

**Decent Work
Country Profile
Moldova**

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Preface

Decent work is central to efforts to reduce poverty and is a means for achieving equitable, inclusive and sustainable development. It involves opportunities for work that is productive and delivers a fair income, provides security in the workplace and social protection that are in line with the country's development objectives.

Monitoring and assessing progress towards decent work at the country level is a longstanding concern for the International Labour Organization (ILO) and its constituents. In September 2008 the ILO convened an international Tripartite Meeting of Experts (TME) on the Measurement of Decent Work, as a result of which it adopted a framework of Decent Work Indicators that was presented to the 18th International Conference of Labour Statisticians in December 2008. The Governing Body endorsed the proposal to test the framework in a number of countries by developing Decent Work Country Profiles.

The Decent Work Country Profiles cover ten substantive elements corresponding to the four

strategic pillars of the Decent Work Agenda (full and productive employment, rights at work, social protection and the promotion of social dialogue). The ten substantive areas covered are: employment opportunities; adequate earnings and productive work; decent hours; combining work, family and personal life; work that should be abolished; stability and security of work; equal opportunity and treatment in employment; safe work environment; social security; and, social dialogue, employers' and workers' representation. In order to fully capture the four dimensions of decent work, the profiles contain information on rights at work and the legal framework for decent work as well as statistical Decent Work Indicators.

This Decent Work Profile of the Republic of Moldova aims to provide information on all elements of decent work over the last ten years. This information can serve as a basis for policy making moving forward, in the development of Decent Work Country Programmes and the development of social dialogue.

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List of abbreviations

AFM	Labour Force Survey
BASS	Budget of Public Social Security
CAEM	Classification of Activities of Economy of Moldova
CEMV	Vitality Medical Expertise Council
CBGC	Household Budget Survey
CNAS	National House for Social Insurance
CNPM	National Confederation of Employers' Organizations of Moldova
CNSM	National Confederation of Trade Unions of Moldova
CORM	Classification of employment of Moldova in line with ISCO-88
CPI	Consumer Price index
CU	Conventional Units
EUROSTAT	Statistics Office of European Commission
GDP	Gross Domestic Product
ICLS	International Conference of Labour Statisticians
ICMPD	International Centre for Migration Policy Development
ICSE	International Classification by Status in Employment
ILO	International Labour Organization
ILO IPEC	International Programme on the Elimination of Child Labour (ILO)
IOM	International Organization for Migration
ISCED	International Standard Classification of Education
MMPSF	Ministry of Labour, Social Protection and Family
NBS	National Bureau of Statistics
OSH	Occupational Safety and Health
SAP-FL	Special Action Programme to Combat Forced Labour (ILO)
SIMPOC	Statistical Information and Monitoring Programme on Child Labour within IPEC
SNA	System of National Accounts

1 Economic and social context for decent work

Moldova is a middle income country with a resident population of 3.56 million. The country is undergoing significant demographic change involving population ageing and decline. Between 1998 and 2013 it decreased by over 96,000 people (-2.6 per cent). The largest decrease has been among the 0-14 years age group, whose size has fallen by one fifth, while at the same time, the population aged over working age (57 for women and 62 for men) has grown by 12 per cent, while the number of people of working age (15-56/61 years old) fell by 3 per cent, reaching 2.4 million in 2012.¹

Migration continues to be an important factor in the demographic development of the country. A steady flow of emigration is causing constant population decrease, while men and women of fertile age leaving the country for employment has compounded this effect by contributing to a declining birth rate.

Job creation has lagged and the economically active population has declined rapidly over the last decade. In 2012 the employed population came to 1.15 million people, representing a 15.5 percentage point decline from its 2003 level.

Some 54 per cent of the labour force are engaged in services, 25 per cent in agriculture, 13 per cent in the industrial sector and 6 per cent in construction. At the same time, in agriculture, 63 per cent work in their own subsidiary plot, and of those, 60 per cent are engaged in the production of agricultural goods exclusively for own consumption by their households.

The structure of economic activities within Moldova has changed over time. The share of the working population engaged in construction and services has increased. The number of people

employed in construction grew by 30 per cent and in services by 12 per cent. However the number of people working in services has increased by some 67,000². Between 2003 and 2012, employment in agriculture more than halved, with a simultaneous fall of the share of the agricultural sector in total employment, from 43 per cent in 2003 to 26 per cent in 2012. In the industrial sector, changes have been slower, the level of occupation decreasing by 8 per cent since 2003.

Men and women currently have almost even levels of economic participation at 49.7 per cent for women and 50.3 per cent for men in 2012. Men have typically had slightly higher participation levels and the shrinking gap has occurred as male participation rates have fallen more quickly than women's over the last decade. The share of women employed in the agricultural sector has fallen from 49.7 per cent in 2003 to 43.7 per cent in 2012. Traditionally women are more frequently employed in services (some 60 per cent) than men and less frequently in the industrial sector (44 per cent) and construction (9 per cent). Women are more predominant in hotels and restaurants where they make up 73.7 per cent of the workforce, education (81.5 per cent), healthcare (81.3 per cent) and commerce (56.6 per cent).

The population's education level is one of the factors that determine the entry into the labour market and the overall welfare of the population. The literacy rate of the population aged 15 and over is very high (99 per cent). The share of children that are engaged in compulsory education has been relatively constant; for the past five years, 6 per cent of children aged 7-10 are out of the primary education system, and 13 per cent of children are not enrolled in lower secondary education. These relatively high figures of children out of education are

1 Under national legislation, the legal working age for women is 16-56 years and 16-61 years for men. With parental consent, individuals may start work at 15 years old.

2 <http://statbank.statistica.md/pxweb/Database/EN/03%20MUN/MUN02/MUN02.asp>

partially a result of data on migration not being fully integrated into education data, meaning that children who may have left the country with their family are incorrectly registered as not enrolled in school. Among those aged 20 and over, three out of four individuals have completed lower secondary education. This indicator has grown from 72 per cent in 2003 to 75 per cent in 2012. This change was mainly the result of an increase in the proportion of women graduating, from 68 per cent in 2003 to 73 per cent in 2012. Among men, graduation rates have remained stable at between 76 and 77 per cent.

In the late 1990s, the economy of Moldova contracted, with slow or negative GDP growth³. The 2000s brought increasingly fast economic growth, averaging some 6 per cent a year between 2000 and 2009. However, the global financial and economic crisis led GDP to contract by 6 per cent in 2009. Recovery was strong, registering 7.1 per cent growth in 2010 and 6.8 per cent in 2011. In 2012, however, GDP was negative at minus 0.7 per cent due to a significant decrease in the agricultural production in GDP.

Agriculture contributes strongly to GDP in the observed period, making up 11.2 per cent of national output in 2012, according to the National Bureau of Statistics⁴. Consequently erratic performance in agriculture's contribution to the economy has a strong impact on GDP. Agriculture makes the largest contribution to gross value added (that is, the new value created between the production of goods and services and their consumption)⁵ at 13.4 per cent in 2012, although this has fallen from 33 per cent in 1995 and 29 per cent in 2000. The contributions of manufacturing (13.6 per cent in 2012) has also declined. At the same time, there has been an increase in the overall contributions made by transport and communications (up from 10.9 per cent in 2000 to 12.8 per cent in 2012), wholesale and retail trade (from 14.3 to 16.4 per cent) and real estate activities (3.0 per cent to 6.4 per cent)⁶.

Between 2003 and 2008 the total consumption

3 NBS: <http://statbank.statistica.md/pxweb/Database/RO/databa-setree.asp>

4 <http://statbank.statistica.md/pxweb/Database/EN/13%20CNT/CNT01/CNT01.asp>

5 The full definition of GVA can be found in Annex 1.

6 NBS: <http://statbank.statistica.md/pxweb/Database/EN/databa-setree.asp> (Table: Contribution of economic activities in the formation of Gross Value Added, 1995-2012).

grew by 58.8 per cent, recording an annual average growth of 8.0 per cent. The effects of the economic crisis took a toll on the total consumption, which fell by 6.9 per cent in 2009. Between 2010 and 2011 growth resumed at 7.3 per cent each year; 2012 saw decline in the rate of growth to 0.9 per cent. The total consumption makes up an important share of the GDP – from 110.3 per cent in 2003 to 116.8 per cent in 2012⁷. This is due, especially, to the share of the final household consumption, which grew from 89.5 per cent of GDP in 2003 to 94.8 per cent in 2012. Between 2003 and 2012 the export and import of goods and services recorded growth, except in 2009, when the export of goods and services fell by 12.1 per cent and the import of goods and services by 23.6 per cent.

Remittances from Moldovan emigrants also contributed strongly to GDP, ranging from the peak in 2006, where remittances accounted for 34.5 per cent of GDP, to a low point in 2009 where they made up 22.5 per cent of GDP⁸.

Looking at factors relating to the distribution of economic growth and quality of life of people in Moldova, the GDP per capita⁹ based on purchasing power parity (PPP) grew from US\$ 2,765 in 2003 to US\$ 3,382. Labour productivity, measured as GDP per employed person, has increased steadily since the 2000s however this was influenced by the growth in the GDP and by the constant decline in employment. Since the beginning of the 2000s, labour productivity has recorded positive growth every year except 2009 during the global financial crisis.

Between 2003 and 2012 the share of national income represented by wages, salaries and benefits – the labour share in GDP – remained steady at around 43 per cent¹⁰. The Consumer Price Index (CPI) has been high over the decade, starting from a high of 23 per cent in 2000, inflation fluctuated between 5 and 13 per cent a year; in 2009 there was

7 The significant share of final consumption in GDP, ranging from 110.3 per cent in 2003 to 116.8 per cent in 2012, represents the result of significant negative balance of import and export of goods and services. NBS: <http://www.statistica.md/category.php?l=ro&idc=191&> Table 1. Resources and elements of Final Consumption of Gross Domestic Product in 2012, final data

8 NBS: SNA, macroeconomic estimates.

9 NBS: <http://www.statistica.md/category.php?l=en&idc=191> , Table 7. Main macroeconomic indicators of system of national account (1995-2012).

10 NBS: <http://statbank.statistica.md/pxweb/Database/EN/13%20CNT/CNT04/CNT04.asp>

no inflation, followed by an increase to between 4 and 7 per cent in the following years. Between 2003 and 2005 the CPI growth was mainly influenced by a rise in food prices, which also increased more rapidly than the average CPI in 2008 and 2011. Since 2006, the rise in prices of services has strongly impacted on the CPI, constantly recording higher increases than other CPI components¹¹.

The proportion of people living below the national poverty level has decreased from 30 per cent in 2006 to under 17 per cent in 2012 (see Table 1). Income from salaries and social payments, especially the average pension, have increased, contributing to the fall in poverty; however, the importance of remittances from migrants must not be underestimated. On average, one in four households benefits from remittances from outside the country, which are usually used for household consumption¹².

The rural-urban poverty divide remains strong, and poverty has declined more rapidly in urban areas.

Consequently, poverty in urban areas now stands at 8.2 per cent, compared to 22.8 per cent in rural areas (see Table 1). The education level of the head of household also has an impact on poverty: the more education the main earner has, the lower the chance of living in poverty. Thus, each additional level of educational attainment translates into a decrease in the risk of poverty, from 2.2 per cent for households where the head has university education up to 30.1 per cent where the head of household does not have secondary education and 34.3 per cent where head does not have any education¹³.

Poverty reduction is not necessarily accompanied by an improvement in equality between various population groups. Although the gap between the welfare of the rich and the poor has decreased gradually over the past years, in 2012 the Gini index stands at 3.3 and the income of richest population is 10 times higher than income of poorest group of population (see Table 1).

Table 1. Economic and social context for decent work

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
GDP per capita, PPP¹⁴ (\$US)	2 765	2 028	2 362	2 563	2 723	3 007	2 830	3 067	3 347	3 382
GDP per capita, PPP, % compared to previous year	109.2	73.4	116.4	108.5	106.2	110.4	94.1	108.4	109.1	101.1
GDP per capita growth (annual %)	6.9	7.6	7.8	5.1	3.2	8.0	-5.9	7.2	6.9	-0.7
Inflation rate in % compared to the previous year's average	111.6	112.4	111.9	112.7	112.3	112.7	100.0	107.4	107.6	104.4
Employment by branch of economic activity, thousands of people, (distribution - in % to the total)	1 357	1 316	1 318	1 257	1 247	1 251	1 184	1 143	1 174	1 147
Agriculture	43.0	40.5	40.7	33.6	32.8	31.1	28.2	27.5	27.5	26.4
Industry	12.1	12.3	12.1	12.8	12.7	13.1	13.1	12.8	13.1	13.2
Constructions	3.9	4.0	3.9	5.4	6.1	6.6	6.2	5.9	5.7	6.1
Services	41.0	43.3	43.3	48.2	48.5	49.3	52.5	53.8	53.7	54.3
Female share of employment by industry, %										
Total economy	51.2	52	52.2	50	50.2	49.7	49.5	49.9	49.5	49.7
Agriculture	49.7	51.5	51.7	47.5	46.0	45.5	43.7	44.4	43.4	43.7
Industry	46.1	45.5	45.8	44.3	44.5	45.8	44.5	44.2	43.0	44.2
Constructions	13.5	11.3	12.0	9.5	9.4	11.5	11.9	8.9	8.4	8.8
Services	58.0	58.1	58.2	57.7	59.5	58.6	58.3	58.5	58.5	58.7
Labour productivity¹⁵ (GDP per employed person), lei, comparable prices	17 730	22 532	26 113	31 380	36 960	46 055	49 945	56 600	65 432	71 281

11 NBS: <http://statbank.statistica.md/pxweb/Database/EN/05%20PRE/PRE01/serii%20anuale/serii%20anuale.asp>

12 NBS: calculation based on Household Budget Survey

13 <http://www.mec.gov.md/saracia-si-impactul-politicilor/>

14 GDP per capita by purchasing power parity enables international comparability. NBS: <http://www.statistica.md/category.php?l=en&idc=191>, Table 7. Main macroeconomic indicators of system of national account (1995-2012).

Labour productivity (GDP per employed person), as percentage to the previous year, change (+/-)	18.3	10.7	7.3	9.9	3.8	7.5	-0.7	10.9	4.1	1.6
Labour share of GDP, %	41.9	41.8	41.9	42.4	41.6	44.2	48.3	43.7	42.4	45.0
Income inequality (decile ratio P90/P10 income)	16.1	17.6	20.7	13.2	12.7	12.2	12.7	10.9	10.5	9.2
Poverty rate, %										
Total	...	...	...	30.2	25.8	26.4	26.3	21.9	17.5	16.6
Urban	...	...	...	24.8	18.4	15.2	12.6	10.4	7.4	8.2
Rural	...	...	...	34.1	31.3	34.6	36.3	30.3	25.0	22.8
Poverty gap										
Total	...	...	...	7.9	5.9	6.4	5.9	4.5	3.2	2.9
Urban	...	...	...	6.6	3.6	3.3	2.8	1.8	1.1	1.3
Rural	...	...	...	8.8	7.6	8.7	8.2	6.5	4.8	4.1
Literacy rate for adults (aged 15 and over)										
Total	98.1	98.4	98.5	98.4	98.6	98.9	99.1	99.0	99.0	99.1
Men	99.0	99.1	99.2	99.2	99.2	99.3	99.4	99.4	99.4	99.4
Women	97.2	97.7	98.0	97.8	98.1	98.6	98.8	98.7	98.7	98.9
Graduation rate from secondary education, % of population aged 20 and over*										
Total	71.8	72.8	72.6	73.6	73.5	74.8	75.5	74.6	74.6	74.8
Men	76.2	76.5	76	76.7	76.2	77.4	77.7	76.6	76.4	76.6
Women	68	69.6	69.6	71	71.2	72.4	73.6	72.7	73.0	73.2
Children not in primary education (ISCED-1), %										
Total	0.2	2.1	3.3	5.6	6.0	6.4	6.5	6.4	6.2	6.2
Male	-0.1	1.4	2.8	4.8	5.0	5.6	6.3	6	6.1	6.3
Female	0.4	2.8	3.9	6.4	7.0	7.3	6.7	6.8	6.3	6.2
Children not in secondary education (ISCED-2), %										
Total	7.8	7.5	7.0	9.5	9.9	10.7	11.2	11.9	12.5	13.3
Male	8.5	7.5	7.5	9.1	9.7	10.2	10.5	11.6	12.0	12.9
Female	7.1	7.5	6.6	9.9	10.2	11.2	11.8	12.2	13.0	13.8
HIV-positive population of legal working age, %	0.007	0.009	0.012	0.014	0.016	0.018	0.018	0.018	0.019	0.019

Sources:

1. World Bank: *World Development Indicators*
2. National Bureau of Statistics

Notes

* Population aged 20 and over who graduated from at least secondary education.

Legal Framework Indicator 1. Labour administration

Law, policy and institutions: The Labour Administration in the Republic of Moldova is implemented through a comprehensive normative framework, which includes:

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Contravention Code No. 218-XVI of 24 October 2008
- The Criminal Code No. 985-XV of 18 April 2002
- The Law on Labour Inspection No. 140-XV of 10 May 2001
- The Law on Employment and job seekers' social protection No. 102-XV of 13 March 2003
- The Law on Occupational safety and health No. 186-XVI of 10 July 2008
- The Law on Labour migration No. 180-XVI of 10 July 2008
- The Law on Remuneration No. 847-XV of 14 February 2002
- The Law on Official statistics No. 412-XV of 9 December 2004
- The Law on Insurance against occupational accidents and diseases No. 756-XIV of 24 December 1999
- The Law on Unions No. 1129-XIV of 7 July 2000
- The Law on Employers' associations No. 976-XIV of 1 May 2000
- The Law on the organising and functioning of the National Commission for Collective Consultation and Bargaining and commissions for consultation and bargaining at branch and territorial level No. 245 of 21 July 2006
- Collective labour contracts and collective conventions

The Ministry of Labour, Social Protection and Family elaborates, promotes and ensures implementation of State policy on employment; the Labour Inspectorate monitors and enforces adherence to labour legislation; the National Employment Agency promotes the policies, strategies and programmes on labour market development and job seekers social protection and the National Statistics Office draws up policies in the statistics field to collect and provide quality and timely information on the social and economic situation of the country.

The National Commission for Collective Consultations and Bargaining brings together the Government, employers' and workers' organizations to promote strong labour and social-economic relations; is a forum for collective bargaining, and elaborates and promotes conclusion of collective conventions.

The National Commission for Collective Consultation and Bargaining. This is a tripartite body, set up to facilitate tripartite consultations between social partners in problems in the fields of labour and social-economic issues of national interest; promote social partnership at national level; maintain social cohesion, peace and stability; support the participation of civil society in the promotion of national policies and establish national social-economic and labour regulations. The National Commission has a consultative role in the elaboration of social-economic strategies and policies, in the reconciliation of national, territorial or branch level conflict situations between social partners.

Commissions for Collective Consultations and Bargaining at branch and territorial levels harmonize the interests of the ministries, other central administration authorities, local public administration authorities, employers' and workers' organizations in development of the regulatory basis for labour and social-economic relations at branch and territorial levels; conduct collective bargaining, elaborate and promote collective conventions at branch and territorial levels, contribute to their conclusion and monitor the enforcement process.

On the basis of article 20 of the Constitution and according to the provisions of Title XII of the Labour Code, any person who considers himself harmed in one of his occupational rights may turn to the court, asking to be reinstated in the infringed right.

According to article 353 of the Labour Code, employees or their representatives who turn to courts with requests for settling litigations or conflicts which arise from the relationships stated at article 348 from the Labour Code (including to challenge court decisions and rulings regarding the named litigations and conflicts) will not pay the legal costs (state tax and the costs related to judgements).

Ratification of ILO Conventions

The Labour Administration Convention, 1978 (No. 150) was ratified in 2006; the Labour Inspection Convention, 1947 (No. 81) was ratified in 1996.

Sources:

National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
 NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p-1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

The economic and social context for decent work in the Republic of Moldova has made a number of positive steps; strong economic growth and increases in per capita GDP have been combined with poverty reduction and a decline in income inequality. Issues concerning demographic change and low labour force participation

nonetheless remain a challenge to decent work.

The labour administration system is strong, consisting of both a comprehensive legal framework and an institutional framework which is well structured to ensure decent work.

2 Employment opportunities

Promoting job creation and access to jobs and protection against unemployment is an integral part of decent work. As in other transition economies, Moldova has experienced difficulties in creating jobs. Employment is low and the levels of out migration are high. As such the employment to population ratio of 15–64 year olds has fallen over the last ten years from 52.3 per cent in 2003 to 42.7 per cent in 2012 (see Table 2). Men have higher employment rates than women, although the gap remains small at between 1 and 3 per cent. Under Moldovan law, working age is classified as 16–56 years for women and 16–61 for men, within these age groups, the employment to population ratio is slightly higher at 45 per cent. Youth employment is very low, with a ratio of just 26.7 per cent among 15–29 year olds in 2012 and 17.6 per cent among 15–24 year olds. The gender gap in employment for youth (15–24 years) is much higher than the average (between 1.7 and 4.8 per cent), registering 3.8 per cent in 2012.¹⁶

Concerning the distribution of employed persons by status in employment, 71 per cent are employees, and their share in the employment structure has increased by 6 percent since 2003. Women tend to work more as employees than men (75 per cent compared to 67 per cent in 2012), a trend that become increasingly pronounced over the last decade. On the other hand, self employment is more common among men (33 per cent) than women (25 per cent). Among the self-employed, the overwhelming majority are own-account workers (some 90 per cent), followed by contributing family workers (some 7–8 per cent). Men are predominant among own-account workers, making up over 50 per cent of the group, while women are predominant among the contributing family workers (around 70 per cent).

Informal employment remains high at almost 30 per cent, a phenomenon which dates back to the early transition period and which reflects the significant role of agriculture and seasonal activities in the economy. According to national definitions, a person is considered to be engaged in informal employment when he/she does not receive social protection and benefits from workplace rights proscribed under labour legislation. The share of informal employment has decreased from 38 per cent in 2003 to 30 per cent in 2012, involving a decrease by one third in the absolute number of persons. Men make up most of those in informal employment (56 per cent) and most of these jobs are found in rural areas (78 per cent). The number of women employed in informal jobs has fallen by 43 per cent since 2003, and the number of men by 25 per cent. Most informal jobs are in agriculture, hunting and fish farming (some two thirds), followed by construction (12.6 per cent) and wholesale and retail trade, hotels and restaurants (12 per cent). This type of employment has been prevalent along the years in agricultural activities, where three out of four workers have informal jobs, and in construction, which account for three out of five workers. The share of informal employment in trade, hotels/restaurants activities has decreased from 50 per cent in 2003 to 20 per cent in 2012 and from 22.9 per cent to 12.5 per cent in transport¹⁷.

While employment has declined over the last decade, unemployment has remained relatively stable, even declining slightly overall, from 7.9 per cent in 2003 to 5.6 per cent in 2012. More men are unemployed than women, and more people in urban areas than rural. However the gap has narrowed slightly in both cases since 2003.

In 2012, the highest unemployment rate (of 6.6 per cent) was registered among those with general secondary education, which make up 22.6 per cent of the total unemployed (see Table 2). The rate of 5.8

¹⁶ The employment to population ratio captured by the National Bureau of statistics measures the ratio of people aged 15–64. Consequently rates are higher than in other data sources including the ILO's KILM and World Bank's WDI (see Table 2).

