

LABOUR MARKET – EMPLOYMENT AND PROFESSIONAL FORMATION

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Abstract

The existence and progress of the society is ensured if both the evolution of the two terms – population and economy – and the interaction between them meet certain qualitative and dimensional requirements, one of which refers to the degree of labour force use. Employment is a matter of major interest for all economic agents and social partners, with various implications: economic, psychosocial, educational-cultural, and political. Restructuring the labour factor should meet the requirements of the new equipments and technologies, of the new forms of organization and leadership, of the new mechanisms, methods, and instruments used in the economic activity within a specific, flexible, and effective educational system. Considering the rapid transformations of each nation – including the increase in unemployment rate –, only those people and companies with high creative potential and ability to adjust rapidly to the changes in the outside environment will survive. The entire Romanian education must allow the formation of an autonomous and creative personality for the future actors of the labour market.

Keywords: labour market, labour demand, labour supply, unemployment, cost of unemployment, professional formation, educational policies.

Résumé

L'existence et le progrès de la société sont assurés si tant l'évolution des deux termes – la population que l'économie – et l'interaction entre eux respectent des certaines exigences qualitatives et dimensionnelles, dont une se réfère au degré (diplôme) d'utilisation de main-d'œuvre. L'emploi est une question d'intérêt majeur pour tous les agents économiques et des partenaires sociaux, avec des implications diverses : économique, psychosocial, éducatif-culturel et politique. La restructuration du facteur de travail devrait remplir les exigences des nouveaux équipements et des technologies, des nouvelles formes (formulaires) d'organisation et la direction (le leadership), des nouveaux mécanismes, des méthodes et des instruments utilisés dans l'activité économique dans un système éducatif spécifique, flexible et effectif (efficace). Considérant les transformations rapides de chaque nation – incluant l'augmentation du taux de chômage-, seulement ces gens (peuple) et des sociétés du haut potentiel créatif et la capacité de s'adapter rapidement aux changements (monnaies) de l'environnement extérieur survivront. L'enseignement

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(éducation) roumain entier doit permettre la formation d'une personnalité autonome et créative pour l'avenir les acteurs du marché du travail.

Mots-clés: marché du travail, demande de travail, main-d'œuvre disponible, chômage, coûté de chômage, formation professionnelle, politiques(polices) éducatives.

Rezumat

Existența și progresul societății se asigură dacă atât evoluția celor doi termeni – populația și economia – cât și interacțiunea dintre ei întrunesc anumite caracteristici calitative și dimensionale, una dintre acestea referindu-se la gradul de folosire al forței de muncă. Ocuparea forței de muncă este o problemă de interes major pentru toți agenții economici și partenerii sociali cu implicații variate: economice, psihosociale, educațional – culturale, politice. Restructurarea factorului muncă trebuie să se desfășoare în concordanță cu cerințele noilor echipamente și tehnologii, cu noile forme de organizare și conducere, cu noile mecanisme, metode și instrumente utilizate în activitatea economică în cadrul unui sistem educațional specific, flexibil și eficient. În contextual transformărilor rapide prin care trece fiecare națiune, incluzând aici și creșterea șomajului, vor rezista doar acei oameni și acele firme care vor avea un înalt potențial creative și o capacitate de adaptare rapidă la schimbările din mediul extern. Întregul învățământ românesc trebuie să facă posibilă formarea personalității autonome și creative a viitorilor actori ai pieței muncii.

Cuvinte cheie: piața muncii, cererea de muncă, ofertă de muncă, șomaj, costul șomajului, formare profesională, politici educaționale.

I. Functioning of labour market

Economic development is fundamental for the existence of the human factor, which plays the most important role among the factors of production. Economy is a dynamic reality, an integrated system of economic, social-cultural, and legal branches and activities. “In the absence of such a system – one that grows food, processes, packages, and distributes it, manufactures cloth and makes clothing, constructs houses, furnishes them, supplies educational and medical services, provides law and order, arranges the common defence – life would be difficult. Thus the function. The best economic system is the one that supplies the most of what people most want.” (Galbraith, 1982, p. 11)

The existence and progress of the society is ensured if both the evolution of the two terms – population and economy – and the interaction between them meet certain qualitative and dimensional requirements, one of which refers to the degree of labour force use. The purpose of human activity – irrespective of the expressed or studied level (individual, group, society) – is to satisfy the demand of material goods and services. Labour market plays an essential role in reaching this objective within contemporary economics (Cace. 2006). It represents the central institution which influences society as a whole and which accomplishes important functions related to ensuring and maintaining the macroeconomic balances and the social-political stability. Labour market emerged with exchange economy and it

constitutes a communication channel between production and consumption (Didea, 2002), between specialized, autonomous producers and independent consumers; it has evolved in time and it has become an ever more complex, heterogeneous, and diversifying reality.

