CONTEXT

In its 8th year, the conflict in Eastern Ukraine continues to impact labour market dynamics in the region. As highlighted in REACH's Capacity Vulnerability Assessments (CVAs) conducted in 2018, the 'Line of contact' has impeded access to employment in large cities currently in the non-government-controlled areas (NGCA). As a result, smaller regional centres in the government-controlled areas (GCA) have an increased role as employment hubs for communities in proximity to the 'Line of contact'. Further to conflict-related interruptions to employment, the COVID-19 outbreak has led to significant reduction in economic activity and employment rates across Ukraine[1].

In this context, under the Canadian aid-funded Securing Women's Economic Empowerment in Donbass (SEED)[2] and in partnership with ACTED, IMPACT Initiatives conducted the **Economic Participation Assessment** (EPA) to inform partners in their activities aimed at building the capacity of Employment Centres[3] to assist job seekers in finding sustained employment and increasing the information available on these topics[4] to employment service providers, business development centres, government and development actors in Donetsk and Luhansk Oblasts (GCA). The **EPA covers 5 geographic or assessment areas** (AAs) divided as follows: AA 1: Severodonetsk and surroundings, AA 2: East Luhansk, **AA 3: Bakhmut and surroundings** (assessment coverage map to the right), AA 4: Kramatorsk corridor, AA 5: Mariupol and surroundings.
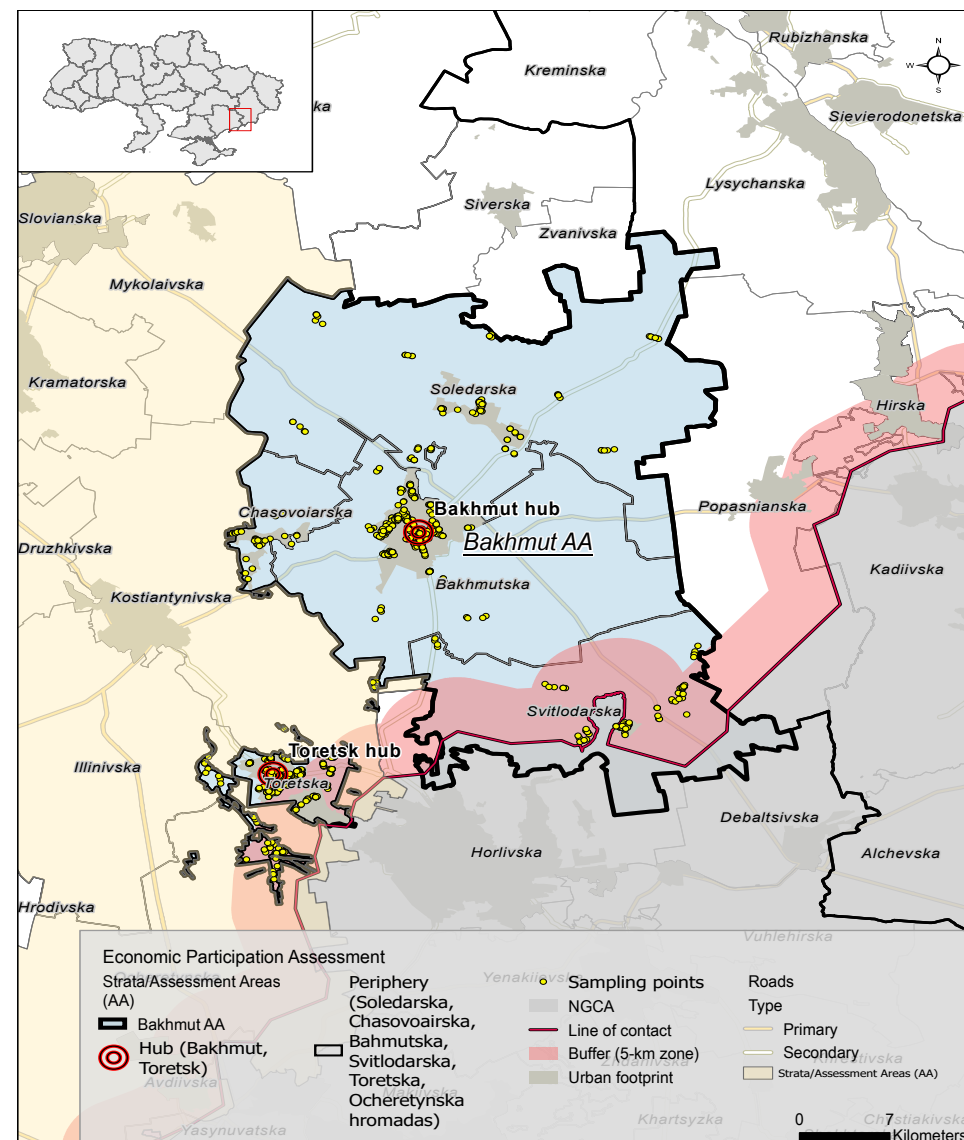
METHODOLOGY