¹⁷ <http://statbank.statistica.md/pxweb/Database/EN/database-tree.asp> (labour force/Informal sector)

per cent is among persons with secondary vocational education, accounting for 23.5 per cent of total unemployment. Finally, people with higher education make up 23.5 per cent of total unemployment with an unemployment rate of 5.4 per cent.

Young people (aged 15-24) make up a quarter of the unemployed¹⁸ and youth unemployment is high

at 13.1 per cent in 2012. At the same time, in 2012 over a quarter of young people (29.7 per cent) are not in education and not in employment,¹⁹ statistics has not changed since 2003. Among these young people, 43.4 per cent are youth who migrated abroad to work or search for a job and other 20 per cent are people with family responsibilities.

Table 2. Employment opportunities

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Employment to population ratio, 15-64 years, %										
Total	52.3	50.2	49.7	47.1	47.1	47.3	44.5	43.0	43.8	42.7
Male	52.8	49.8	49.1	48.6	48.1	48.7	46.0	44.2	45.3	43.7
Female	51.8	50.5	50.4	45.7	46.2	46.0	43.1	41.8	42.3	41.7
Unemployment rate, 15 years and above, %										
Total	7.9	8.1	7.3	7.4	5.1	4.0	6.4	7.4	6.7	5.6
Male	11.6	13.4	11.8	15	6.8	6.5	9.6	11.9	7.9	6.8
Female	7.9	9.2	7.4	10.7	4.5	4.5	5.7	6.1	5.7	4.3
Youth not in education and not in employment, 15-24 years, %										
Total	26.9	28.2	28.0	27.7	26.7	25.3	27.7	28.2	29.2	29.4
Male	30.6	31.4	31.5	30.4	30.4	28.6	31.0	32.2	32.0	32.4
Female	23.0	25.0	24.4	25.0	22.9	22.0	24.2	23.9	26.2	26.1
Informal employment (in total employment), %										
Total	38.0	34.6	33.4	35.1	33.6	31.1	30.0	30.9	30.7	29.7
Male	38.4	34.2	33.0	35.6	35.4	32.8	33.0	34.2	33.5	33.1
Female	37.7	35.0	33.8	34.7	31.9	29.5	27.0	27.7	27.9	26.3
Labour force participation rate, 15-64 years, %										
Total	57.0	54.8	53.8	50.9	49.7	49.4	47.6	46.5	47.0	45.3
Male	58.6	55.6	54.0	53.5	51.5	51.2	50.0	48.8	49.2	47.0
Female	55.5	54.1	53.7	48.5	48.1	47.7	45.3	44.4	44.9	43.6
Youth unemployment rate, 15-24 years, %										
Total	18.1	19.7	18.7	17.1	14.4	11.2	15.4	17.8	14.9	13.1
Male	19	21.5	19.1	18	14.9	10.2	15.8	20	14.2	12.8
Female	17.1	17.6	18.3	15.9	13.8	12.4	15	15	14.2	13.4
Unemployment by level of education, %										
<i>Total</i>	7.9	8.1	7.3	7.4	5.1	4	6.4	7.4	6.7	5.6
No education or primary school	4	0	0	0	0	0	3.3	2.4	5.4	4.5
Gymnasium (lower secondary)	7.4	7.9	7.1	9	6	3.7	7.3	8.6	7.2	5.3
General secondary education	7.7	8.6	8	8.7	5.6	3.7	6.2	8.5	7.7	6.6

18 NBS, AFM

19 NBS, AFM

Secondary vocational	9.5	9.5	8.7	7.9	5.1	4.3	7.1	7.6	7.2	5.8
Specialised secondary	8.9	9	7.5	6.9	3.9	3.3	5.7	6.3	5.2	4.7
Higher education	5.8	5.7	5	4.9	4.8	4.6	5.7	6.5	6.0	5.4
Male	9.6	10	8.7	8.9	6.3	4.6	7.8	9.1	7.7	6.8
No education or primary school	8.4	0	0	0	0	0	5.1	1.5	5.2	7.6
Gymnasium (lower secondary)	9	9.6	8.8	10.9	7.4	4.9	9.1	11.3	8.7	6.7
General secondary education	9.3	10.5	9.9	10.6	6.8	4.8	8.2	11.1	8.9	8.2
Secondary vocational	10.6	11.1	9.3	8.7	5.6	4.5	7.7	7.8	7.8	6.4
Specialised secondary	11.5	11.9	9.2	9.6	5.8	4.4	8.1	9.9	6.8	6.3
Higher education	6.5	6.7	5.7	5.6	6.2	4.5	6.6	7.2	6.5	6.6
Female	6.4	6.3	6	5.7	3.9	3.4	4.9	5.7	5.6	4.3
No education or primary school	0	0	0	0	0	0	-	3.9	5.6	0.0
Gymnasium(lower secondary)	6	6.2	5.5	7	4.6	2.5	5.2	5.5	5.5	3.8
General secondary education	6.4	7	6.5	6.9	4.6	2.7	4.5	6.1	6.7	5.1
Secondary vocational	7.8	7.2	7.7	6.4	4.2	4.1	5.9	7.3	5.9	4.4
Specialised secondary	7	7	6.3	5	2.8	2.6	4.3	4	4.2	3.8
Higher education	5.2	4.8	4.5	4.2	3.7	4.8	4.9	5.9	5.6	4.3
Employment by status in employment (as share in the total employment), %										
Employees										
Total	64.0	63.9	63.0	67.0	66.7	68.0	70.6	70.7	70.6	70.8
Male	62.9	63.2	61.8	65.2	63.7	65.0	66.7	66.2	66.3	66.6
Female	65.0	64.6	64.1	68.8	69.7	71.0	74.7	75.3	75.0	75.1
Self-employed										
Total	36.0	36.1	37.0	33.0	33.3	32.0	29.4	29.3	29.4	29.2
Male	37.1	36.8	38.2	34.8	36.3	35.0	33.3	33.8	33.7	33.4
Female	35.0	35.4	35.9	31.2	30.3	29.0	25.3	24.7	25.0	24.9
Proportion of own-account and contributing family workers in total employment %										
Total	35.4	35.4	36.4	32.0	32.4	31.1	28.5	28.6	28.7	28.6
Male	36.3	36.0	37.1	33.3	35.2	33.7	32.2	32.8	32.8	32.8
Female	34.5	35.0	35.6	30.6	29.6	28.4	24.7	24.4	24.5	24.4
Share of wage employment in non-agricultural employment, %										
Total	87.8	87.9	89.0	88.7	88.4	88.8	89.0	88.3	88.0	88.3
Male	83.8	83.8	84.6	84.6	84.0	84.4	84.3	82.5	82.4	82.8
Female	91.5	91.7	92.9	92.5	92.4	93.0	93.3	93.6	93.2	93.3

Sources:

1. NBS, AFM: <http://www.statistica.md/newsview.php?l=ro&idc=168&id=4018>

Legal framework indicator 2. Government commitment to full employment

Law, policy and institutions: The legal framework in the field of employment includes the following regulatory acts as well as a number of Government Decisions (see Annex IV):

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Law on employment and job seekers' social protection No. 102-XV of 13 March 2002,
- The Law on unemployment fund of the Republic of Moldova No. 714-XV of 6 December 2001,
- The Law on labour migration No. 180-XVI of 10 July 2008,
- The Law on Labour Inspection No. 140-XV of 10 May 2001,
- The Law on organising and functioning of the National Commission for Collective Consultations and Bargaining, commissions for collective consultations and bargaining at branch and territorial levels No. 245-XVI of 21 July 2006,

Ministries involved in labour administration play leading roles in the field of employment and comprise: The Ministry of Labour, the National Employment Agency and its territorial structures, the National Commission for Collective Consultations and Bargaining and its territorial and branch structures.

Ministries and other central administration authorities annually elaborate and present proposals for the draft National Plan of Action on Employment, at latest by 15 October, to the Ministry of Labour, Social Protection and Family; elaborate and approve branch plans of action on employment, by 1 November, indicating concrete measures to be taken, the deadlines and responsibilities in implementation; take effective measures with a view to fully achieve the guidelines of the National Strategy on Employment Policies for 2007-2015; and participate in elaboration of the Classification of Occupations in the Republic of Moldova.

Commissions for Collective Consultations and Bargaining at branch and territorial levels examine the draft local programmes for utilization of labour force and exercise control upon their implementation, elaborate proposals on effective utilization of labour force, creation of new jobs and means to increase the employment rate, propose measures to combat unemployment at branch and territorial level; and submit proposals on ensuring the observance of the workers' rights and interests in the respective branch or territory.

Local public administration authorities elaborate territorial plans of action on employment by indicating the concrete measures to be taken, deadlines and responsibilities in implementation and take effective measures with a view to fully achieve the objectives of the National Strategy on Employment Policies for 2007-2015.

Employers contribute to enforcement of the employment policies by: a) observing the clauses stipulated in the contracts (agreements) that regulate labour relations as per legislation in force; b) creating conditions for qualification, re-qualification and skills upgrades; c) performing compulsory financial disaggregation in the social insurance budget for the Unemployment Fund of the Republic of Moldova; d) informing in writing, by telephone/fax, e-mail the agency in the area where they have the legal premises about all the vacant jobs within five working days from the date when the position became vacant; e) informing in writing, within three days, the agency about the employment of unemployed persons in said vacant jobs. The employer provides support to employees who received a notice of dismissal to find an appropriate job and grants them one working day a week to seek a job, while continuing to pay their wages.

Private employment agencies carry out selection and job placement activities in the country and/or abroad by providing labour mediation services.

Financing: Article 42 of the Law on employment and job seekers' social protection holds that the measures to stimulate employment and job seekers' social protection are funded by the Unemployment Fund. The Unemployment Fund is made up of employers' and workers' compulsory contributions, as well as State budget allocations. The budget of Unemployment Fund is a component part of the State social insurance budget.

Ratification of ILO Conventions: The Employment Policy Convention, 1964 (No. 122) was ratified in 1966.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Table 2a. Main objectives of employment policy

Indicator	Intermediate target I (2009)	Intermediate target II (2012)	Final target (2015)
Employment to population rate, 15 + years, %	50.0	55.0	60.0
Employment rate for population aged 15 - 64 years, %	53.0	56.0	60.0
Employment rate for women aged 15 - 54 years, %	53.0	59.0	62.0
Employment rate for persons aged 55 - 64 years, %	56.0	58.0	60.0
Distribution of employed population per sectors of economy, % of the total	100	100	100
Agriculture	36.0	30.0	25.0
Industry	15.0	20.0	22.0
Services	49.0	50.0	53.0
Ratio of persons employed in informal sector, % of total employed	10.0	8.0	3.0
Unemployment rate, %			
General	7.0	6.5	6.0
Youth aged 15 - 24 years	15.0	12.5	10.0
Female	6.0	5.5	5.0
Male	8.0	7.5	7.0
Urban areas	7.5	5.5	3.5
Rural areas	3.8	3.6	3.4
Ratio of structural unemployment, % of total unemployed	35	30	25
Job placement rate by structures of the National Employment Agency, % of the average number of persons who applied for assistance from the Agency	44.0	50.0	60.0
Number of beneficiaries of the Unemployment Fund	300	500	1 000
Rate of persons employed in industries and services equipped with technologies to a high and medium extent	15	17	20
Ratio of unemployed participating in active measures programmes, % of total registered unemployed			50
Average wage paid to women, % of the wage paid to men	80	90	95

Legal framework indicator 3. Unemployment insurance

Law, policy and institutions: The insurance system against unemployment is regulated by:

- The Law on employment and job seekers' social protection No. 102-XV of 13 March 2002
- The Law on public social insurance system No. 489-XIV of 8 July 1999
- The Law on unemployment fund of the Republic of Moldova No. 714-XV of 6 December 2001
- Annual laws on the State social insurance budget

The Ministry of Labour, Social Protection and Family, National Employment Agency and its territorial structures and National House of Social Insurance develop and enforce policy on employment, labour market and manage the social insurance budget.

Qualifying conditions: Article 30 of the Law on employment and job seekers' social protection outlines the qualifying conditions for unemployment insurance, these include: Registration with the National Employment Agency, contribution to the State social insurance system for at least nine months in the last 24 months, no income subject to taxation at time of registration. To be eligible for unemployment, the person must have lost his/her job for reasons including: death of employer, closure of the place of employment or withdrawal of business licence, expiry or completion of contract, restructuring leading to job loss, lack of qualifications or health condition, change in management, refusal to transfer, termination of work abroad if an individual social insurance contract was concluded before. A person can also qualify for unemployment insurance if he/she resigned and have unsuccessfully been searching for a job for at least three months. In most cases, unemployment insurance is received eight days after registration with the agency, except in cases following restructuring and redundancy where insurance will be granted three months after dismissal and following resignations where people must wait three months to register.

Benefits (level and duration): The Law on employment and job seekers' social protection sets out the level and duration of benefits. The benefits are tax exempt, but the size depends on how the beneficiary lost their job (article 31).

For those who resigned, lost an entrepreneurial licence or whose work abroad was terminated, the benefit is 30 per cent of their average wage. For those who lost their job as a result of the business they work for losing its licence, end or completion of their contract, force majeure, lack of qualification or health condition, change of ownership, refusal to transfer or reinstatement of a person who previously held the position, the benefit is 40 per cent of their average wage. For those who lose their job as a result of their employers' death, liquidation or closure of the business or restructuring, the benefit is 50 per cent of their average wage. The unemployment benefit must not be lower than the national statutory minimum wage (MDL 600) and shall not exceed the national salary average (MDL 3,850 in 2013) for the prior year (article 31).

The duration of the unemployment benefit depends on the contribution period, as follows (Article 33):

- a. Following a contribution period of between nine months and five years, the duration of unemployment benefits is six calendar months.
- b. Following a contribution period of between 5 and 10 years, the duration of unemployment benefits is nine calendar months.
- c. Following a contribution period of over 10 years, the duration of unemployment benefits is 12 calendar months.

Financing: Under article 42 of the Law on employment and job seekers' social protection, unemployment insurance is funded by the Unemployment Fund. This is made of employers' and workers' compulsory contributions, as well as State budget allocations.

Coverage of workers in the law: Under article 43 of the Law on employment and job seekers social, the persons insured against unemployment are considered those persons who have been employed and have paid a contribution to social insurance system for at least 6 calendar months.

Coverage of workers in practice: N/A

Ratification of ILO Conventions

The Republic of Moldova has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 152) or the Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168).

Sources:

2. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
3. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

Moldova has set up a strong legal and institutional framework in efforts to promote employment and protect against unemployment. However, employment remains low and is shrinking despite targets set in the National Strategy on Employment (2007-2015). Further, regardless of the fact that unemployment figures have decreased in recent years, the rate of unemployment among young people aged 15–24 remains high. Gaps in the legal framework remain

as Moldova has not ratified the Social Security (Minimum Standards) Convention, 1952 (No. 152) or the Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168). Additionally, some discrepancies exist concerning the minimum work experience needed to qualify for unemployment benefits under the provisions of articles 30 and 43 of the Law on employment and social protection of job seekers.

3 Adequate earnings and productive work

Adequate earnings and productive work are key aspects of decent work and social justice. Wages make up a significant proportion of household income and are thus crucial to poverty reduction. In Moldova, poverty reduction still requires the creation of more and better paid jobs. In 2012, 16.6 per cent of the population was living below the poverty line²⁰ and 15 per cent of working people were poor. Overall, poverty and working poverty have fallen over the last decade despite a temporary increase in 2009 during the global financial and economic crisis. However, poverty has fallen more quickly among working people than among the general population.

Employed men have a slightly higher risk of poverty than women, but gaps are not significant. The poverty rate among employed men was just 0.8 percentage points higher than that of women in 2012, while between 2006 and 2012 the gap varied between 0.3 and 2.3 points. The higher level of poverty among working men results mainly from their greater employment in the farming sector where the products are used mainly for their own consumption.

Data on earnings is one of the most important aspects of labour market information. Wages represent the main part of the population's incomes (some 43 per cent of disposable incomes), generated by the largest segment of the employed population (71 per cent in 2012) in the country.

Over the past ten years earnings increased annually by an average of 14 per cent, to reach MDL 3,477.7 (US\$ 287) in 2012²¹; however the average is still too low to ensure a decent living for people, being only 2.2 times higher than the

minimum for subsistence for the working-age population (1,586 MDL per person in 2012). In real value and adjusted to the consumer price index (CPI), wages increased only 1.8 times. Compared to the national average, the lowest wages are in agricultural activities and fisheries (1.6–2 times below the average). The highest wages are in financial activities (double the average) and electric and thermal power, gas and water (1.5 times higher). Thus, the most vulnerable categories of employees are those in the agricultural sector; and they and their families are subject to a much higher risk of poverty. In 2012, the poverty level for households headed by an employee in the agricultural sector more than double the national average; while among own-account workers the risk is 1.7 times greater.

The low pay rate (pay under two thirds of median monthly earnings) was 25.6 per cent in 2012. More women earn low pay (28.4 per cent) than men (22.1 per cent). While the low pay rate has remained roughly constant since 2006, the gap between men and women has narrowed as the proportion of men earning low pay has increased and the proportion of women has decreased (see Table 3). In Moldova, very few employees earn less than the statutory minimum wage (0.2 per cent). In fact, the minimum wage falls well below the money needed to cover basic needs: in 2012, the minimum wage was MDL 600, while the subsistence minimum was MDL 1,585.9.

During the period 2003–2012, wage earnings of employees in the public/budgetary sector were lower than those in the private sector. In 2012, average wages were MDL 3,210 in the public/budgetary sector and MDL 3,600 in the private sector. At the same time however, public sector wages have grown more quickly than in the

²⁰ In 2012 the poverty rate was MDL 1,143.4

²¹ NBS, Monthly survey on earnings in enterprises. The data cover the enterprises with four and more employees and all the public institutions.

private sector leading to a decline wage gap between the two sectors from 33.2 percentage points in 2003 to 10.8 percentage points in 2012. For most of major occupational groups, women's wages are lower than men's, except among qualified workers in agriculture, forestry, hunting and fishery. Highly qualified professionals had the narrowest gender wage gap among the other groups, and here, women's average wage was 90 per cent of men's wage. At the same time, the gender pay gap decreased among managers at all levels by 3.5 percentage points (see Table 3).

In 2012, every sixth employed person (17 per cent) said that they would like to change their current work situation as they were not satisfied with their pay (*income-related inadequate employment*²²). Most people (80 per cent) wanted a higher hourly remuneration. The share of people expressing this form of dissatisfaction increased from 12.7 per cent in 2006 to 14.0 per cent in 2012 in total employment. The remaining 20 per cent would be willing to work extra hours for a higher income.

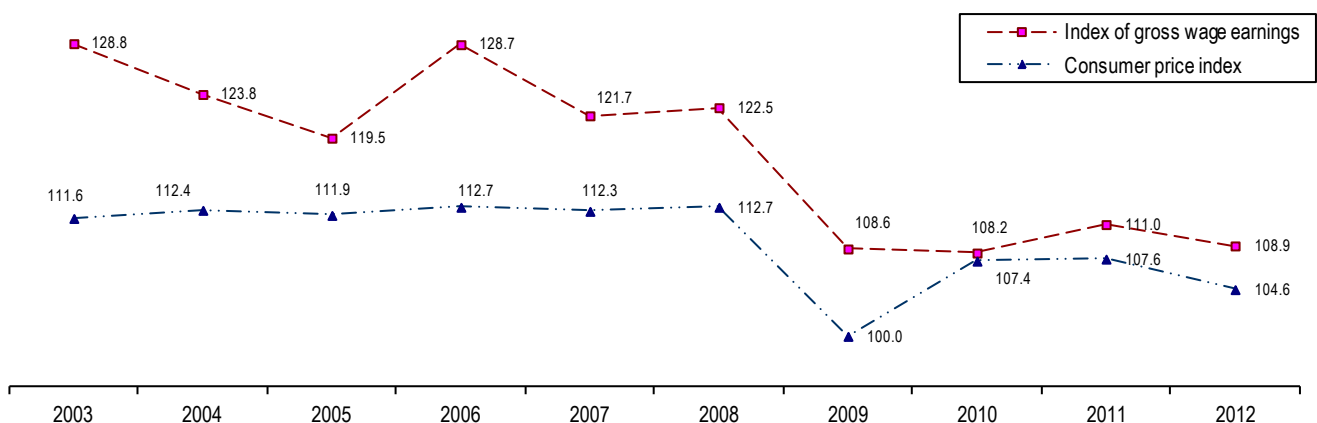
In order to provide workers with adequate earnings, work should be productive. Thus, it is important to give attention to continuously acquiring skills, knowledge, qualifications and competencies. This enables the process of adjusting to economic changes and is a key-

element in career development and earning higher wages. Increasing employees' skill sets has advantages for employers as they can expect a higher yield on the side of employees. According to statistics obtained from enterprises in Moldova, on the job training is increasing, in 2012 some 12 per cent of employees received training, compared to 6 per cent in 2003.²³

There is a mismatch between the skills and educational background of people in Moldova and labour market demands: 18 per cent of people in 2012 considered that their employment is not aligned to their occupational skills; 14 per cent of workers have higher level of occupational skills than requested at the workplace; and four per cent are under qualified. At the same time, 8 per cent of those who want to change their current work situation want to do so in order to better use their skills or qualifications.

The National Strategy for Development: Moldova 2020 has identified seven development priorities. As a result of the mismatch between education and labour market needs, one of these priorities is the harmonization of the educational system with the labour market requirements with a view to increase the labour productivity and to increase the employment rate.

Figure 3.1. Wage earnings and consumer prices, prior year = 100%



Source: National Bureau of Statistics: Survey on consumer prices and Survey on earnings in enterprises

22 Definition in line with Resolution concerning the measurement of underemployment and inadequate employment situations adopted by the Sixteenth International Conference of Labour Statisticians (October 1998).

23 This survey includes economic enterprises from the real sector of economy with 20 and more employees and all public institutions or 80 per cent of the total number of employees.