In Romania, one of the fundamental processes of the transition to market economy has been the constitution and functioning of labour market, which includes certain particularities generated by the structure of the economy, by performances and the economic potential, by the training degree, formation and improvement possibilities of labour force (Jula, 2002). They required reconsidering the theoretical grounds of labour force employment and use, as well as of labour force supply and demand regulatory mechanisms. The organization of an adequate market of labour force is a complex and difficult process, taking into account the particular character of the “merchandise” on this market.

Employment is a matter of major interest for all economic agents and social partners, with various implications: economic, psychosocial, educational–cultural, and political. The right to labour and to free choice of profession are fundamental human rights within all democratic societies and, from this perspective, ensuring a job is, to the same extent, an economic act and an act of social and political balance.

The Agreement on Social Policy, annexed to the Protocol on Social Policy of the Treaty on European Union, determines the social policy objectives also outlined in the Social Charter of 1989 (Official Journal of the EU, 2010): promoting employment, improving living and working conditions, combating social exclusion, developing human resources, etc. The Agreement on Social Policy also lays down the procedure for adopting social policy measures and it acknowledges the vital part played by management and labour in this field. This is why employment must not be left only in the charge of market mechanisms, but society should be responsible for it, too (Șoitu, Șoitu, 2009). Currently, the increase in the degree of employment and the decrease in unemployment are essential objectives of the economic policy for all countries; they can be reached by balancing the labour force supply and demand on the labour market.

The general objective of Europe through Strategy 2020 is to promote a smart, sustainable, and inclusive economy. (Chenic, p. 78) The objective is divided into five concrete sub-objectives – on employment, innovation, education, social inclusion, and climate/energy. Europe’s strategy is implemented by the Member States with the support of the European Commission, but each State determines its own targets and the ways to reach them (Soviani, 2012, p. 3). In order to reach these objectives, several propositions were made. In the European Union, by 2020, the targets are as follows: 75% of the 20–64 year-olds to be employed; 3% of the EU’s GDP to be invested in research and development; reducing the rates of early school leaving below 10%; at least 40% 30–34 year-olds completing third level

education; at least 20 million fewer people in or at risk of poverty and social exclusion (25%).

Romania has set a target of 70% of the 20–64 year-olds to be employed. In the current context of the economic crisis, this objective appears hard to reach, all the more as statistics show a 64.4% employment rate in 2007, and of 62.8% in 2011. As for reducing the rates of early school leaving, Romania set a target of 11.3%, starting from 13.9% in 2007 and reaching 17.5% in 2011. In regard to completing third level education, the target for Romania (26.7%) is highly problematic, considering that in 2010 the percentage was only 18.1% (30–34 year-olds), compared to the 33.6% European mean (according to EUROSTAT data).

As general sub-system of national economy, labour market represents the battlefield between labour force supply and demand in a given time and space. The battle ends with the purchase and sale of labour force in exchange for a price, called salary, with certain functioning depending on whether we are talking about a country, groups of countries, or globally (Mihail, 2005). In defining labour market, it was taken into account that it trades labour, that is the most important factor of production with active functions in the development process. Also, labour market comprises the entire set of economic relations concerning the employment and use of labour force and it ensures the social protection of the owner of this special merchandise. “The key–problem of economic life is the attempt to ensure, at any given time, the correspondence between the balance level of goods and services and the level of full employment. No natural mechanism makes them coincide, but a gap cannot be tolerated, as one cannot joke around with full employment. No civilization would bear for a part of the population to find regular jobs and have a decent income, while another to be condemned to misery because they do not have to chance to earn a salary. This issue concerns both economic balance and social and political justice, balance” (Stoleru, 1969, p. 53).

Labour supply and demand are closely interdependent, which is determined by a heterogeneous set of factors (economic, technical, demographic, and ecologic), meant to ensure a balance between the quantity and structure of labour force and the society’s needs of labour resources. The balance between the two categories of labour market should be approached as a dynamic, functional, structural, and competitive balance.

The labour demand (Cojocaru, Rădoi, Popp, 2008) represents the need of waged labour at a certain point within market economy. It is expressed through the number of jobs, and it comprises the set of relations, rapports, and connexions regarding the volume and structure of labour force on professions and qualification levels, for both each component of national economy, and the economy as a whole. It presents a series of particularities:

- it is a dynamic economic category, considering the influence of economic development stage, of investment decisions, of existing resources for investments, etc;

- it is heterogeneous from the structural and professional–occupational perspective;
- the substitutability level of the labour factor is reduced and it has a long-term character;
- it is rigid on a short-term basis because new jobs are created in time;
- the representatives of the demand expect a maximum of profit from the use of labour factor;
- its elasticity depends on the size and dynamic of salaries, on productivity, on the volume, quality and structure of production, as well as on the size of salary-related expenses within the total cost of production.

