



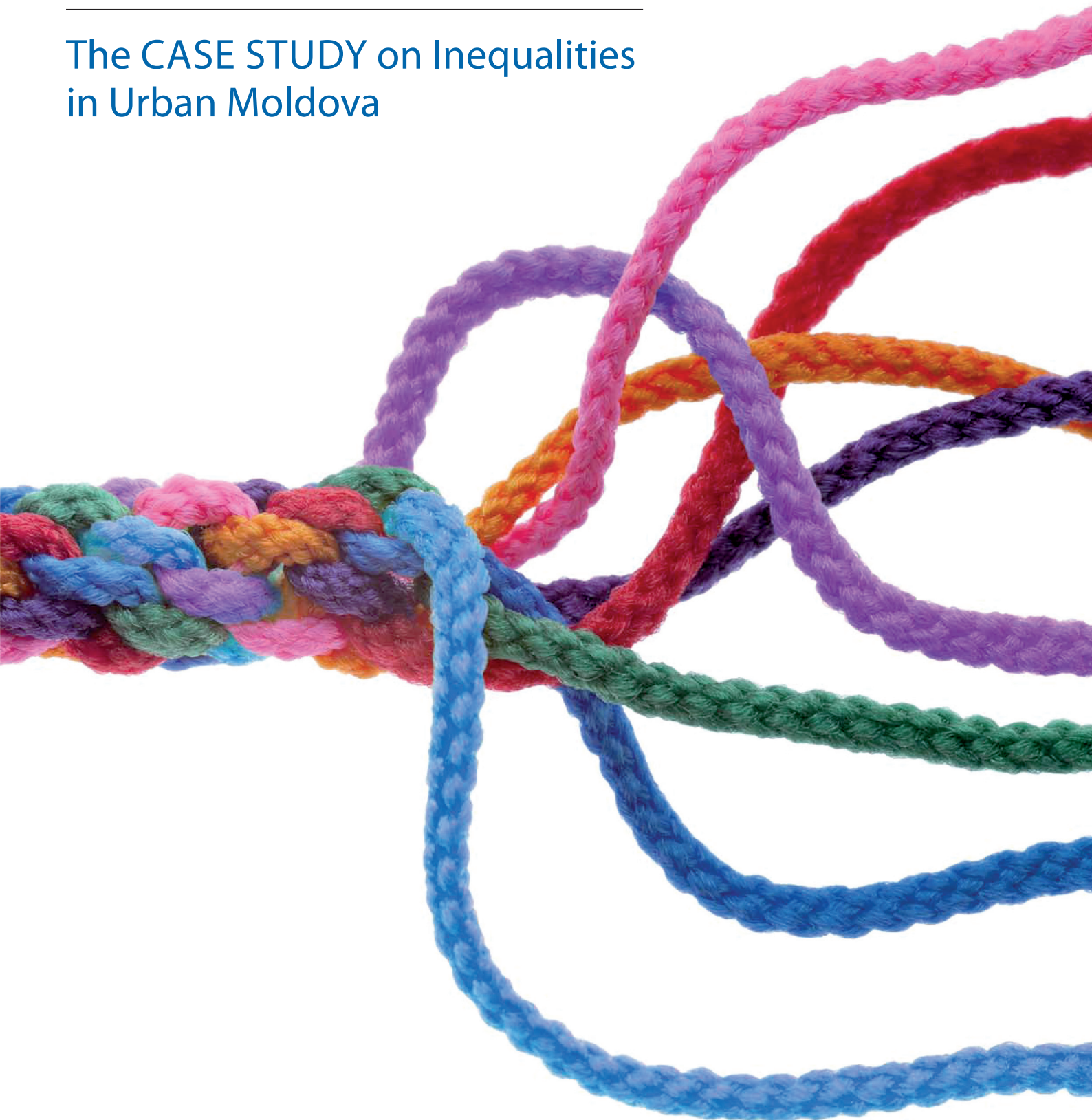
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# Progress at Risk

Inequalities and Human Development  
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The CASE STUDY on Inequalities  
in Urban Moldova





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# The CASE STUDY on Inequalities in Urban Moldova

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# Introduction

The persisting urbanization trends at the global level have resulted in the fact that more than half of the world population lives now in cities, and the forecasts show that by 2015 this number would account for two thirds of humanity<sup>1</sup>.

Cities provide higher opportunities for life quality, increase of living standards, wider access to employment, and better possibilities to obtain incomes. The basic services, such as education and health, are more accessible in the urban area, which also ensure access to better-quality infrastructure as compared to the rural area, hence providing a higher quality of social-demographic capital, a more qualitative and productive labor force with higher level of education. In this context, urbanization has important potential to contribute to streamlined use of resources and sustainable economic growth, as well as to improved social wellbeing by ensuring more qualitative access to goods and services.

With all these opportunities, urbanization does not necessarily results in a more fair financial access to and distribution of goods, but may contribute to increasing the distance between the poor and the rich ones. Inequality persists in cities, with wider gaps between the social segments with different incomes, and urban poverty has a specific aspect. Urban inhabitants are very dependent on cash incomes, and the incomes-based poverty is aggravated by the housing conditions, expenses for living, limited access to basic infrastructure and services because of their high costs – all these being complemented with exposure to environmental risks and higher criminality and violence rates, which usually register higher levels in urban area.

In Moldova's context, urbanization is conditioned by internal migration and results mainly in moving to live in the capital city, which provides wider employment opportunities, as compared to other localities. Hence, a stable trend of urban population increase was noted over the last years, with special focus on the capital city – Chisinau – which concentrated almost 20% of the total number of population and 45% of the urban population of the country.

Urban life styles, higher living standards provided by capital city's facilities, including cultural, educational and medical services, employment opportunities, and quality of employment are among the factors attracting the population, especially the youth, to come to Chisinau. At the same time, the Moldovan rural area with persisting social-economic problems contributes to pushing the able-bodied persons with skills and capacities to cities.

The young persons, who have studied in the capital city, settle down in Chisinau, being supported as well by the work migrants who leave abroad and invest in the real estate sector in the capital<sup>2</sup>, as these investments are considered to be more profitable in relation to the poorly developed business environment, especially in the rural area. External labor migration continues to persist in Moldova, involving mainly young and trained persons, who had jobs in the country before leaving<sup>3</sup>, so migration is frequently conditioned by low quality of work and the bad remuneration provided on the labor market of the country.

The concentration of population in the cities, especially the rapid growth of the number of people in the capital, deepens the social-economic programs in general, increasing the living standards' gap among the cities' inhabitants, and thus leading to increased deprivation and inequality in access to services and facilities between cities and villages, as well as between different groups of population.

**The general objective** of the study is to analyze the situation regarding the different forms of inequality persisting in urban Moldova, with a special focus on its capital, Chisinau city. Chisinau became the most attractive locality in the country, with the most concentrated population, but also with the highest risks related to inequality among the different groups of population

The study presents different aspects of inequality: monetary and non – monetary ones, particularly taking the analysis of incomes and expenditures, insufficiency of incomes being recognized as the main

<sup>1</sup> Goal 11: Sustainable cities and communities, <http://www.md.undp.org/content/moldova/ro/home/post-2015/sdg-overview/goal-11.html>

<sup>2</sup> Options to harness emigrants' remittances and savings for the development of the Republic of Moldova, [http://www.md.undp.org/content/dam/moldova/docs/Publications/Studiu%20privind%20optiunile%20remitentelor%20in%20Republica%20Moldova%20\(versiunea%204.0\).pdf](http://www.md.undp.org/content/dam/moldova/docs/Publications/Studiu%20privind%20optiunile%20remitentelor%20in%20Republica%20Moldova%20(versiunea%204.0).pdf)

<sup>3</sup> ILO, CBS-AXA, Return of migrant workers and social-economic development of the Republic of Moldova, 2013

factor inducing inequality in the capital city. The qualitative study analyses some other aspects of inequality encountered by urban population, especially in the capital city, presenting the findings in the report.

Taking into account the fact that better opportunities to obtain an income may be found in Chisinau as compared to other localities in the country, the study presents the incomes' gaps expressed through different wages in different social-economic areas, which deepen the inequality between the groups of employees depending on their

employment sector. The study also tackles the problem of decent work, informal employment, which marginalizes the groups of persons from the perspective of risks' assurance, access to medical services, as well old age assurance.

It also tackles the problems related to access to educational, health, and social services, as in Chisinau's case the geographic access is well ensured, but the insufficient incomes lead to major limitations related to financial access to the necessary services.

# General background

The Republic of Moldova is ranked on the 107<sup>th</sup> position out of 188 countries, according to the Human Development Index (HDI)<sup>4</sup>. This ranking was carried out within the Human Development Report 2015 “Work for Human Development” which promotes fair and decent jobs for all. The same report points out that only a complex vision on work may harness its benefits for sustainable development.

The need of some decent jobs was tackled within the post-2015 national consultations “The future Moldova wants”, with a share of 89.1% respondents mentioning the need of some well-remunerated jobs for ensuring a decent living in the long run<sup>5</sup>. The well-paid jobs in the long run results in decent pensions, 64.1% of citizens participating in the post-2015 consultations consider that to have a better future in the Republic of Moldova, it is necessary to ensure higher and fairer pensions and allocations<sup>6</sup>. Among the most vulnerable groups of persons, the lonely elderly persons in Moldova are deemed to be the most vulnerable (66.1%); a significant statistical distance is registered for the positioning of orphans or children left behind (37.8%), rural area inhabitants (34.6%), families with many children (34.4%), unemployed (31.8%), and persons with disabilities (28,5%)<sup>7</sup>.

The issue of ensuring decent and inclusive work in the Republic of Moldova was and is tackled by the Government and foreign partners through the Millennium Development Goals (MDG) and the UNPF UN – Republic of Moldova “Towards Unity in Action” for 2013-2017; the Decent Work Country Programme 2012-2015 and respectively 2016-2020, as well as “Moldova 2020” Strategy, and other national development goals. Decent work (Goal 8) and Reduction of inequalities (Goal 10) are among the 17 Sustainable Development Goals 2030<sup>8</sup>, to which the Republic of Moldova committed for the immediate future. Separate focus is placed on sustainable development of cities (Goal 11), which can be achieved by ensuring access to dwelling, modernizing the poor districts, investing in public transportation, creating public green spaces and improving urban planning and management in a participatory and inclusive manner.

Inequality in incomes continues to increase at the world level: 10% of the richest ones earn 40% of the total global income, while the poorest 10% earn only about 2 -7%<sup>9</sup>. Moldova is not an exception in this regard, with about 1/4 of income that belong to the 10% of the wealthy ones and only about 3% - to 10% of the poor ones. The inequality is observed mainly through the distribution on quintiles of the consumption expenses of the population. In the total consumption, the expenses of the poorest 20% of the population are 9.7%, while the wealthiest 20% of the population are of about 37%<sup>10</sup>.

The topic of inequality is more frequently talked in the Republic of Moldova through significant rural and urban discrepancies, less attention being provided to studying this phenomenon in the cities, including in the capital city. In case of Chisinau the inequality and poverty are the most difficult to statistically estimate and the reasons for this are diverse. The data of the CBGC research, that are underlying at the analysis of the standards of living of the population in the country, does not offer a complex image about the situation in the capital and the explanation is dual as well. On one hand the reduced representativeness in the sample of the household research from Chisinau does not allow the estimation of some of the indicators, on the other hand - we can ascertain that the highest rates of non-responses is recorded in the capital compared to other localities and that leads to the lack of coverage especially of the wealthy groups of the population<sup>11</sup>, that diminishes from the estimation of discrepancies between the population groups with various levels of welfare.

Actually, the most pronounced inequality is found among the population from Chisinau municipality, which is populated, on one hand, by the richest citizens of the country, but also by the poorest ones, on the other hand. Inequality in Chisinau is also more pronounced because of the fact that it provides a wider range of fee-based qualitative services, which cannot be access by the persons with low incomes. The state guaranteed services (preschool and gymnasium education, health

<sup>4</sup> Human Development Report 2015: Work for Human Development, <http://hdr.undp.org/en/2015-report>

<sup>5</sup> Proposals of UN Office in Moldova, based on Moldova's international commitments and the progress registered by the country, as well as based on the best international practices and opinions of 7000 Moldovans who have participated in the national and international consultations “The future we want” within the MDG

<sup>6</sup> Ibidem

<sup>7</sup> Ibidem

<sup>8</sup> <http://www.md.undp.org/content/moldova/ro/home/post-2015/sdg-overview.html>

<sup>9</sup> Goal 10: Reduced inequalities, <http://www.md.undp.org/content/moldova/ro/home/post-2015/sdg-overview/goal-10.html>

<sup>10</sup> [http://mec.gov.md/sites/default/files/raport\\_privind\\_saracia\\_in\\_republica\\_moldova\\_2014.pdf](http://mec.gov.md/sites/default/files/raport_privind_saracia_in_republica_moldova_2014.pdf)

<sup>11</sup> The HBS suffers from high non-response (30 per cent nationally and approaching 60 per cent in the Chisinau region, with no replacement for non-response). EuroStat, Adapted Global Assessment (AGA) of the National Statistical System (NSS), 2013, [http://www.statistica.md/public/files/despre/evaluate\\_opinii/AGA\\_Report\\_Moldova.pdf](http://www.statistica.md/public/files/despre/evaluate_opinii/AGA_Report_Moldova.pdf)

services for insured persons, etc.) fall in the same category, registering a limited access especially because of the informal payment implied, which account for higher and more frequent amounts in Chisinau municipality.

Different social-economic factors lead to poverty in the whole country, especially in the urban area. Poverty incidence has halved over the last five years; significant decreasing trends being also registered by inequality, assessed through traditional indicators for quantifying the phenomenon. The Gini coefficient calculated by income was reduced from 0.35 to 0.32. At the same time, significant gaps are registered in relation to medium disposable incomes of the poor and of the rich, being rather significant in urban area. The average income of the poor in the urban area accounts for only 1/3 of the average income of the rich people and income-based inequality is also deepened by the high costs of housing, which use the fifth part of the incomes of the poor segment of population. In case of Chisinau city, the respective gap is even wider, as the costs for dwelling account for almost 25% of the expenses incurred by the poor, as compared to 18% in case of the rich. To be noted that in 2014 the poverty rate in Chisinau showed ascendancy trends compared to 2013 (2.1% and 0.5%, respectively).

Inequality is deeper perceived by the capital city population as compared to other cities and rural area. The assessment of the possibilities to cover one's needs is different: in Chisinau, about 13% consider that their incomes allow them buying more expensive things, or even all the necessary things, while

in rural area and other cities – this share is lower, under 8%<sup>12</sup>.

Chisinau inhabitants with modest incomes<sup>13</sup> survive with difficulty in the capital city, inequality being perceived, first of all, through difference in incomes, which afterwards is expressed through inequality in accessing different goods and services. They have mentioned that access to services is mainly conditioned by the disposable financial means – one may enjoy urban facilities, is he/she affords to pay for private services and informal payments – *“it is nice to live in Chisinau if you are rich”*. A higher social-economic status and personal relations may increase the access to some educational and health services, providing as well wider employment opportunities.

Cities are considered to be the drivers of development and idea generators, and the social-economic development is conditioned by access to qualitative infrastructure, trade, culture, science, productivity, and social development. Chisinau is the city which through its status of Moldova's capital city assumes itself the function of development driver, and maintain the city as to be in line with status is absolutely vital for the country. The challenges encountered by the capital city at the present moment would be the limited possibilities to create decent and well-paid jobs, lack of funds for provision of qualitative basic services, limited access to adequate housing, infrastructure of low quality - and all these lead to social-economic inequalities between different groups of capital city inhabitants.

<sup>12</sup> Public Opinion Barometer (POB) from November 2015, IPP [http://www.ipp.md/public/files/Barometru/Brosura\\_BOP\\_11.2015\\_prima\\_parte\\_final.pdf](http://www.ipp.md/public/files/Barometru/Brosura_BOP_11.2015_prima_parte_final.pdf)

<sup>13</sup> To carry out this report, there were organized three group discussions, see details in Annex 1.





## Chapter 1

# Challenges Related to Living in Chisinau



## Challenges Related to Living in Chisinau

Urbanization in the Republic of Moldova is a continuous phenomenon, being especially noted through increase of urban population with simultaneous decrease of the total population in the country. According to the NBS data, the stable population<sup>14</sup> of the country as per January 01, 2015 accounted for 3555 thousand persons, registering a decrease as compared to the situation as per January 01, 2007 by 26 thousand persons<sup>15</sup>, while the population in Chisinau municipality increased by 29,3 thousand persons, respectively the population of the city – by 19.8%, and of the suburbs – by 9.5% (Table A1 in the Annex).

The respective data could be underestimated because of the considerable share of persons who migrate towards cities, including to the capital city, and still preserve their place of residence in the localities of origin, when they actually live and work in Chisinau. A study carried out recently<sup>16</sup> reveals that about 15.4% of the respondents living in Chisinau have their place of residence in other localities of the country (Table A2 in the Annex). The elderly people from the capital city encounter major livelihood problems, especially related to payment for utilities, as the increasing costs for utilities swallow a considerable part of pensions. The pension amount is small and covers only 83% of the existence minimum for a pensioner<sup>17</sup>, the substitutional correlation being expressed by the ratio between the average age limit pension and the average salary registered in the economy accounting for only 26.7%<sup>18</sup>.

An important aspect refers to concentration in the capital city of the young persons, who encounter challenges especially in access

to dwelling and housing conditions, quality of housing, access to preschool institutions, health, and the need of informal payments deepens the marginalization of some groups of youth and young families with low incomes.

## 1.1. Living in Chisinau – advantages and disadvantages

Chisinau's status of capital city provides its inhabitants with a number of advantages, concentration of investments, production forces, including of the small business – all these contribute to a better development of the city as compared to other localities in the country. Hence, in Chisinau municipality registers only a share of 23% of the total number of the country population, 54% of the total number of economic units in the country, 57% of the industrial production volume, 62% of investments, and 72% of executed works contracts. The number of employees accounts for 48% of the total registered in the country, the monthly average salary of an employee from Chisinau is 18% higher than the average registered in the country, and the monthly average pension exceeds the average in the country by 27%<sup>19</sup>.

Chisinau is perceived also by the population<sup>20</sup> as a locality which offers higher opportunities in such areas as employment, education, culture, leisure time spending, as well as access to qualitative medical services, as compared to other localities in the country. Although these services need sometimes considerable financial costs, Chisinau's inhabitants have access to services of better quality, and many

times they are exempted from high additional costs related to transportation, when the village inhabitants want to get closer to service providers.

Chisinau is more attractive for living as compared to other localities from Moldova, especially for the young persons, young families, who want

*"There are some advantages related to Chisinau: job, kindergarten, school, children's education, medicine of better quality, even though there is corruption. I used to live in the village, and it seems that it should have been easier from financial point of view, but it is much more complicated in the village, especially from the perspective of health services for children, which are of low quality, and very frequently we had to go to Chisinau."* (M, 28 years old, rescuer, 2 children – 3 and 5 years old)

<sup>14</sup> Stable population – number of persons with stable domicile on the respective territory, including the temporarily absent persons, NBS, Population and Demography, metadata, <http://statbank.statistica.md/pxweb/Database/RO/02%20POP/POP01/Populatia.pdf>

<sup>15</sup> NBS, <http://statbank.statistica.md>, Population Statistics

<sup>16</sup> Omnibus CBS-AXA, September 2015, 1219 respondents, a sample representative at the national level

<sup>17</sup> MLSPF, Annual Social Report, 2014, <http://www.mmprsf.gov.md/sites/default/files/document/attachments/rsa2014ro.pdf>

<sup>18</sup> According to the European Code of Social, it is recommended for this indicator to be 40%; Art. 65, point 1 of the European Code of Social Security

<sup>19</sup> [http://www.statistica.md/public/files/publicatii\\_electronice/Chisinau/Anuar\\_Chisinau\\_2015.pdf](http://www.statistica.md/public/files/publicatii_electronice/Chisinau/Anuar_Chisinau_2015.pdf)

<sup>20</sup> Subjective opinions obtained through focus groups organized within the study carrying out.



*"You have to go through mud for 3 km to get to school, where children from 3 villages study, as all the other neighboring schools are closed. One out of two or three houses in villages is empty (no one lives there), hence the village gets empty, there is nothing to do there. There is no future if you go to live in a village." (M, 41 years old, guard)*

higher quality living standards as compared to the livelihood in villages, as they fully acknowledge that there is no future in villages and that the rural social-economic capital is deteriorated.

The respondents have mentioned a number of factors which have triggered people's move to Chisinau, mentioning especially the massive migration of population from rural localities – *"in the villages, it is sure that one of the family members is in Chisinau"* (W, 53 years old, unemployed), and this has induced a considerable depopulation of villages – *"in my parents' village, where my mom used to live, there is no one left"* (W, 21 years old, unemployed)

It should be noted that, as compared to the rural area and smaller towns, Chisinau provides considerably more employment opportunities. Although the respondents mainly mentioned that they are not satisfied with the working conditions and remuneration, nevertheless they do recognize that the situation is even worse in other localities in the Republic of Moldova, where it is very difficult to find a job, even of the lowest qualification.

*"It is difficult in Chisinau, but at least you may find a job, even as a cleaning person or sweeper; the people who want to work, they will find something at least for a month or two, while in the village there is nothing to do." (W, 55 years old, unemployed)*

In spite of all these opportunities, different **challenges and limitations related to employment** still persist in the capital city. The official data register a significant share of unemployed persons – 7.9%, while the informally employed persons account for 12.5% of the total number of employed

people<sup>21</sup>. The challenges encountered by persons when getting employed are different. A number of interviews related to employment reveal negative employment experiences with a high share of respondents

(over 70%) encountering different challenges, the most frequently mentioned being the nepotism, corruption, small salaries, different obstacles for employing labor force – all of them resulting sometimes in situations when people decide to migrate. Only about 16% of stories reveal positive or very positive experiences, mainly related to success cases in accessing jobs or successful use of existing networks of friends or relatives, which provided counseling and support for getting some jobs<sup>22</sup>. While looking for a relevant job, most of respondents used mainly their own experience, and less on the support provided by the social networks.

Discriminatory practices also persist on the labor market, resulting in almost 40% of respondents mentioning the need of equal attitude towards all persons during employment. Considerable challenges are noted in relation to the choice between accepting small salaries, which not fit the level of education, training and qualifications of the persons, and non-employment or even migration outside the country. The statistical data confirm all these observations. In the cities, only in 2/3 of the employed people with higher education would have an

appropriate employment area or even higher than their level of education, while over ¼ of them have jobs which are lower than the level of education held by the person. The respective share for the persons with secondary

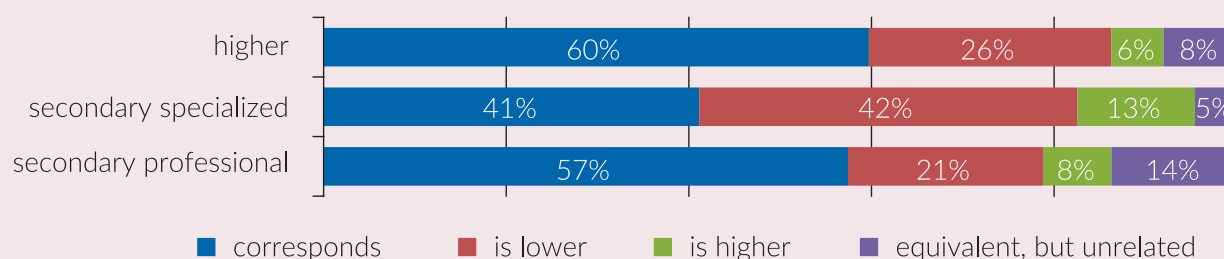
vocational education accounts for 40% (Figure 1).

The young persons, under 34 years old and with university and higher education are the ones to mainly deal with such impediments, as they consider that lack of competences

<sup>21</sup> Source: NBS, <http://statbank.statistica.md>

<sup>22</sup> Making sense of the perceptions of people about the evolution of the unemployment phenomena in Moldova. The qualitative survey and the collection of micronarratives on unemployment was conducted in the period December 2015 – February 2016. The total number of collected stories is 313. About 60% of all stories came from persons under 39 years and from women. About 65% of stories were collected from residents of urban areas, predominantly from five cities, i.e. Chisinau, Cahul, Comrat, Balti and Rezina, where UNDP operates career advisory centers that provide employment support to skilled and other unemployed, including those registered with the national unemployment service. Local academia was very active in supporting the collection of micro-narratives. The network of interviewers of the National Bureau of Statistics and other UNDP Moldova projects provided support in the collection of the micronarratives as well. A dedicated platform [www.eucrd.md](http://www.eucrd.md) was also used to collect stories.

## Challenges Related to Living in Chisinau

**Figure 1. Employment level fitting the level of education in urban area, %, 2014**

Source: [http://www.statistica.md/public/files/publicatii\\_electronice/ocupare\\_somaj/Forta\\_Munca\\_2015.pdf](http://www.statistica.md/public/files/publicatii_electronice/ocupare_somaj/Forta_Munca_2015.pdf)

impeded their entry on the labor market (26%), followed by lack of opportunities (21%), and lack of resources (22%). This type of respondents mainly mention that lack of qualifications and work experience after graduation is one of the major impediments when accessing the labor market<sup>23</sup>.