This factsheet is built on the findings from **AA 3** and focused on: a) Bakhmut city (employment hub), b) Toretsk city (employment hub) and c) Soledarska, Chasovoairska, Bakhmutska, Svitlodarska, Toretska, Ocheretynska hromadas (employment periphery). It offers an overview of demography and socioeconomic conditions of households living in the assessment area, the most relevant labor market dynamics, barriers to employment, intensions to change or search for a new job, experience of using services of state employment centres, as well as the requirements and preferences of employers to labor force. The indicators aim at offering an understanding of the impact of the COVID-19 outbreak on the local economic and other gender-specific dynamics.

Findings detailed in the following pages are based on the **household** and **employer surveys**, and compares AA 3 against Overall (findings from all five AAs)**. The household survey** was conducted between 21 May and 14 June 2021. It comprises a total of 3,026 households (representing 8,953 members) sampled by using stratified simple random sampling where households were selected from each stratum to achieve 95% confidence level and 7% margin of error. In AA 3, 620 interviews covering 1,804 household members were completed, corresponding to 20% of the total across all areas assessed. Household selection from the sampling frame was made based on having one or more member(s) of working age (15-70 years old). Given the focus not only on household-level information but also on the individual experiences of household members, a single household representative aged 18 years old or older was selected on a voluntary basis to report as a proxy for other household members. Data were collected via Computer-Assisted Personal Interviews (CAPI). Findings are representative with a 95% confidence level and a 5% margin of error for each AA.

By means of the **employer survey**, a total of 445 interviews to employers selected with a convenience sample were made between 1 and 23 June 2021. In AA 3, 96 interviews were completed, corresponding to 22% of the total across all areas assessed. The full activity terms of reference can be accessed at this link. The full area-based Situation Overview comprehensive of the analysis of all five primary data sources will be made available in the coming months.

Map of Assessment Area 3: Bakhmut & Toretsk employment hubs and Bakhmutskiy periphery

Economic Participation Assessment
Strata/Assessment Areas (AA)
- Bakhmut AA
- Hub (Bakhmut, Toretsk)

Periphery (Soledarska, Chasovoairska, Bahmutska, Svitlodarska, Toretska, Ocheretynska hromadas)
- NGCA
- Urban footprint

- Line of contact
- Buffer (5-km zone)

Sampling points
Roads Type
- Primary
- Secondary
- Strata/Assessment Areas (AA)

0   7 Kilometers

1. United Nations Ukraine. Assessment of the socio-economic impact of COVID-19 in Ukraine (link), December 2020.
2. Securing Women's Economic Empowerment in Donbass (SEED) is a 36-months project funded by Global Affairs Canada and implemented by ACTED, IMPACT Initiatives and 5 civil society organisations in Ukraine.
3. See the State Employment Service (SES) of Ukraine (link).
4. Including without being limited to, workforce engagement, current labor market dynamics and emerging sectors within the areas of intervention.
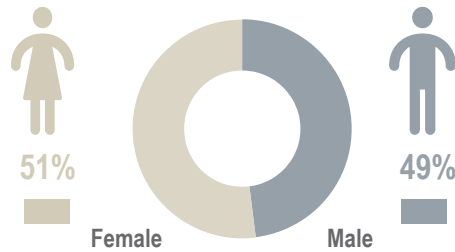
IMPACT Shaping practices Influencing policies Impacting lives

1. Household Survey[5]

DEMOGRAPHICS

Breakdown of households members by gender (n= 1,804)

