

# AN APPROACH TO SOCIAL POLICY IN ROMANIA FROM THE LIFECYCLE PERSPECTIVE\*

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**A***bstract.* The demographic reality and the changes of population compositions, families and communities from the urban and, respectively, the rural area contain several challenges for reconfiguring the social policies in the future. This study proposes an approach of the Romanian social policy in the context of ageing, of changes and risks it generates from the lifecycle perspective. First, the main arguments are reviewed that motivate such an approach by highlighting the modification trends of risks and opportunities during the individuals' lifetime. Next, an analysis is realised with respect to the opportunities of adjusting the social policy to the risks associated to the main stages of the lifecycle: years of growing and learning (childhood and adolescence); the period of forming families and the working life years; the post-active period. A special emphasis is laid on taking into account the differences between men and women. The study contains recommendations for policies oriented on diminishing the risks during the lifecycle in the context of ageing.

**Keywords:** *lifecycle, social policy; Romania; ageing social policy; ageing gender; social risk*

**JEL Classification:** *D6, I0, J1, J14, J18, J26*

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## **1. Introduction: Risks change in the context of ageing and increased insecurity**

Demographic ageing is the result of some long-lasting changes in the demographic field: diminished mortality and births, respectively fertility, increased life expectancy, changed size and composition of families (smaller families with fewer children); older age of forming families and postponing the birth of children, increased divorce rates and number of mono-parental families, etc.

The distinction between structural ageing and the numerical one is very important for the economic and social policy. Numerical ageing is the one leading to an increased number of persons exceeding a certain age (conventionally 65 years of age) with implications for demand and cost of supporting incomes, health care and long-term care. It is already known that, on average, the expenditures on health care for an elderly person are approximately three times higher than the ones estimated for a younger person, except, perhaps, those for new-borns. Structural ageing, expressed by an increased share of the elderly persons in total population is the one which constrains/restricts the capacity of the government to satisfy the increasing demand generated by the elderly population. Inevitably, structural ageing shall lead to a decline in the share of the working age population (that is, the primary base of taxation), and the higher number of dependent elderly affect the capacity of the government to finance pensions and services required for the care of elderly persons.

Demographic ageing means also the ageing of the workforce, as well as the gradual diminution in the share of the working age population that creates resources, including for social protection. In this context, and considering the action of other economic factors, the "working world" has changed radically in the last period and shall continue to essentially change in the future as well. In the labour market are nowadays employed more women than before, and the working life time has extended. Moreover, the trends related to the increasing labour market flexibility make possible more frequent entries and exits of individuals in and from labour market, both men and women. The career model based on a single job and full-time employment is no longer valid, so that "interruptions" of employment are usual. At another level, the exit from the labour market and reinsertion in this market require lifelong learning and permanent adjustment to market demand. All these lead also to the changes in time use both by men and women, combining the time used for paid work, learning and family life.

Career interruptions may be motivated by the birth or other events, such as economic restructuring, bankruptcies, de-localisations, etc. which for employees in such units mean unemployment and the sometime drastic diminution in incomes and in the economic situation of the family, which presupposes more

active intervention of the social policy instruments. Such changes bear new risks and vulnerabilities<sup>1</sup> that should be taken into consideration in remodelling social policies. An argument is that, as highlighted by statistical data for more countries, poverty is most spread in the first and last part of the lifecycle, respectively among children and the elderly. Poor children have fewer chances for their human capital development and for an efficient integration into the labour market and society. Also there are high risks of early school leaving.

The active life period, as shown above, is marked by uncertainties and risks higher at present and particularly in the future, but differentiated in the case of women and men. By and large, women obtain jobs that are paid worse and are easier fired, facing more risks of career interruption, including those related to giving birth and nurturing children. This type of circumstances has negative consequences on the level of living resources not only for the period of career interruption but also during the post-active period, women having, as a rule, smaller pensions and, hence, being less protected.

For instance, giving birth and taking care of a child implies the risk of abandoning the job and diminishing incomes. This period might coincide with the need of taking care of old parents if the situation imposes it. Consequently, there may appear multiple and conflicting needs which require the intervention of public institutions, specifically those from the social protection system.

Public interventions have covered and insured for a good period of time, including nowadays, a number of well-defined risks such as: short-term unemployment, sickness during the active life period and scarcity of economic resources during childhood and old age. This approach was founded and

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<sup>1</sup>*The sources of risks are multiple and all populations are susceptible to shocks that result in natural, health, social, economic, political and environmental risks. In accordance with a typology of the World Bank, the risks are either individual, or aggregated depending on the number of individuals or of households simultaneously affected (see Annex 1). Individual risks are those occurring only when one or fewer individuals or households from a community suffer losses; aggregated ones affect a large number of households, communities, regions within a country or more countries. Some of these risks may result from natural events, while others may be caused by human activity. These risks are not equally distributed between men and women; therefore, individuals are not equally exposed. Certain individuals and groups have higher exposure to risks than others, due to socio-demographic characteristics, economic status, psychological or mental condition, age, life style, etc. Examples of risks that occur at individual level include those associated to: health, such as disabilities; age; death, or they are social risks, such as crime and domestic violence.*

*Vulnerability is a situation of high exposure to certain risks combined with a diminished capacity of the persons to protect themselves or create defences against the respective risks and to face their negative consequences.*

consolidated in another context of demographic evolution (the post-baby boom period after the Second World War) and of economic and social development: sustained economic growth for longer periods of time; the development of a relatively generous social protection system that tended to cover the entire population, etc.

There was a relatively clear distinction between the different stages in the life of an individual, either man or woman: childhood, studies, professional activity, retirement; also, between the role of men and women in the family (the man as main income earner, and the woman preponderantly as housewife). The professional activity was practically developed without interruptions and full-time. These hypotheses based on which the majority of the social protection systems were build in the European area, including Romania, are no longer valid. Therefore, in a more dynamic and less safe economic world, as well as in the context of demographic ageing *new ways of absorbing social risks are required during the life cycle of the individuals, men and women, the "gender" dimension being very important*. The solutions that may be adopted depend on the existing situation, the institutional framework, as well as on the individual preferences and options.

Demographic ageing is a process knocking on the door. In this context a vision change is necessary and useful, at two levels. A level refers to the configuration and enforcement of some policies aimed, on one hand, to cope with the diversification and overlapping of several risks during shorter or longer periods of the life cycle, and on the other hand, to prevent the aggravation of some economic and social problems at macro level, at local and individual level. The other level aims to better prepare individuals and families to live and protect themselves in the context of an ageing society or community.

The study proposes an approach to the issues generated by ageing in Romania from the viewpoint of the life cycle, to identify new action ways and means that allow for a better orientation of public policies at national level, on one hand, so that these are sustainable from the economic viewpoint and beneficial to the society and individuals, and to ensure that individuals and families are able to face risks on each segment of the lifecycle, on the other hand.

## **2. Risks associated to the lifecycle. Gender dimensions**

### **2.1. Childhood and adolescence – The cornerstone of human capital**

Recent researches emphasise the fact that ensuring an environment to allow for the access of children to knowledge, their healthy development and shaping an adequate behaviour represent a decisive step in the human capital investment of

individuals. The analyses have also showed that a large share of children live in poverty being exposed to the risks of social exclusion which clearly affect their future development. Additionally, as families become increasingly smaller and fragile, parents are facing growing difficulties in satisfying the needs of their children in a continuous and efficient way. Evidence has proven, also, that particular problems emerge in case that families disintegrate, or when one parent dies. These are events or risks which affect not only the economic situation of the children, but also their development from the emotional and psychological viewpoint. Higher geographic mobility and definitive or temporary migration for working abroad lead to the weakening of the relationships between family members and often to decreased informal care capacity outside the family nucleus and the extended family.

