



PROGRAMS AND STIMULUS PACKAGES AFTER THE ECONOMIC CRISIS AND WORKERS' RIGHTS IN KOSOVO

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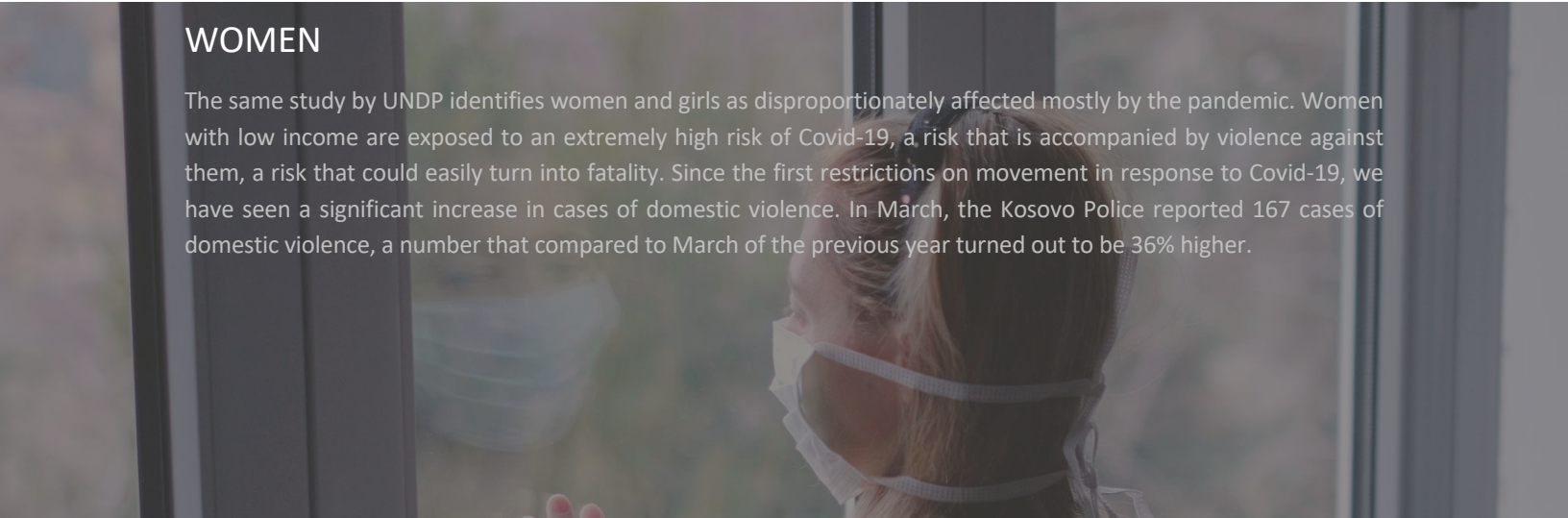
Since March 2020, when the first confirmed cases of Covid-19 occurred in Kosovo and the lockdown took place, the main societal concern has been the ability of a developing country to manage an unraveling, unprecedented crisis. It quickly became clear that the virus does not discriminate in its impact, leaving us to understand that it does not select victims and that its consequences can be unimaginable. This is best shown by the extremely frightening statistics of this virus, where the number of positive cases worldwide to date is about 93.2 million, with over 2 million deaths, including Kosovo, which so far counts over 55,000 positive cases, with a total of over 1,400 dead - statistics that are growing day by day. However, what is even more dramatic is that the Covid-19 crisis is not only a health crisis, but also a widespread socioeconomic crisis affecting vulnerable members of the society the most.

Although 2019 found Kosovo with the highest number of employment growth in the Balkans, where according to the World Bank there was an increase of 6.7% in the annual rate, the rapid spread of Covid-19 has greatly affected many families and businesses in various forms. Thousands of lost jobs and losses in business revenues are among the main concerns of the country. World Bank's economic report for Kosovo predicts an economic contraction of 8.8% for 2020.

Other studies such as that of UNDP show that only about 40% of respondents have kept their jobs, but have not worked for a long time, and about 22% reported a reduction in wages as a result of shortening the working hours. Another 22% were not affected at all by the pandemic and continued to work, and about 8% lost their jobs. All of this has had a devastating effect on people's mental and physical health, adding to the significant isolation in the months of first the pandemic and then that of the curfew. Other estimates by UNDP as a result of the Covid-19 outbreak indicate that about 28% of respondents have experienced significant psychological, mental, and emotional changes.