Another aspect of the living in Chisinau is opportunities related to the quality of life, provided by the capital city, which are depending on the available financial resources of the population and their incomes. The insufficient financial resources lead to limited access to a number of services and facilities, available especially in Chisinau and the capital inhabitants could benefit from them fully. High living costs are registered in Chisinau as related to incomes, and some subjective comments about living in the capital city imply the following: „poverty”, „we try to make the two ends meet”, „it is a luxury to live in Chisinau”, „if you are rich is ok, but if you are a worker, you live in poverty.”

The persisting inequality in living standards in the capital city is acknowledged by the population. The majority of interviewed people have noted that the inequality

between the people within Chisinau gets deeper – the rich become richer and the poor become poorer.

From social-emotional point of view, there are differences between the living level in Chisinau and other localities. The respondents participating in the group discussions, who have had the experience of living in the rural area and small towns, mentioned that they felt themselves more comfortable and better in those localities. In their opinion, life in Chisinau is marked by continuous stress and permanent psycho-emotional pressure, generated by different factors: financial problems; time deficit („you always run”, „you do not succeed”); non-observance of personal distance

*“Only the rich and the poor will remain, there will be no middle class.” (M, 54 years old, person with disability degree)*

*“Chisinau is for rich people, meaning that Chisinau is growing, is beautiful from architectural point of view, life becomes beautiful. Even from the viewpoint of the food products, you go to a shop and there is a range of products. But I am not sure that we will be able to afford it even in five years. (W, 41 years old, employee in the force bodies)*

*„As Lucinschi said it once: “Chisinau is only for the rich people”. We really don’t know what is going to happen tomorrow, as our salaries a small and out living level is low, so it is difficult to think about tomorrow, not even mentioning in 5 years.” (W, 35 years old, teacher)*

<sup>23</sup> Ibidem.

(especially in the public transportation); phonic pollution (the exposure to sounds with disturbing, stressful and harmful levels), etc.

An important factor which differs significantly the living level in Chisinau as compared to other localities in the country refers to the inter-humane relations. In the small localities, the social relations between the neighbors are closer, more tolerant, being based on the mutual help and social cohesion. Although the proximity of living is smaller, the social distance in Chisinau is longer.

*"I was born in Chisinau, I lived here for 8 years, I got married and I moved to Orhei. I liked it more in Orhei than living in Chisinau. It is difficult to find a job, especially for young people, but people are different, more sincere, more humane, you may come and complain ... While, here if you talk to a neighbor, "he is not listening to you", while there the people listen to you, help you with a good word. You feel yourself free, whole here you feel constraint, and there you feel more open."* (M, 39 years old, seasonal worker)

as compared to other localities, especially the rural ones, the population does acknowledge the inequality in accessing such services and goods.

Considerable shares of population mentioning that the income is not enough to cover the strictly necessary things persist in Chisinau, which also registers persons who can buy more expensive goods, persons who afford themselves everything they need, without any limitations (Figure 2).

The insufficiency of financial means is really felt, and the **"safety for the day of tomorrow"** is the main thing an inhabitant from Chisinau should have in the respondents' opinion.

The safety is correlated with the possibility to obtain the necessary incomes for the living, cumulating a number of

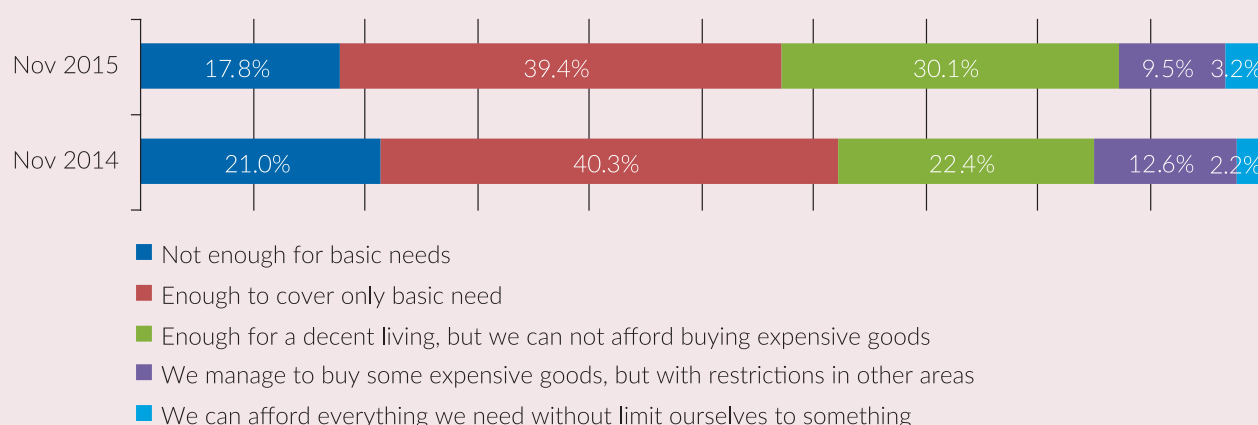
preconditions which may ensure the quality of life. According to the interviewed people, these preconditions would be:

- **a decent job and wage**, when the remuneration cumulated on monthly

## 1.2. Minimum living requirements

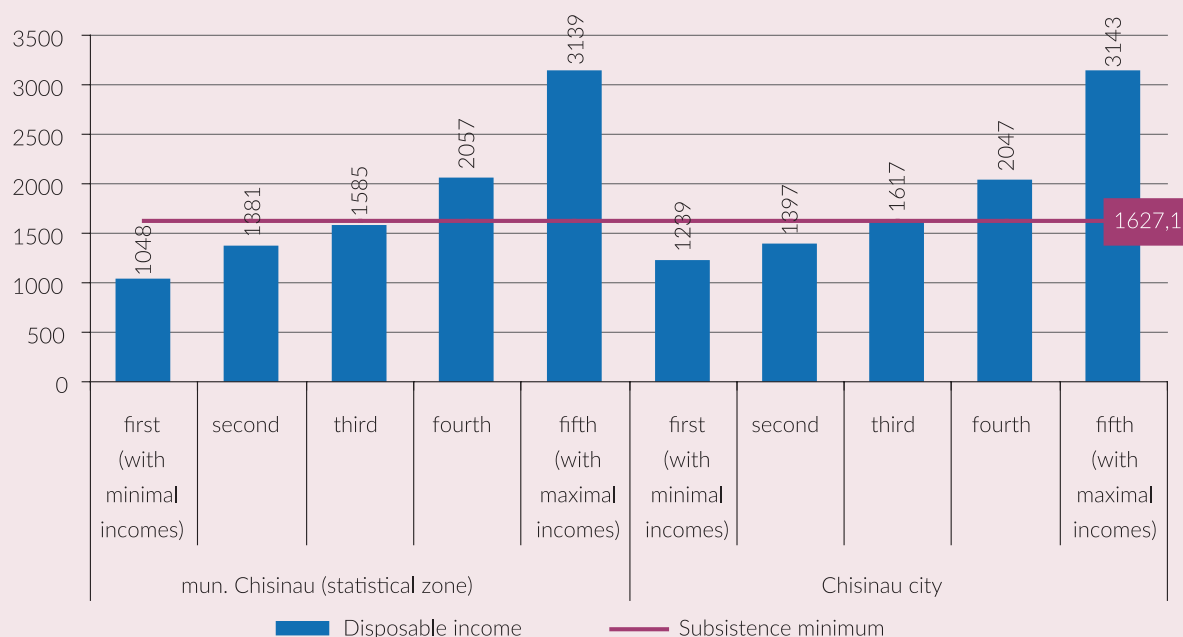
Although access to goods and services, and their availability in Chisinau is better ensured

**Figure 2. Perceptions regarding the coverage of needs by the disposable incomes of households**



Source: Public Opinion Barometer (POB) from November 2015 and 2014, IPP

## Challenges Related to Living in Chisinau

**Figure 3. Average disposable per capita income by quintiles as related to the subsistence minimum**

Source: NBS, HBS 2014, NBS calculations upon request.

basis would cover at least the minimum of existence, taking into account all the family members. The subsistence minimum accounted in 2014 for 1627,1 MDL per person; when considering the medium disposable per capita income estimated by quintiles, it may be noted that about 60% of population live with an average income per person which is under the minimum of existence both in Chisinau municipality, as well as in the city (Figure 3).

During interviews the perception of respondents is subsistence minimum calculated presently is underestimated, and its amount should be revised.

- **healthy nutrition**, rich in fruits and vegetables, as well meat, fish, dairy, etc.
- **financial reserves – “for a rainy day”**, which could cover the necessary costs in case of sickness, mentioning as well the need to pay informally for accessing public services, especially health services.
- **resources for annual leave**, at least a modest one to recuperate, and this would allow having an incentive for the person/family, a period of recreation so as to regain physical and intellectual strength of the family members.

*“(the subsistence minimum) should be 250 lei per day, because you go to the shop and you take the strictly necessary, some milk, as you have kids, eggs, bread and you spend already 150 lei, but you come home and there is nothing to eat.” (W, 35 years old, teacher)*

*"(in case of illness) if you do not have a reserve budget, you either remain disabled or you solve the problem if someone borrows you some money" (M, 31 years old, flower grower)*

*"The child develops fever overnight, so you have to go to the hospital, and again you need money" (M, 42 years old, guard)*

*"We are stressed from psychological point of view, and thus we need some incentives. For instance the incentive that summer will come and we will go at least to Odessa or Vadul lui Vodă for a week. People should have motivation, incentives, goals." (W, 41 years old, employee in the law enforcement authorities)*

➤ **discounts for families with many children** for payments within educational institutions (the fund of the kindergarten, school), **allowances** for going to some interest clubs, sport sections, and for paying utilities, etc.

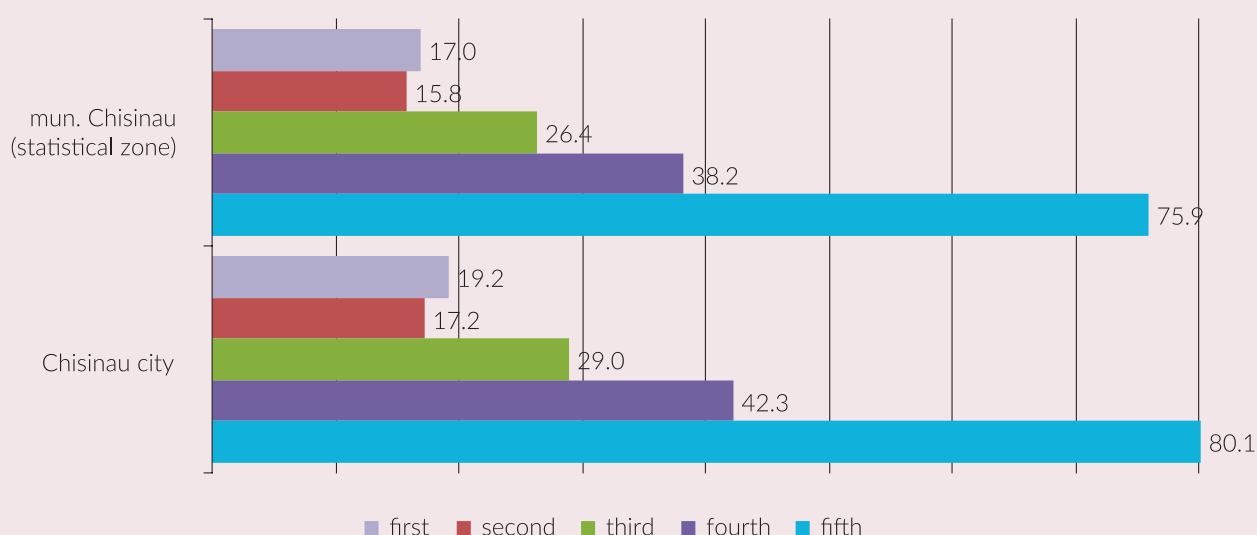
A rather marginalized group of persons  
– inhabitants of Chisinau  
– would be the youth, the young families who do not have the possibility to buy dwelling space, pointing out some

absolutely necessary conditions for this category, such as:

- **own dwelling space** – this is a necessary condition, mentioned by the persons who do not have their own dwelling space;
- **rental contract** for persons/families who rent dwellings. The renting based on a

The financial resources disposed by the households with lower incomes in Chisinau seem to be not enough so as to cover vacation costs. Only 2% of all expenses are allocated by households for recreation needs, but the amounts are different depending in the households' wellbeing, as the poor spend for recreation four times less as compared to the more well-to-do households (Figure 4).

**Figure 4. Monthly average expenses for recreation per person per quintile, MDL, 2014**



Source: NBS, HBS 2014, NBS calculations upon request.

## Challenges Related to Living in Chisinau

contract would prevent the situations when the renters are requested to leave the dwelling in a short period of time, and this is really a problem when the renters have already made some improvements in the dwelling. At the same time, the availability of an rent contract would facilitate the access to different services, such as the medical services or educational ones, but the respondents do understand that the formalization of the dwelling rent may result in increased price.

*"If you want to go to the kindergarten and you are renting, you have to have the rental contract, but nobody wants to give you a rental contract because it implies payment of taxes, so they just increase the price for you to leave" (M, 28 years old, rescuer)*

All these facts lead to determining some marginalized groups, which in case of the cities, especially of the big ones, encounter a number of challenges during life period.

### 1.3. Vulnerable categories in Chisinau

**The elderly people and the persons with health problems** represent two categories perceived as being the most vulnerable in Chisinau. The most of respondents consider that the elderly persons frequently have to deal with health problems as well, hence their vulnerability is increased. The very small pensions in case of the most of the old people

*"The old people – they have worked for 40 years at a plant, and now they have only 7-8 hundred lei as a pension. How to live, if only the utilities account for 2 thousand lei." (W, 55 years old, unemployed)*

place them in the situation when they cannot pay for utilities and ensure their subsistence minimum needs.

The physical incapacity of the majority of elderly persons to earn additional incomes is also revealed by the refuse of the entrepreneurs to recruit elderly people.

*"first of all the elderly people who worked and not have no jobs, they want to work, but no one employs them. If you are in your 50s no one employs you." (M, 54 years old, person with disability)*

Another group mentioned as a rather disadvantaged group<sup>24</sup> would be the **young families without dwelling or with small income**, considered sometimes even more disadvantaged than the elderly people – the respondents mentioning that the old people at least have a dwelling, do not have small children, and their needs for clothes and recreation (weddings, baptizing parties, etc.) are small.

*"the pensioner lives alone or in two, but we have children to bring up" (W, 35 years old, teacher)*

*"the pensioner in Chisinau has already a house, he is not living in rented flat and he uses the money for his personal consumption, food, services." (W, 34 years old, housewife)*

The challenges encountered by the young people regarding the living standards determine them to leave abroad, as respondents acknowledge the fact that the Republic of Moldova *"is losing people"*, including the young trained persons with capacities. According to the interviewed people, the loss of human capital is deeper in the rural area, but is more characteristic for the urban area, including for Chisinau.

<sup>24</sup> Focus groups with unemployed people and young families with children without dwellings.

*“The youth only thinks how to leave and the level of intellectuality is decreasing, as the smart young people are leaving. Many doctors, teachers, lawyers leave, a lot of young people have left, as they do not see a future here. They cannot afford paying thousands of euro to get a flat” (W, 53 years old, unemployed)*

When comparing the two major groups – **youth** and **old people** in Chisinau, it may be noted that the old people are the most vulnerable, as their physical health and old age are not in their favor.

**The persons with low incomes** also were mentioned among the vulnerable persons, such as: employees in the budgetary area, the persons with no financial support from abroad, etc.

*“The old people are more disadvantaged; although they have flats they cannot maintain them. The young persons have no flats, but they live with their parents or they rent dwellings and do their best to make the two ends meet, as they are full of energy, they may do something, but they are not appreciated at their places of work accordingly and are left to work at a lower level.” (W, 21 years old, unemployed)*

*“If you are young and something went wrong, you start it once again, while the old people have no choice.” (M, 22 years old, unemployed)*





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Chapter 2

Factors Generating Inequality  
in the Capital City



## Factors Generating Inequality in the Capital City

The modern theory tackles the inter-humane inequality problems from the perspective of unequal disposable incomes of the population, but also from the viewpoint of the disparities encountered when accessing goods and services (non-incomes inequality). Inequality is studied also from the perspective of disparities in opportunities existing for gaining incomes, which depend on a number of objective and subjective factors leading to gaps in chances the different categories of persons gave to get to such opportunities<sup>25</sup>.

Inequality is generated by a number of factors, which correlate substantially with the opportunities of gaining incomes, as well as with access to goods and services, which ensure social equity.

First of all, the human capacities of the population are tackled, which strongly correlate with the age, education, sex, and other characteristics which contribute to or represent impediments in equal opportunities to obtain the necessary incomes for the living.

The social and political environment, as well as the friendship, family, and social-political conditions represent another group of factors which influence the access to equal chances for opportunities to obtain incomes, having direct impact on inequality among persons.

The main factors generating inequality and mentioned by the respondents of the study are:

- **human capital** represents a major factor in generation of salary and income inequalities. The unequal opportunities to obtain incomes derive from the capacities of the persons and the human capital the society has. The adequate quality of the human capital contributes to providing equal chances and decreasing inequality in relation to access to the labor market, political and social life.

According to the interviewed persons' opinion, the human capital covers:

- ✧ Level of education, training, skills

The importance of an adequate level of education, holding a profession, and mastering a foreign language is acknowledged by the population, as all these factors favor the recruitment and the employment in a better remunerated job.

*"Unfortunately, I did not study until now..., who will employ you without a profession, and you will not get more than 5 thousand." (M, 32 year old, unemployed)*

- ✧ specific character features expressed in respondents' opinion through: „assuming the risk”, „insistence”, „inventiveness”, „resourceful” etc.

*"There are people who assume themselves risks and they do things, but there are people who are afraid, and they do nothing" (W, 41 years old, employee in the force bodies)*

*"There are people who are smarter, there are people who make money out of nothing, some people get along very well, others do not..." (W, 53 years old, unemployed)*

*"If you have fallen – you have to be strong – today you lose and tomorrow you start anew, but there are people with poorer psychic, with no character, and they see that it did not work and they give up." (W, 55 years old, unemployed)*

- **social capital** is acknowledged through social cohesion, being expressed through the support from the original or extended family, the possibility to obtain some advantages through relatives, friends, etc. Some of the respondents mentioned the fact that poverty is inherited, hence generating poverty further on.

<sup>25</sup> UNDP: Bureau for development Policy, Poverty reduction, *Humanity divided: Confronting inequality in developing countries*, New York, USA, November 2013.

*"nowadays only the people supported by relatives or someone may go ahead, while those who have nothing have no possibility to do it (to overcome the situation)."*  
(M, 39 years old, occasional worker)

- **corruption** which persists in the society is a very important factor leading to inequality, but there is a dual approach to this topic. On one hand, it is considered that the small salaries generate corruption, and those who are placed in the situation to offer money are disadvantaged, favoring the persons who

*"The salary of a doctor who is thinking about the children he has at home and whom he has to bring up, and he has a salary of 2500 lei, 3000 lei. It is logical for him to ask 20 lei to give an injection to a child, even though he should do it free of charge. He thinks that he also has children at home, he also has to feed them, provide them with clothes,..."*  
(M, 28 years old, rescuer)

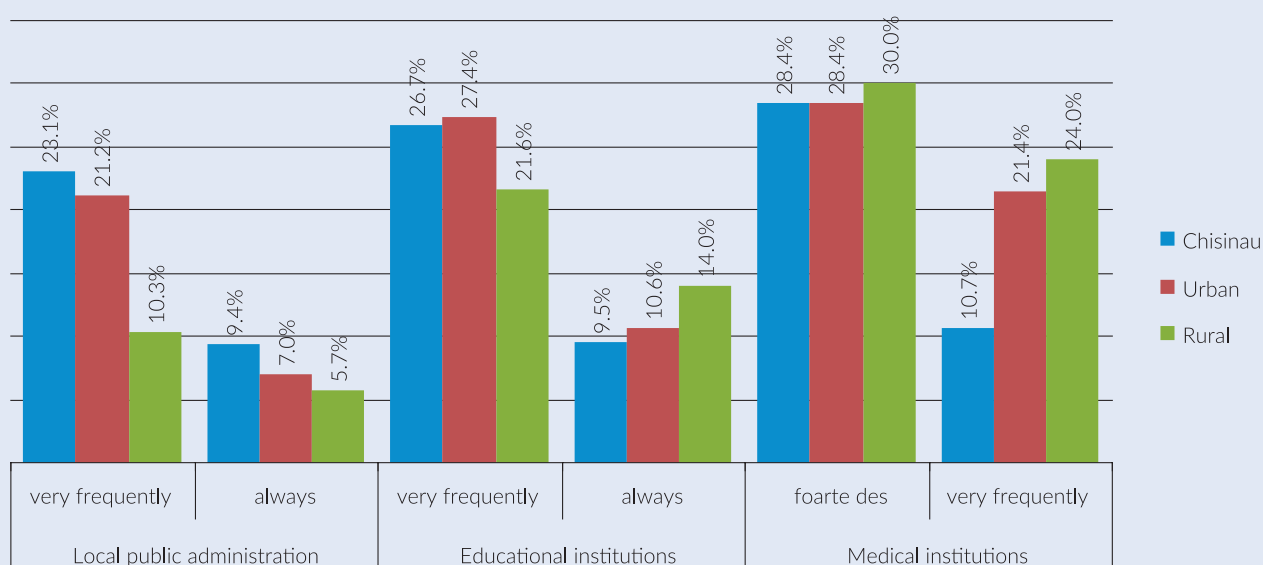
have financial resources through whom they may solve the problems. On the other hand, those who are in positions in which they cannot benefit from informal payments, bribes are perceived as being disadvantaged, as they are lacking additional income.

According to a sociological study carried out in this context<sup>26</sup>, a considerable share of population mentioned that in order to solve problems, you have to use always or very frequently money, gifts, and personal contacts. Corruption seems to persist in cities and villages, and Chisinau is not an exception. The same study reveals that most of the affirmative answers related to solving the problems through the above-mentioned incentives, within the local public administration, were registered among the respondents from Chisinau. The informal incentives are used even more frequently to solve the problems within educational and medical institutions – this was mentioned by four out of ten respondents (Figure 5).

<sup>26</sup> Sociological study carried out among the population, sample of 1099 persons, period of collecting data – October 2-8, 2015; Transparency /CBS-AXA.

<sup>27</sup> Ibidem.

**Figure 5. Frequency in using money, gifts, personal contacts to "solve" the problems**



Source: Transparency/CBS-AXA Study<sup>27</sup>.

- **unequal business environment prevailed by protectionism** – the interviewed people mentioned that the development and management of a business in the Republic of Moldova is difficult for the entrepreneurs who are not „protected”. The selective application of legislation and the disloyal competition make it practically impossible to manage a profitable business.

*“to start a business without protection and to work legally – it means that more than half (of earning) you have to give to the state ...” (M, 32 years old, unemployed)*

- **lack of own dwelling space** is an important factor which induces inequality in Chisinau. The persons living in rented dwelling perceive themselves as being unequal even in relation to other colleagues, who are in similar situations regarding the salary, number of children in the family, etc., but do not pay for the rent.

*“I have colleagues, and one of them is as old as I am, has two children just like me, but I pay for the rent while he is from Chisinau. We have the same salary. He affords himself to eat in a bar or to drink a coffee, or to go to the sauna with the guys. While I cannot afford myself. I am paying for the rent 1200 lei, utility services 600 lei, and I live in a hostel, 14 square meters.” (M, 26 years old, electrician)*

- **social-economic instability**, which determines the person to abstain from high expenditures, as well as to use bank loans which could solve some of their problems or improve their living standards.

*“if political stability would be maintained in the country and if the salary would be more or less enough for decent expenditures and to get a credit, I think that we would use this possibility. I thought about this a lot, I have analyzed, but we cannot make up our mind as there is instability.” (W, 31 years old, teacher)*





## Chapter 3

# Poverty and Inequality



### 3.1. Subjective perception of inequality

In the context of inequality, it is important to have an objective approach to this phenomenon through the income- and expenditures-based indicators, as well as a subjective approach, which would be acknowledged and perceived by the population in different aspects.

In general, inequality is perceived by the majority of people interviewed in the study as „*difference between people*”, „*the rich and the poor*”, acknowledging as well the persistence of disparities in the society over the time „*inequality is, was and will be, it is impossible to have all people at the same level*”.

The perceptions about inequality may be different in the society, but all approaches are related more or less to well-being, size of incomes, and access to real and potential income sources.

The respondents' opinions regarding the perception of inequality may be expressed in several major groups:

- a) **Inequality resulting from disparities related to availability of incomes and properties** – inequality is mainly associated with disparities in incomes and properties, division of population in groups – “the rich and the poor”. The social status of different persons, occupied positions, political affiliation, social ties also contribute to inequalities. Thus, the participants in group discussions, who encounter financial difficulties, consider that **inequality in property and power generate** a lot of other types of inequalities, such as:

*“Some afford something, others don't, some (the rich ones) may tell you anything, but others, if they are poorer, would not say what they think” (M, 28 years old, rescuer)*

*“The time has come when the money plays a role in everything. As my child said – if you have no money, you are not a human. The people with money have everything, those with no money – nothing” (W, 53 years old, unemployed)*

- **inequality in expressing their own opinion;**
- **inequality in observance of legislation**, selective enforcement of legislation;

*“For the big ones there no law, they are rich and have relations, the law is just for us, the simple ones” (M, 22 years old, employee in the transportation area)*

Even though freedom of expression and equality in front of the law are guaranteed by the fundamental human rights, including by the Constitution of the Republic of Moldova, the persistence of protectionism and corruption in the Republic of Moldova<sup>28</sup> in all the areas deepens the inequality between people depending on their incomes and access to power, generating the division of the society, by creating groups of persons divided by levels of wellbeing and social status.