This part of the study highlights some of the most relevant risk situations that children face from birth till around the age of 20 years. These refer mainly to survival, poverty risk and education – the most important and relevant dimensions for human capital accumulation.

#### *2.1.1. Aspects related to children's birth and survival*

A special significance for identifying measures related to attenuating the ageing process pertains to the indicators referring to birth, fertility and, respectively, mortality (Annex 2). It should be mentioned, first, that in accordance with an unknown biological law more boys than girls are born, and the increasingly higher share of boys is maintained during the entire childhood and adolescence, even in the first part of youth. Despite this fact, the mortality rates among members of the male gender of all ages are higher than those of women. After the age of 15 the share of the girls starts to increase, so that in the second part of the lifecycle the share of women in total population becomes higher than that of men.

In Romania fewer children are born annually. In 2007, the number of live-births was smaller by 100 thousands than in 1990, the total fertility rate (1.3 children for a fertile-age woman in 2007) was much below the required level for ensuring the simple reproduction of the population (2.1 children). It is also important that infant mortality rate, even substantially decreased in the last period, from 26.9 ‰ in 1990 to 12.0 ‰ in 2007, remained at a high level as compared with the one recorded in other European countries. The main reasons for children's mortality under one year of age in 2007 were: affections during the perinatal period (37%), diseases of the respiratory system (27%), congenital malformations (23%). A high level is recorded also by the mortality of children up to five years of age, which is higher for boys. These are messages for actions in the field of public health specific to the sanitary policy, but also linked to the economic situation of the family and the reaction of the local communities and parents.

The birth of children depends to a large extent on the decision of young individuals to marry, bearing in mind, nevertheless that increasingly more children are born outside marriage (in 2006 the share of children born outside marriage was 29%, against 15% in 1992). In the last period, young people in Romania, as all over Europe are getting married later. In principle, two factors are responsible for this behaviour. The first is the emergence of a trend which shows that men as well as women spend a longer period of time within the educational system, before getting a job. The second refers to the fact that on starting activity, young individuals tend to give priority to building up and advancing in their career as well as to increasing their earnings. The average age at the first marriage was 29.8 years for men in 2007, against 26.0 years in 1995, and of women of 26.3 years against 22.8 years. As a consequence, the average age of mothers at the first birth increased from 23.7 years in 2000 to 25.3 years in 2007.

#### 2.1.2. The economic situation of families with children. Poverty risk

The start up and evolution of children in life depend, largely, on the status and economic situation of the children. An indicator expressing the development possibilities and risks of children is the poverty dimension. In accordance with evaluations based on data from the household budget survey (HBS), the poverty rate of children (0-15 years of age) in Romania was higher than the poverty rate calculated for total population, one of four children facing the poverty risk, and from the households consisting of two adults which have children, those with three and more children are exposed in a very high share to the poverty risks (45% in 2006 and 40% in 2007).

**Table 1**  
**Poverty rate\*) of children and households with children**

- Percentage-

	2000	2001	2002	2003	2004	2005	2006	2007
Total population	17.1	17.0	18.1	17.3	17.9	18.2	18.6	18.5
Children aged 0-15 years	22.5	22.1	23.8	22.4	24.7	24.9	25.4	24.7
Single parent families	25.6	25.0	25.3	22.9	29.0	27.2	27.1	31.0
Households with children:								
- two adults, one child	10.7	9.0	10.4	9.6	10.2	11.3	10.0	10.6
- two adults, two children	12.8	13.0	14.4	13.5	17.3	15.8	17.6	17.3
- two adults with 3 or	33.8	35.0	38.0	37.6	41.7	43.6	45.4	40.0

	2000	2001	2002	2003	2004	2005	2006	2007
more children								

\*) *With an equivalent disposable income below the 'at-risk-of-poverty threshold'. The at-risk-of-poverty threshold is set at 60 % of the national median equivalised disposable income (including consumption from own resources).*

**Source:** National Institute of Statistics, Social trends, Bucharest 2007, p. 124; Molnar (2009).

Also, it should be added that in a precarious situation are children in households of the unemployed, which means that an important source of incomes is lacking – those from labour. In Romania, the share of children aged 0-17 years in households of the unemployed was of 10.0% in 2006 against 7.2% in 2000.

### 2.1.3. Access to and participation in education

Access to and participation in education play a crucial role for accumulating human and social capital, for economic growth and for distributing its benefits to the society. Because of the increasingly higher importance of knowledge in today's societies, school failure and qualifications of poor quality have significant consequences for the welfare of future adults. Sustaining the accumulation rate of human capital in the context of smaller influxes of children and youths in the education system require increased focus on education quality and on promoting equity with respect to education opportunities, so that disadvantage forms are compensated between families with resources at different levels as a differentiation premise for access to education and of the education level of children and youths.

Access of children to education expressed in the enrolment rate of school-aged population (3-23 years) indicates that it increased in Romania from 64% in the school year 1995/1996 to 80% in the school year 2007/2008, the rates being somewhat higher among women (Annex 3). The enrolment rates increased for children from all group ages. In the case of pre-school children (3-6 years), these have been on permanent increase from 64% in 1995/96 to 82% in 2007/08. For children aged 7-10 years (primary education, grades I-IV) and those aged 11-14 years (gymnasium, grades V-VIII), the enrolment rates had a high level, around 95%. In the last 13 years also the enrolment rates for youth aged 15-18 years have increased, from approximately 60% in the school year 1995/96 to 77% in 2007/08, these being somewhat higher for women. Finally, for those aged 19-23 years who follow, as a rule, post-secondary or tertiary education forms, the enrolment rates have increased almost three times, from 23% in 1995/96 to 64% in 2007/08, these being substantially higher in the case of women, as well.

Several categories of vulnerabilities were found in the field of education for children and youth. One refers to *early school-leaving* the reasons of which are linked mainly to the precarious economic situation and poverty, to the education level of the parents, to disorganised families and to the parents' leaving for work abroad.

The early school-leaving rate in pre-university education was at a high level (around 4-5%) at the beginning of 1990s, after that it was declining and oscillating in the last years (Table 2). But, worrying is the fact that early school-leaving is also recorded in the case of primary and lower-secondary education.

Another issue refers to the *quality of education* within the education system which does not keep up with the qualification requirements and needs for entering and easily adjusting to the labour market demands. Among the responsible factors we find, mainly, the qualifications of the teaching staff, the endowment of schools with teaching support, the size of the study groups, the rooms for specific activities, etc.

#### **Improving quality and equity in education**

##### *The nature of the challenge*

- Lower inflows into the school system and the disappearance of the gap in attendance between boys and girls will make it more difficult to sustain the pace of human capital accumulation in the future, calling for greater focus on improving the quality of learning.
- Concerns for greater inequality and poverty call for greater attention to be paid to how learning opportunities are distributed among youths, and to targeted educational interventions to raise the human capital of youths from low income families.

##### *Policy responses*

- Preventing school failure through greater focus on early interventions, identification of young people at risk, and involvement of families and communities to improve school outcomes.
- Encouraging students' engagement in compulsory education, through better learning practices, greater autonomy to schools, lower and delayed differentiation between education streams.
- Diversifying supply in post-compulsory education to meet different learning needs, and reviewing financing arrangements that mainly benefit students from more favorable backgrounds.

