### **MUTUAL LEARNING PROGRAMME:**

#### PEER COUNTRY COMMENTS PAPER - ROMANIA

# Support for single parents: How to overcome social assistance dependency by instilling a work culture

Peer Review on "Pathways to Work for Lone Parents" Northern Ireland, 10-11 May 2010

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#### 1 LABOUR MARKET SITUATION IN THE PEER COUNTRY

This paper has been prepared for a Peer Review within the framework of the Mutual Learning Programme. It provides information on Romania's comments on the policy example of the Host Country for the Peer Review. For information on the policy example, please refer to the Host Country Discussion Paper.

Labour market integration in Romania, particularly for vulnerable groups, is set to become much more problematic in the context of the economic crisis. This affects in particular young people, women with medium and low levels of qualification, single parent families, old people, and particularly women and people with disabilities. The deteriorating position in the labour market can be summarised with a few key figures:

- At the end of May 2009, the number of registered unemployed was 526,800 -188,500 higher than in May 2008.
- In May 2009, the unemployment rate was 5.8% of the total civil active population (3.7% in May 2008). The female unemployment rate was 0.7% lower than the male unemployment rate (5.4% compared to 6.1%). In August 2009, the registered unemployment rate rose to 6.9% (for men, it increased from 6.6% to 6.9% and the unemployment rate among women rose from 5.9% to 6.3%. 1)
- In September 2009, the number of registered unemployed was 625,100 people, up by about 225,000 in comparison with December 2008.
- At the beginning of 2010, the number of registered unemployed people was over 800,000 and specialists estimate it could reach 1,000,000.

From the perspective of the legislative framework, two laws in Romania support access to the labour market for marginalised people: Law no.76/2002 (for young people, long-term unemployed, people over 45 years old, handicapped people, people with criminal records, people living in rural areas) and Law no.116/2002 (for care givers, single mothers with children, young families with children, young families without children, young people in detention). In Romania, during the last five years there has been no clear official statistical data for the percentage of families which have single parents, as registered in Northern Ireland. In 2003, just after the 2002 national census was completed, Romanian lone parent families represented 12.95% of all households composed by a couple. Of these lone parent families, 68.3% had one child, 22.9% two children and 8.8% had more than two children. Official data provides information on single parents benefiting from social assistance support and dependent children in such families that are exposed to poverty and social exclusion. Across the country, their numbers were: in 2006 - 896,445; in 2007 - 798,019; and in 2008 - 695,864.

In Romania, during 2002 – 2006, under the Prime Minister's coordination, there was special interest in the social problems diagnosis of each vulnerable group, and in this context for the profile of lone parents, stimulated by the new Government inter-ministerial institution called CASPIS (Anti-Poverty and Social Inclusion Commission). The Commission encouraged numerous empirical research projects and surveys at the national level on the dynamics of poverty and its dimensions within families with children. This research data was closely related to lone parents who received special attention in social and employment policies. After the CASPIS methodology of establishing a poverty line, in 2003 about 20% of single parent families lived in poverty and about 60% of single parents with three and more children lived in extreme poverty<sup>2</sup>.

<sup>&</sup>lt;sup>2</sup> Zamfir, C. (ed), Diagnoses of Poverty in Child Development in Romania, UNICEF, Bucharest, 2005





<sup>&</sup>lt;sup>1</sup> The National Agency for Employment, 2009, p 49

In 2008 the situation of lone parents worsened, due to both difficulties in finding a job and a visible decline in their standards of living. The poverty rate is higher for lone parents than that of the general population (40% compared to 23% respectively - according to Eurostat data)<sup>3</sup>. New research data analysis by the Soros Foundation on single parent families points out that a significant percentage of young single parents are unemployed: 81% of young single parents (up to 25 years old), do not have a job compared with 34% of single parents between 35 and 44 years of age. The main sources of subsistence for those lone parents without a job largely come from the support of their families and social assistance benefits. In Romania 89% of single parent households are headed up by mothers<sup>4</sup>.

