

CORONAVIRUS PANDEMIC SHOCK: LABOUR MARKET IN THE REPUBLIC OF MOLDOVA

ȘOCUL PANDEMIEI CORONAVIRUS: PIATA MUNCII ÎN REPUBLICA MOLDOVA.

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Abstract

Given article presents the results of the evaluation of the labour market situation of the Republic of Moldova under the conditions of the COVID - 19 pandemic. The actuality of the topic is explained by the necessity to estimate the consequences of restrictive measures in the field of economic activity of employers (juridical persons) related to the pandemic. The authors identified the main problems of labour market during the pandemic, analyzed the level of economically active and employed population, including the evaluation of social risks (unemployment) of employed population on labour market by types of economic activity and by forms of property. The analysis of the main indicators of labour market in the Republic of Moldova is performed in comparison for the pre-crisis period 2018-2019 and in the pandemic conditions of 2020. The analysis was based on statistical data from the National Bureau of Statistics of the Republic of Moldova, including the Special study "The impact of the covid-19 pandemic on labour market situation", as well as measures to support the labour market and economy during the pandemic adopted by the Moldovan Government. Based on the results obtained, conclusions and proposals were formulated to improve policies in the field of economic activity, balance between monetary and fiscal policies, strengthening social protection of working age population in order to mitigate the consequences of the pandemic crisis on labour market.

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Key words: COVID-19 pandemic, labour market, economic activity of population.

1. Introduction

March 11, 2020 The World Health Organization (WHO) has announced an outbreak of coronavirus infection (COVID-19). Restrictive measures, as a consequence of the pandemic, affected both the economies of countries and the social sector. The collapse of the stock market, fall in price on stock exchanges, disruption of integration links, and reduction in import demand have led to many countries' economies losses. The adoption of restrictive measures to prevent the spread of infection affected almost all markets, including labour, commodity, investment, etc. And as a consequence there was both a slowdown and a decline in global economic activity, which led to a recession, the threat and elimination of work places, decrease in incomes and lower purchasing power of the population. The Republic of Moldova is no exception and as a result of the introduction of restrictive barriers aimed, among other things, at observing "social distancing", already in the second quarter of 2020, according to the NBS RM, the share of employed population decreased by 8,8%, with a predominance of men (52,2%) and working population from rural areas (56%), while the number of workers in "technical unemployment" (a worker formally employed, but not

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working) increased 8 times compared to the second quarter of 2019. The spread of Covid-19 affected the occupational activity of 24,4% of Moldova's employed population, of which 60,5% were women.

In this situation, the Ministry of Economy and Infrastructure of RM together with the experts of the International Monetary Fund (IMF) reduced the forecast of growth of the GDP Physical Volume Index in 2020 to -4,5 p.p. (MEI [1]). Also, the World Bank (WB) estimated the recession in the Republic of Moldova in 2020, according to which the GDP will reach 7,2% and, as a result, young people will be most affected. In the Republic of Moldova, on average, about 2% of economic agents stopped their activities, or half of the average in the other 37 countries where similar WB studies were conducted, with the services sector being mostly affected.

As a result of pandemic, regional disparities in labour market have also deepened. Despite the fact that about half of the economic agents adapted their economic activity to changing conditions, their ability differed from region to region, which was reflected in the main economic and social indicators and, for example, the Northern region was among the lagging ones according to these data, the Central region has the highest indicators due to the fact that the Chisinau Municipality is located in, which the highest number of economic agents is concentrated, provided by the greater possibility to adapt various types of economic activities and sales of products and services, receiving financial support, the Southern region, which ranked last among the regions and in which in 2019 only 20% of agents had their web-site, against all has good results due to the fact that given region recorded the highest percentage of economic agents who started to work in a remote format, and also introduced new products or services as a result of progress in using new technologies.

Consequently, the pandemic crisis situation has exposed problems and weaknesses in labour market, including the suspension of economic activity of both large and small enterprises, and especially in the provision of services, it is a decrease in economic activity of population, the reduction of working hours and the possibility of reduction or dismissal of staff, as a consequence the risk of unemployment and poverty among the working population. Thus, according to ILO estimates, the number of persons in the world who may join the ranks of the "working poor" can range from 8, to 35 million, although the forecast for 2020 was that the number, on the contrary, would fall by 14 million [2]. Proceeding from the above, given article is actuality and its purpose is to *analyze the changes in labour market indicators of the Republic of Moldova*, to identify the main problems and factors that will impact the situation on labour market in the country in the coming years under the pandemic (COVID-19), and as well as to elaborate some proposals that will help improve the situation in the field of increasing employment in the perspective.