**Source:** Mira d'Ercole & Salvini (2003), p. 57.

An element which substantially determines the equitable access of all children to education is the economic situation and the education level of the parents. The children of families with better material opportunities may benefit from additional resources allocated to education (private classes, learning foreign languages,



performance teaching support, access to renowned schools from inland and abroad, etc.). The family conditions improve or not the adaptability and ability to learn. The same is true also for non-cognitive training (such as the social and communication one which facilitates the establishment of long-term relationships, self-discipline, self-control, perseverance, emotional safety, the motivation to learn, openness towards change) and for values that emphasise creativity, personality development, responsibility and the capacity to face challenges. These values that strengthen the adaptability and ability to lifelong learning are promoted already at the early stages of life, mainly, within the family.

#### *2.1.4. Possible social policy responses*

During this stage of life, the social policy has a very important role in creating equal opportunities for all, in preventing the multiplication and increase of social risks during the later stages of an individual's life. Social policy may have a key role in ensuring sufficient investment for promoting the individual and social potential required for endowing individuals with the capacity to lead a decent life. Many of the pathologies and challenges addressed by the social programmes in later stages of women's and men's life have their roots in childhood. The intervention in this stage of life is, certainly, the most efficient way of diminishing the risks which individuals face later in their life, as adults and old persons. Investment in this period of life prepares each person for access and easier and beneficial insertion in the labour market.

The fields of social policy that may support the diminution of social risks and development of children and youths refer to: security of family incomes, maternity protection, health, child care, education, eliminating children labour, reconciling work and family life, etc.

## **2.2. Working life period**

From the statistical viewpoint, this part of the lifecycle is comprised currently between the work-age limits from 15 to 64 years of age both for men and women. Obviously, as shown by experience, the working life might start as of 15 years of age, but for many youths it starts later on, depending on their involvement in the education process or the opportunity of finding a job. The working life extends more and more also above the superior limit of the work age (64 years of age) and takes into consideration mainly the increase in the average life expectancy, the demands of the labour market and individual needs. In this study we refer to the "conventional" definition of the working life between 15 and 64 years of age as provided by the pensions and labour legislation.

The life span between the age of 15 and 64 is a momentous interval of life, from several viewpoints: access to the labour market, professional achievement, obtaining incomes; several career disruptions; unemployment and income loss; starting a family and deciding on having children; the apparition of challenges and multiple responsibilities, very often in a limited time interval, such as work, child nurturing and/or elder parents care, etc. It is also a period in which the risk of getting sick might appear, along with separation, divorce, death, etc. In many such situations the social policy may relieve the negative effects of such risks.

The risks and vulnerabilities from this part of the lifecycle are profoundly differentiated for men, respectively, for women. Gender is a crucial issue because it represents an important explanatory variable to understand and to take into consideration the inequality from the social policy perspective, for instance, the issue of equal opportunities for access to labour market and to contribute to a larger extent to economic growth. In addition, there are aspects of life specific to women with major impact on children's mortality and health.

In the following, the most known risk situations for the period of active life (15 to 64 years of age) are revealed, in which the intervention of public policy, particularly the one in the field of social protection, may play an important role in taking into consideration, as much as possible, the gender characteristics.

### *2.2.1. Transition from school to work*

One of the most important stages in the first part of the work age is the transition period from school to work. It may begin at the age of 15, or later on, depending on various factors, such as: continuing the studies and their duration, the chance of identifying a suitable job, the possibility of finding a house, of changing residence, etc. A longer transition period from school to work affects not only the results in the labour market, but also the experience of an independent life, of forming a couple and the decision to have children. The obstacles in the transition from school to work are often concentrated in the case of youths who are early school-leavers already in the first cycles of compulsory education and who do not continue their studies after finishing compulsory education. This is the result of the fact that the experience in this interval of the lifecycle increases or diminishes further the opportunities to integrate into the labour market and obtain future incomes.

Even though the share of youths participating in the upper-secondary education system (high-school, vocational, etc.) and university education has increased in the last years, a large part of them are early school-leavers from these education forms. So, the share of youths who did not continue their studies was significantly higher in Romania than in EU-25, particularly for those with ages between 16 and 17 years and between 18 and 21 years (Table 2).

Table 2

**Share of youths who are early school-leavers by age groups and gender, 2005**

- Percentage -

	16-17 years		18-21 years		22-24 years	
	Men	Women	Men	Women	Men	Women
Romania	13.5	13.8	21.7	18.3	21.0	22.7
EU-25	6.6	4.9	16.4	12.2	18.8	14.5

**Source:** Eurostat, *The life of women and men in Europe, 2008 edition*, p. 159.

Early school-leaving from the educational system by youth does not automatically associate with their entering and remaining in the labour market. The experience indicates that unemployment of the youth takes on the highest values as compared with other age groups. Thus, the estimates based on the labour force survey (LFS) indicates that the unemployment rate of the youth under the age of 25 (in accordance with ILO definition) was 21% in 2006, 3.5 times higher than the unemployment rate of individuals over 25 years of age.

**Making the transition from school to work easier**

*The nature of the challenge*

- Despite a smaller size of youth cohorts, young people face difficulties in getting access to jobs after education, with human capital being wasted, later labour market outcomes being affected, and family formation being deferred.

*Policy responses*

- Increasing the overall rate of job creation, and the degree to which the labour market is youth-friendly by reforming those provisions of employment protection legislation that impede youth hiring.
- Improving diversity and flexibility of upper secondary education, so as to meet the interests of a wider range of youths and reducing the proportion of youths who enter the labour market with less than upper secondary education or vocational training.
- Improving the effectiveness of labour market programmes by combining education and on-the-job learning, high quality instruction and opportunities for further learning, and creating specific programmes to engage the most disadvantaged youths.

**Source:** Mira d'Ercole & Salvini (2003), p. 63.

Under the mentioned situations of early school leaving and high difficulties in obtaining a paid job on the labour market, the persons pertaining to this age category are facing considerable risks and social costs (unemployment benefits,

vocational integration expenditures, etc.). In addition, many young individuals are found in low-skilled jobs or even on the black labour market, with low level wages, which means that they do not benefit, in a satisfying extent, of social protection in the case of occurring risks such as layoffs, pension and health insurance, etc., all with negative consequences for the period in which they turn into adults and reach the retirement age.

### 2.2.2. *Employment pattern and unemployment risk*

The employment (or unemployment) degree and the employment pattern of the working age population are important for the public policies, especially in the context of economic crisis and of demographic and labour force ageing, because they offer information related to the earning capacity and of covering family needs, but also about the possible occurrence of risks related to income loss and intervention of social protection system.

However, at EU level, in accordance with the Lisbon Strategy (revised) and the European Employment Strategy, the increased rates of employment particularly for women and older persons (55-64 years of age) represent significant objectives for diminishing the pressure exerted on the social protection systems that must intervene in case of some risks or vulnerabilities such as unemployment, illness, work accidents, birth and child care, etc. or in case of the early exit from the labour market.

In the year 2007, the number of employed population<sup>1</sup> aged 15 to 64 years in Romania was estimated at 8,842 thousands persons. The distribution by gender

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<sup>1</sup> *Employed population includes all persons of 15 years of age and over who developed an economic activity for at least one hour during the period of reference (one week) with the purpose of obtaining incomes under the form of wages, payment in kind or other forms. This category includes: workers, self-employed, unpaid family workers, participants to compulsory school training programmes, pensioners or those registered with the National Agency of Employment (if they developed a paid or income-earning activity); also, apprentices or paid interns, as well as members of the military (active and enlisted). For self-employed and unpaid family workers working in agriculture the minimum period is 15 hours.*

*The employment rate represents the share of employed population from a certain age group in total population in the respective group. Special attention is paid to employment rates for population at the limits of the working age (15 to 64 years of age) by gender.*

*The unemployed (in the spirit of the International Labour Office regulation used in the labour force surveys) are persons aged 15 to 74 years of age who during the period of reference did not have a job, were seeking a job in the last four weeks and were available to start working in the next two weeks.*

indicates that the configuration in time was maintained, that is men had a share of about 55%.

