

**THE SITUATION OF VULNERABLE GROUPS ON  
THE LABOUR MARKET IN THE REPUBLIC OF MOLDOVA<sup>1</sup>**

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*„The state of development of a society can be identified from the way it deals with the most vulnerable members, the support it creates for their support, the political and social attention given to their situation”, Herbert Paulshin*

*„Stadiul de dezvoltare a unei societăți poate fi identificat din modul în care aceasta își tratează membrii cei mai vulnerabili, suportul pe care îl creează pentru susținerea lor, atenția politică și socială acordată situației lor”, Herbert Paulshin*

*This article presents the results of research on the phenomenon of vulnerability on the labour market, which is specific to contemporary economies as a consequence of the phenomenon of economic cyclicity and, in particular, economic and financial crises, globalization processes, etc. The Republic of Moldova is not an exception: internal factors (political instability, unfavourable climatic conditions and problems in the banking sector), as well as the influence of external factors (the crisis in Ukraine, the recession in the Russian Federation and the trade restrictions imposed by this country on RM, the decline in world agricultural prices), the irreversible aging process, have made the formation of vulnerable groups subject to social risk on the labour market that need of state protection. In this context, the objective of the study is to highlight the categories in the field, arguing the reasons and causes of reporting to a particular group. The study relies on data from the National Bureau of Statistics, the National Agency for Employment and the secondary analysis of selective research in the field. The main methods of research are: monographic, systemic, logical, analysis and synthesis, economic calculations, graphical interpretation, tabulations etc.*

*Despite of gradual improvement in some employment indicators and of the promotion of active policies, the employment of different groups of the population capable of activating economically remains insufficient. There are significant differences in employment among young people, the rural and urban population, by sex and age, in particular pre-retirement and retirement, people with disabilities, returned migrants. The promotion of active employment policies, the reduction of all forms of discrimination, in particular of persons with disabilities and women, the diversification and accessibility of training and professional training, the promotion of flexible working arrangements, the development of social and economic infrastructure, especially in rural areas, reforming the wage system will help to increase the level of employment.*

**Keywords:** *vulnerability, labour market, employment rate, unemployment, migration, the exclusion.*

*Acest articol prezintă rezultatele cercetării privind fenomenul vulnerabilității pe piața muncii, specific pentru economiile contemporane ca o consecință generată de fenomenul ciclicității economice și, îndeosebi, de crizele economice și financiare, procesele de globalizare etc. Republica Moldova nu este o excepție: factorii interni (instabilitatea politică, condițiile climaterice nefavorabile și problemele din sectorul bancar), precum și de influența factorilor externi (criza din Ucraina, recesiunea din Federația Rusă și restricțiile comerciale impuse de această țară față de producția RM, diminuarea prețurilor mondiale la produsele agricole), procesul ireversibil de îmbătrânire, toate acestea au condiționat formarea unor grupuri vulnerabile, supuse riscului social pe piața forței de muncă care au nevoie de protecția statului. În acest context, obiectivul studiului este evidențierea categoriilor în domeniu, argumentând motivele și cauzele de raportare la o anumită grupă.*

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*Studiul se bazează pe datele Biroului Național de Statistică, Agenției Naționale pentru Ocuparea Forței de Muncă și analiza secundară a cercetărilor selective în domeniu. Metodele principale de cercetare utilizate: monografică, sistemică, logică, analiză și sinteză, calculele economice, interpretarea grafică, tabelarea etc.*

*Pe fundalul îmbunătățirii treptate a unor indicatori privind ocuparea forței de muncă în pofida promovării politicilor active, antrenarea în câmpul muncii a diferitor grupuri ale populației capabile de a activa economic rămâne insuficientă. Există diferențe semnificative la nivelul de ocupare, inclusiv a tinerilor, populației din mediul rural și urban, după genuri și vârstă, în special, a persoanelor în vârstă pre pensionară și pensionară, a persoanelor cu dizabilități, precum și a celor întorși de peste hotare (migranții reîntorși). Promovarea politicilor active de ocupare, reducerea oricărei discriminări, în special a persoanelor cu dizabilități și a femeilor, diversificarea și asigurarea accesibilității la instruire și cursurilor de formare profesională, promovarea regimului flexibil de muncă, dezvoltarea infrastructurii social-economice, în special, în zonele rurale, reformarea sistemului de salarizare vor contribui la sporirea nivelului de ocupare.*

**Cuvinte cheie:** vulnerabilitate, piața muncii, rata ocupării, șomaj, migrație, excluziunea.

*В статье представлены результаты исследования феномена уязвимости на рынке труда, что характерно для современных экономик, как следствие экономической цикличности и, в частности, экономических и финансовых кризисов, процессов глобализации и т.д. Республика Молдова не является исключением: внутренние факторы (политическая нестабильность, неблагоприятные климатические условия и проблемы в банковском секторе), а также и влияние внешних факторов (кризис в Украине, экономический спад в Российской Федерации и торговые ограничения, введенные этой страной в отношении РМ, снижение мировых цен на сельскохозяйственную продукцию), необратимый процесс старения, все это привело к формированию уязвимых групп, подверженных социальному риску быть исключенными на рынке труда, нуждающихся в государственной защите.*

*В этом контексте цель исследования состояла в идентификации уязвимых категорий населения, обосновании мотивов и причин их отнесения к какой-либо определенной группе их уязвимости. Исследование основано на данных Национального бюро статистики, Национального агентства занятости населения и вторичном анализе выборочных исследований в этой области. Основные методы, использованные для исследования: монографический, системный, логический, анализа и синтеза, экономических расчетов, графический, построения таблиц др. На фоне постепенного улучшения некоторых показателей занятости рабочей силы в результате проведения активных политик, по-прежнему остается неудовлетворительным уровень вовлеченности на рынок труда различных категорий экономически трудоспособного населения.*

*Имеют место значительные различия в уровне занятости, в том числе молодежи, населения, проживающего в сельской и городской местности, по гендерному признаку и по возрасту, особенно, лиц в пред- и пенсионном возрасте, инвалидов, а также тех, кто вернулся из-за границы (вернувшиеся трудовые мигранты). Продвижение активной политики в области занятости, устранение любых форм дискриминации, особенно, в отношении инвалидов и женщин, разнообразие форм и доступность к обучению и к курсам по профессиональной подготовке, внедрение гибких режимов занятости, развитие социальной и экономической инфраструктуры, особенно, в сельской местности, совершенствование системы оплаты труда все это будет способствовать повышению уровня занятости населения.*

**Ключевые слова:** уязвимость, рынок труда, уровень занятости, безработица, миграция, исключение.

**JEL Classification:** J2, J4, J6, J7.

**UDC:** 331.5

**Introduction.** The phenomenon of vulnerability on the labour market is typical to worldwide economies, whether these are developed, or are developing. This characteristic of contemporary economies is generated by the phenomenon of economic cyclicity and in particular the moments of economic crisis, when all the macroeconomic parameters, including the occupational indicators, get worse. The economy of the Republic of Moldova faces the same issue, being severely affected both by the long and difficult process of transition to the market economy that succeeds one another. This strongly negatively reflects on the evolution of labour market processes, generating the vulnerability of several groups of people.

