



LABOUR MARKET AND ENTREPRENEURSHIP OVERCOMING GENDER STEREOTYPES

A TRANSNATIONAL ACTION PLAN
PROMOTED BY BUSINESS WOMEN AND
GENDER EQUALITY ORGANISATIONS

COUNTRY REPORT FOR LATVIA



This project is co-financed by the European Commission, Directorate General for Employment,
Social Affairs and Equal Opportunities.





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by Business Women and Gender Equality Organisations

This project has been carried out by AFAEMME
Association of Organisations of Mediterranean
Businesswomen (Barcelona, Spain) in association with:

KARAT Coalition (Central and Eastern Europe)
WAD - Women's Alliance for Development (Bulgaria)
SEGE - Greek Association of Women Entrepreneurs
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Context

A key priority for the European Commission is to create equality for men and women throughout Europe. AFAEMME, Association of Organizations of Mediterranean Business Women (Barcelona) was awarded by the European Commission, in partnership with important organizations in Central and Eastern Europe - KARAT Coalition, WAD - Women's Alliance for Development (Bulgaria) and SEGE, Greek association of Women Entrepreneurs (Greece) to implement a unique project "*Labour Market And Entrepreneurship Overcoming Gender Stereotypes*".

The main objectives of this project are:

- to improve the understanding of the issues underlying gender equality and equal opportunities in the fields of employment and entrepreneurship in this area of Europe
- to strengthen gender equality and businesswomen organizations and their active partnership in influencing decision makers on social and economic policy
- and to improve the general economic status of women.

The project includes the elaboration of 12 national reports from Cyprus, Malta, Poland, Latvia, Estonia, Lithuania, Czech Republic, Slovakia, Slovenia, Hungary, Bulgaria and Romania. Which report the obstacles experienced by women in business and assess the impact of EU Employment Strategy on the situation of women in the new ten EU Members states and two candidate countries with case studies of a typical businesswoman in those countries relating to gender stereotypes in the labour market and entrepreneurship, with a final global report containing concrete policy recommendations addressed to European Commission and national governments. The publication is launched at a large scale European conference in Brussels in February 2006.

This report contains the national study from Latvia



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Executive summary

Even though the Latvian Constitution as well as the Labour Code include principles of non-discrimination and gender equality, women's situation in Latvia continues to be discriminatory.

Since 1998 it is the Ministry of Welfare who is responsible for developing and coordinating the policy of gender equality in the state. The government showed its political will to deal with the problems of gender equality in 2001, approving Conception for Implementation of Gender Equality. Some specialists consider it the start for developing of state gender equality policy.

In March 2002 National Gender Equality Council within the Ministry of Welfare was established and approved. As the Council is consultative, with the function of proposing and promoting policies, its ability to influence processes related to gender equality actually is rather limited. The other newly formed institutions are the Parliamentary Women's group of Saeima and Sub-commission of Gender Equality to the Commission of Human Rights and Public Affairs.

As far as the position of women in the labour market is concerned, we can say that women have lower employment and activity rates. More than half of the total number of unemployed in Latvia is women and the percentage of women in the total number of unemployed has a tendency to grow annually.

Gender segregation in the labour market is still a fact in Latvia. If we look at the trends in the labour market after the reestablishment of the independence gender segregation has intensified. There is a particular increase of number of women in the public sector, especially in the area of (public sector) services.

Women still hold relatively high positions due to their good education, diligence, quality of the work, and historical emphasis on gender equality. At the same time, according to official statistics top officials and managers are mostly men. Statistics pertaining to gender equality in education after 1991 show that women have equal educational opportunities, equal rights to stipends and assistance; and therefore, it can be said that there is no gender discrimination in education in Latvia. The discrepancies in numbers of boys and girls attending school in Latvia are not due to discrimination against girls, but rather a result of demographics. The number of boys born each year exceeds the number of girls born annually. Since restoration of the state independence, the gender gap in salaries has slightly increased during last years, with the difference between public and private sector being very significant. In 2002, the ratio of men's to women's salaries was over 20% higher in

the private sector as compared to the public sector. The gaps in salary between men and women in Latvia have become narrower for both the low-paid and the highly paid, while in the middle-income group, the situation has been the opposite.

In terms of wage levels there is gender discrimination in the labour market, and women are forced to study longer to be able to compete with men in terms of salary.

Social security system involves social insurance and social assistance and is based on the funds from state basic budget, the state special budget and local government budget. Social assistance is available on the basis of means assessment.

Labour Law adopted in 2002 stipulates some measures to protect women during pregnancy. There is also same provision for mother of under aged children. Statistical data on entrepreneurship show that there are almost three times more male employers than female employers, amongst owners and managers of SME only 1/3 are women.

Overall, we can identify some very concrete and practical barriers for women employees and entrepreneurs including: provision of child care, financing problems, as well as like perceptions and attitudes towards women. Research in the field of women in entrepreneurship and management is necessary to understand the current situation and to create bases for improvements. Awareness rising will be necessary for the achievement of equal labour participation of women and equal opportunities in the labour market.



Legal Framework

Constitution of Latvia

Chapter VIII: "The State shall recognise and protect fundamental human rights in accordance with this Constitution, laws and international agreements binding upon Latvia. Everyone has the right to know about their rights. All human beings in Latvia shall be equal before the law and the courts. Human rights shall be realised without discrimination of any kind."

Equality of treatment: Legislation

The general principles of non-discrimination and gender equality are stipulated in the Constitution of the Republic of Latvia and are further consolidated in the Labour Code of Latvia, the Law "On Labour Protection" and the Civil Procedure Law.

The legislation of Latvia is in conformity with EU requirements relating to equal treatment in the sphere of social security.

The legal provisions of Latvia are in full conformity with the provisions of Directive 79/7/EEC on the progressive implementation of the principle of equal treatment for men and women in matters of social security (applicable to such branches of social security as sickness, invalidity, old age, labour accidents and occupational diseases, and unemployment).

The general pension scheme provides equal treatment of men and women in regards to retirement age and early retirement (62 years). The provisions included in Directive 86/378/EEC (as amended by 96/97/EC) on the implementation of the principle of equal treatment of men and women in occupational social security schemes (applicable to social security schemes which are not regulated by Directive 79/7/EEC and ensure guarantees in cases of sickness, invalidity, old age, early retirement, accidents at work and occupational diseases and unemployment) have been transposed into the Law "On Private Pension Funds" (19 December 1997). In order to exclude any discrimination, the Law provides that "issues of the participation of the persons to whom the same objective criteria apply (duration of service, employment position) shall be equally treated without any discrimination on the basis of origin, property status, race and nationality, sex or religion". The Laws "On State Compulsory Social Insurance" and "On Maternity and Sickness Insurance" are in compliance with the provisions of Directive 86/613/EEC on the application of the principle of equal treatment between men and women engaged in an activity, including agriculture, in self-employed capacity, and on the protection of self-employed women during pregnancy and motherhood. On 1 January 2001, amendments to the Law "On State Compulsory Social Insurance" was enforced, which in accordance with the requirements included in the

said Directive, widen the scope of persons to be socially insured by stating that the spouse of a self-employed person has an opportunity to participate voluntarily in invalidity, maternity and sickness insurance in addition to old-age pension insurance. The requirements set forth in the Directive on the application of the principle of equal pay for men and women (75/117/EEC), on equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions (76/207/EEC), parental leave for childcare (96/34/EC), on the burden of proof in cases of discrimination on the basis of sex (97/80/EC) and on safety of pregnant workers (92/85/EEC) have been transposed into a new draft Labour Code and a new draft Labour Protection Law.

Institutional provision

The Ministry of Welfare is responsible for the co-ordination of equal treatment policy in Latvia. The infrastructure required for the implementation of this legislation has been provided: there is the State Labour Inspection, the State Employment Service, the State Social Insurance Agency, and the State Human Rights Bureau, which promotes observation of fundamental human and citizen rights and freedoms.

Gender Equality Policies

Labour Market Policies and Gender

In order to ensure the implementation of the employment policy in the country, the State Employment Board carries out the following active employment measures:

- 1) professional training, re-qualification and qualification upgrading;
- 2) paid temporary social work;
- 3) activities to raise competitiveness;
- 4) activities for specific groups, especially for persons aged 15 to 25; handicapped persons; persons after child care leave; etc.

National Action Plans

The annual National Employment Plan has been developed by the Ministry of Economy in 2000. The state declaration on employment puts the main accent on the tasks related to reduction of unemployment level and creation of new workplaces. Development of human resources and promotion of

employment is also one of the basic goals during the period of 2004 to 2006. During the period of its candidacy to the EU Latvia has undertaken to solve employment problems in the context of united Europe's demands.