*The employment rate* of the population aged 15 to 64 years in the period 2002-2007, increased from 64.1% to 64.8% for men and from 52.0% to 52.8% for women (Annex 5). It should be mentioned that in Romania the employment rates for the population aged 15 to 64 years are significantly lower against the situation in the majority of EU Member States both for men and women, and particularly against the targets proposed for 2005, in accordance with the Lisbon Strategy, of 67% for the total population and 57% for women.

In Romania, the social protection system is strongly linked to the professional status in labour market that is to the employees, the wage being the element that ensures the foundations of the pension, health, and unemployment insurance. Or, in Romania, approximately 70% of the total employed population aged 15-64 years has the status of employees, the difference of 30% being much more vulnerable against risks of which the social protection system is responsible, except for social benefits aimed to poverty alleviation.

A critical issue is related to the fact that an important number of working age individuals receives incomes from social protection instead of obtaining them from employment. There are no statistical data to estimate the actual situation in this respect. But, some demographic and economic trends may be revealed, which led to high dependency levels, justifying this statement.

Last years an exaggerated high number of persons, on increase, obtained the status of pensioners and receive pensions before the legal pensioning age. Thus, in 2007 one out of five social insurance pensioners (excluding farmers) received invalidity pension, on an anticipated or partially anticipated basis. Their share increased in time from 14.7% in 2001 to 21.1% in 2007 (invalidity pensioners represented a share in total pensioners of 14.5% in 2001 and of 18.4% in 2007).

Table 3

**Number and share of social insurance pensioners who receive pensions before the legal pensioning age**

		2001	2002	2003	2004	2005	2006	2007
TOTAL (excluding farmers), of which:	thousands	4,544	4,665	4,703	4,731	4,750	4,780	4,794
- Under the legal pensioning age - total*)	thousands	670	777	852	908	952	997	1,011
	%	14.7	17.1	18.1	19.2	20.0	20.9	21.1
- Invalidity	thousands	660	706	751	790	827	866	882
	%	14.5	15.6	16.0	16.7	17.4	18.1	18.4

\*) Includes invalidity pensioners, and pensioners with anticipated or partially anticipated pension.

**Source:** National Institute of Statistics, Statistical Yearbook of Romania 2007, p. 306; 2008, p. 344.

From an individual perspective, this phenomenon could be interpreted as a defensive way against unemployment which accompanied the economic restructuring and against the incapacity of the labour market to create new paid jobs.

### 2.2.3. Economic inactivity

The low economic participation rates of working age population have a negative impact on individuals, government and economy at present and also in the future. For individuals, non-participation has a negative effect on their daily living standard and causes the risk of exclusion from the social protection schemes, particularly for pension and, in case of sickness, with consequences on diminishing the rights to social benefits, particularly the ones delivered by social insurance schemes. For the government, non-participation in economic activity in paid jobs (paid in money) diminishes the budgetary incomes from taxes and social contribution, while the need of payments for social support increases.

In Romania, the economically inactive working age population was estimated, according to LFS, at 5,554 thousands persons in the year 2007. If the persons aged 15-24 are excluded (who, partially, are involved in the education system), the number of inactive persons with ages between 25-64 years of age was estimated at 3,341 thousands persons, of which 40% are aged between 55-64 years.

Table 4

**The economic inactivity rate of working age population by age group and gender**

- Percentage -

Age groups	2002			2007		
	Total	Men	Women	Total	Men	Women
Total 15-64 years	36.4	29.3	43.3	37.0	29.9	44.0
15-24 years	61.1	55.8	66.6	69.5	64.1	75.1
25-34 years	19.3	11.8	27.1	21.7	15.8	27.9
35-44 years	16.6	9.9	23.4	16.5	10.0	23.0
45-54 years	28.1	19.3	36.5	25.0	16.4	33.2
55-64 years	61.7	55.8	66.8	57.6	47.9	66.1

**Source:** Calculations on data from the National Institute of Statistics, LFS 2007, p. 51.

In the period 2002-2007 the economic inactivity rate of the working age individuals aged 15 to 64 years increased by 0.6 percentage points, from 36.4% to 37.0%. The increasing trend was recorded for all age groups both for men and women. It should be mentioned that the economic inactivity rates are higher for women. Except of those of 15-24 years age group, the highest inactivity rate being recorded for the age group 55-64 years followed by the ones in the age group 45-54 years, and which are partially justified by the pensioning phenomenon due to medical reasons before reaching the pensioning age. Another age group characterised by high rate of economic inactivity is the one of women aged 25 to 34 years in a life stage when most women give birth to children and are involved more in their nurturing and education. This situation might constitute an important milestone for measures in the field of social protection and employment in paid jobs oriented towards reconciling work and family life.

**Strengthening adaptability throughout working life**

*The nature of the challenge*

- Prospects for a smaller population of working age and changes in the nature of jobs and joblessness call for measures to increase employment of groups at the margins of the labour market, to make the workforce more skilled and adaptable, and to favour social inclusion through quality jobs.

*Policy responses*

- Reforming passive income support to avoid unemployment traps, and paying greater attention to ways of raising the employability of benefit recipients.
- Expanding workers' opportunities to train, in particular for those with lower skills and education.

- Addressing needs of low paid-workers through measures that top-up their earnings, increase earnings disregards when receiving benefits, and reduce firms' costs when hiring and retaining them.
- Leveraging the initiatives of individuals' firms (in the fields of life-long learning, work/family reconciliation, human resource management) so as to reconcile social development and economic competitiveness.

*Source: Mira d'Ercole & Salvini (2003), p. 69.*

#### *2.2.4. Family foundation and strengthening*

Adult life may be marked by several risks in different stages that could influence the individualisation of social protection instruments with the purpose of increasing the equality of chances in integrating on the labour market and in society and for a decent life.

The decision to have children and their birth are associated with interrupting the working life of the mothers and a diminution of the average incomes per family member. The intervention of social protection is important in this situation. In Romania the forms of support, the duration and level of social benefits for mothers giving birth to children and nurturing them are differentiated by a criterion that takes into account their registering with the social insurance system. There are aspects that put to disadvantage families with children who are not affiliated to the social protection schemes, among them being mainly those in which both parents are farmers and self-employed.

Between family related events the death of one of the parents might substantially increase the risks of diminished living resources. Also, the separation or divorce has adverse effects on the income level for single persons, particularly if they have children in care.

#### *2.2.5. Poverty and social exclusion*

An important milestone in guiding social protection measures and identifying ways of preventing the increased poverty risk among active age population (men and women) is provided by the estimates of the poverty rate considering that the poverty image results from several risks occurring at different stages in life. In certain periods of the adult age several events may gather and increase the poverty risk.

In Romania, young persons aged between 16 and 24 are facing the highest risk of poverty (one of five persons in 2007) while the poverty risk is lower for persons somewhat older aged between 25 to 49 and between 50 and 64.



A special situation is the one of single persons with one or more dependent children. More than one out of four persons who enter into this category are facing the poverty risk which means that these categories of family require a special type of social protection, considering that the existence of one or more children presupposes important care and education resources.