The labour supply (Adumistrăcesei, Niculescu, 1995) represents the labour that can be performed by the members of a society for a certain salary. It is expressed through the number of people fit for work (subsequently subtracting the number of housewives, of students, and of those who do not wish to be employed in any activity as they have resources to survive and they have other preoccupations). It comprises the set of relations regarding the possibilities to satisfy the need of labour force on a micro-, macro-, and world-economic level, within a certain time range. It features the characteristics listed below.

- it is a dynamic economic category, influenced by demographic factors (age, population's health status, degree of demographic ageing of the population fit for work), social factors (standard of living, education, social status, etc.), psychological factors (attitude toward labour), and economic factors (nature of labour, job security, job conditions);
- it is heterogeneous from the structural and professional–occupational perspective, as well as from that of the training level, while the substitutability level is reduced;
- it is rigid because of several factors and its mobility is reduced because of the difficult decisions regarding the change of jobs, residence, and specialization;
- the labour force owner expects a maximum of income from the activity carried on at the workplace.

In Romania's economy, the correlation of the two main components of labour market requires the valorisation of the labour force according to the qualification of labour resources, as well as to the rigorous sizing of the demand by each economic agent for its rational use (Mihăescu, 2001). For these objectives to be reached, actions should be taken concomitantly for the following:

- the correct determination of labour force need by each economic unit; in this situation, hiring and firing people in rapport with the determined labour force need becomes an essential element of management;
- the demand of new jobs by extending activity in less developed industrial branches and by developing the sector of services;
- remodelling the professional structure of population by restructuring the entire educational system, in such a way that the labour force permanently and operatively adjust to the evolution of the demand;

- elaborating a modern and effective system for the reorientation, re-qualification, and reemployment for those who had been laid off, in order to ensure the increase in the professional mobility of labour force;
- using and extending the international relations in order to valorise – in other countries – a part of the labour force from the industry, including by ensuring the specialization of certain persons in the respective countries.

An essential characteristic of labour market is competition (Oprescu, 2001), which ensures the functioning of the connection system between economic agents, by transmitting to them the demands of the set of laws in the market economy and by sanctioning their violation. Competition on the labour force market is given by the relations between the economic and social-cultural units as providers and users of labour resources on one side, and among them also the persons who act or can activate within them, on the other. In this competition, the economic interests of each participant are of outmost importance and they determine both the employees and the entrepreneurs to act in the same main directions in regard to hiring, using, and waging the labour force. Labour market has a series of representative particularities (Prahoveanu, 2002, pp. 101-104):

- the labour potential of a country is only partially negotiated on the labour market;
- the transactions are influenced by various conditions, among which it is worth noting market status and economic, demographic, social, political, legal, etc factors;
- it is significantly regulated, considering the influence of various social partners, which have divergent interests most of the times;
- it is a market with imperfect competition;
- it is a segmented market, reason for which salary negotiations are multi-staged;
- it is highly rigid because of the professional formation of the available active population on a long-term basis, as well as because of the amount of time necessary to create new jobs by developing the economic activity and through investments;
- the non-homogeneous character of labour supply and demand;
- it is a dual market because those who offer labour force represent elements of job demand, while those who use the labour force are the job providers.

The labour force market, similar to the other markets, has a highly complex content, which represents an open system of connections and communications between economic agents that accomplish several functions (Burloiu, 1993, pp. 71-72):

- productive – this is the only way to ensure the unification between labour force and the means of production in the employers' ownership. Allocating labour force through market mechanisms still depends on the organizational framework necessary for this ample process. It will not be effective unless accompanied by a rational organization, meant to help the managers find the

workers best fitted for their needs, to help workers find the best jobs for their abilities and, generally, to make sure the workers have the necessary and available skills and that they are optimally distributed by various branches, professions, and regions;

- distributive – participation to social production, through market mechanisms, shapes and distributes the incomes of each employer, with implication in the waging of the labour force and of the other factors of production;
- informing the employers regarding the volume of labour force looking for a job, its social–professional structure, of the employees or unemployed persons interested in knowing the available jobs for which they can apply; informing on the fluctuation of labour force on professions and causes, *salaries* per companies and jobs, labour conditions, promotion perspectives, possibilities of post-graduation requalification and employment;
- social – by ensuring jobs, by improving the quality and security of labour environment, through the social protection of unemployed persons and of the disadvantaged categories of labour force. The balance on labour market, the job satisfaction and motivation largely condition stability and social peace;
- providing social work for the social partners when they are negotiating for collective work agreements or for conciliation, in case of potential or existing work conflicts, through the specialized State bodies.
- elaborating prospective studies regarding the evolution of labour market in each locality; they will be made available to the social partners and to educational establishments; on these grounds, certain phenomena can be foreseen in time and measures can be taken to stimulate the positive ones and to prevent the negative ones;
- educative – which ensures the reconversion and requalification of labour force, thus generating its mobility, flexibility, and efficiency, with significant economic and social echoes.

