# Gabriela Dubcová

# IMPROVEMENT OF WOMEN'S POSITION ON THE LABOUR MARKET OF THE SLOVAK REPUBLIC

"Progress made by women, including in key areas for the Lisbon Strategy such as education and research, not fully reflected in women's position on the labour market. This is a waste of human capital that the EU cannot afford. At the same time, low birth rates and a shrinking workforce threaten the EU's political and economic role".

> "COMMUNICATION FROM THE COMMISSION TO THE COUNCIL...2006 – 2010. {SEC(2006) 275" [6]

**Abstract:** The paper deals with the analysis of the state-of-the-art of women's position in the economy of the Slovak Republic. The author compares the same economic attributes of gender and identifies the real-life remuneration of women in the current remuneration system of companies and institutions. Principles of remuneration applied are assessed in terms of business ethics. Causes of discrimination against women in the SR economy of the SR are discussed, and in connection with this, the system of promoting women's human rights is described in the paper. The author recommends measures for the improvement of women's position in Slovakia's economy both on the enterprise level and the state level.

*Key words:* women's position in the economy, unemployment rate, remuneration system of companies, work ethics, discrimination, economic attributes of gender

**JEL:** K 2, C 4, M 12, M 14

### Introduction

Activities of the European Commission focussing on the equality of chances for all EU inhabitants have been rising in importance and intensity, e.g. the year 2007 was declared as The European Year of Equal Opportunities for All. Various sorts of instructions and directives have been approved by the European Parliament with their follow-up codifications in parliaments of individual EU member countries so that the legislation may be applied directly in daily life.

These legislation steps, education, awareness, popularisation, and improving of people's trust in the area of fundamental human rights are potential effective tools

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for a re-education of the discrimination in each form. Slovakia as well as other new EU member countries solves problems with an obvious discrimination in a few areas wherever we can find the women discrimination in the economy of the Slovak Republic.

The paper aims:

• To analyse status quo of the women's position in the economy of the Slovak Republic;

• To compare identical economic attributes of gender;

• To identify real evaluation of women in the current remuneration system of companies and institutions;

- To define applied remuneration principles from the point of view of business ethics;
- To analyse reasons women discrimination in the economy of the SR;

• To specify the system of women's human rights protection;

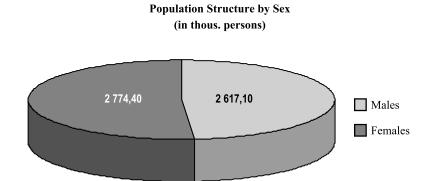
• To recommend measures for an improvement of the women's position in the economy of the SR.

### 1 Contemporary Women's Position in the Economy

The analysis of women's position in the economy of the Slovak Republic is based on official research results of the current resource information of Statistical Office of the SR [10].

In year 2007 female structure shows: 1035,6 thousand employed, 148,4 thousand unemployed, and others (i.e. pre-productive age, productive age, post-productive age, economically active persons) 1590,4 thous. – more than 38% difference in comparison with males (see Figure 2: Economically Active Population by Gender in the Year 2007). For these reasons, we can find the following indicator values:

Fig. 1



Source: Statistical Office of the SR.

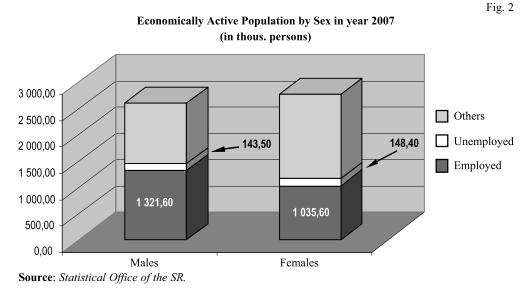
- Employment rate 15 + by males 61.1% and by females only 44.2%
- Unemployment rate by males 9% and by females only 12.5%

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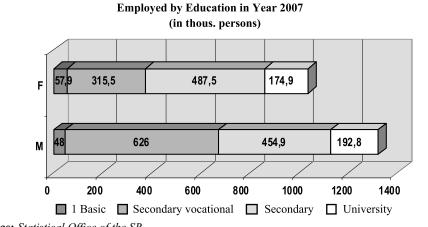
• Economic activity rate by males 67.7% and by females only 50.5%.

