

# LABOUR MARKET AND ITS INTERACTION WITH SUSTAINABLE DEVELOPMENT GOALS: ANALYSIS OF THE SITUATION ON BOTH BANKS OF THE DNIESTER

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## Abstract

With the accession of the Republic of Moldova to the 2030 Agenda for Sustainable Development, a global action program in the field of development, these topics have become priorities for the country. The Global Agenda 2030 contains 17 global objectives to be implemented by all countries and stakeholders and which promote the balance between the four dimensions of sustainable development – economic, social, environmental, governance and justice. The main task of this article was the analysis of inequalities in relation to the labor market from the perspective of providing human capital with opportunities and equal access to education, training and insertion on the labor market and how this process is seen on both banks of the Dniester. In the context of promoting trust for communities on both banks of the Dniester through the 2030 Agenda, sustainable development means not only a reduction of poverty and major inequalities, which affect the economic stability of both banks, but also the provision of equal access to the labour market adequate to the needs of the population, a prevention of ethnic discrimination, gender or age, respect for human rights, as well as the promotion of good governance of the labour market in a fair manner on both sides.

**Key words:** labour market, sustainable development, labour opportunities, unemployment, human capital.

The aim of the present article is to provide a generic mapping of the labour market for different population groups from both banks of the Dniester River and the approach used for this situation from the Sustainable Development Goals (SDG) perspective. In the context of promoting trust for communities from both banks as to 2030 Agenda, sustainable development means not only reducing poverty and major inequalities, which endanger economic stability on both banks, but also ensuring

equal access to labour market, in accordance with the populations' needs, preventing ethnic, gender-based or age discrimination, as well as promoting good governance and equity on the labour market on both banks<sup>1</sup>. Thus, labour market analysis, as a basic task of this article, is closely connected to the mission of sustainable development goals (SDG), for instance, reducing inequalities (SDG 10), decent work and economic growth (SDG 8), end poverty (SDG1), equal access to education and training (SDG4), ensure gender equality (SDG 5), ensuring rule of law and human rights (SDG10), promoting of a peaceful and inclusive society (SDG 16).

Human capital, especially education, training, skills and abilities of individuals and how they interact with the labor market play a central role in the approach towards the labor market. Frequently, the notion of human capital is attributed to the macro social level and represents the characteristic of the fundamental force in the development of a country. At the same time, poverty and social exclusion, marginalization, discrimination, inequalities in different society sectors (education, labor market, health services, etc.) cause degradation and reduction of human capital. This degradation can be caused both by the phenomenon of migration, military conflicts, and our correlation of qualifiers of human resources and labour market requirements. As a result, a challenge for the authorities of both banks of the Dniester River arises: the necessity to invest in the educational system and into the ongoing training of individuals, with the purpose to prevent the rise of poverty level<sup>2</sup> as well as in order to facilitate access to other systems, like health or education. At this point, the greatest challenge for the authorities is:

<sup>1</sup> Antonov V. Malyshev N, Iațco M. *Inegalitățile pe piața muncii. Principalele tendințe pe ambele maluri ale r. Nistru* Studiu al PNUD, (2017), 11.

<sup>2</sup> James, J. Heckman, „Policies to Foster Human Capital,” *NBER Working Paper* no. 7288 (August 1999), <http://www.nber.org/papers/w7288.pdf>

on the one hand, the costs of investment in education, training and inclusion are extremely high, being an imperative of the present times, and on the other hand, the relevance and efficiency of education and inclusion policies depend greatly on ensuring systemic participation of citizens in the elaboration, monitoring and implementation of respective policies. In other words, in order to make the policies effective and of a bigger impact, involvement on all decision-making levels, from civic society and community actors to the highest legislative and executive authorities is necessary. Civic participation of citizens in decision-making represents the basic tool for ensuring social inclusion of individuals, emphasizing relevant aspirations and motivations in achieving 2030 Sustainable Development Agenda, like, for example, poverty and unemployment reduction and increasing employment rates on both banks of the Dniester River.

The adoption of 2030 Sustainable Development Agenda and settling the national targets to achieve the 17 strategic objectives in various sectors<sup>3</sup>, marks a new stage in the vision on society development, where *full employment and decent work with equal pay for everyone* (SDG 8<sup>4</sup>) becomes an imperative. Despite the extensive nature of economic and regional development policies on both banks of the Dniester River, employment statistics are not always optimistic, due to a number of factors that influence the labor market situation, such as the evolution of gross domestic product, reconstruction of economy, labor productivity, poverty level, including the demographic and migration factor. In this context, key factors in increasing employment, for example, are the population's access to public services<sup>5</sup> as well as quality education<sup>6</sup>. Based on these

<sup>3</sup> UNDP. Sustainable Development Goals. <http://www.md.undp.org/content/moldova/ro/home/post-2015/sdg-overview/>

<sup>4</sup> SDG 8: Promoting inclusive and sustainable economic growth inclusive, full employment and decent work for all <https://www.md.undp.org/content/moldova/ro/home/sustainable-development-goals/goal-8-decent-work-and-economic-growth.html>

<sup>5</sup> SDG 4: ensure inclusive and equitable quality education and promote lifelong learning opportunities for all." <https://www.md.undp.org/content/moldova/ro/home/sustainable-development-goals/goal-4-quality-education.html>

<sup>6</sup> Simon Deakin, Addressing, „Labour Market Segmentation: The Role of Labour Law” Centre for Business Research, University of Cambridge *Working Paper* No 446.

theses, we can say that between all these factors and the labour market there are certain connections, which can be seen and analyzed through the SDGs, core of this analysis being the labour market, trying to present the situation on both banks of the Dniester River in terms of available indicators.