- **inter-personal inequality** – the social network and links appear mainly between the persons with the same social-economic status, segregation by level of living is mainly present in Chisinau. Poverty persists in all sectors of the Chisinau municipality<sup>29</sup> and the socio-economic status are reflected on neighborhood relations.

*“Those who are rich ... would pass by and would not even say hello, we have such people on our street” (W, 51 years old, person with disabilities)*

At the same time, persists differentiation by spatial characteristics of rich and poor districts/streets. In Chisinau there are some certain better districts, like for instance Valea Morilor, Drumul Viilor, Ciocirilei str, among few others<sup>30</sup>, and inequality is perceived by population.

<sup>28</sup> According to the Corruption Perception Index, the Republic of Moldova was ranked in 2015 on place 103 out of 168 countries included in the ranking with an index of 33 points, where 0 points mean that the country is perceived as extremely corrupted and 100 – the country is very clean (source: Transparency International)

<sup>30</sup> Urban poverty in Chisinau: figures vs. perceptions, UNDP 2014

<sup>31</sup> Ibidem.



*"In Valea Morilor neighborhood the wealthy people live, there are some (beautiful) villas. In that area only the ministers live... at Posta Veche neighborhood there are streets only with poor people<sup>31</sup>" (W, 32 years old, person with disabilities)*

*"The wealthiest people live on Ciocirliei street, they have installed barriers and they do not allow people to walk, you cannot walk around there, although that is a public road<sup>32</sup>." (M, 18 years old, young person)*

- b) educational inequality** – some respondents referred to the educational inequality perceived through population's disposable income; the educational inequality was tackled from several perspectives:

- **inequality in opportunity to continue education** or to continue education in the area they want;

*"A person wants to become a doctor, but he has to have some money, if he can afford himself he will receive the education his parents can afford, according to the budget of the family" (M, 31 years old, flowers' grower)*

*"My son did not get the Master Degree, no money. He wanted to get it, but it was necessary to pay. He graduated the university very well, but no use. My wife was studying at the law faculty, but she had to pay the contact, and thus she has given up. She could have worked as a lawyer now, but ... it is all because of insufficiency of money." (M, 54 years old, person with disabilities)*

- **inequality as a result of the level of education (inequality of outcome)**

*"My husband has no higher education, and we encounter inequality permanently ... I am more education and I want to solve things in a diplomatic way, while he is insisting, and will open the door with the leg if needed ... (and many times he solved the problems and the needs easier)" (W, 35 years old, teacher)*

### **c) Inequality of context or „luck".**

**Luck** is a very relative notion and very difficult to be explained, even for those who think that this is one of the main factors causing inequality among people. Everyone perceives it differently and in correlation with other factors: *"to have a matching life partner"; "a well-paid job"; "an enabling*

*environment"; "to know when to insist and when to withdraw";* concluding that the most important is *"to be at the right moment in the right place"*. This type of inequality persists in respondents' opinion, reflecting the fact that some persons undertake more efforts but do not succeed in achieving the expected goals, while others just catch the favorable context and thus progress on the hierarchical scale in the society, by getting a certain position, job or a profitable business, etc. it is important to mention that respondents think that this factor is one of the most important ones.

*"There are people who have worked all their lives and they end up with nothing and there are people who easily get everything" (W, 35 years old, teacher)*

*"There are some – 1-2% lucky persons, they were at the right time in the right place and they got progressed quicker, and there are people who get developed but with great difficulty" (W, 53 years old, unemployed)*

### **d) Illegal and/or immoral practices**

- *"tricks"; „cheating"; „no one can become millionaire through honest work";* these would be the attributes the rich people get. In all the three group discussions, people insisted on the fact that rich people do wrong to others, who become even poorer. In

<sup>31</sup> Ibidem, Focus group with persons with disabilities, October 2014

<sup>32</sup> Ibidem, Focus group with youth, October 2014.

## Poverty and Inequality

respondents' opinion, the rich people use the goods and the resources of others for their personal interests.

*"Nowadays only people who cheat live better" (W, 55 years old, unemployed)*

*"The conclusion we can draw is that the people who today live well are the ones who earn the money illegally ... they ones who cheat have houses and cars" (W, 35 years old, teacher)*

### 3.2. Inequality of incomes and expenditures

The analysis of the respondents' perceptions reveals a persisting inequality in the Moldovan society, and the statistical data conform these perceptions, revealing significant differences regarding the living standards of the different groups of population.

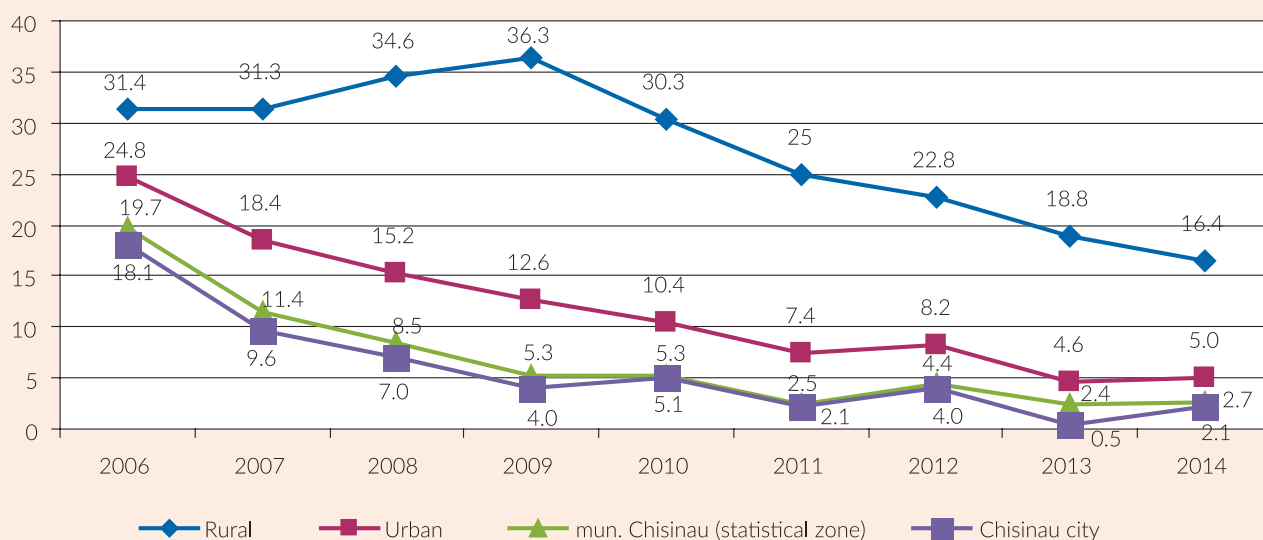
The usual income-based approach to poverty and inequality analysis reveals significant differences by areas of residence, hence the

cities have registered over the last years the smallest poverty rates, registering as well a considerable decrease in dynamics of the share of population under the absolute poverty line. Chisinau municipality is not an exception in this respect, as the absolute poverty rate has registered stable decreasing trends, accounting in 2014 only for 2.4%. As compared to

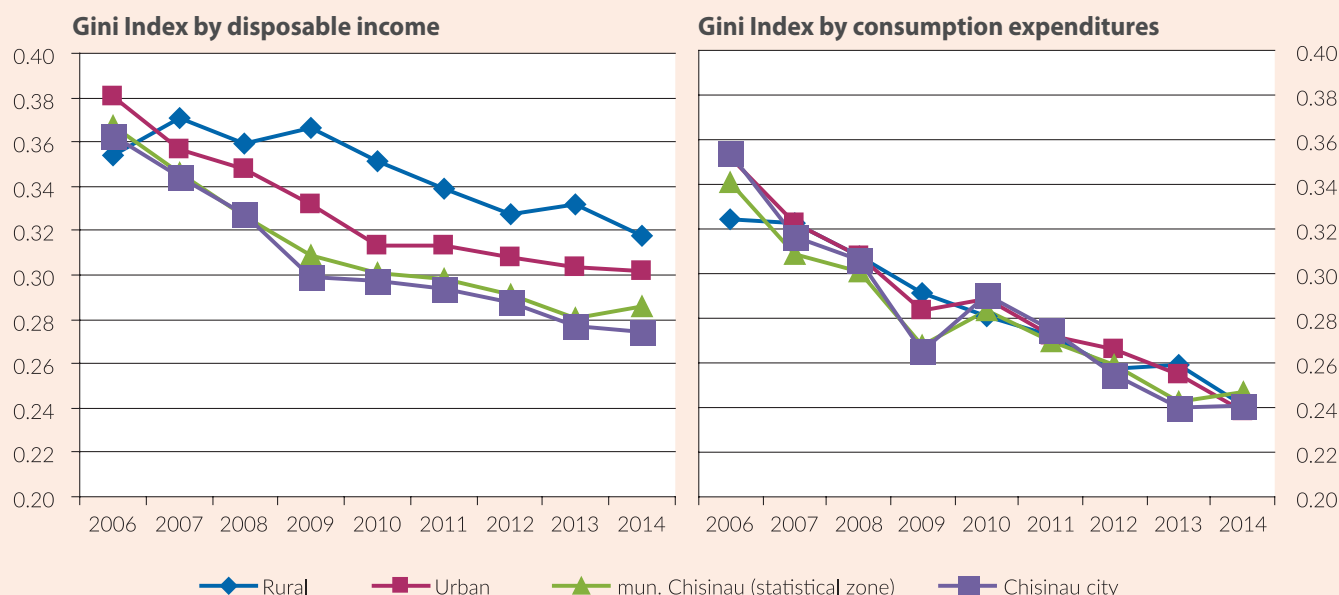
2013, urban poverty – as well as in Chisinau municipality – registered stagnation, thus leading to the idea that a stable share of population in urban area is in persisting poverty. It should be mentioned that poverty level in Chisinau registered in 2014 a slight increasing trend (Figure 6).

The same trends were registered in relation to the inequality indicators. According to the Gini Index, calculated by disposable incomes, as well as according to the consumption expenditures, inequality registered stable decreasing trends (Figure 7).

**Figure 6. Poverty dynamics 2006-2014, %**

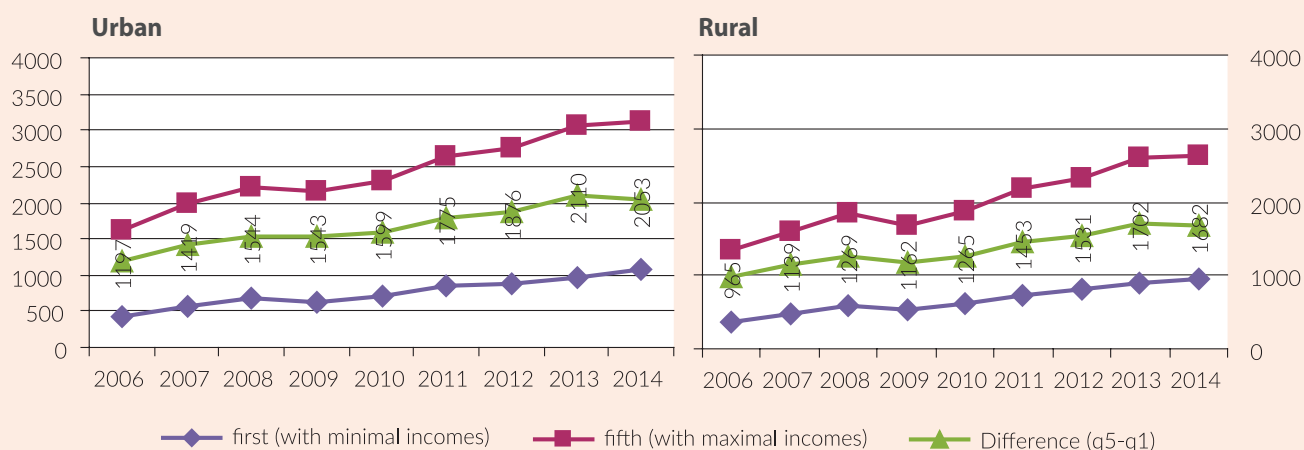


Source: NBS, HBS.

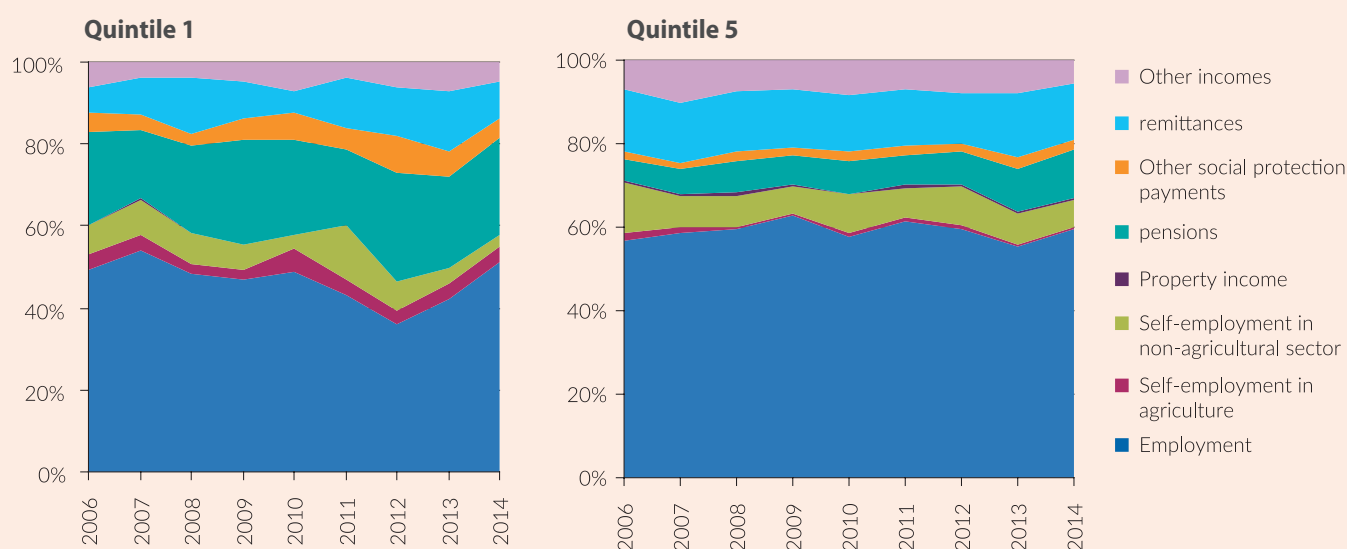
**Figure 7. Inequality dynamics, 2006-2014**

At the same time, it may be noted that the gap between the rich and the poor develops differently in the urban and rural areas. The comparison of the average incomes per person in the extreme quintiles (1- the lowest income, 5 – the highest income) depending

on the areas of residence reveals different gaps between the poor and the rich. The gap is wider in the urban area as compared to the rural one, maintaining the same trends during the entire period of reference (Figure 8).

**Figure 8. Evolution dynamics of the average incomes per person for quintiles 1 and 5, 2006-2014**

## Poverty and Inequality

**Figure 9. Evolution of disposable income structure in quintiles 1 and 5, urban area, 2006-2014**

Source: NBS, HBS, <http://statbank.statistica.md>

The evolution of the disposable income structure by quintiles in urban area reveals differences in patterns. Among the well-off ones, the major contributions to incomes would be the salaries with about 60%, remittances-based incomes – about 15%, and pensions-based incomes – about 10%. The income structure in the quintile with the lowest incomes (the first quintile) registers a salary share of 50%. It may be noted, that a rather big share of the poor's incomes derives from the social benefits, mainly from pensions, which account for almost 20% of the average disposable incomes, meaning that pensioners represent an important share of the persons from the first quintile in cities (Figure 9).

In the cities, the numerous households persist in quintile 1, confirming that the average size

of a households accounted in 2014 for 3.5 as compared to 1.9 in quintile 5 (Table 1). Hence, the poor households are the families with many children and those composed of young families and parents – pensioners, because of the limited financial access to dwelling, induced by the high cost of the dwelling space in urban area, especially in Chisinau<sup>33</sup>.

The consumption pattern also differs depending on the level of well-being. In case of the well-off households, the share of food expenses accounts for 35% of the total consumption expenditures, while in case of the poor households – these expenditures exceed 50%. The increase of prices for utility services had a considerable impact especially on the poor, with expenditures over 20% covering such costs (Figure 10).

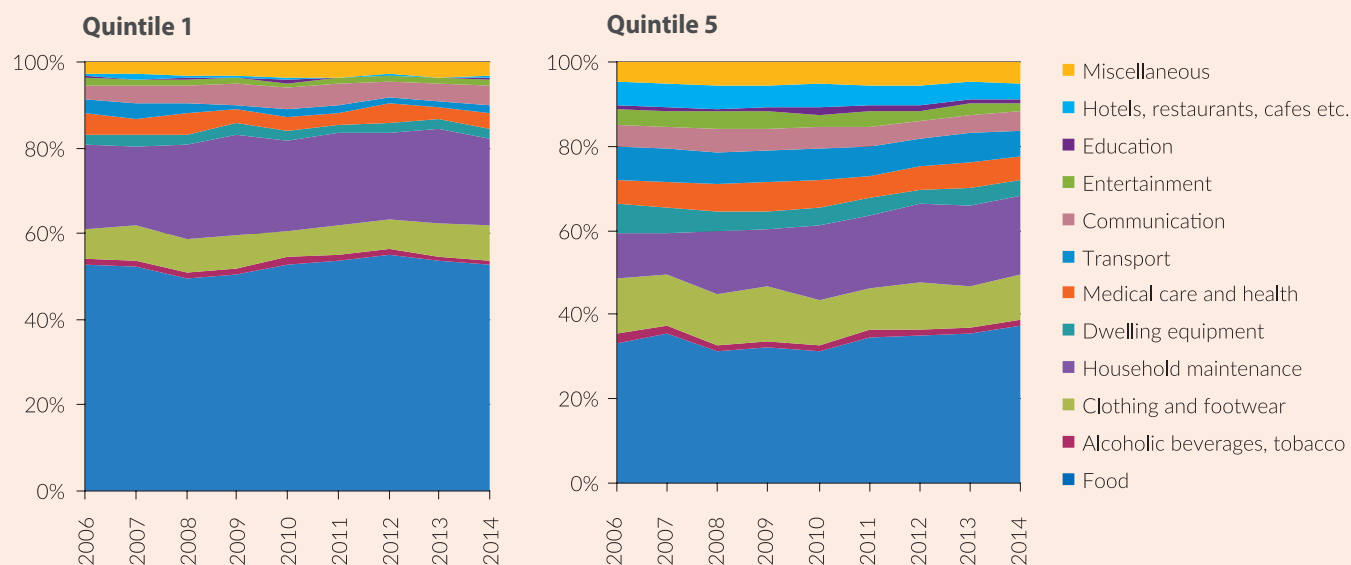
**Table 1. Average size of households in quintiles 1 and 5, areas of residence, 2006-2014**

		2006	2007	2008	2009	2010	2011	2012	2013	2014
Urban	I	3.5	3.3	3.1	3.1	3.4	3.5	3.2	3.3	3.5
	V	2.4	2.3	2.3	2.3	2.2	2.1	2	1.9	1.9
Rural	I	3.7	3.5	3.4	3.6	3.5	3.4	3.5	3.3	3.3
	V	2.3	2.2	2.2	2.3	2.2	2.1	1.9	2.1	2.0

Source: NBS, HBS, <http://statbank.statistica.md>

<sup>33</sup> nota-informativa-saracia-si-impactul-politicilor-2014-rom\_final.doc, <http://mec.gov.md/ro/content/analiza-indicatorilor-saraciei>.

**Figure 10. Evolution of the consumption expenditures' structure in quintiles 1 and 5, urban area, 2006-2014**

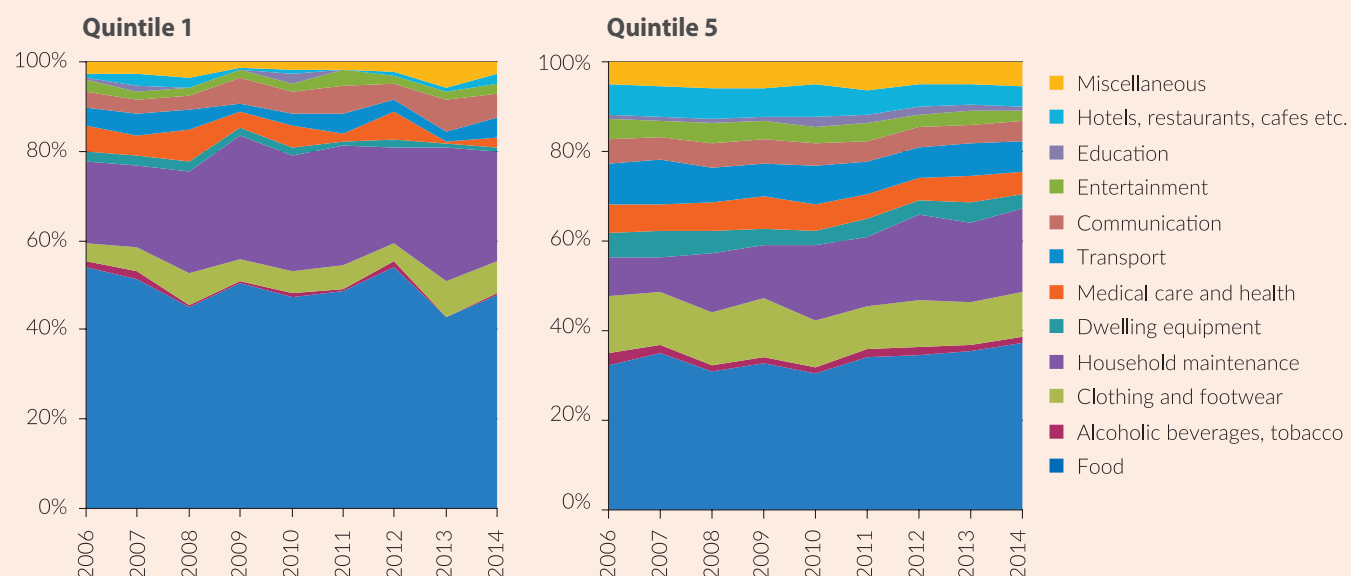


Source: NBS, HBS, <http://statbank.statistica.md>

These trends are especially pronounced in case of the respondents from Chisinau, where the share of expenditures for maintaining the dwelling in case of the poor (quintile 1) are

rather high, accounting for almost ¼ of the total household's expenditures (in 2014 it was 24.5% as compared to 18.6% in case of the respondents from quintile 5). (Figure 11)

**Figure 11. Evolution of consumption expenditures structure by quintiles 1 and 5, Chisinau city, 2006-2014**



Source: NBS, HBS, <http://statbank.statistica.md>

## Poverty and Inequality

The households have high expenditures for maintaining the dwelling in the detriment of other categories of expenditures, such as education, food, healthcare, transport, recreation, etc., and the limited incomes deepen the inequality in access to necessary services.

*"It is difficult to live with a salary of 1200 and to bring up children; my both kids are at school, one in the 8<sup>th</sup> grade and one in the 1<sup>st</sup> grade. The salary is 1200, while the invoice for utilities is about 2000 lei... My wife is a teacher and has 3000 lei plus mine 1200, it is difficult to live with 4200 lei in the city." (M, 42 years old, guard)*

*"I work for 3000 and when the utility invoices come I have to pay 2500 for the flat and 500 lei for food" (W, 35 years old, teacher)*

*"If you have 2 children and live here (no one is abroad to work) and everything should be paid for the school, for the kindergarten – this is not a secret. They are not interested in our salaries, the living standard – is difficult" (W, 41 years old, employee in the law enforcement authorities)*

The differences by quintiles noted in the structure of expenditures used for recreation were also confirmed by the respondents within the qualitative study. The interviewed women mentioned that they feel themselves inferior and sometimes excluded, namely because of the financial difficulties in covering certain expenditures.

*"And when I hear them saying that they went to SPA or to a beauty center, it is something far away for me. I am a woman, and I also want to cocker with a massage, theater. I did not go to a theatre since I was a student, when the tickets were half price. I cannot say that we are on the same level." (W, 33 years old, archive employee)*

The male respondents consider that in the urban area, especially in Chisinau, there are many opportunities to spend the free time, but it is necessary to cover some costs, and even though they are not excessive they cannot afford them.

*"I have a friend, and he is going to the fitness gym and I asked him how much he pays per month, and he pays 400 lei. If I get a pension of 1000 lei, I spend 800 lei for medicines, and the remaining part for utilities, food?!. But he says that it is not expensive (400 lei)." (M, 54 years old, disabled)*

*"One Saturday it would be nice to go to the theatre, one Sunday to a concert or to mountains in Romania, but if there is no money. To go to have a rest at the seaside – but no money, there is no money even for going to Vadul lui Vodă" (W, 53 years old, unemployed)*

Holidays with the family are just a dream for the families with modest incomes, as they have to focus their resources to cover other expenditures. They have noted that some families afford themselves more than one vacations per year, while they would like to have at least one in several years.

