Is There a Gap Among Gender in Vocational Training Incidence in Labour Market in Albania?

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Abstract  
Human capital theory states that the incidence of training should be higher among men than women. Literature have confirmed it in different empirical studies. Recently, there is a small number of studies that have reported the reversed trend: women are now more likely to participate in training than their male counterparts. Using Labour Force Survey data we present a descriptive analysis to evaluate if there are evidences of discrimination; if it’s measurable and which are the determinants of vocational training of men and women employees in the Albanian labor market. Determinants such as improvements in the labour market status of women (Vanden Heuvel, 1997) increased labour force participation rates among women (Green and Zanchi, 1997) are detected in the paper. This paper should be seen as a actual scan of Albanian labour market in context of vocational training incidence and evidences of discrimination among gender.

Keywords: Labor market, gender discrimination, vocational training, Labor Force Survey

Introduction  
Over the past decades Albania has made significant progress measured in terms of economic growth and development. Passing from a centrally planned economy to a market economy, it has involved structural change through the processes of privatization and enterprise restructuring which have destroyed jobs in old state and socially owned enterprises. This opening of economy was faced with new technologies requiring new skills. Government policies related to employment and to the education and training sector are enacted through the legislative framework, active labor market programs and projects, vocational training programs, as well as the on-going
process of harmonization with European Union policies in these areas. New working practices have brought in small and medium sized enterprises which require ‘soft’ adaptable skills. In particular technological change has been found to be biased against low-skilled workers (Machin and van Reenen, 1998; Krueger, 1993; Acemoglu, 1998; Author, Katz, and Krueger, 1998; Salvanes and Førre, 2003). So, employees take further education and training to enhance the skills and consequently increasing potential earnings and the productivity of firms. Policy-makers tend to accept that investment in education and training is a good thing, with most committed to investment in human capital, including Vocational Education and Training (VET), as a means of securing higher economic growth and national prosperity as well as achieving equity goals (see Wößmann, 2008).

Human capital theory (Becker, 1962) predicts that the incidence of training should be higher among men than women, and this has largely been confirmed in empirical studies (Greenhalgh and Stewart, 1987; Booth, 1991, 1993; Green, 1991, 1993, 1994; Arulampalam & Booth, 1997; Evertsson, 2004). To reduce the cost of training employers prefer to invest in men because women have a higher probability of experiencing career interruptions due to pregnancies (Oosterbeek, 1998). So, the probability of men staying within the firm is much higher than of women. Another reason for gender differences in training participation might be a result of employers’ discrimination, since most training takes place during work time is financed by employers.

Recently, there is a small number of studies that have reported the reversed trend: women are now more likely to participate in training than their male counterparts. The increased payback period afforded by the tendency for later childbirth (Bassanini, 2007) may also have contributed to the rise in female participation in training. Another reason may be that interruptions to their work histories, for example due to childcare and other family responsibilities (Green, 1991; Green and Zanchi, 1997).

Improvements in the labour market status of women (Vanden Heuvel, 1997) possess ‘advantages’ in terms of particular characteristics associated with higher qualifications may increase the participation training of women. Base on the study of Simpson and Stroh (2002) the authors find an increased training participation by females as a consequence of technological changes such as the introduction of computers that have primarily affected female-intensive occupations in the 1990s. Using U.S. data, they report that around one-third of the gender difference in overall training incidence can be attributed to occupational differences, rising to 40 per cent for employer-supported training.

Employees’ participation in training has been described in the literature as varying by personal characteristics and job characteristics as
well as the type of workplace in which an employee works. The aim of this paper is to explore variations in the receipt of vocational qualification of employees, to identify which individuals and groups are most likely (or least likely) to receive this type of training despite of its duration.

Findings of empirical literature for other countries suggest that employees who received vocational training are men, younger employees, full-time employees and more highly educated employees. There is evidence that workers in occupations requiring a higher skill level are more likely to receive training. Public ownership has been linked to higher rates of employer funded education and training, and there is evidence that employees in larger firms are also more likely to receive training.

There is evidence of significant segregation by gender in Albanian labor markets. According to data available from INSTAT 2014 the labor force participation rate for the population aged 15-64 years old is 61.5 %. For male population aged 15-64, the labor force participation rate is 20.9 percentage points higher than females. The agricultural and services sectors have the highest share of employed with respectively 42.7 % and 39.4 % of the total employment.