The labor market is determined by certain segmentation trends, defined by economic characteristics, such as the level of skills and range of occupations, the sector of employment (public or private), institutional (regulation of labour relations, wage policies, structure and functioning of trade unions) and social, as the level of education and training, the social protection system. As a result, the labour market is divided in such a way as to reflect existing forms of employment or contractual relationships. This structuring of the labour market is natural for developing economies and has a dual character, structured in two sectors – the primary (central) sector of large companies and the secondary (peripheral) sector of companies involved in competition<sup>7</sup>, each with its own economic functional and social distinct features, as well as specific consequences for employees.

Thus, the labour market as an organized and complex system, has a special characteristic, namely the proximity of services on the market, settled as close as possible to human capital. At the same time, the labour market on both river banks is developing and functioning in a close connection with the education system, and this sometimes reveals disadvantages regarding attracting, development and maintenance of human capital in the national economy.

Before moving on to the structure of the labour market, we will connect the notion of social exclusion to the labor market, which can be defined as the inability of individuals to participate in the economic, social and political systems, that occurs rather as a result of lack of mutual communication and feedback; when the social and economic rights of the individuals on whom their subsistence and standard of living depend are not recognized and respected<sup>8</sup>.

<sup>7</sup> Văduva Maria, „Segmentarea pieței muncii și strategiile ocupării antreprenoriale,” *Analele Universității “Constantin Brâncuși” din Târgu Jiu, Seria Economie*, no.1 (2008) [http://www.utgjiu.ro/revista/ec/pdf/2008-01/45\\_Prel.pdf](http://www.utgjiu.ro/revista/ec/pdf/2008-01/45_Prel.pdf)

<sup>8</sup> „United Nations Report on Human Development 2010/2011” [www.undp.md/presscentre/2011/NHDR2010\\_aport](http://www.undp.md/presscentre/2011/NHDR2010_aport)

As to access to the labour market, for both banks of the Dniester River, restrictions can be observed not only in employment, where the existence of stereotypes related to age, experience or gender, deeply rooted, define the roles of women and men in employment, but also at the stage preconditions for entering the labour market, when human capital is exposed to various forms of discrimination (based on age, sex, disability, ethnicity, etc.) which is also an important factor leading to social exclusion.

The presence of a whole range of stereotypes on the labor market refers to a patriarchal model of society, which persists on both banks of the Dniester River, having a socio-economic nature, determined by the way social groups are approached in the labour sector, as well as the closest social environment where individuals coexist and interact<sup>9</sup>.

At the same time, social exclusion in relation to the labor market also results from the participation in the system of education and training of individuals from disadvantaged socio-economic backgrounds. Ensuring equal opportunities in education and the labour market is the driver<sup>10</sup> which aims to encourage the economic participation of individuals from all socially vulnerable groups in order to ensure their economic independence and a better and more sustainable standard of living, which also contributes to the achievement of the SDGs on both banks of the Dniester River.

In this regard, we see relevant to define the notion of „sustainable development” and to explain its interaction with the labour market as a whole. Sustainable development is a set of processes and forms of socio-economic and environmental development of each nation, whose activity is based on the principle of responding to current needs without jeopardizing the ability of future generations to meet their own needs<sup>11</sup>, ensuring a balance in the evolution of the two. Sustainable development as a term was first pronounced in June 1992 in Rio de Janeiro at the United Nations Conference on Environment and Development. In the four decades of environmental and development governance, the UN has cultivated the concept through various

programs and Agendas<sup>12</sup> oriented to overcoming global challenges and has achieved significant progress, through international cooperation, based on common, shared responsibility and commitment of nations. The aim of this article is to analyze labour market from the perspective of its connection to several SDG targets<sup>13</sup>. At the same time, this will permit to reveal the importance of SDGs for both banks of the Dniester River.

In this context, SDG 8 addresses the notion of *decent work for all*, it is relevant to note that this is a policy instrument launched in 1999 by the International Labour Organization (ILO) to provide employees with a set of principles and values essential for human development and are aimed at eliminating any grounds for discrimination, inequality in employment, such as, for example, ensuring equal opportunities for productive and fairly paid work, equal opportunities for professional development and social integration, active participation in decision-making and, last but not least, offering fair opportunities for men and women in employment<sup>14</sup>. It is therefore important to emphasize the interaction between the two policy instruments: decent work and the 2030 Sustainable Development Agenda, where promoting a maintained, inclusive and sustainable growth, full and productive employment and decent work is the recipe for successful sustainable development.<sup>15</sup> Thus, the targets connected to the situation analysis of labour market are 8.3, 8.5, 8.6, 8.8.

