CHALLENGES IN THE ADAPTATION OF FAMILY POLICIES IN THE CURRENT SOCIAL AND ECONOMIC CONTEXT OF THE REPUBLIC OF MOLDOVA

Inga CHISTRUGA-SÎNCHEVICI

PhD, Researcher National Institute for Economic Research, AESM, MOLDOVA E-mail: <u>chistruga_sinchevici.inga@ase.md</u> ORCID: 0000-0002-3241-9864

Abstract: The article reflects the main instruments regulating the state's family policy, some of which are compared with those developed at the European level. The analysis of the system of allowances/benefits granted to families and those with children reveals that family policies in Moldova are predominantly financial, with insufficient attention paid to family services. The changes made to the system of child care leave aimed to facilitate the reconciliation of family and professional life; however, their impact remains limited due to the insufficient availability of child care services. Although flexible work programs are regulated within the legal framework, their implementation is limited. The article concludes that current family policies in Moldova must adopt a multidimensional and cross-sectoral approach in order to effectively address the challenges of demographic sustainability and social inclusion, promoting real support in the face of economic and social vulnerabilities and ensuring a better balance between work and family life.

Keywords: Family policy, family, maternity allowance, paternity allowance, flexible working arrangement.

UDC: 316.356.2:338.1(478)

Classification JEL: J11, J13.

1. Introduction

The intensification of contradictions within social development and the urgent need to support a proportion of the population exposed to various forms of exclusion and marginalization highlight the pressing necessity of developing protection programs aimed at helping individuals adapt to current realities characterized by social polarization and increased inequalities. The implementation of family protection policies is generally driven by changes in family structure, transformations in its functions, and decreasing cohesion. The rapid pace of these changes over a short period undoubtedly acts as a stressful factor for families.

The family is a fundamental social institution, and consequently, the state, through its family policies, is obliged to support it to a greater or lesser extent in exercising its functions. These policies are based on the premise that the family is autonomous and independent in decision-making regarding its development. Family policy targets the family and can be defined as a set of governmental activities specifically designed to support families, enhance the well-being of family members, and strengthen family relationships. These activities include the objectives of decision-makers, policies for ensuring family well-being, and specific measures undertaken by governments to achieve these objectives.

The current economic and social context of the Republic of Moldova continues to present a series of challenges. Although Moldova has recorded modest growth over recent years, not the entire population perceives an increased level of welfare. The high poverty rate, despite moderate recovery of income and consumption, remains the most pressing social problem [1].

One of the most significant changes is the transformation of family structure through increased celibacy, single-parent families, reconstituted families, cohabitations, etc. These transformations imply the need to adapt public policies to provide equitable support for all forms of family, avoiding social exclusion and stigmatization.

In today's society, full of responsibilities and commitments, achieving a balance between professional and family life proves to be a real challenge. Substantial changes in the labor market and in the organization of family life create a context in which parents find it increasingly difficult to develop successful strategies to combine professional responsibilities with family duties. There are two types of problems simultaneously, each belonging to the public and private spheres [2].

2. Literature Review

In the Republic of Moldova, the subject of family policy is not approached in a comprehensive and intersectoral manner. Predominantly, it is emphasized that family policies in Moldova are mainly based on monetary transfers (various allowances), and less on services aimed at families [3]. Furthermore, it is argued that Moldova's family policies, primarily focused on financial, monetary, and material support, will not be accompanied by significant changes in demographic indicators, such as birth rates. These benefits, being small compared to current requirements for child growth and socialization, and diminished by inflation trends, are unlikely to significantly influence couples' decisions to have children [4].

At the international level, the idea is promoted that numerous schemes and practical models differ largely from country to country, depending on the prevailing ideology and specific geo-political-cultural context [5]. Variations between and within countries regarding family policies are influenced by existing political institutions, the leadership of political parties over time, religious roots, public opinion, social organization, and the attitudes of decision-makers towards the changing family dynamics. Family policies are further influenced by the value attributed to the institution of the family, acceptance of alternatives to the socially constructed ideal family form, the determination to meet family well-being objectives, current assessments of family well-being, and knowledge of family policies in other countries [6].

