	76.9	23.1	**9.7**	77.6	22.4	**7.7**
Plant and machine operators and assemblers	59.1	40.9	**24.2**	63.3	36.7	**22.9**	62.7	37.3	**18.9**
Elementary occupations	62.1	37.9	**7.5**	62.1	37.9	**6.2**	62.1	37.9	**4.9**
Armed forces	88.7	11.3	**3.0**	89.0	11.0	**2.5**	88.4	11.6	**5.1**

Source: Authors' elaboration on the basis of INSTAT data.

Decrease in gender pay gap

The 2030 Agenda for Sustainable Development emphasises that women's economic empowerment is crucial to sustainable development. In this context, reducing the gender pay gap seems to be an important prerequisite for meeting its objectives.

As noted above, and as further captured in Figure 3 below, the gender pay gap has been reduced in the last three years, resulting in 2021 with an overall economy-wide figure of 4.5%, which means that men have an average monthly gross wage 4.5% higher than women. Compared to 2019, when the gap was 10.1%, in 2020 there was a decrease of 3.5 percentage points and in 2021 there was again another decrease of 2.1 points, pointing in this way to the improved position in relation to women's economic power.

It is women's lead in educational achievement and rising wages that are largely responsible for helping to narrow the gender pay gap. Increasing wages have been driven in part by women's increased presence in the more lucrative occupations: as we have seen, more women than men are working in managerial positions, and the trend is rising.

A requisite of the EU Action Plan (2017-19), the achievement of equal pay for work of equal value, has yet to get formally underway since Albania has not yet implemented an effective equal pay law. This must be a priority task for the

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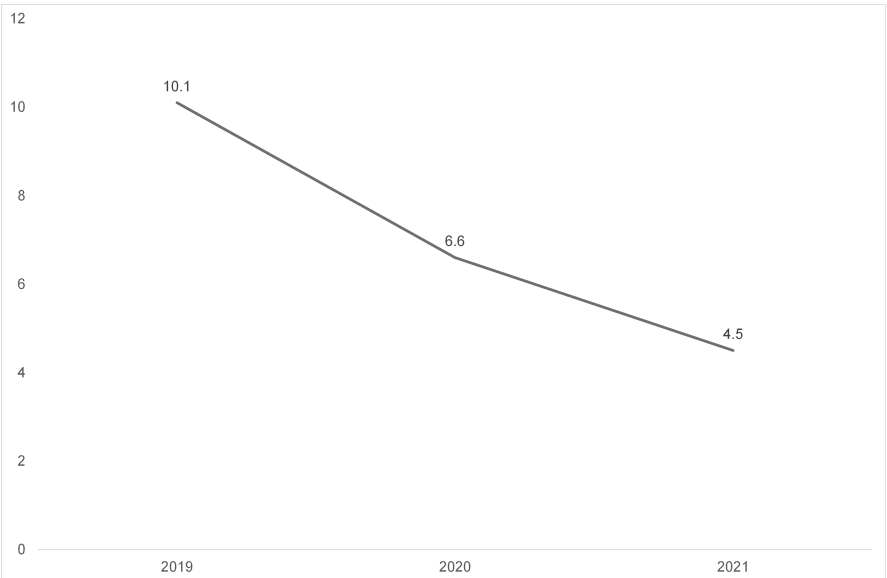
government. What progress has been made has lain in strengthening the system of minimum and average wages, and ultimately in improving wage transparency, with the publication in the media of specific wage increases by occupational categories in many spheres of the labour market. These positive actions of the government have led to success and to an improved performance in terms of reductions in the gender pay gap.

Figure 3 – Gender pay gap, 2019-21 (%)



Source: Authors' elaboration on the basis of INSTAT data.

Comparison of main indicators: Albania vs EU-27

Focusing on 2021 for this part of the analysis, it is important to understand better what impact recovery from the long-term impact of Covid-19 has had on job opportunities for women and men in Albania in comparison to the EU-27.

From the data in Table 7 and also captured in Figure 4, it is evident that all the labour market indicators analysed show imbalances between women and men in Albania and in the EU-27. Women have lower employment rates as well as higher unemployment rates, both in Albania and in in the EU-27, because they do a much larger share of unpaid care work.

Based on these indicators and their respective gender gaps, which are larger than in the EU-27, Albania is leaving women further behind with the main difference being in terms of the employment gap. Across the EU, the gender employment gap was 10.9% in 2021, meaning that the proportion of men of working age in employment exceeded that of women by 10.9 percentage points, a figure that is considerably lower than Albania's 16.3 points.

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Albania is, however, in a better position in relation to the gender pay gap. In 2021, women's gross hourly earnings were, on average, 12.7% below those of men in the EU-27 compared to Albania's 4.5%. The gender gap here has not only improved more in Albania in comparison to the EU-27, where it has changed minimally from the previous period (13% to 12.7%), but the figures show that it was almost three times lower in Albania than in the EU-27 in 2021. In contrast to the European Union, we can say that Albania has presented a better performance in reducing the overall pay gap. This implies that Albania occupies a qualitatively better position in respect to the economic empowerment of women.

