



# 1st WeLaR Virtual Expert Café (VXC)

Hosted by Barbara Glinsner, Ursula Holtgrewe & Stella Wolter (ZSI)

30 November 2023



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# 1.

## The format



# The VXC format



- A low-threshold virtual forum for exchange on globalisation, digitisation, demographic change, climate change, labour markets and the welfare state
- A 90-minute virtual meeting
- news, ideas, results, collaborations in an ‘elevator pitch’ format
- Everybody’s welcome to contribute or listen and comment!
- Contributors have a 5 – 7 minute time slot (may be 3 minutes or sometimes even 10) and 2 ppt slides (headline, keywords, links, contact data!) to present projects, programmes, ideas, results, events ...

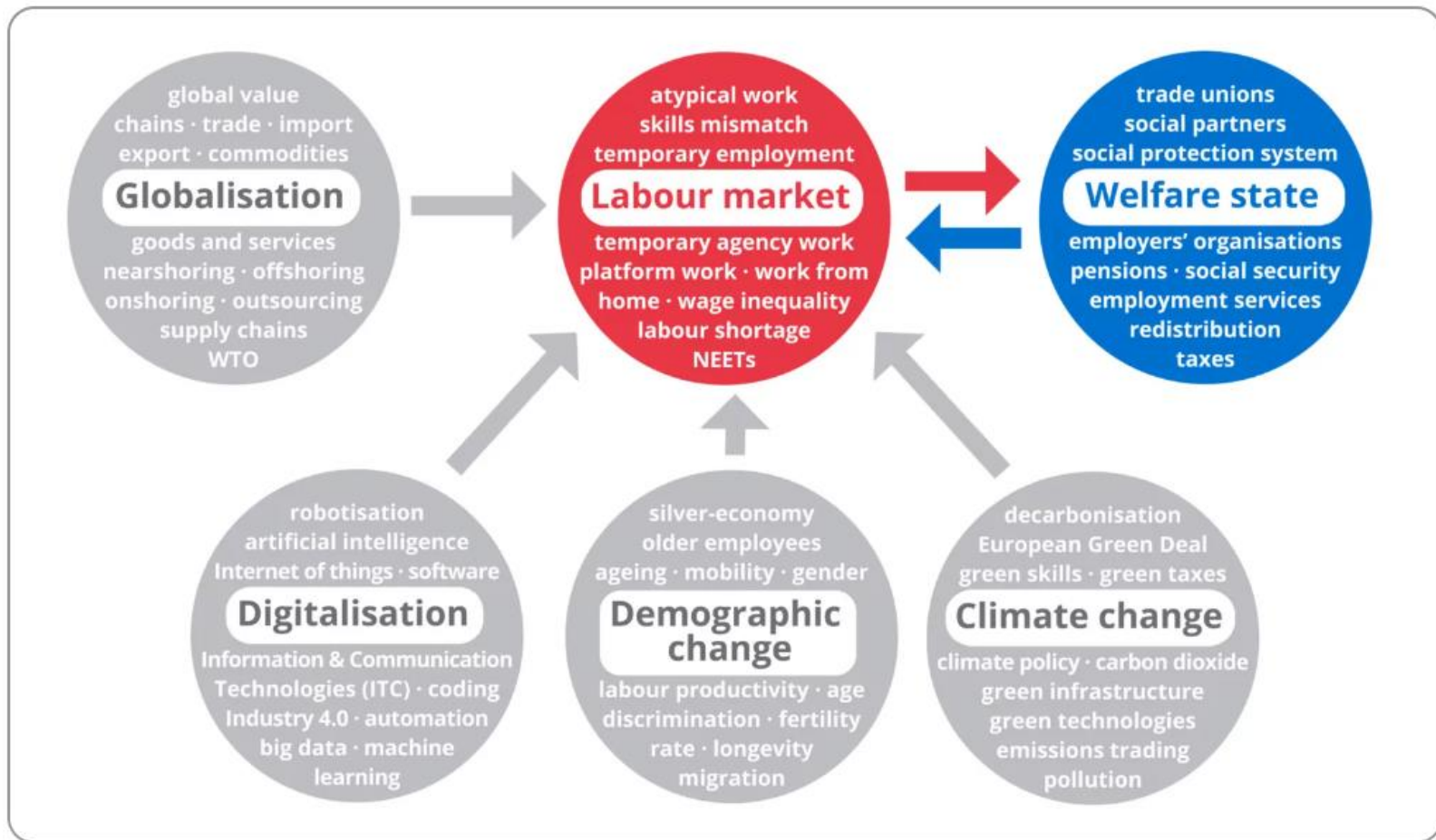


# 2.

Your host: The WeLaR project



# What do we study and why?



# How do we study this?



## Conceptual framework and joint infrastructure

Interactions between welfare policies and labour market aspects of megatrends

Labour supply trends

Labour market institutions and risks

Labour demand trends

Shaping forward-looking inclusive societies and economies

Welfare states and public finance

Preferences, policy and social innovation

Stakeholder engagement



# 3.

## The presentations

Maciej Albinowski (IBS)

Uyen Nguyen (LISER)

Sara Baiocco (DG EMPL)

Sonja Avlijaš (EKOF, University of Belgrade)

Sarra Ben Yahmed (ZEW)



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## The heterogeneous impact of the COVID-19 crisis on labour market participation in the EU

Maciej Albinowski, Laurène Thil and Marko Vladislavljević

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**Motivation:** Recovery after the COVID-19 crisis may mask some relevant heterogeneities.