3. Methodology

The family policy promoted in the Republic of Moldova was analyzed through the lens of a systemic paradigm, considering that the family constitutes a system of interdependent individuals. Additionally, the family is in close interconnection with all aspects of economic, social, and cultural life.

Starting from the premise that family policy aims to protect families and children through redistributive measures, as well as regulate family life by ensuring a balance between professional and family responsibilities and promoting equitable involvement of both partners in child-rearing, the conducted scientific analysis focused on the main areas encompassed within family policy - namely, the system of allowances, benefits, services, the system of leaves directed at families, and work flexibility.

4. Results and Discussions

In recent decades, the family policies of the Republic of Moldova have been subjected to multiple pressures generated by the transition process, mass migration, and demographic changes. Analyzing the family policy in our country reveals that it does not represent an integrative approach regarding support for families; it remains fragmented and mainly focused on minimal financial assistance (allowances, benefits). For this reason, the conducted scientific analysis will focus on the main directions within family policy.

The first area analyzed concerns the system of allowances granted to families with children. Currently, Moldova provides the following types of allowances: the single allowance at the birth of the child, the monthly allowance for child care until the age of 2, the monthly allowance for raising the child, the monthly support allowance for raising twins or multiple children born from a single pregnancy until they reach 3 years of age, the single allowance during the custody period for an adoptable child, the single allowance for raising an adopted or fostered child over 3 years old.

The single allowance at the birth of a child is established for each live-born child, including in the case of twins. Starting from January 1, 2024, the single maternity allowance is automatically granted to the mother based on birth data available in the State Population Register, without the need for her to submit an application. For children born from January 1, 2025, mothers will benefit from a single childbirth allowance of 21,350 lei for each live-born child.

The monthly allowance for child care until the age of 2 is granted for each child from the date of birth, regardless of the parent's status (insured/uninsured). The amount of this allowance has been set at 1,000 lei since October 1, 2022.

The monthly allowance for raising the child, according to options— in the case of insured persons—is determined for one of the insured parents, grandparents, or another relative directly involved in caring for the child, based on the following options: a) from the day after the expiry of maternity leave until the child reaches 3 years of age; b) from the day after the expiry of maternity leave for a period of 24 months; c) from the day after the expiry of naternity leave for a period of 12 months.

According to Decision No. 1478 regarding allowances granted to families with children under the option "until the child reaches 3 years of age," the amount of the monthly allowance for child-rearing constitutes 30% of the calculation base for each child, but not less than the minimum monthly allowance for child-rearing of the insured person (740 lei). Under the option "for a period of 24 months," the amount of the monthly allowance for child-rearing is 60% of the calculation base for each child, but not less than twice the minimum monthly allowance for the insured person's child-rearing during the first 12 months from the initial granting of parental leave, and 30% of the calculation base for each child for the following 12 months, but not less than the minimum monthly allowance for child-rearing is 90% of the calculation base for each child, but not less than three times the minimum monthly allowance for the insured person's child-rearing during the first 12 months from the initial granting of parental leave, and 30% of the calculation base for each child for the following 12 months, but not less than the minimum monthly allowance for child-rearing is 90% of the calculation base for each child, but not less than three times the minimum monthly allowance for the insured person's child-rearing during the first 12 months from the initial granting of parental leave.

Once the child-rearing allowance is established, it is paid regardless of whether the parents are engaged in employment activities and continue to work, maintaining their salary and work schedule.