II. Unemployment – negative phenomenon of the social–economic space

The significant decrease in the use of active labour force, as well as its lack of use in various forms and degrees end in unemployment, which – as genesis and nature – is a complex multidimensional phenomenon: demo-economic, psychosocial–cultural, and political. As a phenomenon and major issue of the contemporary world, often dramatic, highly heterogeneous, unemployment is not uncontrollable and it does not have only one direction – ascending – if competent actions are implemented by promoting adequately correlated measures. Unemployment is (Ghiță, 1993, p. 461) a negative phenomenon of the economic–social space, which affects a part of the available active population, by failing to ensure jobs. It represents the exceeding labour supply over demand, and the unemployed persons are those fit to work, but who fail to find a job and can be hired part-time or full-time, only in certain

moments of economic development. Unemployment covers a great diversity of concrete situations, as outlined below:

- persons looking for a job, especially young people;
- persons laid off, who lost their jobs involuntarily, for economic reasons;
- persons, usually women who, after a long inactive period, return on the market and look for a full-time or part-time job;
- persons working part-time, on fixed term, or on seasonal basis, looking for full-time jobs;
- persons, usually older adults, looking for a job to supplement their incomes.

Hence, at the end of December 2012, according to the data provided by ANOFM (Table 1), the national unemployment rate was 5.59%, which means 0.19 % higher than that of November 2012 and 0.47% higher than that of December 2011. The total number of unemployed at the end of December – 493,775 persons – rose by 17,454 persons compared to the end of the previous month. The distribution on age groups, according to the same source, is the following:

Table 1: Distribution of unemployed on age groups, at the end of December 2012

Age group	December 2012
Total	493,775
Under 25	87,261
25–30 year-olds	37,884
30–40 year-olds	112,124
40–50 year-olds	129,942
50–55 year-olds	60,688
Over 55	65,876

Source: ANOFM (www.anofm.ro)

In regard to the structure of unemployment by education level (Table 2), schoolless unemployed and those with basic, lower secondary and upper secondary education represent the majority of those who go to the County Employment Agencies to find a job and to apply for it.

Table 2: Structure of unemployment by education level (%)

	Schoolless or with basic or lower secondary education	With upper secondary and post-secondary education	With tertiary education
DEC. 2012	70.16	22.31	7.53

Source: ANOFM (www.anofm.ro)

In regard to unemployment by gender (table 3), in December 2012 compared to November, the male unemployment rate grew from 5.72% to 6.09%, while the female unemployment rate grew from 5.03% to 5.04%.

Table 3: Recorded unemployment rate, male and female unemployment rate within this period, and the percentage of unemployed without benefits – 2010–2012 (%)

	DEC. 2010	DEC. 2011	DEC. 2012
Percentage of unpaid unemployed	47.42	60.41	60.62
Recorded unemployment rate	6.87	5.12	5.59
Female unemployment rate	6.20	4.83	5.04
Male unemployment rate	7.47	5.38	6.09

Source: ANOFM (www.anofm.ro)

On territorial level (ANOFM), the number of unemployed persons grew in 36 counties, and the highest increases were recorded in Alba (by 2,301 persons), Hunedoara (by 1,124 persons), Harghita (by 958 persons), Vâlcea (by 943 persons), Argeş (by 907 persons), Galaţi (by 901 persons), and Vaslui (by 876 persons). The number of unemployed dropped in 5 counties: Buzău (by 313 persons), Maramures (by 292 persons), Suceava (by 247 persons), Iasi (by 169 persons), and Ilfov (with 38 persons). In Bucharest, the number of unemployed persons dropped by 125 persons. The counties with the highest percentage of unemployed without benefits within the total number of unemployed persons are: Dolj (77.25%), Teleorman (76.86%), Galaţi (73.14%), Satu-Mare (73.04%), Iaşi (72.68%), Buzău (70.56%), and Brăila (70.37%).

The highest levels of unemployment rate were reached in the following counties: Vaslui (10.48%), Teleorman (10.04%), Mehedinţi (9.80%) Dolj (9.69%), followed by the counties of Galaţi (9.14%), Alba (8.71%), Olt (8.01%), and Buzău (7.98%). The minimum level of unemployment rate in December – 1.83% – was recorded in the county of Ilfov.

Concerning long-term unemployment, at the end of December, the agency counted 17,256 young people under 25, who had been unemployed for over 6 months (which represents 19.78% of all unemployed persons under 25) and 143,815 adults unemployed for over 12 months (i.e. 35.38% of all unemployed adults). The percentage of long-term unemployed persons represents 32.62% of all unemployed persons.

According to the data provided by AJOFM Iaşi (Table 4), in the month of January 2013, 15,600 unemployed persons were recorded, among whom 4,359 unemployed persons with benefits and 11,241 unemployed persons without benefits, which represents 72%. Among the unemployed persons, 6,072 were female, which means 39%; there were 2,618 unemployed persons from the private sector (16.8%) and an unemployment rate of 5.27%.