WOMEN

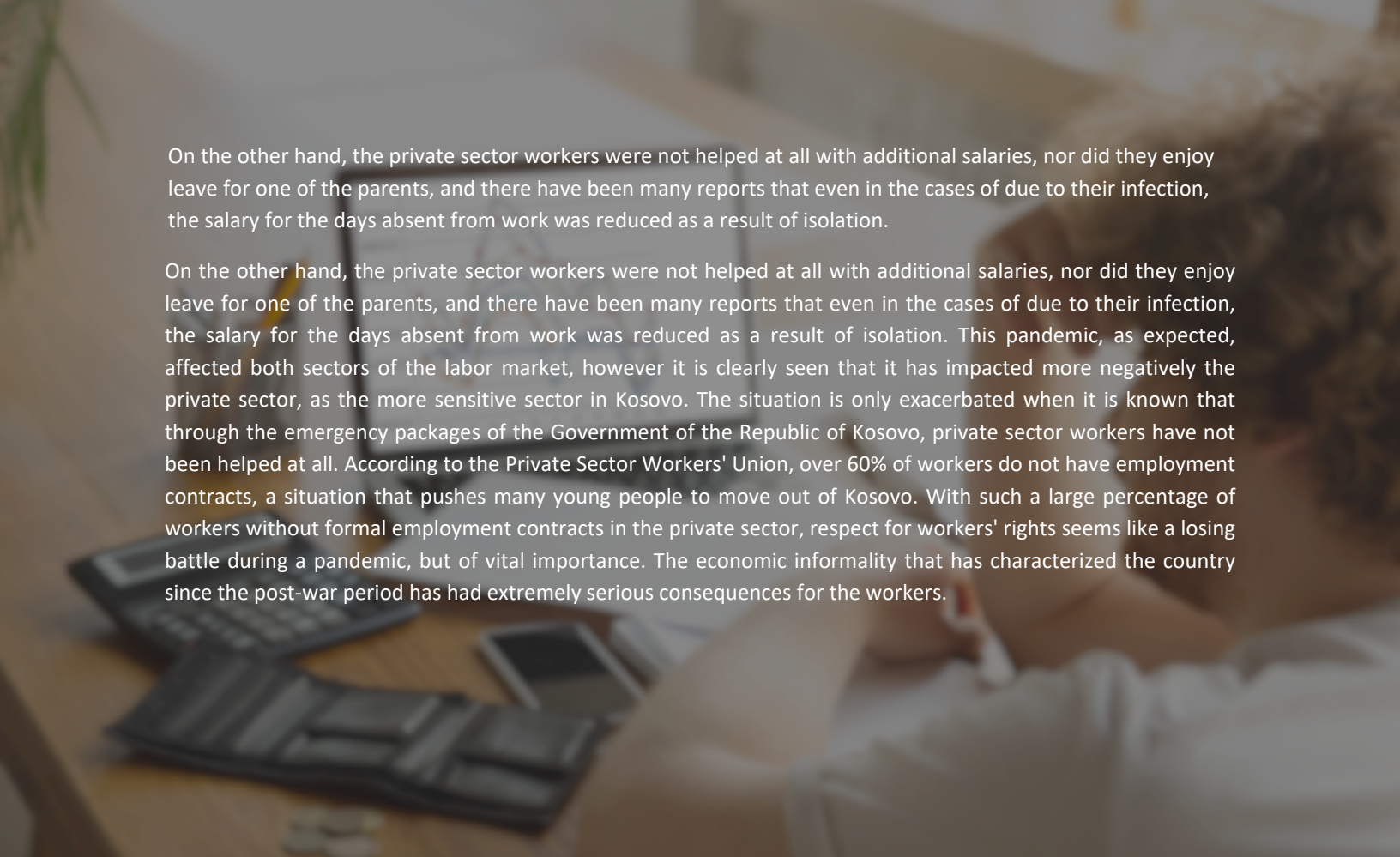
The same study by UNDP identifies women and girls as disproportionately affected mostly by the pandemic. Women with low income are exposed to an extremely high risk of Covid-19, a risk that is accompanied by violence against them, a risk that could easily turn into fatality. Since the first restrictions on movement in response to Covid-19, we have seen a significant increase in cases of domestic violence. In March, the Kosovo Police reported 167 cases of domestic violence, a number that compared to March of the previous year turned out to be 36% higher.



What remains troubling is that about 35% of respondents do not know where to seek help in case of domestic violence, and about 56% of them feel that there is a significant increase in domestic violence.