Table 3. Adequate earnings and productive work

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Working poor (under the absolute poverty line), %										
Total	...	...	...	25.4	22.2	23.4	24.1	20.7	16.3	15.0
Male	...	...	...	26.1	22.4	24.6	25.3	21.7	16.9	15.4
Female	...	...	...	24.8	22.1	22.3	23	19.7	15.6	14.6
Low pay rate (below 2/3 of median monthly earnings), %										
Total	...	...	...	26.5	24.9	24.9	27.4	26.2	26.9	25.6
Male	...	...	...	20.8	19.0	19.0	22.7	22.4	23.8	22.1
Female	...	...	...	31.4	29.9	29.8	31.4	29.0	29.5	28.4
Gender pay gap women's average wage as a ratio of men's (main occupation groups), %										
Managers at all levels (group 1)	...	...	...	...	...	...	...	87.5	85.7	91.0
Highly qualified professionals (group 2)	...	...	...	...	...	...	...	90.8	91.3	90.1
Average qualification level professionals (group 3)	...	...	...	...	...	...	...	77.3	76.4	74.8
Administrative professionals (group 4)	...	...	...	...	...	...	...	72.2	80.6	70.3
Service workers, dwellings administration and community services, trade and assimilated (group 5)	...	...	...	...	...	...	...	69.7	69.0	65.1
Skilled workers in agriculture, forestry, hunting, fisheries (group 6)	...	...	...	...	...	...	...	105.3	109.1	114.5
Skilled workers in large and small industrial undertakings in handicraft, construction, transportation, telecommunication, geology and geological prospecting (group 7)	...	...	...	...	...	...	...	80.2	81.4	78.9
Mechanical operators, setters and blacksmiths (group 8)	...	...	...	...	...	...	...	89.1	93.6	92.0
Workers with no qualifications (group 9)	...	...	...	...	...	...	...	87.4	86.8	88.7
Average real wage compared to prior year, % (real wage index)*										
Total	115.4	110.1	106.8	114.2	108.4	108.7	108.6	100.7	103.2	106.4
Male	117.1	107.0	106.0	122.4	102.5	103.7	108.0	101.9	103.2	107.0
Female	111.2	106.1	107.9	114.8	109.4	104.7	112.6	101.5	100.1	106.0
Average wage compared to prior year, %*	128.8	123.8	119.5	128.7	121.7	122.5	108.6	108.2	111.6	111.3
Minimum wage as % of average wage	11.2	9.0	15.2	11.8	19.4	15.8	21.8	20.2	19.7	17.7
Manufacturing wage index in % compared to prior year*	125.1	116.6	116.5	115.9	120.9	119.4	101.4	110.0	110.7	107.4
Employees with recent job training (last year) in % of total employees										
Total	6.1	6.4	7.1	8.2	9.2	9.9	9.5	10.0	11.6	12.0
Male	6.3	7.0	8.0	9.2	9.7	10.8	10.6	11.4	13.1	13.9
Female	5.8	5.9	6.3	7.3	8.7	9.2	8.6	8.8	10.2	10.4

*2003-2010 – the data cover enterprises having 20 and more workers and all the public institutions

**2011-2012 – the data cover all enterprises with 1 worker and more workers.

Legal framework indicator 4. Statutory minimum wage

Law, policy and institutions: Statutory minimum wage is regulated by:

- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Wages Law No. 847-XV of 14 February 2002
- The Law on minimum wage fixing and review No. 1432-XIV of 28 December 2000
- Collective conventions and collective employment contracts

Everyone has the right to receive at least minimum wage as defined by the state; minimum wage does not include bonuses or other benefits (article 131 Labour Law). The minimum wage is adjusted annually through Government Decisions following consultation with employers' and workers' organizations and taking into account economic conditions including the average wage level, CPI, inflation (articles 132 and 133 Labour Law, article 12 Wages Law).

Minimum wage level: There are two different minimum wage levels – one national and one for the real sector.

Since 1 May 2013 the minimum monthly wage in the real sector is MDL 1,400, or MDL 8.28 an hour. This is calculated for a working month of 169 hours and applies to real sector undertakings, organizations, and institutions with financial autonomy, irrespective of the ownership type and legal structure, called hereafter undertakings. The minimum wage level was set by the Government Decision on the statutory minimum wage level in the real sector, No. 165 of 9 March 2010 as amended through Government Decision No. 287 of 30 April 2013.

Since 2009 the national minimum wage is MDL 600 a month, or MDL 3.55 an hour, based on a work schedule of 169 hours a month. This level was set by the Government Decision on fixing the minimum wage at national level No. 15, January 2009.

When people work less than 40 hours per week, the hourly minimum wage is calculated as a ratio of the monthly minimum wage and the average number of monthly working hours.

Coverage of workers in law: Legislation is applicable for all employers in public, private or joint sectors, including for individual employers who use wage employment and for all employees in a work relation based on individual labour contracts.

Coverage of workers in practice: State control on observance of legal framework on work remuneration is exercised by Labour Inspection.

Ratification of ILO Conventions: The Minimum Wage Fixing Convention, 1970 (No. 131) was ratified by Moldova on 23 March 2000.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

Moldova has established a legal and institutional framework to promote adequate earnings and productive work. However, decent work gaps persist. Although wage earnings have increased some 14 per cent a year over the last decade, wages are still too low to ensure citizens earn a decent living as average wages are just 2.2 times higher than the subsistence minimum for the

working-age population. The national minimum wage is MDL 600 (approximately USD 50), is just 38 per cent of the subsistence minimum, while the minimum wage in the real sector amounts to MDL 1,400 (approximately USD 104). Finally, although working poverty has decreased it still remains rather high at some 15 per cent in 2012.

4 Decent Working Time

Decent working time is another integral part of decent work, linked to wages, productivity and the distribution of working time. The Labour Code sets a normal working week of 40 hours, a normal maximum of ten hours work a day and 28 days paid holiday in addition to national holidays. In practice, the average working week is 39 hours long (2012) and has shown little fluctuation over the course of the last decade. On average, men work one or two hours a week longer than women.

Some 41 per cent of people work 40 hours a week, and 92 per cent of these people are employees. One third of the labour force works under 40 hours a week, and the largest share of this group are aged 45–54 years (29 per cent) and 35–44 years (23 per cent). A quarter of the labour force work 41 hours and more each week. Out of them, 32.7 per cent state they usually work over 40 hours a week and 20.4 per cent say the main reason they work longer hours is to increase their income. Most people who work over the normal working time are aged 25–54 (76 per cent) and their highest educational attainment is secondary vocational education (71 per cent). Data analysis regarding working time according to status in employment reveals that employers work longer weekly hours, ranging between averages of 43 to 47 hours between 2006 and 2012. They are followed by employees whose average working week ranged between 41

and 42 hours over the same period. Own-account workers (35-37 hours) and contributing family workers (30-34 hours) are under the national average.

Some 8.5 per cent of people worked excessive hours (more than 48 hours a week) in 2012, with more men (10.1 per cent) than women (6.9 per cent) affected (see Table 4). Looking at working hours in different economic activities, workers in agriculture have a relatively short working week of an average 35 hours; those in transport and communications have longer hours, at 43 hours per week, in retail and trade, the average is 43 hours a week, and in hotels and restaurants the average is 45 hours a week. Employers more frequently work excessive hours than other groups (19.2 per cent of total employers), compared to 9.2 per cent of contributing family workers, 8.5 per cent of employees and 8.2 per cent of own-account workers.

Time-related underemployment concerns people who are willing and able to work more hours in their main job. It affects 7.2 per cent of total employment, although the number of underemployed people has fallen by 15,900 since 2003. Underemployment is more common in rural areas where 72 per cent of underemployed people live, and among men (58.7 of the under employed). In total, half of all underemployed people work in the agricultural sector.

Table 4. Decent working time

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Excessive working time (more than 48 hours per week), % of employment										
Total	5.9	6.7	5.2	12.3	10.1	8.8	8.7	8.1	10.0	8.5
Male	7.9	9.1	7.3	15.2	12.3	10.8	10.0	9.1	11.7	10.1
Female	4.0	4.5	3.3	9.3	7.8	6.7	7.3	7.1	8.2	6.9
Employment by weekly hours worked, %										
Below 20 hours	9.3	7.2	6.6	5.0	5.5	5.7	6.4	6.6	5.1	5.5
20 - 29 hours	13.5	11.5	10.6	11.3	11.0	11.3	11.8	12.0	11.4	13.0
30 - 39 hours	14.6	16.0	17.9	15.3	17.1	16.1	15.1	15.2	14.8	14.6
40 - 48 hours	56.8	58.6	59.6	56.1	56.4	58.1	58.1	58.1	58.7	58.3
49 hours and over	5.9	6.7	5.2	12.3	10.1	8.8	8.7	8.1	10.0	8.5
Average annual working time per employed person, hours										
Total	1,959	1,999	1,990	2,083	2,068	2,051	2,044	2,032	2,073	2,033
Male	2,014	2,067	2,051	2,154	2,137	2,116	2,092	2,074	2,123	2,089
Female	1,905	1,935	1,933	2,013	2,000	1,983	1,994	1,990	2,021	1,977
Time-related underemployment rate, %										
Total	...	...	...	8.4	8.0	6.9	7.8	9.3	7.7	7.2
Male	...	...	...	8.9	8.6	7.2	9.1	10.5	8.6	8.5
Female	...	...	...	7.9	7.4	6.7	6.5	8.1	6.8	6.0

Legal framework indicator 5. Maximum hours of work

Law, policy and institutions: Working time is regulated by:

- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Collective convention on working time and rest time (at national level) No. 2 of 9 July 2004

Numbers of hours allowed: Normal working hours for employees in undertakings should not exceed 40 hours per week (Labour Code, article 95.2) and eight hours a day (Labour Code, article 100). The maximum daily hours of work shall not exceed 10 hours within the limits of normal hours of work of 40 hours per week. Certain categories of employees, should work shorter weekly and daily hours as follows:

- 24 hours a week for employees aged 15 to 16 years, and not more than five hours a day
- 35 hours a week for employees aged from 16 to 18 years, and not more than seven hours a day;
- 35 hours a week and seven hours a day for employees working in hazardous working conditions;
- 35 hours a week for employees whose work involves an increased intellectual and psycho-emotional effort
- 30 hours a week for people with disabilities (if they do not have from improved facilities), without reducing salary entitlements and other rights; the daily working time is fixed according to the medical certificate within the limits of the normal daily working time.

For certain types of activities, undertakings or professions, daily hours of work may be fixed through collective agreement at 12 hours of work per day, followed by a rest period of at least 24 hours (Collective Convention on working time and rest time (at national level) No. 2 of 9 July 2004).

Individual and flexible working hours, including split shifts, can be fixed with the agreement of the employer and employee in line with regular numbers of working hours. Part time work is also possible on agreement (Labour Code, article 97). Employees can work up to 120 hours overtime in a calendar year. In exceptional cases, this limit may be extended up to 240 hours, with the agreement of workers' representatives as long as daily working time does not exceed 12 hours (Labour Code, article 104).

Coverage of workers in law: The Labour Code, article 3 sets out who is covered by provisions on working hours and includes:

- employees who are Moldovan citizens working on an individual labour contract, including those who have concluded a life-long vocational training or a professional qualification contract,
- employees who are foreign citizens or stateless working on an individual labour contract, who perform work for an employer that carries out activity in Moldova,
- employees who are Moldovan citizens working in for diplomatic missions of the Republic of Moldova abroad,
- employers - physical or juridical persons - from public, private or joint sectors who use paid work,
- employees of non-profit, religious, workers, employers' associations, foundations, political parties and other non-commercial organizations that use paid work.

Under the Collective Convention on working time and rest time (at national level) No. 2 of 9 July 2004, article 13, all undertakings irrespective of the type of ownership and legal organizing structure must follow the provisions of the Labour Code on working hours.

Coverage of workers in practice: The state monitors and enforces legislation on working time through the State Labour Inspectorate.

Ratification of ILO Conventions: The Forty-Hour Week Convention, 1935 (No. 47) was ratified by Moldova on 12 August 1996.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Legal framework indicator 6. Paid annual leave

Law, policy and institutions: Legal provisions referring to paid annual leave are included in:

- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Collective convention on working time and rest time (at national level) No. 2 of 9 July 2004

Duration of paid annual leave: All paid employees are granted a minimum of 28 calendar days paid annual leave (Labour Code, article 113) excluding national holidays (Labour Code, article 111 and Collective Convention No. 2, article 8).

For paid employees in certain branches the public sector including education, health care and public service, a different duration of annual leave may be set.

Evidence of implementation effectiveness: No information available

Coverage of workers in law: The Labour Code, article 3 sets out who is covered by provisions on paid annual leave and includes:

- employees who are Moldovan citizens working on an individual labour contract, including those who have concluded a life-long vocational training or a professional qualification contract,
- employees who are foreign citizens or stateless working on an individual labour contract, who perform work for an employer that carries out activity in Moldova,
- employees who are Moldovan citizens working in for diplomatic missions of the Republic of Moldova abroad,
- employers - physical or juridical persons - from public, private or joint sectors who use paid work,
- employees of non-profit, religious, workers, employers' associations, foundations, political parties and other non-commercial organizations that use paid work.

Under the Collective Convention on working time and rest time (at national level) No. 2 of 9 July 2004, article 13, all undertakings irrespective of the type of ownership and legal organizing structure must follow the provisions of the Labour Code on paid annual leave.

Coverage of workers in practice: The state monitors and enforces legislation on working time through the State Labour Inspectorate.

Ratification of ILO Conventions: The Holidays with Pay Convention (Revised), 1970 (No. 132) was ratified by Moldova on 27 January 1998.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

Moldova has a legal framework and institutional framework to promote decent working hours and legal provisions on working time and the duration of annual paid leave comply with international standards. To achieve decent work in this area, it will be necessary to reduce the proportion of people working excessive hours as well as those

who are underemployed both of which have remained almost stagnant over the last decade. Finally, certain sectors of employment are vulnerable to long hours; for example in the area of healthcare, staff on duty can have 24 hour-long shifts (Point 3 Government Decree No. 1223 dated 9 November 2004).

5 Combining work, family and personal life

Enabling workers with family responsibilities to engage in employment while limiting conflict

between work, family and personal responsibilities is an important facet of decent work.

Legal framework indicator 7. Maternity leave

Law, policy and institutions: The legal framework in the field includes:

- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Law on the public system of social insurance No. 489-XIV of 8 July 1999
- Law on allowances for temporary work disability and other social security benefits No. 289-XV of 22 July 2004

Qualifying conditions: Women who pay insurance contributions or whose spouse pays insurance contributions.

Benefits (level and duration): The Labour Code, article 124(1) stipulates that women employees and apprentices and wives of employees are granted maternity leave that includes pre-natal leave of 70 days and post-natal leave of 56 days (or in cases of delivery with complications or giving birth to two or more babies – 70 calendar days).

The Labour Code, article 123(2) holds that the level of benefits are to be stipulated by legislation in force, at present the Government Decision concerning fixing conditions, calculation modality and payment of benefits for temporary work disability and other social insurance benefits, No. 108 of 3 February 2005.

The monthly maternity benefit is 100 per cent of average monthly income earned in the six calendar months prior to the occurrence of the insured, out of which social insurance contribution was deducted.

Unemployed people also have the right to maternity leave and benefits through the territorial employment agencies. They receive a parental benefit provided that they suspend payment of unemployment benefit or scholarship for this period. The monthly rate of the maternity benefit for unemployed people is 100 per cent of unemployment benefit.

Financing: State social insurance budget.

Coverage of workers in law: Women paid employees, apprentices, and unemployed; wives of paid employees.

Coverage of workers in practice: N/A.

Ratification of ILO Conventions: Moldova ratified the Maternity Protection Convention (Revised), 1952 (No. 103) on 14 February 1997 and the Maternity Protection Convention, 2000 (No. 183). It has not yet ratified the Social Security (Minimum Standards) Convention, 1952 (No. 102).

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Legal framework indicator 8. Parental leave

Law, policy and institutions: Parental leave in Moldova is regulated by:

- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- Law on allowances for temporary work disability and other social security benefits No. 289-XV of 22 July 2004

Qualifying conditions: Under the Labour Code, article 124(4), a child's father, grandmother, grandfather or other carer can make a written application for partly paid child care leave.

Benefits (level and duration): In line with the provisions of the Regulations concerning fixing conditions, calculation modality and payment of benefits for temporary work disability and other social insurance benefits approved through the Government Decision No. 1478 of 15 November 2002, the rate of the monthly child care benefit is 30 per cent of the calculation basis fixed according to article 7 of the Law on benefits for work disability and other social insurance benefits. Namely: average monthly income earned in the six calendar months prior to the occurrence of the insured risk, out of which the social insurance contribution has been deducted.

The mother, child's father, grandmother, grandfather or other relative that deals directly with child care can also be given unpaid child care leave or work part time from home for children aged from three to six years (Labour Code, article 126(1) following written application and still while retaining their job.

Employees (male or female) who have adopted a new-born child or who have become his/her legal guardian are granted paid leave for a period that starts from the adoption (legal guardianship) and lasts 56 calendar days from child's birth date (in case of adoption of two or more children at the same time – 70 calendar days) and, based on a written application, a partly paid child care leave up to the age of three years (Labour Code, article 127). They can also make a written application to take supplementary unpaid child care leave for children aged from three to six (Labour Code, article 126).

Financing: State social insurance budget.

Scope of legislation: Under article 3 of the Labour Code, these provisions apply for:

- employees who are Moldovan citizens working on an individual labour contract, including those who have concluded a life-long vocational training or a professional qualification contract,
- employees who are foreign citizens or stateless working on an individual labour contract, who perform work for an employer that carries out activity in Moldova,
- employees who are Moldovan citizens working in for diplomatic missions of the Republic of Moldova abroad,
- employers - physical or juridical persons - from public, private or joint sectors who use paid work,
- employees of non-profit, religious, workers, employers' associations, foundations, political parties and other non-commercial organizations that use paid work.

Ratification of ILO Conventions: the Workers with Family Responsibilities Convention, 1981 (No. 156) has not been ratified by Moldova.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Table 5. Combining work, family and personal life

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
People not working due to family responsibilities (aged 15 years and over), %										
Total	...	...	...	4.1	3.9	4.0	4.6	5.8	5.7	5.9
Male	...	...	...	0.3	0.2	0.3	0.3	0.5	0.5	0.4
Female	...	...	...	7.5	7.2	7.4	8.4	10.6	10.5	10.9
15-24 years	...	...	...	4.4	4.3	4.1	4.8	5.1	5.4	5.3
25-54 years	...	...	...	5.6	5.4	5.7	6.5	8.5	8.3	8.7
55+	...	...	...	0.3	0.4	0.3	0.4	0.5	0.5	0.4
Distribution in %	...	...	...	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Male	...	...	...	3.3	2.9	3.0	3.2	3.9	3.8	3.5
Female	...	...	...	96.7	97.1	97.0	96.8	96.1	96.2	96.5
15-24 years	...	...	...	25.5	25.3	23.6	23.5	19.4	20.0	18.3
25-54 years	...	...	...	72.8	72.4	74.4	74.4	78.4	77.7	79.9
55+	...	...	...	1.8	2.2	2.1	2.1	2.1	2.3	1.8
Employed persons by civil status, % in total employment										
Single										
Male	16.1	16.1	16.9	17.4	17.1	17.7	17.8	19.2	19.2	19.9
Female	11.1	11.0	11.1	12.1	11.6	11.5	12.2	14.2	13.1	12.3
Married										
Male	77.3	76.8	75.8	77.3	77.1	76.2	76.4	75.6	74.9	74.1
Female	70.6	69.9	69.8	70.3	70.3	70.6	70.7	69.4	70.5	71.3
Widower										
Male	3.0	3.0	3.0	2.0	2.1	2.1	2.0	1.7	1.9	1.8
Female	10.5	10.7	10.5	9.4	9.3	8.9	7.9	7.0	7.3	7.4
Divorced										
Male	3.7	4.0	4.4	3.3	3.7	4.0	3.8	3.5	4.1	4.3
Female	7.8	8.4	8.6	8.2	8.8	8.9	9.2	9.4	9.1	9.0
Number of beneficiaries of monthly benefits for child care up to the age of 1.5 / 3 years*										
Thousand persons	41,3*	49.3	56.3	60.6	62.8	65.3	69.1	72.7	73.6	74.7
% of total economically inactive population with family responsibilities	...	...	...	50.6	54.9	55.4	51.2	42.2	43.1	42.3
Number of beneficiaries of maternity benefits, thousand persons	...	...	...	...	...	...	20.1	24.5	26.6	18.2

* In 2003 monthly benefits were granted only for children aged up to 1.5 years.

The possibility of reconciling work and family life has a direct impact upon employment, the size of the labour force available to work, income level and economic security of people throughout their lives. In Moldova, traditional gender roles and expectations in society continue to influence individual decisions related to education, career, working conditions and family.

The impact of becoming a parent on participation on the national labour market is still different for women and men because women continue to assume a disproportionate part of the responsibilities involved in the functioning of a family. Many women are obliged to choose between a professional career and the wellbeing of their children. On the other hand, the current demographic trends, particularly population aging, require both women and men to get involved more often in taking care of dependents other than children.

Among the population aged 15 years and over, 5.9 per cent (2012) were economically inactive because of family responsibilities, up from 4 per cent in 2006. A gender break down shows 11 per cent of women are not working for family reasons, compared to just 0.4 per cent of men, indeed women make up 97 per cent of this group and their numbers are growing with the majority (79.9 per cent) of prime working age (see Table 5).

Among people with family responsibilities, 42.3 per cent have very young children and receive monthly child care benefits up to the age of 1.5 years, for those who are not insured, and up to three years for those who are insured. Furthermore, some 20,000 people (10.5 per cent) receive maternity/parental leave benefits according to laws in force. The findings of survey conducted by the National Bureau of Statistics in 2010²⁴ revealed that every sixth person who had at least one child aged up to seven years benefited from parental leave and the majority (62.2 per cent) returned to work when their children were under the age of three years.

Providing care to dependents is the responsibility for economically active people as well as those

who are not in the labour market. Out of people aged 15-64 years, over one third (36.5 per cent) is involved in activities related to care provision for dependents including children under 15 years of age, relatives, friends, older persons, and sick persons from their own household or outside their household. Most of the responsibility falls on women (60 per cent of total women), while men are less involved (40 per cent of men) and such care activities are more widely spread in rural (58 per cent) than in urban areas (42 per cent). Four out of five persons with family responsibilities take care of their own children, while one out of five people take care of other children or persons aged 15 years and more.

Two out of three people with care responsibilities for their own children are employed. Employed persons also hold the first rank among the persons with responsibilities towards adults (55.4 per cent). Among the persons with responsibilities for children other than their own, inactive persons are prevalent (54 per cent), followed by employed persons (41.9 per cent).

Summary assessment

Provisions have been made in national legislation and practice to better combine work, family and personal life. However traditional gender expectation mean women continue to hold most responsibility for family life. Over the last decade there has been an increase in the share of women out of work due to responsibilities (10.9 per cent in 2012), while the share of men has remained fairly stable (0.4 per cent in 2012). Finally, Moldova is yet to ratify the Workers with Family Responsibilities Convention, 1981 (No. 156) and the Social Security (Minimum Standards) Convention, 1952 (No. 102).

²⁴ NBS. *Reconciling work and family life* (2nd quarter 2010, module attached to the Labour Force Yearbook)

6 Work that should be abolished

International standards define work that should be abolished including child and forced labour. Moldova has committed to the abolition of these worst forms of labour and is a signatory of the Minimum Age Convention, 1973 (No. 138), the Worst Forms of Child Labour Convention, 1999 (No. 182), the Forced Labour Convention, 1930 (No. 29) and the abolition of Forced Labour Convention, 1957 (No. 105) as well as the United Nations Convention on the Rights of the Child.

The normal minimum age for employment in Moldova is 16 years, or exceptionally and with the consent of legal guardians, 15 years. Legal provisions are in place to give special protection to children working under the age of 18 years, regarding their mental and physical health and safety (see Legal Framework Indicator 9, “Child labour”). Under the national definition, child labour is work that presents mental, physical or moral risk, is harmful for children and/or prevents full participation in schooling through absenteeism, school failure or drop out by obliging them to combine school and work.