Table 4: Situation of unemployed persons recorded at AJOFM Iași – January 2013

Indicators	Number	%
Total of unemployed persons	15,600	100
Women	6,072	38.92
Unemployed with benefits	4,359	27.94
Unemployed without benefits	11,241	72.05
Unemployed from the private sector	2,618	16.78

Source: AJOFM Iași

By origin (Table 5), 4,330 are urban and 11,270 are rural. By education level, 11,995 completed basic or lower secondary education, 2,506 completed upper secondary or post-secondary non-tertiary education, while 1,099 completed tertiary education. By age group, 2,376 persons are under 25, 1,042 are persons between 25 and 29, 3,514 between 30 and 39, 4,198 are aged between 40 and 49, while 4,470 are persons over 50. (NIS. 2012)

Table 5: Structure of unemployment in 2012 for the county of Iași, by benefits, gender, and origin

Total	By benefits		Gender		Origin	
	With benefits	Without benefits	Male	Female	Urban	Rural
15,600	4,359	11,241	6,072	9,528	4,330	11,270

Source AJOFM Iași

Table 6: Structure of unemployment in 2012 for the county of Iași, by education level and age group

Total	By education level			By age group				
	Basic or lower secondary education	Upper secondary or post-secondary non-tertiary education	Tertiary education	<25	25–29 years old	30–39 years old	40–49 years old	>50 years old
15,600	11,995	2,506	1,099	2,376	1,042	3,514	4,198	4,470

Source AJOFM Iași

In Romania, in the current phase, the sources of unemployment are as follows (Stănescu, 1993, p. 11):

- the natural growth of job resources and of the population fit for work, respectively (young people who cannot find jobs fit for their training);
- a part of the population which statistics label inactive, made mainly of women who enter the labour force market;
- laying off the employed labour force, following the disappearance of many jobs;

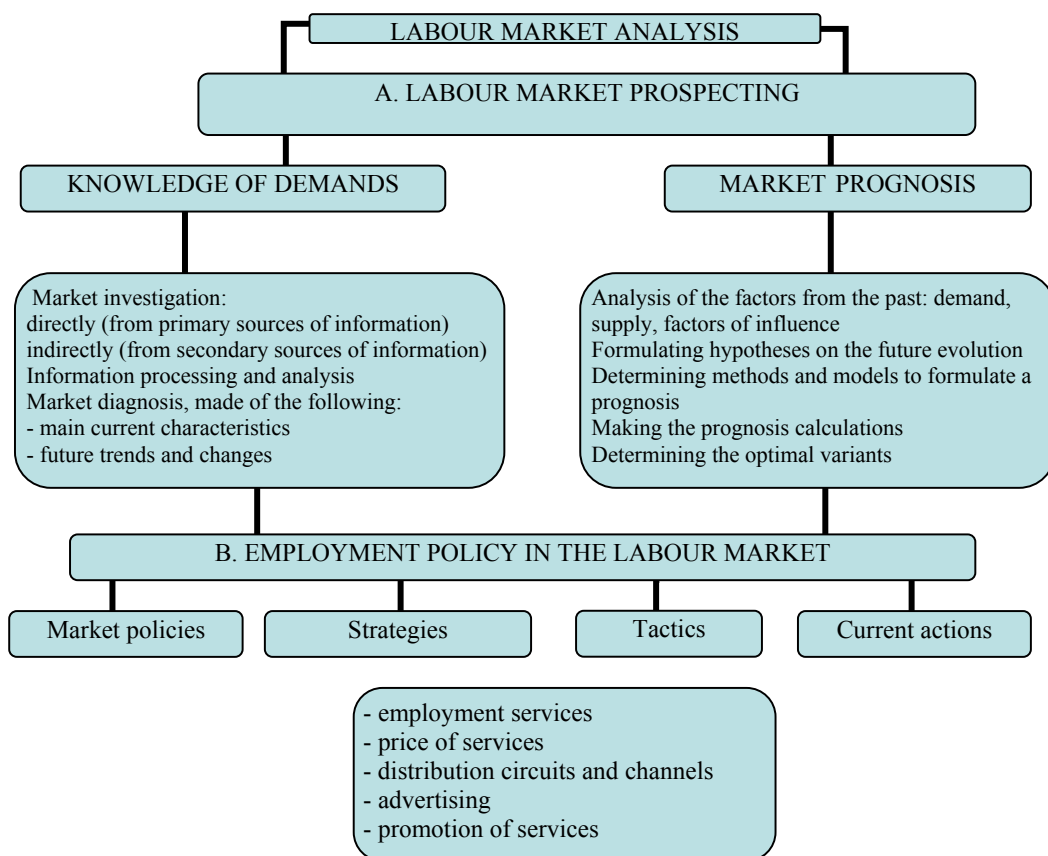
- the very slow growth of jobs, which determines an increase in the number of unemployed persons, mostly among the so-called “vulnerable categories” of the population – young people, women;
- the too slow development of the private sector, which means that only a few of those who want a job will actually be employed;
- the major difficulties of the economic field, determined by the lack of proper raw materials and energy, of outlets and financial capital;
- accentuating the specialization and segmentation trends, the tendency to create non-competitive social–professional groups, given the unprecedented multiplication of professions, specializations, qualifications;
- consolidating the quasi-monopole of certain economic agents, which ends up making the labour force market rigid;
- extending the restrictive economic, social, legal phenomena which limit the domestic and international mobility of labour force.