Table 7 – Main labour market indicators, Albania and EU-27 (2021)

Indicators (%)	**Albania**	**EU-27**
Employment rates (Total)	**66.3**	**73.1**
Men (20-64 year olds)	74.6	78.5
Women (20-64 year olds)	58.3	67.6
Gender gap in employment	16.3	10.9
Unemployment rates (Total)	**11.7**	**6.9**
Men (20-64 year olds)	11.4	6.6
Women (20-64 year olds)	12.1	7.2
Gender gap in unemployment	0.7	0.6
Gender pay gap	**4.5**	**12.7**

Source: Authors' elaboration on the basis of INSTAT and Eurostat data.

Increasing women's economic opportunities continues to remain a challenge for development policies both in Albania and in the European Union. The European Pillar of Social Rights Action Plan 2021 includes a headline target that at least 78% of people aged 20-64 years should be in employment by 2030. Based on this benchmark, data on the employment rates of women and men cited in Table 7 show that, for the EU, men have already met the employment objective although women have not. Meanwhile, in Albania, the data show that the employment rates of women and men, as they have experienced a decrease on the previous year, are currently not in line with the EU's employment objective. Albania thus needs to take further initiatives to improve these indicators, while it is clear that the path for women continues to remain challenging.

Although it is not part of the detailed analysis of the data on labour market indicators, it is important to mention here that Albania's progress is notable even among western Balkan economies: based on World Bank data for 2021, it has achieved the best performance in relation to the main indicators of employment rates and labour force participation.

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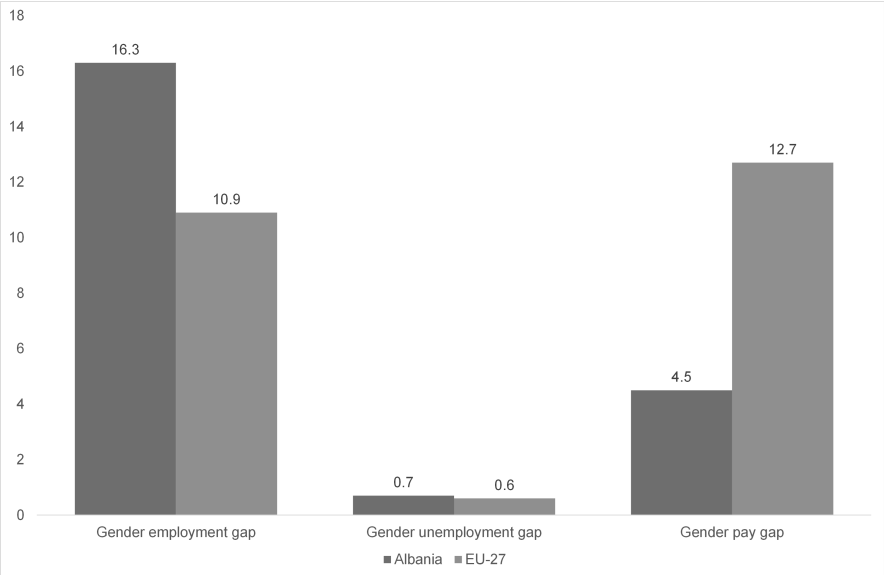
Figure 4 – Gender gaps in the labour market, Albania and EU-27 (2021)



Source: Authors' elaboration on the basis of INSTA and Eurostat data.

Conclusions

In accordance with the obligations of Albania to align its legislation with that of the EU, the achievement of equal representation in politics and in the labour market will aim not only at the fulfilment of human rights and legal equality but also at the economic empowerment of women. The representation of women in parliament, in government and in local government leadership increased significantly after the implementation of the gender quota system in 2013 and 2015.

The growing representation rate is an important indicator towards believing that we really are in a position of the continuous emancipation of Albanian politics and social life regarding the social development of women.

Despite the growing number of women holding senior positions in politics, significant gender inequalities continue to be present in the private sector of the labour market, where it remains the case that a very low percentage of women are in leadership positions.

Both in Albania and in the EU, gender equality in respect of all the main labour market indicators is still far from being fully achieved. The gender employment gap indicates a lower representation of women in paid work and, consequently, a higher representation in unpaid work. Therefore, focusing on women's economic empowerment alone will not lead to enhanced gender equality as unpaid care work will hold back progress. If the time spent on unpaid work could be shared more equitably

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between household members, this could increase the hours spent by women on paid work and improve the overall labour force participation of women.

The data show that women have strengthened their economic position, indicated by the decline in the gender pay gap as a result of rising wages and better access to more lucrative occupations. However, progress is still lagging as the gender gaps persist in term of labour force participation, employment rates and at the top levels of leadership in business and the political parties.

From a socioeconomic perspective, closing the gender pay gap and accelerating the gender equality index in political decision-making have become core priorities regarding Albania's future prosperity and sustainable development.

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