In 2009, the National Bureau of Statistics (BNS) in cooperation with the ILO conducted for the first time the “Children’s Activities Survey” (in the framework of a SIMPOC/IPEC programme). The survey aimed mainly to collect data related to three main aspects of children’s life: a) school attendance, b) economic activities²⁵ and c) household activities (domestic chores). The survey found that 99 per cent of children aged between 7 and 15 years attend school. Most of them (92 per cent) combine school with

an economic activity and/or with household activities. Usually, children allocate only a few hours a day for economic and household activities both before and after school. There is no significant difference between school attendance rates for boys and girls. Every third child aged 5–17 years (177,000) performs an income generating economic activity. The rural character of the country draws many children into economic activities: some 60 per cent of the population living in rural areas and one quarter of the adult labour force engaged in agricultural activities, including in their extended household. Consequently 92 per cent of working children live in rural areas; the vast majority of working children (95.3 per cent) work in agriculture and their main occupation is classified as unqualified workers in agriculture (94.3 per cent). Children are working for their families: 92 per cent in family businesses (rural household, agricultural land or extended household), 94.1 per cent are contributing family workers. Child own-account workers and those in paid employment account for 6 per cent of working children. Most children aged 5-17 years (86.1 per cent) are involved in household activities performed for household members, namely they perform “household chores”. Some 85 per cent of children clean the house, the yard, 70.5 per cent do shopping, 65.2 per cent wash dishes, 27.7 per cent cook food and 25.8 per cent wash laundry.

Some 109,000 children are engaged in child labour; that is 62 per cent of all working children. Among child labourers 63 per cent are boys and 37 per cent girls, with 91 per cent living in rural areas (see Table 6). As with working children, most child labourers are engaged in the family business, working in agriculture (93.8 per cent), as unqualified agricultural workers (92.2 per cent) and contributing family workers (91.7 per cent). Hazardous working conditions are characteristic

²⁵ Economic activities (within the limits of production area) according to the SNA. The employed children (children who work): Children (5-17 years) are defined as employed (or who work), i.e. have been involved in an economic activity, if over the period of reference they have worked at least one hour or, if they had a job or business that brought income from which they temporarily were absent.

Table 6. Child labour that should be eliminated

Child labour					
		2009			
	Total	Boys	Girls		
Children aged 5-17 years in child labour, thousands	109.0	68.8	40.3		
Children aged 5-17 years in child labour, %	18.3	22.6	13.8		
Children aged 5-17 years in hazardous work, thousands	74.7	48.5	26.3		
Children aged 5-17 years in hazardous work, %	12.5	16.0	9.0		
Child labourers in hazardous work, %	68.5	70.5	65.3		
Child labour distribution on types and age groups					
	Total	5-11 years	12-14 years	15-16 years	17 years
Child labour, thousands	109.0	38.2	30.5	26.9	13.4
out of which:					
a) Non-hazardous work	29.9	26.6	2.9	0.3	0.2
Children aged 5-11 years who work	26.6	26.6	0.0	0.0	0.0
Children aged 12-14 years who work over 13 hours/week, 15-16 years who work over 24 hours/week, 17 years who work over 35 hours/week	3.3	0.0	2.9	0.3	0.2
b) Hazardous work*	74.7	10.7	27.1	24.2	12.7
Hazardous economic activities	1.9	0.1	0.4	0.7	0.8
Hazardous occupations	4.0	0.3	0.6	1.7	1.4
Excessive hours of work (>42 hours/week)	1.1	0.0	0.3	0.4	0.4
Hazardous conditions	67.7	10.3	25.8	21.4	10.1
c) Children who perform unpaid household chores for over 27 hours/week	4.4	0.8	0.5	2.4	0.7

* For full definitions, see Annex III: Measuring child labour. Experience of Moldova for statistical definitions.

Legal Framework Indicator 9. Child labour

Law, policy and institutions: Moldova has adopted many legal acts and policies that contain provisions related to child labour, including the elimination of the worst forms of child labour. The key provisions are set out in:

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Law on the Rights of the Child No. 338-XIII of 15 December 1994
- The National Plan of Action on Prevention and Elimination of the Worst Forms of Child Labour (2011–2015) approved on 11 October 2011 through the Government Decision No. 766 of 11 October 2011.

The general minimum age for admission to employment is 16 years (Labour Code). As an exception, an individual may conclude an individual labour contract at the age of 15 with the written agreement of parents or legal representatives if, as a consequence, his/her health, development, education and vocational training are not affected. The Constitution specifically prohibits exploitation of juveniles, their use in activities that could harm their health, morals or jeopardize their life or normal development (article 50).

The labour code sets out a number of provisions to protect people under 18 who are permitted to work. Employees under 18 years are to have reduced working hours: from 15 to 16 years, maximum 24 hours per week and five hours a day; from 16 to 18 years, maximum 35 hours per week and seven hours a day (articles 96 and 100). People under 18 years of age cannot engage in overnight work (article 103), supplementary working hours (article 105), or travel for work, except for employees in audio-visual institutions, theatres, circus, cinema, theatrical and concert organisations, as well as professional sportsmen (article. 256).

The Labour Code (article 255) prohibits engagement of persons aged under 18 years in hard, harmful or hazardous work, as well as work that can harm children's health or moral integrity (gambling, work in night clubs, production, transportation and sale of alcoholic drinks, tobacco, narcotic and toxic substances). The same article prohibits lifting and carrying heavy loads. Based on these legal provisions, the list of industries, professions and work under hard and hazardous circumstances prohibited for persons aged under 18 years was approved through the Government Decision No. 562 of 7 September 1993. The list includes work in thirty-two branches of national economy, as well as professions that are common for all branches.

The Law on the rights of the child (article 6) stipulates State obligation to protect inviolability of child's person, by protecting him/her against any form of exploitation, discrimination, physical or mental violence, involvement in criminal activities, initiating a child in alcohol abuse, use of narcotic drugs and psychotropic substances, gambling, begging, inciting or coercion to engage in any illegal sexual activity, exploitation for prostitution or other illegal practice, pornography, including by parents, legal guardians or relatives.

For violation of legal provisions related to child labour, a system of penal and contravention sanctions is in place, as set forth in the Criminal Code, article 206: trafficking in children; article 208: involving juveniles in criminal or immoral acts; and the Contravention Code article 58: engaging juveniles in work that may jeopardize their lives and health or in a work that is prohibited by law).

The Law to amend and complement several legal acts, No. 169 of 2012 introduced amendments to the Labour Code and Contravention Code increasing child labour related sanctions. Thus, according to the revised article 55 of the Contravention Code, infringement of labour legislation as concerns juveniles is sanctioned by fines of 120–150 conventional units (CU) (up from CU 50–80) for individuals, from CU 250 to 350 for persons holding office (up from CU 100–150), from CU 400 to 480 for legal persons (up from CU 120 to 180).

According to the revised article 58, admission of juveniles to work that may be harmful to their lives and health or involving the juvenile in performing a work that is prohibited by law is sanctioned by fines of CU 100 to 150 for individuals (up from CU 30 to 40), CU 250 to 400 for persons holding office (not previously mentioned), CU 400 to 500 for legal entities (up from CU 100 to 150) with an additional possible sanction of suspending their right to carry out certain activities for between six months and a year (up from three months to one year).

The State control on respecting the legal framework in labour field, including for persons aged under 18 years, is exercised by the Labour Inspectorate.

Evidence of implementation effectiveness: According to the Labour Inspectorate, during the inspection visits conducted in 2012 to 37 undertakings, 116 children were found working in agriculture, light industry, public food services, trade, constructions and education. Out of the total, 52 youth were unregistered workers; the employers had not concluded individual labour contracts, used a labour record book, issued an employment order, working hours record, and had not conducted an entry medical examination. Infringements of labour legislation in force were registered in 59 cases and labour inspectors asked to take measures to remedy the deficiencies noted. In total, 39 young people were found in activities that were prohibited and labour inspectors requested the employers to withdraw the youth from work.

Ratification of ILO Conventions: Moldova ratified the Minimum Age Convention, 1973 (No. 138) on 21 September 1999 and the Worst Forms of Child Labour Convention, 1999 (No. 182) on 14 June 2002.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Efforts to eliminate child labour have been growing. The National Plan of action on Prevention and Elimination of the Worst Forms of Child Labour (2011–2015) was elaborated in tandem with the Project for development, awareness raising, and support for the implementation of the global action plan on the elimination of the worst forms of child labour by 2016. The Plan aims to: revise and update relevant legislation to ensure adequate conditions for the prevention and elimination of the worst forms of child labour; raise awareness of civil society and decision makers on the worst forms of child labour; facilitate children's access to quality education with a view to prevent them from entering the worst forms of child labour; provide rehabilitation and educational and social reintegration of children withdrawn from the worst forms of child labour; and provide support to families of the children in the worst forms of child labour.

Institutional mechanisms involve the National Steering Committee on the Elimination of Child Labour, established through Government Decision No. 495 of 11 May 2004. The Steering Committee brings together national institutions with specific mandates on child protection and the elimination of child labour, as well as employers' and workers' organizations and members of civil society and the international community.²⁶ The National Commission for Collective Consultations and Bargaining holds tripartite consultations between Government, workers' and employers' organizations) on issues related to labour and social-economic fields. The National Commission also has a specialised steering committee on child labour which examines and consults on issues related to prevention and elimination of the worst forms of child labour.

Child labour monitoring is conducted by the Child Labour Unit that has been functioning

within the Labour Inspection since May 2007 and is composed of two labour inspectors. They coordinate monitoring and enforcement activities and compile the information collected during controls, oversee the activities targeting elimination of child labour and act as a link between the National Steering Committee on the Elimination of Child Labour (at national level) and the multi-disciplinary teams of monitors (at local level).

The Multi-Disciplinary Teams monitoring child labour are local structures that implement activities to combat the worst forms of child labour. The teams are made up of professionals with specialized training on child rights protection and include: social workers, psychologists, police officers, legal counsellors, labour inspectors, health care professionals, teachers, specialists in child protection, NGO representatives and peer educators. Multi-disciplinary teams conduct a range of activities including: identification of children involved in the worst forms of child labour, providing better life alternatives for these children, further monitoring of children's situation and use of data generated by the Child Labour Monitoring System for policy development. At present, the teams are operating in several areas, such as Chisinau, Balti, Orhei, Ungheni and Singerei. According to the National Plan of Action for Prevention and Elimination of the Worst Forms of Child Labour (2011-2015) multi-disciplinary teams will be established in all regions of the country.

According to the data presented by the Ministry of Interior, through the Order of the Ministry of Interior No. 6/672 of 19 March 2012 territorial sub-divisions have been requested to organise activities to prevent and eliminate the worst forms of child labour, identify and document child labour cases, including involvement in work which is likely to harm health, safety or morals of children.

In order to limit the practice of involving children in activities that are prohibited for persons under 18 years, making children familiar with the legal rights at employment and other provisions of labour legislation related to child labour, based on the Order of the Head of Labour Inspection No. 50 of 30 March 2012, labour inspectors organised and conducted meetings with the graduates of secondary education in April and May. Another modality to sensitize young people searching for a job was participation of labour inspectors in job

²⁶ The Committee is chaired by the representative of the Ministry of Labour, Social Protection and Family and is formed of representatives of: Ministry of Labour, Social Protection and Family, the Labour Inspectorate, National Employment Agency, Ministry of Education, Ministry of Health, Ministry of Agriculture and Food Industry, Ministry of Interior, Ministry of Youth and Sports, Ministry of Finance, National Bureau of Statistics, State Chancellery, Office of the Prosecutor General, Centre for Human Rights of Moldova, National Confederation of Trade Unions of Moldova, National Confederation of Employers of Moldova, Child Rights Information Centre Moldova, State University "Alecu Russo" from Balti, International, La Strada, Organization for Security and Cooperation in Europe Mission to Moldova.

fairs, where youth were provided with counselling aiming at preventing illegal work.

The 2012 revision of the Contravention Code introduced sanctions for the use of undeclared work by employers; this will also have a positive impact upon the child labour since a many of them are not officially employed, leaving them vulnerable to exploitation. The use of undeclared work shall be

sanctioned for every identified person by fine of CU 100 to 150 for individuals, CU 250 to 350 for persons holding office and CU 350 to 500 for legal entities (Contravention Code, article 55).

In the context of activities undertaken to combat the worst forms of child labour, the following criminal proceedings were taken in 2012, as follows:

Article	Total criminal proceedings undertaken
Article 168 of Criminal Code (Forced labour)	15
Article 183 of Criminal Code (Violation of labour protection regulations)	52
Article 206 of Criminal Code (Trafficking in children)	20
Article 208 of Criminal Code (involving juveniles in criminal activities)	91
Article 208 of Criminal Code (Child pornography)	5
Total:	183

Legal framework indicator 10. Forced labour

Law, policy and institutions: The key provisions against forced labour are set out in:

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Criminal Code No. 985-XV of 18 April 2002

Forced labour is prohibited under the Constitution (article 44) and the Labour Code (article 7) which defines forced labour as any work or service imposed on a person under threat or without his or her consent. Forced labour includes: a) violation of wage payment or partial payment of wages; b) employer's request to an employee to fulfil work obligations in the absence of collective or individual protection systems or in case when fulfilling requested work may pose a threat to employee's life or health.

The following are considered not to be forced labour: a) military service or other service from those exempted from military service; b) work exacted from any convicted person performed in normal conditions, during custody or conditional release period; c) work exacted in calamity or other threatened hazards, as well as work which forms part of normal civic obligations as set forth by law.

The Criminal Code sets out punishments for forced labour (article 168), according to which forcing a person to perform a work against his/her will, serfdom and debt bondage, receiving work or services by means of deception, coercion, violence or threat of violence shall be sentenced by imprisonment up to three years.

Trafficking in human beings is defined as recruitment, transportation, transfer, harbouring or reception of a person, with or without his/her consent, for the purpose of commercial or non-commercial sexual exploitation, forced labour or services, begging, slavery or similar conditions to slavery, use in armed conflicts or for criminal activities, organs or tissues removal, committed by threat, deception or abuse of power. Human trafficking is to be punished by imprisonment from five to 12 years with the deprivation of the right to hold certain positions or perform certain activities for two to five years; a legal entity shall be punished by a fine of CU 3,000 to 5,000 with the deprivation of the right to perform certain activities or liquidation of the legal entity (Criminal Code, article 165).

Punishment is higher for reoffenders or if an act of trafficking is committed: against two or more persons, against a pregnant woman, by two or more persons, by an official or a high-ranking official, with violence that endangers person's life, physical or mental health, with extreme cruelty aimed at ensuring the person's submission or by use of rape, physical dependence, or a weapon. In these cases, the offender shall be punished by imprisonment from seven to 15 years with the deprivation of the right to hold certain positions or perform certain activities for two to five years. A legal entity shall be punished with a fine of CU 5,000 to 7,000, with the deprivation of the right to perform certain activities or liquidation of the legal entity.

Any form of trafficking, or trafficking incidence committed by an organized criminal group, or which causes severe bodily injury, a mental disorder of the person, or his or her death or suicide, is punishable by imprisonment from ten to 20 years with the deprivation of the right to hold certain positions or perform certain activities for three to five years; a legal entity is punishable by a fine of CU 7,000 to 9,000 with the deprivation of the right to perform certain activities or liquidation of the legal entity.

Trafficking in children is classified as recruitment, transportation, transfer, harbouring or reception of a child, as well as giving or receiving payments or benefits to obtain the consent of a person in control of a child for: commercial or non-commercial sexual exploitation in prostitution or pornographic industry; exploitation through forced labour or services; begging or other base purposes; exploitation in slavery or in conditions similar to slavery, including illegal adoption; use in armed conflict; use in criminal activities; removal of human organs or tissues; abandonment abroad; sale or purchase. It is punishable by imprisonment from eight to 12 years with deprivation of the right to hold certain positions or perform certain activities for two to five years; a legal entity is punishable by a fine of CU 3,000 to 5,000 with deprivation of the right to perform certain activities or liquidation of the legal entity (Criminal Code, article 206).

Trafficking of children committed by physical or mental violence, use of a weapon or the threat of its use; sexual abuse and violence; abuse of authority, threat of disclosure of confidential information to child's family or to other persons; or removal of human organs or tissues is punished by imprisonment from ten to 15 years with deprivation of the right to hold certain positions or to perform certain activities for two to five years, whereas a legal entity shall be punished by a fine of CU 5,000 to 7,000 with deprivation of the right to perform certain activities or by liquidation of the legal entity.

Greater punishment is proscribed in cases where the trafficking is committed: by a person who committed before the same actions; against two or more children; by an official or a high-ranking official; by an organized criminal group; resulting in severe body injuries or mental disorder of the child or his/her death or suicide; against a child who is in the care, guardianship, protection, education or treatment of the offender; committed against a child aged up to 14. In these cases, the trafficking act is punishable by imprisonment 15 to 20 years with deprivation of the right to hold certain positions or to perform certain activities for three to five years or by life imprisonment; a legal entity is punishable by a fine of CU 7,000 to 9,000 with deprivation of the right to perform certain activities or by liquidation of the legal entity.

Evidence of implementation effectiveness: Data related to criminal proceedings taken in cases related to forced labour and human trafficking under the Criminal Code are shown in the tables below.

Ratification of ILO Conventions: Moldova ratified the Forced Labour Convention, 1930 (No. 2) on 23 March 2000 and the Abolition of Forced Labour Convention, 1957 (No. 105) on 10 March 1993.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Criminal proceedings against forced labour and trafficking acts in first six months of 2011 under the Criminal Code

Article	Total criminal proceedings taken	Submitted to Prosecutor's Office	Forwarded to the Court	Classified reconciliation Article 285(1)(1)
165	54	6	20	-
168	6	-	-	1
183	39	4	4	6
206	13	1	7	-
208	31	2	21	2
208 ¹	-	-	-	-
Total:	143	13	52	9

Source: Police department of the Ministry of the Interior

Criminal proceedings against forced labour and trafficking acts in first five months of 2012 under the Criminal Code

Article	Total criminal proceedings taken	Submitted to Prosecutor's Office	Forwarded to the Court	Classified reconciliation Article 285(1)(1)
165(Trafficking in human beings)	69	4	27	-
168	7	-	-	-
183(Infringements of labour protection rules)	23	3	1	3
206	10	3	-	-
208	49	4	30	1
208 ¹	1	-	-	-
Total:	159	14	58	4

Source: Police department of the Ministry of the Interior

Criminal proceedings against forced labour and trafficking acts in 2012 under the Criminal Code

Article	Total criminal proceedings undertaken
<i>168 (Forced labour)</i>	15
<i>206 (Trafficking in children)</i>	20
<i>208 (Minor's involvement in criminal activities)</i>	91
<i>208¹ (Child pornography)</i>	5
Total:	183

Source: Police department of the Ministry of the Interior

Summary assessment

Moldova has a legal framework and institutional framework aimed at ensuring the abolition of child labour and forced labour. It has committed to key international standards to this effect, introducing legislation, policy and strengthening implementation to end these practices. Despite the relatively high level of child labour, the

level of school attendance among children aged 7–15 years is almost universal at 99.1 per cent.²⁷ Nonetheless, data show that both child labour and forced labour persist in society, although a lack of time series data makes trend and policy impact analysis impossible.

²⁷ BNS, Research on “Childrens activities”, 2009.

7

Stability and security of work

Job stability and security refers to the length and nature of the employment contract, the ease with which an employer can dismiss a worker and the access a worker has to social security. Statistical indicators measuring precarious employment can capture the extent to which employment is stable and secure. Precarious work tends to be casual, seasonal, temporary or short term providing no long-term security for workers. Those in informal sector and vulnerable work can also be subject to precarious work conditions. ILO standards aim to balance the employers' right to dismiss workers for valid reasons, and ensuring the worker does not suffer disproportionate effects.

In 2012, some 6.5 per cent of the labour force were in precarious employment a rate that has fluctuated between 3.5 and 7.7 per cent over the last decade. Among this group, one third want to change their situation because their job was temporary or insecure. One aspect of precarious employment involves having a limited employment period, as with seasonal work, occasional/day work, or performing set assignments. This type of work affects a higher proportion of men (8.1 per cent) than to women (5.0 per cent). The main reasons the workers have fixed term positions are employment on the basis of consecutive temporary contracts with the same employer (35.1 per cent), day work (as a day worker), occasional work (34.9 per cent) and seasonal work (22.4).²⁸ Informal employment is a persistent problem in Moldova, affecting some 29.7 per cent of the labour force, and vulnerable work such that conducted by as own-account and contributing family workers is also significant affecting 28.6 per cent in 2012 (see Chapter 2, "Employment opportunities"). Data limitations however mean that much of the statistics on precarious employment focus on salaried employees.

Most employees work in full-time positions (91.9 per cent). The share of part-time employees is 8 per cent, down 3.8 percentage points since 2003. Most part time employees (68.2 per cent) work

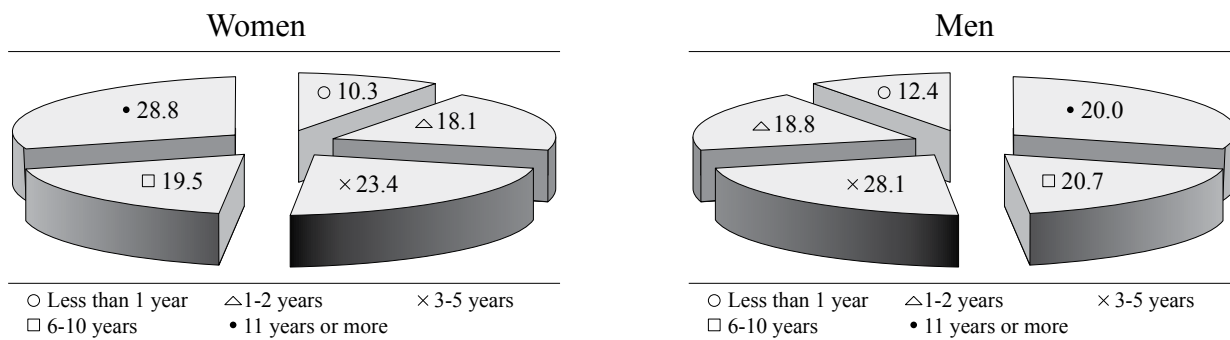
part-time involuntarily, as they have not been able to find full-time jobs although this complaint has decreased over the decade from 78.7 per cent in 2003. The ratio of the involuntary part-time workers in total employment decreased from 13.0 per cent in 2003 to 5.5 per cent in 2012.

Forced leave is a practice often used in private sector whereby employees are forced to take unpaid leave at management's initiative due to a reduced volume of work (lack of raw materials, orders, etc.). This practice continues to persist, although it has declined over time from affecting 8.1 of employees in 2003 to 3.0 per cent in 2012. The duration of this leave also declined from 82 days per employee in 2003 to 41 days in 2012. Undeclared work is another source of precarity, as employers do not register or conclude working contracts with their employees. In 2012, undeclared work represented 7.8 per cent of total paid employment, showing a slight decrease on previous years. The practice occurs more often among men (9.0 per cent of all men) than women (6.8 per cent of total women).

In many ways, employees have fairly high levels of job security. The large majority of employees (93.5 per cent in 2012) are employed for an unlimited duration with similarly high levels for both men and women (see Table 7). Among these employees, average job tenure is high at 8.4 years in 2012 and has remained at a similar level across the decade. 28.8 per cent of women and 20 of men have a job tenure of 11 years or more (see Table 7).

Every tenth employed person and over one third the agricultural employment produces agricultural products exclusively for their household's use. This traditional activity reflects cultural values and customs, but also the limited possibilities of the rural area to generate formal jobs. For many, this activity is the main or the single source of income/living. The subsistence (agricultural) work has remained almost unchanged over the decade, with a slightly higher level for women compared to men and with the highest share among people aged 45-54 years (29 per cent).