In Romania, in spite of the lack of official statistical data / indicators regarding the employment rate of single parents, we can note that the proportion of single parents depending on social support benefit is higher than that for the population as a whole.

#### 2 ASSESSMENT OF THE POLICY MEASURE

In Romania, labour market policies for vulnerable groups which aim to increase their opportunities to enter the labour market are illustrated in the National Strategic Report on Social Protection and Social Inclusion (2008 - 2010). Specifically the measures have been taken through the national program for the employment of socially excluded people and refer to<sup>5</sup>:

- Stimulating labour market activation by limiting unemployment benefit payments to 6 months; career information and counselling; vocational training, specialist job fair; granting favourable credit conditions for new entrepreneurs; etc.;
- Stimulating labour mobility using different kinds of employment bonuses;
- Subsidies and other incentives for employers who hire graduates, and people at high risks;
- Special measures have been proposed to address youth unemployment among particularly vulnerable under 25 year olds (which includes single parents) through: insertion and solidarity contracts; special mediation; counselling services and vocational training programmes. For instance in 2008 1,436 solidarity contracts were concluded of which 79 addressed single young parents with children (less than in 2007, when 108 of 2212 such contracts were with young single parents). In 2008, the figure dropped further with 66 contracts among 1229 being concluded with this target group.

In spite of these measures in 2009 there was an increase in the unemployment rate among the young of 19.6% (18% for women and 20.6% for men)<sup>6</sup>.

If we compare today only the number of single parents with a high risk of social exclusion in Romania with the number in Northern Ireland in 2006 / 2007 – 59,400 with 102,200 dependent children, we observe that around 11 - 12 times more are registered in Romania. Many explanatory factors could contribute to understanding this phenomenon and some factors include the lack of personalised services for the target group, percentage of single parents of the total number of families, cultural traditions for community services, and last, but not least, an inefficient policy in the field of social assistance provided to these families for many years after the Revolution. Granting financial incentives without careful analysis of the profile of the beneficiaries including the number of years of social dependency, and

<sup>&</sup>lt;sup>6</sup> EUROSTAT data from National Reform Program Implementation report – October 2009, Government of Romania, p 50





<sup>&</sup>lt;sup>3</sup> Popescu, R.and Voicu, O. Viata de familie, Fundatia Soros, 2008

<sup>4</sup> idem

<sup>&</sup>lt;sup>5</sup> Strategic National Report Regarding Social Protection and Social Inclusion 2008 – 2010, Government of Romania, Bucharest Sep 2008 p 5 - 23

without monitoring the type of benefits granted, automatically led to a lack of motivation for work. It implicitly made it impossible to increase the rate of autonomy of single parents. The only solution for their move from social dependency into work and thus into the community is to reconstruct the normal work integration skills. Lack of self-esteem by losing a job leads to a specific behaviour in the poverty culture.

The profile of the contradictory and very often inefficient support policies for single parents in Romania may thus be summarised:

- Emphasis on the passive financial support of the family. On the one hand, it offers minimum support to unemployed single parents. On the other, considering that the employment of the lone parent does not offer a minimum necessary financial base, the work only partially solves the lone parent's poverty issue and, thus, it must be backed-up by social security support measures.
- Some measures oriented to the active policy<sup>7</sup> in Romania for lone parents were centred on two key areas: the first, support for new job creation and subsidies for employers, and the second, improving the job readiness and skills of single parents<sup>8</sup>. The effort here is low, suggesting that marginal attention is given to this important objective in preparing people for the labour market.
- Although the situation of single parents in Romania is much more severe, the support that should be given to them during the crisis receives limited attention and is sometimes completely ignored by the political decision makers. Many of the decisions for employment policies are random, taken under social pressures and the structure is not oriented to priorities and the active solutions. Some disadvantaged groups which are very active in putting social pressure on the Government usually received their rights by strikes or staying on the street. Lone parent families are not so visible for political decision makers. Sometimes very poor lone parents do not know they have the opportunity to benefit from training programmes or counselling services for labour accession. They are lacking individual advisors who could provide proper personalised support for lone parents. The recent strategies of social protection and employment policies foresee the role of the personal advisor for beneficiaries of social assistance.