53% Female
47% Male
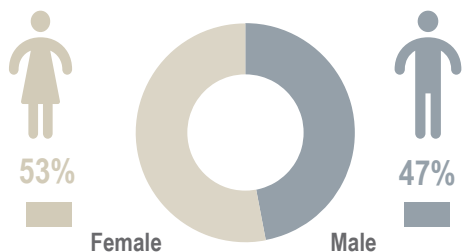
Breakdown of households heads by gender (n= 644)

51% Female
49% Male

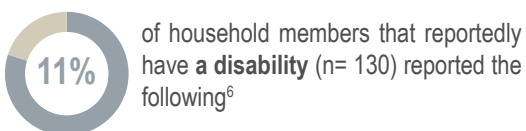**Average age of household members** (n= 1,804)

32 years old

Average age of heads of household (n= 1,804)

44 years old

20% of households have **at least one member over the age of 60** (n= 119)

51% of households have **at least one child under the age of 15** (n= 317)

HEALTH

11% of household members that reportedly have **a disability** (n= 130) reported the following[6]

12% of household members reportedly have **a chronic illness** (n= 124)

- **41%** Disability status due to chronic illness
- **33%** Mobility (walking or climbing stairs)
- **14%** Visual (seeing)
- **8%** Mental impairment (memorizing or concentrating)
- **6%** Other types of disability
- **5%** Auditory (hearing)
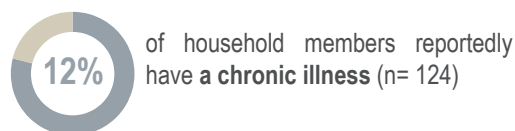
There was reportedly a greater prevalence of household members who have a **disability** (**11%**) in AA 3 as compared with Overall (average of all five AAs), with 6%.

5. Findings presented in this factsheet may not include answers such as "Do not know" or "Decline to answer" and total percentages may therefore not sum to 100%.
6. This question allowed multiple answers.
7. Gender-specific dynamics are available page 7.
8. National average monthly wage from April-June 2021, averaged as Q2 2021, 13,785 UAH in Ukraine & 14,444 UAH in Donetsk Oblast (GCA), from State Statistics Service of Ukraine.
9. Findings for "Overall" refer to all five assessment areas throughout.

SOCIOECONOMIC PROFILE

| Employment status of household members aged 15-70[6], at the time of data collection	Toretsk hub (n= 411)	Bakhmut hub (n= 446)	Bakhmutskyi periphery (n= 430)	Overall[9] n= 6,559
Full-time employed	42%	54%	52%	50%
Retired or pensioner	13%	11%	13%	13%
Taking care of household	16%	8%	13%	12%
Studying or training	11%	9%	8%	11%
Unemployed and looking for work	8%	9%	7%	8%
Part-time employed	8%	7%	7%	6%
Self-employed	7%	4%	2%	6%

Most commonly reported employment sectors[7] at the time of data collection, among household members reportedly employed[6]	Toretsk hub (n= 230)	Bakhmut hub (n= 294)	Bakhmutskyi periphery (n= 267)	Overall n= 4,019
Industry mining and processing	29%	15%	25%	21%
Wholesale and retail trade	15%	18%	14%	17%
Transport, warehousing, postal and courier activities	6%	13%	7%	10%
Education	9%	9%	12%	9%
Construction	4%	7%	4%	7%

Average number of years of work experience in sector of employment among the household members reportedly employed (n= 791)

Overall (n= 4,019)
9% | 11% | 13% | 19% | 46%

Toretsk hub
13% | 11% | 10% | 16% | 50%

Bakhmut hub
8% | 12% | 17% | 15% | 47%

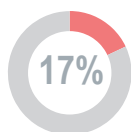Bakhmutskyi periphery
10% | 10% | 10% | 22% | 47%

- Less than one year
- One to two years
- Three to four years
- Five to nine years
- Ten years or more

Percentage of HHs, in AA 3, by average monthly HH income, at the time of data collection, reported as above or below the national average[8] in Ukrainian hryvnia (UAH):