The total economic activity rate by males is higher by 17.2%, although the population structure by sex clearly shaws a female majority with 54.46% (see Figure 1 Population Structure by Sex).



The following comparison of an educational structure of the employed population indicates that employed females achieved higher education level (secondary education and university) -63.95% than employed males 49.01% (see Figure 3 Employed by Education in Year 2007). Again, employed males graduated more frequently from basic and secondary vocational schools -50.99%.





Source: Statistical Office of the SR.



# EKONOMICKÉ ROZHĽADY/ECONOMIC REVIEW

Several occupation types may be identified on the basis of a detailed analysis of classification of employed persons according to the occupation (ISCO-88) and according to the NACE branches. Some of these occupations are typically performed by men and some by women (see Table 1 Employed by Classification of Occupation (ISCO-88) in Year 2007 and Table 2 Employed by Branches of NACE in Year 2007).

Female population holds a dominant position in occupation types:

- Technical professions and associated professions
- Education
- Health and social work
- Shop, market sales work
- Service work, hotel and restaurant service
- Clerks in office work.

These occupations are demanding on education, high quality relations to other persons and adequate responsibility.

Male population holds a dominant position in occupation types:

- Craft, related trade work
- Plant, machine operations and assemblage
- Construction
- Transport, posts, communications
- Electricity, gas, water supply

Vocational orientation of male population as listed needs technological dispositions, education and practice.

#### Tab. 1

### Employed by Classification of Occupation (ISCO-88) in Year 2007

(in thous. persons)	Males	Females
1. Legislators, senior officers, managers	88,7	39,7
2. Professionals	103	144
3. Technology experts, educators, health and social work and associated professions	184,8	258,2
4. Clerks	48,1	101,8
5. Service work, shop, market sales work	99,4	233,1
6. Skilled agricultural work	17	6,1
7. Craft, related trade work	374	60,4
8. Plant, machine operation, assembly	279,7	79,6
9. Elementary occupations	115,3	112,4
Occupation total	1321,6	1035,6

Source: Statistical Office of the SR.

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Tab. 2

(in thous. persons)	Males	Females
A,B Agriculture, hunting, fishing, forestry total	76	23,3
C,D,E Industry total	452,2	238,7
C Mining and quarrying	15,5	0,9
D Manufacturing	403,3	230,9
E Electricity, gas, water supply	33,4	6,9
F Construction	224,2	12,9
G Wholesale, retail trade; Repair of motor vehicles, motorcycles	129,3	170,7
H Hotels and restaurants	37,5	64,5
I Transport, posts, communications	123,3	42
J Financial intermediation	17,1	30,5
K Real estate, renting, business activities	83,5	62,3
L Public administration, defence; compulsory social security	79	80,9
M Education	34,4	129
N Health and social work	27,6	127,2
O Other community, social, personal service activities	37	45,1
P Private households with employed persons	0,1	8,1
Q Extra-territorial organizations and bodies	0,2	0,6
Unknown	0,4	0,1
ECONOMY TOTAL	1 321,60	1 035,60

Employed b	ov Branches	of NACE in	Year 2007
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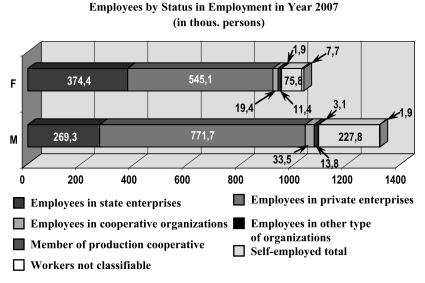
Source: Statistical Office of the SR.

When analysing economic activities of women in terms of the status in employment, we can see striking differences between males and females part of population. Females hold status of an employee more frequently -92.75% than males -82.78% (see Figure 4 Employed by Status in Employment in Year 2007). That means males (17.22%) carry out business by 10% more often than females (7.25%).

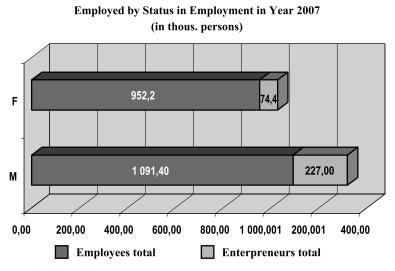
In employment females prefer employers of state enterprises by 15.46% more than males (20.38%), and they are employed in private enterprises by 5.78% less than males (58.41%). Females tend to stability in employment, shorter working time and controllable risk rate in work place (see Figure 5 Employees by Status in Employment in Year 2007).