In the research literature, there are mentions of several categories of unemployment-generated costs (Frank, Bernanke, 2001, pp. 476-477):

1. the social cost – hard to assess – is generated by aspects such as:
 - the demoralizing effect of unemployment, which increases by unemployment duration and ageing; tensions in the family, which often lead to divorce, alcoholism, or even domestic violence;
 - sharp reduction in the standard of living, sometimes including the lack of food and shelter; expression of antisocial phenomena;
2. the financial cost – easier to assess – divided into three elements in the British model:
 - direct payments (unemployment benefits, compensation, with benefits for housing);
 - decrease in the tax revenues: on one side, the lack of income tax (direct); on the other, the reduction in the salary costs of economic agents (indirect);
 - loss of contributions: contribution for health insurance, for unemployment, for pension fund.
3. the economic cost regards several aspects, such as:
 - reduction in the amount of goods and services because of the incomplete use or the underuse of labour force factor; wasting an important amount of resources;
 - loss of skills for the persons in question; reduction in the demand of goods and services because of the decrease in the revenues of unemployed persons.
4. the psychological cost is a relatively recent concept in the research literature; it is considered a distinct cost and it is related to a series of issues specific to becoming unemployed:
 - increase in the level of stress for unemployed persons and for their families;
 - loss of self-respect; the fear of losing control of one’s own existence;
 - presence of depressive states, which lead, most of the times, to serious health issues, etc.

The organization of the economic activity (Pohoată, 1991, pp. 428–429) must take into account that not using the labour force – this generous and renewable resource that becomes a subject of meditation and a support point for the most daring and effective current policies – is not only a waste of energy, but it questions the social peace itself. This occurs because the individual – despite all the scientific and technical accomplishments – still has to earn his living by working; he will always need a job. This requires identifying and analyzing the system of relations specific to labour market (Ristea, 2009, p. 17).

Fig. 1. Labour market analysis



Source: Ristea, 2009, p.17

III. Qualitative restructuring of the labour force supply

The qualitative restructuring of the labour force supply has the following objectives (Ungureanu, 2001, p. 76):

- modification of the labour content and character, in the sense of increasing the intellectual components and augmenting its complexity and diversity;
- improving the professional qualification of all categories of personnel, especially for specialized staff and for management;
- changes in labour division on groups of professions, jobs, and specializations;
- changes in the structure of labour supply on qualification level;
- the emergence of new professions, jobs, specializations, and the disappearance of some of the traditional ones;
- reduction in the percentage of workers in the favour of other categories of personnel, especially of the specialized staff;
- increase in the professional mobility of the labour factor;
- changes in the mentality and behaviour of labour force.

Restructuring the labour factor should meet the requirements of the new equipments and technologies, of the new forms of organization and leadership, of the new mechanisms, methods, and instruments used in the economic activity within a specific, flexible, and effective educational system. This is essential for the increase in the productivity and competitiveness of the companies and products on various markets, as well as for the improvement of employment. The concerns for the improvement of the quality of education should be the essential starting point in determining the strategies for economic growth, sustainable development, and increase in the degree of employment. In a knowledge-based society, the market will be used as economic integration instrument, and economies will be restructured from their foundation, because the main economic resources will be information and new knowledge. (Drucker, 1999, p. 96).

In Romania, an important role in the process of qualitative restructuring and of increase in the degree of employment is played by National Authority for Qualifications, organized and functioning as public institution with juridical personality, specialized body coordinated by the Minister of National Education; the NAQ was founded through the Law of National Education No. 1/2011 and its mission is the following:

- elaborating the National Qualifications Framework in agreement with the European Qualifications Framework for lifelong learning and for the management of the National Qualifications Registry;
- monitoring, assessing, and controlling the implementation of the National Qualifications Framework on the level of the institutions within the National Qualifications system;
- monitoring, assessing, and controlling the lifelong education and lifelong professional formation system;

The National Authority for Qualifications has a series of specific attributions:

- elaborating, implementing, and updating the National Qualifications Framework, thus ensuing the integration of all levels of Professional and academic

qualifications obtained in contexts of formal, non-formal, and informal education;