**Theoretical aspects of vulnerability in the labour market.** „Vulnerability” as a concept begins to be used more often in the 70's of the 20th century, referring initially to the limited physical capacities of individuals (Romanian Explanatory Dictionary – Vulnerability – the ability to be vulnerable, easily injured, attacked, having weak faulty parts) [1]. Later, a number of other areas adopted this term: such as economics, sociology, law etc. The beginning of the 21st century is marked by the increasingly frequent use of this term and, as a consequence, its introduction and explanation by several international organizations (UN, ILO, UNDP, World Bank, IMF, etc.). Thus, currently the term „*vulnerable groups*” derives from the universal principles of human rights and refers to the segments of the population who often face discriminatory attitudes and behaviours and/ or need a special attention not being exploited.

In terms of labour market participation, the concept of vulnerability has a number of peculiarities highlighted in the work of several American and European scientists [2; 3]. The Belgian demographer Philippe Bocquier, states that vulnerability can be defined as a difficulty for individuals "to manage the risks or to deal with the losses and costs associated with the occurrence of risky events or situations" [4]. According to Theo Sparreboom and Michael P.F. Gier, the experts from International Labour Organization, the vulnerability of employment is the risk of working in inappropriate conditions or "the risk of a lack of decent work" [5]. In essence, three main approaches are used to define the vulnerability of the workforce:

- The 1st approach, elaborated and used by International Labour Organization (ILO), focuses on households that work on their own and are not remunerated;
- The 2nd approach focuses on the low level of income;
- The 3rd approach captures the multidimensional aspects of workplace vulnerability.

According to the approach used by ILO, the vulnerable groups are formed by the sum of self-employed workers and family workers. In addition, this group is also attributed to the groups that receive inadequate income, low productivity and work in hard working conditions that undermine the fundamental rights at work.

The second approach focuses on the low level of income. For example, the American economist Hudson defines vulnerable workers as workers who earn less than one-third of the average wage and do not have the terms and conditions negotiated by a union. According to this definition, vulnerability is associated with the risk of becoming poor, but also with inadequate working conditions.

The most comprehensive approach is the multidimensional one. This approach takes into account a wider range of parameters such as the presence of a written contract, the general climate of workplace relationships, and the limited or unlimited employment contract. According to the Canadian economist Ron Saunders, the most vulnerable persons are the low paid one, who are not part of syndicalist unions, those who are excluded from collective bargaining, labour protection rights, and the national insurance system [6]. Moreover, people who are employed part-time are considered to be more vulnerable. The UK Vulnerable Employment Commission places vulnerable groups on the labour market, the people with no academic qualifications, no contracts of indefinite duration, plus all undocumented migrant workers and those working in the informal economy.

At the European Union level, vulnerable groups on the labour market are under the indicators of social inclusion such as the long-term unemployment rate, the share of people living in households where no member is employed, the share of the population with low education, etc. The European Strategy 2020 uses as monitoring tools indicators that include vulnerable groups, such as the employment rate in the age group 20-64 (by sex), the employment rate of the population with higher education in the age group 30-34 (by sex), the share of the population who lives in households with low participation in the labour market, etc.

By studying the literature, we have succeeded in identifying many generic causes of vulnerability in the labour market:

- Globalization, making markets more competitive for products and services, has emphasized the need to promote economic and social policies that would boost competitiveness. In addition, greater importance is given to workplace flexibility and adaptability, multiple skills, the teamwork. Policies oriented at correcting labour market failures, can increase its effectiveness;
- Technological changes increased the demand (and the remuneration) for the highly qualified people compared to the less qualified;
- Changes in family and work-life patterns have increased the need for flexible (or, in some cases, part-time) hours;

The specific causes of the labour market in the Republic of Moldova are as follows:

- lack of interest for work, characteristic of youth that is accustomed living on a large scale based on money transfer;

- lack of experience, specific to young graduates;
- age limit imposed by some employers;
- lack of qualification according to the requirements of the labour market;
- limited capacities of people with disabilities;
- family obligations of young mothers;
- disappearance of traditional employment areas for rural people, etc.

#### **Vulnerable groups on the labour market in the Republic of Moldova.**

The Moldovan labour market has changed dramatically during the economic transition. One of the main features was and is the reduction in the number of the employed population. Enterprises restructuring has led to job losses that have not been offset by creating new jobs. The aging process of the population has led to a decrease in the natural balance. Moldova also recorded significant emigration (including temporary emigration), which led to a labour shortage. The emigration wave continues to hide two phenomena: the departure of the young and highly skilled workers and, at the same time, the very few skilled workers who wanted to gain more abroad. These are just some characteristics of the profound changes that took place in the labour market in the Republic of Moldova.

Examining all the aspects as a whole, we have managed to delimit some of the main vulnerable groups on the labour market of the Republic of Moldova. Classified by social or individual variables, they are presented as follows [7; 8]: unemployed, a vulnerable group according to the age, a vulnerable group according to level of education, a vulnerable group according to the sex, a vulnerable group according to disability, the informal employees, and the migrants returning from abroad. By making a preliminary assessment, we distinguish the following categories of vulnerable groups on the labour market of the Republic of Moldova (table 1).

**Table 1**

**Vulnerable groups on the labour market in the Republic of Moldova**

Category name	Group of people
1. the unemployed	the unemployed, about 4.1% from active population of the RM
2. a vulnerable group according to the age	Youth aged 15-24 years and 25-34 years NEET youth People of pre-pension and retirement age
3. a vulnerable group according to level of education	People with secondary vocational education
4. a vulnerable group according to the sex	Young women aged 15-24 years
5. a vulnerable group according to disability	People with disability
6. the informal employees	People aged 35-44 years
7. the migrants returning from abroad	People aged 55+
8. other categories of people	Released from detention, Romany, etc.