**Research question:** What was the short- and medium-term impact of the COVID-19 on labour market outcomes of different socio-economic groups?

**Empirical strategy:**

- Regional exposure to the COVID-19 pandemic is measured by the pre-pandemic employment share of the accommodation and food services.
- We analyse 246 NUTS-2 regions. We run regressions for 1-, 2-, and 3-year changes in employment and activity rates of different groups. We control for the regional severity of the health crisis and the pre-pandemic share of temporary employment.



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We find long-lasting negative effects for low-educated women and immigrants

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**Short-term effects:** In 2020 and 2021, negative employment effects for all demographic groups, but most pronounced for low-educated women and young people.

**Medium-term effects:** In 2022, there were still negative effects from exposure to COVID-19 among low-educated women and immigrants.

**Detachment from the labour market:** The negative effects manifested through lower activity rate rather than higher unemployment rate.

**Decrease in the share of precarious employment:** In 2020 and 2021 we observed a decrease in the share of precarious employment, but it was not linked to the exposure to the COVID-19 recession.

## **WeLar Task 3.5: Investigating the relationship between technological progress and decision to early retire (LISER, EKOF, KU Leuven)**

*Uyen Nguyen (LISER)*

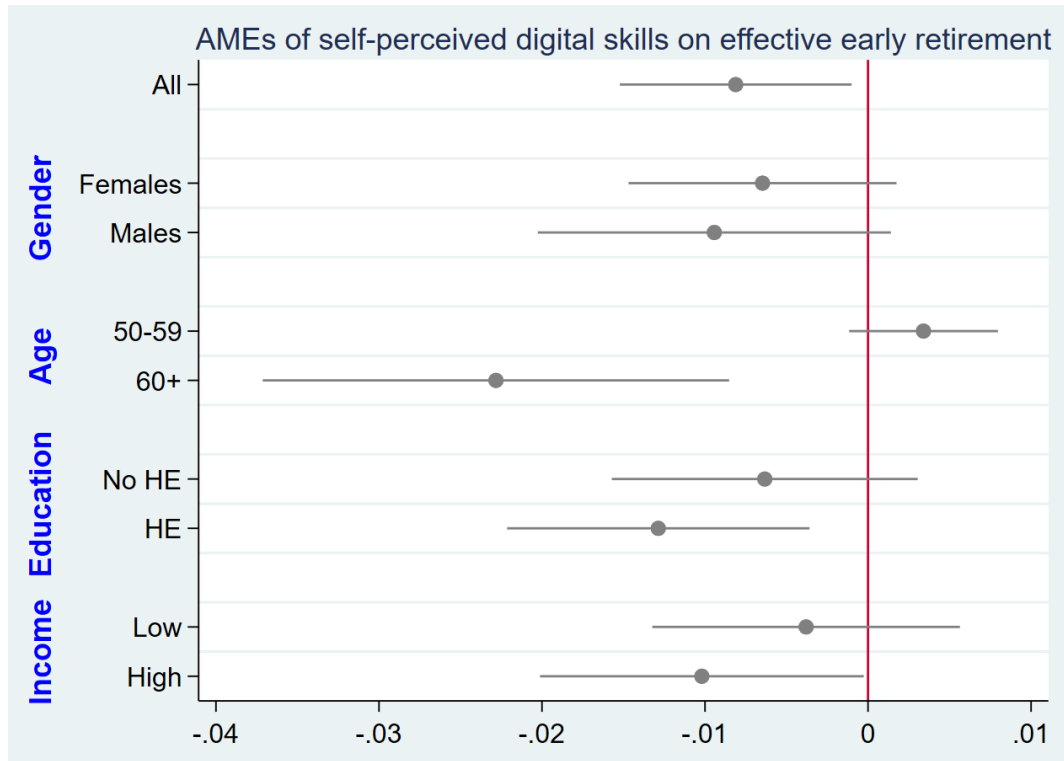
- **Data:** Survey of Health, Ageing and Retirement in Europe (SHARE waves 5, 6, 7), Labour Force Survey 2015 – 2022, EU Statistics on Income and Living Conditions (EU-SILC)
- **Technological change:** EU-KLEMS, automation (PIAAC survey), artificial intelligence, self-perceived digital skills, computer use
- **Controls:** Individual/job characteristics, macroeconomic variables (System on Social Protection, GDP growth, unemployment rates, official retirement age)

