

## **THE ANALYSIS OF UNEMPLOYMENT IN HUNEDOARA COUNTY IN THE CONTEXT OF THE ECONOMIC CRISIS**

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**ABSTRACT:** *The objective of the work consists in analyzing the phenomenon of unemployment, a phenomenon which is becoming more and more alarming day after day. In the following it is presented the highlighting of the main statistical indicators for assessing the unemployment of the Hunedoara county level. The main purpose is carrying out a comparative study of the number of unemployed in the period 2006-2009 in the context of the economic crisis.*

**KEY WORDS:** *economic crisis; mining industry; unemployment; unemployed population; unemployed paid; unpaid unemployed.*

**JEL CLASSIFICATION:** *L7, J6, J65, E24, H12, H55.*

### **1. THE EFFECTS OF THE ECONOMIC CRISIS ON THE UNEMPLOYMENT IN HUNEDOARA COUNTY**

Situated in the central-western part of Romania on the courses of three major rivers (Mures, Jiu and Crisul Alb) and next to Apuseni, Orastie, Retezat-Godeanu, and Piana Rusca Mountains, Hunedoara County is administratively composed of seven municipalities (Deva, Brad, Hunedoara, Lupeni, Orastie, Petrosani, and Vulcan), seven cities (Aninoasa, Călan, Geoagiu, Hațeg, Petrița, Simeria and Uricani), and 55 large villages.

The industry represents the largest proportion of the economy in the county, in which the metallurgic and mining industry are predominant (over 62%), Hunedoara County being an area rich in mineral resources. Also an important proportion of the industry is represented by electric power, wood exploitation and process, construction materials, light industry, food chemistry, etc.

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The economic crisis has obviously affected the entire country, leaving its print as well on Hunedoara County, which occupies one of the first places regarding economic regression, the prognosis of the National Speciality Commission placing Hunedoara County, in the beginning of September last year, on the seventh place of a country level negative classification regarding economic regression during the last year.

Moreover, the number of unemployed is continuously increasing from month to month, by the end of 2009 reaching a value of 22,013 people. It should also be mentioned that this level of approximately 1.5 times larger than 2007, when the number of unemployed was 13,760. According to the management of Hunedoara County Employment Agency, the unemployment rate exceeded 105 by the end of 2009. Although Hunedoara County is not one of the first 10 counties most affected by unemployment. According to the data of the National Employment Agency, over 100,000 people, mostly males lost their jobs in Prahova, Argeş, Cluj, Braşov, Timiş, Sibiu, Galaţi, Dolj, Alba and Suceava counties.

The ten mentioned counties reunite two fifths of the total of unemployed women on a national scale. Moreover, the percentage of unemployed women last year is more than 15% of the total of people who had lost their jobs in the past year on a national level.

## 2. HUNEDOARA COUNTY UNEMPLOYED NUMBER EVOLUTION DURING 2006-2009

The following paragraphs will classify paid and unpaid unemployed in Hunedoara County during 2006-2009, according to age, sex and professional formation during 2006-2009.

### 2.1. Hunedoara county unemployment in the year 2006

The total number of unemployed in Hunedoara County in 2006 was 17,074 people, out of which only 8,867 people were paid and respectively 8,207 not paid.