Figure 7.1. Distribution of employees by average number of years in current job, %



Source: National Bureau of Statistics, Employment Agency

Table 7. Stability and security of work

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Precarious employment rate, %										
Total	5.1	4.3	3.5	7.7	6.7	5.9	5.6	5.9	6.8	6.5
Male	5.4	4.6	3.8	8.8	7.7	7.0	6.4	7.0	8.3	8.1
Female	4.7	4.2	3.2	6.6	5.7	4.8	4.8	5.0	5.5	5.0
Undeclared work:										
Total	8.8	7.4	6.3	12.3	11.5	10.4	9.1	9.5	9.8	7.8
Male	8.4	7.1	6.4	12.8	12.7	11.9	9.9	10.3	10.7	9.0
Female	9.1	7.7	6.3	11.9	10.4	9.0	8.4	8.9	8.9	6.8
Workers employed for an unlimited period, % in total employees										
Total	94.9	95.7	96.5	92.3	93.3	94.1	94.4	94.1	93.2	93.5
Male	94.6	95.4	96.2	91.2	92.3	93.0	93.6	93.0	91.7	91.9
Female	95.3	95.8	96.8	93.4	94.3	95.2	95.2	95.0	94.5	95.0
Average job tenure (average number of years in current job)	...	...	...	8.5	8.5	8.2	8.4	8.3	8.4	8.4
Distribution of employees by job tenure, %:										
Male	...	...	...	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 1 year	...	...	...	15.0	16.7	15.9	14.1	14.2	12.8	12.4
1-2 years	...	...	...	20.8	21.6	22.8	21.6	20.6	19.3	18.8
3-5 years	...	...	...	25.2	24.2	25.4	25.3	25.6	27.4	28.1
6-10 years	...	...	...	16.5	16.0	17.0	19.1	19.8	20.5	20.7
11 years and more	...	...	...	22.6	21.4	18.9	19.9	19.8	20.0	20.0
Women	...	...	...	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 1 year	...	...	...	12.3	13.7	13.0	11.9	11.8	10.9	10.3
1-2 years	...	...	...	17.3	18.4	19.4	19.2	19.0	18.4	18.1
3-5 years	...	...	...	21.0	20.6	21.4	22.0	22.9	23.1	23.4
6-10 years	...	...	...	17.1	16.2	16.4	17.3	17.3	19.1	19.5
11 years and more	...	...	...	32.3	31.1	29.8	29.7	29.0	28.5	28.8
Subsistence worker rate, %										
In total employment										
Total	...	...	...	12.2	11.9	9.7	8.7	9.2	9.5	10.0
Male	...	...	...	10.8	11.1	8.7	8.4	8.8	9.4	9.5
Female	...	...	...	13.7	12.7	10.7	9.1	9.6	9.7	10.4
In population employed in agriculture										
Total	...	...	...	36.4	36.3	31.3	31.0	33.4	34.6	37.6
Male	...	...	...	30.5	31.3	25.8	26.7	28.8	30.5	32.1
Female	...	...	...	43.0	42.2	37.7	36.7	39.1	40.0	44.7

Legal framework indicator 11. Termination of employment

Law, policy and institutions: The Labour Code No. 154-XV of 28 March 2003 and its amendments

Substantive requirements for dismissals: A labour contract can be terminated in a number of cases not depending on the will of the parties (article 81) including death or disappearance of the employer and withdrawal of the employer's business licence, enforcement of a penal sanction on an employee that prevents work, completion of contract and retirement (Labour Code, articles 82, 305, 310). Dismissal at the employers initiative is permitted for reasons including: unsatisfactory performance during trial period; business liquidation or closure; personnel reduction, organizational restructuring or change in management; the employee has health problems incompatible with their job; the employee is unqualified; unreasonable absence for over four consecutive hours; guilty of theft from workplace; intoxication at work; transgressions by employee responsible for money or goods leading to loss of confidence; repeated violations of work obligations (over a year, following disciplinary sanctions); violation of educational institution regulations, commission of an immoral act or violent behaviour; signature of groundless legal document causing financial loss to undertaking or serious infringement (once) of work obligations by deputies or chief-accountant; presenting fake documents by the employee at conclusion of employment contract; refusal to transfer for health reasons or in connection with undertaking relocating; reinstatement at the workplace according to a court decision of the person who previously performed the respective work, in case when permutation or transfer of the employee to other work is not possible; for other reasons as stipulated by the Labour Code and other legal acts (articles 57, 74, 76, 86, 301).

Dismissal of the employee is not permitted during sick leave, annual leave, study leave, maternity leave, partly paid child care leave for a child aged from three to six years, when fulfilling State and community obligations, as well as during transfer, except for the cases when the undertaking is liquidated. It is also prohibited to dismiss pregnant women and women with children up to the age of six (article 251), except in cases stipulated by in article 86.

Special rules apply for the dismissal of trade union members and elected leaders, as the employer must have the written agreement of the trade union to dismiss a member (article 87).

Procedure for individual and collective dismissals: The employer shall notify the employee by writing of his/her intention to terminate the individual labour contract concluded for an undetermined or a fixed-term period of time within the following periods (article 184):

- a) Two months in advance: in cases of dismissal in connection with the liquidation of the undertaking or stoppage of individual employer's activity, cut off in the personnel number or changes in the organisational chart of the undertaking (article 86(1)(b) and c))
- b) One month in advance: in cases of dismissal in connection with ascertaining the fact that the employee does not comply with the function held or the work performed because of insufficient qualification, confirmed through a decision of the assessment committee (art. 86, para. (1), e)).
- c) No notice is required when the individual labour contract is terminated due to infringements laid out article 86(1)(g), k), m), o), and r).

During notice periods a) and b), the employee is granted at least one paid day off per week in order to look for another job.

Severance pay: Employees dismissed in connection with the liquidation of the undertaking, or restructuring are entitled to: for the first month, a severance pay in amount of an average weekly wage for every year of tenure at the respective undertaking, but not less than an average monthly wage; for the second month, the average monthly wage if the dismissed person has not been employed; c) for the third month, the average monthly wage if, after dismissal, the employee registered within 14 calendar days with the Territorial Employment Agency as unemployed and has not been employed, as confirmed by the respective certificate; at liquidation of the undertaking, by written agreement of the parties, full payment of the amounts due in connection with dismissal of the employee for all 3 months, at the date of dismissal.

A severance pay of an average wage for two weeks shall be paid to the employees in connection with the termination of the individual labour contract for employees dismissed as: they were not qualified for the position, or had incompatible health issues; a person who previously held the job was reinstated; they refused a transfer in connection with the undertaking's relocation.

Employees whose individual labour contracts have been suspended in connection with the regular military service, reduced duration military service or civil service (article 76, e)) or who resigned in connection with the violation of the individual or collective labour contract (article 85) also receive severance pay of an average wage for 2 weeks.

Ratification of ILO Conventions: Moldova ratified the Termination of Employment Convention, 1982 (No. 158) on 14 February 1997.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200::P11200_COUNTRY_ID:102695)

Summary assessment

Moldova has established a comprehensive legal framework to promote the stability and security of work. Nonetheless, decent work gaps persist: the precarious work rate has yet to decrease, and while undeclared work has decreased slightly, it

remains rather high at 7.8 per cent of employed people. At the same time, informal sector and vulnerable work leave many outside labour protection and at risk of abuse and insecurity.

8

Equal opportunity and treatment in employment

Equality of opportunity and treatment in employment are at the heart of decent work. Moldova has ratified the Equal Remuneration Convention, 1951 (No.

100), and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) as part of efforts to achieve fair working conditions for all.

Table 8. Equal opportunity and treatment in employment

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Occupational segregation by sex:										
Share of women employed in groups 11 and 12 as per Classification of Occupations in the Republic of Moldova- CORM (ISCO88), %	43.0	42.0	42.4	44.8	43.9	40.8	41.9	40.6	43.6	46.5
Women employed in group 11, %	37.0	42.5	37.5	36.4	41.0	46.8	48.3	38.9	42.5	46.4
Women employed in group 12, %	43.4	41.9	42.8	45.7	44.1	40.4	41.5	40.6	43.7	46.5
Employed women in main CORM, %										
Managers at all levels (main group 1)	...	39.0	38.8	38.9	40.2	37.9	38.7	36.4	39.4	44.1
Highly qualified professionals (main group 2)	...	62.2	62.9	62.1	64.4	63.4	62.6	66.1	65.8	65.2
Average qualification level professionals (main group 3)	...	72.0	69.7	68.4	73.8	71.7	72.9	72.1	67.4	67.0
Administrative professionals (main group 4)	...	83.4	85.1	81.9	82.1	87.5	86.5	82.8	80.3	77.3
Other occupations (main groups 5-9)	...	49.0	49.4	46.2	45.4	45.1	44.3	44.6	44.3	44.2
Gender pay gap*, %	28.1	28.7	27.4	31.9	27.4	26.7	23.6	23.9	12.2	12.9
Share of women in wage employment in the non-agricultural sector, %	54.6	54.6	54.9	53.5	54.6	54.1	54.3	55.1	54.9	54.9

* 2003-2010 – data include undertakings with 20 employees and over and refer to September for each year.

2011-2012 – data include enterprises with 1 and more employees and refer to the full year.

While labour market participation of men and women is almost equal, a number of decent work deficits in the area of equality of opportunity and treatment at work persist. This is despite the fact that employed women have a higher educational attainment level than men and have done so throughout the decade: 28.7 per cent completed higher education compared to 22.9 per cent of men; and 20.3 per cent of women completed specialized secondary education compared to 12.1 per cent of men in 2012. Among persons with higher education 55.5 per cent are women, and among those with specialised secondary 62.4 per cent are women²⁹.

A gender analysis of employed persons by occupation³⁰ reveals the same picture: women represent the majority among the highly and mid-qualified professionals, administrative

professionals and among workers in services, dwellings administrative and community services, trade and assimilated. Further, the share of women among managers at all levels has increased over the decade to 44.1 per cent in 2012. (Table 8).

As concerns paid employment in the non-agricultural sector, women held a higher ratio compared to men, representing 54.9 per cent in 2012. Looking at the public sector, women hold 42.4 per cent of posts in central public authorities and 64.3 per cent in local public authorities.

Gender inequalities in remuneration are still a problem for Moldova. Moreover, the impact of gender wage gap may have delayed effects because a lower remuneration increases the risk of financial dependency not only during working life, but it also translates to lower pensions and thus an increase of the risk of poverty for older persons.

29 <http://statbank.statistica.md/pxweb/Database/EN/databasetree.asp> (labour force/employment)

30 According to the Classification of Occupations in the Republic of Moldova (CORM).

Analysis of wage data shows that women earn on average 12.9 per cent less than men. Expressed in monetary terms, the gender wage gap represents more than MDL 470 a month. Thus, the average wage for 2012 was MDL 3,167.6 for women and MDL 3,638.3 for men.³¹

Women earn less than men in most economic activities, with the gap ranging from 4.0 per cent in education up to 25.5 per cent in financial activities.

The largest gender wage gaps were registered in activities, such as: recreational, cultural and sports activities (women earn 22.8 less than men), industry (-15.3 per cent) construction (-14.3 per cent) and trade (-14.2 per cent). Exceptions to the trend are fish-farming where the average monthly wage for women in 2012 was 134.9 per cent that of men, and transportations and communications (102.4 per cent).

Legal Framework Indicator 13. Equal remuneration of men and women for work of equal value

Law, policy and institutions:

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Wages Law No. 847-XV of the 14th of February 2002;
- The Law on Ensuring equal opportunities between women and men No. 5 of the 9th of February 2006

The Constitution of the Republic of Moldova states that all citizens are equal before the law and public authorities, regardless of race, nationality, ethnical origin, language, religion, sex, opinion, political affiliation, wealth or social origins (article 16). Similarly, the labour code prohibits any discrimination, direct or indirect, of a worker because of sex, age, race, skin colour, ethnicity, political affiliation, social origin, residence, handicap, HIV/AIDS, union affiliation or activity, or other criteria unrelated to his professional qualities (article 8).

Equality in rights and opportunities is also guaranteed by the Labour Code which holds that the basic principles for regulating labour relations are: the abolishment of forced labour and discrimination in the labour relations field; equal rights and opportunities for workers; timely and full deliverance of wages providing a decent living for the worker and their family (article 5).

The labour code also protects the right to equal pay for work of equal value (article 10) and holds that at the establishment and payment of wages there will be no discrimination because of sex, age, handicap, social origin, family situation, ethnicity, race or nationality, political affiliation or religious beliefs, union affiliation or activity (article 128). The Wages Law holds that when establishing wages there will be no discrimination because of age, sex, race, nationality, political affiliation, religion or wealth (article 27).

The Law on ensuring equal opportunities between women and men provides that in the Republic of Moldova, women and men benefit from equal rights and liberties, with equal opportunities to exercise these (article 5); the state guarantees equal rights and opportunities and the equal treatment of women and men at the time of placement in labour (article 9);-in order to ensure equality between men and women, the employer is obliged to ensure equal remuneration for work of equal value (article 10).

Evidence of implementation effectiveness: N/A

Coverage of workers in law: Employers who are either natural or legal entities from the public, private or mixed sectors and who use wage labour.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: Moldova ratified the Equal Remuneration Convention, 1951 (No. 100) on 23 March 2000 and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) on 12 August 1996.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

The Republic of Moldova has established a comprehensive legal framework to enable equal opportunity and treatment in employment. Further, women and men have almost equal participation in the labour market. Nonetheless

decent work gaps persist in the area of equal opportunity and treatment in employment: the gender wage gap is wide at 12.9 per cent and while women are more highly qualified and outnumber men in many sectors, men continue to hold more leadership positions than women.

³¹ NBS. *Annual survey on earnings and labour costs in enterprises*. The data cover units with 1 or more employees.

9 Safe work environment

Moldova has worked to promote the development of a safe and healthy work environment over the last decade. Strengthening commitment to international standards, Moldova ratified the Labour Inspection Convention, 1947 (No. 81) in 1996 and the Labour Inspection (Agriculture) Convention, 1969 (No. 129). The passage of a number of related laws including: the Law on occupational health (2008), the Law on labour inspection (2001) and the Law on occupational accidents and diseases insurance (1999) has further enhanced the national legal framework has been enhanced (see Legal Framework Indicators 14, “Employment injury benefits” and 15, “Labour inspection”).

Over the last decade, the rate of occupational accidents in the workplace has fallen. In 2012 a total of 425 employees (wage and salaried workers) fell victim to occupational accidents; this is one third less than in 2003 and follows an annual decline over the period. Some two out of five people involved in accidents were women. Their share in the total number of accidents varies from year to year, 2011 recording the highest level (39 per cent) in the 2003–2012 period. Out of the total number of occupational injuries, some 20 people (4.7 per cent) lost their lives. Again though, the toll of fatal injuries, mostly affecting men, has steadily fallen over the decade, halving since 2003. The rate of non-fatal occupational accidents (leading to temporary incapacity for work) has also declined over the decade, reaching 0.686 per mil in 2012 (see Table 9). The highest rates of occupational accidents are recorded in agriculture, industry, construction and transport, where the rates are 1.5 to 6 times higher than national averages.

In 2012 each person who suffered an occupational accident was incapacitated for work for an average of 31 days. Average working time lost following accidents has averaged at between 22 and 35 days since 2003. Looking at economic sectors, agricultural accidents had the greatest impact (51 days of incapacity for work per employee), followed by

construction (50 days) and industry (38 days per employee).

According to enterprise statistics,³² some 50,000 workers, 8 per cent of the total, were employed in “difficult and extremely difficult” working conditions in 2012. The workplace reasons cited for these conditions include: noxious chemicals (20 per cent out of the total), dust (16 per cent), high noise levels (9 per cent), straining physical labour (14 per cent) or intense labour (12 per cent). In compensation for unfavourable work conditions, employees benefit, in accordance with the current legislation from: additional leave (94 per cent), bonuses and wage compensations for difficult and extremely difficult conditions, harmful and extremely harmful (91 per cent), as well as reduced daily work hours (15 per cent).

At the same time, according to household statistics (NBS, AFM), one in ten employed persons (paid employment and self-employment) state they are exposed in their workplace to factors that negatively impact their health, although the share of people affected by this problem decreased from 15.7 per cent in 2006 to 10.5 per cent in 2012. Looking at the impact of these factors: four out of five affected individuals considers they are exposed at their workplace to physical risks, 22 per cent to psychological risk factors and one in five people indicate chemical risks. Concern over physical risk has fallen by some 12 percentage points since 2006; while concern over chemical risk factors remains (with small variations) almost unchanged. The impact of psychological risk has varied over the years, averaging between 22.2 per cent in 2011 and 36.6 per cent in 2008.

In the 2003 to 2012 period, enterprise costs for labour protection measures have increased annually by an average of 15 per cent. However, the ratio between these costs and labour force costs has remained unchanged over the timeframe at 1:100.

³² NBS. Annual statistical survey on enterprises “Occupational safety and health (OSH)”

Table 9. Safe work environment

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Rate of fatal occupational accidents (per 1,000 workers), %	0.056	0.049	0.064	0.050	0.071	0.053	0.050	0.066	0.046	0.034
Rate of non-fatal occupational accidents (per 1,000 workers), %	0.811	0.834	0.821	0.823	0.709	0.661	0.917	0.895	0.717	0.686
Amount of time lost because of occupational accidents: average number of days of incapacity to work per casualty	31	29	33	33	34	35	22	24	35	31
Labour inspection (inspectors per 10,000 workers)	1.62	1.61	1.60	1.63	1.35	1.27	1.32	1.30	1.32	1.34
Employed population exposed at the workplace to factors with a negative impact on health, %	...	...	...	15.7	13.5	12.2	11.2	12.9	12.1	10.5
Risk factors these individuals are exposed to (an individual may be exposed to one or more factors), %										
Physical factors	...	...	...	92.3	85.2	81.2	81.8	91.2	84.9	80.6
Chemical factors	...	...	...	18.9	19.1	20.8	22.7	18.9	19.8	19.3
Psychological factors	...	...	...	27.6	32.8	36.6	32.1	27.1	22.2	22.5
Biological factors	...	...	...	2.7	2.3	3.1	3.2	3.2	4.0	4.0
Payments according to occupational accidents (MDL, thousands)										
Year	Payments according to leave certificates for temporary incapacity for work following an occupational accident	Payments for redressing damages caused by occupational accidents and diseases	Payments of singular compensations in cases of decreased capacity for work or death of employee following an occupational accident or disease	Total						
2009	1.61	141.5	140.4	2 699.4						
2010	1.61	141.5	140.4	2 770.7						
2011	3.22	83.6	944.3	3 132.9						
2012	6.44	372	1 227.8	1 828.3						

Legal framework indicator 14. Employment injury benefits

The main laws on employment injury benefits³³:

- Law 756/1999 on insurance for work accidents and occupational diseases (hereafter referred to as the Employment Injury Insurance Act, or simply the EII Act)
- Law 156/1998 on state social insurance pensions (referred to as the Pensions Act)
- Law 186/2008 on occupational safety and health (referred to as the OSH Act)

Medical care and rehabilitation services:

According to the EII Act, workers who suffer health problems caused by work accidents or occupational diseases are entitled to a comprehensive set of medical services, including: ambulatory treatment, medical analysis and medicines, emergency medical assistance, medical services in hospitals and specialized clinics, plastic surgery and implant services, physiotherapy, transportation costs, prostheses, orthopaedic appliances and orthopaedic footwear (Article 10).

The EII Act stipulates that an individual rehabilitation programme should be developed to recover working capacity and to reduce the need for permanent care (Article 11). In addition, it stipulates that the National Social Insurance House should provide allowances for vocational rehabilitation (Article 13). However, since the National Social Insurance House does not allocate any budget for the medical or vocational rehabilitation programmes, it has so far accepted only a limited number of court-ordered claims in recent years. The costs of primary health care services (hospital and medical services) are met by the national health insurance system. Although the National Health Insurance Company has the right to recover the cost of services from the employers who are found at fault, this provision is not applied in practice. The costs of specialized medical care services that are not covered by the national health insurance system must be claimed from the social insurance system. Again, due to lack of funds, the National Social Insurance House has failed to make those payments except for court-ordered cases.

33 ILO. 2013. Employment Injury Insurance in the Republic of Moldova. Options for contribution rates

Temporary incapacity benefits:

The cash benefit for temporary incapacity caused by work accidents or occupational diseases is granted on the basis of a medical certificate according to the EII Act (Article 14). The amount of the benefit is 100 percent of the average monthly salary³⁴ of the injured worker.

The benefit is paid from the first day of the incapacity up to 180 days (extendable by up to 30 additional days in justified situations) or until recovery or the award of a permanent disability pension. The first 20 days benefits are paid by the employer, and the remaining is paid by the national social insurance system.

Permanent disability pensions

The insured person with a disability as a result of a work accident or occupational disease has the right to a disability pension from the national social insurance system. The disability pensions are payable as long as the disability persists. The amount of disability pension depends on the assessed degree of disability (degree I: total loss of capacity for work and requiring constant attendance; degree II: total loss of capacity for any work but not requiring constant attendance; degree III: at least 40 percent loss of capacity for work).

For an insured worker who becomes permanently disabled irrespective of the cause, a disability pension is payable from the national social insurance system according to the Pension Act. The amount of disability pension is calculated as a product of the career average monthly salary, the number of insurance years, and a coefficient related to the degree of disability (42 percent for degree I; 35 percent for degree II; 20 percent for degree III) (Appendix 3 of the Pensions Act). Pensions are indexed annually in line with increases in the national average salary and consumer price index.

If the disability is caused by a work accident or an occupational disease, then the EII Act provides a supplementary benefit in addition to the social insurance disability pension (Article 16). The augmented amount of work-related disability pension is 66.7 percent of the average monthly salary for disability degree I and II. For disability degree III, the percentage of loss of work capacity is also taken into account. It should be noted that according to the EII Act the work-related disability benefit refers to only the supplementary portion of benefits, namely the difference between the augmented amount of work-related disability pension and the social insurance disability pension.

Both benefits are administered by the National Social Insurance House.

Survivors' pensions and lump sum benefits

If a worker dies as a result of a work accident or an occupational disease, survivors' pensions are payable to his/her family members according to the Pensions Act (Chapter II, Part 4). The amount of survivors' pensions is determined as a percentage of the amount of disability pension for degree I³⁵. The percentage is related to the number of survivors: 50 percent for one survivor, 75 percent for two and 100 percent for three or more. The eligible beneficiaries are as follows:

- children up to 18 years of age, or up to 23 years of age if they pursue full time studies in secondary, secondary specialized or higher education institutions, or irrespective of age if they are disabled;
- a surviving spouse who, at the time of death of the insured person, has attained the pension age or will attain it within five years; is disabled at degree I or II or was married for at least 15 years to the deceased and has not remarried;
- a surviving spouse who, at the time death of the insured person, does not work and is taking care of the deceased person's children younger than three years of age.

The EII Act provides lump sum benefits at the death of an injured worker (Article 18). The lump sum is a multiple of the average monthly salary of the deceased insured person which cannot be less than the national average monthly salary of the previous year. The coefficients applicable to the average monthly salary are as follows:

- the coefficient is 5 for one child, 8 for two children and 12 for three children or more;
- the coefficient is 3 for the spouse of the insured person who is disabled or has reached the pension age;
- the coefficient is 3 for a spouse or one of the parents of the deceased insured person, or any other person, who at the moment of the person's death does not work and is taking care of the deceased person's children younger than three years of age.

Compensation proportional to employers' fault

In addition to the above-explained benefits payable irrespective of employers' fault, the OSH Act provides that compensation is to be paid if the employer is found at fault wholly or partially of the work accident (Article 18).