Sustainability and Economic Resilience in the Context of Global Systemic Transformations

Until 2019, there was only one option - allowances up to 3 years at a rate of 30% of the calculation base. These changes in the policy of child-rearing allowances reflect a significant transformation of the Moldovan state's approach to family policies. By introducing three options, the state offers parents the possibility to choose the most suitable variant based on family and professional needs, representing a step toward a more adaptable and individual-centered family policy. The option for up to 3 years remains the traditional version, with extended protection but a reduced monthly income (30%). The 24-month option is a mixed variant, with 60% for the first year, then returning to 30%. The 12-month option is an intensive variant, with 90% of the insured income, but over a shorter period. These options give parents autonomy to decide based on financial stability, career considerations, or the needs of the child, and reflect alignment with European trends in family policy.

Although the number of births has shown a decreasing trend in recent years, the number of beneficiaries of allowances for child-rearing and care has increased, indicating a correlation with the increase in amounts allocated to uninsured parents. Thus, in 2023, a total of 102,300 beneficiaries of allowances were recorded (including mothers, fathers, and other persons), representing a 20.3% increase compared to January 1, 2020. Among them, 38,900 were insured persons, and 63,400 were uninsured, with the number of children for whom these allowances were granted reaching 105,300. At the beginning of 2024, the average monthly allowance granted to insured persons, regarding the care of the child until reaching 2 years of age (which was 640 lei in 2020-2021 and 740 lei in 2022). The monthly allowance for child care covers the basic living needs for insured persons but not for uninsured persons (up to 1 year, it covers 90.1%, and up to 2 years, only 41.6%) [7]. In this context, further adjustment of the allowance value in accordance with the cost of living is necessary so that it covers the minimum subsistence level for both insured and uninsured persons.

The monthly support allowance for raising twins or multiple children born from a single pregnancy has been established since January 1, 2017, regardless of whether the parents are engaged in employment. The amount of the monthly support allowance for raising twins or multiple children born from a single pregnancy is 50% of the monthly allowance for child care until age 2, at the date of the child's birth, and since October 1, 2022, it is 500 lei per month.

The single allowance for the custody period of an adoptable child is granted to insured persons for the custody period indicated in the territorial guardianship order, but not less than 60 days and not more than 90 days. The amount of the single allowance for the custody period of the adoptable child constitutes 60% of the average insured monthly income earned over the last 12 calendar months.

The single allowance for an adopted or fostered child is granted to insured persons who have adopted a child or taken one into foster placement. The amount of the single allowance for the adopted or fostered child is 100% of the average insured monthly income earned over the last 12 calendar months.

The monthly allowance for raising a child over 3 years old, adopted or placed in a guardianship/curatorship service, is granted to insured persons who have adopted a child over 3 years old or taken one into foster placement. The amount of this monthly allowance is 60% of the social insurance benefit calculation base.

The last three types of allowances reflect an approach centered on social inclusion. These measures can be appreciated as: incentives for adoption and family reintegration; Sustainability and Economic Resilience in the Context of Global Systemic Transformations

tools for preventing institutionalization; mechanisms for balancing parental effort in cases of children from vulnerable situations. Through these measures, the state sends a clear message of support for alternative forms of child protection, while simultaneously strengthening social responsibility and the inclusion of adoptive families.

Maternity allowances are a crucial form of support. According to Law No. 289 regarding allowances for temporary incapacity for work and other social insurance benefits, maternity allowances can be benefits for insured women, wives caring for their employed spouses, and unemployed persons. The monthly amount of this allowance is 100% of the average insured monthly income earned over the last 6 calendar months.

The allowance for caring for a sick child is granted in cases where the child is ill until the age of 7, or for a child with a disability with ongoing health conditions until the age of 16, for a period of no more than 14 days in the case of outpatient medical assistance or up to 30 calendar days in the case of inpatient medical assistance.