78% 16%
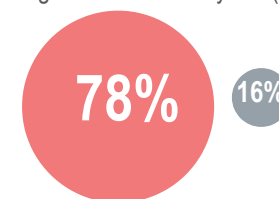
- Below 14,000 UAH
- Above 14,001 UAH

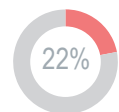**IMPACT** Shaping practices Influencing policies Impacting lives
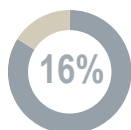
LABOR MARKET DYNAMICS

17% of employed **household members aged 15-70 were not officially employed** at the time of data collection (among reportedly employed household members) (n= 791)
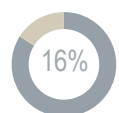
8% are female

9% are male

22% **Overall** (n= 4,019)

16% of household members in AA 3 reported to **have worked for 1 hour or more during the week** before data collection, in addition to their main reported activity (retired, working, unemployed, home duties, etc) (n= 1,207)
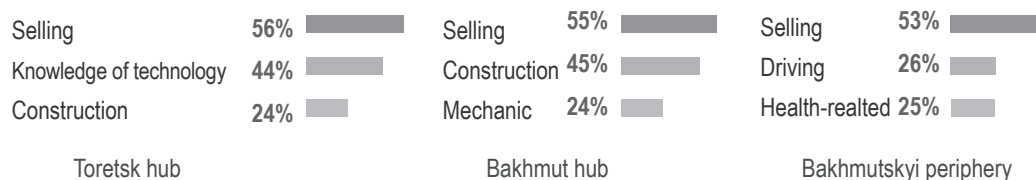
6% are female

9% are male

16% **Overall** (n= 6,146)

Top three reported professional skills perceived by households as being in high demand within the local labor market[10] in the 12 months preceding data collection, among those who reported that professional skills were in high demand[6] (n= 289)

Overall (n= 1,576)

Selling	**56%**
Construction	**33%**
Knowledge of technology	**31%**

In **AA 3**:

Toretsk hub			Bakhmut hub			Bakhmutskyi periphery	
Selling	**56%**		Selling	**55%**		Selling	**53%**
Knowledge of technology	**44%**		Construction	**45%**		Driving	**26%**
Construction	**24%**		Mechanic	**24%**		Health-realted	**25%**

10. The following question was asked: "Which skills do you think are in high demand in this area in the last 12 months?"
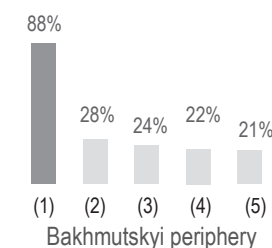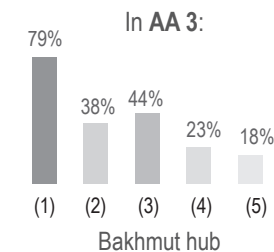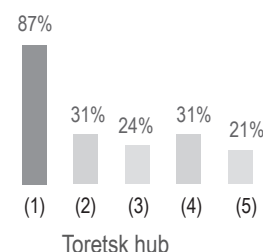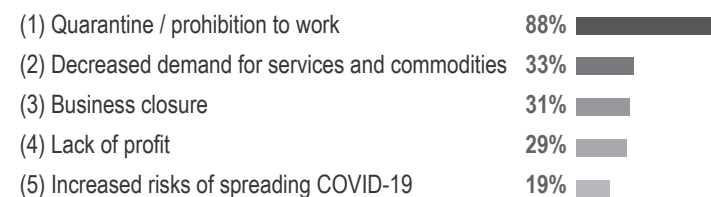
Most commonly reported sectors **experiencing growth** in the 12 months preceding data collection, as reported by households[6]	Toretsk hub (n= 207)	Bakhmut hub (n= 205)	Bakhmutskyi periphery (n= 208)	Overall n= 3,026
Wholesale and retail trade	42%	47%	28%	**46%**
None	32%	30%	51%	**25%**
Hotel and restaurant business	8%	14%	2%	**12%**
Industry mining and processing	2%	7%	5%	**8%**

Most commonly reported sectors with readily available employment opportunities in the 12 months preceding data collection, as reported by households[6]	Toretsk hub (n= 207)	Bakhmut hub (n= 205)	Bakhmutskyi periphery (n= 208)	Overall n= 3,026
Wholesale and retail trade	42%	55%	42%	**55%**
Industry mining and processing	44%	20%	18%	**40%**
None	15%	15%	37%	**14%**
Construction	2%	14%	3%	**14%**