In cases of permanent disability, the lump sum is the national average monthly salary multiplied by the value of percentage-points of loss of working capacity, which cannot be less than one year's average salary of the injured worker. The benefit is reduced in proportion to the worker's fault if the worker shares the responsibility. In fatal cases, the lump sum is the deceased worker's average annual salary multiplied by the number of years between the worker's age at death and 62 years, which cannot be less than 10 times the annual salary of the deceased. It was reported that almost all cases that went to court found at least some fault on the part of the employer. In many cases, the compensation is paid over several instalments. There was only one case in the past where an employer went into bankruptcy due to the court decision instructing an immediate payment of compensation in one instalment.

34 Calculated as the average salary over the last six months preceding the month of the accident.

35 The same formula is applied for survivors' pensions regardless of whether the death is work related or not.

Expenditure on employment injury benefits

In 2011 from the budget execution report a total of 4.6 million MDL was spent on compensation for work accidents and occupational diseases. The benefit expenditure is estimated at around 0.02 percent of estimated insurable earnings.

Financing:

Evidence of implementation effectiveness: N/A

Coverage of workers in law: Employers who are either natural or legal persons from the public, private or mixed sectors and who use wage or salaried employees.

Coverage of workers in practice: See Table 9: Safe work environment, payments according to occupational accidents.

Ratification of ILO Conventions: The Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121) have not yet been ratified by Moldova.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

The Labour Inspectorate and territorial subdivisions carried out 6,510 control visits in 2012 on adherence to occupational safety and health legislation, in over 5,400 undertakings with over 217,000 employees, out of which more than 107,000 were women and 116 under-aged children. The controls are grouped as follows: in the occupational safety and health sector 3,419 controls were conducted and in the labour relations sector 3,091. Out of the total number of controls: 4,026 were background controls; 1,576 were unexpected controls; 879 were thematic controls and 29 were repeat controls.

Controls based on the activity sector in 2012 were as follows:

- 25 per cent in units which undertake commercial activities;
- 18 per cent in collective services, social and collective personal services;
- 17 per cent in agriculture;
- 10 per cent in construction;
- 8 per cent in manufacturing industry;
- 6 per cent in education;
- 5 per cent in transport;
- 4 per cent in public administration;
- 2 per cent in financial activities
- 2 per cent in undertakings in the health sector;
- 1 per cent in undertakings in the energy sector;
- 1 per cent in extractive industry and hotels.

With the purpose of fighting against and preventing undeclared labour, labour inspectors have conducted inspections during which they

identified 295 businesses hiring 989 individuals who had been given employment without written contracts. Thus at:

- 64 businesses in the agricultural and forestry sector 292 people were working without legal forms;
- 45 businesses in the construction sector, 264 people;
- 101 businesses in the commercial sector, 175 people;
- 34 businesses in other collective services, social and personal sectors, 92 people;
- 10 businesses in the transport sector, 25 people;
- 3 businesses in hotel services, 4 people;
- 1 business in the extractive industry, 3 people.

The controls were finalized through drawing up records of findings in which the labour inspector recorded 79,559 cases of infringement of legal provisions and ruled necessary measures in order to ensure the adherence to occupational safety and health legislation.

The Labour Inspectorate has found that the most frequent violations employers are guilty of relate to the following: not undertaking professional risk evaluations; employing individuals without professional training and knowledge in occupational safety and health; not offering safe work conditions; using outdated and dangerous technologies; not ensuring the use of protective equipment (Law on occupational safety and health, Chapter III, articles 10 and 13). Regarding

individuals younger than 18, the most frequent labour legislation infringements concern: employment without written parental consent, employment without the preventive medical exam, not giving any training in occupational safety and health, not providing reduced work hours, not respecting break days, not offering supplementary paid leave, gaps in wage calculation and attraction into illegal activities.

To promote compliance with labour law, labour inspectors have emitted requisitions containing some 80,000 measures and actions for correcting breaches observed, as well for withdrawing minors working in breach of labour law. The following inspection procedures are included among these: 2,423 prevention activities (including ruling the standstill in three buildings due to non-adherence to occupational safety and health legislation); 597 sensitization activities; 865 activities relating to information dissemination; 1,077 consultations; 2,381 recommendations.

In 2012, labour inspectors completed and presented 891 records of findings to court for examination. Among the records of findings, 23 infringements related to minors, 134 to employment of

individuals without legal documents, 121 the breach of salary, compensation and other payments. Other findings note other occupational safety and health legislation infringements. In total, 50 records of findings were emitted and sent to the police for examination, on the basis prevention of the legitimate action of labour inspectors.

Over the last decade, labour inspectors have examined more than 160 occupational accidents a year. In 2012, the Labour Inspectorate was notified of 414 accidents (including seven accidents that had occurred in previous years). Out of the total number of accidents examined by labour inspectors, 117 were classed as occupational accidents, out of which 32 were fatal (leading to the deaths of 32 people); 62 were severe (leading to 71 people being injured); and 23 accidents led to temporary incapacity for work. One person younger than 18 (a seamstress) was involved in a collective road-accident, following which she was badly injured. The largest share of occupational accidents took place in the manufacturing industry where there were four fatal occupational accidents and 16 severe; agriculture and forestry had the second largest share, involving four fatal accidents and 11 severe.

Legal Framework Indicator 15. Labour inspection

Law, policy and institutions:

- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Law on labour inspection No. 140-XV of 10 May 2001
- The Law on occupational safety and health No. 186-XVI of 10 July 2008
- The Contravention Code No. 218-XVI of 24 October 2008
- The Law on state control of entrepreneurship activity No. 131 of 8 June, 2012
- The Criminal Code No. 985-XV of 18 April 2002

The Labour Inspectorate operates under the Ministry of Labour, Social Protection and Family and is the central body responsible for monitoring and enforcing adherence to labour norms in the private and public sectors, it disseminates information and advice on methods for respecting labour legislation and informs the Ministry of implementation shortcomings (Labour Code, article 372 and 374; Law on labour inspection, articles 3 and 4). To fulfil its role, the Inspectorate can request information, conduct checks, facilitate information dissemination including for employers and employees and examine occupational accidents.

The Law on occupational safety and health provides that the Labour Inspectorate undertakes monitoring and enforcement of employers' adherence to occupational safety and health legislation in line with the Law on labour inspection.

The Law on state control of entrepreneurship activity states the methods of organizing, planning, implementing and reporting the inspection of entrepreneurs, including in the area of occupational safety and health field. Some of its provisions oppose the spirit, principles and provisions of international acts on labour inspection systems. These contradictions concern the frequency of controls, the way controls are organized and conducted, how the efficiency of the control is ensured, the abilities and institutional capacities the controlling body has for ensuring the correct, coherent, consistent and singular implementation of the occupational safety and health legislation.

The Contravention Code (article 55) provides that infringements to the occupational safety and health legislation are sanctioned with a fine of CU 100 to 140 for natural persons, a fine of CU 200 to 350 for persons in the position of responsibility, and a fine of CU 350 to 450 for legal persons. The same actions, taken against minors are sanctioned with a fine of CU 120 to 150 for natural persons, a fine of CU 250 to 350 for persons in the position of responsibility, and a fine of CU 400 to 480 for legal persons.

Under the Contravention Code, the monitoring of infringements to occupational safety and health legislation is the responsibility of the head of the Labour Inspection and deputies, the heads of the territorial labour inspectorates and their deputies, and the labour inspectors. The examination of contravention files and the sanctioning is dealt with by courts.

The Criminal Code (article 183) states that an infringement to industrial hygiene or other labour protection regulations by a person in a position of responsibility or by a person who is the head of a commercial organization, if the breach leads to accidents involving people or which had severe consequences, is penalized with a fine of CU 200 to 500 or with 100 to 200 hours of unpaid community work, or a maximum of two years imprisonment. The same actions which have, through imprudence, led to the death of a person are penalized by a jail sentence of two to six years and the withholding of the right to occupy certain positions or undertake certain activities for up to three years.

Ratification of ILO Conventions: Moldova ratified the Labour Inspection Convention, 1947 (No. 81) on 12 August 1996 and the Labour Inspection (Agriculture) Convention, 1969 (No. 129) on 9 December, 1997.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

The Labour Inspectorate has 96 staff, of whom 15 function at the central level and 81 across ten territorial labour inspectorates; the staff have the following professions: 47 engineers, 34 journalists, seven economists and three other specialties. At the territorial level, inspectorates are composed of 19 managers and 62 public executives (2012). A total of 12 inspectors are women. In 2012 the Labour Inspection had a budget of MDL 7.3 million. Out of this, payment of staff amounted to MDL 5.0 million; contributions to compulsory state social insurances MDL 970,600, compulsory insurance premiums for medical assistance MDL 175,600; work travels inside the country MDL 41,300 and acquisition of goods and services MDL 1.2 million. Compensation cleared to be paid out amounted to MDL 17,200.

Under the Law on labour inspection (article 8) when carrying out their official functions, labour inspectors are entitled to: freely enter, at any time of day or night, without previously informing the employer, the workplaces, the service and production rooms; request and receive documents, information and statements needed for the inspection from the employer; request the elimination, immediately or within a certain timeframe, of infringements of labour legislation; request the withdrawal of the licence of employers who intentionally fail to cease infringements of labour legislation following repeated controls. Occupational safety and health inspectors have additional rights: they can stop specific work activities, use of buildings,

equipment and works; propose the cancellation of authorisations for production of prototypes of technical equipment and of individual protection and labour equipment if the inspector finds that, through modifying the initial conditions, the labour legislation is not respected.

The Law on Labour Inspection (article 11) regulates occupational safety and health inspection which serves the purpose: of examining employers' adherence to legislation; offering assistance on means to implement the law and eliminate infringements and sanction observed infringements. The Labour Inspectorate carries out various actions orientated towards ensuring the implementation of the occupational safety and health legislation. These include: controls, child labour monitoring, campaigning, preventing, sanctioning and fighting against illegal activity, examining petitions and complaints regarding labour legislation infringements, recording personnel lists and collective labour contracts, examining occupational accidents, undertaking actions and measures to consolidate labour inspectors' professional capabilities, informing, consulting and sensitizing. Inspectors can carry out background, thematic and unannounced inspections to follow up on complaints, obvious infringements and occupational accidents. Repeated checks are permitted to ensure elimination of infringements.

The background and thematic checks are conducted in accordance with the Annual Activity Schedule of the Labour Inspection, which is

approved by the state general labour inspector after coordinating with the Ministry of Labour, Social Protection and Family. The territorial labour inspectorates conduct the background and thematic checks according to trimestral activity plans, developed on the basis of the annual activity Programme of the Labour Inspection and approved by the head-inspector of the territorial labour inspectorate. The background and thematic checks can also be conducted upon request by the employer, person acting on the employers' behalf, employee or union.

To conduct a safety and health inspection, a control directive must be obtained from the state general labour inspector or deputies; the chief or deputy inspector of the territorial labour inspectorate. An unexpected check can also be carried out on the initiative of the labour inspector, without a control directive, as long as the inspector immediately informs one of the abovementioned individuals about the control.

The labour inspector informs the employer (person acting on his behalf) of his presence in the undertaking before the start of the control. Exceptions from this will be the cases in which the inspector receives written complaints (including in electronic format) from employees, social partners or stakeholders, which state that the employer is in violation of the occupational safety and health legislation; has not eliminated the occupational safety and health legislation infringements observed during previous controls; is withholding information related to occupational accidents which took place in the undertaking. The inspection must not last more than three working days. Although, if necessary, the state general labour inspector or deputies may prolong its duration.

State control on adherence to occupational safety and health legislation is finalized through the labour inspector drawing up a record of findings, in the model approved by the state general labour inspector. In the record of findings, the labour inspector briefly notes the essence of the observed infringement, indicates the provisions of the legislative and other normative acts that have been breached and asks for the immediate conformity or conformity within an agreed timeline. If during the check no infringements are observed, the labour inspector notes in

the record of findings the adherence to the occupational safety and health legislation.

If the inspector observes that the use of the buildings, edifices and technical equipment, or the continuation of activity and technological processes pose an immediate accident hazard, the labour inspector rules to put them on standstill, evacuate the personnel from the hazardous workplace and eliminate the observed hazards. In the standstill the inspector notes the infringement that led to the immediate accident hazard, as well as the legislation provisions breached. The standstill requisition is signed by the labour inspector and the employer (the person acting on his behalf). If the inspector rules for an immediate standstill, this must be noted in the record of findings and a copy of the standstill requisition is attached to the record of findings.

If eliminating the hazard requires a longer period of time, the labour inspector puts a seal on the devices used to connect to the energy power supply, switchboards, the mobile or other parts of the buildings, installations and technical equipment posing immediate accident hazard. The seal is applied so that it blocks off the possibility of reactivation, only leaving access for interventions to eliminate the hazard. The labour inspector notes in the standstill requisition the use of the seal, its number and its location and informs the head of the workplace and the employer (or person acting on their behalf) of its existence. In the standstill requisition, the labour inspector asks to be informed in writing of the elimination of the hazardous infringements.

Summary assessment

The Republic of Moldova has established a legal and institutional framework with the purpose of promoting safety and health in the workplace. However, while employers have taken actions leading to a decrease over the decade of both workplace accidents leading to fatalities and temporary loss of work capacity, deficiencies remain in occupational safety and health that contribute to these accidents. Although the Law on occupational injuries and diseases provides for the differentiation of social insurance rates in line with the risk of injuries and diseases of employees characteristic for the enterprise, up to present the clear mechanisms and criteria

for differentiation have not been developed or adopted. The State Labour Inspectorate currently lacks capacity to fulfil its role and does not have an informational system for data processing, influencing the duration of operations. The Law on state control of the employer contains provisions that are against the spirit and

principles of international documents associated with labour inspection systems. Finally, Moldova has yet to ratify the Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121).

10 Social security

Social security involves access to health care and income security particularly in old age, unemployment, sickness, invalidity, work injury, maternity or the loss of a main income earner. Moldova has a comprehensive social security system, with statutory coverage in the main branches of social security. Social protection is the largest single spending item on the Public National Budget: some 30 per cent of public spending is directed towards social insurance and assistance. Between 2004 and 2012, public spending on social protection has consistently increased from 10.2 per cent of GDP in 2004 to 13.2 per cent in 2012 (Table 10).

One component social protection policy is the social insurance system, which provides against life's contingencies such as old age, disease, and incapacity for work.³⁶ The public social insurance system works through collecting contributions from employers and insured persons and respectively distributing benefits. The operation of the system is determined by various factors, including demographic processes and the labour market situation. Population ageing and a decline in labour market participation over the last decade have led to a decline in the number of contributors to the state social insurance budget. The latter covers pensions, but also different allowances for ensured persons. The main financing source for the SSIB is the social insurance taxes. Thus, the share of the economically active population covered by the SSIB increased up to 2008, reaching 70.8 per cent after which it declined to 68.8 per cent in 2012 (Table 10). This later drop in coverage is mainly caused by the fact that beginning in 2009 social insurance was no longer compulsory for land owners.

According to data from National House of Social Insurance (CNAS) the main contributors to social insurance are employees, some 96 per cent, the other 4 per cent consisting of self-employed persons and land owners. This situation is highlighted by the Labour force survey

(AFM) data, according to which employers pay contributions for compulsory state social insurance for 92 per cent of employees, which legally entitles them to a pension in the future. On the other hand, paying undeclared wages is still a practice used by employers. According to 2012 AFM data, out of the total employment, 30 per cent are informally employed, which has a direct impact on the size of the pension, as this is established based on the official level of their gross wages. Although these are well known facts and the population is regularly informed of them, one in ten employees state that they receive either a part (3.1 per cent out of the total employees) or even the total amount (7.3 per cent of total employees) of their salary "in an envelope".

Though men and women represent equal shares in employment, women contribute 53 per cent of the social security budget. Out of the total population aged 65 and over, 95 per cent benefit from pensions; however the percentage of men benefitting from a pension (90 per cent) is smaller than that of women (97 per cent). This is largely because a larger percentage of women are formally employed (three in four women compared to two thirds of men) and men are more likely to migrate (two thirds of migrant workers from Moldova are men) meaning less men contribute to the social security system. In these conditions, the gap between men and women as pension beneficiaries may continue to grow. Nonetheless, the average old age pension for men aged 65 and over is 19 per cent higher than that of women due to the existing gender wage gap.

With the purpose of insuring universal access to basic medical services and financial protection for the population, Moldova introduced compulsory health insurance in 2004. Currently, 77 per cent of Moldova's population is covered by health insurance. Out of the total persons insured, some two thirds are covered financially by the

36 See: <http://mpsfc.gov.md/file/rapoarte/RSA%202011%2020.07.12MMPSF.pdf>

Government, and one third are employees paying insurance premiums as a percentage of their wages. The uninsured population must insure themselves individually through paying the insurance premium as a fixed sum.

Overall, 80 per cent of women and 73 per cent of men have health insurance (see Table 10). The gap has two main causes, one is that a larger share of women are old age pensioners and thus benefit from free insurance, the other is that a smaller percentage of women than men are employed in the informal sector.

In recent years, Moldova has made progress in raising funds for the health sector. Total expenditure on health care represents at least 10 per cent of GDP³⁷. However, health spending per person remains low (US\$ 360 in PPP), showing that the population still benefits from a limited volume of medical services. In these conditions, approximately 50 per cent of total health spending is generated through private spending (see Table 1), out of which 80 per cent is direct household spending³⁸. Such a situation shows the burden weighing on the population for health service costs, especially on the impoverished population, which can face the risk of falling deeper into poverty because of these costs.

Table 10. Social protection

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Share of population aged 65 and above benefiting from a pension, %										
Total	97.09	97.06	97.18	94.16	93.50	93.10	92.90	92.79	92.60	94.9
Men	97.49	97.80	98.63	93.59	91.12	89.32	88.08	87.33	84.11	90.0
Women	96.89	96.69	96.48	94.44	94.62	94.82	95.07	95.15	96.33	97.0
Public social security expenditure (% GDP)	...	10.2	11.3	11.5	12.3	12.5	15.0	14.3	13.4	13.2
Public healthcare expenditure on the total healthcare expenditure, %	–	–	–	–	50.9	52.1	51.5	49.7	49.8	50.8
Share of population covered by (basis) health care provision, % (share of population covered by mandatory health insurance)										
Total	–	74.9	75.9	77.5	77.4	78.6	76.8	76.8	77.2	77.2
Men	–	72.5	72.9	74.5	75.4	75.7	73.4	72.9	72.7	73.4
Women	–	76.9	78.4	80.0	79.0	81.1	79.7	80.2	81.0	80.4
Share of economically active population contributing to a pension scheme, % (aged 15-64)										
Total	–	56.6	60.0	65.0	69.3	70.8	68.8	69.5	68.3	68.8
Men	–	55.2	59.7	62.2	66.8	67.5	64.1	65.3	64.1	63.9
Women	–	58.0	60.3	68.0	71.9	74.1	73.7	73.8	72.8	73.8
Public expenditure on mean tested social allocation (% GDP)	–	–	–	–	–	–	0.19	0.39	0.40	0.46
Beneficiaries of cash income support (% of poor)*	–	–	–	–	–	–	2.8	9.5	8.5	13.3

* Means tested social support allocation was introduced in December 2008

37 www.ms.gov.md

38 NBS: calculations based on macroeconomic indicators

Legal Framework Indicator 16. Pension

Law, policy and institutions:

- Constitution of the Republic of Moldova of 29 July 1994
- Law on public social insurance system No. 489-XIV of 8 July 1999
- Law on public social insurance pensions No. 156-XIV of 14 October 1998

Under the Constitution (article 47) the state is obliged to take measures to ensure that every person has a decent standard of living, to ensure health and wellbeing, both for themselves and their family, including food, clothing, housing, medical care, and necessary social services. Citizens are entitled to benefits for: unemployment, illness, invalidity, survivors, old age and loss of means of sustenance, following certain events independent of the individual's will. The Law on public social insurance regulates old age, invalidity and survivors pensions (article 9).

Qualifying conditions: Under the Law on public social insurance pensions the retirement age is 62 for men and 57 for women, following 30 years of contributions for both. The following are entitled to a pension (article 2): insured persons residing in Moldova, as well as the individuals who, at the date of establishing the pension, are not insured, but fulfil the criteria stated by the law. The right to a pension is given to farmers, as well as people insured on the basis of individual insurance contracts drawn with CNSS. If a person meets the qualifying conditions for more than one social pension, they must chose a single pension.

The Law on the public social insurance system states that the right to contributory social insurances is guaranteed by the state and is enacted by the public social insurance system. This law provides for old age, invalidity and survivor pensions. In the public system, the following are compulsorily insured, as stated by the law: people holding an individual labour contract; elected or executive officials; a number of groups of individuals with an income over three or four times the national average.

Financing: Pensions provided for under the Law on public social insurance pensions are paid through the pension fund (article 4). The pension fund's is financed by contributions from employers, insured persons and government allocation of funds.

The law on public social insurance pensions regulates contributions, summing contributions across the working life, with allowances made for military service, caring for children aged under three, periods of temporary incapacity for work and unemployment. The value of the pension is calculated from the average monthly insured income over the total activity period (art.8) (see Annex 1 for calculation).

Ratification of ILO Conventions: The Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128) have not yet been ratified by Moldova.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Legal Framework Indicator 17. Incapacity for work due to sickness/sick leave

Law, policy and institutions:

- Constitution of the Republic of Moldova of 29 July 1994
- Law on public social insurance system No. 489-XIV of 8 July 1999
- Law on allowances for temporary work disability and other social security benefits No. 289-XV of 22 July 2004

Persons ensured under the public social insurance system are entitled to compensation for temporary incapacity for work due to sickness or non-occupational accidents, due to occupational accidents and illness, including cover for the care of a sick child and others. The Law on allowances for temporary work disability and other social security benefits regulates the right to social insurance in cases of illness, maternity and death.

Qualifying conditions: Under the law on public social insurance system, insured persons with residence in Moldova and unemployed individuals receiving unemployment benefit (unemployed) are entitled to social insurance benefits for risks they are insured against. They are also entitled to coverage if the risk occurred in a trial period or on the day of dismissal. The right to benefits for temporary incapacity for work is confirmed through a medical leave certificate, released through the method set forth by the Government (Law on allowances for temporary work disability and other social security benefits article 8).

Benefits (level and duration): Under the law on allowances for temporary work disability and other social security benefits, monthly social insurance payments are calculated based on the average monthly income out of which social insurance contributions were made in the six calendar months prior to the month in which the insured risk occurred. The payment cannot value more than five times the national average monthly salary forecast for that year. If the insured person has not worked the full period considered, compensation will be based on income in the fully worked calendar months from the respective period. If the insured person has worked for less than six months, the compensation is calculated based on the insured average monthly income gained in the integrally completed calendar months, and in the case in which the subscription period was shorter than a calendar month, the completed days are considered. In the case of a motivated lack of insured income for the last six calendar months prior to the month in which the insured risk occurred, the compensation is calculated based on the basic wage or the standard position wage of the beneficiary. The basis for calculating the compensation for maternity, offered to the wife in care of the employed husband, is the husband's monthly insured income and is determined through the conditions outlined.

