

ANALISYS OF LABOUR MARKET AND UNEMPLOYMENT IN ROMANIA FROM 2007 TO 2010

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Abstract: The human resource is the most important production factor. The paper identifies the major shifts which took place in the economy sectors regarding the occupied population and the evolution of unemployment in this period .

JEL classification: M41, M42

Key words: labour market, unemployment, occupation, activity, professional status

1.INTRODUCTION

In the last years the Romanian economy faced a decline in the industrial production and this thing lead to a deep unemployment in the labour market. This study analyses the structure of the population that can work and the structure of the economy sectors.

The decline in production and construction lead the workers to agriculture and services. But even if the workers are a busy person they don't work for a salary especially in agri-culture so this thing don't help productivity. This can explain that the unemployment is deeper in the town than in the country side. The agriculture is a sector characterized by lower efficiency.

In the matter of unemployment in the last years the male were more affected by unem-ployment than the female. Also the youth that are under 25 years old find it very difficult to find a job, this first that they don't have experience in the work field and secondary they gradulate in the domains that aren't any more requested by the labour market.

2.EVOLUTION OF OCUPIED POPULATION AND ITS STRUCTURE

The process of restoring the business sectors of Romanian economy from 2007 to 2010 was attended by a decrising of human resources using. The slump registered by construction sector, industry sector and also the restore made in the public sector in 2010 acording to a squeeze in the GNP against 2008, had a negative impact for the occupation of human resources leading to a increasing in unemployment rate. The evolution of using the human resources is analyzed using the indicator occupied population.

The occupied population 'is formed from employs, the freelancers and the ones who work in and for their own family'.¹

¹ Gheorghe Pirvu-Macroeconomics, Editura Sitech, Craiova, 2007, pag 113

Table no. 1 Active population, Ocupied population

Thousands

Year	Active population	Ocupied population	Ocupied population/active population (%)	Unemploy/Active population (%)
2007	9994	9353	93.58	6,42
2008	9944	9369	94.21	5,79
2009	9924	9243	93.13	6,87
2010	9965	9240	92.72	7,28

Source: Romanian Yearbook 2011, pag 17

During the analyzed period, the ocupied population has a decreasing trend starting with the year 2008, this year represented the point from where the economic activituies declined in Romania and in other countries. The enterprises started to fire the employes for mantaining the profitability margins and this thing lead to a decreasing of ocupied population and grow of unemployment.

The ocupied population decreased from 2008 to 2010 with 129000 persons and the weight of opupied population in active population decreased in the same period with 1,49 percent.

Analyzing the structure of ocupied population can see informations such as the partici-pation of women at economical activities, the structure of ocupied population using the age of the persons and the distribution of human resources in economy sectors. In this period the weight of women in ocupied population was almost constant around the value of 45 %, beeing less than the weight of men all the time.

If in year 2002 in the country side the represented the majority of ocupied population, starting with 2003 the things changed so almost 54,5 percent from all the ocupied population lived in town. This change of ocupied population denizen, offer important infor-mations about the shift which took place in the national economy. The change of proportion country side-city can be explained by the getting old phenomen especialy in the country-side and also because the enterprises were placed in and around citis.

Using the professional status criteria the trend is the same as in the previous years, so the biggest proportion is held by employes, but in the year 2010 can be seen a decrease of employes in the ocupied population of 1,6 % against the previous year, and a increase of profesionals and the ones who work for their own families and are not paied for their work. Also can be seen that the ones who has the profesional status of boss has a constant evolution along the analized period.

Table no. 2 The structure of population using professional status

Professional Status/Year	2010(%)	2009(%)	2008(%)
Employ	65.6	67.2	67.4
Boss	1.3	1.4	1.3
Profesional	20.4	19.4	19.4
Family worker	12.7	12	11.9

Source: Romanian Yearbook 2011, pag 18

The decreasing of employs in the period 2008-2010 has negative aspects because the pressure on social insurance budgets is increasing and the incomes obtained by the families are not any more safe.

The national economy structure is an important indicator which is used to mark out the develop degree of the countris. Using this results can be made comparisons among different countris. The population structure using the activities in the economy from 2008 to 2010 shows the fact that has been important shifts and feeds among the sectors.

Using the data below it can be seen that the number of ocupied population in construction decreased 44000 and in industry 267000 aimed to decreasing the working productivity and shortage of orders in those business. The weight of ocupied population in industry declined 2.6 % along the three years. On the other hand it can be seen an increasing number of persons that worked in agricultural sector with 91000 persons. The agricultural sector is also the sector that has the biggest weight in ocupied population in year 2010 with a value of 30% and having a growth of 1.3 % from 2008 up to the present. This thing is due to the fact that our country has a tradition in agriculture but also this occupation started to be made by the ones that become unemplpoy from construction and industry sectors. Another important sector is trade which even if it decreased the number of ocu-pied persons it has a constant level among the period as weight of ocupied persons in the overall persons.

Table no. 3 Occupied population and the national economy activities

Thousands

The Activity	2008	2009	2010
Sum	9369	9243	9240
Agricultural, forestry, fishing	2689	2689	2780
Industry	2212	2048	1945
Extracting Industry	107	100	96
Manufacturing	1905	1751	1647
Production and suppling the energy, water and natural gas	126	129	126
Water distribution, salubrity	74	68	76
Construction	749	726	705

Trading	1166	1157	1134
Transportation and storing	454	455	444
Hotels and restaurants	154	165	180
Informations and communications	119	123	126
Financial and insurance agents	110	122	132
Real estate trading	15	16	19
Profesional, technical and scientific activities	140	148	159
Administrative services	145	150	154
Public administration and deffense	466	490	471
Learning	399	386	385
Health and social assistance	381	395	403
Entertainment activities	48	45	50
Other activities and services	122	128	153

Source: Romanian Yearbook 2011, pag 18

Using the data above can be seen the grows of ocupied population in services sector. So the data shows the fact that the population from industry and construction shift to agri-cultural activities and services.’’The development of services sector was presented as a miracle-solution for solving the problems with the ocupation of population and also a sti-mulating factor for the business activity’’.² The service sector registered an increasing of ocupied persons with 0.8 % in 2010 from the previous year. The weight of ocupied persons in services is lower than in the developed countries and this thing is becouse the sector can not create employment for the ones that has dismissed from construction and industry sectors.

3. DIMENSIONS OF UNEMPLOYMENT

The economical decrease started in the second part of 2008 lead to an increasing unemployment situation, the active population beeing the same. Becouse the activities in construction and industry decreased the unemployment rate grow fast end of the second trimester of 2011. This value is with 1.4% bigger than the unemploy-ment rate registered in 2008.

² Pert Steliana-Labour market in Romania in transition perion. Devices and policis for employment and combat unemployment, Informing and Economic documentation center, Bucharest, 1992, pag 147

Table no. 4 The population, kinds and environment in second trimester 2011

	Sum	Male	Female	City	Country
Active population	9921	5450	4471	5592	4329
Ocupied population	9210	5044	4166	5117	4093
Unemploys	711	406	305	475	236
Unemployment rate	7.2	7.5	6.8	8.5	5.5
15-24 years	21.8	21.7	21.9	29.1	15.8
> 25 years	5.7	6	5.4	6.9	4.1

Source: Press Release no.202/2011, INS

From the table above can be seen that the male unemployment was higher than the female unemployment. Also the highest unemployment is beyond youth under 25 years, but in the second trimester 2011 this number decreased from the previous period with 1%. The unemployment in the city was higher than in the country-side with about 3 % in 2011. This is because a part of the country-side population is considered occupied population working in agricultural sector but without receiving any salary.

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