COVID-19

Most commonly reported impacts of the COVID-19 outbreak on employment, as reported by households whose employed members have reported that their employment sector was affected[6] (n= 462)

Overall (n= 2,229)

(1) Quarantine / prohibition to work	**88%**
(2) Decreased demand for services and commodities	**33%**
(3) Business closure	**31%**
(4) Lack of profit	**29%**
(5) Increased risks of spreading COVID-19	**19%**

In **AA 3**:

Toretsk hub
(1) 87% (2) 31% (3) 24% (4) 31% (5) 21%

Bakhmut hub
(1) 79% (2) 38% (3) 44% (4) 23% (5) 18%

Bakhmutskyi periphery
(1) 88% (2) 28% (3) 24% (4) 22% (5) 21%

IMPACT Shaping practices Influencing policies Impacting lives
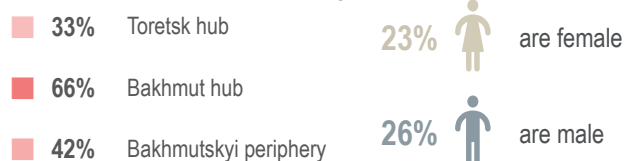
BARRIERS TO EMPLOYMENT

Most commonly reported reasons why household members are unemployed[6], among those aged 15-70 and reportedly unemployed at the time of data collection	Toretsk hub (n= 52)	Bakhmut hub (n= 50)	Bakhmutskyi periphery (n= 43)	Overall n= 745
Lack of relevant vacancies in the area	23%	32%	37%	26%
To look for a better job[11]	21%	10%	17%	15%
Health reasons (incl. illness, disability)	13%	28%	21%	13%
Childbirth or care for children	17%	12%	12%	13%
Total absence of any vacancies	15%	0%	28%	13%

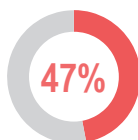| Most commonly reported barriers to accessing employment, among household members aged 15-70 and reportedly unemployed and looking for a job at the time of data collection[6]	Toretsk hub (n= 22)	Bakhmut hub (n= 16)	Bakhmutskyi periphery (n= 18)	Overall n= 286
Lack of relevant vacancies in area	55%	44%	61%	42%
Inadequate remuneration	18%	25%	6%	27%
Total absence of any vacancies	32%	13%	39%	25%
Age	5%	13%	11%	17%
Inadequate working hours offered	5%	13%	22%	17%

COVID-19

Household members, who lost their job following the COVID-19 outbreak, among those reportedly unemployed (n= 145)

In **AA 3**:

- 33% Toretsk hub
- 66% Bakhmut hub
- 42% Bakhmutskyi periphery

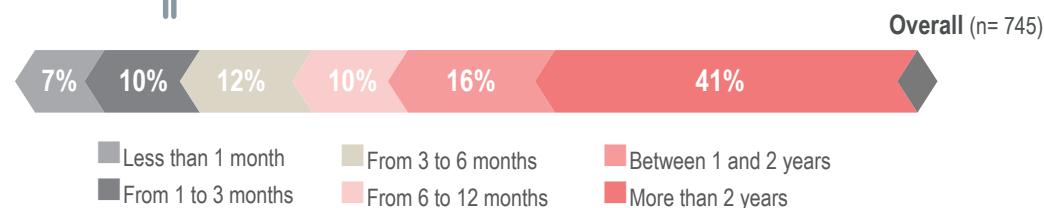23% are female
26% are male

Overall (n= 745)

47%

11. The response option 'to look for a better job' refers to the intention to look for a job that is better than those currently offered in the labor market.
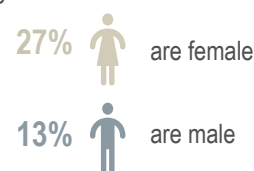
Average period of unemployment, among household members reportedly unemployed (n= 145)

AA 3

| 6% | 5% | 13% | 9% | 20% | 42% |

Less than 1 month | From 3 to 6 months | Between 1 and 2 years
From 1 to 3 months | From 6 to 12 months | More than 2 years