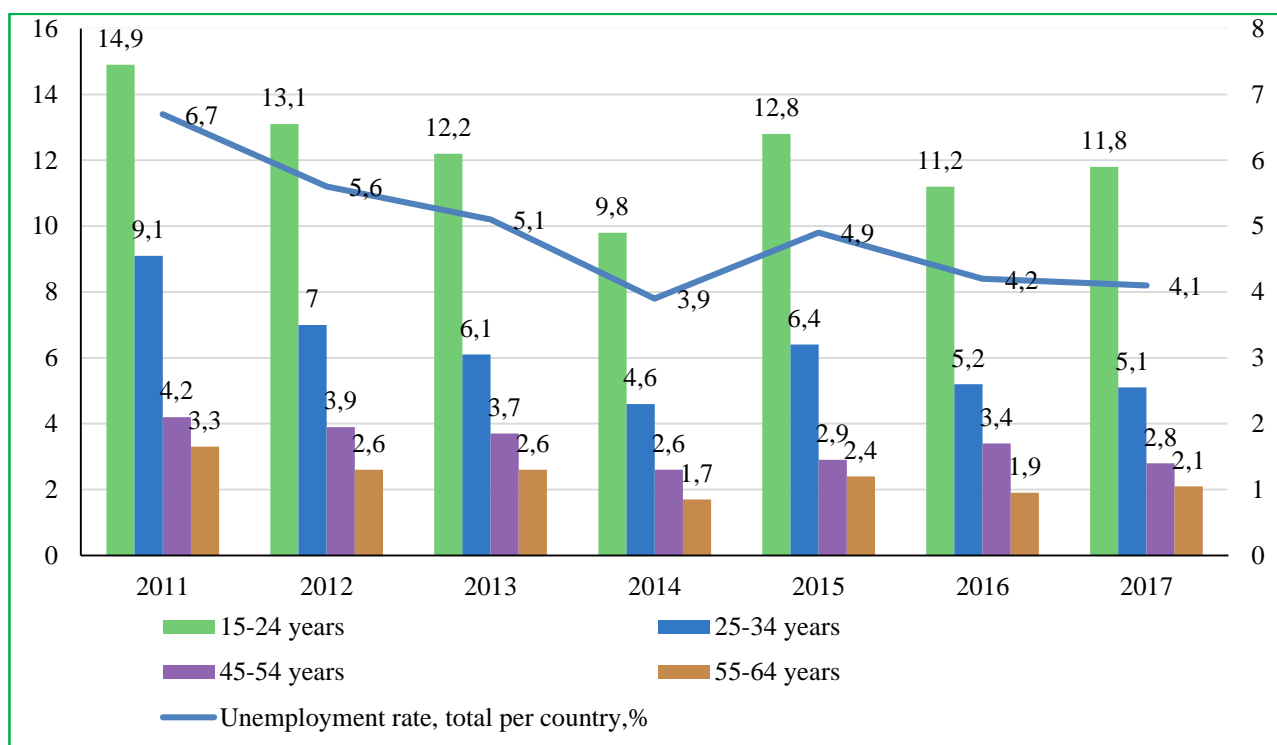
Source: *Elaborated by authors*

*Unemployed.* Most citizens get the income they need to survive by doing various forms of work. Facilitating access to employment is a decisive factor in removing vulnerability and social exclusion because the income from work accounts for almost 70% of household income. In addition, the job offers more than just an income because it integrates people into a social setting and entitles them to other rights, such as access to health and pension systems.

One of the main indicators that allow us to measure the degree of vulnerability in the labour market is the unemployment rate. The unemployment rate in the Republic of Moldova had a predominant decrease in the last six years, decreasing from 6.7% in 2011 to 4.1% in 2017 (figure 1).

The unemployment rate is also used to determine vulnerable groups on the labour market by age, sex, level of education, place of residence.

*Vulnerable group by age.* Examining the age profile of the ILO unemployed people, we note that the most vulnerable group is represented by young people aged 15-24 in 2017, the unemployment rate among them representing 11.8% of the total unemployed in the country, exceeding almost 3 times. Overall analysis over the period 2011-2017 shows a tendency to reduce the share of unemployed among young people by about 3 pp. (figure 1). The next vulnerable group represents also young people aged 25-34. However, they are less exposed to the unemployment, with the unemployment rate standing at 5.1% in 2017.

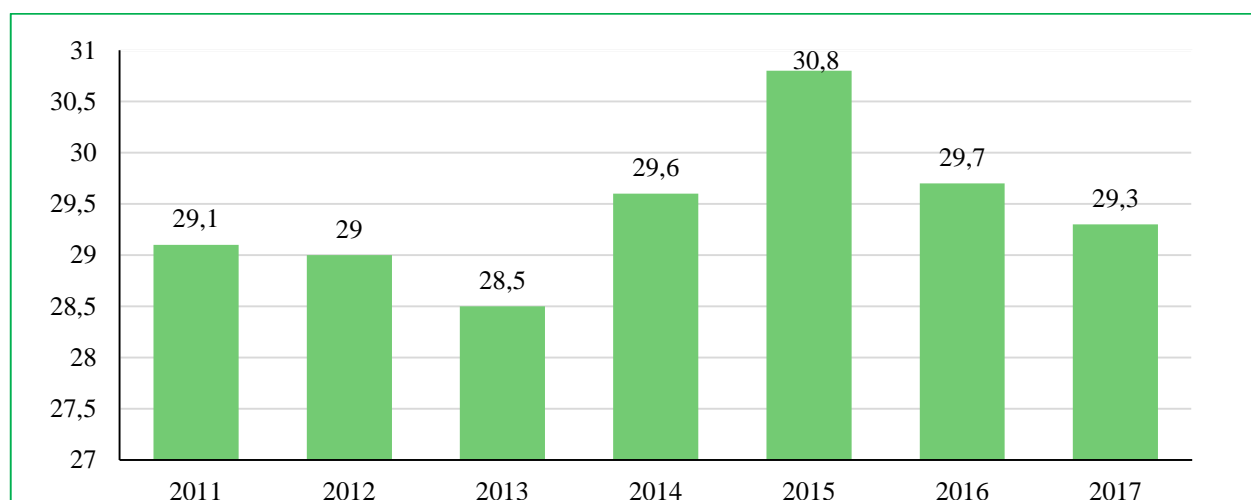


**Figure 1. Total unemployment rate and by certain age groups, %**

Source: Author calculations based on NBS data, [www.statistica.md](http://www.statistica.md)

Parallel to the existence of young unemployed in the labour market, there is another vulnerable group, as well as young people-NEET youth. NEET (Not in Education, Employment or Training) are young people aged 15-29, unemployed or economically inactive, are not involved in any form of formal or informal learning. "By its nature, the NEET indicator measures more appropriately the potential of young candidates for the labour market than the unemployment rate or youth inactivity rate. Extending the emphasis from unemployment to the concept of NEET responds to the need to consider young people who have quit or who do not want to join to the labour market. These young people are at greater risk of social exclusion because it neither develops its skills through studies nor accumulates experience by the employment" [9].