Gender Equality and the Legislative framework

"Equal pay legislation (harmonisation with EU Directive - 'equal value' legislation)

Laws of Republic of Latvia contain the principle of gender equality. The principle of equal opportunities is introduced especially in the new Labour Law, which came into effect on 1 June 2002. Several innovations have been introduced: directives on equal pay (Labour Law, Article 60, point 1), on equal opportunities for work in occupations and professional education (Labour Law, Article 32, point 1), as well as the obligation to provide evidence in cases individual's rights are not respected due to his/her gender (Labour Law, Article 48, point 1). Additionally, the employer cannot ask questions about the family or marital status (Labour Law, Article 33, point 2) and job announcements cannot be directed only to men or only to women except in cases when it is important for performance of the concrete job (Labour Law, Article 32, point 1). The Labour Law (Article 60) also contains condition that employer has to fix equal pay for men and women not only for the same, but also for equal value job. This norm is harmonised with EU Directive 75/117/EEK. Unfortunately, there is evidence that in practice these rules are not always effective. Surveys show that it is attitudes that impact women's career opportunities.

In Latvia gender equality is regulated not only by the national, but also international laws which have even greater legal power. Further, Latvia as EU candidate country had ratified and signed numerous conventions and resolutions that require implementation of equal opportunities in all spheres of society, especially in labour relationships. From 1998 the Ministry of Welfare was the main state institution to which the government delegated the responsibility to develop and coordinate the policy of gender equality.

Under its Department of European and Juridical Affairs there is the Gender Equality Unit. The government showed its political will to address gender equality in October 16, 2001 approving Conception or Implementation of Gender Equality. Some specialists consider it as the start for developing policy of gender equality in the state. It must be added that in Latvia, Law of Gender Equality does not exist, there is only gender mainstreaming. At the moment the only basic document that contains analyses of the situation, definition of the problems, and sug-

gestions how to promote gender equality in Latvia is the Conception for Implementation of Gender Equality worked out by Ministry of Welfare in collaboration with specialists, representatives of NGO.

As the Council is consultative, with the function of suggestion and promotion, its ability to influence processes concerning gender equality actually is rather limited. The other newly formed institutions are the Parliamentary Women's Commission of Saeima and Sub-commission of Gender Equality, which have just started their work and therefore it is premature to evaluate them. The supervision of the implementation of equal opportunities (EO) is performed by several institutions, which review different kinds of inequalities and breaches of gender equality.

Gender equality

Like many of its European counterparts, Latvia can claim to have achieved formal (legal) equality of genders. No legislation or other normative text allows for discrimination on grounds of gender. Gender equality is occasionally covered by legislation, but as yet insufficiently.



A new Labour Law requires the implementation of several equality provisions, including access to work, equal pay and paternity regulations, bringing national labour law into line with the relevant EC legislation. As a member of the Council of Europe and the UN, Latvia has acceded to a number of human rights instruments and declarations, which preserve the principle of non-discrimination, including the Declaration of the Fourth World Conference on Women held in Beijing in 1995. In practice, however, the picture is not so perfect. Experts have pointed to numerous gender inequalities in everyday life: occupational segregation and unequal pay; gender dissymmetry in health and poverty indicators; under-representation of women in political decision-making processes; and imbalance in the division of household work and family responsibilities.

But even this picture is far from complete. There are no reliable analyses of the relations between sexes, and of existing processes and policies that facilitate inequality, directly or indirectly. There are few experts in the field of gender studies, equipped to provide such analyses, to explain or even explore imbalances, or to develop and/or monitor effective strategies and programmes to address them.

Exacerbating this statistical vacuum, the very concept of gender equality is not yet widely understood in Latvia. Many Latvians still think of gender equality as a euphemism for the "double burden" forced on women being at the same time primary carers in the family and productive members of the labour force.

Enlargement requires that, beyond harmonisation of legislation, applicant countries introduce general EU principles, including those on gender equality. Although Latvia has incorporated certain EU directives on equal treatment into its national legislation, more recent moves within the EU to "mainstre

am" gender equality have not yet been replicated. At the close of the year 2000, the "Gender Focal Point", established within the Ministry of Welfare, elaborated a draft policy document in close consultation with non-governmental organizations and other experts.

The draft took as its starting point an EU Council decision of December 2000 establishing a programme relating to the "community framework strategy on gender equality for 2001-2005". This established EU "mainstreaming" within domestic Latvian policy. The resulting policy document asserts the following operational objectives:

- > strengthening the gender dimension in employment strategies;
- > improving gender balance in political decision making;
- > improving gender balance in economic and social decision-making;
- > raising awareness about gender equality issues and others as appropriate.

Despite all this, the obstacles to the task of raising the profile of gender equality issues on the political agenda and mainstreaming them remain impressive. A primary problem, for example, is the language: there is no exact or widely accepted Latvian translation of either the terms "gender" or "mainstreaming".

Therefore it is not surprising that the concept of "gender" is not fully understood by many, be they policymakers, legislators, practitioners or beneficiaries. Indeed, it is fair to say that these phrases have come into use in Latvian policy documents as a direct result of the EU accession process.

The nascent pro-equality approach of policymakers has been directly influenced through co-operative ventures in the context of accession: access to information on successful practices; participation in various European task forces; developments in other European countries; the accessibility of guidelines and strategies; and the gradual incorporation of legislative norms.

These have gradually engendered understanding of the real significance of mainstreaming and gender-sensitive policy, and its context within the overall objective of sustainable human development.

Institutional Framework

The National Machinery for Monitoring

Till 1998 the Ministry of Foreign Affairs was responsible for monitoring the implementation of the gender equality, and specifically 1979 Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), which came into full force in Latvia in 1992. Thus in 1997, the Ministry prepared a comprehensive report on the implementation of the CEDAW, as requested by the CEDAW committee. However, it mostly focused on a legal approach to the convention - the manifestation of discrimination in daily life was only superficially analysed¹. Since year 1998 that main state institution, which is responsible for gender equality in the state coordinates solving of these issues, conducts monitoring, is the Ministry of Welfare.

Since restoration of independence the government feels certain pressure to pay attention to realising and evaluating the situation in the field of gender equality due to the international obligations Latvia has undertaken to observe and that stipulate observing certain norms and establishing certain mechanisms. As it was mentioned, since 1992, Latvia ratified the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). This Convention prescribes performing of activities in the fields of employment, education, healthcare, etc., as well as preparation of a report evaluating implementation of the Convention every four years. In the process of preparation for UN Fourth World Conference on Women in Beijing, 1995, the Cabinet of Ministers delegated to NGO's representatives the responsibility to prepare National Report. It was the first notable report on gender issues in the state. Platform for Action adopted during the Conference was binding also for Latvia, but the main task - to establish the National Activities plan for Latvia - was not carried out, and in principle, no essential government activities followed the Beijing Conference. This was mainly due to the change of government after the election, that took place soon after the Conference.

Activities of women's NGOs

A large number of NGOs protecting and assisting women were formed or have resumed their activities after restoration of independence. As the author of "Gender and Human development in Latvia" concludes, NGOs currently working on gender issues are for the most part providing specific services to women through self-help groups, business support groups, crisis shelters and women's clubs. In other words, the main trend in 'women's organisations' is to address consequences

of gender inequality, rather than in its root causes². In year 1992 the Cooperation Council of Female Organisation was established in Latvia for joint addressing of issues related to gender discrimination. With the course of time this Council became ineffective therefore in 2000 a new NGO Coalition for Gender Equality in Latvia that took the role of the leader in solving the gender issues in the country was established.

NGO Coalition for Gender Equality in Latvia presently includes 75 organizations and individuals among its members, all representing a variety of backgrounds and interests - women's human rights, health promotion, adult education, trade union activities, academia, social policy, youth work, journalism, among others. The Coalition aims to develop a better understanding of gender equality in Latvia and to disseminate this understanding throughout society in order to promote de jure or legal and de facto or practical gender equality in personal, professional, socio-economic and political spheres of life; to support state's institutions in development and reaching the gender equality objectives that are set out in national laws and policies; to shape public opinion on gender equality, especially among the youth; and to monitor the realization of de facto gender equality in all spheres of life.

NGO Resource centre for Women "Marta" is aiming to promote the integration of unemployed and underemployed women into society; to curtail social tensions; to support and strengthen women's involvement in society and to facilitate the development and establishment of a network of women's organizations in Latvia and to develop cooperation between women's organizations. The Resource centre for Women "Marta" is the secretariat for the national coordination of Latvian women's NGOs for the European Women's Lobby. The goal of the NGO Lidere is to promote mentoring in Latvia; support women entrepreneurs in the cities and rural areas of Latvia; increase women density in the foundation of accomplished companies and in the creation of new workplaces; provide free access to information and possibility to receive advises.

Social dialogue Legislation

All the elements necessary for social dialogue have been created in Latvia, including mechanisms for information and consultation between employees and employers. This was done in order to ensure that the EU requirements were fully complied with when Latvia become a Member State. This way the

1 - Neimanis, A. "Gender and Human Development in Latvia". UNDP, Riga, 1999. p.31.

2 - See footnote 1

country could participate in the work of the EU Sectoral Dialogue Committees immediately. The status of a social partner is determined by the Law "On Employers' Organizations and their Associations" (29 April 1999), the Law "On Trade Unions" (13 December 1990), and the Law "On Collective Labour Agreements" (26 March 1999), which all conform to the basic positions of the European Union concerning social dialogue. In drafting the new Labour Code, the Labour Protection Law and other regulatory acts, the issues of encouraging mutual consultations between employees and employers were emphasized.