Analysis of employment by group professions reflects clearly the employment structure by sectors. Based on the INSTAT data of 2014, 53.5 % of employed are skilled agricultural and trades workers, and 16.3 % are clerical, service and sales workers. According to the 2014 survey estimates, it results that 41.6 % of employed are employees, 26 % are self-employed (with employees or without employees) and 32.4 % are contributing family workers. Analyzing the labor market in a gender perspective, females are 1.7 times more likely than males to be contributing family workers. Obtained LFS estimates show that 42 % of employed females and 25.1 % of employed males are contributing family workers. The unemployment rate for the age-group aged 15-64 years old is 17.9 %. Unemployment rate for males of this age group is 19.7 % and for females is 15.5 %. Male unemployment rate is 4.2 percentage points higher than females. This difference shows that males are more active in the labor market. Over the year 2014, 38.5 % of the population aged 15-64 years old is economically inactive. The structure of the population outside labor market is dominated by pupils/students (34.5 %). In this age-group, 14.2 % are not looking for a job because they believe that there are not available jobs. Among the economically inactive female population aged 15-64 years old, 12.3 % are discouraged workers, 27.9 % are pupils/students or in further training, 13.2 % are in retirement or early retirement, and 28.7 % of them are fulfilling domestic tasks.

In this paper we have used secondary data collected from the Albania Labor Force Surveys (LFS) of 2014. A cross-sectional analysis was done with a detailed picture of the relationship between vocational training and
personal as well as job and employer characteristics. Our findings suggest that vocational training was most commonly received by:

- employees, base on individual status;
- younger people;
- men;
- Married;
- those with higher qualifications;
- those live in Dibra region;
- those working in the public sector (especially in armed forces);
- those working in larger organizations;
- those working part-time;
- those working in non market oriented industry.

Contents

In this paper we have analyzed the factors that may be associated with participation in vocational qualification. Below we provide an accurate description of who receives vocational qualification and how this vocational qualification vary by personal as well as job and employer characteristics. As previous studies make clear, it is important to distinguish among different types of training. There is a great variety of activities that count as training but we define **vocational qualification** as training connected with your job, refer to work-related. This is a qualification that people receive while in work, or in anticipation of working in the future, and the effects it has on people’s careers. This is a qualification received after the end of education. It does not include any continuous full-time education that is usually regarded as formal school qualification. A vocational qualification gives the learner a proof that he or she is adequately trained for a particular workplace once the course is completed.

Using the data from the Labor Force Survey (LFS) in 2014, we present below a cross-sectional analysis of households between ages 15 up to 64 years old. From 2007, respondents aged 15-64 in each year were asked if they had received vocational qualification.

*Have you attended a vocational qualification (in spite of duration)?*

1 yes, in a public center of vocational formation
2 yes, in a private center of vocational formation
3 no
Table 1: WSTATUT vocational qualification

<table>
<thead>
<tr>
<th></th>
<th>WSTATUT</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employed</td>
<td>Unemployed</td>
<td>Inactive</td>
<td>Total</td>
</tr>
<tr>
<td>Have you attended a vocational</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>qualification (in spite of duration)?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes, in a public center of</td>
<td>37.9%</td>
<td>6.6%</td>
<td>18.1%</td>
<td>62.6%</td>
</tr>
<tr>
<td>vocational formation</td>
<td>% of Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes, in a private center of</td>
<td>25.0%</td>
<td>4.3%</td>
<td>8.1%</td>
<td>37.4%</td>
</tr>
<tr>
<td>vocational formation</td>
<td>% of Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>62.9%</td>
<td>10.9%</td>
<td>26.2%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations based on Labor Force Survey 2014

From the data of LFS 2014 we take in account only the respondents who undertake training and answered that have done a vocational qualification in spite of it is done in a public or private center. As Table 1 shows, 62.9 per cent of the sample reported that are employees. Others who receive vocational qualification but are unemployed count by 10.9 per cent and the rest 26.2 per cent declare that were inactive.

These results are not so favored compared to development countries. This is partly due to demographic factors but mainly due to low performance of the vocational centers decreasing attractiveness of this vocational stream among individual and their families. Several factors have influenced the lower incidence of training activity such as higher participation of young people in education, or young people and women being increasingly discouraged from searching for work, etc.

To see the effectiveness of this type of training, is to determine if this qualification has given an impact on labor status of individuals. Base on Table 2, we see that the majority (59 per cent) who received vocational training said that did not get employed after attending the vocational training course. Only 34.4 per cent of them reported that have started a job after 3 months, only 2.3 per cent and 4.3 per cent of them who have finished the programme after 6 months and after a year. One reason for this incidence may be that individual are interested in having a certificate rather than certain knowledge (especially for emigrants because the public institutions are more trustful to foreign entities). In many cases the individuals are motivated by secondary interests in getting enrolled and attending professional courses in vocational training such as the need to have a certificate in order to supplement the documents to open or run a small business, the need as an emigrant to present a document abroad during the job application processes, etc.
Table 2: Did you get employed after attending the vocational qualification?