Among household members who reported having been without work for at least two years:

29% are female
13% are male

Overall (n= 745)

| 7% | 10% | 12% | 10% | 16% | 41% |

Less than 1 month | From 3 to 6 months | Between 1 and 2 years
From 1 to 3 months | From 6 to 12 months | More than 2 years

Among household members who reported having been without work for at least two years:

27% are female
13% are male

- It was more often reported by respondents residing in Bakhmutskyi periphery that unemployed household members of their households faced the **lack of relevant vacancies in their area (37%)** as well as **the total absence of any vacancies (28%)** compared to any other strata within AA 3 or overall (26% and 13% respectively).

- It has been reported that approximately two-thirds **(66%)** of unemployed household members from Bakhmut hub have **lost their job following the COVID-19 outbreak**, the highest proportion among all areas surveyed (47% overall).

- A significant amount of unemployed household members across all AAs **(42%)** has been **without a job for at least two years**. Among those, **29%** were female and **13%** were male.

IMPACT Shaping practices Influencing policies Impacting lives

INTENTION TO CHANGE
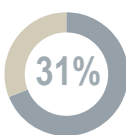
31% of household members in AA 3 who reportedly had a paid/unpaid employment or were performing home duties (n= 938) **expressed an intention to look for a (new) job i**n the 12 months following data collection.

18% are female **13%** are male
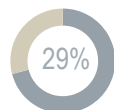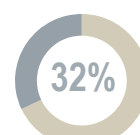
29% Overall (n= 4,722)

Household members, who have stated intentions to search for a new job in the 12 months following data collection, among those reportedly unemployed or studying (n= 259)

- **53%** Toretsk hub
- **66%** Bakhmut hub
- **57%** Bakhmutskyi periphery

Overall (n= 1,406) **55%**

It has been reported that **getting a better paid job** was for more than half (**52%**) of all household members across all AAs the main reason for expressing an intention to change their current job. However, in AA 3, it is noticeable that household members reportedly had to a greater extent a **temporary job**, especially in Toretsk hub (**21%**, the highest proportion of all strata) and Bakhmutskyi periphery (**17%**), compared to overall (**12%**).

Most commonly reported reasons for employment change[6], among household members expressing an intention to change in the 12 months following data collection	Toretsk hub (n= 78)	Bakhmut hub (n= 123)	Bakhmutskyi periphery (n= 84)	Overall n= 1,316
Better pay	49%	48%	44%	**52%**
Present job is temporary	21%	10%	17%	**12%**
Better match to skills	6%	8%	7%	**7%**
Work fewer hours	4%	3%	6%	**5%**

Most commonly reported types of employment change intended to pursue, among household members expressing an intention to change in the 12 months following data collection	Toretsk hub (n= 78)	Bakhmut hub (n= 123)	Bakhmutskyi periphery (n= 84)	Overall n= 1,316
Find another job (different sector / same location)	35%	24%	31%	**34%**
Find another job (same sector / same location)	22%	33%	32%	**27%**
Find another job (different sector / different location)	19%	13%	15%	**13%**
Find another job (same sector / different location)	8%	11%	10%	**9%**
Move into self-employment	5%	5%	2%	**7%**

STATE EMPLOYMENT SERVICES (SES)

32%

- **36%** Toretsk hub
- **39%** Bakhmut hub
- **34%** Bakhmutskyi periphery

Overall (n= 5,973)

of household members reported to **have been registered with SES at any time in the past** (n= 1,197)

Of those, in **AA 3**:

24% are female

13% are male

Most commonly reported services used by household members at the SES, among those reportedly registered[6]	Toretsk hub (n= 133)	Bakhmut hub (n= 164)	Bakhmutskyi periphery (n= 139)	Overall n= 2,063
Unemployment payments	44%	62%	56%	**62%**
Assistance in finding employment	45%	50%	43%	**43%**
Information provision and consulting services	32%	34%	42%	**41%**
Professional or advanced training	12%	20%	13%	**16%**