Another relevant objective for both banks of the Dniester River is SDG 10, based on *reducing inequalities*, multidimensional term, which calls for a single approach unanimously accepted by many so-

<sup>9</sup> Antonov V. Malyshev N, Iațco M. *Inegalitățile pe piața muncii. Principalele tendințe pe ambele maluri ale r. Nistru* (Studiu al PNUD Republica Moldova, Chișinău, 2017), 17.

<sup>10</sup> Moldova Human Development Report 2016” *Ilegalități în dezvoltarea umană*”, (2017), 30.

<sup>11</sup> Rio Declaration on Environment and Development, 1992 accessed March 12, 2022, <http://www.un.org/documents/>

<sup>12</sup> United Nations Environment Programme, Agenda 21, accessed March 12, 2022, <http://www.unep.org/> <https://sustainabledevelopment.un.org/outcomedocuments/agenda21>; accessed March 12, 2022, Johannesburg Declaration on Sustainable Development, [www.un.org/esa/sustdev/documents/Johannesburg%20Declaration.doc](http://www.un.org/esa/sustdev/documents/Johannesburg%20Declaration.doc); Sustainable Development Goals, accessed March 12, 2022, <http://www.md.undp.org/content/moldova/ro/home/post-2015/mdgoverview.html>

<sup>13</sup> SDG 10: Reduced Inequalities, accessed March 12, 2022 <http://www.md.undp.org/content/moldova/ro/home/post-2015/sdg-overview/goal-10.html>

<sup>14</sup> Decent Work and Sustainable Development Goals, accessed March 12, 2022, <http://www.ilo.org/global/topics/decent-work/>

<sup>15</sup> Decent Work and the 2030 Agenda for sustainable development, accessed March 12, 2022, <http://ilo.org/global/topics/sdg-2030/lang--en/index.htm>

cial policies in Europe and everywhere worldwide (promoting principles such as equal treatment<sup>16</sup>, gender equality<sup>17</sup>, non-discrimination and equal opportunities for all<sup>18</sup> etc.) according to which all citizens have the right to equal opportunities to participate fully in the economic, social, political and cultural life of the society in which they live and to enjoy the benefits of such participation through various ways (in terms of income – salaries, bonuses, social bonuses), etc., as well as non-income as equal access to public services such as education and training, social services and healthcare, digital and basic utilities, rest and recreation etc.).

This approach comes to support the idea that members of the society are different, and these differences must be respected through moral laws and good governance<sup>19</sup>. Opposed to this idea there is the concept of social exclusion and marginalization, which deepen the social and economic disparities, leading to preconditions for stereotypes, prejudice and incorrect perceptions to emerge<sup>20</sup>. The presence of these stereotypes and prejudice calls for efforts to prevent the stigmatization and discrimination of people according to their ethnicity, religion, language, sex, etc. in terms of equal opportunities for access to education and the labour market<sup>21</sup>. Authorities must take action to ensure everyone has equal opportunities for knowledge and skills development, which can ensure their economic independence and full social integration. And this, in turn, is an instrument that reduces the social distance between individuals, in terms of their financial possibilities and options for capitalizing on goods

and services in society. For these reasons, guaranteeing the state through legal rules and public policies based on equal opportunities for all, essentially reduce inequalities in income and non-income as well as social inequalities as to access to various services and goods.

In turn, decent work and equal opportunities are the pillars of sustainable socio-economic and environmental development. This is also confirmed by the fact that the Agenda for Decent Work of the International Labour Office (ILO) stipulates that decent work sums up people's aspirations in their professional life. This implies opportunities for productive work (Target 9.3) and which provides a fair income, safety at work and social protection for the family (Target 1.3), better prospects for personal development and social integration, freedom of expression of personal concerns, organization and participation in decisions that affect their lives and equal opportunities and treatment for all women and men (Targets 5.1, 5.2). The work environment is an important part of the social environment, where decent work is also a work and workplace that is safe for people. Consequently, ensuring the safety and health of workers/employees (Target 3.8) and protecting the environment (social responsibility of employers) in the workplace is imperative for a sustainable development of the country. Ensuring occupational safety and health, in addition to infrastructure investments, (Targets 6.1, 6.2) would settle the sustainability of the country's economic growth. The legal framework that regulates employment is closely connected to the educational system.

Therefore, equal access to quality education (Targets 4.1) and vocational training responsive to the needs of society (Target 4.3, 4.4), and promoting inclusion and participation of under-represented groups in the labour market (Target 4.5, 4). a) contribute to the reduction of poverty among the population (Target 1.2.) on both banks of the Dniester River. Therefore, the risk of marginalization among the economically disadvantaged is decreased.

