

THE IMPACT OF DEMOGRAPHIC PHENOMENA AND LABOR MARKET PROBLEMS IN THE REPUBLIC OF MOLDOVA.

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Abstract: The labor market of the Republic of Moldova is facing demographic challenges both in terms of quantity and quality of labor. Negative demographic trends consist in the fact that external emigration and lasting negative natural growth lead to accelerated aging of the population and labor force. The age and sex structure of the population is quite inert. The age of the population has a direct impact on the reproduction and physical capacity of the country's human resources. Demographic changes must warn state institutions, as they jeopardize several areas of activity.

Keywords: *demographic phenomena, labor market, human resources, physical capacity of human resources, human potential.*

1. INTRODUCTION

The evolution of the population of the Republic of Moldova in recent decades has gone through several controversial periods. It was the period, of almost half a century, when the population, under the influence of various factors (political, economic, social), experienced a very intense growth (1945-1991). During this period, the Republic of Moldova was characterized by the fastest growth of the population compared to neighboring states. The political, economic and social transformations started in 1991-1992 were also reflected in the numerical evolution of the population. Therefore, a new period in the demographic evolution in the geographical space of the Republic of Moldova has certainly begun.

The Republic of Moldova has entered the 21st century with a fairly favorable age structure of the population compared to neighboring and European states, but with advanced rates of structural change. Thus, by the early 90s of the twentieth century, it reached the limit of aging (12%, which already certifies it as a country with an aging demographic), and at the beginning of the current century was approaching the limit of the aging population (16%). Recent data from official statistics (NBS data) confirm that the quotas are close to 18% (2020), estimated as a deeply aging population, according to international assessments and demographic measurements. The effects of these changes are to be appreciated for other categories of population in particular for the mature population - the category of population that constitutes the country's labor force.

We deduce that the danger of compromising economic development by reducing the human potential and physical capacity of labor resources is eminent.

The COVID-19 crisis risks turning the pay gap between women and men into a chasm. The pressure to withdraw from the labor market has increased from the inability to combine work tasks with care responsibilities. As a primary effect of the pandemic crisis and the restrictions imposed by the authorities during the quarantine period, women became less active in the labor market, worked fewer hours or switched to long-distance work. All this had a direct impact on pay, with the gender pay gap widening. In the absence of policies and measures to stimulate women's employment and return to the labor market, pay gaps are likely to rise to extremely high levels over time. Internationally, the pandemic crisis has caused an estimated loss of salary of 6.5% on average, this decrease being determined by the reduction of the work schedule or the loss of the job.

As of July 2020, about 55,000 Moldovans have returned to the country due to the COVID-19 pandemic, and a total of about 250,000 migrants plan to return in the near future. Of this number, 32% planned to stay in the Republic of Moldova to work or start a business. The most affected are seasonal migrants, or those with occasional jobs abroad, many of whom return without opportunities to return to

work abroad and support their families, often have no savings and face with difficulties in finding a job in the country.

2. PAPER BODY

The labor supply depends both on the number of the population on the main demographic groups (age, gender) and on the level of activity within these groups on the labor market. Negative demographic trends include external migration and long-term negative natural growth, leading to an accelerated aging of the population and labor force.

Trends in the numerical evolution of the population for the new period of studies (after 2000) are formed during the '90s, which are characterized by a steady decline in population, significant changes in the number and proportion of urban and rural population, the formation of a demographic and social situation. unfavorable within the population, the emergence of new unfavorable demographic phenomena such as the depopulation of human localities (primarily rural ones) and the rampant aging of the population (primarily the rural population and the female population). Thus begins the current period with several unfavorable long-term trends in demographic change. The numerical evolution and structure of the population in the next period is largely determined by the emigration of the population.

Significant changes in the methodology of population calculations by the National Bureau of Statistics are the influence of international agents that: UN, UNDP, UNICEF, UNFPA which is a link in preparation for the future census of the population of the Republic of Moldova expected for 2021, which will present a much more truthful and concrete information of the population and structure of the population of the Republic of Moldova. Other calculations about the distribution of the population by area of residence or population structures are currently missing. But it can be assumed that the number and proportion of the urban and rural population will change quite a bit. Likewise, the demographic, social and economic structure will be different from the previous one.

The age and sex structure of the population is quite inert and also quite balanced. Even if it is a historically inert structure, there are periods when the imbalance reaches quite distant values. The population of the Republic of Moldova, as a component part of Europe, is characterized by a higher index of feminization. Much of this imbalance was formed as a result of World War II, a long-lasting imprint. In the last two decades (2000-2019) no significant changes in the structure by gender have been registered.