2. Results and discussions

The labour market situation on the eve of the pandemic (2014-2019)

Considering the situation on labour market in the Republic of Moldova, it can be noted that the number of inactive population during this period has been gradually decreasing, confirming the downward tendency in the number of working-age population, starting from 2010-2011 (Zaharov S. [3, pp. 46-47]). At the same time, the number of economically active population (15+) during 2014-2018 practically did not change, except for 2017, remaining at

the level of 1018-1038 thousand persons. Based on the analysis of labour force dynamics (age group 15-64), it can conclude that the number of economically active population is gradually decreasing (2017-2018). The sustainable number of economically active population (15+) in labour market was provided by increasing the number of age groups 55-64 years old and 65 and over (65+), compensating for the decrease in the 15-24 years old and 25-34 years old age groups during given period.

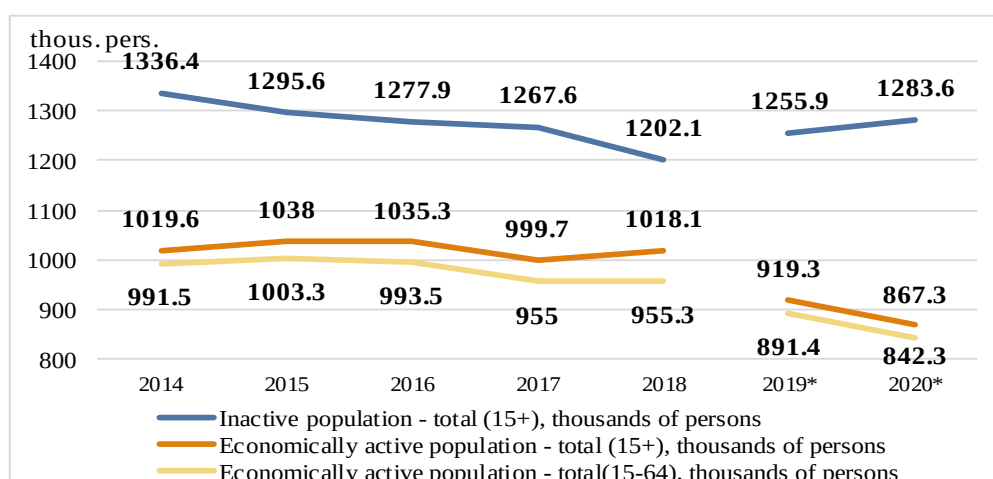


Figure 1. Inactive population, economically active population, 2014-2020, thousand persons

* 2019-2020 The Household Labour Force Survey (Ancheta forței de muncă) of the NBS RM is realized according to the new survey plan and according to the revised definition of employment.

Source: elaborated by the authors on the basis of data NBS RM, www.statistica.md

The change in the employed population (15-64) also confirms that the employed population in the economically active age group is declining.

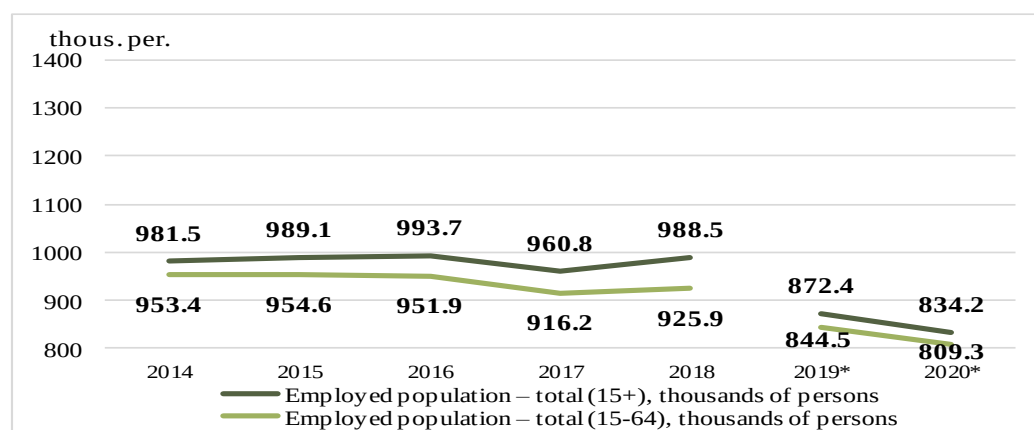


Figure 2. Employed population, 2014-2020, thousand persons

* 2019-2020 The Household Labour Force Survey (Ancheta forței de muncă) of the NBS RM is realized according to the new survey plan and according to the revised definition of employment.