**Here → focus on SHARE data**

Effective early retirement: retired before official retirement age

Self-perceived digital skills: « How would you rate your computer skills? Would you say they are...” (from never used to excellent)

## Some results



- Workers having high digital skills are less likely to retire early

BUT

- No gender difference
- Only for those aged more than 60
- with higher education
- with high income

# Distributional Impact Assessment (DIA)

- An analysis ex-ante/ex-post, based on microsimulation techniques, to measure how the policies under examination (e.g. tax & benefit systems) impact on the distribution of income across different (income) groups of the population



It quantifies impacts on poverty and inequality

- It contributes to prioritise and design policies that are most effective in reducing poverty and inequality and minimising negative social impacts

- Communication on Better Assessing the Distributional Impact of Member States' Policies

[COM\(2022\) 494 final](#)

- While reliance on DIA varies across countries, about half Member States apply DIA quite extensively, making moderate or more frequent use of such analysis

[SWD\(2022\) 323 final](#)

- Mutual Learning Event series with Member States

[Social Protection Committee Annual Report 2023](#) (Box 2 in the main body)

# Distributional Impact Assessment (DIA)

- Available tools:
  - [EUROMOD](#) (open source); models developed at national level (e.g. SORESI in AT, BELMOD in BE, etc)
- Some aspects for ongoing improvements:

Administrative data & others, timeliness of data, account for non-take up, measure in-kind benefits impacts, etc.
- DIA can be useful to assess reforms and investments in the context of **fair digital and green transition**, as shown by a few examples of recent studies:
  - *“Automation had minor effects on income inequality. Household labour income diversification and tax and welfare policies largely absorbed labour market shocks caused by automation. Transfers played a key role in cushioning the transmission of these shocks to household incomes”*  
[Doorley et al. \(2023\) Automation and Income Inequality in Europe | IZA - Institute of Labor Economics](#)
  - Regarding policy measures introduced to mitigate the social effects of the energy crisis, *“the cost of closing the same inequality gap was much higher in countries that focused on price measures than in countries that used income measures”*  
[Freier and Ricci \(2023\) Fiscal policy to the rescue: How governments shielded households from inflation \(europa.eu\)](#)

## Chapter 8: Women, work, and labour market policy

 Restricted access

Sonja Avlijaš

**Category:** Chapter

**Collection:** [Sociology, Social Policy and Education 2023](#)

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**Keywords:** Working women; Vocational education and training; Active labour market policies; In-work benefits; Minimum wages; Universal basic income

### Abstract

This chapter provides a comparative overview of what we currently know about the specific impact of LMPs on women across



Handbook of Labour Market  
Policy in Advanced  
Democracies

Edited by [Daniel Clegg](#) and  
[Niccolo Durazzi](#) 

<https://www.elgaronline.com/edcollchap/book/9781800880887/book-part-9781800880887-15.xml>

# Gender specific labour market risks

- Are women's labour market risks different from those faced by men?
- How have these risks evolved since the 1980s, during which time we have witnessed trade liberalization, post-industrialization, expansion of the knowledge economy, and ICT-led growth?
- Women's employment has been boosted by liberalization and transition to the service economy.
- Gender gaps in employment and earnings persist. Greater precarity of jobs, occupations, and sectors dominated by female workers, even in the more advanced welfare states of the EU.
- Female workers harder hit by crises and austerity-driven macroeconomic adjustments.
- Class, race, immigration status, and geographic location, all of which drive labour market discrimination, have especially strong interaction effects with gender.