**Table 5****Poverty rate by age group, %**

	2000	2001	2002	2003	2004	2005	2006	2007
16-24 years	20.5	19.9	21.5	19.6	21.2	22.2	21.2	20.5
25-49 years	15.3	14.8	15.7	15.1	16.0	16.3	16.5	16.5
50-64 years	11.7	11.8	12.9	12.5	13.0	13.2	14.5	14.9
Single persons under 65 years of age	16.6	17.3	17.7	16.7	18.3	19.7	18.8	20.4
Single persons with one or more dependent children	25.6	26.0	25.3	22.9	29.0	27.2	27.1	31.0

**Source:** National Institute of Statistics, *Social trends 2007*, p. 184; Molnar (2009).

The accumulation or the concentration of several risks and vulnerabilities in certain periods for working age persons should constitute a particular concern for efficiently using the resources allocated to public policies, including the ones for social protection that should be better oriented to the human capital development, the earning potential and to the factors that sustain this potential. Such circumstances are numerous: for instance, families with dependent children when neither parent has a paid job. It is also very possible that part of these families are also mono-parental families. Children from such families face the risk of encouraging inter-generational dependency and of sustaining incomes by social protection (social benefits for the poor).

As a consequence, *the adjustment process of employment and social policy should consider to a higher extent than until now the issues and risks derived from:*

- a) Discontinuity of working life due to unemployment, to the birth and nurturing needs of children or because of other unforeseen events (for instance, children with special care needs). By and large, there are several situations in which working life disruptions for the women are more frequent than in the case of the men.
- b) The fact that the working life duration is marked by the beginning and ending moments of this interval of the lifecycle, as well as by interruptions, while the

working life duration registers high variations. If the beginning of the working life might be different from one person to another, irrespective of sex, the final is defined by the (compulsory) pensioning age provided in the work legislation, as a rule lower in the case of women. This fact, together with the anticipated pensioning trend which is stronger in the case of women, makes that the pension rights of women are of a lower level. It should be also added that the reactions of employers are unfavourable to older workers, as these are not motivated to maintain the latter active; also the reactions of older workers are often contrary to extending their working life.

- c) The concentration of women in worse paid jobs by which the pension rights along with other social benefits are calculated generates sometimes substantial differences between the social status of women and men.

#### *2.2.6. Possible responses to employment and social policy: an integrated approach*

The current policy responsibilities intended to incorporate a lifecycle perspective is focused mainly on the reform of the labour market and of the social protection system. A pivotal policy direction for diminishing the risks generated by the ageing process might consist in *the flexibility of entry in and exit from the labour market by actions and measures that stimulate active ageing*.

In addition to these, some other strategies could be identified which should complete the agenda of social protection reform by sustaining the increased participation to economic activity. These could aim to two major directions:

- a) *Promoting family stability*. This direction will continue to be important because the interruption of work relations might increase the incidence of the need of supporting incomes, and the financial vulnerability at pension and of children nurtured in families where the adults don't have a paid job. The policies in favour of increased employment might sustain, also the strengthening of the family stability, in particular for couples with children. The timely intervention in supporting, at all levels, the children shall lead to a future increase of the human capital, and of the rates of participation to labour force and of productivity.
- b) *Lifelong learning*. This is allowed by creating adequate conditions of re-qualification during the entire working life, together with the chance to develop an educational and qualifications' system that is relevant in relationship to the changes of the labour market. But, this orientation cannot be successful

unless strongly supported by a package of social protection measures that would assist those who temporarily interrupt their working life due to unemployment, child birth or other life circumstances.

### 3. Post-active life period

Demographic ageing means that in the future there will be more elder persons, as number and share in total population. One of the determinant factors is the longer life expectancy for men and women as well. In general, the average life expectancy of women is longer than the one of men for all ages. The last estimates (Eurostat) for 2005 indicates that in Romania a woman aged 65 years expects to live another 16 years (against 20 for all EU-25), and a man 13 years (against 17 years in EU-25). At the age of 75 years, the life expectancy was estimated at 9 years for women and 8 years for men, and at the age of 85 years, of 5, respectively 4 years.

**Table 6**

**Life expectancy in Romania and EU, at 65, 75, and 85 years of age, by gender**

- Years-

	1990				2005			
	Men		Women		Men		Women	
	EU-25	RO	EU-25	RO	EU-25	RO	EU-25	RO
At 65 years	14.5	13.3	18.2	15.2	16.6	13.4	20.0	16.2
At 75 years	8.7	7.9	10.9	8.6	10.1	8.1	12.2	9.3
At 85 years	4.7	4.5	5.8	4.2	5.5	4.4	6.2	4.6

**Source:** Eurostat, *The life of women and men in Europe – 2008 Edition*, p. 205.

In the year 2007, the share of women in total population aged 65 years and over was of 59.2%, and of men of 40.8%.

For persons who entered into their post-active lifecycle, in principle, after the age of 65 years risks and vulnerabilities are found that are associated with two major issues: poverty and health status which are frequently closely related and potentate each other. These issues are more severe in the case of individuals living in one-person households. A characteristic is that the share of women living alone is higher than the share of men. In 2007, the share of women aged 65 years living alone in total women of this age group was 31%; for men, 12%.

### **3.1. The risk of poverty among the elderly**

Everywhere the incidence of poverty is higher among elder persons as compared with the one calculated for total population. In accordance with NIS estimates the poverty rate of persons aged 65 years and over in Romania increased from 16.9% in 2000 to 19.6% in 2003 (when it reached the highest level after the year 2000), decreasing thereafter to 18.7% in 2006 and increased again to 19.4% in 2007. This was higher among women comparative with one among men. The severity of poverty among women is also due to the fact that from all poor persons in Romania, for example in the year 2006, 10% were women aged 65 years and over; the share of men aged 65 years and over in total poor population was 4.3%.

The main way of protection for elder persons in Romania is the pension system. Elder persons nowadays, who in the previous period had the status of employees and members of agricultural cooperatives before 1990 are covered and benefit by pensions.

For large categories of persons who will enter this stage of their lifecycle in the following years *the risk of poverty due to non-covered pension rights shall be very high*. Among these categories, the following must be mentioned: those with the professional status of farmers and self-employed who to a large extent do not contribute currently to the state social insurance fund; former employees who have not a minimum contribution period of at least 15 years and remained outside the official paid labour force (black labour market or those who left abroad and work without a labour contract).

In addition, the issue of financial sustainability remains for the following years and long term one of the most difficult, taking into account that the ratio of the number of contributors to the number of pensioners is very low (1/1 against 3/1 as it was in the year 1990) and there are small chances of improvement in the future due to the weak absorption capacity of the paid labour market and to the policy of low wages.

A factor which determines the earning capacity and prevents the poverty trap for elder individuals is employment rate increase of those around the age of 60 to 65 years. It would be preferable to have employment in paid activities based on contract which has also the advantage to generate covering within the public pension system. Unfortunately, the available data at this time refer only to employment rates (also in unpaid activities such as the case of most individuals working in agriculture). This indicates a lower level of employment for older persons compared with the European average and higher differences between women and men (significantly lower in the case of women).

**Table 7**

**Employment rates\* of older persons in Romania and EU  
by gender, 2007**

- Percentage -

[1]	[2] 55-64 years					[3] 60-64 years				
	[4] Total	[5] Men	[6] Women	[7] Total	[8] Men	[9] Women				
[10] Romania	[11] 41.4	[12] 50.3	[13] 33.6	[14] 30.8	[15] 35.9	[16] 26.1				
[17] EU-27	[18] 44.7	[19] 53.9	[20] 36.0	[21] 29.3	[22] 37.9	[23] 21.4				
[24] EU-25	[25] 44.9	[26] 54.1	[27] 36.1	[28] 29.4	[29] 37.9	[30] 21.4				
[31] EU-15	[32] 46.5	[33] 55.3	[34] 38.1	[35] 30.8	[36] 39.2	[37] 22.7				

\*LFS data.