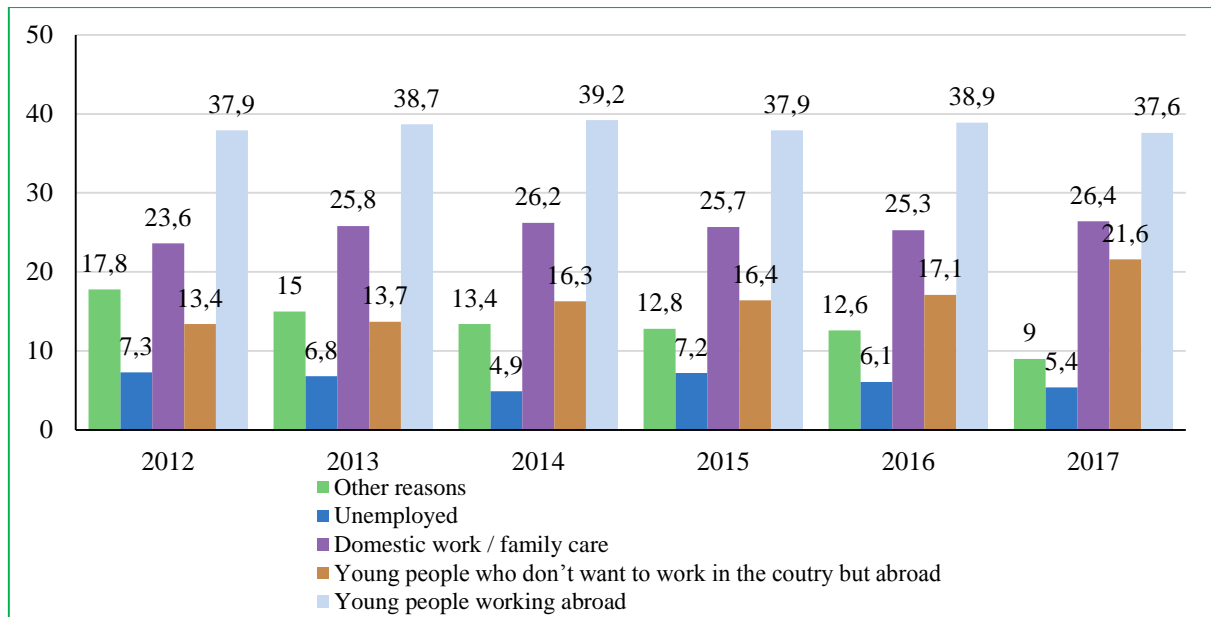
Generally, the number of young people aged 20-29 since 2011 is steadily decreasing, given that older generations were born in the second half of the 1990s of the 20th century. Despite the reduction in the number of young people, the share of young NEETs in the total number of young people remains high during the analysed period – about 29-30% (figure 2).



**Figure 2. The share of NEET youth in the total youth, %**

Source: Author calculations based on NBS data, [www.statistica.md](http://www.statistica.md)

Depending on the NEET status, young people are divided into four basic categories: unemployed; those who do not want to work because they have family responsibilities (care for family members); people who do not want to work in the country because they already have a job abroad or plan to work abroad and people who have gone abroad to work. Figure 3 shows the share of NEET young people according to these categories.



**Figure 3. NEET youth categories (24-29 years) according to the NEET status, %**

Source: Author calculations based on NBS data, [www.statistica.md](http://www.statistica.md)

We notice that in the analysed period, the share of young people who do not want to work in the country but abroad increased by 8.2 pp, from 13.4% in 2012 to 21.6% in 2017. A slight increase is also registered in the category of young people involved in housework- from 23.6% in 2012 to 26.4% in 2017.

Overall, we observe that the highest share among NEET youth categories is represented by the young people who work abroad – 37.6% in the total of NEET young people.

The sociological study regarding the NEET young people, carried out by the Demographic Research Centre, within NIER, distinguishes several factors in the NEET category: individual factors, education, socio-economic environment, institutional factors. Thus, the vulnerability of young people on the labour market is generated and conditioned by two determinants:

1) *Education* – by the high school abandonment rate, the lack of professional orientation within the school, the poor correlation of the education system with the market needs and the real demand for competences, an effective system of internship;

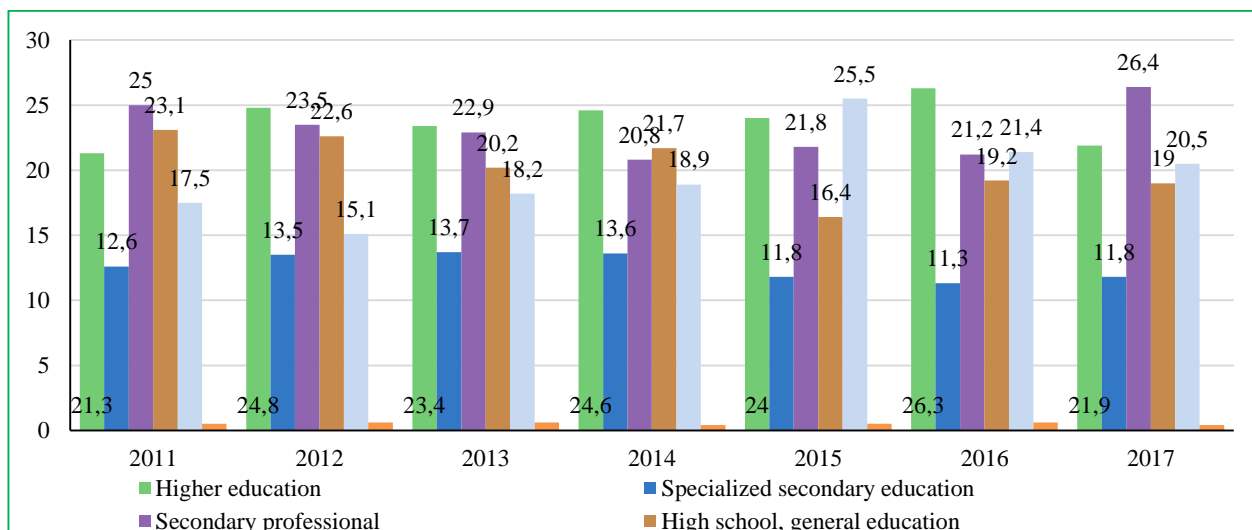
2) *Institutional factors* – characterized by a lack of a systemic and coherent approach to youth issues, lack of strategies with a final impact on young people, etc.