Most commonly reported challenges experienced by household members at the SES[6], among those reportedly registered	Toretsk hub (n= 133)	Bakhmut hub (n= 164)	Bakhmutskyi periphery (n= 139)	Overall n= 2,063
No challenges	65%	55%	51%	**61%**
Lack of support from staff at SES	14%	10%	8%	**10%**
Distance to the SES	3%	2%	28%	**8%**
Use of paper work (bureaucracy)	8%	11%	6%	**7%**

Level of satisfaction reported by household members based on their experience using the SES, among those registered (n= 436)

20% 31% 30%
5% 10%
4%

18% 30% 30%
6% 10%
6%

Overall (n= 2,063)

- Completely dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Completely satisfied
- Do not know

IMPACT Shaping practices Influencing policies Impacting lives

2. Employer Survey[12]

GENERAL INFORMATION

Proportion of surveyed enterprises by size[13] (n= 96)

Toretsk hub
- (1) **13%**
- (2) 35%
- (3) **52%**

Bakhmut hub
- (1) **19%**
- (2) 45%
- (3) **35%**

Bakhmuskyi periphery
- (1) **3%**
- (2) 6%
- (3) **91%**

Large (1) **13%**
Medium (2) 27%
Small (3) **60%**

Overall (n= 445)

63% of **employees** (full-time and part-time) **are females** (n= 445)

61% Toretsk hub
61% Bakhmut hub
78% Bakhmuskyi periphery
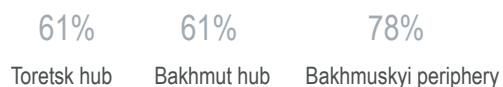
4% of **employees have a disability** (n= 445)

9% Toretsk hub
6% Bakhmut hub
6% Bakhmuskyi periphery

Proportion of employees by age groups in AA 3 (n= 96)

- 15-29 **17%**
- 30-49 **47%**
- 50-59 **23%**
- 60+   **11%**

Proportion of employees by age groups overall (n= 445)

- 15-29 **17%**
- 30-49 **47%**
- 50-59 **25%**
- 60+   **10%**
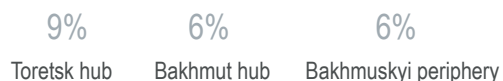
| Most commonly reported sectors of surveyed enterprises during the 12 months preceding data collection	Toretsk hub (n= 31)	Bakhmut hub (n= 31)	Bakhmutskyi periphery (n= 34)	Overall n= 445
Education	35%	45%	76%	**42%**
Agriculture	3%	10%	9%	**12%**
Industry mining and processing	10%	32%	0%	**11%**
Wholesale and retail trade	3%	0%	0%	**7%**

12. Information on enterprises and employees were provided by the interviewed employer.
13. The number of employees was the criterion applied for enterprises to be considered as: small (from 10 to 49 employees), medium (from 50 to 249 employees) and large (from 250 employees).

REQUIREMENTS AND PREFERENCES IN RELATION TO LABOR FORCE

AA 3:
35%
- 52% Toretsk hub
- 52% Bakhmut hub
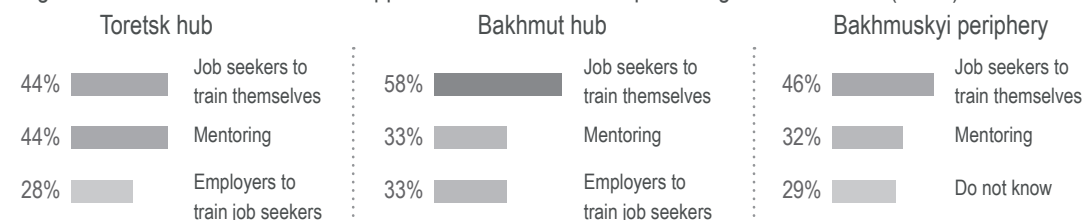- 26% Bakhmutskyi periphery

Overall (n= 445)
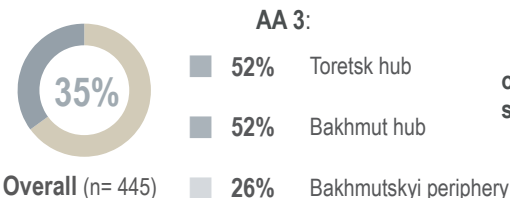
of employers have reported challenges in hiring new staff in the 12 months preceding data collection (n= 96)