Fig. 4

Fig. 5



**Source:** *Statistical Office of the SR* 



**Source:** *Statistical Office of the SR.* 

Although females carry out business three times less than males (see Figure 6 Entrepreneurs by Status in Employment in Year 2007), it is worthwile to remark that females – entrepreneurs (28.72%) take on employees more often than males

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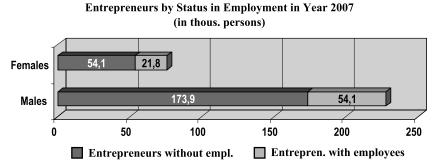
(23.73%). Reasons of this negative position of women in the economy of the SR can be found in:

• Personal attributes of economic activities of women (risk perception, preference to family life, capital resources...)

• Missing protection of women entrepreneurship from public financial resources (state budget, municipal budget, fund resources of the EU...)

• Low protection of private financial resources (bank companies, foundations...)

Fig. 6



Source: Statistical Office of the SR.

Tab. 3

Share of Employees in % by Bands of Average Gross Monthly Earnings in Year 2006

	upto 6000	6 001 - 7 000	7001 - 8000									16001 - 17000		18 001 - 19 000	19 001 - 20 000	
Males	1.5	1.29	2.72	3.23	3.9	4.24	4.92	5.19	5.39	5.77	5.77	5.47	5.07	4.53	4.2	
Females	3.51	2,34	4.91	6.84	7.49	695	6.66	6.69	6.39	6.06	5.73	4.93	4.38	3.84	3.37	
				22 001	24 001	05.001					20.001		10.001	45.001		60 001
		21 001 - 22 000										35 001 - 40 000			50 001 - 60 000	and
Males																and

Source: Statistical Office of the SR.

Results of the remuneration analysis show a large discrepancy in applied principles objectivity, justice, and equality of chances between males and females (see Table 3: Share of Employees in % by Bands of Average Gross Monthly Earnings in Year 2006):

• Average gross monthly earnings of males are at intervals from 14,001 SKK to 17,000 SKK most frequently;

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• But females earn average gross monthly from 8,001 SKK to 11,000 SKK most frequently, only.

In this case there is a visible discrimination in remuneration system existing in EU member countries, too. But wages difference between males and females in the EU recorded the value of only 15 % in the year 2006 [7]. The situation in the Slovak Republic is substantially more alarming – by 26% (see Table 4: Average Gross Monthly Earnings in the Year 2006).

Tab. 4

	<i>i</i> 8
SEX	AMOUNT
Males	22 686 SKK
Females	16 757 SKK
TOTAL	19 774 SKK

Average Gross Monthly Earnings in Year 2006

Source: Statistical Office of the SR.

Detailed data identify the difference between males and females in average gross monthly earnings in the SR (see Table 5: Employees and Wage Funds for Year 2006). The most critical reality of the average gross monthly earnings can be found in enterprise types:

- Private Limited Company
- Private (freelance jobs, sole traders, farmers)
- Firms with International/Foreign ownership.

# **Finding:**

Actual position of women in the economy of the SR defined the following facts about females:

- Higher unemployment rate
- Higher education level
- Status of the employer more frequently than status of the entrepreneur
- By the status of the entrepreneur discharging a position of the employer

• Dominant occupation types: technical professions and associated professions

education, health and social work, shop, market sales work, service work

• Substantially lover amount of wages.

Its persistence results from direct discrimination against women and structural inequalities, such as segregation in sectors, occupations and work patterns, access to education and training, based evaluation and pay systems, and stereotypes [4].

On this account the actual position of women in the SR generates visible discrimination symptoms, which is important to solve on personal, state, enterprise, and societal levels. Tackling these issues requires a multifaceted approach and the mobilisation of all parties.