Another vulnerable group by age is elderly population. In the context of current demographic aging, this group of the population needs increased attention in economic and social policies. Elderly people are considered one of the main groups vulnerable to social exclusion due to their age-specificities, which influence personal autonomy in achieving, as well as the ability to obtain additional income. The vulnerability of the elderly on the labour market is associated with the fact that they are discriminated because of the age, are employed in lower-skilled jobs than real qualifications under unfavourable working conditions, in areas where other categories of people do not want to engage because of small salaries. Respectively, elderly are a category of people exposed to poverty largely than others.

*Vulnerable group by level of education.* The level of education and qualification of the active population represents an essential condition for the development of an inclusive labour market. Unfortunately, in the transition years there is an increase in early school leavers and do not have completed primary or secondary education and therefore have no access to qualifications.

By examining the structure of the unemployed according to the level of education during 2011-2017, we note the following (figure 4):

- ✓ most people with secondary vocational education are affected, the unemployment rate varies according to the year, from 20.8% in 2014 to 26.4% in 2017;
- ✓ in a relatively similar situation are unemployed persons with higher education (21.9% in 2017) and with the gymnasium (20.5% in 2017);
- ✓ in a best situation are the people with specialized secondary education who are affected by unemployment in the proportion of 11.8% (2017).



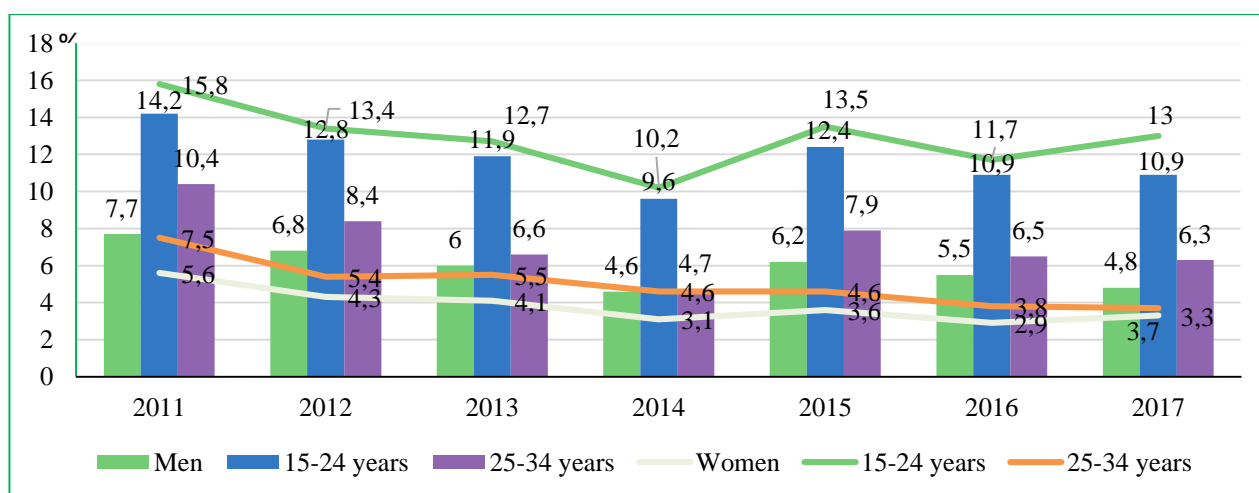
**Figure 4. Unemployment rate by the level of education**

Source: Author calculations based on NBS data, [www.statistica.md](http://www.statistica.md)

The high share of unemployed people with higher education can be explained by unattractive jobs, too low salaries, inadequate professional training to the labour market requirements.

Regarding the professional qualification and re-qualification of the unemployed and job-seekers, the problems reside both in the insufficient alignment of qualifications with the real requirements of the labour market and in the accessibility of qualification/ retraining programs for people in the poorer environments and residents from rural areas.

*Vulnerable group by sex.* In general terms, NBS statistics show that men in the Republic of Moldova have a higher unemployment rate than women - 4.8% compared to 3.3% (2017). However, studies show that women in the employment area have a number of difficulties. In particular, this trend is manifested for young women; the unemployment among those aged 15-24 is higher than the unemployment among young men. The good news is that this indicator has a downward trend of 2.8 pp from 2011 to 2017 (figure 5).



**Figure 5. The unemployment rate, year 2011-2017, by some age groups**

Source: author calculations based on NBS data, [www.statistica.md](http://www.statistica.md)

The high unemployment rate among young women aged 15-24 can be explained by the longer tuition specific to young women, the marriage at younger ages and the birth of children.

Statistics and the studies in the field reveal that although a legal framework and institutional mechanisms have been created to prevent, combat and sanction discriminatory practices, and although some progress has been made, the level of implementation is still low and the labour market is affected by the discrimination by sex.

However, the unemployment is just a way to characterize gender equality, one quite imperfect. Work conditions, income levels, access to management or decision-making jobs, employment and the share of part-time work contracts also matter. A mix related to education, cultural model, discriminatory stereotypes, and attitudes, etc., explains the variation in gender-based unemployment.

The level of occupational segregation represents another indicator that reveals the differences among women and men in the labour market. Occupational segregation by sex refers broadly to any significant differentiation between men and women regarding the occupational side within a particular field of activity.

From the literature, the European Commission Report entitled "Gender segregation in the labour market: root causes, implications and policy responses in the EU", a number of 6 key-factors considered to influence gender segregation on the labour market were retained: 1.Comparative advantages; 2.Lower investment in education; 3.Preferences and prejudices; 4.Socialization and stereotypes; 5.Entry barriers and organizational practices; 6.Different roles/ responsibilities in ensuring family income [10].

The feminisation of the tertiary sector, respectively, the higher share of women in the service sector compared to the average in the economy is most often explained by the fact that it is about careers in fields as (health, education, commerce), in which the skills of women (empathy, communication, caring for others, etc.) are best appreciated. On the other hand, it is also about the fact that in these areas you can often find more flexible working formulas, or the fact that women accept easier lower salaries than men do.

Among the arguments given by studies on masculinization of management, generally can be mentioned the following: -attitudes of women towards leadership (often women are reserved for leadership); - the lack of self-confidence of some women; - limited professional experience; - the negative influence of some aspects of the organizational environment (appreciation of typical male values (authority, orientation towards pregnancy, competitiveness) and less considered feminine (empathy, negotiation, collaboration) [11].