Most commonly reported challenges faced by enterprises in hiring new staff, among those reportedly experiencing challenges[6]	Toretsk hub (n= 16)	Bakhmut hub (n= 16)	Bakhmutskyi periphery (n= 9)	Overall n= 154
Insufficient number of applicants	56%	50%	78%	**60%**
Underqualified applicants	25%	63%	0%	**47%**
Lack of skills of applicants	31%	35%	11%	**32%**
Inadequately educated applicants	19%	25%	44%	**27%**
High salary expectations	25%	19%	33%	**27%**

Most commonly reported occupations perceived as difficult to attract applicants in the 12 months preceding data collection, among enterprises having hired new staff during that period of time[6]	Toretsk hub (n= 29)	Bakhmut hub (n= 28)	Bakhmutskyi periphery (n= 33)	Overall n= 398
Teachers	31%	32%	45%	**26%**
No difficulties	24%	14%	36%	**25%**
Drivers / workers (maintenance of mobile equipment)	10%	4%	0%	**9%**
Professions of agriculture (w/ little to no education)	3%	7%	6%	**9%**

Most commonly reported suggestions to improve availability of skills perceived as difficult to find, among enterprises reportedly experiencing challenges in hiring new staff and which have identified any general skills as difficult to find in applicants in the 12 months preceding data collection[6] (n= 77)

Toretsk hub
- 44% Job seekers to train themselves
- 44% Mentoring
- 28% Employers to train job seekers

Bakhmut hub
- 58% Job seekers to train themselves
- 33% Mentoring
- 33% Employers to train job seekers

Bakhmuskyi periphery
- 46% Job seekers to train themselves
- 32% Mentoring
- 29% Do not know

IMPACT Shaping practices Influencing policies Impacting lives

ANNEX: GENDER-SPECIFIC DYNAMICS (household survey)

Socioeconomic Profile

Employment status of male and female household members aged 15-70, at the time of data collection[6]	AA 3 n= 1,287		Overall[9] n= 6,559	
Gender of household members	Male	Female	Male	Female
Full-time employed	55%	48%	57%	45%
Retired or pensioner	15%	10%	13%	12%
Taking care of household	2%	20%	2%	21%
Studying or training	10%	7%	12%	9%
Unemployed and looking for work	8%	8%	7%	10%
Self-employed	3%	4%	7%	5%

Most commonly reported employment sectors at the time of data collection, among household members reportedly employed[6]	AA3 n= 791		Overall n= 4,019	
Gender of household members	Male	Female	Male	Female
Industry mining and processing	15%	7%	15%	6%
Wholesale and retail trade	4%	11%	5%	12%
Transport, warehousing, postal and courier activities	7%	3%	8%	2%
Education	1%	9%	1%	7%
Construction	5%	1%	7%	1%
Healthcare	1%	5%	1%	5%

Barriers to Employment

Most commonly reported reasons why household members are unemployed, among those aged 15-70 and reportedly unemployed at the time of data collection[6]	AA 3 n= 145		Overall n= 745	
Gender of household members	Male	Female	Male	Female
Lack of relevant vacancies in area	37%	30%	28%	25%
To look for a better job	6%	6%	22%	11%
Health reasons (incl. illness, disability)	32%	15%	14%	11%
Childbirth or care for children	3%	20%	1%	21%
Total absence of any vacancies	21%	11%	14%	12%

Intention to Change

Most commonly reported reasons for employment change, among household members expressing an intention to change in the 12 months following data collection[6]	AA 3 n= 285		Overall n= 1,316	
Gender of household members	Male	Female	Male	Female
Better pay	20%	26%	25%	27%
Present job is temporary	5%	9%	6%	7%
Better match to skills	3%	5%	3%	5%
Work fewer hours	3%	1%	2%	3%

SES

Most commonly reported challenges experienced by household members at the SES, among those reportedly registered[6]	AA3 n= 436		Overall n= 2,063	
Gender of household members	Male	Female	Male	Female
No challenges	53%	55%	62%	62%
Lack of support from staff at SES	14%	7%	9%	10%
Distance to the SES	10%	17%	9%	8%
Use of paper work	12%	7%	7%	7%

IMPACT Shaping practices Influencing policies Impacting lives