ANALYSIS OF THE UNEMPLOYMENT STRUCTURE ON COUNTIES IN ROMANIA (THE 2006-2011 PERIOD)

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Abstract: In this paper I made an analysis of the unemployment from the structural point of view, on counties in Romania. Unemployment is a phenomenon seen in all countries, without any exception, and due to its size and duration, a number of issues emerge related to the possibility to decrease it. In the years before the outbreak of the economic crisis, the statistical reports made showed normal unemployment values, which led us to think of a prosperous future of our country, at least from the point of view of the economic evolution. With the onset of the current crisis, in 2009, unemployment recorded worrying values, being brought again on the list of current problems faced by the economy. Any detailed analysis related to this field is important, both for a better understanding of the phenomenon we are facing, and in order to try to get closer to a potential solution.

Key words: unemployed number, economic crisis, unemployment rate, county, unemployment structure

INTRODUCTION

The unequal developments in the economy of the counties and big geo-economic areas of the country were also reflected in the territorial behaviour of unemployment. Its uneven distribution on the national territory turns the labour factor into one of the most socially tense issues of transition. Tensions are generated, on the one hand, by the high unemployment number and rate, and on the other hand by the financial effort required for the social protection of the unemployed (Ungureanu, 2005).

From the very first year of the official existence of unemployment in Romania, the differences between the east and the west of the country were obvious. Even if this image is general, and there are cases that relaativize the difference between east and west, this is the consequence of the differences noted in the labour number and structure and an effect of the unbalance condition in the regional economy, with a direct impact direct on the economic performance at infra-regional level. With the completion of the stages of the transition process, areas in the centre and south-west of the country were added to the north-eastern area of the country that has, traditionally, a higher unemployment, (Mocanu, 2010).

MATERIALS AND METHOD

The paper was written based on the analysis of data published by the National Institute of Statistics for the 2006-2011 period.

In this research, I made an analysis of the unemployment structure on Romanian counties in absolute terms, as number of recorded unemployed, and a comparison to the national average number of recorded unemployed.

In the year before the beginning of the economic and financial crisis, the territorial distribution of the values of the general unemployment rate and of the unemployed population were characterised by the presence of a group of counties in the west and centre of the country, with the lowest values (a general unemployment rate of 1.5 - 3.9% and less than 10,000 unemployed in each of the counties). The other counties of the country recorded levels close to the national averages (a 4.3%general unemployment rate in 2007)

or slightly higher than them, except Vaslui and Mehedinți counties, with peak levels (9.6%, and 8.1 respectively %).

From 2006, a labour shortage was recorded at national level, due to increasing migration for work abroad.

This contrasting image of the labour market, with unemployment higher than the national average in more than half of the counties of the country and also with a labour shortage, was completed and complicated by the economic and financial crisis at the end of 2008.

The county unemployed number average was 9605 unemployed/county in 2008, and after one year, in 2009, it had reached 16,900 unemployed/county. On average, the increase in the unemployed population number was 7284 unemployed/county, but at territorial level, the territorial gain was unevenly distributed. In absolute values, the unemployed population number increased at levels higher than the county average in almost 50% of the Romanian counties (among which Timiş, Arad, Bihor, and the Municipal City of Bucharest), but the highest increases were recorded in Prahova (16,200 persons), Argeş (12,100 persons), Cluj (11,700 persons), Braşov (11,170 persons). Ilfov (1,801 persons), Giurgiu (2,500 persons), Covasna, Tulcea, Călăraşi were at the bottom of the county hierarchy.

RESULTS AND DISCUSSIONS

In 2010 a decrease in the unemployment was noted, which was not, however, comparable to the decrease in the previous year. The figures show that in all counties, the unemployed number, even after the decrease of this year, remained significantly higher than in 2008, which was the year before the beginning of the crisis.

In 2010 this number increased in the first 3 months of the year, reaching, at the end of March 2010, 765,285 persons, after this date the unemployed number decreased steadily, until the end of the year (626,960 persons).

In 2011, the unemployed number decreased in 8 counties, and the decreases were noted in the following counties: Dolj (by 1,011 persons), Iaşi (by 375 persons), Maramureş (by 348 persons), Neamţ (by 201 persons). In Bucharest, the unemployed number decreased by 32 persons.

Increases in the unemployed number were recorded in the following countie: Galaţi (822 persons), Alba (773 persons), Suceava (666 persons), Covasna (491 persons), Vâlcea (466 persons), Bistriţa – Năsăud (360 persons) and Cluj (326 persons).

The counties with the highest percentage of unemployed without unemployment benefit in the total unemployment number were: Teleorman (77.20%), Buzău (74.72%), Dolj (74.13%), Galați (73.24), Brăila (72.69%) și Covasna (72.24%).