**Source:** Eurostat database.

### 3.2. Risks related to health

The risk of sickness is more significant and increases together with ageing. Most of the elderly are affected by chronic illnesses which often lead to dependence and the need of permanent care for long periods. In general, a higher share of women from each age group appreciate that their health is poor.

Becoming older, all persons consider that their health condition worsens so that about 40% of those aged 75 years and over consider that their health condition is poor and very poor. Also, with ageing increases the share of persons of both genders who declare that they have long lasting health issues, this share being of almost 80% of those aged 75 years and over.

Table 8

**Self-perceived health of persons aged 65 years and over  
in Romania by gender, 2008**

- Percentage -

[38]	[39] 65-74 years			[40] 75 years and over		
[41]	[42] Total	[43] Men	[44] Women	[45] Total	[46] Men	[47] Women
[48] Satisfactory	[49] 47.6	[50] 45.5	[51] 49.3	[52] 43.6	[53] 45.3	[54] 42.6
[55] Poor	[56] 16.5	[57] 12.9	[58] 19.1	[59] 28.5	[60] 24.7	[61] 30.9
[62] Very poor	[63] 4.4	[64] 4.0	[65] 4.6	[66] 9.6	[67] 8.7	[68] 10.1
[69] Long term health issues	[70] 64.6	[71] 58.4	[72] 69.2	[73] 79.2	[74] 75.5	[75] 81.4

**Source:** Calculation based on National Institute of Statistics data: *Health status of Romania's population, Survey on Health 2008*, p. 59, 72-75.

The mortality rates by main causes indicate that elder persons in Romania are affected by severe and chronic diseases which require long and costly treatment. These make reference to the conditions and life styles in the adult life and childhood.

Most deaths of the elderly in Romania are caused by diseases of the circulatory system and neoplasm (Annex 6). Relevant for the health condition of elder persons is the fact that the diseases of the respiratory system have a death rate almost three times higher than the EU-25 average for the elderly aged between 65 and 74 years and almost two times higher for persons over this age limit. The high risks of illnesses triggered by such diseases which lead to premature death under the conditions of demographic ageing will amplify the financing needs of public (and private) expenditures on health care if measures and programs are not undertaken already at present which would lead, in time, to a decrease of incidence for this illnesses group. The experience of West-European countries shows that this is feasible considering that in about three decades the death rates due to the circulatory system diseases declined to half.

### **3.3. Possible responses of the social policies**

Social and economic policies may have an active role to diminish the social risks and to protect persons during their last stage of the lifecycle. Two main directions of action are shaped: one with a profound preventive character, oriented towards favouring measures that lead to strengthening incomes in the

post-active period; the other health protection during the entire lifecycle with the necessary emphasis imposed by the ageing process.

*Preventing premature pensioning and increasing labour force participation* will support the multiplication of income sources for elder persons, particularly of those around the age of 65. These have effects also on reducing the budgetary pressures because the population is ageing and requires higher standards and expenditures on health care and on living during the pension period. Such a strategy may address particularly women and elder persons who work.

Many women interrupted their participation in labour force due to unemployment, to the lack of paid jobs, to the responsibilities related to birth and child nurturing, or they have worked part-time. One of the consequences is that women had and have fewer opportunities to accumulate social contributions or to gain other savings that would support them at an old age.

In the case of older persons in the category of working age population, even though the participation rate increased last years, it would be difficult for those who lost their job to find another. Some older workers are also vulnerable to incentives and pressures to retire earlier and others are influenced by the economic and social context that favours pensioning around the age of 55.

Because many persons do not participate in the labour force and do not contribute to economic growth and obtaining individual incomes, the identification and implementation of some adequate measures to stimulate their participation to a larger extent in the labour force in the future shall be probably a critical issue of the policy, in general. They may address, mainly:

- *Promoting transitional retiring* that would allow individuals to combine to a certain extent the labour force participation with other responsibilities. Transitional retiring allows, among others, a gradual transition from full-time work to a lack of paid job, providing flexibility in assuming other responsibilities, for instance, care responsibilities. There is also a potential to supplement pension incomes with earnings by those individuals who can and wish to work after their pensioning age, most probably part-time or occasionally.
- *Attitude changes* by rendering sensible employers and communities to improving the qualifications of older workers; also, by reviewing the policies which either support early retirement or preventive temporary pensioning.
- *Promoting lifelong health* is another direction of action. Population ageing implies two large categories of issues from the viewpoint of health care. One category refers to redesigning the health and social assistance system, so

that provided services in the field should answer to a larger extent to an increasing demand generated by the ageing process in the future. The other refers to concerns related to increased expenditures on health care within the public service system, and to private expenditures of the family budget.

Health policy may be an important vector in diminishing these consequences by acting preventively, first by measures that should promote a better health condition from the first days of the lifecycle of all children and during the entire life. Second, by curative measures in treating specific illnesses which affect the older persons.

#### **4. Conclusions**

The research revealed that the risks which individuals must face are of a different nature during their lifecycle and strongly differentiated for men and women. Demographic ageing reshapes their configuration and imposes a new approach, so that social policies will be better directed to meeting future challenges successfully.

Highlighting the social risks from the lifecycle perspective in the context of ageing reveals the necessity of social policies adjusting and main directions on which action might be undertaken to this aim.

One, and probably the most important, is the priority which should be granted to the support measures for children and families with children, for promoting the human capital development, especially in the first stage of the lifecycle. Creating equal chances and opportunities for all children and young individuals and adjusting the instruments of social policy with the purpose of achieving this objective are essential. Next to this, it is important to consider the factors triggering the options related to fertility and, in this context, identifying some measures that would stimulate couples in the decision to have children.

Another direction refers to the risks associated with working life. The research suggests the *requirement to shift from providing passive social benefits* (for compensating human capital losses) *to preventive and proactive social policies* which build and maintain the human capital, among which lifelong learning takes a prominent place.

Two categories of issues are distinguished, which should be considered for social policy adjusting to better meet the risks associated with working life. One refers to the “gliding” periods which are positioned at the entry into the labour market and at the exit from this market, respectively. Identifying the instruments and creating the institutions that would favour the increase in the participation rate in



economic activity, mainly for women, and of extending the working life constitute important milestone elements in adjusting the employment and social policies to the challenges of ageing. The other might aim particularly to reconciling the working and the family life, for supporting the strengthening of family stability and increasing the entry and exit flexibility on the paid labour market, especially for women, without diminishing the current and future rights to social benefits.

*Diminishing the risks associated with elder persons and adjusting the social protection instruments to this aim* may become a constant element for the social policies adjustment in the ageing context. The fields with major responsibilities refer to strengthening incomes at the old age and diminishing poverty for elder persons and adjusting the long-term health care services to the needs that accompany ageing.

As individuals are growing old, the negative effects of ageing may be counteracted by increasing the individuals' and family's ability to adjust and face better risks as they advance during the lifecycle. To this purpose policies are necessary to combine prevention, early intervention and remedy actions to maximise the potential of individuals to get involved in the economic and social life and thereby to achieve self-protection, together with better health and social outcomes. On the other hand, individuals can and must become more responsible for their entire life. A challenge in this respect is that each person should be better prepared and assume higher responsibility with respect to the employment capacity, social security and financial planning.