The Republic of Latvia has ratified 45 ILO Conventions, including C 87 "Convention Concerning Freedom of Association and Protection of the Right to Organize" (4 May 1990), C 98 "The Right to Organize and Collective Bargaining" (4 May 1990) and C 144 "Convention Concerning Tripartite Consultations to Promote the Implementation of International Labour Standards" (5 July 1994).

Institutional provision

Trilateral consultation between Government representatives and the largest employers' and trade union organisations (the FreeTrade Union Confederation of Latvia and the Latvian Employers' Confederation) are held at the National Tripartite Co-operation Council and its institutions - the Sub-council for Vocational Education and Employment, the Sub-council for Labour Matters, and the Social Insurance Sub-council.

The Government is represented by ministers and by state secretaries of ministries. The National Tripartite Co-operation Council is the mediator through which any employment and social issues are co-ordinated with social partners.

During the work of the National Tripartite Council a procedure has been consolidated in which trade unions and the employers' organizations participate in the drafting of legislation and voice their opinions.

Since 1996, the Free Trade Union Confederation of Latvia and the Latvian Employers' Confederation have annually signed a bilateral social partnership agreement. On the basis of this agreement the parties agree upon the conditions concerning the raising of the minimum salary level in the country.

The provisions of framework Directive 89/391/EEC concerning measures to improve safety and health at work have been incorporated into the draft of the new Labour Protection Law submitted to the Saeima on 26 July 2000. The principle of tri-lateral co-operation was applied when drafting this Law. "Institutional provisions. The State Labour Inspection is the institution responsible for the supervision of and control over the

application of legislative standards. Supplementary training of State Labour Inspection staff and rising of its administrative capacity has been planned to support the implementation of the new legislation, including upgrading of staff knowledge about the way the EU standards are to be introduced and applied in practice.

The development trends of employment policy in Latvia are set taking the EU Employment strategy into consideration; in accordance with the annual guidelines a National Employment Plan is being developed in order to implement this strategy.

Employment policy is regulated by the Law "On Employment" (23 December 1991) which lays down provisions regulating the status of an unemployed person, his or her rights and obligations, and active measures to promote employment (vocational training and retraining, temporary paid community work, job seekers' clubs and career guidance).

Since 1992 a system has been created to provide assistance to those who have lost employment: legislation is in place, State Employment Service has been established which has a flexible structure, and active employment promoting measures have been made available. Employment is promoted by implementing national Concept Papers and programs to stimulate economic growth.

The drafting of the National Employment Plan is co-ordinated by the Ministry of Economy. Issues of reducing unemployment and promoting employment are in the competence of the Ministry of Welfare. Issues relating to the vocational education of young people as potential labour force and that of adults are in the competence of the Ministry of Education and Science. Improvements in co-operation among state institutions, local governments, employers and trade unions as regards employment matters is ensured by the Sub-council for Vocational Education and Employment under the National Tripartite Co-operation Council.

The State Employment Service, the State Labour Inspection and the Professional Career Guidance Centre are involved in implementing labour market policies. The State Social Insurance Agency ensures the payment of unemployment benefits. The strengthening of the administrative capacity of the State Employment Service is ongoing and will be continued. The ongoing automation project is aimed at the automation of all State Employment Service regional offices and the development of a joint information network.

Institutions of Labour Administration

The evolution of labour market institutions has occurred in conjunction with changes in the labour market. Labour market

issues in general are the concern of different state ministries which direct the activities of the network of state and regional labour market institutions subordinated to them. The Ministry of Welfare (formed in November 1991) is the state agency, which plans and implements social policies in the following main spheres:

- > health care;
- > social security and social insurance;
- > labour market and employment policies

Under the jurisdiction of the Ministry of Welfare the following bodies operate: National Employment Service, the Employability Centre and the Labour Inspection and Tripartite Working Environment Council. Latvian employment policies are implemented by the National Employment Service, which main functions are:

- > placement and vocational guidance activities;
- > providing information on vacancies and rendering assistance for job placement
- > intermediary functions for staff training, re-qualification and improvement of qualifications;
- > arranging dialogues between employers and employees in order to prevent the growth of unemployment;
- > analysing and forecasting labour market conditions; elaborating and implementing state and regional employment programmes;
- > organizing and participating in socially useful works;
- > registering the unemployed and providing them with social security

The main tasks of the Employability Centre are:

- > to give advice to students aimed helping them to choose appropriate professions;
- > to arrange professional consultations with the unemployed or persons who want to change professions, offering retraining and helping them adapt to the new job;
- > to solve problems associated with the rehabilitation of the handicapped;

> to help introduce career guidance programmes in schools and other educational institutions;

> to promote contemporary professional personnel selection methods and tools in enterprises and other organizations;

> to spread information about new career guidance and vocational consultation techniques and help implement them;

> to take part in the career guidance services offered by the employment and educational systems.

The Labour inspection institution was founded in Latvia in 1993. Their main tasks are to inspect labour relations and working conditions in enterprises, monitor the observance of labour laws and advise employers and employees on labour laws, work-place safety, etc.

The employment office has so far implemented mostly passive labour market policies, limiting themselves to registering job-seekers and the unemployed and paying benefits to them. Unemployment training programmes have been only a minor activity in 1992 and 1993. The share of more proactive labour market policies has been growing yearly and in 1994 the employment offices established numerous advanced training and retraining courses, regional training centres, teacher training programmes, including some employment training financed with foreign aid, etc.

The national labour agency is assisted by the International Labour Organization (ILO). The Latvian National Tripartite Consultation Council makes proposals on the ratification of labour market conventions and starts their implementation. Trade unions are working in this direction. Efforts are aimed at making national labour laws conform to ILO conventions. The Latvian National Tripartite Consultation Council was founded in December 1993, when the protocol between the Latvian Confederation of Employers, the Labour Department and the Latvian Free Trade Unions was signed. The main task of the National Tripartite Consultation Board is to coordinate the cooperation of employers, the government and employees in order to work out a joint approach for solving economic problems in Latvia. It also seeks to promote the ratification of ILO conventions. The Latvian Parliament (Saeima) has ratified 44 ILO conventions.

It is important to note here that the capacity and awareness about gender equality issues among governmental specialists and other partners needs to be improved. The knowledge about implementation of gender mainstreaming in all policy levels and all spheres of life is lacking and appropriate financial and human resources need to be allocated to raise the

administrative capacity. State Labour Inspectorate enforces application and supervision of the labour and health legislation, and safety at work as well as equal treatment prescribed in the Labour Law. As an example active supervision of job advertisements, where no gender distribution regarding the required specialists in different professions and positions is allowed, can be mentioned. As result, almost no violation of this norm can be observed in the job advertisements in the newspapers.

Trade Unions

Currently trade unions unite about 30% of the labour force in Latvia. The Trade Union Law was adopted in 1991.

Free Trade Union Federation of Latvia - LBAS

On 25 May 1990, 24 branch trade unions united and established Latvian Free Trade Union Federation to co-ordinate free and independent co-operation of the trade unions of Latvia. At present there are 28 branch trade unions and professional employees unions representing more than 250 thousand trade

union members. It is the largest trade union. Latvian Free Trade Union Federation unites trade unions for the implementation of common tasks, to protect labour, economic and social rights and interests of trade union members and take part in the development of legal state and the democratic society. The LBAS Federation and its member organizations have cooperated with various International Trade Unions. Trade unions do not exist in the small business sector because, according to the Law on Trade Unions, they can only be registered if they organize at least 50 members or 25% of all employees of the enterprise. There are also regional trade union coordination centres whose main function is to foster cooperation with local governments to solve problems affecting all trade union members in this territory.

Employers' Organizations

Employers' organizations are a new phenomenon of the transition period. The employers are the least organized social group, and this has caused some problems in tripartite negotiations. Their organizations are still developing and they are looking for their place and role in tripartite cooperation.

Issues for women employees

Women's employment was an essential part of the state declared and implemented policy of gender equality during the Soviet era in Latvia. It was grounded not only on ideological reasons, but also economical ones, as women constituted integral part of labour force in the rather ineffective model of economy. During this time, for example, part-time work was uncommon and not promoted. This had lasting impact on the nature of labour market where even today demand for part-time workers is still very small. However, the need for flexibility in work in general is slowly changing this and other aspects of the labour market which affect women in particular. The positive consequences of widespread employment of women during the Soviet times, on the other hand, are an acceptance of women as an employed person in Latvian society and entrenched traditions of labour relations with women. Women have already confirmed their position as employees after the collapse of the Soviet Union. They managed to utilise positive social attitude to participation of women in the labour market and related value systems to their advantage. The statistical data show that female employment from 1991 till today is very stable and without wide fluctuations. By 2002, women continued to represent 54% of the total population.

