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STRATEGIC ISSUES FOR THE QUALITATIVE IMPROVEMENT OF ROMANIAN EMPLOYMENT: AN EMPIRICAL ANALYSIS

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Abstract

The aim of this article is to analyze the main indicators specific to the quantitative and qualitative employment, in Romania, in the period following the adoption of the Europe 2020 strategy, in order to identify some actions needed to be taken so that the quality of employment improves and has positive consequences on the well-being of Europeans. The results of the study highlight that Romania, between 2010 and 2016, made little progress in terms of employment, both quantitative and qualitative, and show the existence of large gaps between Romania, as an EU member state, and EU-28 average. In order to achieve the Europe 2020 Strategy objectives in terms of employment and poverty, it is highly necessary that low quality jobs and poor workers benefit the most from actions to support the diverse dimensions of job. Taking into account that better education improves employability and quality of employment and more and better jobs can in turn contribute to economic and social performance, education and training has to become a strategic priority for any country that aims to become a smart, sustainable and inclusive economy.

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Keywords: Quality of employment, European strategy; national strategy, labour market, working poverty.
1. Introduction

It is widely recognised that “employment contributes to economic performance, quality of life and social inclusion, making it a cornerstone of socioeconomic development and well-being” (EU, 2017a, p. 26). Moreover, it is underlined that only high quality jobs are drivers of development and matter for development (ILO, 2014).

Employment is an important element of the social and economic development of workers and “provides them with a sense of identity, but it may also be associated with risks for health and well-being” (UN, 2015a). Thus, the quality of employment may play an important role, both at society and individual level, being a key factor that enhances sustainability of employment.

The importance of quality of employment is highlighted through including it (directly or indirectly) in the international and national strategies as a key-objective. Decent work has become a universal objective of the new 2030 Agenda for Sustainable Development (UN, 2015b), being part of the Sustainable Development Goal 8- “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work”. According to the International Labour Organisation-ILO's Decent Work Agenda, decent work involves productive opportunities for work which delivers a fair income, “security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men” (ILO, 2016b). Thus, ILO points out the quality of employment focusing on employment creation, social protection, rights at work, and social dialogue.

At EU level, in the Europe 2020 strategy (EC, 2010a), job quality, as an essential element for smart, sustainable and inclusive growth, is an implicit objective rather than explicit. Nevertheless improving the quality of work and working condition objective is included in “An Agenda for new skills and jobs: A European contribution towards full employment” (EC, 2010b). Thus, the European Commission highlights that “there is no trade-off between quality and quantity of employment: high levels of job quality in the EU are associated with equally high labour productivity and employment participation” EC (2010b).

Quality of employment is a multidimensional concept and complex to measure (UN, 2015a; EU, 2017d; Bodea & Herman, 2014), its definition and components depending on whether “quality of employment is assessed from the perspective of the society, the corporation or the individual” (UN, 2015a). The Expert Group on Measuring Quality of Employment (UN, 2015a) adopts the individual’s perspective on quality of employment, taking into account that employment provides income as well as and social security, identity and self-esteem. Thus, quality of employment is defined based on all the aspects of employment that may affect the well-being of employed persons. According to UN (2015a), quality of employment is measured based on seven dimensions: safety and ethics of employment, income and benefits from employment, working time and work-life balance, security of employment and social protection, social dialogue, skills development and training and employment-related relationships and work motivation.

Eurofound (2017a), based on seven indices of job quality (physical environment, work intensity, working time quality, social environment, skills and discretion, prospects and earnings) shows that, at
EU-28 level, one out of five workers holds a poor quality job, and structural inequalities and differences in job quality have been recorded in European workplaces. The structure of employment can affect the quality of job. Thus, more favourable job quality is reported by employees on indefinite contracts and employers (self-employed with employees) than the self-employed without employees and workers on temporary contracts. (Eurofound, 2017a).

According to World of Work Report 2014 (ILO, 2014), job quality is measured in terms of three key indicators: the working poor, vulnerability of employment (the proportion of own-account and contributing family workers in total employment) and labour productivity. An increase in labour productivity is associated with decrease in vulnerable jobs and in working poverty.

In this context, the aim of this article is to analyse the main indicators specific to the quantitative and qualitative employment, in Romania, in the period following the adoption of the 2020 Europe strategy, the 2010-2016 period respectively, in order to identify some actions needed to be taken so that the quality of employment improves and has positive consequences on the well-being of Europeans.