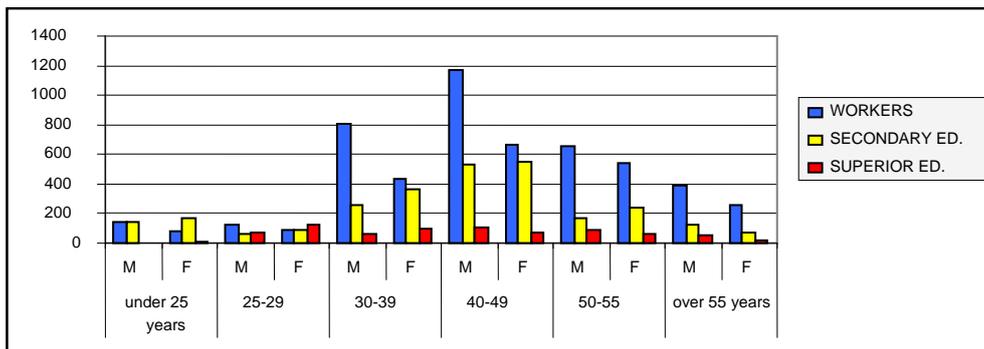


Figure 1. Paid unemployed number evolution in 2006

The total number of paid unemployed recorded on the 31<sup>st</sup> of December 2006 in Hunedoara County was 8,867 people. 5,355 of these people with basic studies, 2,756 people with secondary studies and respectively 756 people with superior studies. A total of 541 people under 25 years old, 559 people between 25 and 29 years old, 2,017 people between 30 and 39 years old, 3,093 people between 40 and 29 years old, 1,755 people between 50 and 55 years old and respectively 902 people over 55 years old.

It may be observed in Figure 1 that by the end of December 2006 the largest number of paid unemployed was recorded for males with basic studies between 40 and 49 years old. The number of paid unemployed with superior studies is extremely small in relation to the other two professional categories, an exception being females with an age between 25 and 29; on the other hand, the number of basic studies graduates exceeds the other two professional categories for people with ages over 30.

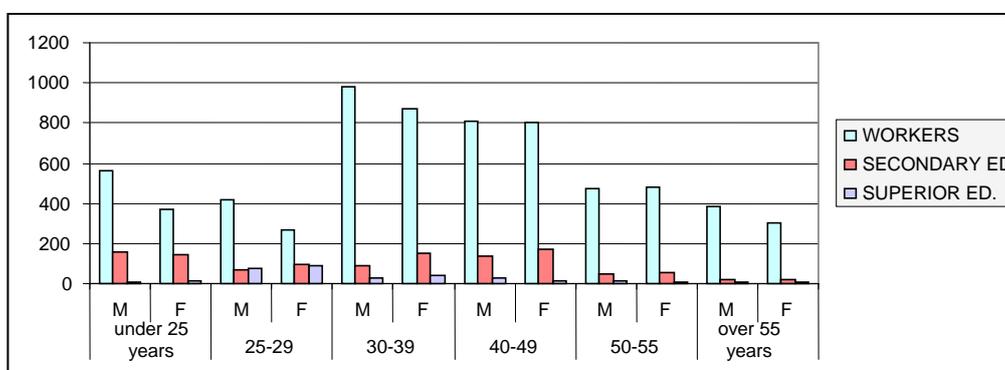


Figure 2. Unpaid unemployed number evolution in 2006

The total number of unpaid unemployed recorded in Hunedoara County on the 31<sup>st</sup> of December 2010 was 8.207 people. Out of them, 6.726 are people with basic studies, 1152 people with secondary studies and respectively 329 with superior studies. 1256 people under 25 years old, 1010 people between 25 and 29, 2162 people between 30 and 39 years old, 1958 people between 40 and 49 years old, 1079 people between 50 and 55 years old and respectively 742 people over 55 years old were recorded.

It may be observed in Figure 2 that the highest number of unpaid unemployed were males with basic studies between 30 and 39 years old., followed by females with basic studies from the same age group.

The highest number of unpaid unemployed with secondary studies was recorded by the number of women between 40 and 49 years old. The number of unpaid unemployed with superior studies is really small, being a little higher among women between 25 and 29 years old. Unpaid unemployed with basic studies exceed the number of unemployed from the other two categories, independent on their sex or age. The total number is approximately 5 times higher the number of secondary studies graduates and approximately 25 times higher than the number of superior studies graduates.

## 2.2. Unemployment in 2007 in the entire Hunedoara County

In 2007, the total number of unemployed in Hunedoara County reached 13,760 people, out of which 4,974 were paid unemployed and respectively 8,786 people were unpaid.