Family policies must provide adequate support to vulnerable families, including through poverty reduction measures. For this purpose, *state social allowances* are offered, which may be a sum of money paid monthly or a one-time benefit from the state budget to individuals who do not meet the conditions for pension rights. Beneficiaries of social allowances can include: persons with severe, pronounced, and moderate disabilities; persons with severe, pronounced, and moderate disabilities from childhood; children with severe, pronounced, and moderate disabilities up to age 18; children in cases of loss of a caregiver from age 18 or up to age 23 if they are continuing full-time studies; elderly persons. Regarding allowances for care, accompaniment, and supervision, benefits are available for children with severe disabilities up to 18 years old; persons with severe disabilities from childhood; and severely blind persons. Families in difficult situations can also benefit from social assistance, material aid, or aid for the cold season.

Although the amounts of these social allowances and benefits are limited, they provide a guaranteed minimum support to individuals who, for various reasons (disability, childhood marked by exclusion, lack of a caregiver), have not contributed sufficiently to the social insurance system. This reflects the state's commitment to the principles of equity and social justice, guaranteeing a right to a minimum level of dignity for all citizens, including those without prior contributions. These allowances are also a tool for combating poverty, reflecting a form of solidarity between the state and its citizens. Allowances for care, accompaniment, and supervision provided in cases of severe disability are essential for: supporting caregiving families, which assume part of the responsibilities of social services; promoting family-based care rather than institutionalization, in line with modern directions in child protection and social inclusion.

Given that most allowances are granted until the age of 3 years for children, some researchers propose identifying budget resources to enable gradual increase in direct financial support for families until the children reach 18 years of age. Providing financial incentives, such as monthly support for each child, would reduce the financial burden on parents and encourage families to have more children, supporting their development in a healthy and educated environment [8].

Maternity leave, paternity leave, vacation leave, and leave for caring for sick children can be considered important tools of family policy. These types of leave, regulated by law, reflect the commitment of public authorities to promote and protect the family as a fundamental institution of society. They serve a dual purpose: on one side, ensuring favorable conditions for the reproductive and educational functions of the family; on the other side, reducing the pressure on parents during periods when they care for young children or are in situations of family vulnerability.

Maternity leave contributes to the protection of the health of the mother and child during the perinatal period and is granted to women starting from the 30th week of pregnancy, lasting 126 calendar days, or 140 days in cases of complicated births or the birth of two or more children. Compared to other countries, this leave period is quite extended. At the European Union level, a pregnant employee, or one who has recently given birth or adopted a child, has the right to a uninterrupted maternity leave of at least 14 weeks, allocated before and/or after birth or adoption, in accordance with national legislation. The employee must take at least 2 of these 14 weeks ("mandatory maternity leave").

In this context, maternity leave should be interpreted not only as an individual right of the employee but also as a strategic investment by the state in public health, human capital, and sustainable demographic development. Providing an adequate duration and financial support is part of an active family policy model aimed at supporting birth rates, equal opportunities, and combating demographic decline.

Paternity leave plays an important role in promoting active involvement of fathers in child care and in reducing gender inequalities within the family. In the Republic of Moldova, this leave lasts for 14 days and is granted within the first 12 months after the child's birth. During the paternity leave period, the employee (father) benefits from a paternity allowance that cannot be less than the insured person's average monthly income for that period, and it is paid from the state social insurance budget. The amount of the paternity allowance amounts to 100% of the insured person's average monthly income. In using paternity leave, fathers face a series of difficulties fueled by various barriers: social lack of awareness of the right to benefit from paternity leave; absence of role models or examples in the community of fathers who have benefited from paternity leave; **professional/workplace-related** – undeclared employment, specific periods of activity at the enterprise or company, inability to replace specialists, labor shortages, employer attitudes; financial - double salary (official and unofficial) in some enterprises, dependence on supplementary income outside the workplace, poverty, lack of stable jobs in small towns and rural areas; and **cultural** – the belief that current paternity leave is too short to contribute significantly to any change; traditional gender concepts that assign women responsibility for child care; fear of stigmatization for acting contrary to gender norms; and conflict with the ideal norm that employees should prioritize work [9].

Child care leave can only be taken at the end of maternity leave and is offered in three options, which have been analyzed above.