2. Strategic objectives for increasing employment and reducing poverty in the context of the Europe2020 Strategy

According to EC (2010a), through the Europe 2020 Strategy, the European Union aims “to become a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion”. The Europe 2020 Strategy puts forward three mutually reinforcing priorities: smart growth (developing an economy based on knowledge and innovation), sustainable growth (promoting a more resource efficient, greener and more competitive economy) and inclusive growth (fostering a high-employment economy delivering social and territorial cohesion). In this Strategy, inclusive growth “means empowering people through high levels of employment, investing in skills, fighting poverty and modernising labour markets, training and social protection systems so as to help people anticipate and manage change, and build a cohesive society. It is also essential that the benefits of economic growth spread to all parts of the Union, including its outermost regions, thus strengthening territorial cohesion. It is about ensuring access and opportunities for all throughout the lifecycle” EC (2010a).

The EU target for inclusive growth stipulated in Europe 2020 Strategy (Table 1) includes: 75% of the population aged 20-64 should be employed by 2020; better educational attainment (reducing school drop-out rates below 10% and at least 40% of 30-34 year-olds completing third level of education); 20 million less people should be at risk of poverty and social exclusion.

In order to raise effectiveness in implementing the strategy, the individual member states can support themselves by creating their own policies such as: action plans and defining goals and short-term, mid-term and long-term actions; periodic reviews of the strategy implementation regarding realization of its objectives (Stec & Grzebyk, 2018).

Taking into account that the EU will not achieve its goals if the individual member states do not pursue them (Stec & Grzebyk, 2018), Romania, as a EU member state, adapted the 2020 Europe strategy to its specific situation (the historical evolution of the annual growth rhythm of employment rate, the economic growth potential and the demographic evolution forecasted for the next decade) and set through the National Reform Program (G.R., 2011) the following national targets for inclusive growth: an
employment rate (aged 20-64) of 70% by 2020, 5 percentage points (p.p) below the EU target; reducing school drop-out rates to 11.3% (above the EU target of 10%), increasing the rate of population aged 30-34 years that graduates a form of tertiary education to 26.7% (below the EU target of 40%) and reducing the population at risk of poverty or social exclusion by 580,000 persons.

Table 01. The objectives of the Europe 2020 Strategy for Romania

<table>
<thead>
<tr>
<th>Strategic Indicators</th>
<th>EU objectives¹</th>
<th>Romania objectives²</th>
<th>2010 (RO)³</th>
<th>2016 (RO)⁴</th>
<th>2016 (UE-28)⁵</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment rate (age group 20-64)- %</td>
<td>75</td>
<td>70</td>
<td>64.8</td>
<td>66.3</td>
<td>71.1</td>
</tr>
<tr>
<td>Tertiary educational attainment (age group 30-34)- %</td>
<td>40</td>
<td>26.7</td>
<td>18.3</td>
<td>25.6</td>
<td>39.1</td>
</tr>
<tr>
<td>Early leavers from education and training¹ - %</td>
<td>10</td>
<td>11.3</td>
<td>19.3</td>
<td>18.5</td>
<td>10.7</td>
</tr>
<tr>
<td>Reduction of people at risk of poverty or social exclusion (in thousands)</td>
<td>20,000</td>
<td>580,000</td>
<td>-689*</td>
<td>-1420*</td>
<td>806*</td>
</tr>
<tr>
<td>People at risk of poverty or social exclusion - %</td>
<td></td>
<td></td>
<td>41.5</td>
<td>38.8</td>
<td>23.5</td>
</tr>
</tbody>
</table>

Note: * Cumulative difference from 2008, in thousands.


Although Romania has made some progress in terms of these four headline targets, the current situation (the year 2016) highlights real gaps in the objectives of both Romania and the EU (see Table 1). When the Europe 2020 Agenda was launched in 2010, the employment rate (age group 20-64) in Romania was below the EU average level (64.8%-Romania against 68.6%-EU), ranked 17 of 27 countries (Eurostat Database, 2018). By 2016, the employment rate rose by 1.5 p.p, Romania occupying only the 24th position out of the 28 (Figure 1). Northern and central European countries recorded the highest rates; the 75% EU employment target was exceeded in eight countries (Figure 1).

As regards the reduction of people at risk of poverty or social exclusion objective, despite a significant reduction of people at risk of poverty or social exclusion (1420 thousand persons in the 2008-2016 period), in Romania, in 2016, there is a higher incidence of risk of poverty or social exclusion in total population than in EU-28 (38.8% against 23.5%).

As for education key targets, although Romania, in the 2010-2016 period, rose the tertiary educational attainment by 7.3 p.p., is placed on the last position in the EU, fact which represents a real challenge to catching up the EU average. Also, reducing school drop-out rates below 11.3% (national target) is an unachievable target taking into account the insignificant progress made in this period (Table 1).