Table 1 Number of registered unemployed, on counties in the 2006 – 2011 period

		Years							
County	2006	2007	2008	2009	2010	2011			
TOTAL	460495	367838	403441	709383	626960	461013			
Alba	13011	10509	12827	22767	17506	13228			
Arad	7036	4929	6549	14591	11068	7241			
Argeş	17843	12985	13131	25229	19721	14540			
Bacău	13759	10355	12411	21094	17619	13828			
Bihor	7647	6706	8596	16679	16666	11633			

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Bistriţa-Năsăud	4053	3105	3614	11124	8605	6541
Botoşani	8668	6391	5519	11231	9837	6125
Braşov	15097	12603	10655	21825	17742	12271
Brăila	7856	5315	6026	11101	11738	7554
Buzău	14623	10604	10854	17920	18631	14978
Caraş-Severin	9014	8967	7698	13326	11280	6739
Călărași	7517	4965	5463	9861	9630	6688
Cluj	12900	10203	9998	21725	16858	12714
Constanța	13402	10858	9612	20198	17910	13058
Covasna	6564	6653	6786	10408	8959	7690
Dâmboviţa	12748	11366	11715	17979	17927	13382
Dolj	19598	14347	24310	33643	29167	25395
Galaţi	15711	12589	14538	24555	21292	15673
Giurgiu	5033	4090	4181	6681	7861	5330
Gorj	11759	8205	10994	16464	14821	11306
Harghita	10069	7163	9280	15125	12777	9196
Hunedoara	13696	10087	13826	21819	16462	11155
Ialomiţa	8854	7435	5204	12256	10480	7865
Iași	20231	17695	16905	22898	21469	16024
Ilfov	2387	2128	2098	3899	4409	2699
Maramureş	8153	7068	7577	13282	12490	8358
Mehedinţi	11257	9959	11429	17363	12219	11373
Mureş	13082	10691	11607	19999	19740	14568
Neamţ	9549	7800	8223	16140	15928	10324
Olt	11212	8673	9463	15694	14467	11993
Prahova	15938	12124	12122	28321	26873	17186
Satu Mare	5243	4080	4600	10135	9370	7039
Sălaj	6638	4739	5845	11164	8929	6809
Sibiu	9168	5806	5794	15315	10780	8006
Suceava	11816	9457	10963	20101	18856	11908
Teleorman	14564	12552	13702	19976	18624	15197
Timiş	6737	5487	5568	15114	12367	6280
Tulcea	4421	3461	4005	8024	7038	4901
Vaslui	16414	15619	16458	22622	18563	15081
Vâlcea	8434	6123	8344	14359	13921	9185
Vrancea	6030	5658	6677	11220	11438	8255
Municipiul București	22763	18288	18274	26156	24922	21697

Source: <u>www.insse.ro</u>

While at the beginning of 2011 the unemployed number was similar to that at the beginning of 2009, which was the year when the economic and financial crisis emerged in our country, throughout the first semester of 2011 the unemployed number decreased steadily. From the 3rd quarter of the year, the unemployed number began to increase

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slightly mainly due to the limitation of the business of the economic entities with seasonal activities.

Given the highlighted aspects and the fact that, in the following period, a certain increase in the total number of unemployed recorded at national level is foreseeable especially as a result of the seasonality effects, in the future it is necessary to carefully monitor the most vulnerable categories on the labour market, because they must be actively supported in their approach to find a job quickly, in order to prevent them from becoming long-term unemployed.

Starting from a number of 626,960 unemployed persons recorded at national level at the end of 2010, throughout the whole 2011, the following entries and removals were recorded: the actual entries in the unemployment records were 826,761 persons, and the removals from the unemployed records amounted to 992,708 persons. Out of the total entries in the unemployment records, 419,829 are new unemployment entries, persons who come to the public employment service for the first time in order to get support in finding a job. Most of these people come both from collective or current staff dismissals, or are new graduates of various education institutions.