At the same time, the existence of several barriers in the process of employment jeopardizes the sustainability of the labour market, where the principle of equal opportunities and equal options is still new, unexplored ground. These barriers result in discrimination of various forms, either by the level of experience and the level of skills accumulated in the educational process, further reflected in: the discrepancy between the labour market supply

<sup>16</sup> „Social SDG”, accessed March 12, 2022, <http://ec.europa.eu/social/main.jsp?catId=462&langId=ro>

<sup>17</sup> „Justice and gender equality”, accessed March 12, 2022, <http://ec.europa.eu/justice/gender-equality/>

<sup>18</sup> „A framework strategy for non-discrimination and equal opportunities for all” accessed March 12, 2022, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=URISERV%3Ac10313>

<sup>19</sup> Raportul de Dezvoltare Umană 2015/2016, Inegalități în dezvoltarea umană. (2017): 32, accessed March 21, 2022, [http://www.md.undp.org/content/moldova/en/home/library/human\\_development/nhdr-2016/](http://www.md.undp.org/content/moldova/en/home/library/human_development/nhdr-2016/)

<sup>20</sup> Bernt, Matthias & Colini, Laura, „Exclusion, Marginalization and Peripheralization: Conceptual concerns in the study of urban inequalities,” *IRS Working Papers* no.49 (2013):34.

<sup>21</sup> Raportul de Dezvoltare Umană 2015/2016, Inegalități în dezvoltarea umană. (2017), accessed March 12, 2022, [http://www.md.undp.org/content/moldova/en/home/library/human\\_development/nhdr-2016/](http://www.md.undp.org/content/moldova/en/home/library/human_development/nhdr-2016/)

and the demand expectations or by disability; inaccessible physical environment, lack of support and assisting technologies and devices for people with special needs, etc. On closer inspection of the measures taken, the right bank authorities have made some changes to improve the situation compared to the one on the left bank where the measures are much weaker and less effective

In this context, there is another aspect we must take into account – the low pay, which causes people to turn to unofficial, unreported job offers. In addition, it also causes wage inequalities in employment. This reveals a significant difference in income caused by the professional qualification factor and, for these reasons, the authors express the view that it is absolutely necessary to carry out analyses on both banks to develop interventions aimed to reduce the pay gap in relation to the qualifications obtained.

Probably, these discrepancies between supply and demand in the labour market begin already at the education stage, where career guidance services are lacking, and young graduates often choose what they consider to be valuable at the moment, but not necessarily long-term and required, necessary *de facto* on the labour market. These discrepancies continue at work, when some employers do not ensure or facilitate the continuous professional training of employees, do not offer internships for professional adaptation to the requirements of the specific post or job. As a result, this situation creates disadvantages for both employees and employers.

According to experts, this discrepancy affects the state of things on the labour market, resulting in increased unemployment rates<sup>22</sup>, as well as a higher rate of unqualified workers/ employees, knowing that the government or private enterprise investments in educational policies are minimal or totally absent<sup>23</sup>.

Next, we will be mapping some policy tools developed for both banks of the Dniester River to

support the insertion of disadvantaged people on the labour market. The presented analysis unfolds the direct interaction between education, inequality and the labor market (Targets 4.4, 10.3, 8.3).

**On the right bank**, in order to reduce the discrepancy between labour market supply and demand expectations, policy tools are developed targeting various social groups, such as young people, adults, women, people with disabilities,<sup>24</sup> Roma<sup>25</sup>, promoting measures aimed to integrate these people on labour market and public life. One of the most active is The National Program on Youth Economic Empowerment (PNAET)<sup>26</sup> is mentioned, aiming to develop entrepreneurial skills in young people.

PARE 1+1 Program<sup>27</sup> which aims to facilitate access to finance for migrants, thus contributing to their reintegration into the economic and public life, etc., as well as various online employment platforms<sup>28</sup>, making efforts to match demand with labour market supply (Target 10.3. Ensuring equal opportunities and reducing inequality of outcomes, including by eliminating discriminatory laws, policies and practices, and promoting appropriate legislation, policies and actions in this regard). However, all these programs do not provide feedback from employers, so their efficiency can be assessed.

As to professional orientation, National Employment Agency of Moldova (ANOFM)<sup>29</sup> provides information and professional counseling services. Also, within the territorial agencies for employment, seminars are organized related to hiring process for employers and job seekers. ANOFM's wide range of services also include training services on acquiring professional skills, career guidance, informational assistance on self-employment procedures, as well as employment options. It should

<sup>22</sup> „Tackling unemployment while addressing skill mismatch. Lessons from policy and practice in European Union countries.” CEDEFOR, Research Paper no 46, accessed March 26, 2022, [www.cedefop.europa.eu/files/5546\\_en.pdf](http://www.cedefop.europa.eu/files/5546_en.pdf)

<sup>23</sup> McGowan, Adalet Müge. Andrews, Dan. Skill Mismatch and Public Policy in OECD Countries, Working Papers no. 1210, (April 2015), accessed March 26, 2022, <https://www.oecd.org/eco/growth/Skill-mismatch-and-public-policy-in-OECD-countries.pdf>