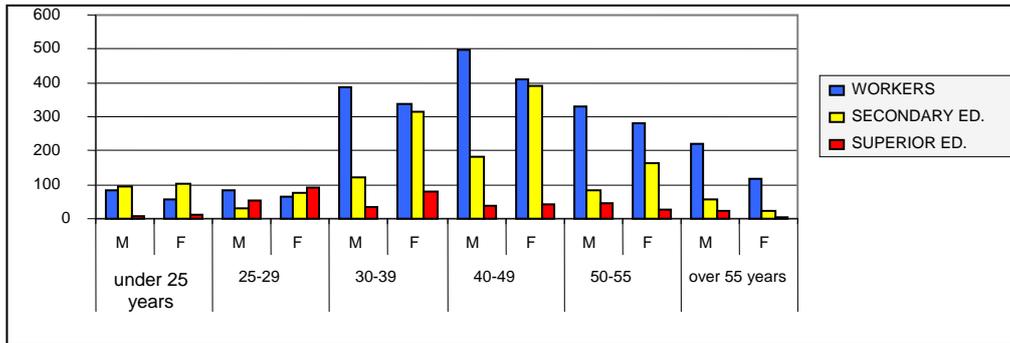


Figure 3. Paid unemployed number evolution in 2007

The total number of paid unemployed recorded on the 31<sup>st</sup> of December 2007 was 4974 people out of which 2873 people with from studies (workers), 1648 people with secondary studies and respectively 453 people with superior studies. 357 people under 25 years old, 400 people between 25 and 29 years old, 1275 people between 30 and 39 years old, 1565 people between 40 and 49 years old, 931 people between 50 and 55 years old and respectively 446 people over 55 years old were recorded.

In Figure 3 it may be observed that the highest number of paid unemployed was recorded among the male workers (basic studies graduates) between 40 and 49 year old. The highest number of people with superior studies was recorded for women between 25 and 29 years old. From the analysis of the data for 2007 it results that women with secondary and superior studies were more affected by unemployment than the opposite sex population with the same professional formation.

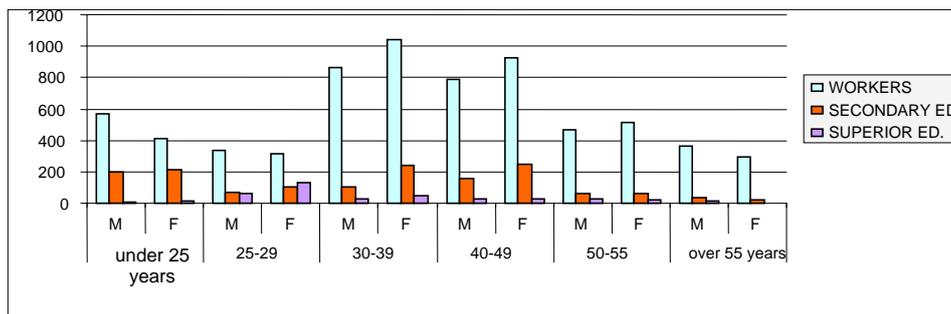


Figure 4. Unpaid unemployed number evolution in 2007

The total number of unpaid unemployed recorded on the 31<sup>st</sup> of December 2007 in Hunedoara County was 8786 people out of which 6880 people are workers (basic studies graduates), 1506 people with secondary studies and respectively 400 people with superior studies. 1404 people under 25 years old, 1014 people between 25 and 29 years old, 2328 people between 30 and 39 years old, 1141 between 50 and 55 years old and respectively 726 people over 55 years old were recorded.

In Figure 4 it may be observed that the number of unpaid unemployed with basic studies is very high compared to the other two professional categories. In what secondary studies is concerned the number of unemployed women exceeds the number of unemployed of the opposite sex within the age groups under 25 years old, between 25 and 29 years old, between 30 and 39 years old and between 40 and 49 years old. The number of unemployed with superior studies was insignificant, their proportion in the total number of unemployed being 5%.