Source: elaborated by the authors on the basis of data NBS RM, www.statistica.md

It should be noted, that the current demand on the part of economic entities gradually increased after the global crisis of 2009-2010 and in 2014 exceeded 40 thousand vacancies

and equaled the current labour supply (the number of NEA³ registered unemployed) and, starting from 2017, stably higher than the current labour supply (*Table 1.*), repeating the situation in labour market before the 2009-2010 crisis. At the same time, it is necessary to note, that the number of NEA registered unemployed in 2014 was lower than the pre-crisis figure of 2008 (46.2 thousand persons). And since 2017, there has been a constant decline in the current labour supply, which does not compensate for the increasing demand from employers and it is the obstacle to attract investment and, accordingly, business expansion. The reduction in supply is connected with an increase in the number of short-term labour migrants in the country in structure of the inactive population (Savelieva G., Zaharov S. [4]). The corresponding reduction in the current labour supply causes labour force shortages.

In 2019, employers *reduced the current demand for labour force*, while the current labour supply began to decline since 2013-2014 and continued in 2017-2018. Reduced current demand from economic actors has affected job placed opportunities for the unemployed, consequently increasing the coefficient of intensity in 2019. Share of the unemployed in 2019 has decreased to the level of 2015-2016.

Table 1. Characteristics of the tension (intensity) coefficient, 2008-2020

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NEA vacancies, thousand places	49,0	27,1	30,2	28,3	35,1	37,5	41,5	42,3	44,6	45,4	49,2	34,3	24,1
NEA unemployed, thousand persons	46,2	79,2	81,5	67,3	51,4	43,5	42,2	50,6	50,0	42,1	35,5	31,5	50,2
Coefficient of intensity*, units	0,94	2,92	2,70	2,38	1,47	1,16	1,02	1,20	1,12	0,93	0,72	0,92	2,08
Share of job placed unemployed*, %	48,0	21,5	18,0	20,1	30,3	38,5	38,8	33,2	35,3	39,5	41,4	35,7	18,2

* based on the proposals of enterprises

** authors' calculations

Source: data of the National Employment Agency (NEA) and authors' calculations, www.anofm.md

The stability of the indicator of total number of employed population was ensured in the period 2014-2018 at the expense of informal employment population. Against the background of the reduction in number of formal employment, the informal sector showed stable growth. At the same time, it is necessary to really understand that the consequences of the reduction of the formal segment in labour market is under-receipt of contributions to the State Social Insurance Budget, which negatively affects the development of economy (Kubishin E., [5, p. 10]).

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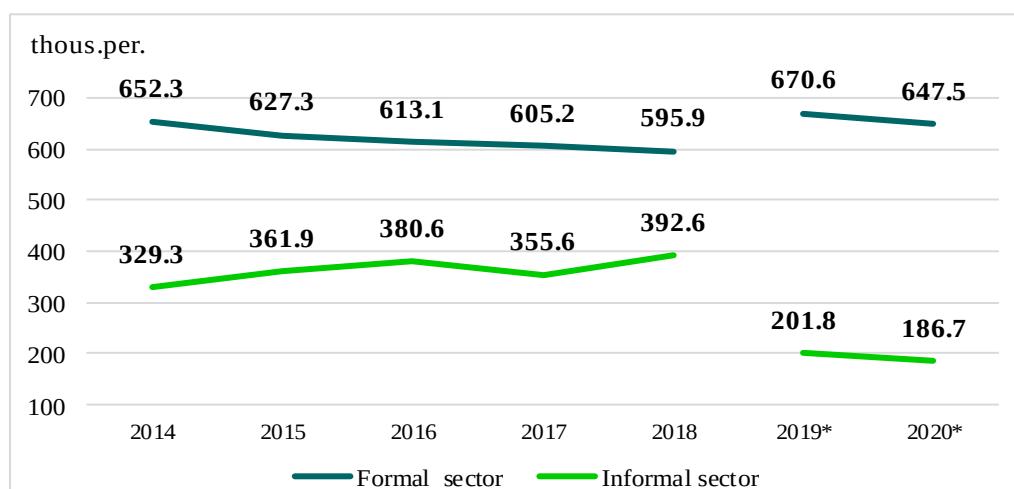