We can explain the new job creation as an important objective in several pilot programmes in Romania on the basis of social economy which help some excluded people from the labour market to have access to a job. There are some examples in different counties in Romania which point out the importance of the network solidarity within the communities dominated by unemployed people. In such a way there is real interest in developing the new entrepreneurial sector oriented to the social economy which could be the first step in finding a job some innovative methods in creating new work places. At the same time these new practical approaches in job creation are good instruments in recovering professional skills and developing work motivation, especially for people in need. Social economy is now not just an alternative for the lack of work places during the crisis but a new social initiative for integrating people into the labour market (in Romania there are now some enterprise pilot projects in accord with the pattern of the social economy. In Romania there is currently a very complex European programme focused on the social economy as an answer for disadvantaged people on the labour market).





<sup>&</sup>lt;sup>7</sup> To provide further our understanding of the contradictory, confused, inadequate and fragmented social policies in different domains in Romania after the Revolution, some remarks on single parents' policy can be noted:

the confused policy promoted for families and single parents appeared as a combination between some active measures
from the projects / programmes focused on the specific vulnerable groups (many developed by the NGO) with passive
measures given through financial state benefits;

lacking broad vision in establishing priorities on the field of social policies

lack of coordination of the social support measures coming from the programmes and from inter-ministerial / interdepartmental cooperation

<sup>•</sup> very fragmentary and narrow social policies on families and child care

low quality services referring to a poor infrastructure, low financial support, lack of specialist services after the needs
profile, lack of interest to cover all the needs of the family and child, especially in the rural areas

lack of qualified resources which characterised the care system for family and children in spite of the fact that annual many specialists / professionals have been trained,

pseudo-professionals who populate the system

<sup>•</sup> the inefficient way of evaluating and monitoring results are non-existent for such activities for specific vulnerable groups. For these reasons we can say that all the stages of social policies in Romania were characterised more as passive measures in comparison with the many initiatives active polices, good in themselves, but almost invisible in terms of actual actions.

8 We can explain the new job creation as an important objective in several pilot programmes in Romania on the basis of social

- In Romania, we often observe that social actions supporting single parents as an
  immediate answer to their emergency situations, instead of being permanently
  present / included by the personalised social services into a coherent structure of
  child and family policies integrated system, being correlated with all the forms of
  support oriented to preventing and treating their risks;
- The balance between work and family life is a serious problem in Romania. It is
  even more aggravated in the case of single parents for two reasons: the part-time
  work solution used in Northern Ireland is not very attractive in Romania. Not even a
  full wage can move most single parents out of poverty, so part-time wages are too
  small to stimulate them to work.

Generally speaking the social policies and social protection system as a whole focused on the family and child after 1990 and performed poorly in responding to the requirements of vulnerable groups. This was due to the lack of needs assessment including the punctual answers for each group and individual at risks, too many changes in the decisions makers of the social assistance system without an evaluation process, the ambitions to reform and restructure permanently the forms of supports, the fragmented support programmes, the lack of interest in using qualified human resources in the field and the very low financial budget to solve problems in an efficient way. The performance of the labour policies is still very poor, taking into account the dramatically increasing rate of unemployment. The Northern Irish Programme appears to be based on the assessment that the employment offer is high enough in comparison with the request. For this reason, the stimulation of motivation for high-risk groups is the proper / adequate option on which to base the support programme. It is right to say that the objective of the programme is to offer an alternative for the recovery of professional potential by developing work abilities for single parents, while also preparing the labour market for their entry. It is a viable solution in a crisis period, and not only at the community level, which can accelerate the development of models of social economy. In addition, the programme, by its explicit objective stated in PWLP, estimated that employment, even in part-time jobs, is sufficient to move the individual from social dependency into positive work orientation.