Leave for caring for sick children, accompanied by a benefit, is granted until the child reaches 10 years of age, and in the case of a child suffering from oncological diseases or a child with disabilities with ongoing health conditions, until the child reaches 18 years of age. In cases of the child's illness, the benefit is granted for the period during which the child needs care, but no more than 14 calendar days in the case of outpatient treatment, and up to 30 calendar days in the case of inpatient treatment.

Leave for caring for a sick family member is granted in accordance with a medical certificate, for a duration of up to 2 years. These two types of leave help reduce family stress, prevent parental burnout, and ensure a stable environment for the child's development.

In this context, these forms of leave should not be viewed solely as facilitations for employees, but primarily as mechanisms of a coherent family policy aimed at improving quality of life, supporting birth rates, and consolidating the social role of the family. A central element of family policies is the set of **child care services**, which are not only a logistical support for parents but also a strategic instrument for social inclusion, equal opportunities, and early childhood development. Accessibility, quality, and diversity of these services directly influence women's participation in the labor market, fertility rates, and the well-being of children in their early years.

Child care services - such as nurseries, kindergartens, and alternative or community-based services - contribute to the development of active family policies, aimed not only at compensating for family responsibilities but also at supporting family autonomy and strengthening social cohesion. In this regard, investments in the infrastructure and professionalization of these services can be viewed as an essential component of a modern and sustainable social protection model capable of addressing the complex needs of contemporary families.

Despite measures taken to improve the situation in this field, in the Republic of Moldova, issues persist related to the integration of children up to age 3 into preschool institutions, unmet needs of students in extended-day schools, and the lack of alternative or community-oriented services focused on early childhood education.

In the context of changes in the labor market and the transition toward more inclusive, individual-centered economic models, work flexibility has become a key element of contemporary social and family policies. It refers to the possibility of adapting work schedules, workplaces, and workloads to meet employees' needs, especially those of parents with dependent children. Work flexibility is particularly essential for the employment of parents (full-time) and for reducing work-family conflict, thereby improving time management. According to the Labor Code of the Republic, flexible work arrangements are established by the employer in mutual agreement with the employee, at the employee's request, provided that this possibility is stipulated in the collective labor agreement, internal regulations of the unit, or other normative acts at the organizational level. Additionally, the Labor Code of Moldova regulates telework, under which employees working from home are considered those who have concluded an individual employment contract regarding telework, using materials, tools, and mechanisms provided by the employer or purchased at their own expense. Work flexibility should be viewed not only as an individual option but also as a mechanism for structural balance between work and personal life, with positive effects on family cohesion, child development, and the functioning of the labor market within a continuously evolving socio-economic context.

The accentuation of the demographic crisis in the Republic of Moldova has prompted authorities to initiate certain **demographic measures**. Thus, in 2011, the *National Strategic Program in the field of demographic security of the Republic of Moldova (2011–2025)* was approved, which emphasizes issues related to the institution of the family. The essence of this program lies in promoting measures aimed at favorable trends in fertility, mortality, migration, and other demographic phenomena. The National Program for Demographic Security reflects an important strategic intention (social protection, labor market, health care, education, housing) to respond to demographic challenges; however, its effective implementation is inseparable from the country's economic developments. In the absence of a favorable economic framework, demographic policies risk losing their operational character and failing to produce the expected impact on demographic trends in the medium and long term.

5. Conclusions

Family policy measures in the Republic of Moldova chiefly aim to maintain the material well-being of families with children through child care allowances. Additionally, Moldova's family policy does not reflect support measures for young people at the beginning of family life, nor does it include favorable fiscal policies. The measures for work flexibility provided by the normative framework are insufficient. Considering that a major challenge is reconciling professional and family life, modern family policies should promote equitable parental leaves, access to nurseries and kindergartens, and flexible work arrangements. Overall, a strategic, integrated vision is necessary—one that genuinely supports diverse types of families and ensures the demographic and social sustainability of the country.