The Latvian society is featured by gender disproportion: 117 women per 100 men in 2001. The table below shows that the population of men has fallen by some 26 thousand, while that of women has fallen by over 30 thousand. In the following tables the basic numbers on total population by age, activity, employment and unemployment are presented. The economical development of Latvia in the recent years has positively influenced both the employment rate and unemployment rate. The employment rate during last years has grown reaching 60.5% in 2002. However, this is still behind the average rate in Europe (approximately 65%). The increase of total employment has made favourable influence on female employment as well. In 2001 female employment rate reached 55.8% (male employment rate - 62.1%) mainly because of development of such branches of the nation economy as trade, restaurants and other services, which have traditionally been female dominated. During recent years the structure of national economy has changed: employment in agriculture and industry has decreased, while in service it has increased. Besides, the service sector has become important not only for female employment (70.7% of total female employment), but also for male employment (47.2% of total male employment in 2001).

POPULATION BY SEX AT THE BEGINNING OF THE YEAR by Year and Sex (various years)			
Year	Males	Females	Males %
1959	1,094,964	1,282,419	46.1
1970	1,088,853	1,275,401	46.1
1979	1,080,116	1,265,652	46
1989	1,073,057	1,258,423	46
2000	1,068,336	1,250,867	46.1

Source: Population Census data 1959, 1970, 1979; 1989 and 2000

UNEMPLOYED PERSONS BY SEX AND AGE AT END OF YEAR by Age, Sex, Year and Number, Per cent distribution			
	2002	2003	2004
	%	%	%
TOTAL	100	100	100
Aged 15 - 19	2.3	2.2	1.9
Aged 20 - 24	11.6	11	10.9
Aged 25 - 29	12.2	11.8	11.8
Aged 30 - 49	51.7	51.6	50.6
Aged 50 - 54	13.4	13.4	13.3
Aged 55 - 59	8.1	9.2	10.7
Males out of unemployed persons (1)	41.3	41.5	41
of which males aged 55 - 59	4.7	4.8	5
Females out of unemployed persons (1)	58.7	58.5	59
of which women aged 50 - 54	7.7	7.7	7.6

Source: Latvia Statistical Institute, various years

1- The number of unemployed persons includes unemployed persons of 60 and over

EMPLOYED PERSONS (ANNUAL AVERAGE) BY KIND OF ACTIVITY

by Economic activity, Year and Sex.

	1999		2000		2001		2002		2003	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
TOTAL	703	605	669	592	672	600	708	610	715	616
Agriculture, hunting and forestry (A)	90	67	77	56	87	55	92	55	86	49
Agriculture, hunting and related service activities (01)	73	65	61	53	67	52	61	51	58	46
Forestry, logging and related service activities (02)	17	2	16	3	20	3	31	4	28	3
Fishing (B)	...	...	...	...	...	...	...	...	...	...
Industry - total (C+D+E)	116	76	114	79	103	73	118	76	118	80
Mining and quarrying (C)	...	...	...	...	...	...	...	...	...	...
Manufacturing (D)	100	70	97	73	86	70	97	70	99	74
Electricity, gas and Water supply (E)	15	6	15	6	16	3	18	5	17	5
Construction (F)	52	6	51	5	62	6	54	6	66	9
Wholesale, retail trade; repair of motor vehicles, motorcycles, personal, household goods (G)	65	77	61	85	64	96	59	88	58	95
Hotels and restaurants (H)	5	16	6	16	5	17	4	20	5	20
Transport, storage and telecommunication (I)	55	26	55	23	54	24	59	27	66	29
Financial intermediation (J)	4	8	5	8	5	9	5	8	6	10
Real estate, renting and business activities (K)	21	19	24	21	22	19	22	17	25	17
Public administration and defence; compulsory social security (L)	41	33	40	31	38	29	37	31	35	32
Education (M)	19	68	19	68	16	72	19	69	15	64
Health and social work (N)	10	42	7	41	8	42	10	51	8	51
Other community, social and personal service (O)	20	24	21	24	19	30	22	32	25	32

Source: Latvia Statistical Institute, various years.

RATES OF ECONOMIC ACTIVITY, EMPLOYMENT AND JOBSEEKERS by Age years), Year, Indicator and Sex													
	2001				2002					2003			
	Rate of economically active population		Rate of employed population		Rate of economically active population			Rate of employed population		Rate of economically active population		Rate of employed population	
	Males	Females	Males	Females	TOTAL	Males	Females	Males	Females	Males	Females	Males	Females
TOTAL	65	50	55	44	62	68	56	60	50	68	56	61	51
15 - 19	14	10	10	6	15	19	12	14	6	16	11	11	7
20 - 24	73	57	58	46	66	73	59	62	47	77	57	66	48
25 - 29	92	75	78	67	82	92	72	80	65	93	74	82	66
30 - 34	91	83	79	74	87	92	82	84	73	91	80	85	74
35 - 39	93	87	80	77	86	90	83	79	74	90	87	82	78
40 - 44	90	87	81	78	88	88	87	74	78	91	88	81	80
45 - 49	85	86	72	76	86	87	86	80	79	89	87	79	77
50 - 54	83	82	71	72	84	85	83	72	76	84	80	74	71
55 - 59	72	46	62	42	65	75	57	66	52	72	60	65	55
60 - 64	34	22	31	20	31	41	24	38	22	42	27	39	25
> = 65	11	5	11	5	13	18	9	17	9	16	9	16	8

Footnote: According to Labour Force Survey data. Between 1996 - 2001 persons aged 15 years and older, beginning in 2002 - aged 15-74.

REGISTERED UNEMPLOYED PERSONS BE SEX AT END OF YEAR (1000 population) by Year and Sex		
	Men	Women
2001	39	52.6
2002	37	52.7
2003	37.6	53
2004	37.3	53.5

Source State Employment Agency.

A true indicator of the available labour force (working or available to work) is the proportion of economically active inhabitants among the total population. In 2000 for example, 56.8% of the total population above the age of 15 was economically active. Regardless of age, every sixth economically active inhabitant is looking for work. However, as an indicator of the ageing of the population, fifty percent of jobseekers have between 39 and 50 years. In the age group 25-40 the number of men and women is approximately the same and this group makes up more than one third of the total number of jobseekers. The age group 40-50 makes up 22% of all jobseekers and in this group almost 47% are men. The division of jobseekers according to age group in 1999 has not changed significantly as compared to 1998, and remained practically the same in 2000.

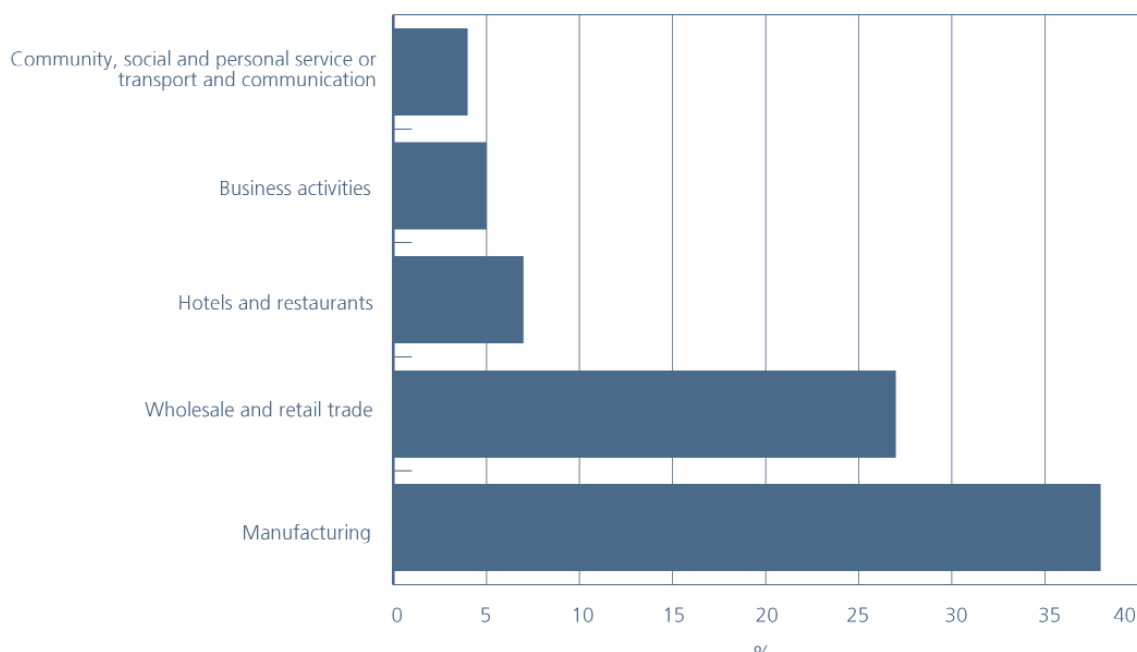
The main labour market indicators for Latvian women and men are reflected in the following tables. The first thing to note is that women have lower employment and activity rates and levels. At the same time, they have a higher rate of unemployment. In the year 2000, among the economically active urban population, 16.4% were men seeking jobs and 14.8% were women seeking jobs (in 1999 15.4% were men and 15.9% were women), as compared to 20.2% men and 18.6%

women in 1997. In 2000, just as in 1997, the risk of unemployment was greater for men, in contrast to 1999, when it was similar for both men and women. Among the groups having attained higher education or not having completed basic education, the larger proportion of jobseekers are men. The particularly high proportion of jobseekers among men without a basic education, could be explained by the low level of social activity and sense of responsibility of this population group.