This article has focused on an approach to the Romanian social policy from the lifecycle perspective in the context of ageing, process which will be evident in the next decades. Now, at the beginning of the year 2009, new social disturbances arise from the global economic and financial crisis which affects all European countries, including Romania. Before pointing out some of the most important social unrest of such a crisis I would like to underlay that Romania experienced a huge crisis in the decade 1990-2000. In that period marked by a deep recession, high inflation, high unemployment, etc. the social impact was pervasive and continuous to be unfold. The Romanian experience from that period and the experience of other countries which faced financial crises in the 1990's and the 2000's, especially from Asia and Latin America, and now of USA and European countries, reveal some social consequences.

Everything we know about past economic crises shows that social impact will be huge and long lasting: job losses, income inequality and poverty increasing, wages and purchasing power declining, social spending affected, etc. The most

affected will be vulnerable groups in particular, including children, older persons, women and youth; also the migrant workers.

It seems clear that the current global financial crisis and its likely impact on the Romanian economy will push an increased number of low and middle income earners to seek social benefits from social protection institutions. This is a serious reason to expect that social consequences of this crisis must become a priority of the government to avoid worsening the social situation, especially of the most vulnerable groups. It must also be mentioned that the social risks induced by this crisis will multiply those derived from ageing as a long lasting process, and social policy may play an important roll to manage these risks.

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## Annex 1

## Main sources of risks

Types of risks	Individual / idiosyncratic	Collective / aggregate	
	Risks affecting an individual or a household (micro)	Risks affecting groups of households or communities (mezzo)	Risks affecting regions or nations (macro)
Natural		<ul style="list-style-type: none"> <li>- Rainfall</li> <li>- Landslides</li> <li>- Volcanic eruptions</li> </ul>	<ul style="list-style-type: none"> <li>- Earthquakes</li> <li>- Floods</li> <li>- Draughts</li> <li>- Strong winds</li> </ul>
Health	<ul style="list-style-type: none"> <li>- Illness</li> <li>- Injury</li> <li>- Disability</li> <li>- Old age</li> <li>- Death</li> </ul>	<ul style="list-style-type: none"> <li>- Epidemics</li> </ul>	
Social	<ul style="list-style-type: none"> <li>- Crimes</li> <li>- Domestic violence</li> </ul>	<ul style="list-style-type: none"> <li>- Terrorism</li> <li>- Group activities (gangs)</li> </ul>	<ul style="list-style-type: none"> <li>Civil strife</li> <li>War</li> <li>Social upheaval</li> </ul>
Economic		<ul style="list-style-type: none"> <li>- Unemployment</li> <li>- Resettlement</li> <li>- Harvest failure</li> </ul>	<ul style="list-style-type: none"> <li>- Change of food prices</li> <li>- Collapse of economic growth</li> <li>- Hyperinflation</li> <li>- Balance of payment, financial or monetary crisis</li> <li>- Technological shocks</li> <li>- Shocks in economic relationships</li> <li>- Transaction costs of economic reforms</li> </ul>
Political		<ul style="list-style-type: none"> <li>- Rebellions</li> </ul>	<ul style="list-style-type: none"> <li>- Political default on social programmes</li> <li>- Coup d'état</li> </ul>
Environmental		<ul style="list-style-type: none"> <li>- Pollution</li> <li>- De-forestation</li> <li>- Nuclear disasters</li> </ul>	

*Note: We have emphasised those individual or aggregated risks where social policies can have an active role (MP).*

**Source:** World Bank: World Bank Development Report 2000/2001: *Attacking Poverty*

## Annex 2

## Birth and death rates of children

	Live births (no.)	Birth rate <sup>1</sup>	Total fertility rate <sup>2</sup>	Death rate by age groups (per 1000 persons)								
				Infantile mortality rate <sup>3</sup>	0-4 years		5-9 years		10-14 years		15-19 years	
					M	W	M	W	M	W	M	W
1990	314746	13.6	1.8	26.9	6.9	5.6	0.7	0.5	0.6	0.3	1.0	0.5
1992	260393	11.4	1.5	23.3	5.7	4.5	0.6	0.4	0.5	0.3	0.9	0.4
1994	246736	10.9	1.4	23.9	6.0	4.9	0.8	0.6	0.6	0.3	0.9	0.4
1996	231348	10.2	1.3	22.3	5.7	4.8	1.0	0.6	0.5	0.3	0.9	0.4
1998	237297	10.5	1.3	20.5	5.5	4.5	1.0	0.7	0.6	0.4	0.8	0.5
2000	234521	10.5	1.3	18.6	5.0	4.1	0.5	0.4	0.7	0.5	0.8	0.4
2001	220368	9.8	1.2	18.4	4.7	3.8	0.5	0.3	0.7	0.5	0.7	0.3
2002	210529	9.7	1.3	17.3	4.4	3.6	0.4	0.3	0.6	0.4	0.7	0.3
2003	212459	9.8	1.3	16.7	4.4	3.3	0.4	0.3	0.5	0.3	0.7	0.4
2004	216261	10.0	1.3	16.8	4.5	3.5	0.4	0.2	0.4	0.3	0.7	0.4
2005	221020	10.2	1.3	15.0	4.1	3.2	0.4	0.3	0.4	0.3	0.7	0.4
2006	219483	10.2	1.3	13.9	3.7	3.1	0.4	0.3	0.4	0.2	0.7	0.4
2007	214728	10.0	1.3	12.0	3.2	2.5	0.3	0.3	0.4	0.2	0.8	0.4

Note:

<sup>1</sup> Per 1000 inhabitants.

<sup>2</sup> Number of live births per woman during her fertile life.

<sup>3</sup> Per 1000 live births.

M = Male; W= Women.

Source: National Institute of Statistics, Statistical Yearbook of Romania 2007, p. 52-53, 60; 2008, p. 52-53, 60, 64.

## Annex 3

## Enrolment level of the school-age population

- Percentage -

	3-23 years			3-6 years			7-10 years			11-14 years			15-18 years			19-23 years		
	Total	M	W	Total	M	W	Total	M	W	Total	M	W	Total	M	W	Total	M	W
1995/96	64.0	63.6	64.4	63.6	62.8	64.4	96.9	96.9	96.8	92.8	92.9	92.8	59.7	58.4	61.0	22.6	22.7	22.6
1996/97	64.7	64.3	65.2	65.5	64.8	66.2	96.7	96.9	96.4	94.3	94.5	94.2	61.1	59.9	62.3	24.0	23.8	24.3
1997/98	65.1	65.0	65.1	67.0	66.3	67.8	94.4	94.6	94.2	98.0	99.3	96.6	61.6	62.0	61.2	24.3	23.5	25.1
1998/99	66.3	65.4	67.2	68.5	67.6	69.6	95.8	95.9	95.6	98.1	98.2	98.0	63.0	61.4	64.6	26.7	25.2	28.3
1999/00	67.3	66.3	68.3	69.5	68.3	70.7	95.5	95.7	95.2	96.9	96.9	97.0	65.9	64.0	68.8	28.9	27.2	30.7
2000/01	68.9	67.7	70.2	66.1	65.1	67.1	94.2	94.5	93.9	95.5	95.6	95.4	74.5	72.5	76.8	32.9	30.4	35.5
2001/02	70.6	69.2	72.1	72.3	71.1	73.5	97.2	97.4	97.0	93.2	93.3	93.2	73.9	71.6	76.3	36.4	33.3	39.6
2002/03	72.9	71.2	74.6	76.5	75.5	77.6	96.5	96.8	96.2	94.1	94.0	94.3	73.7	71.4	76.1	40.7	37.1	44.5
2003/04	74.2	72.5	75.9	81.0	80.1	82.0	98.2	98.5	98.0	94.2	94.2	94.2	73.0	70.8	75.3	43.3	39.4	47.4
2004/05	74.9	73.2	76.6	81.6	80.8	82.5	98.0	98.3	97.7	93.6	93.6	93.6	74.9	72.8	77.1	45.7	41.6	50.0
2005/06	76.0	74.1	78.0	80.4	79.6	81.2	98.0	98.1	97.8	96.2	96.2	96.2	73.5	71.5	75.6	51.2	46.5	56.1
2006/07	77.3	75.3	79.5	80.9	80.0	81.9	97.0	97.2	96.9	95.0	95.1	94.9	75.7	73.9	77.7	55.9	50.5	61.5
2007/08	79.7	77.2	82.3	81.8	81.1	82.6	96.0	96.2	95.7	94.4	94.6	94.2	77.4	75.4	79.5	63.8	57.3	70.5