# Employment support policies

- Employment promotion and support policies under the auspice of social investment (Lisbon strategy, Europe2020) matter for women, but they are not not enough.
- Employment support policies also affect women through their strong interaction with the demand side, i.e. the types of jobs that are available. Economic restructuring policies have strong gender implications.
- Manufacturing upgrading, like in Visegrad countries, has adverse impact on female employment (Avlijaš, 2020b).
- Nordic countries relied on expansion of public employment in education, healthcare and social services since the late 1970s to create quality jobs with a particularly positive impact on female employment (Wren, 2021).
- The Baltic countries also relied on public sector employment since the 1990s as part of the social investment agenda, with positive effects for women's employment (Avlijaš, 2020a).



# Income support policies

- Negative effects of austerity on public sector wages indicate the importance of more comprehensive income support policies for women.
- Not all EU countries have the same fiscal capacities to implement more generous social security policies. There are important discrepancies between the EU core and the periphery.
- Stratification of blue- and white-collar female work is important. Working class women particularly exposed to low-wage precarious jobs and occupations. This often also has geographic implications.
- Policy non-compliance is a particular issue in female dominated sectors, such as care.
- A recent evaluation of the national minimum wage policy shows a significant reduction of the gender gap at low wages after the introduction of the minimum wage in Ireland, and hardly any change in the UK, due to the issue of employers' non-compliance (Bargain et al., 2019).
- Rubery and Grimshaw (2011) show that minimum wages are not very effective in providing protection to female low-pay workers in contexts such as Italy where care work is informal and often provided by migrant workers.

Thank you  
for your attention!

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## Remote Work and Gender Equality in the Labour Market

Sarra Ben Yahmed

ZEW Leibniz-Centre for European Economic Research, Mannheim

WeLaR Café  
30 Novembre 2023



## Debate about Remote Work and Gender Equality in the Labour Market

### Remote work has become more important than ever

- Widespread adoption of working from home (WfH) arrangements since the pandemic
  - has incentivised firms to invest in digital technology
  - remote work even more attractive for both firms and employees

### Paid employment and family remain difficult to integrate

- Women are less often in paid employment than men
- Women work fewer hours than men
- These gaps arise primarily with the birth of the first child (Kleven et al., 2019)
- Binding time constraints are important drivers of these gaps (Lundberg and Rose, 2000; Goldin, 2014; Corté and Pan, 2019)

## Can remote work change the picture?

### Positive labour supply effects:

- Overcome schedule conflicts between work and family responsibilities.
  - Reduce commuting time.
  - Allow for a broader local labour market and better job opportunities.
  - Empirical evidence: Dettling et al. (2017), Arntz et al. (2022).
- ⇒ Closing of gender gaps in hours and total earnings.

### Risk of amplifying the "double shift" phenomenon for women

- Different (expectation in the) use of WfH because of different family responsibility (Leslie et al., 2012).
  - Especially if women have the more flexible job
  - The parent who works from home increases relatively more time spent on childcare Ben Yahmed and Malavasi (2023).
- ⇒ Flexible work arrangements and childcare policies complement each other to foster more gender equality.

## Can remote work change the picture?

### Role in Narrowing the Gender Wage Gap

- Longer hours may come with higher hourly pay in jobs that reward longer hours (Goldin, 2014).
- Better job match for women who may accept jobs with longer commutes.

### Role in Widening the Gender Wage Gap

- Higher female willingness to pay for WfH (Mas and Pallais, 2017).
  - Different (expected) use of WfH because of different family responsibility leads to different rewards (Leslie et al., 2012; Lott and Chung (2016)).
  - Multitasking increased for parents, especially mothers, when working from home. It has effects on productivity (Andrew et al., 2022).
  - Fewer face-to-face interactions with managers (Harrington, Emanuel, 2021)
- ⇒ WfH (alone) unlikely to help to close the gender difference in hourly wages.
- ⇒ Reduce stigma attached to WfH and improve women's bargaining power for (re-)negotiating wages when adopting WfH.

WeLaR is Horizon Europe research project examining the impact of digitalisation, globalisation, climate change and demographic shifts on labour markets and welfare states in Europe. It aims to improve the understanding of the individual and combined effects of these trends and to develop policy proposals fostering economic growth that is distributed fairly across society and generates opportunities for all.

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