Women's proportion among part time workers has slightly increased during last years and it is mostly observed in women's dominated professions- health and social work, hotels and restaurants, education. However, part time work is still uncommon (see Table 20.C). This has several reasons including financial (most of households, particularly those with the children, require full time income of both parents, social benefits are too small to be a significant source of income); and insecurity of women (fear to be perceived by private sector employers as "inconvenient worker") that makes them to avoid using rights and privileges the Labour Law provides for³. The five main areas of previous work experience among women pertain to 81%, includes 38% women with previous experience in industrial manufacturing.

3 - More on this in the section on effects of the tax-benefit system below.

The five principal sectors of working experience for women in the urban zone in May, 1999



Professional experience in salaried employment among jobseekers is dominated by industry (processing). It could be interesting to note the differences among men and women in terms of professional experience. Regardless of gender, about one third have previous professional experience in industry.

Another sector which men and women have in common, which nevertheless is dominated by women, is commerce. Along side these similarities there are also marked differences, which characterize the labour market. Employment in the catering sector (hotels and restaurants), estate handling, leasing and business, as well as provision of other services (public, social and individual) is characteristic of women, while construction, transportation and communications and related services are the domain of men.

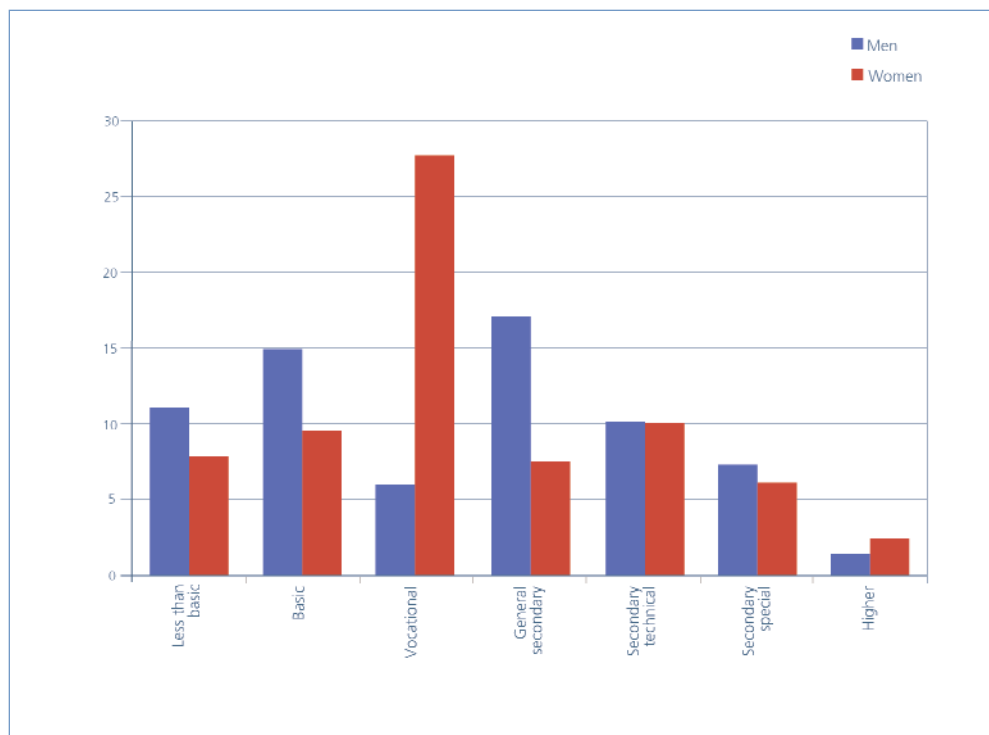
One third of rural jobseekers (27.1% in 1997 and 32.3% in 1999) have attained only basic education, or lower. Often this is not enough to be competitive on the labour market.

This population group, of which, as in 1997, two thirds are men, definitely requires training courses that would allow them to increase their level of education and acquire qualifications. Unfortunately, for persons with a low level of education, acquiring new skills in short-term courses is highly problematic, yet one fifth of all men who are rural jobseekers, or every third man of every 10 rural jobseekers is in this situation

(in 1997 it was almost 4 of every 10), thus a rapid absorption into the labour market is hard to imagine. As comparison, the level of unemployment among rural inhabitants having achieved higher education is less than 3%, while among inhabitants having completed basic education it is 21%. The proportion of men and women jobseekers is particularly disparate in the groups having attained secondary vocational and general education.

It has already become a stereotype that women in rural areas have fewer opportunities to enter the labour market. Since job opportunities are rarely available close to the place of residence, they have limited access to transport and are burdened by family responsibilities, many rural women are forced out of the labour market. These circumstances give rise to a misleadingly low level of formal unemployment.

Share of jobseekers in groups of economically active population with different education level in rural area in May, 1999



Source: http://www.aic.lv/Obs_2002/pi_dt_en/jobs.htm

Conditions of work/quality of employment

Segregation by Industry

Gender segregation in the labour market is still a fact in Latvia. Some sectors of economy like education, health care have always been spheres in which women were over-represented. These professions have traditionally been related with caring for others and nurturing - functions which in Latvian society have been traditionally performed by women. If we look at the overall trends in the labour market after the reestablishment of independence representation of women has increased in health and social work and education although these sectors of economy have slightly narrowed. Female representation has increased also in hotels and restaurants along with the increase of expenditure in this sector of economy.

The opposite tendency (decline of proportion of females) is observed among employed persons in construction, electricity, gas, water supply, fishing, transport, storage and communica-

tions. Except construction all named sectors of economy have slightly narrowed in 2001. Thus in some sectors, especially public sector services, gender segregation has deepened. But this process is not extensive to other and all sectors, e.g. real estate, renting, business and public administration, defence, compulsory social security may be mentioned as examples of smoothing out of gender proportion, although such kind of sectors are in fact a minority of total employment.

Segregation by Occupation

During the Soviet times women were represented in all levels of employment hierarchy since gender was less significant precondition for carrier than party membership, initiative, and specific knowledge. Better education of women provided them also with a rather high employment status. This tendency remains to a certain extent until now. Women mainly

work as clerks, service workers, shop and market sales workers and professionals, while men - serve in armed forces, work at factories, as machine operators and assemblers, craft and related trades workers. Men are also predominant among legislators, senior officials and managers.

In fact, women take rather high positions because of their good education, diligence, quality of work, and historical experience favourable to gender equality, although top officials and managers are still mostly men. The distribution of both genders across occupations mainly keeps the same during last years.

Exception is service workers and shop and market sales workers whose proportion has increased among women along with the expenditure of service sector. Statistics show that during last years the number of workers with permanent contract increased both among men and women in Latvia. Additionally, women's proportion with permanent contract is larger than men's. Further we may suppose that women take jobs that contain lower level of risk, but more - advantages in the form of social guarantees. An opposite tendency: an increasing trend of instability in employment relationship, is shown by another source of information, a research "Working life barometer in the Baltic countries 2002" in Latvia.

Only just over half (56%) of the wage earners in Latvia are in permanent jobs under a written employment contract according to this source. More wage earners than before are either in a fixed-term employment relationship, or else under an orally agreed employment contract - this procedure is against the law in Latvia.

On the basis of the research data, one out of ten employees in Latvia does not have a written employment contract. In the aspect of working hours and employment relationships, working life in Latvia appears to be somewhat problematic - especially in the private sector, where only half (51%) of the wage earners have a permanent job with a written contract. Long working hours, however, do not have any connection with the type of employment contract, since a long day is worked in the private sector irrespective of the form of the contract⁴. The differences in results between LFS and the Working Life Barometer refer to the dissimilarities of the sample and questionnaire. For all that we must take into consideration the revealed tendencies of the Working Life Barometer and follow them in the future .

4 - Juha Anttila, Pekka Ylostalo, "Working life barometer in the Baltic countries 2002"; Ministry of Labour, Finland

5 - See footnote 4

Working Time (paid employment) and Changes in Labour Codes on WorkingTime

New Labour Law came into effect in 1 July 2002. It determines that the maximum number of working hours per week is 40. Part one of Article 131 of Labour Law states that "employee's normal working day shall not exceed eight hours but a normal working week - 40 hours".

As provided by part five of Article 136 of the Labour Law, "overtime shall not exceed 48 hours within a four week period and 200 hours in a calendar year". According to Time use survey data gathered according to Eurostat's methodology by Central Statistical Bureau of Republic of Latvia in 1996, on average men spent more time in paid jobs (49:44 hours) than women (45:14 hours).

If we look on the time spent in main job the numbers are smaller: men have spent 43:25 hours, women - 39:56 hours on average. Similar researches about the time budget of Latvians were carried out in 1972 and 1987, however due to some shortcomings of the methodological approach these are not comparable with the data of other countries. A rough comparison of the data from the research 1987 and 1996 shows that in 1996 duration of work time at the main work place increased by 1 to 2 hours. Insufficient payment for the standard time is an explanation here.