Figure 3. The dynamics of formal and informal employment, 2014-2020, thousand persons

Source: elaborated by the authors on the basis of data NBS RM, www.statistica.md

The labour market before the pandemic was characterized by the following tendencies:

- the stabilization of labour force indicator (15+), and a declining employed population (15-64);
- the gradual decline in the current labour supply causes a labour shortage that does not compensate for the increasing demand from employers and prevent to attracting investment and, consequently, business expansion.
- the drop in current labour demand from employers on labour force in 2019.

Situation in labour market in a pandemic (COVID-19)

The analysis of indicators characterizing the labour market showed that the number of labour force (economically active population) in 2020 (15+) decreased compared to 2019 by 52,0 thousand persons and the employed population by 38,2 thousand people, which is 5,7% and 4,4%, respectively (*Table 2.*). There is the small decrease in economic activity and employment rate, as well as unemployment rates. The insignificant difference between the indicators for the age group of 15 years and above(15+) and 15-64 years old indicates that there is no necessity to analyze the age group of 15-64 years old.

Analysis of labour market indicators by place of residence and sex showed that employment in urban areas, as well as female employment, decreased the most from the pandemic. Based on the above, it can be conclude that a more detailed analysis of statistical data for this period is necessity.

Table 2. Economic activity of population, 2019-2020, thousand persons%

	Economically active population (labour force), thousands of persons			Economic activity (participation) rate, %	Employment rate, %	ILO Unemployment rate, %
	Total	Employed population	ILO Unemployed			
15+						
2019	919,3	872,4	46,9	42,3	40,1	5,1
2020	867,3	834,2	33,1	40,3	38,8	3,8
Difference(+/-)*	-52,0	-38,2	-13,8	-2,0p.p.	-1,3p.p.	-1,3p.p.
15-64						

2019	891,3	844,5	46,8	49,4	46,8	5,3
2020	842,3	809,3	33,0	47,6	45,7	3,9
Difference(+/-)*	-49,0	-35,2	-13,8	-1,8p.p.	-1,1p.p.	-1,4p.p.
15+						
	<i>Urban</i>	<i>Rural</i>	<i>Urban</i>	<i>Rural</i>	<i>Urban</i>	<i>Rural</i>
2019	425,5	493,8	404,7	467,7	20,9	26,0
2020	395,2	472,1	377,6	456,6	17,6	15,5
Difference(+/-)*	-30,3	-21,7	-27,1	-11,1	-3,3	-10,5
15+						
	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>
2019	474,9	444,4	447,4	425,0	27,5	19,3
2020	454,2	413,1	434,5	399,7	19,7	13,4
Difference(+/-)*	-20,7	-31,3	-12,9	-25,3	-7,8	-5,9

* authors' calculations

Source: authors' calculations and NBS RM' data, www.statistica.md

The quarterly analysis of labour market indicators showed that the largest drop was observed in the second quarter of 2020. If a number of economically active population decreased in the first quarter by 58 thousand people (-6,5%), then in the second quarter by 85 thousand people (-9,0%), the number of employed population by 23 thousand people (-2,7%) and 80 thousand people (8,8%) respectively.