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Tab. 5

	Average Registration Number				
	Empl in Natur		per Natural Person		
	Females	Males	Females	Males	
PRIVATE SECTOR	319 921	425 743	17 050	24 192	
Ownership-private home	134 109	222 038	14 452	20 585	
Private (freelance jobs, sole traders, farmers)	449	645	9 340	19 096	
General Partnership	150	100	10 127	17 377	
Limited Partnership	67 975	111 013	13 057	18 199	
Private Limited Company	309	200	34 520	208 997	
Public Limited Company	62 009	109 052	15 913	22 699	
Co-operative ownership	26 076	26 242	12 701	15 695	
Cooperative	8 394	20 304	12 517	15 185	
Ownership of associations, parties, churches	16 895	8 551	14 328	16 248	
Foreign ownership	90 040	97 102	18 668	29 362	
International ownership (oper. of the private sector)	52 801	71 810	23 908	32 408	
PUBLIC SECTOR	305 884	218 661	16 403	22 804	
State ownership	146 185	156 425	18 719	24 475	
Ownership of municipal authorities	157 421	58 975	14 025	16 642	
Municipal corporation	15 170	7 883	17 071	23 794	
Regional authorities	765	417	23 353	32 014	
International ownership (oper. of the public sector)	2 278	3 261	32 104	54 119	
State ownership	146 185	156 425	18 719	24 475	
Economic organization	40 233	61 303	18 440	23 266	
Budgetary organization	75 679	81 184	19 590	26 001	
Subsidized organization	26 746	11 873	16 969	20 619	
Other organization	3 527	2 065	16 494	22 527	
Foreign ownership interest	145 119	172 173	20 786	31 101	
Foreign ownership	90 040	97 102	18 668	29 362	
International ownership (oper. of the private sector)	52 801	71 810	23 908	32 408	
International ownership (oper. of the public sector)	2 278	3 261	32 104	54 119	
Total enterprise organization (without subsidized org.)	342 468	488 892	17 429	24 348	
TOTAL (Ownership)	625 805	644 404	16 734	23 721	

**Employees and Wage Funds for Year 2006** 

Source: Statistical Office of the SR.

# 2 Solution of Women's Human Rights in the Legislation

Gender equality is a fundamental right, a common value of the EU and EU member countries individually as well as a necessary condition for the achievement of the EU objectives of growth, employment and social cohesion.

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Existing system of women's human rights as a protection tool for equalisation of women in the economy and its loyalty create effective methodology for an achievement of the mentioned goals:

# **2.1 International Valid Contracts:**

- General Declaration of Human Rights (December 12, 1948)
- European Social Charter (October, 18 1961 in Turin)
- Pacts of Human Rights (1966)

# 2.2 European Labour Law:

- Right to free movement of labour
- Equality of males and females in working life
- Social protection of employees
- Technical and health protection of employees
- Collective bargaining Labour Law
- Community Charter of the Fundamental Social Rights (December, 9 1989)

The strategic issue of enhancement of the women's position in the economy has been carried out by means of implementation and observation of the Community Charter of Fundamental Social Rights for Workers:

*a)* In the first step – into right system of the EU (directives, instructions...)

*b)* In the second step – into legislation of EU member countries individually.

Most important rights of the "Charter of Employee Social Rights of the European Community" [8]:

- Free movement of employees
- Employment and remuneration for work
- Improvement of working and living conditions
- Social protection
- Coalition freedom and collective bargaining
- Professional education
- Equality of males and females
- Informing, consultation and hearing employees out
- Health protection and safety
- Protection of children and mothers
- Protection of old people
- Protection of the health handicapped

# Contemporary document of the Commission of the European Communities

for the purpose of women anti-discrimination in the economic area -

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# EKONOMICKÉ ROZHĽADY/ECONOMIC REVIEW

"COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE EUROPEAN PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS. A Roadmap for equality between women and men. 2006-2010. {SEC(2006) 275" with objectives: "This Roadmap outlines six priority areas for EU action on gender equality for the period 2006-2010: equal economic independence for women and men; reconciliation of private and professional life; equal representation in decision making; eradication of all forms of gender based violence; elimination of gender stereotypes; promotion of gender equality in external and development policies. For each area, it identifies priority objectives and actions. The Commission cannot alone achieve these objectives, as in many areas the centre of gravity for action lies at Member State level. Thus, this Roadmap represents the Commission's commitment to driving gender equality agenda forward, reinforcing partnership with Member states, and other actors." [6]