The authors of the research consider that the traditional '40-hour norm' does not represent the mainstream in Latvia, since the proportion of employees working more than 40 hours a week is greater than that working only 40 hours a week.

The situation was the same in 1998, too. The Latvian situation with respect to working hours has in fact been surprisingly stable: during a period of three years (the end of 1998- the beginning of 2002), there has been practically no change in the length of the working week⁵.

WEEKLY WORKING HOURS IN LATVIA BY GENDER, 2002

	Men	Women	Total
Less than 30 hours	6.4%	9.6%	8.1%
30 - 40 hours	44.4%	54.1%	49.1%
41 hours or more	49.1%	36.3%	42.3%
Total	100% (N=468)	100 (N=468)	100 (N=873)

Source: "Working life barometer in the Baltic countries 2002"; % of all

PERCENTAGE OF MEN AND WOMEN WHO WORK PART-TIME

	1996			2001		
	Total	Malr	Female	Total	Male	Female
Part-time workers/ employed, %	11,6	11,5	11,6	9,4	7,8	10,9

Source: LFS annual average, persons aged 15 -64

It is safe to say that part time work is uncommon for both men and women in the Latvian labour market. It is linked to a rather low average living standard of the residents and labour environment that is stressful, intense and rather badly protected despite of the newly passed Labour Law that gives more rights and freedoms to employed persons and reduces the ability of employers to dismiss them.

'Sexual harassment'

The issues about 'sexual discrimination' and 'harassment' are not widely discussed in the Latvian society. During last years there has not been any scandalous or publicly discussed event about 'harassment' at work that would cause response in the society in the way of developing juridical practise for solving these pro-

blems. Some articles on sexual harassment between a boss (mainly man) and subordinate (mainly woman) have appeared in specific, e.g., women's journals or less popular press. Therefore sexual harassment continues to exist hidden from the public opinion. Other problems concerning pay (incomplete pay for overtime, night work, work during holidays etc.) have been experienced by almost one fourth of employees. These problems are followed by unpaid taxes (applies to every fifth), a request to do work that is not prescribed in a contract (applies to 17%), more seldom - unhealthy labour environment, ungrounded dismissal. All kinds of discrimination (by age, gender, and ethnicity) are mentioned more rarely. This proves once again that 'harassment' at work is not among the most topical violations in labour relations therefore awareness of it still is small.

Access to training

Equality of education

Paragraph 3 of the Latvian Education Law (1998), which went into force on June 1, 1999, guarantees equality in education for all residents: "Every citizen of Latvia, any person having the right to hold a non-citizen passport, any person having permanent resident status, any citizen of a European Community nation having temporary resident status and their children have the right to an education regardless of their financial and social status, race, ethnic origin, sex, religious or political affiliation, health, profession or place of residence". Paragraph 4 of the Education Law defines the mandatory nature of education in Latvia: "The basic school or continuation of acquiring basic education until reaching the age of 18 shall be mandatory."

Gender equality in education

Availability of education is usually not a problem in countries such as Latvia. Basic education in Latvia is a mandatory nine-year program. Statistics pertaining to gender equality in education

after 1991 show that women have equal educational opportunities, equal rights to stipends and assistance; therefore, it can be said that there is no gender discrimination in education in Latvia. The discrepancies in numbers of boys and girls attending school in Latvia are not due to discrimination against girls, but rather a result of demographics. The number of boys born each year far exceeds the number of girls born annually. Looking at the enrolment of girls in pre-school, basic and secondary programs, it can be seen, that in basic programs, which are mandatory, the number of girls is proportional to the number of girls in that age range. Secondary school is not mandatory in Latvia, and usually attracts students interested in further education. Here the proportion of girls is significantly higher, attesting to the fact that more girls are interested in pursuing higher education. Analyzing data regarding education beyond the secondary level, it can be seen that the average educational level of women is higher than that of men.

RATIO OF MALES AND FEMALES HAVING COMPLETED SECONDARY SCHOOL, MIDDLE LEVEL PROFESSIONAL TRAINING AND HIGHER EDUCATION IN 1989

Age	Urban		Rural	
	Females %	Males %	Females	Males
20-24	96.1	92.4	88.7	81.9
25-29	94	88.8	83.1	74.4
30-39	88.9	88.1	71.7	60.6
40-44	83.9	74.2	57.9	47.4
45-49	73.5	64.9	43.7	31.1
50-54	63.8	59.2	33.9	27.2
55-59	48.3	49.2	23	22.5
60-64	44	45.9	19.1	20.9

Source: National Census data, 1989

PROPOTION OF FEMALES IN ADULT EDUCATION PROGRAMS	
Programs of study	Percentage of females enrolled
German language	81.1
French language	70.7
English language	69.6
Cultural education	66.5
Health and environment	68.1
Practical art	58.2
Family education	88.8
Economical education	49.9
Marketing	61

Source: National Statistics Commission data, 1996

Considering statistical information regarding gender equality in education and "Education for All" indicators, it can be stated that both sexes have equal educational opportunities at all levels.

NUMBER OF PRE-SCHOOL EDUCATION INSTITUTION 1993-1998							
Years	1991	1993	1994	1995	1996	1997	1998
Pre-school education institutions	1120	636	651	607	609	591	585
Schools with pre-school education groups				135	160	174	168
Private pre-school institutions		4	4	9	14	20	30

Source: Ministry of Education and Science National Revenue Service operational data

Gender and pay

During the Soviet Latvia the policy of social equality limited pay differences by gender, nationality, education and other socio-biological features. Differences in payment existed, but they were determined and controlled by the state. Some social groups like leaders of bureaucracy and political apparatus, directors of enterprises etc. were in privileged position and this privilege found expression mainly in connections and access to scarce goods.

Since restoration of the state independence pay differences by gender kept changing: the largest gap between men's and women's salaries was observed in 1995, during the economical crises in Latvia, while at the beginning of the transition, in 1992, and later, in 2001, it narrowed. It is hard to explain correlation and mechanisms how general economical situation of the state determines salary differences. We may just conclude that such correlation between economical processes and salary exists. The research on working behaviour in the Baltic States "Working life barometer in the Baltic countries 2002" (Number of persons interviewed for this research was 904 wage earners and entrepreneurs aged 16-64 years) carried out in collaboration with Ministry of Labour of Finland also deals with the question of gender differences in payment. Several conclusions are made in this report: first, it approves the increase of net salaries from 1998 - 2002 in Latvia that is the most remarkable among the Baltic States during this period of time; second, the difference between public and private sector is great. In 2002, the ratio of men's to women's salaries was over 20% higher in the private compared with the public sec-

tor. Third, the gaps in salary between men and women in Latvia have become narrower for both the low-paid and the highly paid, while in the middle-income group, the situation has been the opposite. Wherewith the general conclusion is that on the whole gender gap in salaries has slightly increased during last years (from 1998 to 2002). According to the data of Central Statistical Bureau of Latvia, from 1992 to 2001 people's average monthly salary has increased several times (7.1 times for women and 7.2 times for men) and main reasons of it are inflation and rise in living standards. However salaries are still very low in Latvia compared to the developed Western European states and some Central and Eastern European states. If we look at the spheres of economy in which percentage of females has increased during last decade, we will see that differences between both genders' monthly pay have gone up. For example, pay gap has enlarged in health and social work sphere (91.8% female pay % as of male pay in 1992; 83.7% in 2001), in education - (99.3% in 1992; 89% in 2001), in hotels and restaurants (82.4% in 1992; 70.9% in 2001). The opposite tendency is observed in male spheres in which female proportion has dropped off: pay gap has diminished for example in construction, in electricity, gas, water supply, etc. In 2001 the largest pay gap existed in financial intermediation, characterised by highest average monthly pays. Although female pay constituted only 58.3% of male pay, it was one of the highest (almost 3 times above medial female pay) in 2001. Proportion of females in this well-paid sphere of economy in 2001 was 65.1%. Similar as average salary per hour, average salary in Lats (LVL) has increased for

both women and men in all spheres of employment during the period from 1997 to 2001. But we should mark out, that percentage proportion of an average salary for woman to an average salary for man has even decreased at particular employment spheres: the most visible decrease took place among women, technicians and associated professionals. The research "Working life barometer in the Baltic countries 2002" reveals essential problem in Latvia concerning salaries. Percentage of both men and women receiving undeclared income sometimes or every month has grown considerably from 1998 to 2002 and now is clearly higher than in other two Baltic States (according to the data of the sociological survey, men: 21 % of all wage earners in 1998, 29% in 2002; women: 13% in 1998, 17% in 2002 have received undeclared income). This problem mainly concerns private sector of economy - about one third in a private sector says they have received undeclared income. A comparison of salary levels by gender shows that the higher the salary level, the lower the proportion of women among those employed, although, as indicated by statistical data, women as a whole have attained a higher level of education than men. The results of the Labour Force Survey of May 2000 give evidence that of all economically active women, 23% have achieved higher education, 64% - upper secondary general or vocational education, 12% - basic general or vocational education, 1% incomplete basic education, but of all economically active men only 17% have achieved higher education, 60% - upper secondary general or vocational education, 21% basic general or vocational education, 2% incomplete basic education. In the country as a whole in 1999, women's average wages were 80% of men's average wages. This proves that in terms of wage levels there is gender discrimination in the labour market, women are forced to study longer to be able to compete with men in terms of salary. Looking at the labour relations we can conclude that protective measures are observed to the larger extent in public, not private sector. Therefore employment in public sector often seems attractive to women, as for them social security in some degree constitutes benefit additional to the wage. The use of protective measures in private sector is more complicated and less available because of weak implementation mechanisms.