*"There are persons who afford themselves to go on holidays to the sea and in the mountains, but we cannot afford something like this, as we have to pay the rent, services, and with all these holidays you also have to pay at the school and in the kindergarten. I am working to pay for all these and to make two ends meet – and of course it is not enough for entertainment, only something restrained." (W, 31 years old, teacher)*

The entertainment and cultural events for children are also considered to be expensive. The costs for the excursions organized within the educational institutions cannot be afforded by some families, hence selecting the less expensive ones.

*"I was with the kid to see a performance, and it was not expensive - 25 lei. We wanted to go to the circus, but it was 300 lei per person, and it is expensive so we have given it up. Although it is necessary, but we cannot afford it." (W, 41 employee in the force bodies)*

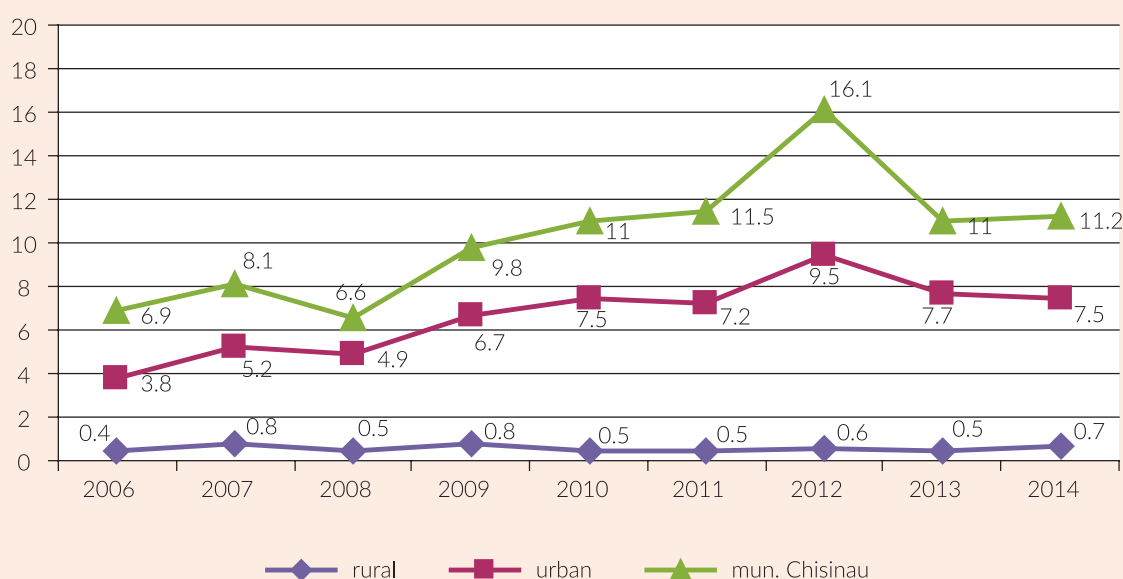
### 3.3. Inequality in access to dwelling conditions

Another very important aspect refers to assurance of dwelling space. Inequality in this respect is rather evident in the urban area. Over 7% of urban households and 11% households living in Chisinau municipality do not have houses, flats and live in rented dwellings (Figure 12).

Usually the young families, mainly with children, which do not have the possibility to buy a house rent dwellings, and this fact also limits even more the access to dwelling because of the high rent costs, which swallow the biggest part of the family income.

In 2014, the average costs for long-term renting of a flat with one, two, three rooms, economy type, situated in standardized blocks in Chisinau municipality, accounted respectively for 130€ - 200€ for a one-room flat, 140-250€ for a two-room flat, and 180-300€ for a three-room flat. As well, the market of renting rooms still persists in Chisinau city and the average price for renting a room varies between 500-1000 lei. The renting out of a room is actually one of the coping strategies for those who rent them, and those who provide them for rent. Usually those who do not afford themselves to rent an entire flat (even with one room) rent a room; these would be mainly the students, workers with small salaries, single persons. The owners renting out rooms are also persons from vulnerable groups, with small incomes, mainly pensioners, single mothers or those who do not work, for whom this money is a

**Figure 12. Share of households living in rented dwelling, 2006-2014**



Source: NBS, HBS, <http://statbank.statistica.md>



## Poverty and Inequality

supplement to the pension or the small salary. Frequently such owner rent out rooms to students during the university studying year so as to have the possibility to pay for invoices for heating and other utilities.<sup>34</sup>

The high costs for rent do not allow renting some dwellings which would ensure the necessary comfort and privacy right to all the members of the household. Almost all of the respondents, who rent dwellings, mentioned that they live in the same room with their children. The conditions in the rented dwellings are not so good. The majority of rented dwellings are of poor quality, and the persons do acknowledge the fact that these living conditions affect the health of their family members. To ensure better living conditions would mean to pay a higher rent, and these expenditures exceed the financial possibilities of the family.

The families with small children, especially with two and more children, have difficulties with renting dwellings. The flats' owners do not accept so easily such families for rent, motivating that children could deteriorate the goods in the apartment. Thus, some owners ask for big rents, while others just refuse to rent the dwelling to families with small children.

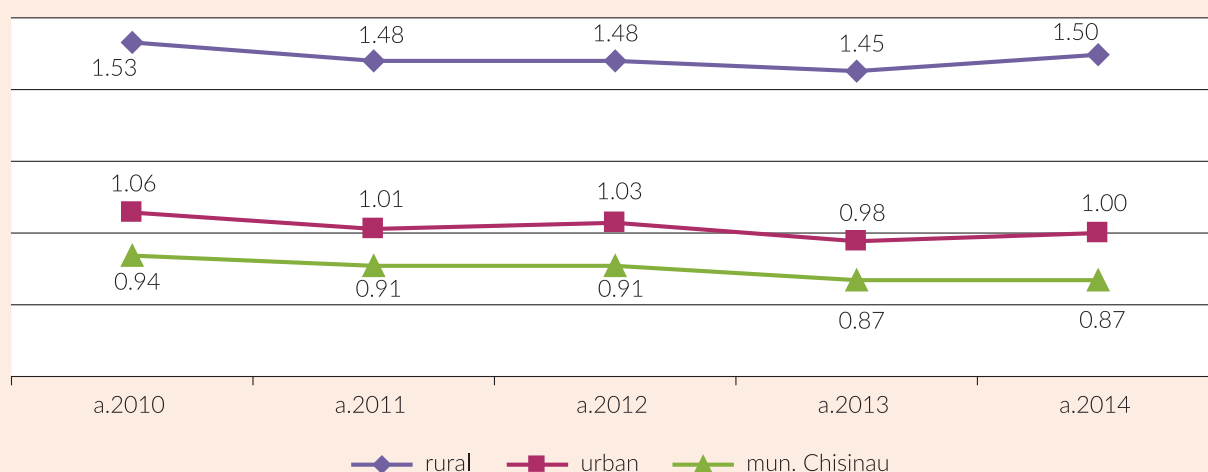
*"No one wants to rent out; all of them ask if you have children. We searched for two years, as no one lets you in with children. They ask you about the age of the children. They think that if a small child comes, he will paint the walls, even though the walls were not renovated since the day that house was built" (W, 33 years old, (2 children aged 4 and 11 years old) archive employee)*

*"Our room is 18 meters and we pay 1500 lei, and it is the corner of the house so we always have humidity and mold. We wanted to change the room, but everything is so expensive. But if we pay more for the rent – we will have nothing left. And we decided to get along with what we have. We just wash out some things, we repair other things – and we live like this, because it is cheaper" (W, 31 years old, teacher)*

The birth rate in cities, especially in Chisinau is lower as compared to the rural area, registering stable decreasing rates over the last years. (Figure 13)

<sup>34</sup> Analysis of the real estate market for 2014, <http://www.lara.md/ro/analytics/?lang=ro>.

**Figure 13. Total fertility rate, 2010-2011**



Source: NBS, <http://statbank.statistica.md>, Average number of children born by a woman during her fertile life.

And this is conditioned by a number of factors, including the young persons' trends to ensure their future, to get professional progress before starting a family.

An important factor is also the lack of dwelling space, and this determines a lot of families to limit themselves with one single child, although they would like to have a second child. As well, in some cases, this factor also conditions the starting of a family, as people are concerned that they will not be able to cope with the additional costs for the family and for the children.

*I am afraid to have children. With the living standard I have today I will not cope with having children. I am not even married because I have no place to live in and no stable job. To rent a dwelling and to take the children everywhere with me, and to have no money to buy them clothes and shoes, it is better not even to have them. It is better for me to harrow like this alone, than for kids to harrow. (M, 31 years old, flower grower)*

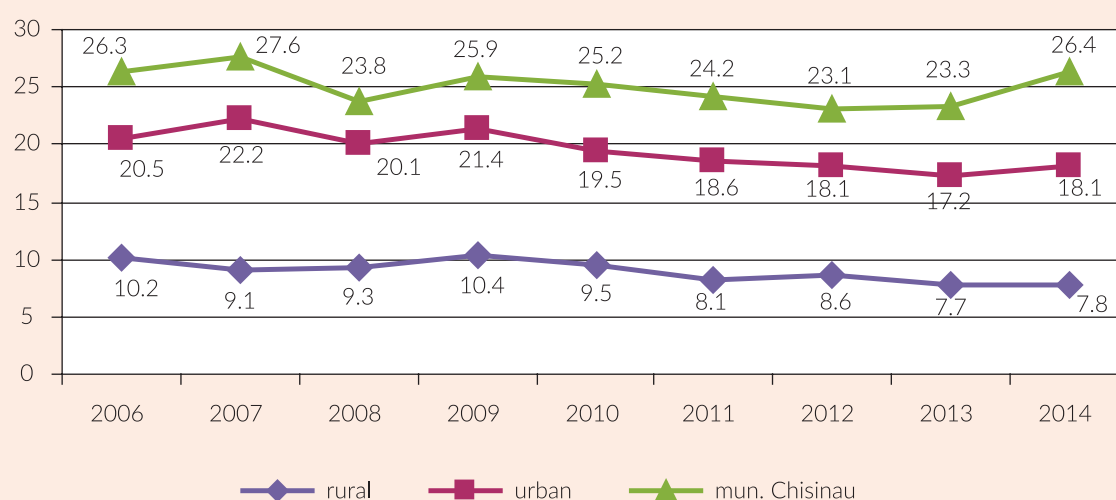
Even when the family has a dwelling space, certain gaps exist in relation to the availability of dwelling surface. The law in Moldova sets forth the norm of dwelling surface of social housing for 9m<sup>2</sup> for each person<sup>35</sup>. Almost 1/5 of urban households have less than 9m<sup>2</sup> per person (Figure 14). The situation is even more difficult in Chisinau municipality, where this share is about 25%, with over 10% of households with 7m<sup>2</sup> and less.

The need of the dwelling space which would ensure privacy and comfort, especially for children, is fully acknowledged by the population. Inequality persists in this respect, and the parents are very affected but the fact that they cannot provide to their children similar conditions as other children from other families have.

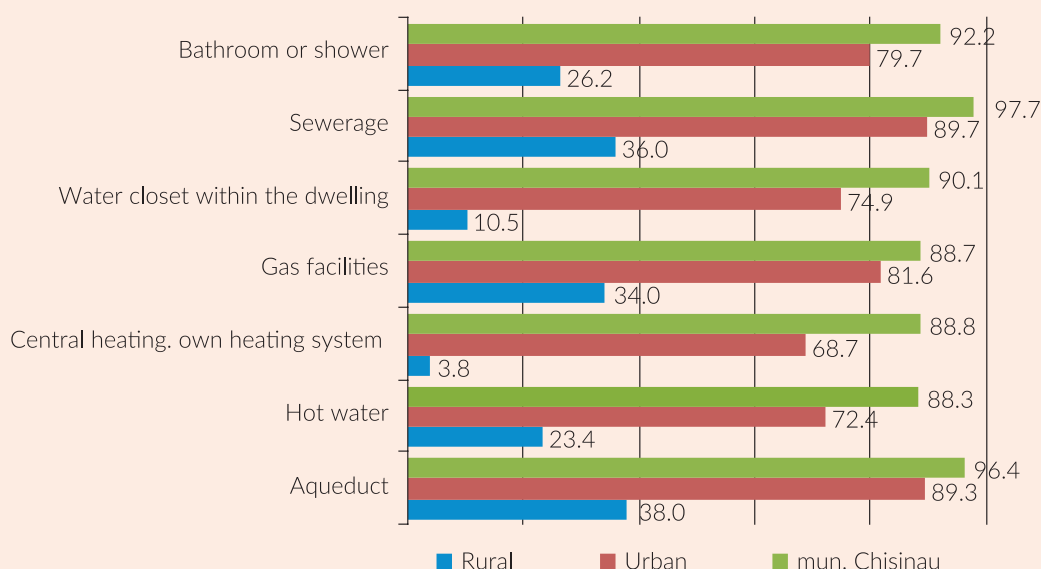
*"My daughter is 10 years old and she tells me "I want to have my room too". And I tell her that she has to wait a little. They discuss about this at school, and Madalina showed her room all in pink. And I told her that she has a pink room because they have the possibility, and we have to wait a little. But it is so painful all these" (W, 31 years old, teacher)*

<sup>35</sup> Law No. 75 dated 30.04.2015 on Housing, <http://lex.justice.md/md/358764/>.

**Figure 14. Share of households having dwelling space of 9m<sup>2</sup> and less, %, 2006-2014**



Source: NBS, <http://statbank.statistica.md>, Average number of children born by a woman during her fertile life.

**Figure 15. Access to utilities by areas of residence, %, 2014**

Source: NBS, HBS, <http://statbank.statistica.md>.

The worst level of utility provision in dwellings continues to be registered in the rural area, and the availability of such utilities varies between 3.8% and 38% of the total number of dwellings (Figure 15). The urban area is assured with utilities in a share of 70%-80%. But the capital city with all its more advanced financial capacities, access to resources, and availability of infrastructure networks does not ensure fully the availability of utilities and qualitative housing conditions for the entire population. There is still a number of dwellings which are not equipped with different facilities, respectively almost 10% do not have bathrooms or showers, WCs in the house, over 10% are not connected to gas supply network, do not have access to hot water and have no heating system (either centralized or individual).

Population access to hot water and heating was mentioned by the respondents as aspects to be improved for Chisinau inhabitants to have a decent living. Hence, there are still in Chisinau districts with houses that have no sewerage systems, thus the dwellings cannot be ensured with other utilities which depend on the existence of sewerage.

*"The sewerage is the problem, it is the main street but we have no sewerage, Durești (suburb) has whole we don't. The individual houses on the Alba Iulia street have no sewerage" (M, 54 years old, person with disabilities)*

An important aspect mentioned by the respondents is the need to ensure adequate sanitary conditions, to equip the dwellings with basic installations, such as bathrooms or showers, and WCs. These difficulties were mentioned by the respondents living in family-type hostels, who have to share these utilities with other families.

### 3.4. Aspects regarding access to facilities related to living in the capital city

**Street lighting.** During the group discussions the respondents discussed a number of other problems related to the quality of available facilities in the capital city. Thus it was mentioned that street lighting in Chisinau

has improved considerably over the last years, but only the “main streets are sufficiently illuminated”, while the adjacent ones continue to be without light.

**Transportation means.** The respondents who participated in the group discussions use mainly the public transportation, but the quality of the public transport is poor. To have safe transportation for families with children, it is necessary to have a car in the family. Thus it was mentioned the inequality in limited access to personal transportation means, the possibility to procure a car for the family – this also being the result of inequality in incomes.

*“Even from the personal transportation point of view, for some – every family member has a car, for others – no car for the entire family. The car is a necessary thing when you have children.” (W, 41 years old, employee in the law enforcement authorities)*

### Sanitation and waste management.

Sanitation in Chisinau is perceived by respondents as being of poor level and things degrade more and more as the sanitation service is working poorly and only in pro-forma. It also was mentioned that this thing refers to the „citizens’ culture”, the accountability level of every inhabitant for the city to be clean.

*“It is not clean because the service is not organized, as well people’s indifference” (W, 41 years old, employee in the law enforcement authorities)*

*“My husband works as a sweeper and tells me that there is a garbage bin, and they (customers/wealthy people) drank coffee and threw the sticks next to the garbage bin. They eat sunflower seeds and they throw them next to the garbage bin too. If you mentioned that to them they answer: “Aren’t you getting a wage too?!” (W, 51 years old, person with disabilities)*

A major problem that the city is facing in this context is the waste storage that is done in an inadequate way, in inappropriate places, without authorizations. From the beginning of 2011, for about 1.5 million tons of household wastes were transported at the inappropriate landfill and a surface of about 6 ha were occupied<sup>36</sup>. Since the terrain was not projected and arranged according to the environment demands for such harmful objectives, powerful soil pollution with liquid leakages that come from waists, of water, atmospheric air pollution the degradation of biodiversity takes place. Specialists in the field warn on the need to retake the transportation

of waists to the landscape landfill and promotion of sorting recyclable products. Although there were some attempts to sort the waist by placing special dumpsters, the population in great part is not accustomed to sort

the waists. Another type of waists, the volume that is for about 100 thousand tones, that come mainly from construction, are illegally evacuated and chaotically stored, in many cases are spread on vacant land from around the city, in parks, in forest belts, on the shores of the rivers<sup>37</sup>. The statistical data show that overall the plants from Chisinau annually are formed for about 622 thousand tons of production and consumption or 15% from their total in the republic<sup>38</sup>. For diminishing the impact on the environment of the waists is scheduled the construction at the outskirts of Vatra town of a sorting station, that remains to be in perspective.

**Green spaces.** “Chisinau the green city is losing gradually this feature” is the opinion of the interviewed people. Particularly vulnerable are the green spaces from within residential neighborhoods and around the streets that are not taken on record due to the absence of cadaster of green spaces. On some streets the greensward is totally missing, and the quote of cleared trees constitutes on average 37%. The reconstruction of streets that is carried out nowadays affects even more the state of the vegetation, perforated anti ecological parking is arranged in the place of the greensward, a part of the trees are cleared without replacing

<sup>36</sup> The specialized enterprise “Autosalubritate” offers at a satisfactory level collection and evacuation services of the solid household waste of the citizens and enterprises. The sanitation of streets is ensured by “Exdrupo” enterprise and the Housing Direction.

<sup>37</sup> Source: The state of the environment in Chisinau, Ecological Movement from Moldova, Territorial Organization (Municipal) Chisinau.

<sup>38</sup> <http://statbank.statistica.md/pxweb/Database/RO/01%20GEO/GEO04/GEO04.asp>, Formation of production and consumption waist, in territorial profile.

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them<sup>39</sup>. The Chisinau inhabitants who participated in the study said that they are not satisfied with the fact that green spaces are just destroyed, trees are cut for different constructions' needs.

On the other hand, the building of new houses is an indicator of the fact that the city is growing and that there is a demand for new dwellings in Chisinau. But there are also persons who say that the new blocks change the city's aspect and the yards become better equipped.

*"It is very negative, just near my house there was a park, a zone for us to have a rest, and now 80% of that area is used for building houses" (W, 21 years old, unemployed)*

**Waters.** 30 water springs are arranged in Chisinau, from them only 3 situated in the peripheral zones of the city, have drinking

*"They built two dwelling blocks, but I would not say that it is a bad change, actually the new blocks are very clean and neat. I am not against, it is actually a very pleasant image" (W, 41 years old, employee in the law enforcement authorities)*

water that corresponds to the sanitary demands. Also for the water depth layer, situated at the depth of 120-150m, there is the danger of pollution with mineral and organic impurities. In the late years significant reductions of the Nistru River debits were recorded, that is the main water supply source of Chisinau, situation connected to drought, but also of the activity of Hydroelectric Plant from Novodnestrovsc (Ukraine). It is necessary to rehabilitate the deep wells and their protection against pollution for ensuring alternative source of drinking water in Chisinau.

The surface waters in Chisinau are represented by Bic River and its tributaries. Basically the whole flowing water debit is formed on the territory of the city and due to the cause of

streets dirtiness, the unsatisfactory activities of the local installations of purification of used waters, the illegal spill of the used waters is recorded a high level of chemical pollution of the Bic river water, substance concentrations permanently overcome the sanitary standards. Starting with 2003, there are no creatures in the river, except of the pathogenic bacteria<sup>40</sup> Likewise, the water from the lakes of the city do not correspond the health requirements. The rehabilitation of Bic River would lead to the transformation of its banks in an entertainment area for the inhabitants of the capital.

**Atmospheric air.** The transport and energetic industry affects first of all the quality of the air

that is getting worse every year. The polluted substances evacuated in the atmospheric air of Chisinau are 22% compared to the total per country<sup>41</sup>. A higher pollution level of the atmosphere is recorded nearby the streets from the Chisinau center and the ones intensively circulated. A serious problem for the environment and health are the increased atmospheric dust quantities that are formed due to the dirtiness and the bad shape of the public roads. Likewise, the sanitary norm for the level of noise was exceeded in the capital.

Monitoring the air quality is carried out with deficiencies. The equipment of sampling the air is over 50 years old, not all the respective stations are placed in relevant locations. While thousands of cars daily circulate in the city (the number of the registered cars exceeds 500,000) the authorities did not elaborate an environment strategy regarding the transportation. Due to the lack of respective infrastructure, the bicycles did not become a spread mean of transport, just one percent from the population is using them to move around the city. Likewise, walking is not popular.

The climatic changes influenced directly the quality of the environment in Chisinau, the temperature all year round is 2-3 degrees higher in the city compared to the suburban area and the thermic comfort is affected during hot days<sup>42</sup>.

<sup>39</sup> Source: *The state of the environment in Chisinau, Ecological Movement from Moldova, Territorial Organization (Municipal) Chisinau*

<sup>40</sup> Ibidem

<sup>41</sup> <http://statbank.statistica.md/pxweb/Database/RO/TER/01%20GEO/01%20GEO.asp> Evacuation of the polluted substances in the atmospheric air by the stationary sources, in the territorial profile

<sup>42</sup> Source: *The state of the environment in Chisinau, Ecological Movement from Moldova, Territorial Organization (Municipal) Chisinau.*



**Urban Planning.** General Urban Plan of Chisinau, was approved in 2007 with further regulations approved in 2008. This is the fourth elaborated plan for the city since 1991 (World Bank CEE-ONU, 2013)<sup>43</sup>. The present urban plan has a 15 years old term (till 2022).

The urban planning of Chisinau is marked by several persistent factors in the society: from the significant increasing of the demand for dwellings in Chisinau, till the corruption among the clerks from public administration and the judicial system. The process of obtaining the construction authorizations is from point of view legally accessible, but in practice, the time period and the predictability of obtaining are an issue. The terms, in general, are not respected and the usage of unofficial payments is largely spread. The inadequate assessment in applying the regulations is frequent.<sup>44</sup> LPA supervises the constructions, but they do not have the authority to regulate the deviations. In case when the LPA declares an illegal construction, a fine is imposed and demolition is expected. The owner can appeal in courts that in most of the cases regulate the unauthorized constructions<sup>45</sup>.

Degradation of the architectural aspect and of city improvement: old buildings that require repairment, illegal constructions and new blocks that do not respect the urban norms. The housing fund from Chisinau is old more than half of it (63%)<sup>46</sup>. Some 20-30% of the housing stock, which dates from more than 60 years ago, needs to be replaced because of old age and lack of maintenance and repair. If these houses continue to be inhabited without being repaired, they will become a serious risk for the health and safety

of the dwellers.<sup>47</sup> Nowadays in Republic of Moldova there are no certified LEED building (Leadership in Energy and Environmental Design) or BREAM (Building Research Establishment Environmental Assessment Method).<sup>48</sup>

The urban plan foresees functional zoning, although, in fact, this is not put in application. The height of the building is not settled in this plan.<sup>49</sup> The migration abroad of the population took off the pressure on the urban development and the dwelling sector. It is estimated that in Chisinau up to 10% of apartments are empty<sup>50</sup>. Although, the buying of the property in urban and suburban area (lots for dwellings and apartments) is an attractive investment for the people who work abroad. Apartment selling in Chisinau is growing annually by 8% (Moldova State Enterprise Cadaster, 2013)<sup>51</sup>.

A strategy of density development would be important for future urban planning in Chisinau. The population growth in Chisinau imposes LPA to grow the area of the city or to maintain it compact, depending on the decision taken they have to follow the development strategies of the infrastructure, especially the transport one<sup>52</sup>.

### 3.5. Inequality in opportunities to obtain incomes

The concentration in cities, especially in Chisinau, of the state institutions and

**Table 2. Labor Force indicators, 2007-2014**

	2007	2008	2009	2010	2011	2012	2013	2014
<b>Total for the country</b>								
Activity rate	44.8	44.3	42.8	41.6	42.3	40.7	41.4	41.2
Employment rate	42.5	42.5	40	38.5	39.4	38.4	39.3	39.6
Unemployment rate	5.1	4	6.4	7.4	6.7	5.6	5.1	3.9
<b>Urban</b>								
Activity rate	47.1	47.1	47.4	47.2	48	47	45.6	44.1
Employment rate	43.8	44.5	43.6	42.7	44.1	43.6	42.8	41.8
Unemployment rate	6.9	5.5	8	9.6	8.2	7.3	6.3	5.2
<b>Chisinau municipality</b>								
Activity rate	52.8	53	54	52.9	54.2	54	53.3	51.6
Employment rate	49.3	49.9	49.4	47.4	49.2	49.6	50.0	48.5
Unemployment rate	6.5	5.9	8.6	10.4	9.3	8.2	6.3	6

Source: NBS, Labor Force <http://statbank.statistica.md>

<sup>43</sup> decision of the Municipal Chisinau Council nr.68/1-2 from 22.03.2007 and the Local Urbanism Regulation of Chisinau, approved via decision of Municipal Chisinau Council nr.22/40 from 25.12.2008

<sup>44</sup> Nikolai Bobylev, Study regarding the management of dwellings and terrains from Republic of Moldova, Chisinau 2013

<sup>45</sup> In 73% of the presented cases at court, the judge decided in favor of the owner (World Bank CEE-ONU, 2013).