### 2.3 Protection of Women Human's Rights in Legislation of the SR:

Tab. 6

General legislation	Specific legislation			
For all legal forms	For specific legal forms			
	Individual law for adequate freelance job	Freelance job		
-	The Trades Licensing Act	Sole trader		
Constitution of the SR	The Individual Farming Act	Farmer		
Labour Code		General partnership		
Anti-discrimination Act		Limited partnership		
	<b>Commerce Code</b>	Private limited company		
		Public limited company		
		Cooperative		
-	Economic Competition Act	Joint ventures forms		

Women's Human Rights in the Legislation of the SR

Source: Statistical Office of the SR.

The gender dimension of the Lisbon Strategy for jobs and growth must be strengthened in each EU member country. Compliance with equal treatment legislation and an effective use of the new Structural Funds (e.g. training, entrepreneurship measures) can help increase women's employment. The individualisation of rights linked to tax and benefit systems can also ensure that it pays for both women and men to work [6].

Protection of women's human rights:

- a) Relevant legislation
- b) State projects

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c) Administration system of gender equality and equal opportunities

a) Relevant legislation:

Laws measures are conformable with goals of the "Lisbon Strategy", priorities of operational program "Employment and Social Inclusion" and "Conception of Equal Opportunities" [9] of the Ministry of Labour, Social Affairs and Family of the Slovak Republic.

Last relevant amendment of Labour Code (September 1, 2007) enhanced women's human rights, first of all in area of [11]:

- Principle of equal wages for equal labour
- Creation of better conditions for employed mothers
- Dependent work (change from sole trade form to ordinary employee form)
- Employment stabilisation
- More transparently dismissing conditions (support of firm side)
- Employment of handicapped
- Tele labour
- Financing of employee education and trainings
- Fairer solution of occupation readiness
- Lower acceptable overtime
- Better conditions for a new employee (during trial period)

• Better ergonomic conditions in firm (food and drinking regime)

- Actual amendment of the Act of services for the employment [12]:
- Grant finance from state budget for working places for unemployed

• Grant finance from state budget for self-employed freelance jobs, sole traders, farmers

• Grant finance from state budget for employment of handicapped people

• Financial and organizational protection of the disadvantaged group integration into employment – first of all: graduates, citizens with health handicap, mothers with children and persons in age near pension age

• Protection of the social enterprises

b) State projects for integrating protection of handicapped applicants for the employment into labour market – first of all:

- Reduction of the long-term unemployment of women, primarily old women
- Entrepreneurship protection and self-employment
- c) Administration system of gender equality and equal opportunities:
- National Council of the SR
  - Standing Committee on Gender Equality and Equal Opportunities
  - Committee on Human Rights, Minorities and the Status of Women
  - Committee on Social Affairs and Housing
- Government of the SR:
  - Government Committee of the SR on Gender Equality
- Ministry of Labour, Social Affairs and Family of the SR
  - Department on gender equality and equal opportunities

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- The Slovak National Centre for Human Rights
- Confederation Trade Unions of the SR
  - Department on equal opportunities for females and males

# Conclusion

According to my research results, the following activities are important for improving women's position in the economy of the Slovak Republic:

1. To improve legislation in the area of the gender equality and equal opportunities;

2. To improve legislation and its application in the area of the control mechanisms and administration system for gender equality and equal opportunities;

3. To adhere to the existing legislation (rights and duties) which governs areas of gender equality and equal opportunities;

4. More objective financing of the state projects for integrating protection of handicapped applicants for employment, protection of the women anti-discrimination, gender equality and equal opportunities;

5. Claim of legislation rights by women in particular situations to eliminate each kind of the discrimination;

6. Applying precise penalty system for enterprises in case of the discrimination of each type;

7. Enhancement and objectification of informing/awareness (in the media, in advertising...) about real women critical positions and women discrimination in economics of the SR;

8. Institutionalization of the corporate social responsibility as the instrument of ethics code for recruitment of enterprises in the area of women anti-discrimination, gender equality and equal opportunities;

9. Activation, integrated procedure and efficient enhancement of the nongovernmental organizations;

10. Incorporation of topics of the women anti-discrimination, gender equality and equal opportunities into learning texts of the primary and secondary schools.

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