### 2.3. Hunedoara County unemployment in 2008

In 2008, the total number of unemployed recorded in Hunedoara County was 15,568 people, out of which, 6187 paid unemployed and respectively 9381 unpaid.

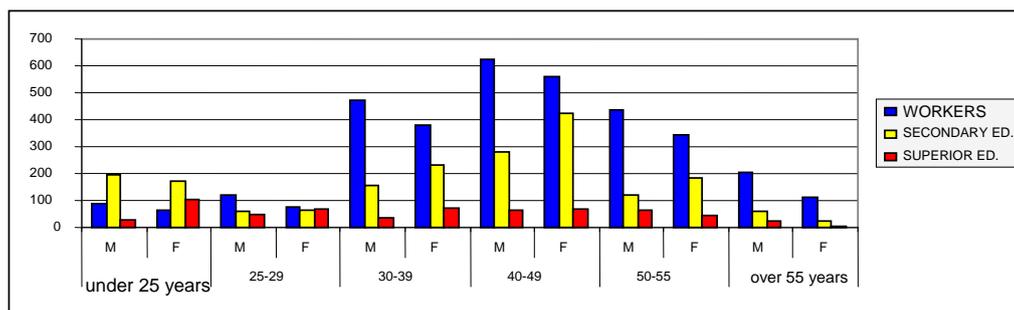
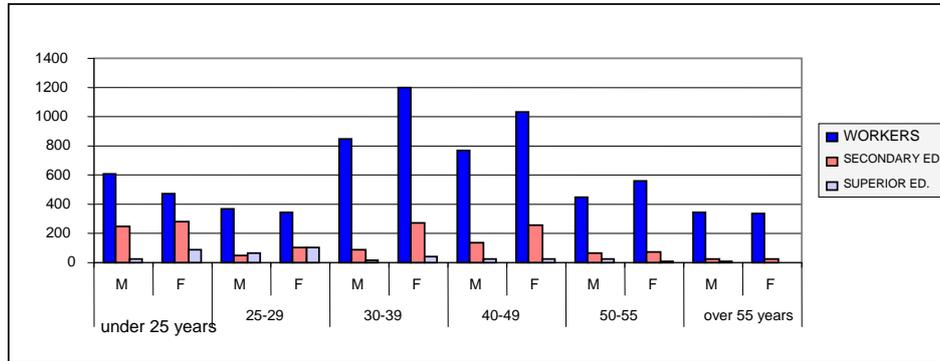


Figure 5. Paid unemployed number evolution in 2008

The total number of unemployed recorded on the 31<sup>st</sup> of December 2008 was 6187 people, out of which 3485 people with basic studies (workers), 2071 people with secondary studies and respectively 631 people with superior studies. 653 people under 25 years old, 440 people between 25 and 29 years old, 1439 people between 30 and 39 years old, 2026 people between 40 and 49 years old, 1196 people between 50 and 55 years old and respectively 433 people over 55 years old were recorded.

It may be easily observed that by the end of December 2008 the highest number of paid unemployed was recorded among male unemployed with basic studies and ages between 40 and 49 years old. The lowest number of unemployed was recorded by people with secondary education with ages over 55. The highest number of paid unemployed with superior studies was recorded by women with ages under 25.