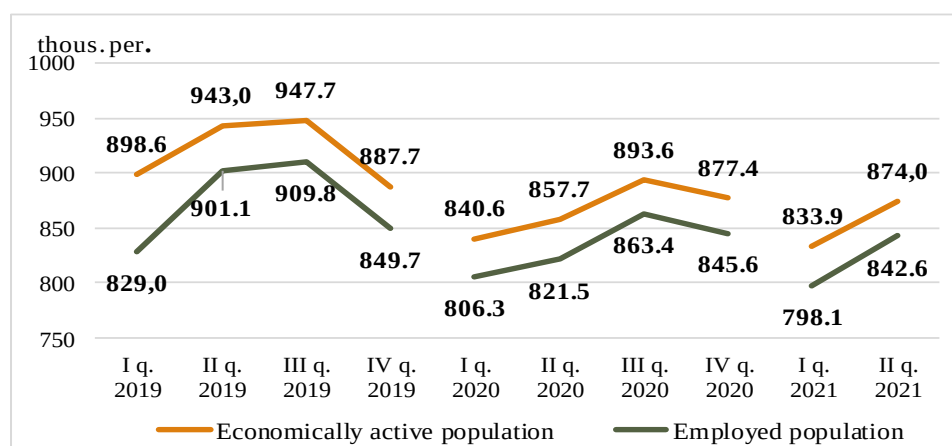


Figure 4. Economically active population, employed population, 2019-2020, thousand persons

Source: elaborated by the authors on the basis of data NBS RM, www.statistica.md

By the second quarter of 2020, National Employment Agency (NEA) were registered about 60 thousand unemployed in labour market and the registered unemployment rate was about 7%. By the results of third quarter the number of labour force decreased by 54 thousand persons (-5,7%) and employed population by 46 thousand people (-5,1%). In IV quarter the decrease of labour market was minimal for the whole year by 10,3 thousand persons (-1,2%) and 4,1 thousand persons (-0,5%) respectively. At the same time, it should be noted that the corresponding indicators for the first quarter of 2021 are practically close to same of 2020,

which indicates a slowdown in labour market recovery in the Republic of Moldova (stagnation of labour market indicators).

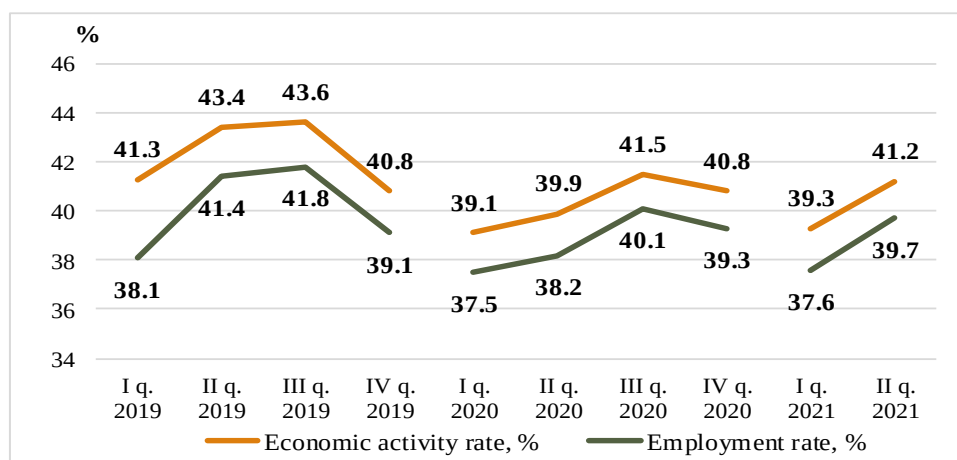


Figure 5. Economic activity (participation) rate, employment rate, 2019-2020, %

Source: elaborated by the authors on the basis of data NBS RM, www.statistica.md

In the conditions of pandemic in labour market, the changes mainly affected the employed in enterprises with private form of property, including both formal and informal sector of economy. So in 2020 the number of employed in enterprises and organizations (public property) decreased by 7,5 thousand persons (-2,9%), in enterprises with private form of property - by 30,7 thousand persons (-5,0%) - every 20th worker, including the number of informally employed decreased by 15,500 persons (-7,7%). In the Q2 of 2020 the number of employed in public and private enterprises decreased respectively by 25,1 thousand persons (9,1%) and 55,7 thousand persons (8,9%), including 27,7 thousand persons (12,7%) in the informal sector - every seventh employed.

Table 3. Distribution of employed population by forms of property, 2019-2020, thousand persons

	Total		Formal employment		Informal employment	
	2019	2020	2019	2020	2019	2020
Total +/-	872,4	834,2	670,6	647,5	201,8	186,7
		-38,2		-23,1		-15,1
Public +/-	255,9	248,4	255,5	247,6	0,0	0,0
		-7,5		-7,9		
Private +/-	616,5	585,8	415,1	399,9	201,4	185,9
		-30,7		-15,2		-15,5
+/- authors' calculations						

Source: authors' calculations and NBS RM' data, www.statistica.md

For 2020 the *sectoral structure of employed population* has also changed. So the main branches of the economy, affected by the pandemic, are *wholesale and retail trade, hotels and catering enterprises* (-9,4%), *industry* (-5,2%), other types of services (-6,8%), which includes *arts, entertainment and recreation*, etc. In Q2 2020 the number of employed population

decreased in *wholesale and retail trade*, hotels and catering enterprises (-15,1%), other services (-15,7%), construction (-9,8%), industry (-7,8%), etc.