<table>
<thead>
<tr>
<th>Did you get employed after attending the vocational qualification?</th>
<th>Yes, after 3 months</th>
<th>Yes, after 6 months</th>
<th>Yes, after 12 months</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, in a public center of vocational formation</td>
<td>Count</td>
<td>Count</td>
<td>Count</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>16487.584</td>
<td>701.078</td>
<td>1045.116</td>
<td>21130.519</td>
<td>39364.297</td>
</tr>
<tr>
<td>Yes, in a private center of vocational formation</td>
<td>Count</td>
<td>Count</td>
<td>Count</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>5158.738</td>
<td>764.008</td>
<td>1633.815</td>
<td>15987.746</td>
<td>23544.308</td>
</tr>
<tr>
<td>Total</td>
<td>Count</td>
<td>Count</td>
<td>Count</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>21646.322</td>
<td>1465.086</td>
<td>2678.932</td>
<td>37118.265</td>
<td>62908.604</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations based on Labor Force Survey 2014

Probably, another reason is that in most of the cases the knowledge and the skills gained in the vocational training are very basic. Most of the time the shorter duration of courses could not provide sufficient level of knowledge and practical skills to interested persons to help them enter the labor market.

In Table 3 we show the length of vocational training. It is clear that the time period of courses varies greatly, ranging from less than a month to more than a year. Respondents who were employees tended to do shorter courses, lasting no longer than three months; while those not in employments seem to have the same attitude despite the length of training. It could be that the unemployed had to re-train where different skills and knowledge are required for gaining a new job. This could also apply to students who were inactive but pursue longer training courses for prospective jobs. Programmes lasting from 1 to 3 months are the programmes which have the higher incidence for all respondents compare to other type of vocational training. We have seen a small incidence for courses lasting less than a month.

Table 3: Length of vocational qualification

<table>
<thead>
<tr>
<th>Length of vocational qualification</th>
<th>Less than a month</th>
<th>one up to three months</th>
<th>three up to six months</th>
<th>six up to twelve months</th>
<th>one year or more</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>WSTATUT</td>
<td>Employed</td>
<td>Count</td>
<td>2917.221</td>
<td>12730.738</td>
<td>9030.316</td>
<td>9051.082</td>
</tr>
<tr>
<td></td>
<td>% of Total</td>
<td>4.7%</td>
<td>20.3%</td>
<td>14.4%</td>
<td>14.4%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>Count</td>
<td>193.902</td>
<td>2481.980</td>
<td>1396.779</td>
<td>1521.292</td>
<td>1233.937</td>
</tr>
<tr>
<td></td>
<td>% of Total</td>
<td>.3%</td>
<td>20.3%</td>
<td>14.4%</td>
<td>14.4%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Inactive</td>
<td>Count</td>
<td>882.507</td>
<td>4465.033</td>
<td>3184.212</td>
<td>3692.155</td>
<td>4208.813</td>
</tr>
<tr>
<td></td>
<td>% of Total</td>
<td>1.4%</td>
<td>7.1%</td>
<td>5.1%</td>
<td>5.9%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Total</td>
<td>Count</td>
<td>3993.630</td>
<td>19677.751</td>
<td>13611.30</td>
<td>14264.52</td>
<td>11182.24</td>
</tr>
</tbody>
</table>

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Results of personal characteristics analysis:

In this section we examine the relationship between employees who participate in training and a number of personal and family characteristics such as gender, age, marital status, qualification, occupation and region. Section 2.3 turns to job and employer characteristics, which range from full-/part-time status, length of employment, sector, and industry to size of workplace.

Gender and age

In Figure 1, this ‘gender gap’ in receiving vocational qualification appears to be larger among teenage boys and girls and the older groups. We see that the only teenage girls participate in training and this participation is the highest for all women ages. Contrary appear for older men when they are the only who participate in vocational training. From the graph we see that the highest participation for both groups is for 30-39 years old and after that we see a decline much more sharply with age for women than for men.

Figure1: Training by gender and age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19</td>
<td>6.4%</td>
</tr>
<tr>
<td>20-24</td>
<td>31.4%</td>
</tr>
<tr>
<td>25-34</td>
<td>21.7%</td>
</tr>
<tr>
<td>35-44</td>
<td>22.7%</td>
</tr>
<tr>
<td>45-54</td>
<td>17.8%</td>
</tr>
<tr>
<td>55-64</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations based on Labor Force Survey 2014.