The strategy’s inclusive growth implies that the employment target should be closely interlinked with the other strategy goals on education and poverty and social exclusion and also with research and development target. Better educational levels increase employability and quality of employment (Barbulescu, 2015) and more and better jobs can in turn contribute to economic performance and poverty reduction. Moreover, “boosting R&D capacity and innovation could improve competitiveness and thus contribute to job creation” (EU, 2017a). All these strategic objectives have to be interlinked taking into
account that the essential measure of the inclusiveness of a society’s growth model is given by the extent to which it produces broad gains in living standards before social transfers (WEF, 2015).

3. Quantity versus quality in employment: a real challenge for Romania

In order to highlight the real progress in terms of employment target, at the level of both EU and Romania, as a member state, it is necessary to analyze the contextual indicators of the characteristics of the labour market, and the quantitative, structural and qualitative indicators of employment.

According to statistical data (Figure 1 and Table 2), Romania records a low level of the unemployment rate (below the EU average), but this level can hide vulnerable employment, unproductive employment, informal employment, working poverty etc. (Herman, 2016). Unemployment among youth (less than 25 years) remains a challenge in Romania and throughout EU. In 2016, the Romanian youth faced an unemployment rate of 22.3% (lower than the EU-28 average of 33.8%), 3.8 time higher than adults.

A real socio-economic challenge of the labour market and the whole economy is working poverty (or in-work poverty) “a critical barrier impeding progress in addressing poverty through sustainable employment” (EAPN, 2013). Working poverty provides a clearer picture of the relationship between employment and poverty (Herman, 2014). According to Eurostat definition, this indicator represents the share of persons who are at work and have an equivalised disposable income below the risk-of-poverty threshold, which is set at 60% of the national median equivalised disposable income (after social transfers). Statistical data (Table 2 and Figure 1) show the existence of a high level of in-work at-risk-of-poverty rate in Romania, the highest in EU-28 (18.9% against 9.6%). Furthermore, an increase in working poverty can be noticed, in 2010-2016 period, both in Romania and at EU level (Table 2). These data prove that a job is not a guarantee against the risk of poverty, highlighting the need for productive jobs and for higher quality of employment in order to escape from the poverty trap.

Table 02. Main quantitative labour market indicators in Romania and EU-28

<table>
<thead>
<tr>
<th>Indicators</th>
<th>2010</th>
<th>2016</th>
<th>2016 (EU-28)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment rate (15-64 years) -%</td>
<td>60.2</td>
<td>61.6</td>
<td>66.6</td>
</tr>
<tr>
<td>Total unemployment rate (persons aged 15 to 74)-%</td>
<td>7</td>
<td>5.9</td>
<td>8.6</td>
</tr>
<tr>
<td>Young unemployment rate (15-24 years)-%</td>
<td>24.3</td>
<td>22.3</td>
<td>33.8</td>
</tr>
<tr>
<td>In-work at-risk-of-poverty rate (%)</td>
<td>17.9</td>
<td>18.9</td>
<td>9.6</td>
</tr>
<tr>
<td>Temporary employees 25 years or over (% of employees)</td>
<td>1.0</td>
<td>1.4</td>
<td>11.3</td>
</tr>
<tr>
<td>Part-time employment (% of the total employment)</td>
<td>9.9</td>
<td>7.4</td>
<td>19.5</td>
</tr>
<tr>
<td>Nominal labour productivity per person employed (% of EU-28=100%)</td>
<td>50.6</td>
<td>61.6</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Eurostat Database (2018)

The main determinants of working poverty are very broad: from individual characteristics and professional status of the employed person (Fraser et al., 2011; Herman & Georgescu, 2012), temporary and part-time work (Herman, 2016; Heyes, 2013) to low pay (Andreß & Lohmann, 2008; Eurofound, 2017b), household structure of the person working (Pena et al., 2004) and welfare states regimes (Davoine, Erhel, & Guergoat-Lariviere, 2008). Low earnings, low labour force attachment or/and a high
number of dependants, relative to national averages, are considered three immediate causes of working poor status (Crettaz & Bonoli, 2010).

![Graph](https://dx.doi.org/10.15405/epsbs.2019.01.02.10)

Source: Own processing based on Eurostat Database (2018)

**Figure 01.** Main quantitative indicators of labour market in EU member states, in 2016

According to data illustrated in Figure 2, among the main factors which can explain the level of in-work poverty, in Romania as well as in EU-28, we find professional status of the employed person (employees versus non-employees), full-/part-time work, type of contract (temporary employees versus permanent employees) and individual characteristics of workers (education and age).