Note: M = Male; W = Women

Source: National Institute of Statistics, Statistical Yearbook of Romania 2001, p. 200; 2003, p. 208; 2007, p. 353; 2008, p. 391.

## Annex 4

## Early school-leaving rate in pre-university education

- Percentage -

School year	Total	Of which:					
		Primary and lower secondary			Upper secondary	Vocational	Apprenticeship
		Total	Primary	Lower secondary			
1990/91	4.9	1.8	1.6	1.9	7.3	8.2	10.9
1991/92	3.9	1.3	1.3	1.3	5.4	6.3	5.0
1992/93	2.2	1.5	1.5	1.4	4.8	1.8	5.4
1993/94	1.9	0.6	0.4	0.8	4.4	5.0	7.2
1994/95	2.0	1.0	0.6	1.4	4.2	4.1	6.0
1995/96	1.9	0.8	0.5	1.0	3.9	5.0	6.4
1996/97	1.9	0.8	0.6	1.0	4.0	5.4	8.0
1997/98	2.0	0.8	0.6	1.0	4.2	5.6	7.4
1998/99	2.2	0.9	0.8	1.1	4.3	5.6	6.6
1999/00	2.0	0.9	0.8	0.9	3.8	5.4	8.3
2000/01	1.8	0.6	0.6	0.6	3.5	6.5	7.1
2001/02	2.3	1.2	1.0	1.4	3.3	6.6	7.7
2002/03	2.3	1.2	0.9	1.5	2.7	7.9	8.1
2003/04	2.2	1.5	1.2	1.7	2.4	5.9	7.7
2004/05	2.3	1.7	1.3	3.0	2.3	5.5	9.2
2005/06	2.6	1.8	1.5	2.1	2.7	7.2	8.6
2006/07	...	2.0	1.7	2.3	3.3	8.2	7.5

Source: National Institute of Statistics; NIS Statistical Yearbook of Romania 2008, p. 413

## Annex 5

**Employment rate of population aged 15 years and over by age group,  
gender and residence**

- Percentage -

Years	Total population (15 years and over)	Total 15-64 years	Age groups					65 years and over
			15-24 years	25-34 years	35-44 years	45-54 years	55-64 years	
<i>TOTAL</i>								
2002	51.3	58.0	30.5	73.7	77.5	67.6	37.7	18.5
2003	51.0	57.8	27.9	73.6	78.0	68.0	38.1	17.9
2004	50.4	57.9	29.1	72.8	77.8	68.3	36.9	14.9
2005	50.2	57.7	25.6	72.8	78.1	69.1	39.4	14.6
2006	51.0	58.8	24.5	73.3	79.5	71.5	41.7	14.2
2007	51.3	58.8	24.4	73.2	79.3	72.2	41.4	16.0
<i>Male</i>								
2002	57.8	64.1	34.6	80.2	83.8	75.0	43.1	21.2
2003	57.9	64.1	32.6	80.2	84.7	75.8	43.5	21.3
2004	56.8	63.6	32.8	78.7	83.5	75.7	43.1	17.1
2005	56.9	63.9	29.4	79.0	84.7	76.5	46.7	16.8
2006	57.6	64.7	28.2	78.3	85.5	78.8	50.0	16.6
2007	58.1	64.8	28.3	77.9	85.3	78.8	50.3	19.4
<i>Women</i>								
2002	45.2	52.0	26.2	66.9	71.1	60.4	33.0	16.6
2003	44.6	51.5	22.9	66.7	71.2	60.7	33.3	15.6
2004	44.5	52.1	25.1	66.7	72.1	61.4	31.4	13.4
2005	43.9	51.5	21.6	66.2	71.3	62.1	33.1	13.0
2006	44.9	53.0	20.6	68.0	73.4	64.6	34.5	12.6
2007	44.9	52.8	20.2	68.2	73.2	63.9	33.6	13.6



Years	Total population (15 years and over)	Total 15-64 years	Age groups					65 years and over
			15-24 years	25-34 years	35-44 years	45-54 years	55-64 years	
<i>Urban</i>								
2002	47.3	53.7	22.2	74.4	76.8	64.2	17.2	2.0
2003	47.5	54.0	20.9	74.3	77.6	65.1	18.9	2.2
2004	48.9	55.9	22.1	74.3	79.6	68.3	22.9	2.2
2005	47.9	55.0	18.7	73.8	78.8	68.0	24.8	1.9
2006	49.8	57.2	18.0	75.4	81.4	71.4	29.9	2.1
2007	49.5	56.8	18.5	75.6	80.2	70.2	28.5	2.4
<i>Rural</i>								
2002	56.1	63.7	41.6	72.7	78.7	73.0	56.2	29.4
2003	55.2	62.9	37.2	72.7	78.6	72.9	56.3	28.5
2004	55.3	60.6	38.7	71.0	75.0	68.5	51.2	24.0
2005	53.0	61.6	35.2	71.3	77.0	71.1	55.5	24.0
2006	52.6	61.1	33.5	70.3	76.7	71.8	55.6	23.4
2007	53.6	61.5	32.2	69.8	77.9	72.9	57.1	26.3

**Source:** National Institute of Statistics, LFS 2007, p. 53-54.

## Annex 6

**Crude death rate by main causes of men and women  
aged 65-74, 75-84 and 85+, 2005 in EU  
and Romania, 2005**

- per 100000 inhabitants -

Causes	65-74 years				75-84 years				85 years of age and over			
	Men		Women		Men		Women		Men		Women	
	UE-25	RO	UE-25	RO	UE-25	RO	UE-25	RO	UE-25	RO	UE-25	RO
1. External causes, of which:	92	144	37	52	185	163	110	71	572	170	456	99
- Transport	17	39	7	13	25	46	9	14	29	45	8	14
- Other accidents	41	71	19	26	107	80	81	41	441	78	409	69
- Other external causes	35	35	12	13	54	37	19	16	102	47	38	16
2. Illnesses and diseases, of which:	2551	4354	1309	2480	6551	9503	4199	7601	17655	22766	15040	21776
- Neoplasm	1054	1036	539	508	1992	1247	1000	737	3246	1274	1753	795
- Diseases of nervous system	53	24	38	16	196	53	151	40	493	57	462	88
- Diseases of circulatory system	949	2594	465	1630	2845	7085	2070	6179	8861	19417	8709	19566
- Other illnesses and diseases	495	700	267	326	1517	1119	979	645	5054	2019	4117	1327

**Sources:** Eurostat, The life of women and men in Europe, 2008 Edition, p. 212-214.