Impact of tax and benefit system on women employees

Social security system involves social insurance and social assistance and is based on the state basic budget, the state special budget and local government budget funds. Social assistance is assigned to persons depending on satisfaction of basic needs (food, clothes, house, health care, obligatory education). Social assistance performed by local governments is not universal but

is targeting certain groups (e.g., single mothers, pensioners or disabled persons). In Latvia social assistance of local governments is paid from local government budget. The volume of social security related expenditure increases from year to year, while its share in the gross domestic product decreases comprising 13% in 2001. Latvia recognizes and implements the principles recommended by the European Council in the sphere of social protection (contained in Council Recommendations 92/441/EEC on common criteria concerning sufficient resources and social assistance in social protection systems; 92/442/EEC on the convergence of social protection objectives and policies). A social security system has been created covering all the traditional branches listed in the EU Regulation 1408/71. Social protection in the Republic of Latvia is regulated by the following laws: On State Social Insurance, On Social Security, On State Pensions, On Compulsory Social Insurance against Accidents at Work and Occupational Diseases, On Insurance against Unemployment, On Maternity and Sickness Insurance, On Social and Medical Protection of the Disabled, On Social Assistance, On Employment, Medical Treatment Law, On State Funded Pensions, On State Social Insurance. Participation in social insurance schemes is compulsory for all employees and self-employed persons. The minimum amount of pension is set by law. If an old-age person is not entitled to an insurance pension, the Law "On Social Assistance" guarantees, irrespective of the person's income, the right to receive a social security benefit from the state. The same applies to disability and survivor's benefits. Health care services are provided to any person residing in the territory of Latvia. All families are entitled to a state-granted family allowance irrespective of the family income.

As we had mentioned previously, some of the benefits can be seen as increasing the statistical discrimination of women, whereby all women are seen as potentially having children and also as being more likely to be absent from work due to their family responsibilities. However, these stereotypes can be overcome with adequate policy measures that encourage employers to employ women and by showing that the degree of absenteeism for men is also very high or similar to that of women, regardless of family responsibilities.

Reconciliation of work and personal life

Research on household time-budgets (men, women)

In 1996 the Statistical Bureau of Latvia implemented a survey on the time use of Latvian population in compliance with Eurostat methodology. Men and women's time use differ

mainly in the household and family care: every week women spend 12 hours more than men on family related tasks. The division of responsibilities in a family is most unequal regarding food preparation, followed by shopping and services, house keeping, and childcare. Activities for which men spend more time than women in the household are construction and repair. While women cannot afford to dedicate as much time as men to paid employment and leisure activities. The stereotypes about women as the leading persons responsible for childcare prevent men from accessing various form of assistance (including parental pay), it is also related to adoption issues. This also must be considered as gender discrimination that must be solved in the context of improvement of the position of men and women in society.

Childcare and dependents' leave

Last years, after the dramatic decrease in birth rates, the state institutions have discussed the immediate necessity for the development of the plan for support of families and promotion of birth rate in Latvia. The state has worked out the annual State programme for improvement of children and families situation in 2003.

Maternity leave

The law "On Maternity and Sickness Insurance" which is in force at present was adopted by Saeima on November 6, 1995 but came into force on January 1, 1997. The first part of Article 5 of the Law "On Maternity and Sickness Insurance" provides that maternity allowance is granted and paid during the entire child bearing leave and maternity leave period if the woman does not go to work and thus loses income from employment. However, as provided by Article 12 of the law "On State Social Insurance", compulsory social insurance payments (hereinafter referred to as compulsory payments) give the rights to a socially insured person to receive social insurance services (maternity allowance, sickness allowance, unemployment allowance). As provided by the law "On State Social Insurance", the following has been determined:

1) till March 13, 2001 (including) the socially insured is a person about whom compulsory payments have been made, i.e., social insurance services can be granted only if the employer has in fact performed the compulsory payments;

2) from March 14, 2001 a person shall be considered socially insured from the day she/he has received the status of the socially insured person compulsory payments.

As provided by the law "On Maternity and Sickness Insurance", 56 days of childbearing leave and 56 calendar days of maternity leave are summed up and the maternity allowance is granted for 112 calendar days. A woman whose

medical care due to pregnancy has been started in the treatment and prevention establishment till the 12th pregnancy week and continued throughout the pregnancy, the allowance is granted for 14 day long additional leave that is added to the childbearing leave, thus in total the allowance is granted for 70 calendar days. Due to pregnancy, labour or post-labour complications, as well as if twins or more children are born, the woman is granted an allowance for an additional 14 day leave that is added to the maternity leave, thus in total an allowance for 70 calendar days is granted.

Maternity allowance is granted in the amount of 100 percent from the average insurance payment salary of the receiver of the allowance. This payment is very essential because it is the largest financial support from the state in the period before and after child birth, with the remark that employer has paid insurance payment for his/ her employee. The amount of the maternity allowance does not depend on the number of children. And the fact whether the parents are officially married or just live together has no influence on the maternity allowance. The average granted amount of maternity allowance per one day in 2002 was LVL 4.96 (7.39 EUR). For self-employed persons the average insurance payment salary and thus also the amount of the granted maternity allowance is lower than the average insurance payment salary and amount of the allowance for the employed - LVL 1.93 (2.87 EUR). The average amount of the granted maternity allowances per case in 2002 was LVL 532.69 (793.87 EUR).

There are other benefits that give material support for families with children:

> Child birth payment: It is extraordinary allowance in the size of LVL 98 (145.6 EUR). If a woman has registered at a physician till the 12th week of pregnancy, it becomes twice as large- LVL 196 (291.2 EUR).

> Child care benefit: If a mother does not work or work part time, the benefit is LVL 30 (44.5 EUR) monthly from the first day of childbirth to child age of one and a half year. If child care leave is awarded till January 1, 2003, child care benefit becomes LVL 7.50 (11.1 EUR) monthly from child age of a half and a year to three years. If leave is awarded after January 1, 2003, the benefit in the extent of LVL 7.50 (11.1 EUR) is paid from a child's half a year to two years of age.

> Family state benefit: It is paid for every child from the child's first day of life until he/she is 15 years old. It constitutes for the first child - LVL 6 (8.9 EUR), for the second child - LVL 7.20 (10.7 EUR), for the third child - LVL 9.60 (14.3 EUR), for the fourth and every next child - LVL 10.80 (16 EUR) monthly. These benefits are small and their economical support to fami-

lies is insufficient for providing their subsistence therefore they are not the main source of income for majority of families, only extra economical backing.

Paternity leave

Amendments adopted on November 23, 2000 to the law "On Maternity and Sickness Insurance" that took effect on January 1, 2001 provide granting a paternity allowance to the father of the newly born child for 10 calendar days in 80% amount of person's average social insurance payment salary. But by the time the expenses of the special budget of social insurance exceed income and the state base budget loan amount is not fully paid back, the articles of the law guaranteeing rights to the paternity allowance are not in force. In 2002, according to the data of State Social Insurance Agency, income of the special budget of social insurance exceeded expenses and although the state base budget loan is not paid back yet, amendments adopted on December 20, 2002 to the law "On Maternity and Sickness Insurance" that set in force on January 1, 2003 provide granting a paternity allowance starting with January 1, 2004.

Child care availability

Comparing time before and after transition monthly pay for children's care also doubled: according to the data of CSB of Republic of Latvia in 1990 it made 4% of average monthly pay of employed in national economy while in 2001- 10%. Although birth rate in the state is low, the demand for kindergartens is not satisfied. The groups of the state preschool establishments are crowded, and long waiting lists of children have formed. The low maternity pay and low family and childcare allowances explain high level of demand for kindergartens since families do not have means allowing mothers who want it to stay home with their children. The alternatives: baby-sit-

ters and private kindergartens (in which waiting lists almost do not exist or are small) are very expensive, sometimes reaching one of the parents' monthly pay.

Protective measures for women (pregnancy, raising small children)

Labour Law adopted in 2002 stipulates some measures to protect women from the employer in the case of pregnancy, also in the situations when they have underage children. For example, the employer is not allowed to ask during an interview questions about pregnancy, family status. Further the employer cannot terminate an employment agreement with a pregnant woman, as well as with a woman, who is on her maternity leave up to one year, and during the whole breastfeeding period. Only in some exceptional conditions employment agreement can be terminated with such women. Likewise the employee, who has a child up to one and a half years of age, is granted an additions break for child feeding.