Male: \(\chi^2 = 726.019\), d.f = 5, p<0.005; female: \(\chi^2 = 474.527\), d.f = 5, p<0.005

Marital Status

Based on the literature women which have family responsibility tend to participate in other activities such as training less than men, particularly those with children (Blundell, Dearden and Meghir 1996; Tharenou, 1997; Pischke 2001). In support, Tharenou (1997) noted that a lower participation in training activities by women can be explained by the fact that “women with young children and spouses are thought less able to be more committed
to paid labor than others because of family-caring responsibilities.” We have compared the participation rates of sole parents and joint parents. As Figure 2 shows there was a difference in the participation rates of sole and partnered mothers or those of sole and partnered fathers. However, more likely to receive training are the married couples. The incidence was nearly 70 per cent for women and 80 per cent for men. Despite the married status, we see that in other categories women have higher rates of participation than men.

**Figure 2: Training by gender and marital status**

Source: Authors’ calculations based on Labor Force Survey 2014
Male: $\chi^2 = 1239.046$ d.f = 3, p<0.05; Female: $\chi^2 = 241.232$, d.f = 3, p<0.05

**Qualifications and occupation**

In empirical research it was found a positive relationship between higher levels of prior educational attainment and training (Arulampalam and Booth, 1997). Highly qualified individual are mostly likely to have received vocational training. Our findings conforms it.

With the increased level of education we see that vocational training rate increased both for men and women (Table 4). The gender gap is much wider at the beginning of the educational hierarchy, which may be a result of women employed in agriculture sector where the quality of employment is very low.
Table 4: Proportion of employees in training by qualification and occupation

<table>
<thead>
<tr>
<th>Highest qualification</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to 8/9 years of education</td>
<td>4.5%</td>
<td>1.8%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Upper secondary-vocational</td>
<td>5.8%</td>
<td>6.7%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Upper secondary - general</td>
<td>6.0%</td>
<td>4.8%</td>
<td>5.6%</td>
</tr>
<tr>
<td>University or MA/PhD</td>
<td>6.4%</td>
<td>6.1%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

N (weighted) | 246,974 | 184,064 | 431,038 |

Occupation

| Managers, professionals, and technicians | 6.5% | 7.3% | 7.0% |
| Clerical, service and sales workers | 5.7% | 5.5% | 5.6% |
| Skilled agricultural and trades workers | 3.4% | 3.0% | 3.3% |
| Plant and machine operators, and assemblers | 9.6% | 1.0% | 5.7% |
| Elementary occupations | 1.7% | .8% | 1.2% |
| Armed forces | 23.2% | 22.6% | 23.1% |

N (weighted) | 246,081 | 183,941 | 430,022 |

Source: Authors’ calculations based on Labor Force Survey 2014
Qualification: Male: $\chi^2 = 267.116$, d.f = 3, p<0.005; female: $\chi^2 = 1082.905$, d.f = 3, p<0.005
Occupation: Male: $\chi^2 = 4254.055$, d.f = 5, p<0.005; female: $\chi^2 = 5553.496$, d.f = 5, p<0.005

Despite the “Plant and machine operators, and assemblers” occupations, the gender gap do not exist for other types of occupations. We see nearly the same participation rate of women and men in vocational training. The highest incidence of participation is in “Armed forces” occupation, about 23 per cent for both genders, contrary appear to be in “elementary occupation” when the rate count for nearly 1.2 per cent. We see that the incidence of training increased with job hierarchical position.

**Regional variation**

Analysis by government region showed that there was a variation in vocational training received. In the Figure 3, we can see that residents in Diber and Shkoder prefecture were most likely to have received training while the lowest proportion was found in Vlorë region. We see that the gender differences are evident in Diber, Shkoder, Durrës and Tirana. In Diber and Durrës are males who received more training than females, while in Shkoder and Tirana appear to be females receiving more training than their counterparts. In Vlorë and Gjirokastër were trained only women, while in Fier were trained only men.
Results of job and employer characteristics analysis:

In this section, we examine the relationship between various job characteristics and training, ranging from the length of employment, full-time or part-time status. Then we move on to study employer characteristics such as sector, industry, and size of workplace.