<sup>46</sup> United Nations Economic Commission For Europe (UNECE)

<sup>47</sup> Country profiles on housing and land management, Republic of Moldova, United Nations Economic Commission For Europe (UNECE), 2015 <http://www.unece.org/fileadmin/DAM/hlm/documents/Publications/cp.moldova.2015a.en.pdf>

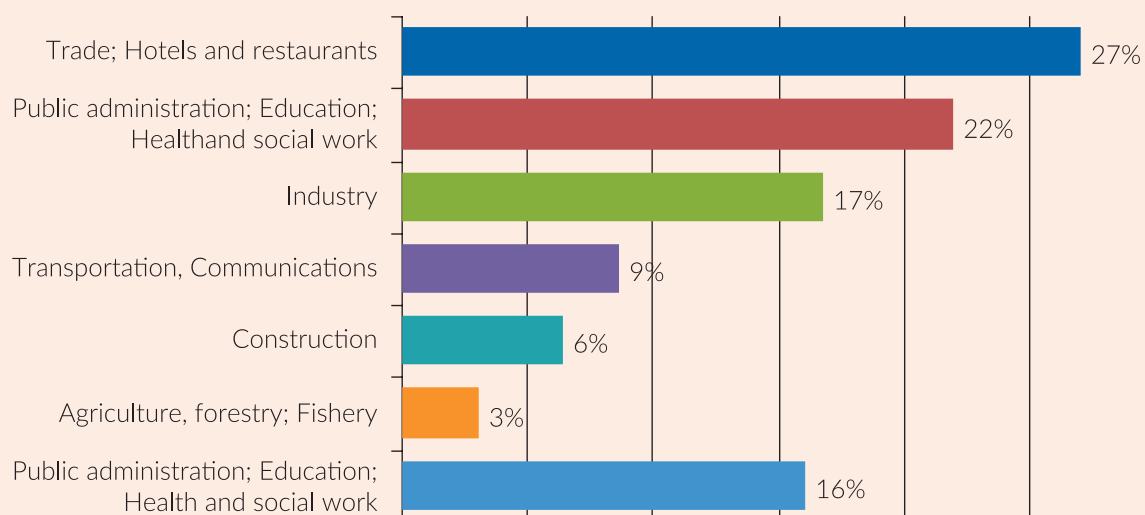
<sup>48</sup> Nikolai Bobylev, Study regarding the management of dwellings and terrains from Republic of Moldova, Chisinau 2013

<sup>49</sup> Nikolai Bobylev, Study regarding the management of dwellings and terrains from Republic of Moldova, Chisinau 2013

<sup>50</sup> Citrus Partners LLP, "Moldova: Study into Improving the Energy Efficiency of Residential Buildings", Final draft, Bath, 2011

<sup>51</sup> Nikolai Bobylev, Study regarding the management of dwellings and terrains from Republic of Moldova, Chisinau 2013.

<sup>52</sup> Country profiles on housing and land management, Republic of Moldova, United Nations Economic Commission For Europe (UNECE), 2015 <http://www.unece.org/fileadmin/DAM/hlm/documents/Publications/cp.moldova.2015a.en.pdf>

**Figure 16. Distribution of employed population by economic activities, urban area, %, 2014**

Source: NBS, HBS, <http://statbank.statistica.md>.

big enterprises provides employment opportunities, possibilities to obtain the necessary incomes for living. Although over the last years, decreasing trends were registered, the activity rate and the employment rate in Chisinau municipality remain to be high as compared to the average level in the country, with a difference of about 10 percentage points. Stable decreasing trends were registered for the unemployment rate, which accounted for 6% in 2014 (reaching the maximum value of 10.4% in 2010) (Table 2).

***Inequality of opportunity in obtaining incomes.*** The differentiation in work remuneration in different social-economic sectors leads to discrepancies and inequity in opportunities for obtaining incomes.

In cities, a lot of population is involved in trade - 27%, public and social administration area - 22%, and a significant share of population is involved in education, health, and social assistance (Figure 16).

At the same, the smallest salaries are provided namely in these areas; in 2014 the gross salary, especially in the budgetary sector<sup>53</sup>, accounted for 3500 lei, and the net one - for 2500 lei. Another extreme is the salary in the

real sector<sup>54</sup> of the employees from public administration and defense; compulsory social insurance with over 17th lei as gross salary and 13th - as net salary, followed by financial and insurance activities, information and communication, energetics with over 7000 lei as gross salary and about 6000 - as net salary (Table A12 in the Annex).

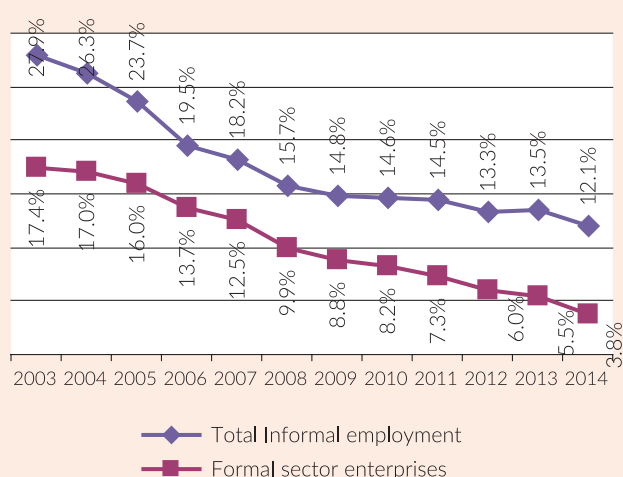
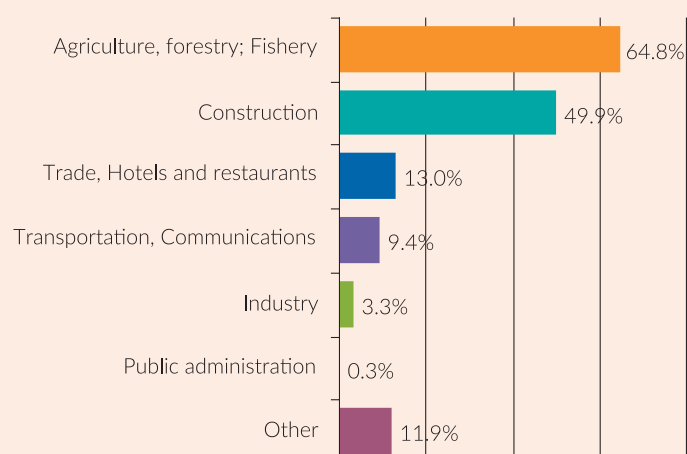
**Inequality is also provoked by employment modalities.** Informal employment, which is mainly practiced in Moldova especially in the agricultural sector, in rural area, is also present in the cities. Informal employment, without a work contract, with no social risks' insurance for the employees, has a considerable impact, which is felt over the time.

During the last years, the share of informally employed persons has decreased, although still being at a level of over 10%, and 5% - in the enterprises of formal sector. After agriculture - a sector which is not characteristic for urban area, the largest share of informal employment is observed in constructions sector, about half of the total number of those employed, 13% - in trade, almost 10% - in transport and communication (Figure 17)

<sup>53</sup> Budgetary sector - totality of units financed from the state budget, state social insurance budget, administrative-territorial units' budgets and special means, regardless of the branch subordination.

<sup>54</sup> Real sector - totality of units with financial autonomy, including of those that benefit from budgetary supplies, regarding of the branch subordination, ownership type, and legal organization form.



**Figure 17. Informal employment in urban area, %****Total, 2003-2014****By economic activities, 2014**

Source: NBS, Labor Force, <http://statbank.statistica.md>

Informal employment persists among men, as well as among women, with higher shares of men with informal jobs. Hence, about 52.8% of all men and 24.2% of all women working in constructions work informally, in trade – 14.1% men and 12.2% women; in transport and communication – 12.6% men and 0.8% women (Table 3).

Even though the vulnerable categories acknowledge that they are not protected by the state institutions, they accept working informally because they have no other options, although understanding the risks they are exposed to.

**Table 3. Employment and informal employment in urban area by sex, 2014**

	Men			Women		
	Total, th persons	Informal job		Total, th persons	Informal job	
		th persons	% of total		th persons	% of total
<b>Economic activities - total</b>	267.2	42.7	16.0	270.8	22.2	8.2
Agriculture, hunting, fishery	11.6	6.8	58.6	4.9	3.9	79.6
Industry	49.7	2.0	4.0	40.6	1.0	2.5
Constructions	30.9	16.3	52.8	3.3	0.8	24.2
Wholesale and retail sale, hotels and restaurants	61.5	8.7	14.1	84.2	10.3	12.2
Transports and communication	34	4.3	12.6	12.6	0.1	0.8
Public administration, education, health and social assistance	38.9	0.1	0.3	79.2	0.3	0.4
Other activities	40.5	4.4	10.9	46	5.9	12.8

Source: NBS, Labor Force <http://statbank.statistica.md>

## Poverty and Inequality

*"You are ready to work even without documents, just to be sure that you will get the money. You work, but your length in service is not counted, you receive just the salary ..."* (W, 53 years old, unemployed)

The number of unemployed people in Chisinau municipality registered over the last years decreasing trends, being reduced by 3 times as compared to the level registered in 2010. The active labor market policies have ended up with certain results as well, hence the share of unemployed people entering the labor market in 2014 accounted for 50% as compared to the number registered in the labor force offices. The number of available jobs in the capital city has also increased, and the persistence of high number of jobs and unemployed people may lead to the empirical conclusion that the provided places of works do not meet the requirements of the registered unemployed people (Figure 18).

**Inequality of opportunity in employment persists among certain groups of population.** Besides the bigger opportunities,

which are recognized as an advantage of living in Chisinau, the city is also known for the persisting disadvantages in employing some categories of persons.

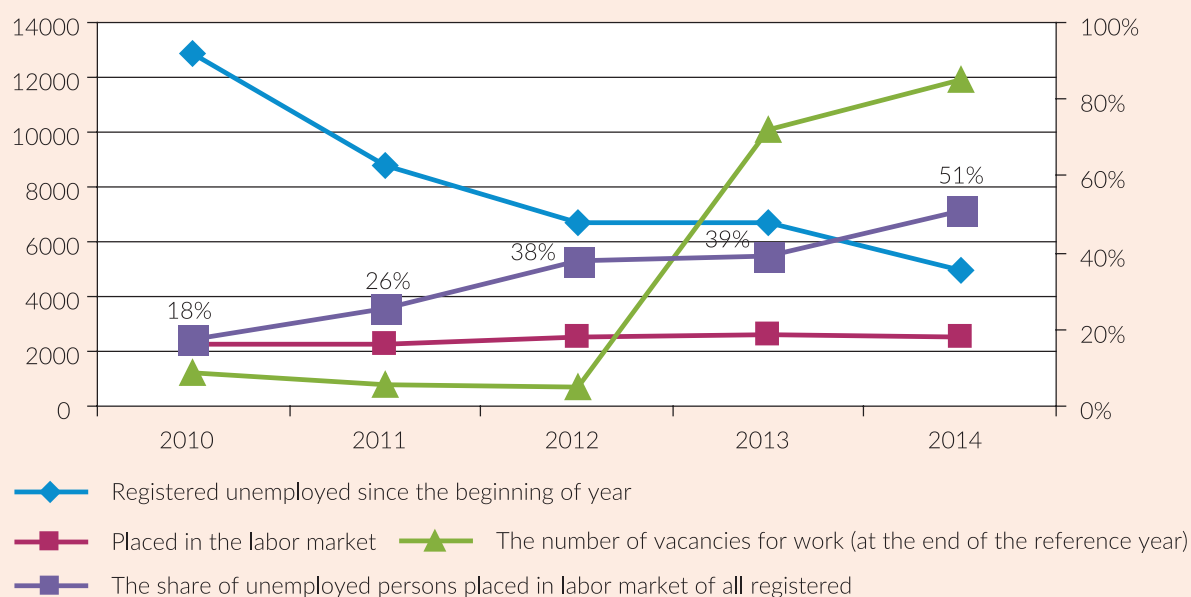
The following groups mainly encounter difficulties at employment:

➤ **Young persons without work experience,** especially the ones who ;

*"The young people are not employed because of lack of experience. They want young persons of 21 years old with higher education and 5-6 years of work experience ... and it is not logic"* (W, 21 years old, student)

*"I am concerned for my child,... they graduate from the university and who will employ them?! It is necessary to have length in service, but where to get it if you just graduated the university. It is necessary for the young specialists to be supported ..."* (W, 55 years old, unemployed)

**Figure 18. Unemployment and placement on the labor market, 2010-2014**



Source: NBS, HBS, <http://statbank.statistica.md>.

➤ **the older persons, especially the persons of pre-retirement age.**

The concentration of young persons in cities and in the capital city is limiting the access of the persons of pre-retirement and retirement age to the labor market, and this deepens inequality even more, including through the opportunity of obtaining the necessary incomes for a living.

*"I have visited a number of organizations and they see that you are old and they don't take you. They told me – sorry, but your age is not suitable for us; I went to a bakery and they also told me that they prefer to get younger persons. And they are not shy, they tell you directly "your age is not appropriate for us" – and that's it." (W, 55 years old, unemployed)*

- persons without relationships, especially for the positions perceived as being more prestigious;

*"If you have no protection, it is a big minus. I could not get employed as a teacher because of this" (W, 33 years old, archive employee)*

*"My wife also wanted to work as a teacher but they did not take her, they did not employ her even at the kindergarten, and she is a teacher of foreign languages" (M, 28 years old, rescuer)*

➤ **the persons without political affiliation.**

The involvement of the political environment in Moldova is very pronounced, and this is very visible in relation to the leadership positions within the state institutions. This aspect is very pronounced in the capital city, as the political affiliation in Chisinau is the main criterion used for career promotion, especially in the leadership positions at all the levels. In general, employment based on political affiliation affects different areas and persons' competence levels – this aspect was mentioned by the respondents in the study.

*"You go somewhere to get employed as a teacher, and they ask you what political party you are in" (W, 33 years old, archive employee)*

*"Political affiliation, nepotism – all these count, and it is absolutely irrelevant if you are a good specialist and you have wide experience" (M, 28 years old, rescuer)*

➤ **mothers with small children**

– on one hand, the insufficient development of the child care services, insufficiency of places in the kindergarten, especially

in the nursery groups, and on the other hand, the employers' concern that mothers could be frequently absent due to children's sicknesses.

*"The child is small, he is 2 years and a half, I wanted to get employed, but they do not enroll the child in the kindergarten, because there are no places" (W, 34 years old, housewife)*

*"The persons with children also are disadvantaged, especially the women, the children get sick so it means that they will stay home, so it is not profitable to employ them" (W, 41 years old, employee in force bodies)*

*"No one employs you if you have small children. They don't take you because the children get sick, so you stay home, you are absent from the job" (W, 51 years old, unemployed)*

### 3.6. Social-demographic capital

The social-demographic potential in the urban and rural areas differs. The reduced possibilities in rural areas to develop activities for obtaining incomes, as well as to get employed continue to amplify the phenomenon of internal migration, especially of the trained ones, towards cities. It is well known the fact that after graduating the secondary education level, many persons who leave the rural areas to continue their education, after finishing their studies do not come back to villages and stay in the cities, where they have continued their education, Chisinau being the most preferred city.

Hence, the labor force in the cities is younger and more trained as compared to the rural area. Among the economically active persons registered in 2014 in Chisinau municipality, over 2/3 were with secondary vocational education and higher levels of education (in rural area only 50%), of which 47% with university education – representing an increase by 7 percentage points as compared to 2007. The young persons aged 25-34 years

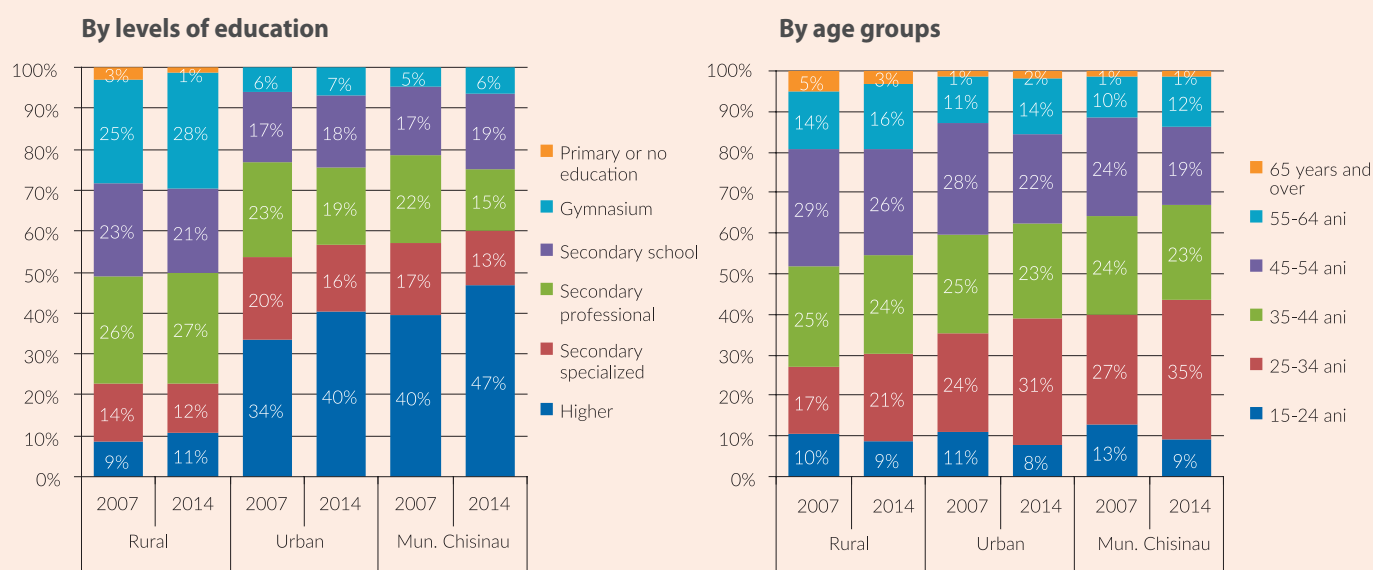
old accounted in Chisinau for 35% in 2014 as compared to 27% in 2007, the increase being of 8 percentage points, while the increase in the rural area was only of 4 percentage points (Figure 19).

These discrepancies are deepened as well by labor migration outside the country (external migration), which is more pronounced in the rural area, but it is necessary to mention that a big concentration of young persons in the urban areas was noted over the last years, especially of the young persons aged 25-29 years old<sup>55</sup>. As it was previously mentioned, the number of rural population has decreased over the last five years by 32376 persons, while the urban population number increased by 26315 persons, and this represents a constant demographic trend of redistribution between villages and cities.

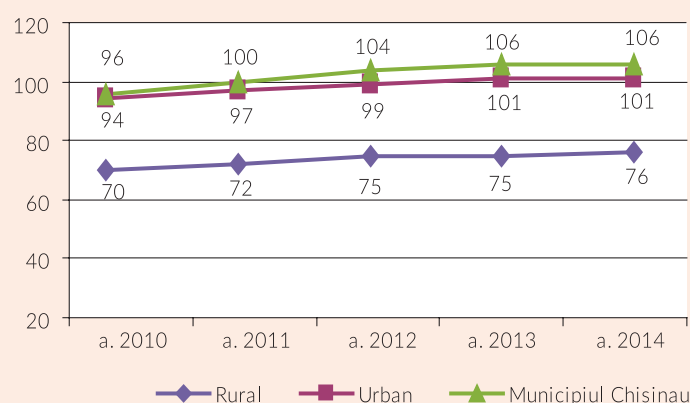
**Access to education, including preschool education.** The statistical data reveal an insufficient number of places in the preschool institutions in cities, especially in Chisinau municipality. Thus, 106 children of preschool age are registered per 100 places, and this indicator has registered an increasing trend over the last 5 years (Figure 20).

<sup>55</sup> <http://www.statistica.md/newsview.php?l=ro&id=4480&idc=168>, Youth in Moldova, 2013.

**Figure 19. Distribution of economically active population by areas of residence, 2007, 2014, %**



Source: NBS, Labor Force, <http://statbank.statistica.md>.

**Figure 20. Children per 100 places in preschool institutions**

Source: NBS, Education and Science, <http://statbank.statistica.md>.

or in total by 46,8 thousand persons (Table 4).

**The lack of preschool institutions and/or schools in rural localities determines** more parents to focus on the urban area, for the children to have the possibility to be enrolled in such institutions in the locality they live in. They say that for the future of

their children they chose to move to Chisinau, although the comfort of living and the environmental characteristics in the rural areas are appreciated at a higher level.

*"We lived with the parents for about 6-7 years, the boy was big already, there was no kindergarten in the village at that moment, they were rebuilding the kindergarten for several years already. Hence, we decided to move to the city, Chisinau, mainly for the children, even though I do not like the city so much: agglomeration, stale air, headache."*  
(W, 35 years old, teacher)

The educational reforms carried out over the last years have contributed to orientation of education towards cities, especially towards the capital city. An increasing trend was registered for the number of pupils in the educational institutions from Chisinau municipality (1,8 thousand pupils), together with considerable decrease of the number of pupils in rural area (-42,7 thousand pupils). At the same time, there is a general decrease of the number of pupils in the whole country, which could be a result of migration cumulated with the impact of the optimization policies for undergraduate education institutions. Hence, the number of pupils per 10000 inhabitants in the school year 2015/2016 has reduced by 130 persons as compared to the school year 2011/2012,

**Table 4. Dynamics of the number of pupils in schools, gymnasiums, lyceums, thousand persons**

	2011/12	2012/13	2013/14	2014/15	2015/16	Decrease as compared to 2011/12
<b>Total</b>	380.2	366	352	339.9	333.4	-46.8
<b>Rural</b>	220.2	208.2	196.4	185.7	177.5	-42.7
<b>Urban</b>	160.0	157.8	155.6	154.2	155.9	-4.1
<b>Chisinau mun.</b>	79.1	78.8	78.8	79.4	80.9	1.8
<b>Number of pupils per 10000 inhabitants, country average</b>	1071	1032	992	959	941	-130

Source: <http://www.statistica.md/newsview.php?l=ro&idc=168&id=5025> Activity of the primary and secondary general education institutions, at the beginning of the school year 2015/16.



## Poverty and Inequality

*"I lived in the village with my wife for 4 years. The kindergarten worked in the village for 2 years, and when we wanted to enroll him in the kindergarten, it closed. The mayorality said that it has no money to maintain the kindergarten, so we were taking the kid to Orhei every morning. I was working for 2,5 thousand per month. Every day I was paying 5 lei for going to Orhei and 5 lei to get back, 2 lei to the kindergarten so 14 lei every day." (M, 26 years old, electrician)*

**Chisinau provides opportunities of extracurricular activities**, for developing the children's skills in different areas by going to dance classes, music classes, sport clubs, and these aspects are mostly missing in the rural areas. At the same time, it is necessary to mention that the costs for such activities limit the access to them, as families prefer the free of charge ones in the detriment of the child's skills and preferences.

*"We opt for free of charge options where the child may go without paying anything. To study foreign languages – there are additional centers, and they train good managers too – there are opportunities, but everything is related to money, so not many can afford" (W, 41 years old, employee in the force bodies)*

**Informal payments.** In Chisinau, including in the primary and gymnasium cycles, the public educational institutions set fees for the school/class funds – which are provided in the internal regulations of the institution, established by parents' committees or are collected informally. Thus the parents try to find out about all these fees before enrolling the children in a certain institution, to see if they will be able to pay the fees in the respective institution. The value of the collected amounts for the school fund is directly correlating with the type of the locality, the smallest amounts being collected in the rural area (30-50 lei annually), and the biggest amounts collected in Chisinau (1000-2500 lei)<sup>56</sup>.

Some other amounts requested occasionally during the school year may be added to these sums, such as payment for different events and activities. The average level of informal annual payment per pupil in urban area (1500 lei) exceeds four times the average of such payments in the rural area (365 lei).<sup>57</sup> The study carried out by Soros Foundation, Moldova

*"Let's calculate to see the monthly cost per child in school - 680 lei per month for a child in the first grade and a child in the 9<sup>th</sup> grade 9 - 2500 lei per year and besides, there are some other costs that may appear during the year" (W, 41 years old, employee in the force bodies)*

*"The school is 400 lei, but we are lucky that the school is located where we live and we do not pay for the transport ... it is too much from our salary" (W, 31 years old, teacher)*

revealed that 20% of pupils have mentioned that the pupils whose parents do not pay these costs are subject to pressure, either from peers or from the teaching staff reaming them out that their parents are not paying.<sup>58</sup> The

parents from vulnerable families from Chisinau have mentioned that these payments are difficult for them to cover.