- elaborating and periodically updating the methodologies and instruments necessary for the implementation of the National Qualifications Framework and of lifelong professional formation;
- accomplishing the role of National coordination point for the implementation of the European Qualifications Framework, thus ensuring a reference point for the National Qualifications Framework compared to the European Qualifications Framework; ensuring the comparability of the National Qualifications system with the Qualifications systems of other countries;
- ensuring the technical execution, the management, and update of the following National registries: National Qualifications Registry; National Registry of professional formation providers for adults; and National Registry of professional competence evaluators, of evaluators of evaluators, and of certified external evaluators;
- coordinating and methodologically controlling, on national level, the description of Qualifications and their mention in the National Qualifications of adults;
- coordinating and controlling the authorization of professional formation providers for adults;
- authorizing the evaluation centres of professional competences, accrediting the evaluation bodies, and certifying the evaluators of evaluators;
- coordinating the certification of professional competence evaluators;
- licensing the constitution of sector committees and supporting their activities;
- elaborating the assessment and certification methodologies and procedures of professional competence evaluators, for evaluators of evaluators, and for external evaluators, as well as the methodological norms for the application of these methodologies; it subsequently sends them to the Ministry of National Education for approval.

Specialized studies show that Romania has made progress in restructuring the lifelong professional formation. One of the action directions – meant to ensure the necessary amount of qualified labour force – is to elaborate lifelong learning policies in correlation with the evolutions of labour market. This elaboration has to include consultations with social partners, with the business environment, and with the other institutions/ organizations involved within the system. Lifelong learning should be approached as an objective need imposed by the transition to a knowledge-based economy and society. The orientation toward a knowledge-based society involves investments in the development of human resources, in order to encourage the employees to acquire new competences and to accept job mobility. At the same time, it is important to promote the quality of formation offer and to ensure its relevance in relation to one person's abilities, knowledge, and needs. Acquiring knowledge and abilities allows an improvement of one's position on the

labour force market and it leads to an increase in productivity. The rapid changes in all fields determine a much more dynamic spectre of the need for more competences. The formation investment is beneficial for both the person in question and the entire society.

Romania's economy determined significant changes in the occupational structure of the country: new occupations emerged and, on the other side, their content was modified. In certain activity branches, some occupations became a priority, while others went out of fashion; they disappeared and new occupations emerged (Prospective study on the amount of qualified labour force needed, 2011, p. 44):

- “dominant occupations”: formalized, crystallized occupations, with a certain “tradition” in the structure of the occupational field in Romania, which make up a significant percentage of the employed persons and which, if they disappeared, they would endanger the existence of other occupations within the upstream and downstream sectors;
- “occupations that changed the content significantly”: occupations with severely altered content, especially because of the restructuring within the Romanian economy. It is worth mentioning here mostly the industrial sectors, highly affected by technological or organizational changes, and services, where the nature of activities has changed very much, as they have become more client/beneficiary-oriented;
- “breakthrough occupations”: new occupations, which have emerged mainly in the new sectors, with high value added and great potential for evolution.

Most occupations have recorded changes in the labour content. The change-driving factors regarding the content of activities are the following: adjusting to the clients' needs, increasing the competition, and re-technologizing. The main competences associated to the changes in the labour content are as follows: computer-assisted work and computer-based technologies, solving the emerging issues, resource management, and communication.

Hence, we have identified the main difficulties of one of the most unemployment-affected population segments, which also has the lowest chances on the labour market. These difficulties are determined, on one side, by objective factors, as stated above, and by subjective factors, such as: reluctance in accessing services and courses, fear of the unknown, low trust in the protection system, lack of trust in own forces (determined by low education level). Another impediment in finding a job is the long distance from the locality of residence – in this case, the cost-benefit analysis makes jobs far away from home not be considered viable. Under these circumstances, individuals prefer to work in their community occasionally or to work in agriculture instead of choosing a legal job. The revenues from occasional jobs, illegal jobs, support from the extended family, as well as unemployment benefits are often impediments in actively seeking employment.

As shown in the analysis of the data provided by the NEA (National Employment Agency) and by the CEA (County Employment Agency) Iași, as well

as of the data provided by the National Institute of Statistics (2012), the occupations with the highest number of unemployed are as follows: unskilled labourer in process industry, agriculture, route maintenance, roads, bridges, dams, house construction, transportation, and merchandise technicians, metal structures constructors and fitters, sales assistants in markets and shops, specialized personnel for homecare and home supervision, unskilled labourers in public services, mechanic workers, fitters and repairers for agricultural and industrial machinery and for vehicles.

The domains where most people were laid off were mainly the following: terrestrial transport, transport through conducts, building construction, investigation and protection activities, public administration and defence, social insurance in the public system. This shows the education profile of the clients within the employment agencies: persons with low training levels. This also shows that people without financial possibilities fail to adjust to changes and that older adults are at greater risk for exclusion from the labour market, because the two categories show most the lack/deficit of competences/qualifications.