**Figure 6. Unpaid unemployed number evolution in 2008**

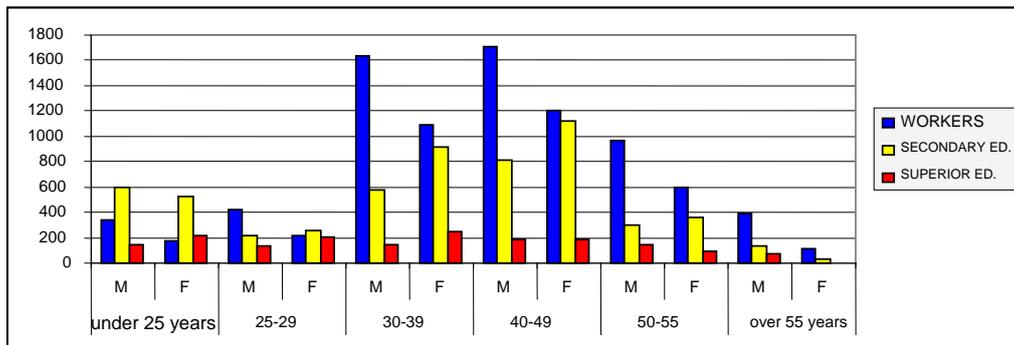
The total number of unpaid unemployed recorded on the 31<sup>st</sup> of December 2008 was 9381 people, out of which, 7328 people with basic studies (workers), 1631 people with secondary studies and respectively 422 people with superior studies. 1721 people under 25 years, 1031 people between 25 and 29 years old, 2469 people between 30 and 39 years old, 2241 people between 40 and 49 years old, 1176 people between 50 and 55 years old and respectively 743 people over 55 years old.

According to the data of 2008, it may be seen that the number of unemployed with basic studies is higher than the other two categories, approximately 17 times higher than the number of unemployed with superior studies and 4.5 times higher than the number of unemployed with secondary studies.

The highest number of unpaid unemployed with secondary studies was recorded by women under 25 years old, while the highest number of unpaid unemployed with superior studies was also recorded by women with ages between 25 and 29 years old.

#### 2.4. Unemployment in Hunedoara County in 2009

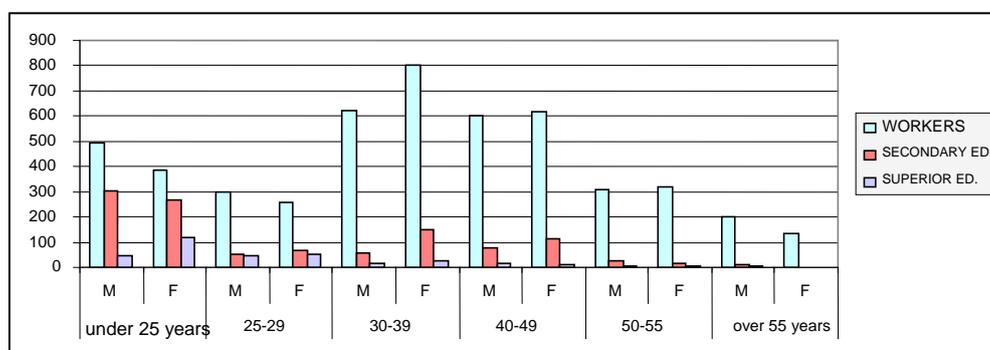
The total number of unemployed recorded in Hunedoara County in 2009 was 23,013 people, out of which 16,483 paid and respectively 6530 unpaid.



**Figure 7. Unpaid unemployed number evolution in 2009**

In 2009 the total number of paid unemployed was 16,483 people, out of which 8875 people with basic studies (workers), 5841 people with secondary studies and respectively 1767 people with superior studies. 1991 people under 25 years old, 1454 people between 25 and 29 years old, 4608 people between 30 and 39 years old, 5223 people between 40 and 49 years old, 2454 people between 50 and 55 years old and respectively 753 people over 55 years old were recorded.

In what the recorded number paid unemployed is concerned in 2009, the highest number of unemployed was recorded by basic studies males (workers) with ages between 40 and 49 years old. Considering the three professional categories, it may be observed the most significant influence on the number of paid unemployed with basic studies. Moreover, a more important proportion from the total number of paid unemployed, respectively 35.5%, is held by secondary studies unemployed.