Even if fertility growth is not often an explicit objective of family policies, such policies can influence fertility-related behaviors. They can affect the timing of births, increase intentions to have children, and facilitate the realization of these intentions. A consistent mix of financial benefits, parental leaves, and childcare support can stimulate long-term fertility potential, insofar as these measures address "direct costs" of children and reduce indirect costs. An essential aspect of these policies is also their contribution to reducing environmental uncertainty in which households make decisions about fertility [10].

Adapting family policies to the current social and economic context requires a multidimensional and intersectoral approach. Effective policies are those that recognize family restructuring, promote gender equality, support balance between work and personal life, and offer real support in facing economic and social vulnerabilities. Without such adaptation, policies risk being ineffective relative to the real needs of contemporary society.

Acknowledgments: This article was developed within the Research Subprogram Demographic Transition in the Republic of Moldova: Particularities, Socio-economic Implications, and Strengthening Demographic Resilience (2024-2027).

7. References

- 1. PÂNTEA, D., MADAN, S., SOLOVIOVA, M., CENUȘĂ, D., LUPUȘOR, A. *Republica Moldova 2024. Raport de stare a țării.* Chișinău, 2024. [online]. [viewed 08.04.25]. Available from: https://www.expert-grup.org/media/k2/attachments/RST-2024-RO-compilat.pdf
- 2. CHISTRUGA-SÎNCHEVICI, I. Echilibrul dintre muncă și viața de familie: necesități ale părinților și rolul politicilor sociale. Chișinău: INCE, 2021. ISBN 978-9975-89-250-6.
- GAGAUZ, O., BUCIUCEANU-VRABIE, M. Politici familiale şi rolul lor în contextul schimbărilor demografice. Chişinău, 2018. [online]. [viewed 07.04.25]. Available from: https://ccd.ucoz.com/ ld/0/61_BDn3_2016.pdf
- BULGARU, M., BULGARU, O. Politici familiale cu consecințe demografice. Studia Universitatis Moldaviae, 2017, nr. 3, pp. 3–14. ISSN 1814-3199. [online]. [viewed 07.04.25]. Available from: <u>https://social.studiamsu.md/wp-content/uploads/2017/01/01.-p.3-14-Asistentasociala.pdf</u>
- 5. DONATI, P. Old and new family policies. The perspective of relational sociology. Sociologia, *Problemas e Práticas*, 2007, pp. 127–159.
- 6. HENGSTEBECK, N., HELMS, H., CROSBY, D. *Family Policies*. In: The Wiley Blackwell Encyclopedia of Family Studies. 2016, pp. 748–753. https://doi.org/10.1002/9781119085621.wbefs118
- 7. BIROUL NAȚIONAL DE STATISTICĂ. Situația copiilor în Republica Moldova în anul 2023. Chișinău: BNS, 2024. [online]. [viewed 09.04.25]. Available from:

https://statistica.gov.md/ro/situatia-copiilor-in-republica-moldova-in-anul-2023-9578_61275.html

- 8. DOROȘ, D. Creșterea natalității în Republica Moldova: între măsuri și o paradigmă nouă. Chișinău, 2024.
- 9. CHISTRUGA-SÎNCHEVICI, I. Concediul de paternitate: aşteptări, experiențe şi rezultate în primii ani de la implementare. Chişinău: INCE, 2023. [online]. [viewed 08.04.25]. Available from: <u>https://rses.ince.md/server/api/core/bitstreams/67440206-f1be-478b-a10f-ba97186ae701/content</u>
- THÉVENON, O., GAUTHIER, A. Family policies in developed countries: a "fertilitybooster" with side-effects. Community, Work & Family, 2011, 14(2), pp. 197–216. [online]. [viewed 10.04.25]. Available from: <u>https://www.researchgate.net/publication/233199913 Family Policies in Developed Countri</u> <u>es_A_Fertility-Booster_with_Side-effects.</u> https://doi.org/10.1080/13668803.2011.571400