Table 4. Distribution (structure) of employed population by type of economic activity, 2019-2020, thousand persons/%

Types of economic activity	2019	2020	Difference (+/-)*	II q. 2019	II q. 2020	Difference (+/-)*
Total	872,4	834,2	-38,2 (-4,4%)	901,1	821,5	-79,6 (-8,8%)
Agriculture, forestry and fisheries	182,8	175,9	-6,9 (-3,8%)	197,3	188,1	-9,2 (-4,7%)
Industry	128,0	121,4	-6,6 (-5,2%)	130,6	120,4	-10,2 (-7,8%)
Constructions	61,4	60,4	-1,0 (-1,6%)	64,2	57,9	-6,3 (-9,8%)
Wholesale and retail trade; Accommodation and public catering activities	163,8	148,4	-15,4 (-9,4%)	162,2	137,7	-24,5 (-15,1%)
Transport and storage; Information and communications	59,9	61,5	+1,6 (2,7%)	61,5	58,9	-2,6 (-4,2%)
Public administration, Education, Health and social assistance	197,5	193,1	-4,4 (-2,2%)	208,1	193,4	-14,7 (-7,1%)
Other service activities	78,9	73,5	-5,4 (-6,8%)	77,2	65,1	-12,1 (-15,7%)

Source: authors' calculations and NBS RM' data, www.statistica.md

Special study “The impact of the covid-19 pandemic on the labour market situation”

NBSRM

Since 2020. NBS RM is conducting the special study to evaluate the impact of the pandemic (COVID 19) on labour market in the Republic of Moldova. The study showed that in 2020, on average, about 68,000 employed people (8% of total employed population) declared that the epidemiological situation in the country directly affected on their relations with labour market (in Q1, 33,200 persons (4.1%), in Q2 200,600 (24.4%), as well as 16,400 persons who lost their jobs in the labour market because of the pandemic, in Q3 21,500 (2.5%), in Q4 15,7 thousand persons (2,0%)). Most of employed population who reported the impact of the pandemic on their labour relations consisted women (59,7%), as well as residents of urban areas (60,9%). Age groups are presented as follows: the highest shares are in the age groups 25-34 years old – 26,4%, 35-44 years old – 25,9%, 45-54 years old – 22,4%, the age groups 55-64 years old – 16,% and 15-24 years old – 5,4% are the smallest share. The largest part of those injured at work are employed in the service sector (78,3%), followed by industry (13,8%), construction (5,9%) and the smallest in agriculture (2,1%).

Within the framework of this study, the principal consequences of impact of the pandemic on the labour market in the Republic of Moldova were determined, namely such categories as interrupted/stopped activity; remote work (distant work) /work done at home; reduction of working hours per week; part-time work; overwork, etc. *Interrupted/stopped activities* were characteristic of Q1-Q2 2020 (60,6-60,7% of total number of injured persons), *remote work* and *reduction of working hours per week* – on average about 25% in Q1-Q2 2020

and respectively 40,5% in Q4 and 44,8-48,0% in Q3-Q4, *part-time* employment – the maximum value of 28,6% in Q4.

During the research, the main reasons for stopping work on labour market in the Republic of Moldova were determined, and namely: being on unpaid leave, stopped working (terminated working activity), technical unemployment, annual leave, flexible working hours, illness.

Labour market and economic support measures

In the face of external shocks (pandemic), it is necessary to take measures to protect work places and people's incomes in order to achieve certain macroeconomic outcomes, namely, reviving economic growth, guaranteeing production, providing work places, price stability, etc. The governments of almost all countries, both high-income and low-income, in a pandemic have taken a series of carefully selected interventions to protect the population as well as support businesses to mitigate the impact of pandemic shocks consequences. The countries of the USA, Moldova, and Kenya are given as examples:

USA- 47 million people applied for unemployment benefits from mid-March 2020 - more than a quarter of the USA labour force. As of October 2020, 19,5 million persons are receiving benefits. Now the number of requests per week is 1,5 million persons. At the end of March 2020 – 6,9 million persons. Federal Supplement of \$ 600 to unemployment benefits until November 15, 2020.