Compensation for temporary incapacity for work is given for a maximum of 180 days in one calendar year (Law on allowances for temporary work disability and other social security benefits, article 9). From the 120th day of leave, benefits are paid as an extension of medical leave and need the Vitality Medical Expertise Council (CEMV). Extension of medical leave to over 180 days is made for a maximum of 30 days, depending on the evolution of the case and the results of rehabilitation, on the basis of CEMV approval. If it is necessary to extend medical leave beyond 180 days, compensation for temporary incapacity for work is given for the entire period of extended medical leave. When the CEMV classifies the individual as disabled, temporary incapacity for work benefits are paid up to the date in which the person was declared disabled, without passing the maximum period for which compensation can be given, as stated by the law (Law on allowances for temporary work disability and other social security benefits, article 10). Insured persons with an individual fixed term labour contract with a duration of one year or less, including those employed in seasonal labour and unemployed individuals who receive unemployment benefit are entitled to temporary incapacity for work for a period of up to 30 days in a calendar year.

In cases of tuberculosis, AIDS and cancer (with CEMV approval) temporary incapacity benefits are paid for a cumulative period of up to one year over the course of 2 previous years. . Benefits for temporary incapacity to work due to pregnancy is given for the duration of the medical leave without any restrictions.

The total monthly sum temporary incapacity for work benefits (Law on allowances for temporary work disability and other social security benefits, article 13) depends on the length of time over which contributions have been paid:

- 60 per cent of the abovementioned basis of calculation in the case of under 5 years of contributions;
- 70 per cent of the abovementioned basis of calculation in the case of between 5 and 8 years of contributions;
- 90 per cent of the abovementioned basis of calculation in the case of over 8 years of contributions.

Temporary incapacity for work benefits in cases of tuberculosis, AIDS or cancer is 100 per cent of the abovementioned basis of calculation.

In the case of employer bankruptcy, compensation for temporary incapacity for work which had started previously to this situation, is paid from the state social insurance budget (Law on allowances for temporary work disability and other social security benefits, article 22)

The Regulations concerning the methods of calculating and paying benefits for temporary incapacity for work and other social insurance benefits were approved through Government Decision No. 108 of 3 February 2005.

Ratification of ILO Conventions: The Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128) have not yet been ratified by Moldova.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Legal Framework Indicator 18. Incapacity for work due to invalidity

Law, policy and institutions:

- Constitution of the Republic of Moldova of 29 July 1994
- Law on public social insurance pensions No. 156-XIV of 14 October 1998
- Law on public social insurance system No. 489-XIV of 8 July 1999
- Law on allowances for temporary work disability and other social security benefits No. 289-XV of 22 July 2004
- Law on social inclusion of disabled individuals No. 60 of 30 March 2012

The Constitution (article 47) provides that the state is obliged to take measures to ensure that every person has a decent standard of living, enough to ensure health and wellbeing, both for themselves and their family, including food, clothing, housing, medical care, as well as necessary social services. Citizens are entitled to insurance against: unemployment, illness, invalidity, widowhood, old age or other situations of losing one's means of sustenance, following certain events independent of their will.

The Law on public social insurance pensions, provides for invalidity pensions. This pension category has the purpose of ensuring adequate social protection in the case of incapacity for work due to disability and the CEMV is responsible for assessing the invalidity.

Qualifying conditions: Insured people who have partially or totally lost their capacity for work due to ordinary disease, or occupational accident or disease are entitled to an invalidity pension. Based on the degree of loss of work capacity, there are three degrees of invalidity. Invalidity pensions for invalidity caused by an ordinary illness are available if the person fulfils the following qualifying conditions, based on their age when the invalidity was observed and a minimum contribution period (Law on public social insurance pensions):

- Up to 23 years: minimum contribution of one year
- 23-26 years old: minimum contribution of two years
- 26-31 years old: minimum contribution of three years

Over 31 years old: minimum contribution of five years

Benefits (level and duration): The value of invalidity pensions due to occupational accident, military service, as well as for individuals with childhood invalidities or disease (Law on public social insurance pensions, article 20) is set independently from the contribution period. If the individual did not make the required contributions by the time of the initial observance of the invalidity, the necessary contribution stage is set based on the age at the date of the request for setting a pension for invalidity caused by an ordinary disease.

The invalidity pension is calculated based on the degree of disability, (Law on public social insurance pensions, article 21, and Annex 3). If the invalidity pension is smaller than the minimum pension, the minimum pension will be the amount given. In the case of a change in the degree of disability, following medical assessment and approval by the CEMV, the pension is determined based on the new disability category and the monthly average insured income considered when initially setting the pension and payment changes in the month following the CEMV's approval of a change.

The invalidity pension is paid in full, including to pensioners who are earning incomes making them eligible for state social insurance contributions (Law on public social insurance pensions, article 23). The payment of the invalidity pension to people who find themselves under complete state care is 25 per cent of the set pension.

Ratification of ILO Conventions: The Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128) have not yet been ratified by Moldova.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

Moldova has a legal and institutional framework aiming to provide social security for the population. Public expenditure and population coverage have both increased over the decade. Concurrently, the social security framework

would be strengthened by ratification of -the Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128).

11 Social dialogue, workers' and employers' representation

Freedom of association and the right to collective bargaining are enshrined in the 1998 ILO Declaration on Fundamental Principles and Rights at Work and integral components of decent work. Moldova has ratified the Freedom

of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

Legal Indicator 19. Freedom of association and the right to organize

Law, policy and institutions:

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- The Law on trade unions No. 1129-XIV of 7 July 2000
- The Law on employers' organizations No. 976-XIV of 11 May 2000
- The Contravention Code No. 218-XVI of 24 October 2008.

Freedom of association and the right to organize is enshrined in the Constitution (article 46), according to which any employee has the right to form and join to trade unions for the purpose of defending their interests. The Labour Code holds that employers and employees have the right to organize and join trade unions and employers' organizations as a fundamental principle of labour relations (articles 5, 9 and 10). Under the Law on trade unions, Moldovan citizens, foreigners and stateless persons legally residing in Moldova have the right to form and join trade unions, while unemployed, self-employed and Moldovans living abroad can join trade unions in Moldova (article 7). The Law on employers' organizations also upholds principles of freedom of association and equality of rights (article 1).

The Contravention Code (article 61) stipulates that preventing employees from realizing their right to organize and join trade unions in order to defend their professional, economic and social rights is punishable by a fine of CU 40 to 50 (1 unit is equal to 20 lei). While no sanction is provided against impeding the right of employers to organize, however hindering the right to set up an employers' organization may be sanctioned under article 55 of the Contravention Code pursuant to which, infringements of labour legislation (not specified) are sanctioned with a fine of CU 100 to 140 for natural persons, CU 200 to 350 for persons in management positions, and from CU 350 to 450 for legal entities.

Ratification of ILO Conventions: Moldova ratified the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) on 12 August 1996 and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) on 12 August 1996.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

A number of bodies have been established to regulate industrial relations and social partnership, in conformity with article 25 of the Labour Code, namely: at the national level, the National Commission for Consultations and Collective Bargaining (made up of 18 members and 18 deputies, appointed by the social partners and the government on a parity basis); at the branch level, the Branch Commission for Consultations and Collective Bargaining (composed of four members and two deputies, appointed by the social partners, ministries,

other central public administration bodies, branch unions and employers' organizations; at the territorial level, territorial commissions for consultations and collective bargaining (made up of four members and two deputies, appointed by the social partners, local public administration bodies, territorial unions and employers' organizations); at the enterprise level, Commissions for social dialogue between employers and employees (formed on a parity principle of representatives of the employer and of the union or elected representatives of the employees).

Legal Indicator 20. Collective bargaining right

Law, policy and institutions:

- The Constitution of the Republic of Moldova of 29 July 1994
- The Labour Code No. 154-XV of 28 March 2003 and its amendments
- Law on organizing and functioning of the National Commission for Collective Consultations and Bargaining and of the commissions for consultations and collective bargaining at branch and territorial level No. 245-XVI of 21 July 2006
- Law on trade unions No. 1129-XIV of 7 July 2000
- Law on employers' organizations No. 976-XIV of 1 May 2000

The Constitution upholds the right to collective bargaining on labour issues and the binding force of collective conventions (article 43). The Labour Code reaffirms the right to engage in collective bargaining and to conclude collective agreements through representatives (article 9), as well as the obligation of the employer to engage and conclude collective agreements (article 10). Collective bargaining can be initiated and sustained by employers and employees' representatives and negotiations must start no later than seven days after written notification is received (article 26). Participants in collective bargaining are free to choose the topics to be negotiated; deadlines, place, and manner of conducting negotiations are established by the parties to collective bargaining (article 27).

Participants in collective bargaining, and the drafting of the collective agreement or collective convention are exempted from their regular work and are paid the average wage for a period agreed by the parties, which can be no longer than three months. They cannot be subject to disciplinary sanctions over the period of negotiations, posted to another workplace or dismissed without the approval of the body which appointed them, with exception of dismissal in case of disciplinary infringements provided for by the Labour Code (article 29).

Trade unions have the right to collective bargaining with employers and their organisations, with public authorities as well as the right to conclude collective agreements. The managers of enterprises where there are no unions and employers who prevent their employees from organizing cannot be members of commissions for collective bargaining. Employers and their organizations, and the public authorities are obliged to engage in collective bargaining with trade unions on labour and social related issues, upon trade unions' proposal (Law on trade unions, article 15). Employers' organizations represent employers' interests in social dialogue, collective bargaining and alternative forms of dispute settlement (Law on employers organizations, article 14), where they can negotiate and conclude collective agreements (article 20).

Evidence of implementation effectiveness: See Table 11

Ratification of ILO conventions: Moldova ratified the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) on 12 August 1996 and the Collective Bargaining Convention, 1981 (No. 154) on 14 February 1997.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Table 11. Social dialogue, employees' and employers' representation

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Union density rate (members of trade unions as % of employees) according AFM:											
Share of working persons who stated they were members of a trade union, % of total occupied											
Total	–	–	–	27.8	26.8	25.4	25.9	24.6	21.7	20.5	–
Men	–	–	–	23.6	21.8	20.3	19.9	18.7	16.3	15.2	–
Women	–	–	–	32.0	31.9	30.5	32.1	30.6	27.2	25.8	–
Share of employees who stated they were members of a trade union, % of total employed											
Total	–	–	–	41.0	40.0	37.0	36.5	34.7	30.7	28.8	–
Men	–	–	–	35.7	33.9	30.9	29.6	28.0	24.5	22.8	–
Women	–	–	–	46.0	45.5	42.7	42.8	40.6	36.2	34.3	–
Union density rate (members of trade unions) according CNSM**:											
<i>Number of employees members of unions, thousands persons</i>	–	–	–	–	476.2	460.2	432.8	415.6	401.6	376.0	–
<i>Share of employees–members of unions, % of total employees</i>	–	–	–	–	57.2	54.1	51.8	51.4	48.4	46.3	–
Collective bargaining coverage rate											
<i>Number of enterprises, institutions, organizations which concluded collective labour contracts</i>	–	–	–	–	4 393	4 393	4 378	4 308	4 216	4 496	–
<i>Enterprises which concluded collective contracts, % of total active enterprises</i>	–	–	–	–	42.20	40.70	38.40	38.30	36.90	36.30	–
Concluded collective conventions and contracts											
<i>National conventions</i>	–	–	–	–	–	–	–	2	0	3	0**
<i>Branch conventions</i>	–	–	–	–	–	–	–	10	9	4	6**
<i>Territorial conventions</i>	–	–	–	–	–	–	–	7	1	6	4**
<i>Collective agreements at undertaking</i>	–	–	–	–	–	–	–	930	1 127	1 138	644***

* CNSM -National Confederation of Trade Unions of Moldova

** First six months of 2013

*** First eight months of 2013

According to the data provided by the National Confederation of Trade Unions of Moldova (CNSM), 46 per cent of the total number of employees are members of trade unions. This indicator has fallen by 11 percentage points since 2007. The Household Survey, estimated a significantly lower trade union density of

20.5 per cent among the employment and 28.8 per cent of employees (2012). The same study found that women have higher participation rates in the union movement than men, although membership is declining for both. The CNSM found that collective bargaining coverage for all groups of workers is also declining (see Table 11).

Legal Indicator 21. Tripartite consultations

Law, policy and institutions:

- Constitution of the Republic of Moldova of 29 July 1994
- Law on organizing and functioning of the National Commission for Consultations and Collective Bargaining and of commissions for consultations and collective bargaining at branch and territorial level No. 245-XVI of 21 July 2006
- Law on trade unions No. 1129-XIV of 7 July 2000
- Law on employers' organizations No. 976-XIV of 1 May 2000
- Rulebook of the National Commission for Consultations and Collective Bargaining approved by decision of the National Commission No. 3/3.11.2006

The National Commission for Consultations and Collective Bargaining is a key structure in Moldova's social dialogue system. It is a tripartite body set up to establish the foundations for the regulation of social and economic relations and labour relations in the country; as well as to enable tripartite consultations between the social partners on labour related issues and national economic and social interests; promotion of social partnership at the national level, preservation of social cohesion, peace and stability; and support for the participation of civil society in promoting national policies (Law on organizing and functioning of National commission for consultations and collective bargaining article). The National Commission has a consultative role in the design of economic and social strategies and policies, as well as in the mitigation of social conflicts at the national, branch and territorial levels.

In conformity with article 10(e) of the Law on organizing and functioning of National commission for consultations and collective bargaining, on commissions and collective bargaining at branch level and territorial level, and item 8(e) of the Rulebook of the National Commission for consultations and collective bargaining at branch level and territorial level, approved via the Commission Decree No. 3 dated November 3, 2006, the Commission has the following tasks:

- To harmonize the interests of the government and the social partners in the process of regulating labour and social and economic relations;
- To examine and make proposals to the Government regarding the reports submitted to the ILO as well as regarding the ratification or denunciation of ILO conventions;
- To monitor the implementation of commitments undertaken by the Republic of Moldova through the ratification of the Right to Organise and Collective Bargaining Convention, 1949 (No.98) and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No.144);
- To examine and mitigate social conflicts between the social partners at the national, branch or territorial level.

Ratification of ILO Conventions: Moldova ratified the Tripartite Consultation (International Labour Standards) Convention, 1976 on 12 August 1996.

Sources:

1. National legislation; NATLEX database (http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=MDA)
2. NORMLEX Information System on International Labour Standards (http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102695)

Summary assessment

Moldova has established a comprehensive legal framework to enable freedom of association and the right to collective bargaining. However, a number of legal norms contradict international labour standards to which Moldova is party, these include: the Law on trade unions, article 10(5) which limits freedom of association; the Contravention Code does not provide for sanctions against interfering with trade unions activities; restrictions on the right to strike are found in the Labour Code which does not fully clarify the minimum services to be insured in case of strike (article 363(3)), nor the categories of workers not permitted to strike in telecommunications and manufacturing of goods for state defence (article 369(2) and finally the list containing the classification of enterprises,

sectors and services whose employees shall not participate in the strike, approved via the Government Decree No. 656 of 11 June 2004 is excessively restrictive. Finally, article 360(1) of the Labour Code states that in situations where the parties to the conflict have not reached an agreement and do not agree with the decision of the Commission for Conciliation, each party is entitled to submit, within ten working days of the date of passing of the decision or receipt of notification, a request for collective labour conflict to the Court of Justice. Thus, it is possible to resort to a binding arbitration upon request from individual parties to the collective labour conflict rather than only upon the request of both parties to the conflict.

Recommendations

Based on the analysis of decent work in Moldova and with a view to achieving decent work for all, the following recommendations are made:

1. Improve the coordination of labour market policies, and implementation of active labour market measures conducive to job creation, encouraging employment of youth, unemployed to find jobs, including through the adoption of a new Law on employment and social protection of jobseekers.
2. Full compliance with article 43(3) of the Law on employment and social protection of jobseekers No. 102-XV of 13 March 2002 and with the provisions of the art. 30 para (1) letter b) of the same law on payment of unemployment benefits.
3. Increase the national minimum wage to at least minimum subsistence level.
4. Analyse the possibility of setting up a single minimum wage for all branches of the economy.
5. Intensify activities to prevent undeclared payment of wages, non-registration of workers and to bring all forms of work into the formal economy.
6. Modify point 3 of the Government Decree No. 1223 dated 9 November 2004 under which staff in health care can have 24 hour-long shifts with a view to aligning with provisions under international standards and the Labour Code of Republic of Moldova.
7. Undertake tangible actions with regard to the monitoring of child labour, for example by drafting a separate chapter in the Regulations of Board of Directors for the elimination of child labour, under the title of “Child labour monitoring”.
8. Increase the number of staff in the Unit for Monitoring Child labour within the State Labour Inspectorate.
9. Modify the Collective Convention (national level) No. 8 dated 12 July 2007 regarding the abolition of the worst forms of child labour so as to revise and update duties of signatory parties.
10. Ensure implementation of the National Action Plan on prevention and elimination of the worst forms of child labour (2011-2015) approved in the Government Decree No. 766 dated 11 October 2011.
11. Apply tougher administrative sanctions for non-compliance with labour legislation, including legislation on occupational health and security under article 55 of the Contravention Code.
12. Approve the National Programme in the area of occupational safety and health.
13. Improve the legal framework that regulates the work of the State Labour Inspectorate with a view to the following:
 - a) Compliance with the provisions of ILO Conventions No. 81 and No. 129:
 - Remove the State Labour Inspectorate from the Law on state control on the work of enterprise No. 131 dated 8 June 2012;
 - Ensure the right of labour inspectors to free access to work buildings and auxiliary buildings;
 - Ensure the right of labour inspectors to not informing the employer of their presence in the enterprise, unless they deem that it will not hinder the visit;
 - b) Ensure the implementation of legislation on occupational safety and health related legislation on work relations;
 - c) Extend the duties of State Labour Inspectorate to cover self-employed workers as well.
14. Increase the number of staff (up to 145-150) and the strengthen capacity of the State Labour Inspectorate.
15. Develop, adopt and apply professional training programmes and in-service training of the staff of State Labour Inspectorate.

16. Provide the State Labour Inspectorate with informational systems for processing of data, and software for their maintenance.
17. Provide the State Labour Inspectorate with the right to analyse and apply administrative contraventions.
18. Direct labour inspection work towards areas that are more risk-prone for accidents and diseases, including: the processing industry; construction sites; farming; energy; and telecommunications.
19. Reform the current system of pensions to ensure a decent living after old-age retirement.
20. Examine the possibility of harmonizing the pension system.
21. Examine the possibility of recalculating the value of pensions of people who keep working after retirement age.
22. Examine the possibility of increasing the size of the lump sum benefit given upon birth (currently the benefit amounts to MDL 2,600 – upon birth of the first child and MDL 2,900 upon birth of each subsequent child) and increase the monthly benefit for child care (currently the benefit amounts to 30 per cent of the average insured income, but not less than MDL 300 for each child).
23. Amend article 10 of the Law on trade unions No. 1129-XIV dated July 7, 2000, to ensure the right of workers to set up and join trade unions upon own choice including those outside the existing national trade union structure.
24. Modify or supplement the following:
 - a) article 363(3) of the Labour Code with a view to determining the minimum services to be ensured in case of strike;
 - b) article 369(2) c) and h) of the Labour Code with a view to clarifying the categories of employees from the telecommunications and enterprises that manufacture goods for defence of the state which are not permitted to go on strike.
25. Examine the possibility of changing or supplementing the Contravention Code of the Republic of Moldova with a view to establishing some sanctions against interfering with the work of trade unions.
26. Amend article 360(1) of the Labour Code, in such a way that it ensures that resorting to mandatory arbitration is possible only upon request from both parties to the collective labour conflict.
27. Update the list containing the classification of enterprises, sectors and services whose employees cannot participate in a strike, approved via the Government Decree No. 656 dated 11 June, 2004.
28. Examine the possibility of extending the content of collective agreements at the branch and territorial levels onto all employees in the branch or territorial level.
29. Improve the system of settling labour conflicts in an amicable way.
30. Examine the potential for ratification of the following ILO Conventions:
 - Social Security (Minimum Standards) Convention, 1952 (No. 102).
 - Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121).
 - Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128)
 - Workers with Family Responsibilities Convention, 1981 (No. 156)
 - Occupational Health Services Convention, 1985 (No. 161)
 - Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168)

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Annex I. Statistical indicators on Decent Work: definitions and data sources

Indicators and definitions	Data source
The economic and social context for decent work	
Gross Domestic Product (GDP): the value of all the goods and services produced by the resident enterprises for final consumption	NBS, SNA
Gross Value Added (GVA) is the balancing item of production account and is measured as the difference between the value of goods and services produced (assessed in basic prices) and intermediate consumption (assessed in purchaser's prices), thus representing the new value created in the production process. The GVA is calculated before calculating the fixed capital consumption. The GVA is distributed by economic activities (NACE rev.1).	NBS, SNA
Labour productivity: GDP per employed person in constant prices	NBS, SNA, AFM
Real GDP per capita in Purchasing Power Parity, US\$: use of official exchange rates in order to convert the national currency in USD cannot measure the relative internal purchasing power of currency. Therefore, the UN Comparison Project has recommended the calculation of real GDP on a comparable scale at international level, using as conversion factor the purchasing power parity.	NBS, SNA, IPC
Labour share in GDP: percentage of staff remuneration (employees) in GDP	NBS, SNA
Consumer price index (CPI): general evolution of prices for purchased goods and the tariffs for the services used by the population to meet the needs for living during a certain period of time (current period) compared to a previous period (reference period). Components of CP: food stuffs prices, prices for non-edible products and services.	NBS, Consumer Prices Survey
Average annual inflation rate represents the average increase in consumer prices during a year compared to the previous year	NBS, Consumer Prices Survey
Indicators related to poverty are based on methodological principles regarding absolute poverty, while, as a criterion of welfare, the consumer spending per adult person is used.	NBS, CBGC
Income inequality is based on the ratio between income of households from the highest decile and lowest decile.	NBS, CBGC
Employment by branch of economic activity: distribution in percentage of employed population by industry	NBS, AFM
Female share of employment by industry: total number of employed women in the economic activity "i" as percentage of the total number of employed people in the economic activity "i". Economic activities according to ISIC.	NBS, AFM
Education of adult population	
1. Rate of adult literacy: share of people aged 15 and over who have graduated from at least primary school	NBS, AFM
2. Secondary school graduation rate: share of population of 20 years of age and over, who have graduated from at least the secondary level of education, from the total of population of age 20 and beyond.	
Children who do not attend school: the ratio of the number of children enrolled in a certain level of education (primary, lower secondary) and the stable population of the country having the official age for the respective level of education.	NBS, statistical survey on educational institutions
Working-age population who have tested positive for HIV (spread of HIV): population of 15 years of age and beyond who have tested positive for HIV related to the total population of working age.	Ministry of Health, National Centre for Public Health
Employment opportunities	
The employment rate of working-age population: share of employed working-age population (16-56/61 years or 15-64 years) in the total number of working-age population. The Labour Force Survey (AFM) is performed for the population households. People who live on a permanent basis in public housing units (retirement homes, homes for disabled people, students' campuses, and sanatoriums) or seasonal houses are not covered by the survey.	NBS, AFM