Breaks for child feeding, not shorter than 30 min, shall be given not less than after every three hours. These and all the other protective conditions in everyday life restrain the employer to hire a pregnant woman or a woman with a small child because she seems an "unattractive" employee due to these protective measures. Often it creates just the opposite effect- instead of protecting certain groups of people turns them into inconvenient employees when they are not accompanied by other measures to reduce costs to employers. And it is one of the reasons why women after maternity leave have problems with finding employment. As there are not established sufficient enough mechanisms to consider and solve conflicts between the employer and employee, then employees mostly do not use all the advantages provided by the legislation because of fear to loose one's job.

Stereotype of employed women

Citation from an article by Rita Rudusa, Transforming Sceptic Clients into Good Clients, Karjeras Diena/ Career Day, 19.07.2005. "Look at the girls gathering" said a man, CEO of one of the largest companies in Latvia pointing at the head of financial consulting company Lohmus Haavel&Viisemann Valeria Gaponenko. Sceptic manager later became a client of the consulting company and started to address Valeria by her first name. Valeria confesses that a ste-

reotype is that only men work in corporate finance. "You can fight with such biases only by working", Valerie says. She point out that a number of women leave corporate environment because of such attitudes. "Myself, I realize it is a stereotype and it has to be eliminated."

Women are expected to take care of others by preparing or refilling coffee in the meetings and organizing social events.

Issues for Women Entrepreneurs

More than half of in the total number of unemployed in Latvia are women and the percentage of women in the total number of unemployed has a tendency to grow from year to year. If at the end of the 1994 women constituted 51,9% of unemployed then at the end of the 1999 - 57,4%. The lack of basic business knowledge and self-reliance embarrasses the unemployed women to start their own business and to move in self-employment; women of other nationalities have no sufficient knowledge of Latvian language.

To decrease the percentage of unemployed woman in Latvia and several regions the Association of Latvian Business and Professional Women in co-operation with Entrepreneurship.

Promotion Policy Department of Ministry of Economy has developed the project "Integration of Women in Business Environment" that envisages the training of women in Riga City and some districts.

When looking at the gender distribution among different occupations, it turns out that 58% of people who work as legislators, seniors officials and managers are male. Statistical data on entrepreneurship show that there are almost three times more male employers than female employers. It means that there are much more male entrepreneurs than female entrepreneurs and here a link with the lower female remuneration might exist.

To sum up, statistics data support the fact that there are less women in leading positions and less women entrepreneurs than men entrepreneurs.

Obstacles for women managers:

- > Stereotypes in the society that have formed over years;
- > Gender roles prescribed to women and men;
- > Men's perceptions and attitudes towards women;
- > Employer's attitudes and perceptions towards women employees
- > Weakness of the child-care system and lack of developed legislation on parental leave.

Obstacles for women entrepreneurs:

- > Gender roles prescribed to men and women;

- > Stereotypes in the society that have formed over years;

- > Weakness of the child care system and lack of developed legislation on parental leave;

- > Difficulties to receive financing;

- > Framework conditions (taxes, controlling institutions, bureaucracy, legislation, corruption).

Overall, we can identify some very concrete and practical barriers, for instance, child care concerns and financing problems, as well as some vague and generalized matters, like perceptions and attitudes.

Polices and activities aimed at promoting women entrepreneurship and management

One of non governmental institutions that run important initiatives to promote women entrepreneurship and management in Latvia is Latvian Businesswomen's Club which joins independent, interesting women taking active role and being leaders in their own businesses.

This Club helps unemployed women, single mothers and mothers of large families by organizing courses, where they can learn new skills in order to encourage them to take active role in social life and to find a job. Another project, launched in June 2000, is Women's Information Centre with the aim to support businesswomen at enterprise start-ups, development and successful business maintenance.

Cultural attitudes

Along the way of women involvement in business world it is also important to carry out information process not only to share knowledge and experiences among women themselves in such business fields that still are perceived to be "males" domains. One of the tool to break perceptions and stereotypes that women should be housekeepers and public services providers are informative forums and conferences. Without state support and involvement, non-governmental organizations and trade unions may gradually lose motivation to address gender equality issues. This might in turn increase the separation of state power and the society as well as increase costs for the country when it tackles these problems in the future. Research in the field of women entrepreneurship and management is necessary to understand the weakness of current situation and create bases for further action. Creating awareness in the society in the basic step towards equal labour participation and equal opportunities in the labour market. Activities that are directed at helping women to overcome con-

crete obstacles are only one way to improving the degree of equal gender representation in the labour market. However, beyond obstacle-resolution framework, there can also be dif-

ferent actions and initiatives carried out at governmental, non-governmental, and company levels that would promote entrepreneurship and equal opportunities in general.

Stereotypes of women entrepreneurs

Business has a gender. "Women business" is different from "men" business. Starting her own business a woman will lose her ability to maintain her family. Mostly described as "iron ladies" are described as masculine, etc.

In the interview with our President of Ministers Aigars Kalvitis for the magazine Rigas Laiks, January 2005, he says that he believes the role of the women is to take care of the family.

Case study

Case study 1: Women employees, permission for parents and part-time jobs

On 8 March, 2005, the Coalition for Gender Equality in Latvia submitted a complaint in the Constitutional Court against the prohibition, provided by the law, of rights to receive a child care benefit and work part time. According to the amendments of the Law on State Social Benefits, people who nurse a child until his/her age of one and wish to receive a child care benefit are not allowed to work. This standard is in conflict with the gender equality policy supported by the state and restricts the opportunities of combining both work and family life.

Although one of the parents has rights to take child care leave, most often this opportunity is used by women (however, the State Social Insurance Agency does not provide any statistical data on gender proportion regarding this). The statistics shows that earnings of women are by 20% lower than earnings of men, which means that women work in jobs of lower salaries and take lower positions, as well as often get smaller salaries for a similar or equal work comparing with men. From this it can be concluded that the prohibition to work will make the problem of unequal opportunities in the job market even more serious, which conflicts with the gender equality principles. Interruption of work lowers qualification, as a result

of which a part of such women have to be integrated in the job market with the help of the state financial means. Moreover, the statistics shows that still a reason for a large number of abortions is career.

In the application to the court it is indicated that the aforementioned amendments of the Law on State Social Benefits do not comply with the Constitution of Latvia and international legal standards, as well as conflict with the aims established by the state and the European Union, also in the sphere of gender equality. It is the problem of combining child care with work that is recognised as one of the most significant problems for ensuring equal opportunities for women and men.

To solve this problem, the European Union has adopted several secondary laws and regulations, i.e. the Directive 96/34/EC on rights of both parents to take child care leave, Directive 97/81/EC on equal attitude towards part time employees (prohibition on discrimination through job salaries and social insurance), as the majority of part time workers are women, who are trying to combine family and work life. Currently, the law provides that a person engaged in child care until his/her age

of one can receive a child care benefit only in case if this person does not work. However, a person who is engaged in child care from his/her age of one till the age of two can receive a child care benefit only if this person works part time.

Aivita Putnina

The third child Tots Kokis was born on 22 August 2003, the fourth child is expected to be born in March 2005. Aivita Putnina is currently on prenatal leave, which interrupted the child care leave, during which observing provisions of law Aivita Putnina worked part time in the University of Latvia as an assistant professor. The position of an assistant professor requires both pedagogical and research work comprised of both international and national projects and their subsequent scientific publications. International projects, which play an important role in a scientist's career and influence his/her future salary, require long-term preparation, planning and realisation. When planning the fourth child, Aivita Putnina took into consideration the existing normative basis for combining child care and work, which she managed to use successfully when nursing her first three children.

With the regulations of the Cabinet of Ministers adopted by the government, the conditions were suddenly changed. In order to get the child care benefit for the fourth child, according to the new regulations Aivita Putnina would have to surrender the planned collective scientific work and international commitments, as well as the planned management of doctor's and master's works. This would have an effect on her career opportunities, as 2006 is the end of the term when she can be elected in the position of an assistant professor, and pursuant to the Regulation on Election in Academic Positions in the University of Latvia her re-election opportunities or further career movement will depend on the scientific work performed in 2005. Being on child care leave and combining it with part time working, Aivita Putnina will receive the child care benefit only for the third child in the amount of 30 lats monthly. If she surrenders the job during the child care leave, Aivita Putnina will receive only 70% of the average salary of social contributions and child care benefit of 30 lats only for a part of time for the third child. If she continues to work part time and takes the child care leave, the total earnings of Aivita Putnina will be identical to those which she receives if she does not work, but then the family still will have additional expenses on child care during absence of the mother (child care, transport expenses accruing from balancing the working hours with breastfeeding times etc.)

Case study 2: Women entrepreneurs, conciliation of work and family life

Thus in the short term, surrendering the work is more beneficial for the family in terms of finance than combining child care with work and thus can be considered as restriction of person's choice by means of financial mechanisms. In the longer term, interruption of scientific work will have a negative effect on the scientific work and further career of Aivita Putnina, thus also on the salary and material situation of the family in future years.