2020 - 2 trillion dollars to support the economy and overcome the consequences of the crisis. The package included direct payments to citizens of the country (\$ 1200), temporary increases in unemployment benefits, loans for small businesses, financial support for companies that have lost all or most of their clients, and funding for hospitals. 350 billion dollars - small business enterprises for the payment of wages employees in times of crisis (PPP – Paycheque Production Programme).

2021 - The United States has allocated 1.8 trillion dollars - stimulus package; targeted measures focused on supporting employment - \$ 1200 new payments to most taxpayers.

MOLDOVA - From January 1 to August 31, 2020 about **60 thousand people**, who were looking for work were registered with the territorial employment units of the National Employment Agency (NEA), including 10,658 patent holders and individual entrepreneurs, and as a result of technical unemployment. Raising the unemployment benefit to 2775 lei; granting unemployment benefits up to MDL 2775 to all citizens who register at the territorial offices of the Employment Bureau, including those who have returned from abroad.

2.1 billion lei will be allocated to support the economy and business, including: 1,3 billion lei for the return of part of contributions and taxes when paying salaries in conditions of technical idle time. Economic agents will receive subsidies from the state by increasing payments:

- To the National Fund for the Development of Agriculture and Rural Areas for 100 million lei;
- To the Credit Guarantee Fund for Small and Medium Enterprises for 50 million lei.

The government will allocate 50 million lei for the development of business infrastructure in free economic zones, and 20 million lei for the state program First house.

KENYA (51 million inhabitants) - April 2020- **130 thousand people** unemployed, 35,2 billion Ksh to support the economy: 50% for tourism, 14% for real estate.

100% waiver of taxes on wages 24000 Ksh, over 24000 - pay 25% taxes on wages. (1 lei - 6 Ksh).

Value added tax from 16 to 14%. Removal of wealth tax credits.

Large-scale transformation in labour market: New forms of labour

During the pandemic (COVID-19) many workers (being in self-isolation) were forced into or moved into remote work (distant work, telecommuting). Under the impact of the pandemic and the massive transition of workers to telecommuting, the **large-scale transformation in the form of labour** has taken place in labour market. One of these transformations is the combination of office work and remote work (telecommuting) - a

“*hybrid form of labour*”. It is given form of labour that has begun to affect the development of economy.

The consequences of using given form of labour:

- companies give partial priority to remote work, combine the advantages of effective office work and remote work (3+2), at the expense of remote work of their employees reduce their costs, close part of their offices, etc.;
- the outflow of people from city centers, which is reflected in the activities of urban enterprises (businesses), including cafes, stores, leisure businesses, public transport, etc., the revitalization of small towns and suburbs.

3. Conclusions

The analysis of labour market in the Republic of Moldova during the pandemic showed that its problems, which affect its stability and competitiveness, became even more aggravated, including:

- reduction in the number of economically active and employed population. Moreover, as a consequence of the pandemic crisis, the reduction in employment in urban areas was recorded and, especially, this was reflected in female employment;
- changes in employment rate, the labour activities regime and directly the number of workers were related to the private form of property, as well as to the formal and informal sectors of economy;
- as a result of restrictive measures, since 2020 there was the change in the sectoral structure of employed population (as the main area of economy affected by the pandemic is the service sector, HORECA, i.e. wholesale and retail trade, hotels and catering companies).