The persons with high education and training level do not contact the agency so much, because they have higher chances and abilities to be employed. The main impediment in their case is the lack of experience, because most of the times the practice during their years of studies or the volunteer work are not seen as previous experience. In most of the cases, young people (especially with third level of education completed) apply for temporary, seasonal jobs, below their education level, in the field of tourism or sales, or even homecare. Another particularity of this population segment is that they see and understand continuing their studies not as a necessity in their formation, but as delaying the moment when they have to find a job. Unemployment among young people often results from a mismatch between the results of the education and formation systems and the demands of labour market. There is not enough focus on those young people more and more forced to start very low in the labour market, who end up finding jobs with precarious conditions.

As a solution to get out of the crisis, the persons who do not manage to find a job in the country and who have been previously employed or have a system of relations (family members, friend) abroad, consider taking a job abroad – regardless of their qualification, experience, or training level. They believe that earning more money is a good enough reason to set their family apart or to give up working legally in their own country. However, in the context of the economic crisis, most European countries have imposed or maintained their restrictions on hiring foreigners, especially from Romania and Bulgaria.

In this situation, the expenses destined to education, to the expansion of scientific and technical knowledge, necessary to train the labour force, are beneficial investments which directly contribute to economic development (Becker, 1997, pp. 25-27).

Considering the rapid transformations of each nation – including the increase in unemployment rate –, only those people and companies with high creative potential and ability to adjust rapidly to the changes in the outside environment will survive. The entire Romanian education system must enable the formation of the autonomous and creative personality of the future actors on the labour market. The system also has to promote lifelong learning as State policy, because, currently, education is (Zirra, 2005, p. 208) the strongest source of a country's economic power. In the current Romanian economy, the keywords for the improvement in employment and for the reduction in unemployment are performance, profitability, entrepreneurship, innovation, and education.

In the research literature, there is a clear support for learning processes adapted to an era with new demands (Malița, Georgescu, 2010, pp. 289-290).

Fig. 2: Objectives of learning processes

Objectives	Corollary
Increase in the rhythm of society transformation.	Flexibility of intelligent and rational thinking.
Anticipation, not adjustment.	Introduction of perspective modules.
Continual renewal of knowledge.	Applicable and useful knowledge.
Lifelong education.	Early acquiring of learning mechanisms as attractive and ludic process.
Interdisciplinarity.	Introduction in the global issues of humankind (food, water, population, health, education).
Distinction between identity and role.	Encouraging the cultures that produce identity and respecting their identity; understanding the role-creating civilization and following its specific universality.
Mobility of the individual.	Training for an active life, with the possibility of changing the role assumed in this period.
Competitiveness.	Performances, rewards, and equitable acknowledgment.
Free initiative.	Encouraging the creator, innovator spirit; free access to all useful forms of non-formal and informal education.
System horizontality.	Reducing the hierarchical spirit, but maintaining the need for authority exercised in a non-limitative manner and providing valid behavioural models.
Respect for wisdom.	Avoiding extremes, combating anarchy, shaping disposition toward co-operation and balance.
Restoring the role of experience.	Forming abilities in parallel, through practice and applicative formulas and strategies.

Source: Malița, Georgescu, 2010, pp. 289-290

Conclusions

The labour market in Romania cannot handle the labour force supply only through its attributes, which is a shortcoming compared to other markets of the European Union, which – at least – offer higher wages.

Romanian workers/employees are very flexible and adaptive when they work abroad, but very conservative when they work in their own country. If, when abroad, they change jobs easily (passing from constructions and development to services and agriculture) several times a year and they are not bothered by commuting or changing residence, in the country this does not occur as much. They do not stay in their country to take care of children or the elderly, they do not get involved in activity sectors that differ from their qualification, they do not accept to get paid less, they do not even consider reconversion, etc.

The population under 25 is a group with numerous members: young people start their professional activity in sectors below their qualification and sometimes they even accept to work illegally. The transition from school to the integration of young people on the labour market represents one of the most pressing problems of labour market functioning, with considerable economic and social impact.

The population segment made of people aged between 50 and 59 has become more visible and it may generate tensions on the labour market. At this age, professional mobility is reduced, and people become discouraged and marginalized after being laid off. Around the retirement age, a person's ability to seek employment or to change professional profile decreases considerably. The intensity of urban–rural migration increases as people get closer to the end of their active life and it eventually goes down to surviving.

Unemployment affects all categories of labour force, especially those falling into the category of workers. This is explained through the industrial decline, a field where numerous people have been laid off after restructuring.

The development of the professional formation system – to meet the demand of labour market and of knowledge-based economy – requires relevant information on the evolution of jobs and professions. It also requires important data regarding the evolution trends of labour market, the companies' needs of competences and qualifications, the correlation degree between labour force demand and supply and the identifications of drawbacks, regarding the program offer of professional formation providers and its adjustment to the applicants' needs.

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