**Health.** Access to the basic health services in Moldova is ensured through the compulsory health insurance system, this being a solidary system: all the insured persons benefit from the same healthcare services, regardless of their monetary contribution, of the personal health risk, and age. According to the data provided by the National health Insurance Company in 2014, the share of insured people accounted for about 85% of the total number of the country population, registering an increase as compared to the previous years<sup>59</sup>.

<sup>56</sup> Formal and informal payments paid by parents in the undergraduate institutions, Sociological Study carried out by IPP and CBS-AXA under the methodological guidance of the Ministry of Education and with the financial support of Soros-Moldova Foundation, 2013

<sup>57</sup> Ibidem.

<sup>58</sup> Ibidem.

<sup>59</sup> [http://www.cnam.md/editorDir/file/Rapoarte\\_activitate/Raport%20activitate%20CNAM%202014\\_RO.pdf](http://www.cnam.md/editorDir/file/Rapoarte_activitate/Raport%20activitate%20CNAM%202014_RO.pdf).

The availability of the compulsory health insurance is one of the factors determining population access to healthcare services for all the categories of population. A study carried out in this respect<sup>60</sup> revealed that the insured persons benefited less from healthcare services as compared to the uninsured ones, with a difference of 14 percentage points for this indicator<sup>61</sup>.

Access to health services depends on the persons' wellbeing level. The least assured population (I quintile) goes more frequent to the family doctor (66.5%), while the better-off population uses more frequently the services of a medical specialist (40.3%). Such a situation reveals existing inequalities in the access of population to primary healthcare and respectively specialized healthcare<sup>62</sup>.

Nevertheless, the compulsory health insurance is not efficient and frequently it is associated with the only advantage that you do not pay for the *"bed"* in case of hospitalization, as for the investigations and treatment the person has to pay additionally. The same study reveals that during the hospitalization period, the inpatients had to use different additional personal services; about 42% used additional food, 38% - personal bed sheets, about 44% - medicines, 18% - consumables.

Another survey carried out in the respective area covered the hospitalized persons<sup>63</sup> and revealed the persistence of unofficial payments in hospitals for doctors' consultations, presents, food products and other items – aspects mentioned by 41% respondents. Almost all the patients (over 90%) who paid unofficially for doctors' consultations and offered presents, food products, and other items have health insurance provided by the NHIC, and the absolute majority of patients having health insurances provided by the NHIC pay unofficially for anesthesia (97%), surgeries (94%), and medicines (87%)<sup>64</sup>. These payments are practiced more frequently by the city inhabitants, especially in Chisinau and Balti municipalities, noting as well an extending trend for this phenomenon among the inhabitants of big cities (Figure 21).

The persistence of informal payments in healthcare area provokes unequal access to the respective services, reducing the possibility of the persons with low income to benefit from the necessary treatment if needed. The lack of possibilities to pay for the hospitalization costs lead to discharge of patients even though their health condition is not yet satisfactory.

<sup>60</sup> [http://www.statistica.md/public/files/publicatii\\_electronice/acces\\_servicii\\_sanatate/Accessul\\_servicii\\_sanatate\\_2011.pdf](http://www.statistica.md/public/files/publicatii_electronice/acces_servicii_sanatate/Accessul_servicii_sanatate_2011.pdf)

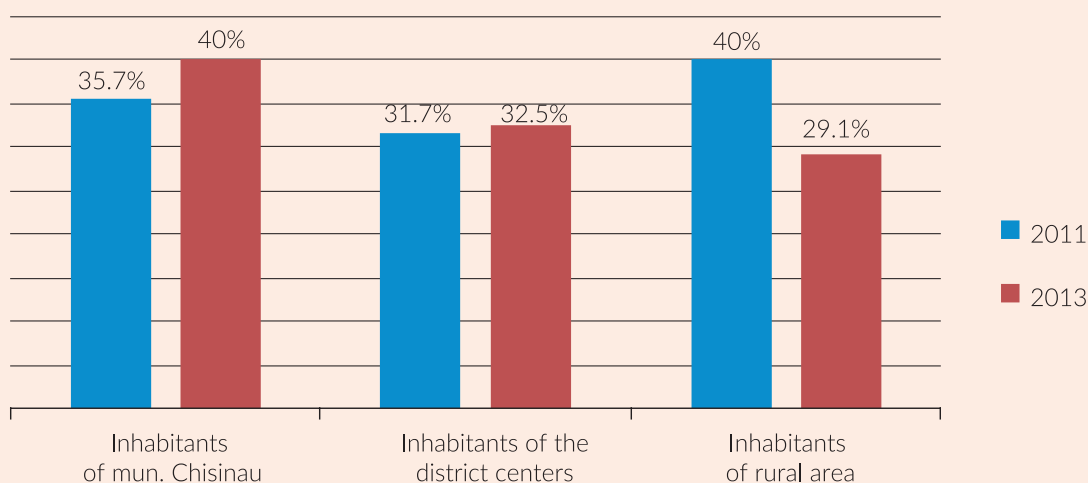
<sup>61</sup> Ibidem: over the last 4 weeks prior to the survey

<sup>62</sup> [http://www.statistica.md/public/files/publicatii\\_electronice/acces\\_servicii\\_sanatate/Accessul\\_servicii\\_sanatate\\_2011.pdf](http://www.statistica.md/public/files/publicatii_electronice/acces_servicii_sanatate/Accessul_servicii_sanatate_2011.pdf)

<sup>63</sup> Barometer of Opinion, access and quality of hospital healthcare services in the perception of the population of the Republic of Moldova, carried out by PAS/CBS-AXA, during March 30 – April 14, 2013, on a sample of 3827 listed households and 1222 in-depth interviews with persons who over the last 12 months (prior to the interview day) were hospitalized. [http://www.soros.md/files/publications/documents/Studiu\\_Accesul%20si%20calitatea%20serviciilor%20medicale%20spitalicest%20in%20RM.pdf](http://www.soros.md/files/publications/documents/Studiu_Accesul%20si%20calitatea%20serviciilor%20medicale%20spitalicest%20in%20RM.pdf)

<sup>64</sup> Ibidem.

**Figure 21. Informal payments reported by hospitalized persons, by areas of residence, %, 2011, 2013**



Source: NBS, Labor Force, <http://statbank.statistica.md>

## Poverty and Inequality

*"I got out of the Emergency Hospital with pancreatitis, they let me go home with very bad test results, because I did not have money. I paid 1400 lei for 3 days and I did not have more, and I had no one to borrow from. They made me sign the refuse of hospitalization, and if something happens to me, they were not responsible ... they make you write something like this. (M, 39 years old, occasional worker)*

The informal payments persist in case of children's treatment as well, which actually should be fully covered by the state<sup>65</sup>.

*"The wife was in the hospital with the child with pneumonia, and she told me: "Bring some money, if you don't pay they don't even look at you"... They stayed 2 weeks in the hospital and we spent over 2000 lei, which I had to borrow. And now I am thinking how to give them back..." (M, 26 years old, electrician)*

The persons with disabilities are practically unable to pay for the treatment from the sources provided by the state, without taking into consideration some other strictly necessary expenditures: food, utilities, etc.

*"My pension is 460 lei for the third degree disability, but the medicines I had to buy cost 800 lei. Where shall I take the rest of the money from?! Are they thinking?! They did not give us anything, at least 10% discount for the medicines." (W, 51 years old, person with disabilities)*

The health services in Chisinau are perceived as more accessible as compared to other localities, including the existence of some relevant institutions, availability of specialized personnel, access to modern devices and equipment, etc. But the high costs of the

medical services bring the families sometimes to the situation when they have to limit other expenditures to be able to cover the costs for healthcare services.

The access to qualitative healthcare services is different. In respondents' perception, the quality of the medical services provided in the state institutions is lagging behind, and a part of the population prefers private medical services, which inspire higher level of confidence for the quality of provided services. At the same time, the private medical services are not affordable for the persons with low incomes.

**Social protection.** The state support for the persons from vulnerable groups is important.

The food consumption in rural area and small towns is covered from people's own households, while in Chisinau the access to this source is very limited. It should be reiterated that pensioners are the most vulnerable in the capital city, and their pension does

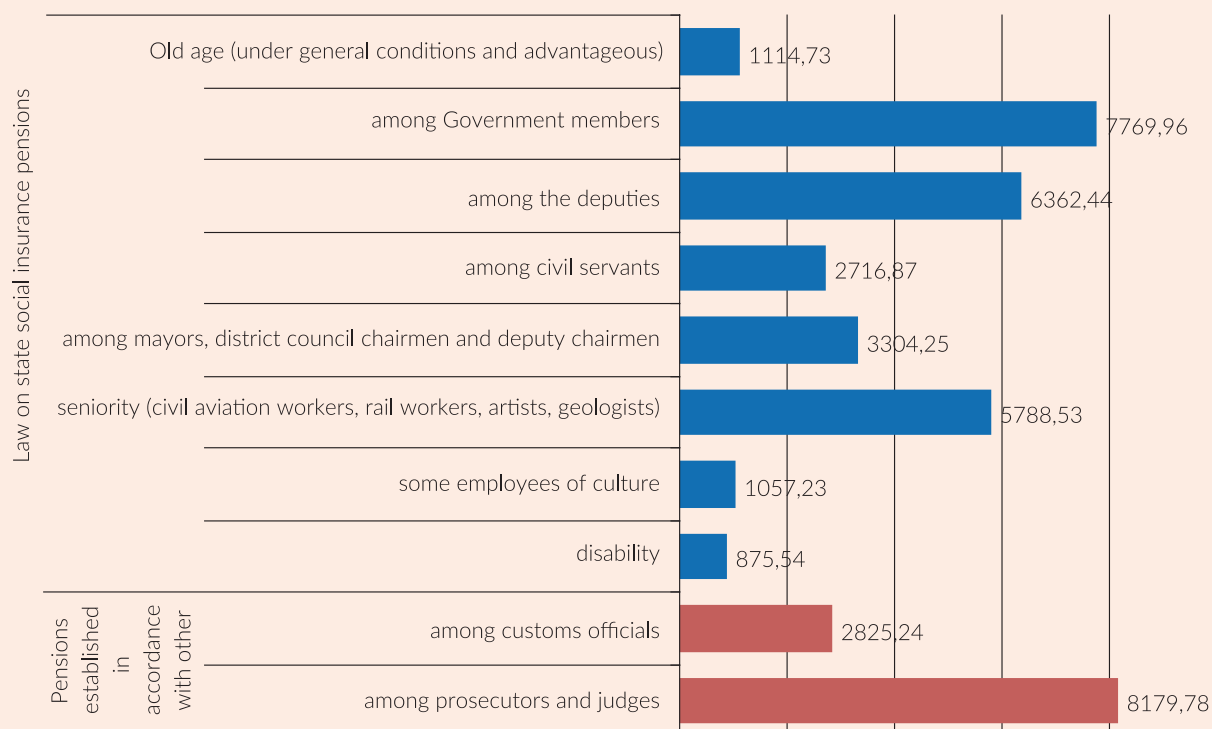
not ensure the subsistence minimum needs.

Significant discrepancies persist in relation to the pension amounts depending on the groups of beneficiaries (Figure 22). The most deprived ones would be the pensioners with a disability degree and the age-limit retired persons, whose average amount of pension is less than half of the average pension of the public servants; the discrepancies are even higher as compared to other groups. The respective groups of beneficiaries are the most numerous and account cumulatively for 96% of the total number of pensioners (76% - for the age limit and 20% - for disability)<sup>66</sup>

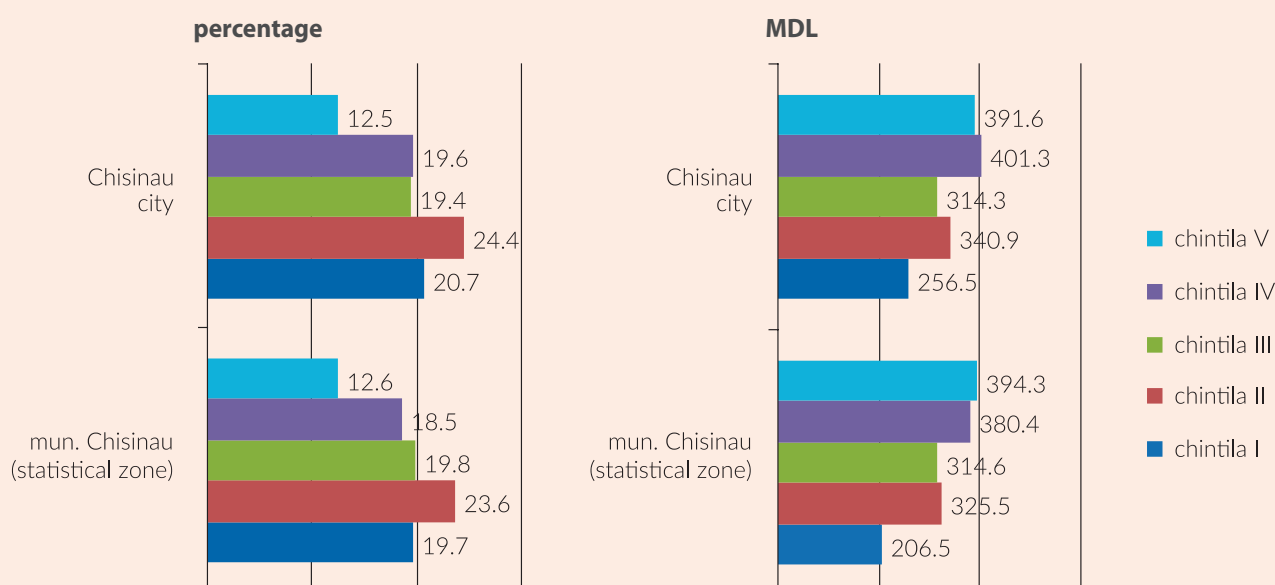
Social benefits account for an important share of the total disposable income of the population, and the share by quintiles is inversely proportional to the wellbeing of the population, and respectively its average monetary amount (Figure 23).

<sup>65</sup> Children up to 18 years old are insured by the state and have access to minimum health services in the single insurance package.

<sup>66</sup> MLSPF, Annual Social Report 2014.

**Figure 22. Amount of pensions by the main categories of beneficiaries, lei, 2014**

Source: NBS, HBS.

**Figure 23. Share of social benefits in the disposable income by quintiles, 2014**

Source: NBS, HBS.

## Poverty and Inequality

Social protection targeting the poorest groups of the population is not focusing on big cities, because the lowest poverty rates are registered in cities. Hence, only about 4% of the total number of the social assistance beneficiaries and about 6% - in case of the assistance provided during the cold period of the year would be the inhabitants of big cities (Chisinau and Balti). The efficiency of such benefits' targeting is different, with about 37.5% of social assistance beneficiaries and 67% beneficiaries of the allowance for the cold period of the year, who are part of the I quintile according to their disposable incomes per person. These programs have contributed to reducing poverty cumulatively by 0.9 p.p. in 2014 in the whole country<sup>67</sup>.

The social benefit "Ajutorul Social" is well-known by the population of the capital city, as many of the participants of this study have applied for the respective benefit, but only a small number of them have benefited from it because of the rather strict selection criteria.

*"At the social assistance, they ask you if you have a TV set with colors or black-and-white, I have mentioned that we have a color TV set and they told me that we are not entitled for the social benefit. ... They also ask you if you have a washing machine, but how to live without such a machine? I said that I have an old washing machine."*  
(W, 54 years old, person with disabilities)

Another impediment in accessing the respective benefit is the fact that the young families live with their parents or with other relatives in the same household or they rent the dwelling space. The goods from the flat they live in are included in the social inquiry; hence they become non-eligible for the social benefit.

The allowance for the cold period of the year was accessed by a big number of respondents, but the lack of information regarding the possibility to access the respective support still persists among the population. This problem is most frequently encountered by the elderly people whose children, grandchildren have left abroad for work, with keeping their residence in the parents' house.

*"They refused to provide me social assistance, as they asked me whom I live with - with my dad who has a big pension, and thus I cannot benefit from the social assistance, as well we have TV set, fridge, .... But what does my dad have with me, he has worked for himself, and now he is not obliged to provide a living for me and my husband. I and my husband are disabled ... (W, 41 years old, person with disabilities)*

### 3.7. Gender aspects

The Moldovan legislative framework ensures promotion of gender equality between men and women in line with the international commitments. In this context, there was developed the National Program for Gender Quality Assurance 2010-2015 (PNAEG) and

its Action Plans<sup>68</sup>, and a new Action Plan is now being developed for the following five years. Nevertheless, the Moldova society continues to be a patriarchal one, and the traditional relations between genders affect different social-economic

areas in different aspects.

Women account for over 59% of the total number of persons aged 25-64 years old with higher education, and the most significant share of women with higher education – 75.5% - is concentrated within the age group 25-49 years old.

As well, about 57.5% of the students in higher education institutions are women, as well as 56% of the PhD students, 59% of the post-PhD students, and 48% of the scientific researchers.

The general level of women's employment on the labor market is over 49.6%. The share of employed women with higher education accounts for 55.4%. The sex-based distribution

<sup>67</sup> [http://mec.gov.md/sites/default/files/raport\\_privind\\_saracia\\_in\\_republica\\_moldova\\_2014.pdf](http://mec.gov.md/sites/default/files/raport_privind_saracia_in_republica_moldova_2014.pdf)

<sup>68</sup> Law No. 5-XVI assuring the equality of chances between women and men (2006), National Program for Ensuring Gender Equality in the Republic of Moldova for 2010-2015, etc.



**Table 5. Distribution of population aged 15 years old and over by relation with the labor market, education level, and sex, Chisinau municipality, %, 2014**

	Active		Employed		ILO unemployed <sup>69</sup>	
	Men	Women	Men	Women	Men	Women
Higher education	43%	50%	44%	51%	32%	39%
Secondary specialized	13%	14%	12%	14%	18%	16%
Secondary vocational	18%	12%	18%	12%	19%	6%
Lyceum, secondary general	18%	19%	18%	19%	24%	22%
Gymnasium and lower	7%	5%	7%	5%	9%	0%

Source: NBS, <http://statbank.statistica.md>.

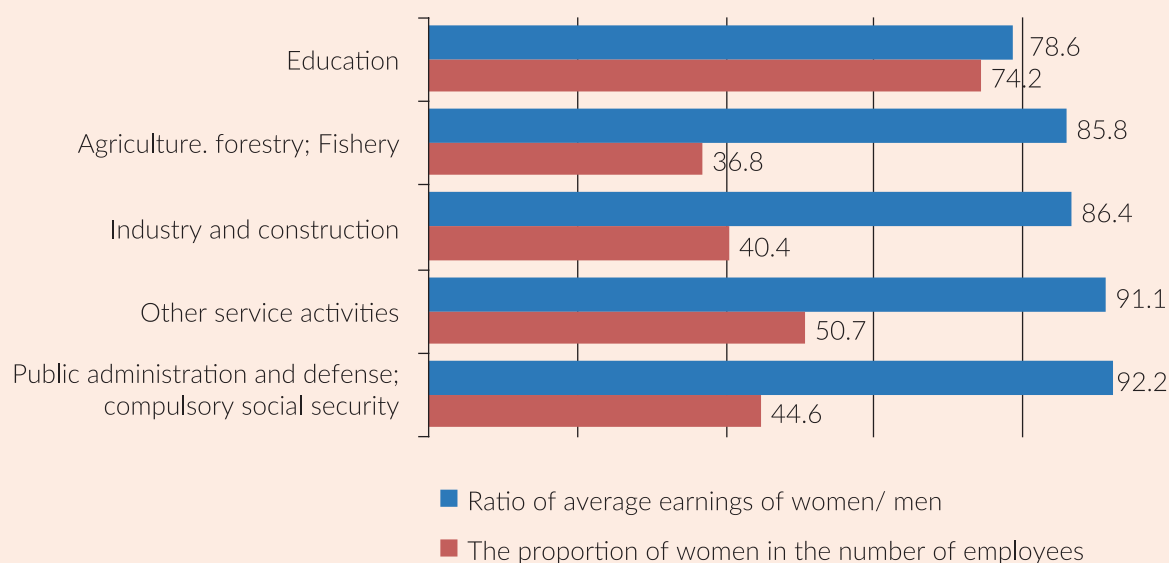
of the population in Chisinau municipality as related to female and male labor force points out higher share for women with higher education as compared to men, the difference being of 7 p.p.

Women with higher education prevail – about 67% - in such sectors as public administration, education, health, and social assistance. As well, significant shares of women are registered in economic activities related to trade, hotels and restaurants – where women account for 55%.

Although the level of education is higher, women's salary level is lower as compared to that of men. The share of women in the total number of employees working in Chisinau municipality accounts for 50.4%, with women's gross monthly average salary accounts for 88.6% of that of men<sup>70</sup>. In education sector is registered the highest share of women among employees - 74.2%, and the highest average wage gap between women and men. Thus, the average salary of women in education is only 78.6% compared with that of men. (Figure 24).

<sup>69</sup> According to the recommendations of the International Labour Office

<sup>70</sup> [http://statbank.statistica.md/pxweb/Dialog/varval.asp?ma=SAL0104\\_t&ti=Castigul+salariu+mediu+lunar+brut%2C+in+profil+teritorial%2C+pe+sexe%2C+2011-2014&path=../Database/RO/TER/03%20SAL/&lang=1](http://statbank.statistica.md/pxweb/Dialog/varval.asp?ma=SAL0104_t&ti=Castigul+salariu+mediu+lunar+brut%2C+in+profil+teritorial%2C+pe+sexe%2C+2011-2014&path=../Database/RO/TER/03%20SAL/&lang=1)

**Figure 24. The ratio between women' and men's average salary earning, %, 2014**

Source: [http://www.statistica.md/public/files/publicatii\\_electronice/Chisinau/Anuar\\_Chisinau\\_2015.pdf](http://www.statistica.md/public/files/publicatii_electronice/Chisinau/Anuar_Chisinau_2015.pdf)

**Table 6. Age-limit monthly average pension set for pensioners registered with the social assistance bodies, by sex, MDL, 2014**

	Women	Men	Women/ men ratio
Total	1268.1	1050.4	83%
Agricultural sector	986.5	931.5	94%
Non-agricultural sector	1479.8	1122.3	76%

Smaller salaries result in smaller pensions. The smallest pensions are registered in the agricultural sector of the country, and the biggest discrepancies are noted in the

amounts of pensions in the non-agricultural sector, where the age-limit pension for women accounts for 76% of men's average pension.



## Chapter 4

### Coping strategies



## Coping strategies

Different groups of population encounter challenges specific for them. Hence, the pensioners and the persons with disabilities spend more for health, medicines, while the young families, which do not have a dwelling, spend more for paying the rent.

A rather big difficulty encountered by the majority of persons from the vulnerable groups would be the payment for utility services. Savings are made to cover these needs mainly from the expenses meant for food, medical tests, and commodities.

In its attempts to get out of poverty, the population of the capital city applies different strategies, the main ones being discussed and identified within the respective study.

**Savings.** To preserve financial resources for covering the stringent needs, the households/families try to save money in certain areas so as to be able to compensate some other areas.

**a) giving up the strictly necessary things**

- the quality of food

*"You just buy the cheapest, some liver, everything which is not expensive" (M, 32 years old, unemployed)*

- medical investigations and treatment

*"Every half a year I have to get a mandatory treatment that costs 2200 lei. And I do not observe always the strict deadlines because of the financial reasons, I just get the treatment once in 9-10 months" (W, 41 years old, employee in force bodies)*

*"I have fractured my hand, they prescribed me something, but I have no money to buy the treatment, and I did not tell my children about it. I think that I am old, and it will cure somehow ..." (M, 56 years old, washer)*

The preventive investigations practically do not exist. The persons with low incomes mainly use naturist treatments and they just

*"I have postponed it and I got to the moment when I could not walk anymore. I was told immediately that I need a surgery, but I did not agree, thinking that the conservative treatment would help me, but in March the sickness started to progress and I ended up in June when I could not walk. I have had some strong bouts when my whole body was blunt, and only then I decided to go for the surgery" (W, 35 years old, teacher)*

*"I fall on the hand and I have fractured it, and I thought it is a simple hit. It was swelling and I thought that it would cure by itself. Actually I should have gone to see the doctor, but I did not have money at that time so as to go to the doctor for a consultation... Actually I did not understand the reality. In half a year I found the money and went to the doctor and he told me that I need a surgery and it costs 500 euro." (M, 21 years old, unemployed)*

wait for the pain to go away all by itself – "we do not have the right to get sick". The delay

of treatment because of financial reasons determines the visit to the doctor when complications appear, and this increases considerably the recovery period and the respective costs.

Many respondents mentioned that they have different health problems that they ignore, especially in the dentistry area, because of lack of financial resources.

**b) reducing the consumption of electricity, gas**

Some respondents mentioned that they try to save money by reducing the consumption of electricity. There are situations when the persons living in houses give up the use of gas and start using wood for heating.



*"When winter comes our budget gets yellow, it is awful. My wife works and gets some salary, and I receive just some money as a disabled person. And we cannot pay for all utilities at once; we leave some for spring and summer time, when maybe I would have some work. We do not use gas, we use wood for heating" (M, 54 years old, person with disabilities)*

### c) postponing some payments

*"I have prepared the child for the first of September. I spent the whole salary, I did not pay the rent for one month, I did not pay the utilities, as the boy has to go to school. And afterwards, gradually, I paid the rent for that very month." (M, 26 years old, electrician)*

### Activities generating additional income

To cover the incurred costs, especially the families with children try to find some other activities generating additional incomes. The activities are different depending on the qualifications and skills of the persons.