*Vulnerable group by disability.* Officially, people with disabilities account for almost 5% of the population, even this share is considered underestimated, the real number of this rising to over 10%. The concept of disability is based rather on the components of medical diagnosis than on the difficulty of social integration, for some severe forms of infirmity even being forbidden to access on the labour market, and for the rest creating a dependency framework. Poor access of people with disabilities to the labour market makes them vulnerable to the risks of marginalization, poverty, and exclusion.

In 2017, the employment rate of the people with disabilities was 19.7%, including 20.3% of men, 19.0% of women, 16.8% in urban area and 21.5% in the rural area.

Examining the data provided by National Employment Agency, we notice the tendency to increase the share of employees among disabled people, an increase of almost twice- from 18.3% in 2011 to 43.7% in 2017 (table 2).

**Table 2**

**Services provided to persons with disabilities by the Territorial Employment Agencies, 2012-2017**

Persons with disabilities	2011	2012	2013	2014	2015	2016	2017
Recorded as unemployed, persons	476	494	565	598	877	754	682
Employed, persons	87	102	168	220	300	336	298
Employed, % of the registered number	18.3	20.6	29.7	36.8	34.2	44.6	43.7
Beneficiaries of labour mediation services, persons	140	156	223	300	344	364	507
Graduates of vocational training courses, persons	31	29	25	65	77	83	76
Train to public works, persons	16	25	26	18	52	40	38
Beneficiaries of information and counselling services, persons	474	637	1976	585	757	692	708

Source: NAE data, [www.anofm.md](http://www.anofm.md)



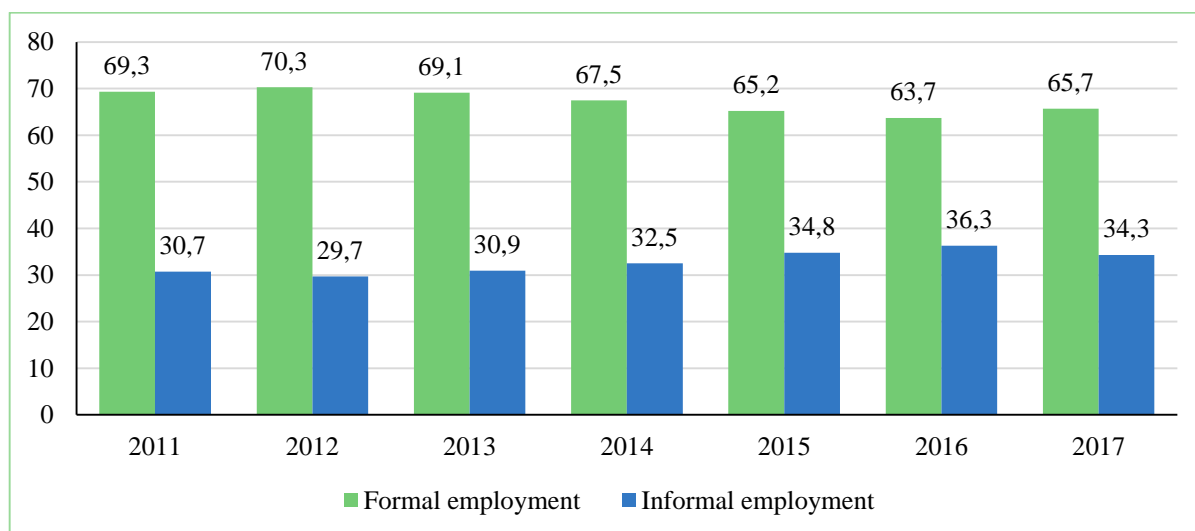
At the same time, we note that are being made efforts in the process of integration of people with disabilities through the provision of labour mediation services, organization of vocational training courses, training in public works and information and professional counselling.

*Informal employees.* The high incidence of informal employment characterized the labour market in the Republic of Moldova during the transition period. This reflects both the structure of the Moldovan economy, the high share of agriculture and seasonal activities, as well as the way the economy operates, with unattractive business conditions and limited economic opportunities and low incomes, which ultimately makes employees to accept this situation.

According to the methodology used by National Bureau of Statistics, informal employment includes five categories of people: self-employed workers working in informal sector enterprises and the employers working in informal sector enterprises; members of informal production cooperatives; family helpers employed by enterprises in the formal sector or in the informal sector; employees employed by enterprises in the formal sector, in informal sector enterprises or in private households of citizens; persons employed in the production of agricultural products in households, exclusively for their own consumption, with a working week duration of 20 hours or more.

These categories of employed people can operate in three types of units: • Enterprises of the formal sector; • Enterprises of the informal sector; • Households.

From 2011 until now, the share of the employed population in the informal sector had an upward trend, increasing by about 4 pp. (figure 6) in 2017 to 2011.



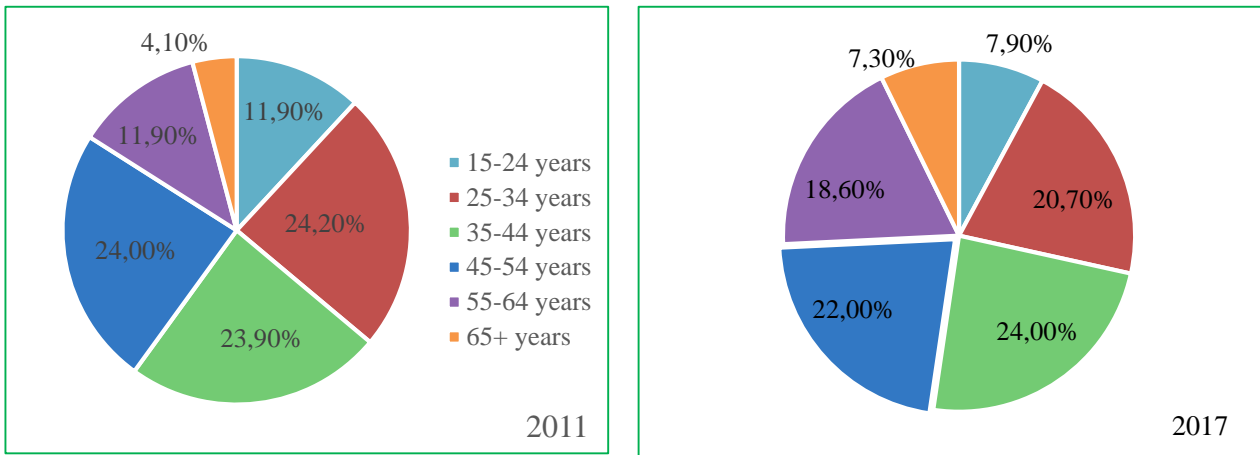
**Figure 6. Distribution of the population by sector of employment, %**

Source: author calculations based on NBS data, [www.statistica.md](http://www.statistica.md)

This was due to an increase in the number of self-employed workers, employees and unpaid family workers employed by enterprises in the informal sector. One of the many factors that have helped to increase the number of employees in the informal sector is the increase in the flow of returning emigrants that came back to carry out some economic activities as self-employed workers in unregistered enterprises in the informal sector. However, the continuous increase of the informal employment level in informal sector enterprises reveals the vulnerability of the economic structure of the Republic of Moldova and the inefficiency of the functioning of the economic system, which creates incentives for tax evasion.