At the same time, in the second quarter of 2021 there was a slight increase in the number of employed, by 1,3%. compared to the same period in 2020 and its share was 54,7% of total employed population (in the second quarter of 2020 the share was 55,4% of total employed population). According to the NBS statistics for the second quarter of 2021, the epidemiological situation affected to the labour relations of about 8,000 of working-age population aged 15 and over, with 86% of them are directly employed and 14% becoming economically inactive as a result of the pandemic. About 1,0% of employed population said they were affected by the Covid-19 situation, which is significantly lower than in the second quarter of 2020, which was 24,4% of total employed population. By gender, women remain the most affected (the female share accounted for 55,3% compared to men's 44,7%). By sectors of economy, the majority of those affected by Covid-19 were registered in the service sector (83,4% of total employment) and in industry (16,6%), which is larger than in the second quarter of 2020 (the service sector had the highest share of injured -77,1%, in industry -14,4% and in construction -6,1%). The main reasons affecting to employment level or temporary absence from work place or interrupted or stopped due to the pandemic in this period were sick leave (71,3%), downtime or stopped of activity (28,7%), with the higher share of unpaid leave (31,4%), downtime and stopped of activity (21,9%) and technical unemployment (20,3%) than in the second quarter of 2020[6]. At the same time, the indicators of economically active and employed population in 2021 are almost close to the same indicators of 2020, which indicates a slowdown in labour market recovery in the Republic of Moldova (stagnation of indicators in labour market).

As follows from the Special study “The impact of the Covid-19 pandemic on the labour market situation” NBS RM changes in labour market are mainly connected with changes in the working regime, the transition to a remote (distant) form, the reduction of working hours during the week. Remote work and work in the office (“*hybrid form of labour*”) were adaptive forms of labour, which allowed during the pandemic to effectively combine office employment with work “remote”, at a distance, and also provided an opportunity for workers to continue the labour activity and employers to successfully solve the problem of adaptation of companies in conditions of pandemic crises and the necessity for self-isolation or other restrictions.

The economic and labour market crisis of the pandemic has shown the vulnerability of employed population, the inconsistency of standards in the organization of decent work and social protection of workers, the increased risk of unemployment and poverty, and the imperfect legal and legislative framework capable to confront the challenges of the current situation. Protection measures taken by various countries confirm the necessity to apply an active fiscal and monetary policy, strengthen social protection and social dialogue, improve working conditions and its safety in order to reduce the negative impact of the pandemic on the activities of economic agents, workers and the most vulnerable categories of population, as well as ensure a safe exit from the pandemic crisis. Taking into account the experience of the Republic of Moldova, ILO member states consider the following to be appropriate:

- ensuring social protection in accordance with the recommendations of the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) and the ILO Social Protection Floors Recommendation, 2012 (No. 202), including both formal and informal workers, ensuring subsidized health and social insurance in the event of job or their ability to work loss;

- maintaining the wages of workers in a pandemic, perfecting the instruments to maintaining and presence the financial resources necessary both to pay (subsidies) and to assist or implement preventive measures to protect workers’ health, hygiene and safety of their working places, maintaining flexibility in regime, schedule of work;

- strengthening social dialogue between partners, taking joint measures to prevent the spread of the disease in specialized organizations and territories, taking prophylactic measures and informing the population about them;

- perfection of the normative and legal framework, including the Labour Code, taking into account the standards adopted in the EU and ILO conventions on providing direct support to workers in conditions of force majeure, strengthening their social protection in conditions of part-time employment during the week, job loss (unemployment) or economic activity as a result of illness;

- perfection social protection for families and, especially, with children, consisting of elderly or single elderly persons, as well as expanding the network of child care services;

- application of grants and programs for soft loans, moratoriums on inspections, audits, support for small and medium businesses, and other economic and financial levers to support the work of economic agents both during the pandemic crisis and the period of exit from it;

- implementation of the complex evaluation of economic and social consequences, including economic, financial, investment resources, labour market both during the pandemic

and the period of exit from it, demonstration of the advantages of working in formal sector and creating conditions for the transition of workers from informal to formal employment.

The creation of a stable, competitive labour market depends on national policies based on the existing legislative and normative framework. The 2030 Agenda for Sustainable Development, the Paris Agreement on Climate Change, and the ILO's Centenary Declaration for the Future of Work can serve as benchmarks for its improvement. A number of international labour standards, such as ILO, 2020. COVID-19: How social and economic sectors are responding; Sectoral impacts, responses and recommendations; ILO, 2020. COVID-19: Joint statements and calls for action to fight COVID-19 by employers and workers in specific sectors; ILO, 2020. COVID-19 and the impact on agriculture and food security; the ILO standards and COVID-19, which relate with employment, workplace safety and hygiene of labour of working places, social protection and wage protection, and promotion of small and medium business, microenterprises activities contain specific measures and proposals, the adoption which will help mitigate the consequences of the crisis, regulate and exit from it, taking into account the people-centered approach.

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