*"I have 2 friends, one is working in the shoes' repairing shop, and other is making new shoes, and they just call me from time to time and I work for them and earn some money, and they give me either 100 lei or 200 lei per day" (M, 32 years old, unemployed)*

*"I also have another job – I am sewing on order. I am working in a workshop, I go only on Saturdays. After my main job I just go and take the order. And I work at home, because it is impossible: pay for the school, two children, monthly we pay only 500-400 lei for the school" (M, 35 years old, teaching staff in a vocational school)*

*"My daughter takes some work at home and I am helping her, she makes some money at least for some lipstick, as I have no money to give her for such things. She makes handmade embroideries for a workshop" (W, 35 years old, teacher)*

*"We study during the day and we work in a washing unit during nights, the hands get cold in winter, but we know that we have to gather money" (M, 22 years old, unemployed)*

Many of those who have been interviewed during the group discussions have mentioned that they are looking for occasional jobs so as to fill in the budget of the family. The summer time provides more opportunities to earn money, especially in the area of constructions, services, trade, etc. The family members, including the minors, try to contribute with what they can so as to improve the financial situation in the family.

*"I do everything – some want to change something in the house, so I go and change. Others ask you something else, for instance to put a mirror on the wall. And this is besides the work that I have." (M, 42 years old, guard)*

*"I was writing diploma theses; I was working during the night and made money out of this. During the annual leave, I go to Italy and work for a month, I take the children to have a rest (the children stay with my sister, and I replace the sister for a month). They have a rest, and I go and work for a month, and earn some money." (W, 41 years old, employee of force bodies)*

### Ensuring food provision in bulk or with discount

➤ Procurement of food in wholesale storages and mainly during summer time, when the products are cheaper;

➤ The support provided by the extended family in the rural area. The food products that the families (especially the young ones) get from the extended family from the rural area represents an important support.

## Coping strategies

*"We mainly eat healthy food cooked at home. We go to the market to buy products in sacks, as it is cheaper. We go to the market and buy a sack of onion, a sack of carrots and sack of potatoes, and it is much cheaper" (W, 35 years old, teacher)*

*"If my parents would not have helped, it would be very difficult, as they give us meat, milk, bread, everything comes from them, and I am renting out this flat, but I got everything from home, TV set and many other things, as we were staying just in between 4 empty walls." (W, 33 years old, archive employee)*

*"I have a salary of 3500, and I pay the rent 1200 on monthly basis. As food products, I buy rice and buckwheat, and buckwheat is more expensive now. My mother in law is sending us bread, and she also puts a duck, a hen and sends the bag to us once in two weeks. After paying for the utilities, and the school, we are left with 400-500 lei. And these 400-500 lei on monthly basis for food for 4 persons, and one is a baby and is not yet eating ordinary food, but we are 3 persons. How to survive for one month with 500 lei. If they would not send us food from the village, we would not have the possibility to live." (M, 26 years old, electrician)*

### Support from the extended family, relatives

Some of the participants in the group discussions have noted that they are permanently helped by the relatives. At their turn, some of the participants also mentioned that they even help other family members from the limited resources they have. They say that they even cannot imagine how they would survive without the support of the persons from the extended family. Most often help is provided to **families with children**.

*"The total income is 5000 lei, and everything related to children is paid by my sister. It is clear that out of the 5000 lei is already possible to pay for something, for instance 1000 for utilities during the winter time, and the remaining part is used for consumption. Otherwise is not possible, we would not make two ends meet, the sister is single, she has no children and she invests in my children." (W, 41 years old, employee of force bodies)*

*"The parents and my sisters are the source of existence and assistance. The two sisters make presents to children and my mom as well from Moscow – she bought a computer for the 10<sup>th</sup> anniversary of the daughter" (W, 35 years old, teaching staff in the vocational school)*

*"My brother works by himself and he has 4000 lei. How to maintain a family with 4000 lei, with 2 children and with a wife on leave?! To maintain 4 persons with 4000 lei, plus utilities and plus other expenses. I am not married, and I just do not eat sausage, meat and help my brother." (M, 31 years old, flowers' grower)*

*"I live with my grandmother who is 83 years old. I have a salary of 1100 lei, and my child is in the third grade, and the youngest one goes to the kindergarten (she was conditioned to work as a nanny for accepting her child in the kindergarten). I do not pay for the utilities because I have no money. I work for a salary of 1100 lei, and this money I spend for children's needs. Sometimes my sister would help, other times my aunt, and the grandmother pays for the utilities" (W, 34 years old, nanny)*

At the same time, some adult children help their parents with low incomes, for them to have the possibility to pay for the services, to buy medicines, etc.

*"I have two boys and a girl, and all of them help me. The most important is to have something to eat, and not to go to have some fun. I pay for the utilities, but if they would not help me, it would not be enough for me, they help me permanently. I just go and work for an hour and I have 400 lei per month, but the electricity costs 300 lei and the heating up to 500 lei – we live like in a hostel ..."* (W, 56 years old, washer)

### Clothes

- buying second hand;
- more family members wear the same clothes;
- buying some cheaper things

*"I am very lucky that I have daughters one after another, thus I bought better clothes for them to last from one to another. Now the youngest one is wearing the jacket the first daughter was wearing when she was 5 years old and the youngest one is wearing it for the third year"* (W, 35 years old, teacher)

### Paying for utilities

The majority of interviewed persons mentioned during the group discussions that, first of all, they pay for the utility services which are under the risk to be immediately cut off for accumulated debt, such as: electricity and gas. They pay partially for heating, water, and other services during the cold period of the year and the other part is paid during the summer time when the daily expenses decrease (cheaper food products, children in holidays, etc.), and also the incomes increase due to the seasonal work (constructions, repairing works, seasonal work abroad, etc.).

*"In Chisinau, all of us pay for the utility services on monthly basis, whole for heating – practically all of us delay the payment until September."* (W, 41 years old, employee in force bodies)

*"If the income is up to 4000 per 4 persons, you first pay for all utilities and 2000 are gone. And what to do with the rest?! - if you buy some cleaning products (for personal hygiene and for home) you are left only with some money to buy beans and you try to get along, and after you borrow from a friend 200 lei and when you get the salary you pay back the money – so it is very difficult"* (W, 55 years old, unemployed)

### Advantaging some family members

In different situations the participants in the group discussions have mentioned that some family members are favored in directing the financial resources. Thus, the family members with certain health problems would be favored so as to get better food and treatment. Parents usually limit themselves in buying some goods for themselves and use the financial resources to cover the needs of the children. They do recognize that some things would not be strictly necessary, but they are concerned with the fact that the children could be segregated, isolated.

*"An event was organized and I had to go to buy something special, some clothes like not the ones for every day, otherwise other children would look at her strange. I would not buy clothes for myself, but I buy for her"* (W, 35 years old, teacher)

*"I do not spend for things for me, I am buying for children. I go to school and I see how children get into groups depending on how they are dressed and I try to buy something better for the children"* (W, 33 years old, archive employee)

## Coping strategies

## Loans

The bank loans are inaccessible for the majority of interviewed people, because of their low incomes. Some persons have used the bank loans for: improving the dwelling space, making repairing works, procuring some long-use goods, paying for education, etc.

*"We want to finish a room and there was no other way to gather the money. It was difficult to pay back, we were eating almost nothing. I borrowed 10 thousand and 20 thousand. I heard a lot of people in Chisinau that if they want to repair something in the house they just go and take loans for 20 thousand for 2 years... you cannot make some repairing works out of the salary" (W, 53 years old, unemployed)*

*"We needed urgently 20 thousand lei to pay for the contract and to buy a computer and some other things... But we paid it back, it was not easy at all. I worked a lot, I was studying and working at a construction site, it was easier for me like this" (M, 22 years old, unemployed)*

Some respondents recognized as well that they had moments when they took unjustified credits, which were not strictly necessary, such as a TV set, a better telephone.

*"Once I have committed a mistake and I got a mobile phone. And I had a stable job, but in two months I remained without that job and it was difficult to pay 350 lei per month without a job. I did not pay for two months, and I was sent a letter that if I do not pay in 5 days, they will add 3500 lei to my sum, so I found quickly the money and paid" (M, 32 years old, unemployed)*

Nevertheless, the majority of the interviewed people mentioned that usually they borrow from relatives, neighbors, friends and the

amounts are not big so as to be able to pay them back. The borrowed amounts vary depending on the person, from several hundred up to several thousand lei.

The young families with children, which make the two ends meet with great difficulty, mentioned that they frequently borrow from relatives, but the amounts usually are up to 1-2 thousand lei. The most frequent situations when they borrow are the following: when a family member gets sick and when it is necessary to participate in some events (weddings, baptizing parties).

*"Well I borrowed some money and I went and passed some tests, as I could not walk anymore, the children would help me to put the shoes on, they helped for several days, they were getting me into the car as I could not bend the leg" (M, 42 years old, guard)*

*"The weddings and baptizing parties make us borrow during the year" (W, 35 years old, teacher)*

## Support from the state

The level of information regarding the conditions to be met so as to benefit from certain allowances is rather low or the information is rather distorted, obsolete, and the respondents from the very start have some bias: *"if you have a TV set and a fridge no one will give you anything"; "they also look at the family members, if you have made some repairing works in the house – and if you did, it means that you have money"*. The families renting the dwelling space are deprived from the opportunity to benefit from social help, as they benefit from the conditions provided by the owner.

Many respondents mentioned that they do not know about the support they could benefit from – *"we are not even informed, we do not know what assistance, how much"*. The persons do not believe that the state institutions could support them in solving the problems they encounter.



And when they really go and ask for help, most of the times the respondents said that

they receive a negative answer implying that there is no money for such purposes.

*"I have written a letter to the Ministry of Health and I have gathered all the documents, but they have refused. Currently we don't have the money – this was the answer I got through a letter. I spent half a month to collect all the documents and I have waited for a month. I have written a letter after the surgery (on heart), but before the surgery I needed special medicines to prepare for the surgery, of course not from them, but at least something from the health insurance. I have asked them to pay me back at least half of costs, but they have refused" (M, 54 years old, person with disabilities)*

# Conclusions

In the context of the continuous decrease of population in the Republic of Moldova, the population in Chisinau municipality, as well as in Chisinau city, is continuously increasing. The factors pulling the population, especially the young persons, to the capital city include the following: wider opportunities for education and employment; access to better health services; diversity of recreation and free time services; social-economic infrastructure of better quality, etc. At the same time, the living in Chisinau is marked by higher standards, which respectively provoke considerable frustrations among those who cannot afford such standards of living. Chisinau is also more agglomerated, having different social challenges, lower social cohesion, and colder inter-personal relations.

The life in Chisinau implies some higher living costs as compared to other localities in the country. To a big extent, the work remuneration is under the population's expectations and does not always cover the basic needs of a family. Food expenditures in case of the poor population in Chisinau exceed half of their incomes, while the payment for utility services accounts for one fifth of the total disposable incomes. Hence the poor population from Chisinau is covering its needs in the detriment of other goods and services, thus increasing inequality in accessing other services, such as education, healthcare, and recreation ones, etc.

The elderly persons and those with health problems are considered to be the most vulnerable categories in Chisinau municipality. The support provided by the State for these categories, as pensions and allowances, does not cover even the minimum existence level for the vast majority of them.

One out of ten households in Chisinau municipality lives in rented-out dwelling. The rent payment limits even more the chances of young families to have their own housing. At the same time, one fourth of households from Chisinau municipality, that have their own dwelling space, cannot ensure the minimum dwelling space set by the legislation in force. The young families with children encounter

the biggest problems related to the dwelling space and housing conditions.

The inequality of incomes in Chisinau determines the differentiated access of inhabitants to goods and services. The population considers that there is a persisting trend of deepening the gaps between the different categories of population in Chisinau – the poor become more vulnerable, and the rich increase their incomes. The subjective perceptions of the population are confirmed by statistical data, which determine a big gap between the poor and the rich in the urban area, and the unfair access of Chisinau inhabitants to services is also deepened by corruption persistence.

Inequality is generated by a number of factors, which correlate with different opportunities of getting incomes, such as: human and social capital, social-economic status, political affiliation, etc. On one hand, inequality in wealth and power generates, at its turn, other types of inequality: in legislation enforcement, in opinion expression, in networking. On the other hand, the context or "luck" inequality and use of illegal and/or immoral practices are perceived as situations which afterwards determine inequality in incomes, and respectively in access to different goods and services.

Inequality in employment opportunities persists for certain groups in Chisinau, especially: young persons without work experience, persons of pre-retirement age, persons not benefiting from protectionism, mothers with small children, and employment area is also a framework for establishing differentiated incomes.

Chisinau inhabitants with modest incomes encounter problems in accessing public services, including education and health services, the provision of which many times is conditioned fully or partially by payment of some informal payments. Compulsory health insurance does not secure full access to healthcare services of high quality. The private healthcare services, which are perceived as being of higher quality, may be accessed mainly by the persons with higher incomes.

Educational inequality is perceived, first of all, as inequality in chances to continue education and/or to study in the desired area – an aspect persisting in Chisinau, which also depends on the financial means of the family. Educational inequality is also associated with differences related to the education level and is reflected in behavioral patterns – “the seven years of education from home”.

The parents from Chisinau select the school for their children also depending in their availability to pay the informal fees requested in the educational institution, which differ from institution to institution. Hence, some educational institutions segregate children according to their parents' income levels. The young families which live in Chisinau encounter difficulties in enrolling their children in preschool institutions, especially those who have their residence registered in other localities. The school proximity to house is an important factor for the parents with low incomes to save money for transportation.

Chisinau provides a wider range of goods and services as compared to other localities in the Republic of Moldova, but they are in direct correlation with the disposable income of the population. The persons with low incomes

have to make savings so as to survive in the following areas: foods, healthcare services, utilities, etc. The support provided to Chisinau inhabitants by the members of the extended family from rural area takes mainly the form of food products, which help them to survive. An important contribution is also provided by the relatives working abroad, which help financially and mainly the young families with children.

To increase their incomes, Chisinau inhabitants look for other possibilities (which are very different depending on age, skills, experience, etc.) to earn money, besides their basic activities. The families with financial difficulties usually prioritize the focus of resources to cover the costs necessary for children and the costs related to healthcare services.

Chisinau inhabitants wish to be “sure in the day of tomorrow” and the preconditions for this would be: a decent place of living and a job with decent salary; healthy food; resources for a vacation so as to recover the forces, and some financial reserves for unforeseen expenses. It is also necessary to provide social protection to children from vulnerable families by offering them some allowances and increasing their access to educational institutions and activities.

# Recommendations

The respective study pointed out the rather high interdependence in the capital city between the inequality of incomes and non-incomes, reflected through access to opportunities in obtaining incomes in a volume that would ensure an adequate living for the family, access to education, health, recreation, and last but not least, access to dwelling. A series of needs was identified, including suggestions how to tackle the respective needs, so as to contribute to increasing the living standards and to decreasing inequalities.

***The decrease of income-based inequality would reduce significantly other types of inequalities persisting in Chisinau.*** The assurance of decent salaries in the public system and accountability of the private employers is an important factor for decreasing the salary-based discrepancies. Another aspect refers to provision of adequate conditions and fostering the development of small and medium enterprises, as well as creation of well-remunerated jobs, which would provide opportunities to population in obtaining incomes necessary for living.

Increasing companies' competitiveness by encouraging the innovational spirit, use of efficient energy technologies; application of information technologies and increase of export production competitiveness, including by increasing the quality of production – are important preconditions for creating opportunities to increase the revenues of the employers and incomes of the employees. All these actually represent the provisions of the National Strategy for Developing the Small and Medium Enterprises' Sector for 2012-2020.

Fostering the employers who provide jobs to persons from vulnerable groups, including the young specialists without experience, persons of pre-retirement age, and mothers with small children, etc., is important by identifying and establishing some attractive allowances for performing their activity. It is also important to identify some ways to harness the internships mutually advantageous for employer, educational institutions, and the intern. In this respect, it would be useful to develop so guidelines on internships, which would

include specific recommendations for all the stakeholders involved in the process, hence ensuring the efficiency of the respective internships.

***Increasing access to social security.*** By diminishing informal employment through promotion of formal employment importance from the perspective of social security, it would be possible to ensure more adequate access to the pensions' system and healthcare services.

Establishing some forms of counseling and support for the elderly people, for them to be informed about the support they can benefit from at the moment (social canteens, allowance for the cold period of the year, social benefits, material assistance, etc.) as well as how they manage better the available resources (e.g. changing a flat with three rooms for an apartment with one room, etc.). The ex-officio assistance provided by the social workers and assistants in provision of such services would be very important in this context. These measures would increase the level of information of the persons from the groups which need assistance regarding the available services, as well as the conditions for accessing such services. At the same time, the modality of information should be focused on the possibility to access, and not on the imposed restrictions.

The harnessing of the compulsory health insurance system by guaranteeing access to the services covered in the Single Program and improving the quality of such services would reduce the additional expenditures incurred by the population when accessing healthcare services. It is very important to identify some efficient mechanisms to support the vulnerable persons in accessing the healthcare and recovery services, including ways to inform the population about the possibilities to access such services.

***Reducing the informal payments in accessing services is also one of the preconditions which would diminish inequality, persisting especially in the capital city.*** Increasing citizens' confidence for the system of combatting corruption through non-selective and efficient



actions would diminish the practices of informal payments in providing public services in different areas, including in education and health.

Establishing some clear procedures for all children to access preschool services, including the children without residence in the respective locality is crucial. Informing parents how to enroll children in kindergartens and assuring the transparency of the respective process by publishing the waiting lists.

Decreasing the importance of informal payments' amount when selecting and accessing the educational institutions is another important factor. Facilitating the access of the children from the proximity of the educational institutions and pointing out the voluntary nature of the additional payments, provided by parents.

***Access to dwelling and housing conditions especially in Chisinau deepens inequality between the different groups of persons.*** The young families, especially with members employed within state institutions, should benefit from support to be assured with dwelling space, for instance, providing social dwellings during their activity, providing a bonus for paying the rent, identifying an attractive and functional mechanism for procuring a dwelling. The Program „The First House”, which aims to provide support to young people from Chisinau for them to buy a dwelling proved to be unattractive and practically non-functional and the mortgages are inaccessible for the majority of population, especially for the young families because of the impossibility to meet the requested conditions.

Promoting the non-formal training and qualification activities provided free of charge and the opportunities to spend free time with minimum expenses would contribute to the social inclusion of the persons from the vulnerable groups, and would provide additional opportunities for quality of life.

***Improvement of the infrastructure quality in the capital city is also important for the***

***majority of population, especially of those with a lower level of living than the medium one.***

Cooperation between the public and private institutions for identifying some modalities to settle the problems related to utilities and infrastructure (missing sewerage, inaccessible lighting of roads), specific for some districts, streets. Avoidance of segregation based on incomes, which subsequently would deepen the problems in certain areas.

It is recommended to improve safety and conditions in the public transportation. Development and display of a functional timeline for public transportation circulation would be another suggestion. Increasing the number of transportation means and adjusting their types depending on the fluctuation of passengers during the day.

Another aspect refers to a more efficient sanitation in the Chisinau city. Organization of ecological and information campaigns to raise awareness of population would be a recommendation. Protecting and increasing the green spaces by improving urban management and planning.

Increasing the awareness level of the local and national stakeholders regarding the risks for deepening inequality in Chisinau and the need of interventions so as to decrease such risks. Adjustment of fiscal policies so as to reduce the discrepancies based on goods and incomes.

***Improving infrastructure and provision of services in rural area would decrease the migration flow towards the cities, including to the capital city.*** The majority villages in the Republic of Moldova are not attractive for young persons, and this thing imposes social-economic pressure on the urban area, especially in Chisinau municipality. The methods for attracting the young specialists in the rural area carried out in the area of educational and health services practically did not bring any results, pointing out quality problems in provision of these services. This thing represents an important factor rejecting young trained and qualified persons from the rural area, hence deepening the internal and external migration processes.

# Annex 1. Methodology of the study

The method of quantitative analysis of data, as well as the qualitative method – including group discussions with categories of vulnerable persons, were used for carrying out the study.

The quantitative analysis was based on existing statistical and administrative data, analytical reports and annual progress reports, performing additional analytical calculations to reveal certain aspects of inequality.

The qualitative sociological study was carried out through 3 group discussions. The theoretical sample covered the following target groups from Chisinau City: unemployed; persons with small incomes<sup>71</sup>; young families, with children without dwelling space.

The following criteria were used to select the respondents depending on the peculiarities of every group: sex, age, education, level of income. The snow-ball method was used to recruit the respondents for participating in the group discussions.

**The goal of the qualitative study:** surveying inequality in Chisinau city from the perspective of vulnerable categories.

The group discussions lasted in average for 2 hours.

The qualitative survey was complemented with a number of findings resulted from different qualitative surveys carried out by UNDP prior to the period the given study was performed.

**Table 7. Qualitative survey design**

	Interviewed category	No. of interviewed persons	Date
1FG	Unemployed	6 respondents	16.01.2016
2 FG	Persons with family incomes under 2000 lei per person	7 respondents	16.01.2016
3 FG	Young families with 2 and more children, without dwelling space (renting)	8 respondents	17.01.2016

## Annex 2. Statistical tables

**Table A1. Qualitative survey design**

	Total for the country	Urban	Rural	Chisinau municipality	Chisinau city	Chisinau suburbs
2007	3581.1	1478.0	2103.1	780.3	658.4	121.9
2008	3572.7	1476.1	2096.6	785.1	663.1	122
2009	3567.5	1476.1	2091.4	785.6	663.2	122.4
2010	3563.7	1476.7	2087.0	786.3	663.4	122.9
2011	3560.4	1481.7	2078.7	789.5	664.7	124.8
2012	3559.5	1485.8	2073.8	794.8	667.6	127.2
2013	3559.5	1492.2	2067.3	800.6	671.8	128.8
2014	3557.6	1503.0	2054.6	804.5	674.5	130.0
2015	3555.2	1507.3	2047.9	809.6	678.2	131.4
% growth 2015/ 2007	99%	102%	97%	104%	103%	108%
no. growth 2015/ 2007	-26.0	29.3	-55.2	29.3	19.8	9.5

Source: NBS, <http://statbank.statistica.md>, Population Statistics

**Table A2. Distribution of population depending on the place of residence**

Q34 Would you please tell me if your main dwelling / place of residence is in:			
	this locality	another locality from this rayon	other locality from other rayon
Total	93.6%	2.8%	3.6%
area	Urban	91.5%	1.8%
	Rural	95.4%	3.7%
Municipality	Chisinau	86.4%	2.6%
City	Chisinau	84.6%	1.7%

Source: Omnibus CBS-AXA, September 2015, 1219 respondents, representative sample at the national level

**Table A3. Poverty indicators for 2006 – 2014**

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Absolute poverty line (lei)	747.4	839.3	945.9	945.9	1015.9	1093.1	1143.4	1196	1257
Absolute poverty rate, %									
Total population	30.2	25.8	26.4	26.3	21.9	17.5	16.6	12.7	11.4
including:									
Rural area	31.4	31.3	34.6	36.3	30.3	25	22.8	18.8	16.4
Urban area	24.8	18.4	15.2	12.6	10.4	7.4	8.2	4.6	5.0
Big cities	20.6	14	10.9	7	7.3	4.2	4.3	1.0	2.2
Small towns	30.1	23.8	21.2	19.7	14.2	11.3	13	9.1	8.4
Chisinau municipality (stat. zone)	19.7	11.4	8.5	5.3	5.3	2.5	4.4	2.4	2.6
Chisinau city	18.1	9.6	7.0	4.0	5.1	2.1	4.0	0.5	2.1

**Table A4. Inequality indicators in 2006 – 2014**

	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Gini Coefficient</b>									
<b>Gini Coefficient, total</b>									
Disposable income	0.37	0.37	0.37	0.37	0.35	0.34	0.34	0.33	0.32
Consumption expenses	0.34	0.33	0.32	0.30	0.30	0.29	0.27	0.27	0.25
<b>Rural</b>									
Disposable income	0.35	0.37	0.36	0.37	0.35	0.34	0.33	0.33	0.32
Consumption expenses	0.32	0.32	0.31	0.29	0.28	0.27	0.26	0.26	0.24
<b>Urban</b>									
Disposable income	0.38	0.36	0.35	0.33	0.31	0.31	0.31	0.30	0.30
Consumption expenses	0.35	0.32	0.31	0.28	0.29	0.27	0.27	0.25	0.24
<b>Chisinau mun. (statistical zone)</b>									
Disposable income	0.37	0.35	0.33	0.31	0.30	0.30	0.29	0.28	0.29
Consumption expenses	0.34	0.31	0.30	0.27	0.28	0.27	0.26	0.24	0.25
<b>Chisinau city</b>									
Disposable income	0.36	0.34	0.33	0.30	0.30	0.29	0.29	0.28	0.27
Consumption expenses	0.35	0.31	0.30	0.26	0.29	0.27	0.25	0.24	0.24
<b>Ratio S80/S20 by incomes</b>									
Total	7.1	6.9	6.8	7.2	6.4	6.0	5.6	5.7	5.3
Rural	6.5	7.0	6.7	7.2	6.5	5.9	5.3	5.7	5.2
Urban	7.2	6.1	5.9	5.5	4.9	4.7	4.8	4.7	4.6