<sup>24</sup> Government Regulation no. 65 from January 23 January 2013” On Granting Disability Status and Work Capacity” accessed March 26, 2022, <http://lex.justice.md/md/346508/>

<sup>25</sup> Government Regulation. no. 557, (July 17, 2013) „On the Regulation of the Community Mediator Activity”, [http://www.mmpsf.gov.md/sites/default/files/legislation/hotarire\\_557\\_activitate\\_mediator\\_comunitar.pdf](http://www.mmpsf.gov.md/sites/default/files/legislation/hotarire_557_activitate_mediator_comunitar.pdf)

<sup>26</sup> „PNAET,” accessed March 26, 2022, [http://odimm.md/index.php?option=com\\_content&view=article&id=71](http://odimm.md/index.php?option=com_content&view=article&id=71)

<sup>27</sup> “Despre PARE 1+1”, accessed March 26, 2022, <https://www.odimm.md/ro/menu-types/despre-program.html>

<sup>28</sup> See: [www.jobs.diez.md](http://www.jobs.diez.md); [www.munka.md](http://www.munka.md); [www.alljobs.md](http://www.alljobs.md); [www.hotjobs.md](http://www.hotjobs.md); [www.angajare.md](http://www.angajare.md) ș.a.

<sup>29</sup> „ANOFM,” accessed March 26, 2022 <http://www.anofm.md/page/orientare-si-formare-profesionala>

be mentioned here that in order to streamline the process of socio-economic and educational integration of citizens on the right bank, in April 2016 the first Career Guidance Center was opened under the auspices of ANOFM, based in Chisinau. Centre activities include guidance and career counseling of high school students, youth, and other age groups, streamlining collaboration with public institutions and civil society, as well as training and develop competences in choosing the educational and professional path for young people.<sup>30</sup> Furthermore, 11 Centers of Excellence, in professional training, as part of professional technical education reform<sup>31</sup>. **On the left bank**, a number of very clear, specific steps are being taken in this direction, such as the implementation of public employment programs for young graduates and the unemployed Youth, like for instance „*Practică pentru tineret*“ (Youth Practice), „*Stagiari*“ (The Intern), „*Șansa*“ (The Chance)<sup>32</sup>. Furthermore, on the left bank there are programs like „Absolventul” (The Graduate) which aims to inform young graduates – from the 9th to the 11th grade of secondary schools about the state of the labour market, training opportunities, training for effective job search skills, psychological protection techniques, overcoming shyness, about unemployment and adopting an active living attitude. Another initiative that deserves to be mentioned is the „Noul Start”-“New Start” – psychological support program for the unemployed between the ages of 30 and 55, which includes exercises to simulate communication skills, increase self-confidence, as well as techniques aimed to increase skills of social and psychological adjustment. Also, we feel relevant to mention here the „Femeile în afaceri”<sup>33</sup>, (Women in Business) Program, aimed to include

women entrepreneurs from the left bank and help them strengthen their business management capacities (Target 10.3). However, all these programs do not include an employer feedback part, that would help to assess the programs’ efficiency.

As for the career guidance services of the unemployed and other groups of citizens, on the left bank, they are provided by the employment agencies. Career guidance in the employment service on the left bank includes services for self-determination, job change or professional development, as well as advice on choosing a career that takes into account personal skills, abilities and the needs of the labour market. No statistics or information on the activity of career guidance centers for jobseekers could be found.

These initiatives, on both banks, pursue a common goal – social and economic integration of the various social groups at risk, increasing their chances of economic and long-term independence, enhancing their entrepreneurial skills (Target 8.3 Promoting development-oriented policies that support productive activities, decent work creation, entrepreneurship, creativity and innovation, and which encourages formalization (official employment) and growth of small and medium enterprises, including through access to financial services). At the same time, it should be emphasized that the development of a system of career guidance and counseling is of no less importance than the above-mentioned programs, being the essential task of employment agencies in cooperation with educational institutions. The incorporation of competency requirements into educational programs is always relevant, and to achieve these educational institutions (high schools, vocational schools, universities, etc.) on both banks should always get direct feedback from the business community, civil society, and other relevant actors with the capacity to be employers in the labour market<sup>34</sup>. And to make these achievable, online employment platforms can be used as a means of communication for all stakeholders in the labor market: education institutions, the business sector, employers, trade unions and the labour force itself.