Population structure by age employed in the informal sector shows for 2017 that the highest share has people aged 35-44, being practically unchanged for six years (figure 7). Thus, the phenomenon of informal employment affects most of the most productive part of society, damaging the state budget, but also the social status of the respective persons.

According to NBS data for 2017, about 61% of all the people employed in the informal sector were men and 39% women, respectively. Based on this, it is also explicable that the employment practice without the completion of individual labour contracts (based on verbal agreements) is more frequent among male employees (8.0%) than female employees (5.0%). The phenomenon is determined by the informal link and the economic sectors employing mainly men (agriculture and construction).



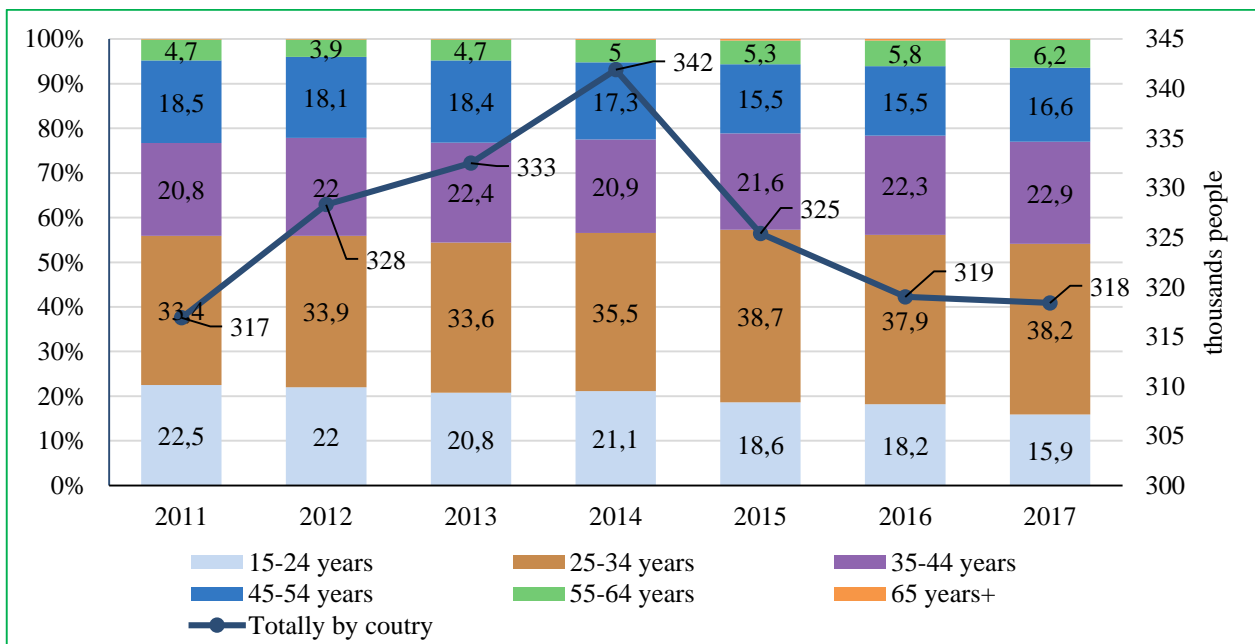
**Figure 7. Employed population in the informal sector by age group, 2011/2017**

Source: Author calculation based on NBS data, [www.statistica.md](http://www.statistica.md)

The largest share of employees working only on verbal understanding is estimated in agriculture (38.4%) and trade (16.1%). Informal employment in the agricultural sector is encouraged, especially, by the large possession of small agricultural lands. Thus, in the absence of other opportunities, the rural population processes personal lots, often exclusively for their own consumption.

*The migrants from abroad.* Against the decline in employment indicators in the Republic of Moldova, there is a significant increase in the working-age inactive population, most of whom are people who have gone abroad to work or looking for a job. At present, international labour migration is one of the most significant phenomena that characterizes the current situation on the labour market in the Republic of Moldova. Since 1998, international labour migration has intensified, so that nowadays over the country borders about one-third of the country's human potential. International migration of labour causes a double vulnerability: the vulnerability of the domestic labour market itself, which over time began to feel the shortage of labour and the vulnerability of emigrants who decided to return at home for various reasons.

In 2017, the Labour Force Survey registered about 318.4 thousand people who went abroad looking for a job, and examining its evolution over the last six years, we notice a sinusoidal trend, with ascending periods alternating with downward periods (figure 8).



**Figure 8. Age distribution and the evolution of the number of migrants, 2011-2017, %, thousands persons**

Source: Author calculations based on NBS, [www.statistica.md](http://www.statistica.md)

The distribution of international labour migration by age, sex, and level of education is relevant for research. It is noted that, as a rule, young people leave. Thus, in 2017, most people left were 25-34 years old (38%) and 35-44 years old (22.9%), the young active population who could have contributed at home to the growth of the national economy many years before (Fig.8). We note that the share of young people looking for a job since 2011 has tended to grow, especially in the age group of 25-34 years by 4.8% and in the age group of 35-44 years – less, by 2.1 pp. At the same time, we note that in 2017 compared to 2011, the migration of young people aged 15-24 decreased by 7%, which indicates that young people without work experience and without any qualifications are not welcome on the international labour market.

The sex distribution shows that emigrant men predominate, although the number of emigrant women is increasing. Regarding the distribution of the people left, according to the level of education, the majority have the secondary vocational education – 25%, gymnasium – 25,6% and lyceum – 23,6% (the calculations of the scientific researcher from Demographic Research Centre, NIER, Zaharov Svetlana). This is because that this people harder integrate into the Republic of Moldova labour market, and find a job abroad more easily because there are unskilled jobs that do not require an enormous investment in human capital. At the same time, analysing the distribution of the emigrant population according to the level of education and age groups, we notice that the fifth (20.9%) of the group of young emigrants (25-34 years) is the young people with higher education, what it is a major loss in the present and in the future for the country's economy.