Length of employment

Vocational training appears to increase with the length of employment with current employer only in public sector than in private one. We see that women receive more training than men if the tenure with the current employer is less than 5 years in both sectors. Contrary appear to be men in the long run tenure. Evidence in Figure 4 suggests that in the private sector the training incidence does not appear to be associated with the length of employment with their current employer. Here the change for women is less pronounced with length of employment.
Full-/part-time status, sector and gender

The gender gap in training may be explained by the part-time or full-time contract employment. It is clear from Figure 5 that employees who made a short-term contract are more likely to receive training than those with full time contract. Also from the results we see that men working part time received more vocational qualification despite of private or public sector. The gender gap is grater in private sector than in public one. The participation for women gender is higher in public sector than in private sector.
Sector, size of workplace and gender

Figure 6 presents the results by size of the workplace and sector. The size of workplace is defined by the number of employees: between 1 and 10, 11 to 19 employees, 20 to 49 employees, 50 employees and more, I don't know, but less than 11, I don't know, but more than 10. Further evidence of a ‘public sector effect’ is visible from Figure 6. Employees in establishments with 20 or more employees were more likely to have received training than their counterparts in the private sector. This may be because larger organizations can afford to pay for more training. In contrast, in the private sector companies with less than 10 employees were able to offer training only 6 per cent. However, the overall availability of training (including self-funded and employer-paid) in the public sector very across workplaces of different sizes and we see that men are trained more than women. Contrary this appear to private sector when the overall availability of training do not very much and we see that here women are trained more than men.

Figure 6: Training by sector, size of workplace and gender

Proportion of employees aged 15-69 in training
Source: Authors’ calculations based on Labor Force Survey 2014
Male: (between 1 and 10 ) $\chi^2= .7731$, d.f = 1, $p<0.05$; (11 to 19 employees) $\chi^2= 824.365$, d.f = 1, $p<0.05$; (20 to 49 employees) $\chi^2= 839.722$, d.f = 1, $p<0.05$; (50 employees and more) $\chi^2= 241.696$, d.f = 1, $p<0.05$; (I don't know but less than 11) $\chi^2= 95.216$, d.f = 1, $p<0.05$; (I don't know, but more than 10) $\chi^2= 364.788$, d.f = 1, $p<0.05$
Female: (between 1 and 10 ) $\chi^2= .402$, d.f = 1, $p<0.05$; (11 to 19 employees) $\chi^2= 175.990$, d.f = 1, $p<0.05$; (20 to 49 employees) $\chi^2= 268.474$, d.f = 1, $p<0.05$; (50 employees and more) $\chi^2= 1.548$, d.f = 1, $p<0.05$; (I don't know but less than 11) $\chi^2= 2.153$, d.f = 1, $p<0.05$; (I don't know, but more than 10) $\chi^2= 219.243$, d.f = 1, $p<0.05$

Industry

We see that the participation in vocational training vary by industry and also by gender (Figure 7). Nearly 20 per cent of men and women received training in market oriented services and over 60 per cent receive
training in non market oriented services. Here the participation of women is the highest and we see a gender gap count 20 per cent more for women. We think that this reflect the higher incidence of women employee in this industry. In contrast, the lowest proportion can be found in the ‘primary’ industries such as agriculture and other industries. Similarly, training is also low in manufacturing and construction, and we see no participation of women in construction industry because this sector is dominated by male employees. So the low proportion of workers in training in these industries cannot be attributed to gender distribution.

Figure 7: Training by industry

Source: Authors’ calculations based on Labor Force Survey 2014
Male: $\chi^2 = 1890.283, \text{d.f.} = 5, p<0.05$; female: $\chi^2 = 1555.904, \text{d.f.} = 5, p<0.05$

**Conclusion**

Over the past decades Albania has made significant progress measured in terms of economic growth and development. This opening of economy was faced with new technologies requiring new skills. All the policy-makers tend to accept that investment in education and training is a good thing, with most committed to investment in human capital, including Vocational Education and Training (VET), as a means of securing higher economic growth and national prosperity as well as achieving equity goals (see Wößmann, 2008).

There is evidence of significant segregation by gender in Albanian labor markets. According to official statistics (INSTAT) 2014, the labor force participation rate for the population aged 15-64 years old is 61.5 %. For male population aged 15-64, the labor force participation rate is 20.9 percentage points higher than females. The agricultural and services sectors have the highest share of employed with respectively 42.7 % and 39.4 % of the total employment.
In this paper we have analyzed the factors that may be associated with participation in vocational qualification. Using secondary data from the Albania Labor Force Surveys (LFS) of 2014 we have done a detailed picture of the relationship between vocational training and personal as well as job and employer characteristics. Our findings suggest that vocational training was most commonly received by:

- employees, based on individual status;
- younger people;
- men;
- married;
- those with higher qualifications;
- those live in Dibra region;
- those working in the public sector (especially in armed forces);
- those working in larger organizations;
- those working part-time;
- those working in non market oriented industry.

References:


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