Gender gap in employment: difference between the employment rate of women of age 15-64 and employment rate of men of age 15-64, expressed in percentage points.	NBS, AFM
Unemployment rate: ratio of unemployed in active population, expressed in percent	NBS, AFM
Youth not in education and not in employment (15-24 years): total number of youth - unemployed plus economically inactive - who are not involved in any form of training as percentage of the total number of youth	NBS, AFM
Informal employment covers: 1) Own-account workers employed in their own informal sector enterprises; 2) Employers employed in their own informal sector enterprises; 3) Members of informal producers' cooperatives; 4) Contributing family workers employed with the enterprises of formal or informal sectors; 5) Employees employed by formal sector enterprises, informal sector enterprises or as paid domestic workers by households who meet at least one the following criteria: - the employer does not pay the social contribution for them; - the worker does not benefit from paid annual leave; - the worker does not benefit, in case of illness or trauma, from paid sick leave. 6) Persons engaged in the production of agricultural goods exclusively for own consumption by their household, if they worked for 20 or more hours a week.	NBS, AFM
Labour force participation rate of population of active age (15-64 years): ratio of active population of working age to total population of working age	NBS, AFM
Youth unemployment: a) youth unemployment rate: share of unemployed people aged 15-24 years in the total active population from this age group, expressed in per cent; b) ratio between the rate of youth unemployed (15-24 years) and the rate of adult unemployed (25 years and beyond), expressed in per cent; c) share of youth unemployed in the total unemployed expressed in per cent; d) ratio of youth unemployed: share of unemployed of age 15-24 years to the total number of youth from the same age group (15-24 years), expressed in per cent.	NBS, AFM
Unemployment by level of education: distribution in per cent of unemployed by highest level of education attained.	NBS, AFM
Employment by status in employment: Status in employment represents the status of a person based on the way of acquiring of income through the work performed, namely: ▪ employees; ▪ non-employees: employers, own-account workers, contributing family workers, members of production cooperatives.	NBS, AFM
Proportion of own-account and contributing family workers in total employment: share of own-account workers and non-remunerated family workers in total employment.	
Share of wage employment in non-agricultural employment: share of number of employees in total of employed in non-agricultural employment: industry, construction and services	
Gender gap of unemployment: difference between the rate of unemployment among women and the rate of unemployment among men, expressed in percentage points.	NBS, AFM
Unemployment gap by residence area: difference between the rate of unemployment in the urban area and the rate of unemployment in the rural area, expressed in per cent points.	NBS, AFM
Adequate earnings and productive work	
Rate of working poor represents the share of poor working people in total employed	NBS, CBGC
Wage earnings: total remuneration in cash or in kind, calculated on a periodical basis for all employees on the staffing list (including managers, administrators, home workers) for the work provided, during the reporting period, regardless of whether the payment is made per time unit, in line with or according to other systems of remuneration (final product or task performed, commissions, etc).	
Low pay rate: number of employees with wage earnings below 2/3 of median hourly earnings.	NBS, AFM
Wage earnings/monthly gross average nominal wage: ratio between the gross amounts calculated by the enterprises and social agents (remuneration fund) during the reference time-period regardless for which period they are due and the average number of employees.	NBS, Annual survey on earnings in enterprises

Real wage index: gross nominal wages adjusted to the consumer price index (the nominal wage index divided by the consumer price index).	NBS, Annual survey on earnings in enterprises
Minimum wage as % of median wage: ratio between the minimum statutory wage (via Government Decree) and the median monthly salary	Government Decree; NBS, Annual survey on earnings in enterprises
Manufacturing wage index: the gross nominal wage, registered for the manufacturing industry (according to CAEM) during the reference year, compared to the previous year, in %	NBS, Annual survey on earnings in enterprises
Subsistence minimum is calculated by applying the normative-statistical method that implies the value estimate of the cost of living established based on some consumption rules for food stuffs scientifically substantiated and application of the statistical method for the estimation of expenses for the non-food expenses. (Government Decree No. 285 dated 30.04.2013 on approval of regulation on way of calculating the size of subsistence minimum).	NBS
Poverty rate represents the share of population with monthly expenses per equivalent adult person which are lower than the level of absolute poverty threshold.	NBS, CBGC
Decent working time	
Excessive working hours: the number of employed people who have worked more than 48 hours per week as % of total employed.	NBS, AFM
Actual worked hours refers to actually worked hours during the normal working schedule; additional worked hours (during working days beyond the normal schedule and during the rest days on a weekly basis, legal holidays and other days-off); time spent on the job for tasks such as preparation of work station and the time for short rest periods on the job. The excluded elements are as follows: paid hours which were not worked due to absence, sickness, injuries, strikes, employers' organizations strike, periods of inactivity, technical unemployment etc. time for lunch breaks, commuting from home to the workplace.	
Employed people by hours worked per week (duration of work schedule): distribution of employed persons by the actually worked hours per week. Duration of work schedule: Less than 20 hours, 20-29, 30-39, 40-48, 49 and more	NBS, AFM
Hours worked by an employed person per year: average number of worked hours per year by an employed person	NBS, AFM
Time-related underemployment rate: share of underemployed population in the total employed population Time-related underemployment: employed who meet the following criteria: are willing to work overtime; are available to work overtime; actual worked time in all activities during the reference time are under an established limit. The threshold of 40 hours per week was adopted in accordance with labour legislation in force.	NBS, AFM
Combining work, family and personal life	
Economically inactive persons because of family responsibilities: number of inactive persons who are not looking and are not willing to work due to family responsibilities. Family responsibilities: responsibilities related to child rearing, caring for another member of the family in the case of a serious disease, helping or any other kind of assistance provided to a family member in case of a serious disease etc. assistance in work related to hygiene of a person, house work and supervising activities.	NBS, AFM
Parental leave: partially paid leave (under the law) for child rearing up to the age of 1.5 years (in the case of uninsured people) and of age 3 years (in the case of insured people).	CNAS
Work that should be abolished	
Child labour (statistical measurement): child labour covers all people of age between 5 and 17 years who, during a reference period, were employed in one or more of the following work categories (extended definition of "general limits of area of production according to SNA"): (a) the worst forms of child labour 1 hazardous work; 2. the worst forms of child labour other than hazardous work: slavery, illegal activities, prostitution, trafficking, etc; (b) employment under the minimum age; (c) children who do unpaid hazardous household/home works. Note: see Annex III – Statistical measurement of child labour. Experience of Moldova	NBS, Ad-hoc module to AFM "Children activities"
Stability and security of work	

Precarious employment rate: share of fixed-term employees for a determined period of time in the total of employees (seasonal work, occasional/day work, carrying out of certain works, substitution work etc.)	NBS, AFM
Undeclared work: undeclared work is any work delivered by a natural person for and under the authority of an employer without observing the provisions of Labour Code related to concluding an individual employment contract (employees who work without an employment contract).	NBS, AFM
Average job tenure: the average number of years worked in the current job (for the same employer) by the employees with employment contracts/verbal agreements for an undetermined period.	NBS, AFM
Distribution of employees by job tenure: distribution of employees (with employment contracts/verbal agreements for a fixed time-period) by the duration of activity in the current job (for the same employer). Current job duration: Less than 1 year; 1-2 years; 3-5 years; 6-10 years; 11 years and more	NBS, AFM
Subsistence worker rate: share of employed population in auxiliary household, producing farm produce for own consumption in total employment.	NBS, AFM
Equal opportunity and treatment in employment	
Female share of employment in senior and middle management: ratio of women in employment in groups 11 and 12 according to CORM: Group 11: legislators and senior officials, Group 12: corporate managers.	NBS, AFM
Share of women in wage employment in large groups according to CORM: ratio of women in the major group "X" in total employed population in the given major group. Major groups according to CORM: Group 1: All levels government leaders, leaders and senior public servants from socio-economic units and political units; Group 2: Specialists with high level of qualification; Group 3: Specialists of middle level of qualification; Group 4: Government public servants; Group 5: Employees in services, public utilities, trade and assimilated; Group 6: Qualified workers in agriculture, forestry, hunting, fishing and fishery; Group 7: Qualified workers in industrial large-scale and medium-scale enterprises, in craftsmanship, transportation, telecommunications, geology and geological prospecting; Group 8: Operators, machine operators, mechanical operators, locksmiths and assemblers; Group 9: Non-qualified workers.	NBS, AFM
Gender pay gap: difference against 100 of the ratio between the gross wage earnings of women and the gross wage earnings of men expressed in %	NBS, Annual survey on earnings in enterprises
Share of women in wage employment in non-agricultural sector: ratio of wage women employed in non-agricultural activities (industry, construction and services) in total employed workers in non-agricultural work (industry, constructions and services)	
Safe work environment	
Employment injury refers to injury of body, such as serious occupational intoxication that occurs during the process of work or during performing the work duties, regardless of the legal nature of the contract based on which the work is performed and which causes temporary loss of working capacity of at least 3 days, disability or death. <i>See: The Regulation on the way of researching employment injuries, approved by Government Decree No. 1361 dated 22.12.2005. Official Monitor of Republic of Moldova No. 9-12/51 dated 20.01.2006</i>	NBS, Annual survey in enterprises "Occupational safety and health (OSH)"
Total victims of employment injuries: is the number of employees injured who have lost the working capacity for more than 3 days and more, including fatal accidents.	
Occupational injury rate: stands for the ratio between the number of employment injuries during the given time-period (total victims) and the total number of employees, expressed in per mil (‰).	NBS, Annual survey in enterprises "Occupational safety and health (OSH)"
Fatal work injuries rate: ratio between number of employees, with fatal injuries, during the reference period expressed in per mil (‰).	NBS, Annual survey in enterprises "Occupational safety and health (OSH)"
Non-fatal work injuries: ratio between number of non-fatally injured workers during the reference period and the total number of employees, expressed in per mil (‰).	NBS, Annual survey in enterprises "Occupational safety and health (OSH)"

Time lost due to work injuries (average number of days of lost working capacity per injured person): stands for the total number of days of absences from work associated with loss of working capacity (except for days off and legal holidays) of the injured who have lost working capacity for 3 days or more due to employment injuries.	NBS, Annual survey in enterprises "Occupational safety and health (OSH)"
Employees who are exposed to factors with negative impact on health while on the job: share of employees who have declared that while on the job they are exposed to some factors with negative impact on the health in the total number of employees. Factors with negative impact: physical, chemical, psychological and biological factors.	NBS, AFM
Social security	
Share of population of 65 years of age and above benefitting from a pension: share of pensioners of 65 years and over in the total number of persons from the same age group (%) Pensioner: person who receives pension (of any type)	CNAS, NBS
Public social security expenditure (% of GDP): share of expenses on social protection in the GDP	NBS, SNA
Share of economically active population (15-64 years) contributing to a pension scheme: number of taxpayers contributing to the social insurance budget (employees, individual entrepreneurs) aged 15-64 years related to the economically active from the respective age group (%)	NBS, CNAS
Share of population covered by basic healthcare: share of population covered by compulsory healthcare insurance in total population	BNS, CBGC
Social dialogue, workers' and employers' representation	
a) Union density rate: number of people who have declared that they are members of one trade union organization in total population in employment (%)	NBS, AFM
b) Union density rate: number of employees who are members of trade unions Coverage: all enterprises of the real sector having 20 or more persons and all the public institutions	CNSM
Collective bargaining coverage rate: number of enterprises that have concluded collective agreements in total active enterprises (%) Coverage: all enterprises of the real sector having 20 or more persons and all the public institutions	CNSM, NBS

Annex II. Summary of changes/updating of AFM and other data series

Change / revision	Description / beginning of time series	Comments									
LFS sample	<table border="1"> <thead> <tr> <th></th> <th>1998-2005</th> <th>2006 - present</th> </tr> </thead> <tbody> <tr> <td>Sample size / quarter</td> <td>8208 g/c</td> <td>12000 g/c</td> </tr> <tr> <td>Rotation scheme</td> <td>2-(2)-2</td> <td>2-(1)-1-(8)-2</td> </tr> </tbody> </table>		1998-2005	2006 - present	Sample size / quarter	8208 g/c	12000 g/c	Rotation scheme	2-(2)-2	2-(1)-1-(8)-2	The survey basis for current sample is created based on the following: a) territorial-administrative structure of country and b) lists of Census of population in 2004 combined with lists obtained from electricity suppliers.
	1998-2005	2006 - present									
Sample size / quarter	8208 g/c	12000 g/c									
Rotation scheme	2-(2)-2	2-(1)-1-(8)-2									
Employed population	<p>Starting 2006 the treatment in employment of long-term absences has been modified:</p> <p>a) child care leaves (parental leave);</p> <p>b) leaves without payment or technical unemployment;</p> <p>c) seasonal workers during off-season.</p>	<p>a) Persons on child care leave and on leaves without payment or technical unemployment are “employed” if they have the certainty that they will return to their job within a period of at most 3 months;</p> <p>b) The seasonal workers during the off-season are “employed” if they do not have the certainty to return to their job within a period of at most 6 months and during this period of time they get a wage.</p>									
Unemployed ILO	<p>Starting 2006 the treatment in unemployed of long-term absences has changed:</p> <p>a) leaves for child care;</p> <p>b) unpaid leaves or technical unemployment;</p> <p>c) seasonal workers during the off-season period;</p> <p>d) seasonal own-account workers during the off-season period.</p>	<p>a) Persons on leave for child care and on unpaid leave or in technical unemployment are “unemployed” if they do not have the certainty that they will return to their job within at most 3 months and if they are available to start work and if they looked actively for a job;</p> <p>b) Seasonal workers during the off-season period are “unemployed” if they do not have the certainty that they will return within at most 6 months and during this period they do not receive a salary, if they are available to start work and if they looked actively for a job. ;</p> <p>c) Own-account workers during the off-season who are available to start work and who looked actively for a job.</p>									
Gender pay gap	<p>Reference period:</p> <p>2003 - 2010: data refer only to September of each year.</p> <p>2011 - 2012: data refer to the whole calendar year of reporting.</p> <p>Coverage:</p> <p>2003 - 2010: data cover reporting units for 20 and more employees.</p> <p>2011 - 2012: data cover all reporting units with 1 and more employees.</p>	It affects the comparability of data in time.									
New data series											
Income from employment / earnings	Data are collected within AFM starting 2006	It is limited to employees only									
Child labour	Data refer to the IV quarter of 2009	Statistical population covers children of age 5-17 years.									

Annex III. Measuring child labour. Experience of Moldova

The statistical research on *Children's activities* was launched for the first time in the Republic of Moldova by the NBS during the fourth quarter of 2009, on a representative sample at the national level. The methodological and organizational concept of the research has been developed with technical assistance from the Project SIMPOC/IPEC/ILO. The basic concepts and definitions have been developed in accordance with ILO standards in force, the ILO Resolution on child labour statistics adopted by the 18th International Conference of Labour Statisticians (2008). Upon developing the questionnaire of the survey, the SIMPOC questionnaire model concerning essential questions on child labour for household populations³⁹ was consulted.

The research provided the necessary information for the analysis of children's activities: school attendance, economic activity, household activities and allows for the evaluation of the phenomenon of *child labour*, as well as the analysis of dimension, causes and characteristics of this phenomenon in Moldova.

International concepts and definitions

Children who work under conditions of child labour include children who perform hazardous work (in dangerous activities, hazardous employment or in hazardous conditions), and other children who due to their age or number of hours worked are considered children who on the job face various risks for their physical, social, psychological and educational development.

In accordance with the CISM Resolution on the child labour statistics (2008), the notion of "child labour" (statistical measurement) covers all persons aged between 5 to 17 years, who, over the course of a reference period, were employed in one or more of the following categories of activities (the extended definition of "general production boundary, according to SNA"):

- (a) the worst forms of child labour
 - 1 hazardous work;
 - 2. the worst forms of child labour other than hazardous work: slavery, illegal activities, including prostitution, trafficking, etc.
- (b) working children under the minimum age,
- (c) hazardous household activities (home activities).

The procedure of statistical identification of child labour is provided below:

Child labour [a)+ b) + c)]

a) Work that is not considered hazardous:

- 1. Children aged 5- 11 years who perform economic activities ("light" work);
- 2. Children aged 12-14 years who perform economic activities for 14 hours or more per week, but less than a certain number of hours ("established threshold") per week;

b) Hazardous work (5-17 years):

- 3. Children employed in hazardous *activities* (mining, quarrying and construction);
- 4. Children employed in hazardous *occupations* (identified by national and international stakeholders);
- 5. Children employed for many hours (43 hours and more per week);⁴⁰
- 6. Children who work under *hazardous conditions* (the *activities and occupations* are not hazardous, but still the children are exposed to some risk factors including: work under unhealthy conditions, without protection equipment, carrying of weights, work with heavy tools, and exposure to psychological abuse.

c) Unpaid hazardous household activities/ services⁴¹ (children who do household/home unpaid work for a long period of time⁴² (work for more than 27 hours per week).

39 SIMPOC Model questionnaire: <http://www.ilo.org/ipecinfor/product/viewProduct.do?productId=5014>

40 The threshold of 43 hours is established in the ICLS documents No. 18, III Report on Child Labour, para 70, section 60, table 6.1.

41 In the case when "general production boundary" is used as conceptual framework for measuring the child labour according to SNA.

42 The threshold of 28 hours and more is established in the documents of ICLS No.18, III Report Statistics on Child Labour, para 81, section 7.2.

National concepts and definitions used in the child activities research

Children in employment⁴³ (working children): Children (5-17 years) defined as occupied (or who work) if they worked during the reference period for at least one hour or if they had a job or a business which provided income from which they were temporarily absent.

Economically active children: covers employed children and unemployed children. The status of unemployed is relevant only for children of age 15 to 17.

Child labour: children who are engaged in work unsuitable for their capacities as children, or work which by its nature or the circumstances is likely to harm the health, safety or morals of children. The definition is based on ILO Convention No. 138, Convention No.182 the Moldovan Collective Convention No.8 (national level) on the elimination of the worst forms of child labour.⁴⁴

Thus, child labour refers to work that is mentally, physically, socially or morally dangerous and harmful for the child and/or interferes with their schooling by causing absenteeism, academic failure and dropping out, or by obliging them to combine school attendance with work. The definition of this phenomenon is based on the following 3 criteria: age, duration of the work and harm.

The statistical national definition of child labour includes:

A. Hazardous work

1. Children employed in hazardous activities⁴⁵ which include mining, quarrying and construction;
2. Children employed in hazardous occupations which include metal trades workers, machinery and related trades workers, precision, handicraft, printing and related trades workers, other craft and related trades workers, stationary-plant and related operators, machine operators and assemblers, and drivers and mobile-plant operators;
3. Children employed for 43 hours or more per week;
4. Children working under hazardous conditions⁴⁶ that involve carrying heavy loads at work, those who operate any machinery/heavy equipment at work, those exposed at work to adverse conditions such as dust/fumes, fire/gas/flames, loud noise and the like, as well as children who are verbally or physically abused at work.

B. Non-hazardous work (regular)

5. Children aged 5-11 years who are employed, even 1 hour per week;⁴⁷
6. Children aged 12-14 years who work between 14 and 43 hours per week;
7. Children aged 15-16 years who work for more than 24 hours per week (but less than 43 hours);⁴⁸
8. Children of 17 years who work for more than 35 hours per week but less than 43 hours.

43 For the purposes of the research Children activities “employment” covers all persons who worked at least one hour per reference week, including in the auxiliary household of the family, contrary to the applied definition in the research of AFM, that does not cover persons who worked in the auxiliary own household for own consumption for less than 20 hours.

44 Collective convention No. 8 was approved by the National Commission for Consultations and Collective Bargaining in July 2007.

45 Government Decree of Republic of Moldova No. 562 dated 07.09.93 regarding the approval of List of classification of industries, occupations and works under difficult and harmful conditions, for persons younger than 18 years.

46 Based on ILO methodology and Collective Convention No. 8 (national level) on the elimination of the worst forms of child labour, in effect from 24 July 2007.

47 ILO Convention No. 138



48 Labour Code of Republic of Moldova (article 95, para 2a).

C. Children performing unpaid household services for more than 27 hours per week.

Table. Conceptual framework: statistical identification of child labour in the Republic of Moldova

Age group	General production boundary					
	SNA production				Non-SNA production	
	Non-hazardous work		Worst forms of child labour		Hazardous unpaid household services	Other non-SNA production
	Light work	Regular work	Hazardous work	Worst forms of child labour other than hazardous work		
Children aged 5–11 years	Below the minimum age for admission to light work	Below the minimum age for admission to work	Employment and activities considered hazardous, or work for more than 43 or more hours/week, or in hazardous conditions in activities which are not considered hazardous	Children trafficked for work; forced and bonded child labour; commercial sexual exploitation of children; use of children for illicit activities and armed conflict	Unpaid household services for more than 28 hours per week	
	26 600					
Children aged 12–14 years	Less than 14 hours per week	More than 13 hours but less than 43 hours per week				
	34 600	2 900				
Children aged 15–16 years	Less than 25 hours per week	More than 24 hours, but less than 43 hours per week				
	26 300	300				
Children aged 17 years	Less than 36 hours per week	More than 35 hours but less than 43 hours per week				
	10 900	200				
Total		29 900	74 700	-	4 400	

Note: Based on ILO presentation.

 Represents child labour according to CISM Resolution	 Represent the activities which are not child labour
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According to the national definition, during the 4th quarter 2009 109,000 children aged between 5 to 17 years were in a situation of child labour.

Annex IV: Government decisions and decent work tools

- Government Decision No. 832 of 14 July 2003 on reorganizing the State Service for Labour Force Utilization
- Government Decision No. 862 of 14 July 2003 on approval of the procedures regarding the access to employment measures
- Government Decision No. 1080 of 5 September 2003 on approval of the regulations regarding organisation of vocational training for unemployed
- Government Decision No. 450 of 29 April 2004 on approval of the regulations regarding career guidance and psychological support for population on career-related issues
- Government Decision No. 888 of 2 August 2004 on approval of the procedure for registration and examination of applications for granting the occupational integration or reintegration allowance
- Government Decision No. 1121 of 14 October 2004 on approval of the procedure for involvement of unemployed in public works
- Government Decision No. 243 of 2 March 2005 on approval of the procedure to stimulate labour force mobility
- Government Decision No. 594 of 20 June 2005 on approval of the procedure to provide incentives to employers for employment of the graduates from higher education funded from the state budget
- Government Decision No. 605 of 31 May 2007 on approval of the National Strategy on Employment Policies for 2007-2015
- Government Decision No. 1020 of 28 December 2012 on the approval of the National Plan of Action on Employment for 2013
- Government Decision No. 15 of 19 January 2009 on fixing the minimum wage at national level
- Government Decision No. 165 of 9 March 2010 on the statutory minimum wage level in real sector with subsequent amendments
- Government Decision No. 108 of 3 February 2005 on approval of the regulations concerning fixing conditions, calculation modality and payment of benefits for work disability and other social insurance benefits
- Government Decision No. 513 of 11 August, 1993 on the approval of the regulations regarding the payment by enterprises, organisations and institutions of the singular compensation for loss of work capacity or death following an occupational accident or disease
- Government Decision No. 1101 of 17 October 2011 on the approval of the regulations regarding setting the infirmity compensation for occupational accidents or diseases
- Government Decision No. 1481 of 27 December 2001 on the reorganization of the State Inspectorate for the Protection of Labour of the Ministry of Labour, Social Protection and Family
- Government Decision No. 65 of 23 January 2013 on the inclusion in a disability degree and establishing capacity for work
- Government Decision No. 1259 of 1 November 2006 on the governmental composition of the National Commission for Consultations and Collective Bargaining
- Rulebook of the National Commission for Consultations and Collective Bargaining approved by the decision of the National Commission No. 3/15.02.2007
- Framework rulebook on the organization and functioning of branch and territorial commissions on consultations and collective bargaining approved by the decision of the National Commission No. 3/15.02.2007
- Standard rulebook on the organization and functioning of commissions for social dialogue “employer-employees” approved by the decision of the National Commission No. 9/18.05.2007