Returning migrants themselves are a vulnerable group because it is harder for them to find a job and it is difficult to reintegrate into society, including in the labour market. Thus, according to the study of the International Labour Organization „Return of work migrants in the social-economic development of the Republic of Moldova”, it is noticed that migrants aged 55 years and over are more likely to return to Moldova, while young people in the age groups 15-24 and 25-34 years exhibit less of these trends. In summary, these groups are represented among those returning 36% versus 56% to the total number of people left for work purposes [12]. According to the same study, based on a sample of 1000 Moldovan citizens returning from abroad, most of the citizens, when returning home, face reintegration problems caused by difficulties in employment (73%), bringing children into educational institutions (11%), low business development opportunities (16%).

A series of solutions to the problems of migrants in the process of reintegration into the labour market was proposed by the Government of the Republic of Moldova and an Action Plan for the years 2017-2020 on the reintegration of Moldovan citizens returning from abroad [13].

**Legislative framework regarding the social inclusion of vulnerable groups in the labour market in the Republic of Moldova.** Table 3 lists the legislative acts regulating the social inclusion measures of vulnerable groups in the labour market as well as their target objectives.

Table 3

**Legislative Framework Regarding Social Inclusion of vulnerable groups on the labour market**

Normative acts that directly regulate inclusion policies of vulnerable groups on the labour market		Normative acts that indirectly regulate the inclusion policies of vulnerable groups on the labour market	
Name of the legislative act	Major goals expected	Name of the legislative act	Major goals expected
Employment strategy for 2017-2021, Government Decision No.1473 of 30.12.2016, Published: 07.04.2017 in the Official Monitor no. 109-118	Increased employment, high quality social protection, better migration management and equal opportunities for all	The Education Code and a new Framework Plan for the organization of the educational process in accordance with the new labour market requirements, approved by the Government Decision of the Republic of Moldova no. 425 from 03.07.2015 Published: 24.10.2014 in the Official Monitor no. 319-324	Better connection between supply and demand in the labour market.

Normative acts that directly regulate inclusion policies of vulnerable groups on the labour market		Normative acts that indirectly regulate the inclusion policies of vulnerable groups on the labour market	
Law no. 121 from 25.05.2012 regarding equality assurance Published: 29.05.2012 in the Official Monitor no. 103	Inclusion in the labour market of people with disabilities, Romani, migrants, etc.	Law no.166 of July 11, 2012 "For the approval of the National Development Strategy Moldova 2020". In: Official Monitor of the Republic of Moldova, 30.11.2012, no.245-247	Realizing a better correlation between labour market demand and educational supply, modernizing the vocational training system and improving the mechanisms of lifelong learning.
Law no. 60 of 30 March 2012 on the social inclusion of persons with disabilities. Published: 27.07.2012 in Official Monitor no. 155-159	Inclusion of persons with disabilities on the labour market	"Vocational/Technical Education Development Strategy for 2013-2020"	Modernizing vocational-technical education and strengthening business relations to improve the quality of vocational training and to meet labour market requirements.
Law no. 102-XV of 13 March 2003 on employment and social protection of jobseekers. Published: 15.04.2003 in the Official Monitor no. 70-72	Regulates employment	GD. no. 685 from 13 September 2012 "Development Strategy of the Small and Medium Enterprises Sector for 2012-2020", Published: 21.09.2012 in the Official Monitor no. 198-204	Improving employment policy and adapting vocational training to labour market requirements
		Law no. 180 on the migration of the labour force from 10.07.2008, Published: 29.08.2008 in the Official Monitor no. 162-164	Measures for reintegration of persons returned from abroad on the labour market

Source: Made by authors, State Register of Legal Acts of the Republic of Moldova, <http://lex.justice.md/>

Although on the background of creating and updating the legislative framework on increasing the social inclusion of vulnerable groups, some socio-economic policies and job placements are often insufficient or adapted to the needs of these groups, with no concrete mechanisms to implement the provisions legislative, as well as the cases of ignorance or non-fulfilment of the legal framework by employers.

**Conclusions.** The transition to the market economy, the long-term processes of structural and economic reforms, economic instability, external and internal economic and financial crises, migration flows and the demographic aging of the population, all have a negative impact on the labour market situation. Against the backdrop of downward trends in occupational indicators, fluctuations in the structure of the employed population are maintained, especially by age, sex, place of residence, level of education, as well as the forms and status of the economic agencies in where are employed the people able to work. The existing imperfect legislative and regulatory framework contributes to some difficulties in the employment process, the regime and working conditions, access to vocational training, informal work, etc. In particular, this refers to young people resulting in the highest level of unemployment and NEET rate, women, the elderly and disabled, whose exclusion from the labour market as well as from the education or training system contributes to increased risk to both social exclusion and increased probability of being hired back. At the same time, the lack of jobs in the rural area and the insufficient salary system, the lower salaries compared to those from neighbouring countries, are the main reason for going abroad looking for a job or work, and the migrants who are back, also have difficulty of employment and business development opportunities. Thus, the vulnerability of employment is a major phenomenon and problem that persists in the Republic of Moldova, being a kind of challenge to the promotion of relevant socio-economic and demographic policies, preventing any forms of discrimination on the labour market [14].

In this context, some recommendations are proposed:

1. development and implementation of employment policies based on international standards, including the requirements of ILO Convention No.122 of 9 July 1964 on Employment Policy and the Convention No 111 of 25 June 1958 on Discrimination in Employment and the Practice of profession, etc.;
2. promoting accessibility to professional training, qualification or retraining in various professions, trades, etc.;
3. application of different forms of flexible working arrangements and healthy working conditions for people with disabilities and the elderly, women who care for pre-school children and other categories of people sensitive to labour market requirements;
4. promoting tax incentives (lowering the amount of tax over a certain period, paying for food, transport, rent, etc.) for entrepreneurs who start business in rural areas and create jobs for young people, the disabled and the elderly;
5. conducting research on formal and informal qualifications acquired by migrant workers abroad to develop a guide for their recognition in the Republic of Moldova, including the organization of vocational training according to the needs of returning migrants for their integration into the labour market;
6. ongoing reformation of the salary system and social guarantees, regarding the requirements of the ILO Convention no. 100 of 29 June 1951 on equal remuneration of male and female workers, of equal value, to ILO Convention no. 102 of 4 June 1952 on minimum social security standards, the ILO Convention no.131 of 22 June 1970 on establishing the minimum salary with special reference to developing countries etc.;
7. continuous promotion of the principle of lifelong education and training, correlation of national and international curricula, in view of increasing educational performance, training of specialists according to the labour market requirements, taking into account the prognosis of labour supply and demand developed by the Labour Market Observatory (by occupations, specialties, branches, regions) [15].

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