**Figure 8. Unpaid unemployed number evolution in 2009**

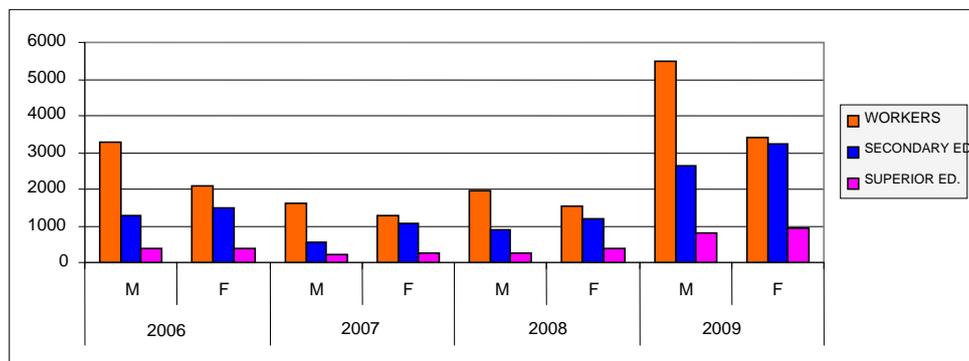
The total number of unpaid unemployed recorded in Hunedoara County on the 31<sup>st</sup> of December 2009 was 6530 people out of which, 5045 people with basic studies (workers), 1144 people with secondary studies and respectively 341 people with superior studies. 1616 people under 25 years old, 774 people between 25 and 29 years old, 1673 people between 30 and 39 years old, 1430 people between 40 and 49 years old, 688 people between 50 and 55 years old and respectively 349 people over 55 years old were recorded.

The highest number of unpaid unemployed was recorded by women with basic studies with ages comprised between 30 and 39 years old. Considering the 3 professional categories, it may be observed that the number of basic studies (workers) unemployed has the largest influence on the total number of unpaid unemployed, exceeding therefore the number of unemployed with secondary and superior studies independent on age or sex.

The number of unemployed with superior studies is insignificant, being approximately 14 times smaller than the unemployed people with basic studies and approximately 3 times smaller than of the number of unemployed people with secondary studies. But, the highest number of unemployed with superior studies is recorded by females under the age of 25.

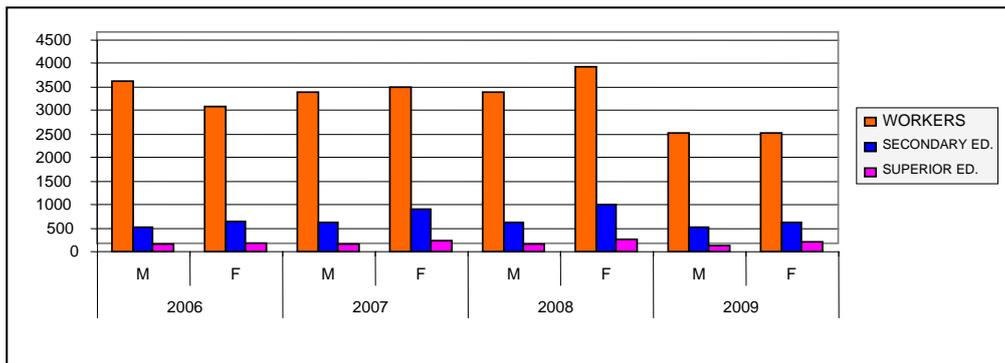
## 2.5. Comparative survey regarding the number of unemployed and unemployment rate in Hunedoara County between 2006 and 2009

A sensitive drop of the number of unpaid unemployed was recorded in 2007 compared to 2006. It may be seen, on the other hand, a significant increase in 2009. It may be observed that the number of paid male unemployed is higher than the number of female unemployed, independent on the year of the analysis. Independent on their sex or the year of analysis, the highest number of paid unemployed was recorded by people with basic studies, followed by people with secondary studies, the smallest influence on the total number of unemployed being that of people with superior studies.



**Figure 9. Unpaid unemployed number evolution between 2006 and 2009 considering their sex and professional formation**

Considering the period between 2006 and 2009, it may be observed that the evolution of unpaid unemployed number oscillates from one year to another, the number of unpaid unemployed males slightly reducing during the analysed period, while on the other hand the number of opposite sex people with the same professional formation has continuously increased between 2006 and 2008.