EMPLOYMENT IN THE PRIVATE SECTOR

Deep inequalities are seen in precarious employment between the public and private sectors. Lack of adequate safeguards in the workplace, pro-longed working hours in the essential sectors, health and safety at work as well as access to benefits from pension schemes are the main concerns of all workers. The EU 2020 Progress Report on Kosovo also highlights the need for a stronger focus in order to sustain the private sector. This report notes that the private sector has had difficulties with severe administrative procedures such as a large number of licenses and permits, costly and uncoordinated inspections, and the appearance of corruption in high level. Unlike the public sector, which has had strong support, the private sector feels highly discriminated against during this pandemic. This is because in the public sector workers have enjoyed various benefits during this time of pandemic including the provision of leave for one parent, temporary dismissal in case of virus infection and additional salary for some of the workers in public sector institutions.



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On the other hand, the private sector workers were not helped at all with additional salaries, nor did they enjoy leave for one of the parents, and there have been many reports that even in the cases of due to their infection, the salary for the days absent from work was reduced as a result of isolation. This pandemic, as expected, affected both sectors of the labor market, however it is clearly seen that it has impacted more negatively the private sector, as the more sensitive sector in Kosovo. The situation is only exacerbated when it is known that through the emergency packages of the Government of the Republic of Kosovo, private sector workers have not been helped at all. According to the Private Sector Workers' Union, over 60% of workers do not have employment contracts, a situation that pushes many young people to move out of Kosovo. With such a large percentage of workers without formal employment contracts in the private sector, respect for workers' rights seems like a losing battle during a pandemic, but of vital importance. The economic informality that has characterized the country since the post-war period has had extremely serious consequences for the workers.

Among those most affected are construction workers, which is known as a sector that operates on the basis of exchanges and sales, where formal contracts and payments of pension exist almost exclusively on paper. Women are also greatly affected by informality, as a large number of them work in sectors that are considered highly informal, such as the cleaning sector, the sector of childcare, that of household and other wellbeing. Moreover, women have borne the majority of unpaid domestic care which has only increased during the Covid-19 crisis.

Despite the readiness of the Government of the Republic of Kosovo with two emergency simulation packages, whose primary purpose was to help businesses and workers affected by isolation, reflects the open ill-treatment of workers, especially those in the private sector. Despite the condition given by the government, that the beneficiaries of these packages have employees registered in the relevant institutions and with formal employment contracts, there have been many reports that these packages have been exploited by employers, directly violating the right to pay. Importantly, such packages tend to forget the people working in the informal sector.

Based on the lessons of the past, such as the global financial crisis of 2008, we see that the main focus of the post-crisis economic recovery tends to be public investment in infrastructure, which had a large number of employees and investments were made for the common good. However, the current crisis is much different from the systemic one of 2008, beyond the similarities in the increase of bankruptcies, increase of losses, lack of liquidity and possible failure of any public institution.

If the Kosovo were to follow the example of the post-crisis 2008 and investments would focus mainly on construction to stimulate jobs and economic recovery, some important factors would have to be considered. The increase in public investment at this time would not have the same effects as in 2008 and could create even further gender disparities, enabling men to have a larger number of jobs, as this sector in Kosovo is men-dominated.

Violation of the workers' rights as a long time concern of Kosovar society is having the highest numbers of fatal accidents in the workplace, where among those most affected are those who work in construction. Health and safety at work should be a priority for any government that will face the crisis created by this pandemic.

Another problem of this type of investment would be the pollution of the environment and the contribution to global warming. Green economy recovery packages for the coronavirus crisis would repair the economy and put Kosovo on the right track to tackling its pollution problems, where at least the long winter months are life-threatening for its citizens, not to mention the other months.

Even during the pandemic, workers in Kosovo are in a fragile situation. During the month of November of this year, in the capital city, the employer once again denies the rights of the workers by forcing them to work even if they are infected with the covid-19 virus. We are now living in an environment that is extremely conducive to the mistreatment of workers, enabling employers to extremely easily violate workers' rights in the guise of a pandemic.

As a result, awareness campaigns should be carried out inevitably, the capacities of labor inspectors should be increased and the conditions of health and safety at work should be met, as well as the prevention of the spread of the virus. Both the employers and the employees would benefit from this.

The focus of any government should be the workers and their rights. The formalization of labor-employer relations as well as their support would be a major driver of economic development, even in such pandemic situations, recovery would not be a topic of discussion, but a success story.

Any recovery program and response to the economic crisis caused by this pandemic must be as effective and efficient as possible, with the primary aim of protecting of workers 'rights at all costs, take steps to improve the level of safety and health at work, increase of the salary in relation to the working hours, more suitable working hours, as well as to guarantee the maternity leave, as well as the parental leave.



UNOPS