**Table A5. Average disposable incomes by quintiles and areas of residence, MDL, 2006 – 2014**

	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Urban</b>									
<b>Average disposable income</b>	1000.6	1210	1463.3	1477.1	1574.7	1792.8	1869	2046.3	2111.1
<i>The first (minimum income)</i>	433.8	569.7	682.3	622.3	699.4	855.2	865.6	962.8	1081.2
2	630.3	730.9	869.2	883.6	977.4	1097.2	1168.8	1296.6	1381.1
3	798.7	934.4	1106.5	1122.4	1203.9	1392.7	1414.3	1504.7	1645.4
4	1060	1187.2	1495.2	1445.9	1474.8	1717.6	1771.2	1972.5	2048.6
<i>The fifth (maximum income)</i>	1630.8	1989	2226.2	2165.3	2297.9	2630	2741.9	3072.3	3134.4
Gap (q5-q1)	1197	1419	1544	1543	1599	1775	1876	2110	2053



	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Rural</b>									
<b>Income by quintiles (values)</b>	723.8	878.9	987	939.2	1054.7	1186.4	1242.8	1406.1	1505.7
<i>The first (minimum income)</i>	374.6	465.3	589.7	529.3	609.8	734.4	800.2	908.6	948.5
2	559.8	726	786.2	810.8	930	1025.4	1035	1183.5	1308.1
3	717.2	875.6	1017.1	1010	1155	1223.8	1341.6	1460.5	1576.2
4	882.5	1099.9	1242.2	1291	1425.4	1535.8	1549.5	1732.7	1857.6
<i>The fifth (maximum income)</i>	1339.7	1604.6	1858.7	1691	1874.4	2187	2331	2610.9	2630
Gap (q5-q1)	965	1139	1269	1162	1265	1453	1531	1702	1682
<b>Chisinau mun. (statistical zone)</b>									
<b>Income by quintiles (values)</b>	1137.3	1418.1	1683.8	1716.2	1749.7	2031.2	2083.1	2321	2292.6
<i>The first (minimum income)</i>	456.9	559.5	706.4	556.8	590.8	931.4	897.3	917.5	1048.0
2	647.8	790.2	904.4	837.6	1056.6	1140.0	1184.4	1552.7	1380.9
3	847.3	970.1	1084.7	1162.9	1160.7	1406.1	1398.2	1513.3	1585.0
4	1098.1	1167.1	1550.8	1509.2	1462.1	1757.9	1752.9	1939.2	2056.7
<i>The fifth (maximum income)</i>	1754.3	2195.9	2361.9	2264.8	2383.9	2693.0	2803.9	3147.8	3139.2
Gap (q5-q1)	1297.34	1636.41	1655.55	1707.98	1793.15	1761.64	1906.65	2230.23	2091.25
<b>Chisinau city</b>									
<b>Income by quintiles (values)</b>	1187.9	1494.2	1726.2	1768.6	1799.5	2122.5	2168.7	2413.8	2393.1
<i>The first (minimum income)</i>	441.2	562.8	711.1	753.1	658.6	1036.8	919.8	1372.9	1239.1
2	679.1	768.7	937.8	871.0	1041.1	1227.4	1236.7	1564.3	1396.7
3	870.5	999.8	1079.1	1168.3	1167.2	1425.7	1384.9	1541.1	1616.8
4	1131.7	1221.7	1591.6	1525.0	1475.7	1811.1	1784.4	1979.6	2047.2
<i>The fifth (maximum income)</i>	1801.3	2259.1	2405.0	2277.3	2431.4	2749.8	2868.4	3195.7	3143.4
Gap (q5-q1)	1360.1	1696.3	1694.0	1524.2	1772.8	1713.1	1948.7	1822.9	1904.3

**Table A6. Structure of disposable income by quintiles 1 and 5, urban area, %, 2006 – 2014**

Urban	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>The first quintile</b>									
Disposable income - total	100	100	100	100	100	100	100	100	100
Salary-based activity	49.4	54.2	48.2	46.9	48.7	43	35.8	42.4	51.2
Agricultural individual activity	3.8	3.8	2.5	2.6	6	3.9	3.7	3.6	4
Income from non-agricultural individual activity	7	8.2	7.5	5.9	3.3	13.2	6.9	3.7	2.9
Property-based income	0	0.5	0	0	0	0	0	0	0
Pensions	22.7	16.9	21.5	25.6	23	18.6	26.4	22.2	23.4
Other social benefits	4.6	3.7	2.7	5.2	6.7	5.5	9.3	6.4	4.9
..allocations for children	0.5	0.9	0.8	0.7	2	1	1.3	1.5	1.4
..compensations	1.1	0.8	1.1	1.4	1	1	1.2	0.1	-
..social assistance	-	-	-	0.3	0.7	0.6	3.6	1.8	1.2
Remittances	6.2	8.8	13.6	8.9	5.1	12.3	11.6	14.5	8.8
Other incomes	6.3	3.9	4	4.9	7.2	3.6	6.3	7.2	4.9
<b>The fifth quintile</b>									
Disposable income - total	100	100	100	100	100	100	100	100	100
Salary-based activity	57	58.6	59.5	62.7	57.9	61.4	59.7	55.2	59.4
Agricultural individual activity	1.6	1.2	0.7	0.4	0.5	0.8	0.6	0.4	0.5
Income from non-agricultural individual activity	12	7.7	7.4	6.6	9.3	6.9	9.5	7.6	6.8
Property-based income	0.7	0.3	0.8	0.4	0.2	1	0.6	0.6	0.1
Social benefits	7	7.5	9.6	9.2	10.4	9.4	9.8	12.8	14.2
Pensions	5.1	6	7.6	7.2	7.8	7.2	8	10.3	11.8
Other social benefits	1.9	1.5	2	2	2.6	2.2	1.8	2.5	2.4
..allocations for children	0.3	0.5	0.3	0.6	0.8	0.9	0.6	0.7	0.8
..compensations	0.2	0.3	0.2	0.3	0.3	0.2	0.1	0	-
..social assistance	-	-	-	0	0	0	0	0	0
Other incomes	21.8	24.7	22.1	20.7	21.7	20.5	19.9	23.4	19
Remittances	14.6	14.7	14.8	13.9	13.1	13.3	11.9	15.4	13.2
Other incomes	7.2	10	7.3	6.8	8.6	7.2	8	8	5.8

Table A7. Structure of consumption expenditures by quintiles 1 and 5, urban area, %, 2006 – 2014

<b>Table A7. Structure of consumption expenditures by quintiles 1 and 5, urban area, %, 2006 – 2014</b>									
<b>Urban</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>The first quintile</b>									
Consumption expenditures - total	100	100	100	100	100	100	100	100	100
Food products	53	52	49.7	50.7	52.8	53.8	55.3	53.9	52.9
Alcohol, tobacco	1.4	1.6	1.3	1.1	2	1.1	1.1	0.8	0.8
Clothes, footwear	6.6	8.1	7.9	8.1	6	7.1	7.1	7.9	8
Maintaining the dwelling	19.7	18.5	21.8	23.2	20.8	21.5	20.1	21.8	20.4
Equipping the dwelling	2.3	2.5	2.5	2.8	2.4	2	2.3	2.4	2.3
Medical care and health	5.2	3.9	4.9	3.2	3.5	2.8	4.6	2.7	3.9
Transport	3.1	3.5	2.3	1	1.7	1.8	1.5	1.4	1.8
Communication	3.3	4.1	4.3	4.9	4.9	4.9	3.7	4.3	4.5
Recreation	1.8	1.4	1.4	1.3	1	1.3	1.2	1	1.2
Education	0.3	0.3	0.2	0.1	1.1	0	0	0.1	0.5
Hotels, restaurants, cafes, etc.	0.7	1	0.5	0.5	0.5	0.2	0.4	0.3	0.6
Diverse	2.7	2.9	3.2	3.2	3.5	3.5	2.8	3.5	3.1
<b>The fifth quintile</b>									
Consumption expenditures - total	100	100	100	100	100	100	100	100	100
Food products	33.2	35.5	31.3	32.1	31.3	34.6	34.8	35.4	37.4
Alcohol, tobacco	2.4	1.9	1.4	1.6	1.4	1.7	1.6	1.5	1.4
Clothes, footwear	12.9	11.9	12.4	12.9	10.8	10	11.2	9.6	10.6
Maintaining the dwelling	11	9.9	14.6	13.7	17.9	17.3	18.5	19.3	18.7
Equipping the dwelling	6.8	6	5	4.1	4.2	4.2	3.4	4.3	3.7
Medical care and health	5.6	6	6.3	7.2	6.5	5.4	5.5	6	6
Transport	8.1	8.2	7.7	7.3	7.4	7	6.5	6.8	6
Communication	5.2	5.2	5.4	5.4	5	4.6	4.6	4.2	4.6
Recreation	3.8	3.6	4.1	4	2.8	3.4	2.3	3	2
Education	0.8	0.8	0.9	1	1.8	1.7	1.3	1.1	0.9
Hotels, restaurants, cafes, etc.	5.3	5.6	5.4	5.4	5.6	4.6	4.4	3.8	3.7
Diverse	4.9	5.3	5.6	5.5	5.3	5.6	5.8	4.9	5

Table A8. Structure of households by type of dwelling, %, 2006-2010

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Rural</b>									
State	0.4	0.2	0.1	0.1	0.1	0.1	0.0	0.3	0.4
Private	99.1	99.0	99.4	99.2	99.4	99.5	99.4	99.2	98.8
Rented	0.4	0.8	0.5	0.8	0.5	0.5	0.6	0.5	0.7
Other type	0.1	0.1	-	0.0	0.0	-	-	-	-
<b>Urban</b>									
State	3.3	2.6	1.6	0.9	1.0	1.8	1.3	1.0	1.2
Private	92.3	91.7	93.1	92.1	91.4	91.1	89.0	91.2	91.3
Rented	3.8	5.2	4.9	6.7	7.5	7.2	9.5	7.7	7.5
Other type	0.5	0.5	0.4	0.3	0.1	-	0.1	0.1	-
<b>Chisinau municipality</b>									
State	4.7	3.9	2.4	1.3	1.8	3.1	2.2	1.8	2
Private	88	87.1	90.7	88.7	87.2	85.4	81.4	87.2	86.8
Rented	6.9	8.1	6.6	9.8	11	11.5	16.1	11	11.2
Other type	0.4	0.9	0.3	0.1	0	-	0.2	-	-

**Table A9. Structure of households by dwelling space (m2 per person), %, 2006-2010**

	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Rural</b>									
up to 5,0 m2	1.6	1.1	1.1	1	1.1	0.9	1.1	1	1
5,1 - 7,0 m2	3.2	3.2	3.1	3.7	3	3	2.8	2.3	2.4
7,1 - 9,0 m2	5.4	4.8	5.1	5.7	5.4	4.2	4.7	4.4	4.4
9,1 - 13,0 m2	14.4	13.8	12.9	14.3	13	14.1	13.7	12.4	10.5
13,1 - 15,0 m2	7.5	7.2	6.9	7.1	6.7	7.3	6.5	6.6	6.4
15,1 - 20,0 m2	18.3	17.8	18.8	17.5	17	16.9	16.4	15.6	15.9
20,1 m2 and over	49.5	52	52	50.6	53.9	53.5	54.8	57.6	59.4
<b>Urban</b>									
Up to 5,0 m2	3.5	3.1	2.7	2.5	2.7	2.5	2.7	1.9	2.5
5,1 - 7,0 m2	6.9	8	7.5	7.9	6.6	6.8	5.5	5.5	6.5
7,1 - 9,0 m2	10.1	11.1	9.9	11	10.2	9.3	9.9	9.8	9.1
9,1 - 13,0 m2	21.5	20	19.5	19.8	19.9	19.1	21.4	19.7	16.4
13,1 - 15,0 m2	12.2	13.3	13	11.4	12.3	10.8	11.6	11	11.9
15,1 - 20,0 m2	16.2	16.2	16.5	17.1	15.7	18.5	16.1	16.3	17.1
20,1 m2 and over	29.6	28.2	31	30.3	32.5	32.9	32.8	35.8	36.4
<b>Chisinau municipality</b>									
Up to 5,0 m2	5.1	4.4	3.4	3.2	3.8	3.8	4	2.6	3.9
5,1 - 7,0 m2	8.9	10.6	8.4	9.8	8.4	9.1	6.8	8	10.3
7,1 - 9,0 m2	12.3	12.6	12	12.9	13	11.3	12.3	12.7	12.2
9,1 - 13,0 m2	24.5	19.1	19.7	22.5	21.3	20.8	23.3	24.4	18.2
13,1 - 15,0 m2	12.3	16.5	14.4	13.4	13.4	12.4	11.8	11.4	12.3
15,1 - 20,0 m2	16.5	16.1	16.1	17.8	16.2	18.2	16.1	15.8	17.6
20,1 m2 and over	20.3	20.7	25.9	20.4	23.9	24.4	25.7	25.1	25.6

**Table A10. Endowment of dwellings with utilities, %, 2006-2010**

	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Rural</b>									
Electrical lightening	99.4	99.4	99.7	99.8	99.9	99.8	99.9	99.9	99.9
Aqueduct, public network	12	13	6.1	9.3	26.5	35	36.8	35.7	38
Hot water	7.8	8	9.1	12.2	13.8	16.3	18	21.6	23.4
Hot water, public system	0.3	0.1	0	-	0.1	-	-	-	0
Hot water, individual system	7.5	7.9	9.1	12.1	13.7	16.3	18	21.6	23.3
Centralized heating	0.7	0.6	1	0.6	0.8	0.4	0.5	0.3	0.5
Individual heating system	5.6	4.8	4.1	4.2	4.7	3.8	3.3	3.6	3.3
Other type of heating installation (over, chimney, etc.)	93.7	94.6	94.9	95.2	94.6	95.8	96.2	96	96.2
Gas from the network	19.9	20.5	22.4	27.5	29.4	33.8	33.4	35.5	34
Sanitary block in the dwelling	3.5	3.4	3.9	4.1	5.8	7.3	8	9.7	10.5
Sanitation system	12.5	13.5	14.8	18.5	21.9	26.7	29.7	33.3	36
Public sanitation system	2.7	1.8	2.6	1.4	1.6	1.7	1.5	1.6	1.7
Individual sanitation system	9.8	11.7	12.2	17.1	20.3	25	28.2	31.7	34.4
Bathroom or shower	9.6	10.4	11.2	14.1	15.6	18.2	20.5	23.8	26.2
Telephone	62.7	69.7	75.5	80.6	81.4	83.2	82.9	83.2	82.9



	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Urban</b>									
Electrical lightening	99.9	99.9	99.9	100	99.9	100	99.8	100	100
Aqueduct, public network	83.4	82.2	82.2	82.5	87.6	90.4	89.9	89.4	89.3
Hot water	61.1	59.6	63	64.7	66.8	71.4	73	70.8	72.4
Hot water, public system	29.8	23.7	23	22.1	21.3	18.7	20.6	20	19.8
Hot water, individual system	31.3	35.9	40	42.6	45.6	52.7	52.4	50.8	52.6
Centralized heating	45.5	43.6	44.1	42.3	41.7	40.1	43	42	39.8
Individual heating system	28.4	28.9	28.5	29.1	30.1	31.1	28.8	26.3	28.9
Other type of heating installation (over, chimney, etc.)	25.5	26.9	27.4	28.5	28	28.5	28	31.5	31.3
Gas from the network	79.2	81.4	80	78.7	81.6	81.6	82	82	81.6
Sanitary block in the dwelling	71.7	72.8	72.6	72.5	73.3	74.9	76	73	74.9
Sanitation system	84.3	83.8	85.2	84.9	87.4	89.8	89.9	88.1	89.7
Public sanitation system	71.2	71.5	72.6	71.8	71.9	73.3	75.6	71.5	71.9
Individual sanitation system	13.1	12.2	12.5	13.1	15.5	16.5	14.3	16.6	17.8
Bathroom or shower	75.7	76.7	76.3	76	76.9	78.7	79.9	77.1	79.7
Telephone	89.6	91.5	93.1	92.8	93.4	93.4	91.8	91.9	91.2
<b>Chisinau municipality</b>									
Electrical lightening	100	99.9	100	100	100	100	100	100	100
Aqueduct, public network	94.3	94.6	95.1	95.8	97.5	97.1	96.1	96.5	96.4
Hot water	86.1	82.9	82.7	86.1	87.7	87.8	88.5	88.8	88.3
Hot water, public system	54.4	45.7	42.7	43	41.3	36.3	38.8	39.2	39.2
Hot water, individual system	31.7	37.2	40	43.1	46.4	51.6	49.7	49.6	49.1
Centralized heating	70.4	70.5	70.6	70.7	69.8	67	70.2	72.2	68.9
Individual heating system	19.1	19	19.2	19.8	20.3	21	18	15.5	19.9
Other type of heating installation (over, chimney, etc.)	10.5	10.4	10.2	9.5	9.9	11.7	11.7	12.3	11.2
Gas from the network	87.8	90.8	90.5	87.9	90.1	88.5	87.9	89.6	88.7
Sanitary block in the dwelling	87.9	87.8	88.2	87.8	89.6	89.8	88.6	88.9	90.1

**Table A11. Endowment of dwellings with utilities, %, 2006-2010**

	Total	Age groups					
		15-24 years	25-34 years	35-44 years	45-54 years	55-64 years	65 and over
<b>Total</b>	538	40.5	165.9	125	120.6	76.6	9.4
Agriculture, hunting and fishery	16.5	0	3	4.1	4.5	3.8	0
Industry	90.3	6.1	24.6	21.1	22.8	14.6	0
Constructions	34.3	2	12.2	8.4	5.9	5.3	0
Wholesale and retail trade; Hotels and restaurants	145.7	14.7	51	35.6	30.6	12.8	0
Transport and communications	46.6	3.8	13.6	11.2	11.3	6.3	0
Public administration; Education; Health and social assistance	118.1	6.5	30.8	24.6	28.8	23.5	3.8
Other activities	86.5	6.8	30.6	19.9	16.7	10.4	2.2

**Table A12. Average number of employees and average monthly salary by economic activities, sectors, 2014**

	Budgetary sector			Real sector		
	Monthly gross average salary, lei	Monthly net average salary, lei	Average number of employees, persons	Monthly gross average salary, lei	Monthly net average salary, lei	Average number of employees, persons
A agriculture, forestry, fishery	2637.3	2247.8	1034	2710.8	2313.2	38231
B extractive industry	..	..	-	4317.7	3618	2344
C processing industry	..	..	1	3956.2	3290	77875
D production and supply of electricity, heating, gas, hot water, air conditioning	..	..	-	7249.7	5833.3	11914
E distribution of water, sanitation, waste management, decontamination activities	2759.1	2362.8	136	4378.3	3605.5	7277
F constructions	..	..	-	4165.7	3438.2	23497
G wholesale and retail trade; maintaining and repairing auto-vehicles and motorcycles	..	..	-	3367.5	2806.6	93663
H transport and storage	..	..	18	3938.9	3288.7	37432
I lodging and public food provision activities	2025.4	1731.7	186	2768.5	2342	12228
J information and communications	..	..	88	8421.4	6764.1	18285
K financial and insurance activities	..	..	-	7505.3	5983.9	13949
L real estate transactions	2392	2015.4	314	3614.7	2998.1	11844
M professional, scientific, and technical activities	4671.4	3856.8	5487	5983.5	4830.1	11852
N administrative services and support services activities	4057.9	3292.5	236	3191	2676.2	10785
O public administration and defense; compulsory social insurance	5007.8	4277.5	50876	17417.5	13332.3	985
P education	3138.7	2658.8	91068	5256.5	4291.9	12320
Q health and social assistance	3056.9	2592.4	11487	4309.2	3569.6	48341
R art, recreation activities and leisure	2337	1996.9	8611	3402.1	2840.7	4643
S other service activities	1542.9	1356	7	5283.5	4269.7	6514

**Table A13. Employed population by type of production unit in urban area, type of job, thousand persons, 2003-2014**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Enterprises, total</b>												
Employed population, total	581.9	568.7	573.6	560.9	548.6	559.2	548.3	538.3	556.8	554	550.5	538
Informal place of work	162.3	149.3	135.8	109.4	99.8	87.9	81	78.5	80.5	73.5	74.1	64.9
<b>Enterprises in formal sector</b>												
Employed population, total	508.3	505.5	521.4	523.2	513.1	523.1	512.5	501	513.8	511.3	504.2	491.9
Informal place of work	88.6	86.1	83.5	71.6	64.3	51.7	45.2	41.1	37.5	30.8	27.7	18.8
<b>Enterprises in formal sector</b>												
Employed population, total	60	52.3	41.7	31	30.3	32.9	32.7	32.7	36	35.2	37.6	38.9
Informal place of work	60	52.3	41.7	31	30.3	32.9	32.7	32.7	36	35.2	37.6	38.9
<b>Households producing for their own consumption</b>												
Employed population, total	10.7	8.3	7.7	3.7	2.3	1.3	1	2.1	5.1	6.1	6.5	5.5
Informal place of work	10.7	8.3	7.7	3.7	2.3	1.3	1	2.1	5.1	6.1	6.5	5.5
<b>Households employing employees</b>												
Employed population, total	3	2.6	2.8	3	3	2	2.1	2.5	1.9	1.3	2.2	1.8
Informal place of work	3	2.6	2.8	3	3	2	2.1	2.5	1.9	1.3	2.2	1.8

**Table A14. Employed population by type of production unit in urban area, type of job, economic activities, thousand persons, 2003-2014**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Enterprises, total</b>												
<b>Economic activities - total</b>												
Employed populat., total	581.9	568.7	573.6	560.9	548.6	559.2	548.3	538.3	556.8	554	550.5	538
Informal place of work	162.3	149.3	135.8	109.4	99.8	87.9	81	78.5	80.5	73.5	74.1	64.9
Informal employment, %	27.9%	26.3%	23.7%	19.5%	18.2%	15.7%	14.8%	14.6%	14.5%	13.3%	13.5%	12.1%
<b>Agriculture, hunting, fishery</b>												
Employed populat., total	36.6	26.2	24	19.1	16.5	16.9	15.6	18.9	18.9	18	20.6	16.5
Informal place of work	24.3	17.1	14.4	9.8	6.7	7	6.2	8.5	10.4	11.5	13	10.7
Informal employment, %	66.4%	65.3%	60.0%	51.3%	40.6%	41.4%	39.7%	45.0%	55.0%	63.9%	63.1%	64.8%
<b>Industry</b>												
Employed populat., total	121.4	116.2	118.5	103.8	100.7	104.4	100.4	91	95.3	97	89.3	90.3
Informal place of work	13.8	15.1	11.5	10.1	8.8	8.9	6.7	6	5.9	5.4	3.8	3
Informal employment, %	11.4%	13.0%	9.7%	9.7%	8.7%	8.5%	6.7%	6.6%	6.2%	5.6%	4.3%	3.3%
<b>Constructions</b>												
Employed populat., total	42	38.4	37	43.1	43.2	47.3	39.8	35.7	36.5	37.8	32.3	34.3
Informal place of work	24.8	22.1	19.9	20.5	19.2	19	18.3	17.2	19.8	17.8	15.9	17.1
Informal employment, %	59.0%	57.6%	53.8%	47.6%	44.4%	40.2%	46.0%	48.2%	54.2%	47.1%	49.2%	49.9%
<b>Wholesale and retail trade, hotels and restaurants</b>												
Employed populat., total	141.4	141.3	146.3	146.7	144.5	152.3	157.2	155.2	162.1	151.2	152.6	145.7
Informal place of work	70.4	67.9	64	48.5	44	36.4	35.4	30.7	30.9	27.3	25.4	19
Informal employment, %	49.8%	48.1%	43.7%	33.1%	30.4%	23.9%	22.5%	19.8%	19.1%	18.1%	16.6%	13.0%
<b>Transport and communications</b>												
Employed populat., total	51.8	54.1	53.5	46	47.1	47.8	46.1	44.4	47.7	49	51.3	46.6
Informal place of work	13.3	12.1	9.6	6.2	6.9	7.7	4.8	4.8	4.5	4.4	5.8	4.4
Informal employment, %	25.7%	22.4%	17.9%	13.5%	14.6%	16.1%	10.4%	10.8%	9.4%	9.0%	11.3%	9.4%
<b>Public administration, education, health, social assistance</b>												
Employed populat., total	131,3	128,9	131	132,2	126,1	123	121,5	124,1	125,4	123,9	121,2	118,1
Informal place of work	1,4	1,6	1,7	1,1	0,5	0,6	0,9	1,4	1,1	0,2	0,3	0,4
Informal employment, %	1.1%	1.2%	1.3%	0.8%	0.4%	0.5%	0.7%	1.1%	0.9%	0.2%	0.2%	0.3%



**Table A14. Employed population by type of production unit in urban area, type of job, economic activities, thousand persons, 2003-2014**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Other activities</b>												
Employed populat., total	57.4	63.7	63.3	70	70.4	67.5	67.7	69.1	70.9	77.1	83.4	86.5
Informal place of work	14.4	13.4	14.6	13.2	13.8	8.3	8.6	9.8	7.8	6.8	9.9	10.3
Informal employment, %	25.1%	21.0%	23.1%	18.9%	19.6%	12.3%	12.7%	14.2%	11.0%	8.8%	11.9%	11.9%



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