Despite the discrepancies between supply and demand in the labour market, statistics confirm that society is becoming more and more educated, and the level of education is a stimulus in employ-

<sup>30</sup> Importanța funcționării Centrului de Ghidare în Carieră Chișinău în procesul de integrare socio-profesională a persoanelor aflate în căutarea unui loc de muncă la un an de activitate, (2017), accessed March 26, 2022, <http://www.anofm.md/files/elfinder/Importanta%20functionarii%20CGC%20-%201%20an%20%20%281%29.pdf>

<sup>31</sup> „Progress Report on the implementation by the Republic of Moldova of the EU-Moldova Association Agenda 2014-2016,” accessed March 26, 2022, [http://www.mfa.gov.md/img/docs/Raport-privind-implementarea-AA-2014\\_2016.pdf](http://www.mfa.gov.md/img/docs/Raport-privind-implementarea-AA-2014_2016.pdf)

<sup>32</sup> „Active Employment Implementation Program” accessed March 26, 2022, <http://ef-pmr.org/programmi-zanyatosti/>

<sup>33</sup> „Femeile în afaceri,” *Capital Market*, (March, 2013), accessed March 26, 2022, <http://capital.market.md/ro/content/femeile-%C3%AEn-afaceri>

<sup>34</sup> „Research Paper No 46, CEDEFOR,” 105.

ment (Target 4.4. By 2030, a substantial increase in the number of young people and adults with skills relevant to the labor market). Below we will present a situation analysis regarding the structure of the population by level of education using statistical data on both banks of the Dniester River.

For the right bank, data from the Labor Force Survey (AFM) on the employed population aged 15 years and over by level of training were used, and to balance the analysis, figures for the right bank were used for the same period as for the left bank (2004 and 2015) given the availability of data for that period. Statistical evidence on the right bank is more transparent and covers a bigger timeframe, compared to the left bank where the data are fragmentary and does not allow a longitudinal research of employment indicators on the labour market. In the case of analyzing the situation on the left bank, due to the lack of data on the employed population by level of education, we operated with statistical data from the last two censuses (2004 and 2015), which allowed examining the dynamics of education level of 15-years of age and older.

**On the right bank**, analysis of statistical data showed that formal education stimulates employment, which is observed by the fact that, in 2015, the share of people employed with vocational secondary education and above is higher than the same share in the structure of the total population aged 15 and over (secondary education professional – 22% employed versus 19% in total, general special education – 14% employed, compared to 12% in total; higher education – 24% employed, 17% in total).

Compared to 2004, there is a significant increase by 7 percentage points (p.p.) of people with higher education, reaching a rate of 24% in 2015. At the same time, it is observed that the share of the employed population with an average level of specialized training remained approximately the same, 14% in 2015 and 2004. About 22% in 2015 of the total employed population had completed vocational secondary training, with a trend decrease by 4 p.p. compared to 2004. This trend would explain why the labour market is gradually becoming open to candidates without higher education and to those with secondary education (undergraduates) or having IT qualifications. For example, the number of technicians and other specialists with an average level of qualification in the field of transport and telecommunications accounted for 5.37%

of the total number of employees in 2015 compared to 2.46% in 2010, given that there is a trend of decrease by about 18 p.p. of the number of employees for the same period<sup>35</sup>.

**On the left bank**, an analysis of the situation based on the statistical indicators regarding the employed population according to the level of education was not possible. The reason was quite simple – such indicators are not presented in the statistical annual report on the left bank of Dniester. A solution in this regard was the data from the last two censuses (2004 and 2015) conducted on the left bank. The labor market is constantly changing, and this has a direct impact on the population. Change is driven by many factors such as labour migration, digital transformations, new business ideas and opportunities, new investment opportunities, and so on. All these factors have a direct impact on the employment of the population, especially on those in at-risk groups (elderly, young people, women, people with disabilities, Roma) in the labour market, which for some reasons differ from the majority of the population employed by lack of experience, or outdated job skills, lack of qualification and training, etc. These groups are most often at risk of exclusion from the labour market and the forms of discrimination are based on stereotypes and prejudices, which leads to barriers in participation in the labour market. Low participation in employment, for some of them such as the elderly, means an exposure to poverty. And the very low participation of people with disabilities and Roma means another step back in ensuring the sustainability of the social security system, because a substantial part of them only benefit from it without contributing, of course, if people are able and desire to work.<sup>36</sup>

At the same time, a non-equal, uneven access to quality education for people at risk reduces their chances of moving to a new level in the social hierarchy<sup>37</sup>, which marks their future social and economic status. In essence, it defines the social distance be-

<sup>35</sup> National Bureau of Statistics in Moldova-BNS, employed population according to occupations, education level, age groups, sex and social environment” (2000-2016)” accessed March 26, 2022, <http://statbank.statistica.md/b9>

<sup>36</sup> “National Bureau of Statistics in Moldova-BNS, employed population according to occupations, education level, age groups, sex and social environment” (2000-2016)” accessed March 26, 2022, <http://statbank.statistica.md/b9>

<sup>37</sup> Bottero, Wendy. „Stratification: Social Division and Inequality,” *Psychology Press*, (2005): 3

tween them, including the distance between their financial capabilities and options for fully enjoying and profiting from goods and services in society<sup>38</sup>. Thus, people belonging to risk groups are much more exposed to challenges such as livelihood instability, limited access to quality health services and medicines, and so on. On the other hand, ensuring equal access for all to quality education (inclusive and lifelong learning) contributes to the economic emancipation of people in the labour market. And ensuring social inclusion, equal opportunities for men and women and equal opportunities for all increases their chances of escaping the vicious circle of poverty. To support argument for these assertions, we will present the analysis of the discrepancies identified in relation to the participation of vulnerable groups in employment.