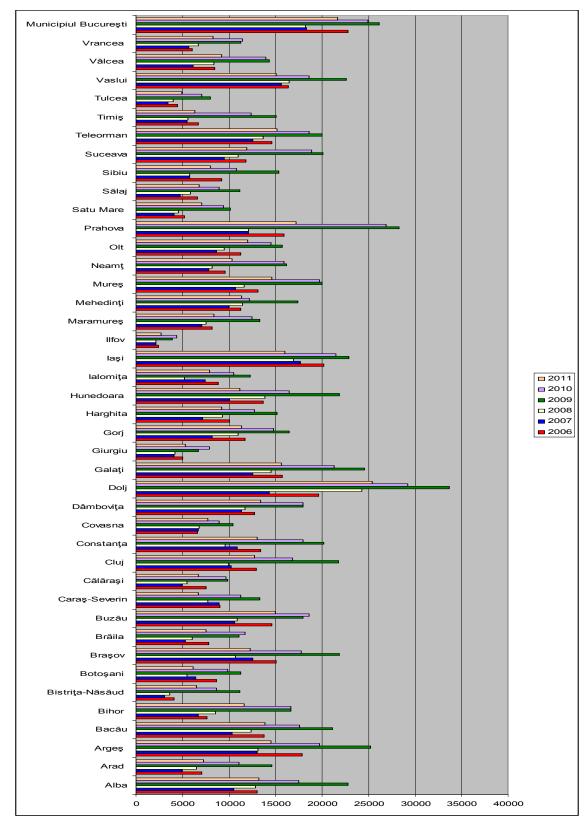


Figure 1 Number of unemployed recorded on counties, in the 2006 – 2011 period Source: <u>www.insse.ro</u>, figure drawn based on Table 1

CONCLUSIONS

The negative phenomena in the economy affected mankind since ancient times, and in each historical period more or less useful methods were found to combat such phenomena. Looking back, from the perspective of the unemployment evolution, in the last three decades this phenomenon became increasingly significant, due to the negative effects it involves. While 20 - 30 years ago, the unemployment average rate, worldwide, was 2 - 3%, it now reaches or even exceeds 10%. This is why unemployment nowadays is called "massive and chronic". In Romania, at the end of 2011, the unemployment rate recorded the value of 5.12%, which is 1.75 percentage points lower than the one recorded in the same period of the previous year. A decrease of this rate no matter how small is encouraging, both from the perspective of the national economy and from each individual's perspective.

In relation to the population's migration for work abroad, this migration increased starting with 2006, thus leading to a national labour shortage. Currently, there are few measures against migration and immigration, despite the fact that they continue to affect both the national economy that is deserted by workers and the economy of the countries where they immigrate. Among the few measures implemented mention should be made of the restrictive immigration policies. Despite them, very many people in search for a better life achieve their purpose successfully, but once they reach their destinations many become victims of traffickers and smugglers. Looking at the Romanian workers' access on the labour markets of the countries that have implemented restrictions, this is achieved based on the national legislation of the country in question and on the possible bilateral agreements on the labour movement concluded by Romania with such countries (manly with Germany, Spain and France).

Analysing the unemployment problem at national level, we can see that the year when Romania was most seriously affected was obviously that of the onset of the financial crisis (2009), when the recorded unemployed number was 709,383 persons. In order to understand what this value means, I should mention that it is almost twice the value recorded two years before, in 2007. Before the economic crisis, unemployment remained at a similar level, its value fluctuating around 400000. Fortunately, from 2010, the number of recorded unemployed started to decrease, and in the last year covered by the analysis (2011) it reached a level almost equal to that of 2006 (461013).

In relation to the counties in our country, among the ones that are most affected by unemployment there are: Dolj, Prahova, Argeş, Galaţi, Iaşi, Vaslui, and the city of Bucharest. The peak of the analysed period was reached in Dolj County, in 2009, more specifically 33,643 registered unemployed.

The unemployment rate in Romania had a downtrend almost each year covered by the analysis, except the period when the economic crisis emerged. For example, starting with the end of 2008, throughout 2009 and in the first months of 2010, it increased, reaching the 8.39% peak in March 2010. It is a well-known fact that unemployment affects more men, with a rate reaching 5.38% at the end of 2011 compared to 4.83% recorded for women's unemployment.

Analysing the unemployment rate on development regions, we can see that the macro-regions that are the most affected by unemployment are South – West Oltenia, Centre and South – Muntenia.

The number of persons who receive unemployment benefit reached lower values in the years before the economic crisis, than the number of unemployed who did not receive benefits. However, the situation changed from 2009, when the situation took an unexpected turn, and places changed. Even if in January 2011 the number of unemployed

who received benefits was almost equal to that of the unemployed who did not receive benefits, in the following months, everything was as in the previous years (2009 and 2010) when the latter recorded higher values than the former category.

Based on the statistical analysis resulted that unemployed in the rural area of the Arges county are interested in changing and/or enhancing in various fi elds. Among the fi elds that are the most requested by the persons in the analysed sample, there are: trade worker, barber. There is some inconsistency between the demand for professional reconversion courses and the job offered by the business entities (Necşulescu & Şerbănescu, 2012).

A particularly significant aspect of this phenomenon is the social one. Unemployment is a burden for anybody, for the families of the affected ones and also for the social cohabitation and peace in a country. In addition to the decrease of the income and obviously to the consumption possibilities for the whole family in which there are unemployed members, non-economic aspects also appear, as well as the deterioration of the psychical condition of the affected persons. Unemployed often blame themselves for their failure, for losing their job, for their inability to support their family, which often leads to isolation or depression. The unemployed state also involves losing self-esteem.

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