**Figure 10. Unpaid unemployed number evolution between 2006 and 2009 according to age and professional formation**

The biggest drop of the number of unpaid unemployed was recorded in 2009, and their proportion of 28.4% within the total number of unemployed in 2009 being unexpectedly small.

Independent on the year of analysis, the unemployed number with basic studies (workers) is extremely high compared to the other two professional categories. Considering the mentioned period, it may be observed that the highest number of unpaid unemployed was recorded in 2008.

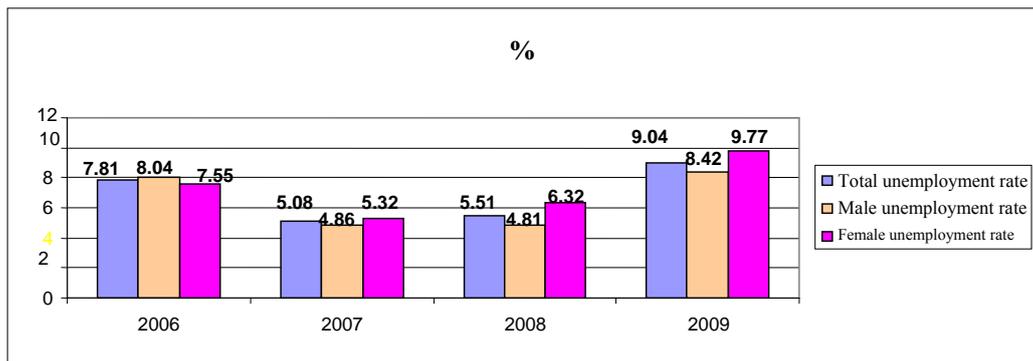


Figure 11. Unemployment rate evolution between 2006 and 2009

According to the above figure, it may be observed that the total unemployment rate has continuously risen starting with 2007. The highest increase was recorded in 2009, when the unemployment rate reached 9.04% being with approximately 3.5% higher than the unemployment rate from the previous year, respectively 5.51%. Unemployment rate in 2009 (9.77%) exceeds the female unemployment rate in 2008 (6.32%) with approximately 3.5% while the male unemployment rate in 2009 (8.42%) exceeds the male unemployment rate in 2008 (4.81%) with approximately 3.6%. It may be observed in the presented figure that in 2006 the unemployment rate was higher for the male population, while between 2007 and 2009 the unemployment rate for the female population exceeded the unemployment rate of the opposite sex population.

### 3. CONCLUSIONS

- Although Hunedoara County is really affected by the economic crisis, the unemployment rate in 2009 was 10.56%, and it needs to be mentioned that the county is not among the first 10 counties most affected by unemployment.
- It may be easily deduced that the highest number of unemployed was recorded by people with basic studies (workers), while the lowest number was recorded by people with superior studies.
- Unemployment recorded for people with ages under 25 years old and ages comprised between 25 and 29 years old is very small considering elderly people, the main motivations being the easiness of a young person to find a work place, to mobilise and change the work place; on the other hand a person over 30 years old does no longer correspond to previous motivations. It is really difficult for example for a

lifetime carpenter to change the lost work place, but, on the other hand for a young graduate it is quite different even if he does not find a work place which fits his professional formation, the young person has the capacity to easily reorient.

- Considering paid unemployed, it is observed that the number of male unemployed with basic studies is more predominant than the number of female unemployed from the same professional formation category, while, on the other hand the number of female unemployed with secondary and superior studies is sensitively higher than the unemployed from the opposed sex population, independent on the year of analysis.

- From the analysis of 2009 data it results that the number of paid unemployed was approximately 2.5 times higher than the number of unpaid unemployed. Between 2007 and 2008 the larger proportion in the total number of unemployed is constituted by the unpaid unemployed.

- Between 2007 and 2009 the female unemployment rate was higher than the male unemployment rate. The unemployment rate for the mentioned period had risen continuously.

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