If in the previous section an analysis was performed on some barriers that limit the access to work of people from one of the risk groups (people with disabilities) for certain reasons, then the following is an analysis of the discrepancies that exist in employment in relation to the persons pertaining to the vulnerable groups listed above. Attracting vulnerable groups to the labour market means improving their access to financial resources and ensuring economic independence among them (Target 8.5) By 2030, achieving levels of employment close to the average for the countries of Central and Eastern Europe and promoting productive employment and decent work for all women and men, including youth and people with disabilities, as well as equal pay for work of equal value in these social categories in the labour market, at the same time, includes many stereotypes – real obstacles in the process of their professional development and advancement. (Target 10.2 – till 2030, empowering and promoting the social, economic and political inclusion of all, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status).

The stereotypes present on the labour market are not necessarily the traditional ones, perpetrated by family, friends, neighbors, colleagues. Usually, it is about stereotypes with a high level of social acceptability, which derive from employers' perceptions of the roles in the labour relations of individuals as representatives of different social groups.

<sup>38</sup> Raportul de Dezvoltare Umană 2015/2016, Inegalități în dezvoltarea umană. (2017): 50, accessed March 21, 2022

For example, in the case of young people, the lack of work experience is alleged, which makes them vulnerable to competition in employment, perceptions, from the very beginning reduce their chances of accessing a good and promising job. And in the case of the elderly employed or those who are looking for a job, there is an undeclared and institutional discrimination that causes an age-based disfavor of these people, who, in fact, possess intellectual abilities, professional skills and behaviors similar to other age groups.<sup>39</sup>. At the same time, the trend shown by some employers to generalize certain gender-specific traits makes it difficult for women to be as active as possible in the labour market (Target 5.1 Eliminate all forms of discrimination against women and girls). However, the balanced participation of women and men in all areas of social, political and economic life remains a goal of inclusion policies for both river banks.

In this context, it is important to analyze the labor market processes, on both river banks, from the perspective of reducing discrepancies and including disadvantaged groups such as young people, the elderly, women, Roma and people with disabilities, this being as an essential goal in bringing both banks closer, on the way towards a lasting, sustainable development.

As a result of achieving SDG 8, barriers to access to the labour market must be removed in order to promote inclusive and sustainable growth, employment and decent work for all. It was found that the discrepancies between labour market supply and demand expectations are a reflection of the lack of constructive dialogue between educational institutions, the business environment, etc. Discrepancies between supply and demand in the labour market start on educational stage, where there is a lack of career guidance assistance, and young graduates often choose what is prestigious and not necessarily what is of greater demand in the labour market. Consequently, these discrepancies continue at work when some employers do not provide or facilitate the training of employees at the beginning of their career and during the employment. Thus, it is necessary to strengthen basic efforts in primary and secondary education on both banks of the Dni-

<sup>39</sup> Septimiu Chelcea, „O formă de opresiune socială: discriminarea vârstnicilor pe piața muncii,” (May 2016), accessed March 26, 2022, <http://romanasociala.ro/2016/05/24/o-forma-de-opresiune-sociala-discriminarea-varstnicilor-pe-piata-muncii/>



ester, giving young people the opportunity to use career guidance services during their school and student years. Moreover, these discrepancies continue at work, only denoting the need to develop the dialogue between employers and employees on increasing performance through lifelong learning. With regard to the reduced access to the labor market for people with disabilities, this indicates, sometimes, authorities' delay to ensure this social group access to public services, by installing ramps and specialized devices.

As a result of achieving SDG 10, on reducing inequality in the state in terms of developing an open and competitive labour market, the principle of equal opportunities for both banks of the Dniester River must be ensured. Failure to respect the principle of equality in the labour market leads to the emergence of stereotypes and prejudices that disadvantage social inclusion for the *population of vulnerable groups (people with disabilities, the elderly, young people, Roma, women)* while their chances of participating in economic life are reduced, which inevitably leads to poverty and their social and economic marginalization.

In the present article, a correlation between the SDGs and the labour market also resulted in a multidimensional analysis of the employment of disadvantaged groups, which highlighted some important findings, presented below.

Taking into account limited access to education and the labour market for people with disabilities, as well as imbalances between supply and demand, achieving SDG 1 to reduce by at least half the number of men, women and children of all ages living in absolute poverty and poverty in all its measurements, according to the national threshold and the international threshold of \$4.3 per day, becomes difficult for decision makers on both banks of the Dniester.

With regard to achieving SDG3, directly ensuring universal access to health services, including the protection from financial risks, access to quality essential health services and safe, effective, high-quality and affordable medicine and vaccines for all, it cannot be fully achieved if the targets of SDG 1, related to improving the economic situation of the population living in poverty, as well as the SDG8 targets on inclusive and sustainable growth, employment and decent work for all, are not met. SDG8 cannot be fully achieved without equal ac-

cess to all levels of education and training for vulnerable social groups, including people with disabilities, children in vulnerable situations on both banks, which is a target of SDG4.