In Romania the level of available employment offers is considerably less than demand and the disparity is increasing. Given these conditions, Romania presently chooses to emphasise not the intrinsic work motivation for employment of the socially dependent, but creation of new jobs and stimulation of employers to create new jobs. This is only a temporary option, much more in response to the crisis situation, which needs to be supported by active measures for interest stimulation: the desire to move from social dependency into the workplace.

# 3 ASSESSMENT OF THE SUCCESS FACTORS AND TRANSFERABILITY

A question can be raised, with a possible answer: the Northern Irish system proposed by the programme, in its substance, appears possible and very attractive for implementation in a stable and growing economy, and where managerial resources are used. It is possible that in a period of deep economic crisis this system may not be so suitable for implementation. At the same time, some components (such as: personal advisor and permanent counselling and information in finding a job, a better paid job, retraining and gradual preparing for work skills, financial incentives and social services for child care helping women to return to their job) which address the reality of the situation could be assimilated and immediately incorporated into employment social policies. Of course, they cannot solve the global problem of single parents to be integrated into the labour market. It is clear that paying more attention to single parents may contribute, especially in crisis situations, to an improvement in their life conditions.





What seems more important for the purpose of the programme is to develop new positive orientations, attitudes towards work which should in time develop into norms, and social skills that will contribute to a work culture instead of social dependency for high-risk marginalised groups. These are the only solutions for these groups to move in time from the dependency of social support to a normal professional and family life. For some, this process may appear, from the perspective of the current crisis, to be a utopian goal, but in fact, it remains a constant and necessary step for normal reintegration into the community of vulnerable groups.

An aspect concerning single parents which has a direct impact on child development in Romania is represented by the difficulties which lone parents' children must face within their own family, as well as outside the family.

Strong features of the programme "Pathways to Work for Lone Parents" include:

- Coherence, complexity, professionalism and steps of good management oriented towards changing the mentality regarding welfare produced by valuing work.
- Active and gradual stimulation of the motivation to work in a professional manner.
- Advisors / dedicated personal advisors who have counselled the client for a long time. Such advisors have the opportunity to know the needs profile of each client very well and to seek specific individual solutions for them.
- Granting financial incentives through different methods and instruments (work-focused interview, better-off calculation, etc). Although during a recession it is very hard to grant these financial incentives, they become efficient tools in creating a positive new attitude and so provide a stimulus for work. In the end, there is an efficient return on the investment in terms of costs and benefits. These incentives may also provide a prevention function in demonstrating the meaning / value of work to children as well.
- The structure of organisations involved in this programme shows network solidarity.
- The voluntary involvement of many community actors within the programme.
- Last, but not least, the importance of using all previous programmes (the synergy of the programmes oriented towards the final goal).

In this context, it can be said that the weak point of the Northern Ireland Programme is connected to the lack of a direct and explicit link between the provision of community and public childcare and education services. The attractiveness of the Programme would have been enhanced if this support tool had been linked. The evaluation of beneficiaries is relevant and understandable, as 90% of the participants in the programme observed the lack of quality and flexible childcare services as a work barrier.

In fact in Romania many of the programmes focused on family and child policies have been developed randomly, without taking into account the previous programmes and their results. Thus, their consistency and efficiency for the beneficiaries were diminished. There was a lack of using specialist involvement on social issues, communication and knowledge of the profile of clients' specific needs. The large number of vocational training and retraining programmes, multiple specialisations has not been sustained by total implementation, by integrating the beneficiaries into employment. Under the recession conditions and also labour market competition, the opportunities of the high-risk groups, prepared by professionals via training and educational programmes, have been drastically reduced.

Under-qualified services for single parents directly affected the situation of dependent children and single parents by pushing them to the limit of severe poverty (school dropouts, poor health, inadequate households, severe behavioural disorders, physical abuse, sexual abuse, child trafficking and exploitation in the labour market, delinquency and





violence). Considering the complexity of requirements for child development, a question is raised: can only the economic aspects be sufficient for the complete development of a child, taking into account the multiple needs from the biological, psychological, social and educational fields which the child faces? Poverty is a significant factor against child development, but not the only one. All requirements for child development should be taken into account for a normal development of personality.