The basic changes in the age structure of the population in the last two decades are the further decrease of the proportion of the young population (up to 15 years), the visible increase of the population

Table 1 Number of population revised for the years 2014 – 2020

Age	Number of population
2014	2869,2
2014 (census data)	2804,8
2015	2844,7
2016	2824,4
2017	2779,9
2018	2730,4
2019	2681,7
2020	2640,4
2021	2597,1

over 65 years. Correspondingly, starting with 2010, there is a slow but stable decrease in the share of the population in the largest age group 15-65 years (table 2).

Table 2 Evolution of the population by age in the Republic of Moldova (in%)

Age groupe	2000	2005	2010	2015	2019	2019 in% front of 2000
0 - 4	5,9	5,2	5,3	5,4	5,0	85
5 - 9	7,9	5,9	5,2	5,4	5,5	70
10 – 14	9,9	8,0	6,2	5,3	5,3	34
15 – 19	9,4	10,0	8,3	6,2	5,3	56
20 – 29	15,3	17,8	18,9	18,4	15,4	101
30 – 39	13,7	13,0	14,3	16,2	18,4	134
40 – 49	15,2	15,2	13,9	12,8	13,5	89
50 – 59	8,8	11,3	13,9	14,1	13,3	151
60 – 64	4,1	3,7	3,9	5,8	6,3	153
65 – 69	4,2	3,6	3,3	3,5	5,0	119
70 – 79	4,6	4,8	4,9	4,8	4,6	100
80 și peste	1,1	1,5	1,5	2,1	2,4	218
Total	100	100	100	100	100	-

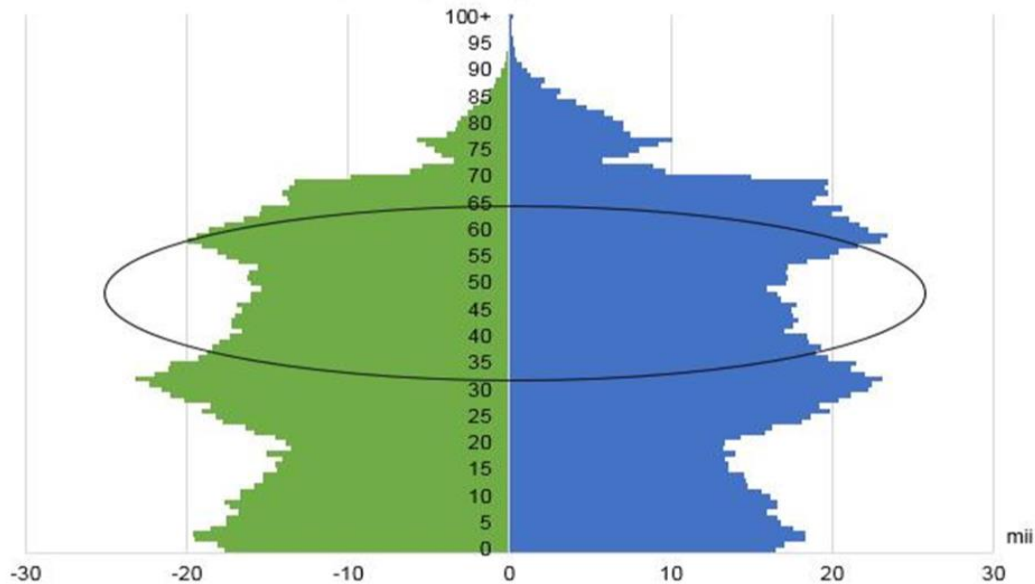
Source: statistica.md

Official data eloquently show a substantial decrease in the share of the population in the 0-14 age group. If, in 2000, this group constituted 23.7%, then in 2010 - 16.7%, and in 2019 - 15.8%. The evolution of the age group over 65 years is quite slow and depends both on the proportion of the population reaching the given age, and on the evolution of the increase of the life expectancy of the population. The obvious increase of the population of this age group begins after the years 2005-2010, when the generations of the post-war population of 1947-1950 begin to reach this age. Then follow, later, the generations affected by the first waves of intense external migration of 1995-2010, in which the main role was played by the ages between 30-50 years. This wave also included younger ages (20-30 years).

As a result of these transformations, in the population, the share of the age group over 65 years increased in the period 2005-2019 from 9.9 to 12%, (by 2.1 percentage points). It is a comparatively

modest increase, but with the marked increase in the share of the group from the established demographic perspective (Obvious evolutions in the demographic pyramids Figure 1).