Since ensuring equal opportunities and treatment of women and men is important for society, and the achievement of SDG 5 is the goal, the authors note that such mechanisms of influence are implemented on the right bank, in contrast to the left bank, where there is no legal framework leading to gender equality. And this is a challenge to the social, economic and political rights of women and men. In absence of such a tool, the chances of a significant representation of women in leadership positions in the occupational sphere are more modest on the left bank.

With regard to the prevention of discrimination in the labour market, the authors conclude that, on the right bank, there are several legal instruments available, both national and international, that regulate labour relations and prevent discrimination in the labour market. However, the situation remains precarious in this regard, because these provisions are not exactly followed and implemented. The same can be said on labour regulation system on the left bank, which in terms of inclusion of disadvantaged people in relation to the labour market show more arguments for ensuring equal treatment in terms of the right to social security and benefits granted under the law, rather than implementing policies that ensure equal opportunities for access to the labour market, especially for vulnerable groups.

If we analyze women as a vulnerable group, it is concluded that women's access to education and potential employment not only guarantees their full participation in socio-economic life, but also helps to reduce poverty among them. Employment also ensures that women obtain an income, which can contribute to promoting a healthy lifestyle among them, as, in households presided by females the lack of access to a drinking water supply system is more often due to financial reasons, thus, the welfare gaps among female population are highlighted even more.

From the point of view of the gender pay gap, it can be concluded that this inequality arises, on the one hand, because on the right bank, until recently, there was no legislation and no measures to eliminate wage discrimination. However, a legal initiative has recently been registered on the right bank

to amend some legal acts, providing measures to make the pay system transparent and establish the obligation of employers to use a system of fair evaluation of job posts, necessary for the implementation of the principle of equal pay for equal work or work of equal value between men and women. Thus, the principle of equal pay for work of equal value for women and men will be defined in the national legislation, by introducing the notions of remuneration, equal work and work of equal value. And on the left bank, in the absence of tools to ensure equality between women and men, a clear regulation of equal pay is practically impossible.

As the existence of wage inequalities is related, among other causes, to the policy of employers, as well as structural factors, that determine participation in the labour market (age, gender, level of education, health, etc.), a number of measures need to be operated to change the situation on both banks of the Dniester River.

Regarding the transition from school to work, from the perspective of the analyzed indicators, it should be considered that young people between 18 and 24 years of age are more exposed to the NEET phenomenon (acronym for “Not in Education, Employment or Training”), young people who do not work, do not study and are not included in training programs. Many of these young people are part of vulnerable subcategories such as sick young people, youth with disabilities, young people from low-income families, caring for family members, as well as unemployed youth. The fact that young people are in a NEET situation leads to many social disadvantages, such as marginalization, risk of law infringement and more. It is particularly important that there are feasible programs put in place for their integration into the workforce under the umbrella of business sector development/optimization. Thus, by increasing the level of youth involvement in entrepreneurship, we can reduce the chances of reducing the NEET phenomenon, ensure a higher level of youth participation in economic life through the creation of jobs.

From this point of view, based on the analysis of the SME sector on both banks, it is found out that, on the right bank, there are development trends of micro enterprises in which young people may feel comfortable and find their niche, while on the left bank, there is an increase in employment in entrepreneurial activity on the basis of individual

patents, where young people can also find good opportunities. Therefore, measures to facilitate the development of entrepreneurship among young people should focus not only on their employment, but also on access to finance, micro credit plans, and youth development grants, all aiming to achieve SDG 9. And that, as we can conclude from the available information, access to finance and microcredit remains a significant barrier for entrepreneurs on both banks.

Also, an important aspect is related to the economic participation of Roma people. The social integration of the Roma through economic participation is essential for a democratic society. It can be asserted that there is progress in developing the institutional framework for the protection and social inclusion of Roma on the right bank. However, we cannot say the same for the left bank, where there is no legal act confirming the mechanisms for the social inclusion of Roma. In this context, achieving Target 16.9 of SDG 16 on ensuring a legal, official identity of all, including the registration of birth of Roma people, is essential to guarantee equal access to education and labour market. Integration of the Roma population on the labour market is dependent on the factors that lead to the actual school preparation. The low level of education and deficit of vocational training, lack of legal identity, all limit the access of Roma people to education and employment, but also the access to basic medical care and other public services.

Sustainable development is currently marked by certain global trends and challenges. These are largely determined by economic characteristics such as qualification and professional level of employees, the sector of employment – public or private, size of companies and enterprises, the regulation of labour relations, wage policies, the organization and operation of trade unions, as well as the level of social protection of employees. All these aspects require appropriate policy measures to increase the attractiveness of sustainable development, and make it adaptable to the economic realities of on both banks of the Dniester River.