The evaluated programme could be a model of good practice in Romania, through its adaptation to the country's requirements for single-parent families.

Lone parents in Romania seldom receive special attention regarding their specific needs. In Romania they have now had become a big vulnerable group with a great impact on child care and child development. Lone parents are usually a part of vulnerable groups which need social assistance benefits and individual social services. The perception of lone parents in Romania is a normal one not related to discrimination or negative connotation. Only their economic situation, in many cases, is very different from that of a traditional couple and can create frustration for them and the feeling of marginalisation.

For 2010, Agentia Nationala a Ocuparii Fortei de Munca - ANOFM (National Agency for Employment) proposed a future employment strategy, via the "Employment of Socially Excluded People Programme for 2010" and "Employment for 2010 Programme of ANOFM", including steps similar to the Northern Ireland Programme entailing the payment of subsidies or relief from paying national insurance contributions for employers recruiting graduates and assistance for workers with mobility to move to localities where their skills are in demand; granting free services of professional information and advice to individuals in search of a job; granting subsidies to employers for hiring people from disadvantaged groups; granting personalised assistance to youth at risk of social exclusion by concluding solidarity contracts and offering specific services (they are related to information on job offers, professional counselling and short-term courses, etc.). It is predicted that 23,965 people will benefit from the social unemployment security budget by stimulating employers to hire people from vulnerable groups.

#### 4 QUESTIONS

- Why does this package for supporting the work inclusion of single parents not include adequate childcare services for single parents which would give much more sustainability to the programme?
- Was there a legal framework which promoted good cooperation between all the partners and inter-departmental networks involved in the programme?
- How could this programme be maintained and disseminated in Northern Ireland during crisis conditions in work places?
- Could the positive attitudes of the beneficiaries of the programme be measured during the time by evaluating its results?
- What is the difference between Northern Ireland and the other regions in the United Kingdom regarding the social support dependency of single parents?
- What is the explanation for the increasing number of single parents in Northern Ireland?
- What is the definition of a single-parent family according to the Northern Ireland legislation?

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<sup>&</sup>lt;sup>9</sup> page 4-5 ANOFM's Programme for employment for 2010

#### **ANNEX 1: SUMMARY TABLE**

#### Labour market situation in the Peer Country

- Increasing rate of unemployment and decreasing occupational rate for young lone parents.
- Increasing poverty for lone parents with children.
- The social benefits support, without a stable work place is not a solution for lone parents to have a normal and decent life.
- Attracting and retaining people in the labour market by developing active employment
  policies was countered by ineffective redundancy within government jobs, focusing heavily
  on training rather than monitoring their actual completion by the integration of the trainees
  into the labour market.
- It is necessary to increase the opportunities in the labour market for lone parents families especially for young people single parents (18-25 years old).
- The programme for lone parent mothers needs to be integrated into a coherent system of social policies for women and child care.

#### Assessment of the policy measure

- Lack of efficient social services and the active support for families and for lone parents at risk of poverty.
- Lack of balance between professional and personal life due to underdeveloped social services for working women (raising children and engaged in housework).
- Low social support budget for vulnerable groups, especially for lone parents
- Focusing on social support assistance (much more in financial aid) for single parents instead of developing very active mechanisms to integrate them into the labour market
- Ignored the synergy of the programmes focused on the family social policies and child protection

#### Assessment of success factors and transferability

- Developing the national position and open attitudes on the active measures for moving lone parents from the social supports to the labour market
- Encouraging of the development of personalized social services according to the needs profile of lone parents.
- Rapid increase in the incentives for job creation and employer stimulation for work integration of lone parents
- Using an efficient human resources management in the social work system.
- Developing personalised social services and individual counselling advisors addressed to lone parents

#### **Questions**

- How is it possible to establish and motivate an efficient cooperation between the community social actors from the different domains in helping lone parents?
- Are the inter-ministerial and inter-departmental relationships involved in the Programme for lone parents supported by a legislative approach?
- How can we start to set up a work culture for the people in need, especially for lone parents, based on the community network solidarity?





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