Figure 1 Population with habitual residence on 01 01 2019 (provisional data)



This structure directly influences the reproduction of the population and the physical capacity of human resources, as well as the structure of the assortment of consumption of material goods, food, etc.

3. Economic and social consequences of an aging workforce.

These consequences, as a rule, have a long-lasting character, but already felt, gaining increased proportions or being reduced to some stages of demographic development depending on the type of age structure. Often the consequences of changing the age structure of the population are treated superficially, being reduced only to problems related to the general aging of the population. However, they have a much wider spectrum and cover all age groups, making their mark on multiple social processes. Changes in the age structure of the population involve changing the general structure of social needs of the population. For example, the reduction of the number and share of children in the population structure has as a consequence the decrease of the number of places required in schools and preschool institutions, respectively, of the number of teachers, educators, etc. Increasing the share of the elderly (and generations of the elderly workforce) in the population structure causes the need to supplement the medical and social institutions, as well as the training of the respective staff. Likewise, important changes related to the change of the population structure take place in other spheres of human life: personal, family, professional, economic, political, cultural, etc. So it is a matter of accentuating the changes in all spheres of contemporary society, especially of tomorrow's society.

Of great concern is the issue of ensuring the stability of retirement funds and increasing the costs of their formation. We mention that ensuring the objectives related to the social protection of the elderly, whose number will be constantly growing, offering the possibilities to obtain a decent job by virtue of the need or desire to remain economically active, as well as access to medical services. correspondingly, it will be a difficult thing, especially in the case of the Republic of Moldova.

In the conditions of the aging population, the share of the working age population inevitably decreases and the aging of the labor force itself takes place. In this context, the aging of the population can become a factor that will impede economic growth, if it happens that it will not be possible to keep pace with the

reduction of the increase in employment and some more effective measures will not be applied to increase growth. labor productivity. The obsolete workforce is qualitative, but not very productive, expensive to pay and with reduced physical potential, it is difficult to integrate in the workplace, it is difficult to adapt to the labor market to the achievements of PTS. The aging demographic of the labor force creates gender imbalances with prevalence of the female labor force on the market caused by male over-mortality in the age limits of 50-60 years, but also of the morbidity spotted at this age for both genders.

At the same time, we mentioned that the countries with a relatively young working age population, to which the Republic of Moldova also refers, have a potential that can ensure economic growth only in the medium term. At present, we must not focus on the measures that will be imposed when there is a shortage of labor, but it is necessary to focus our efforts on job creation for economically active generations and, in particular, for young people who will reach old age. suitable for work The development of the labor market, the stimulation of employment in the formal sector of the economy will contribute to the increase of tax revenues and the possibilities for the extension of some social programs for the elderly. The transition to older age groups is often accompanied by a decline in living standards. Reducing economic opportunities and worsening health in many cases make older people vulnerable to poverty. In the Republic of Moldova the main material source for this category of people is the pension, whose volume is very modest, constituting 26.7% of the average salary in the country. Most elderly people are not protected from health, disability and standard of living risks. The demographic transition raises a very difficult issue related to ensuring the viability of pension systems, creating the conditions for economic security for the elderly.

Equalizing the retirement age for men and women can be one of the measures that will help reduce short-term social spending, as well as a measure that will stimulate labor market participation of the labor force beyond the retirement age limits.

There is good reason to assume that in the coming years people who have reached retirement age will be more professionally active than their predecessors. In the future, the reduction in the birth rate will reduce the pressure of young people on the jobs of the elderly, but also on the labor market in general. Older people will have to work, given that their significant number will not allow young people with a relatively small share in the population structure to support them.

3. CONCLUSIONS

We conclude that if in the future the increase of life expectancy will be maintained, then the number and share of this large age group will increase considerably in the demographic framework, where demographic aging becomes a deep and long lasting trend of both generations over 60+ years and under this age. The generational rotation in the mature age group will inevitably determine the accentuated aging of the labor force, by dominating in the pre-retirement age groups, which will be numerically superior to the young ages and generations.

As mentioned in other studies, these changes in the age structure of the population must warn more state institutions, because they affect several areas of activity of discontinuities and large gaps in the evolution of the population structure by age are also recorded in different subpopulations in the Republic of Moldova. First of all, significant differences are registered in the age structure of the population according to the urban and rural environment. Several factors have influenced the formation of this gap, one of which is the pace of development and the national specificity of the demographic transition, because usually the transformation processes affect the urban population, then the rural one. As a result, there is a visible gap in the age structure of the urban and rural population. In these transformations a special place is occupied by the different intensity of urban and rural migration, the differences in mortality.

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