![Graph](https://dx.doi.org/10.15405/epsbs.2019.01.02.10)

Source: Own processing based on Eurostat Database (2018)

**Figure 02.** In-work at-risk-of-poverty rate gaps by employment and workers characteristics: Romania vs. EU-28, 2016

Based on the *individual employment characteristics of the working poor*, some significant issues of quality of employment are identified (Figure 2 and Table 2 and 3). Thus, in Romania, in-work at-risk-of-poverty rate is more reduced among employees compared to the other categories of employed persons (self employed person, respectively own-account workers, and contributing family workers). In 2016, in-work poverty risk is more than 9.9 times higher for non-employees than for employees (57.5% against 5.8%) in Romania and more than 3 times higher at EU-28 level. Moreover, the share of own-account
workers and contributing family workers (vulnerable workers) in total employed persons is significantly higher in Romania than the EU-28 average (Table 3). A major problem for Romania is the persistence of a high share of contributing family workers, which are unpaid family workers with a higher degree of economic risk (8.48% in 2016 and 12.6 % in 2010), 8 times higher than at EU-28 level.

Despite the fact that Romania recorded a very low share of flexible work (temporary contract and part-time job, Table 2), statistical data from Figure 2 show that in-work poverty rate is 2.5 times higher for temporary workers than for permanent workers (16.9% against 5.4%); 4.5 times higher for part-time workers in comparison to the full-time worker (64.7% against 14.3%). Thus, a high in-work poverty risk in flexible work, taking into account that most of the this work is involuntary (over 50% of part-time employment and over 750% of temporary employees, Table 3), highlights that using these ways of making work more flexible and reducing unemployment go hand in hand with underemployment and working poverty, indicating “a low income level and weak labour market status” (UN, 2015). Our results are confirmed by the Eurofound Report (2017a) which shows that, at EU level, temporary jobs are more likely to be associated with poor job quality and low utilization of skills and discretion.

Table 03. Main indicators of the quality of employment in Romania and EU-28

<table>
<thead>
<tr>
<th>Indicators</th>
<th>2010</th>
<th>2014</th>
<th>2016</th>
<th>EU-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender pay gap</td>
<td>6.9</td>
<td>5.4</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Employed women being in managerial positions²</td>
<td>31</td>
<td>31.9</td>
<td>34</td>
<td>33.7</td>
</tr>
<tr>
<td>Low-wage earners³</td>
<td>25.82</td>
<td>24.4</td>
<td>-</td>
<td>17.19</td>
</tr>
<tr>
<td>Involuntary part-time work⁴</td>
<td>53.0</td>
<td>56.9</td>
<td>57.8</td>
<td>27.7</td>
</tr>
<tr>
<td>Involuntary temporary employees⁵</td>
<td>81.9</td>
<td>90.8</td>
<td>78.0</td>
<td>63.0</td>
</tr>
<tr>
<td>Own-account workers⁶</td>
<td>21.28</td>
<td>19.38</td>
<td>17.09</td>
<td>10.59</td>
</tr>
<tr>
<td>Contributing family workers⁶</td>
<td>12.57</td>
<td>11.55</td>
<td>8.48</td>
<td>1.08</td>
</tr>
<tr>
<td>Training participation¹</td>
<td>19.2</td>
<td>19.2</td>
<td>-</td>
<td>39.0</td>
</tr>
<tr>
<td>Skills match²</td>
<td>39.8</td>
<td>49.7</td>
<td>-</td>
<td>57.1</td>
</tr>
<tr>
<td>Job autonomy⁹</td>
<td>73.0</td>
<td>75.5</td>
<td>-</td>
<td>80.2</td>
</tr>
<tr>
<td>Organizational participation¹⁰</td>
<td>36.3</td>
<td>43.7</td>
<td>-</td>
<td>46.7</td>
</tr>
<tr>
<td>People killed in accidents at work¹¹</td>
<td>4.91</td>
<td>5.5</td>
<td>5.56</td>
<td>1.81</td>
</tr>
</tbody>
</table>

Note:¹% in Business economy; ²% of women in the occupational group of managerial positions as a share of all employed persons in that group; ³% of all employees; ⁴% of part-time employment (from 15 to 64 years); ⁵% of employees with a temporary job; ⁶% of total employed persons; ⁷Employed persons participating in job-related non-formal education and training in the past 12 months (% of total employed persons); ⁸Employed persons having the opportunity to use their knowledge and skills in their current job (% of total employed persons); ⁹Employed persons having the opportunity to use their knowledge and skills in their current job (% of total employed persons);¹⁰Employed persons being able to influence decisions that affect their work (% of total employed persons); ¹¹number per 100 000 employees.

Source: Eurostat database (2018)

Taking into consideration that “a low wage is the most straightforward link to in-work poverty” (Eurofound, 2017b, p. 7), in Romania, the high level of in-work poverty can be explained by a high level of low-wage earners (as % of all employees). There is a higher share of low-wage earners in total employees in Romania than in EU-28 (24.4% related to 17.19%, Table 3), fact which reflects that over 24% of employees are confronted with economic hardship. Thus the quality of employment is negatively affected.

Corroborating these results (high working poverty and high vulnerable employment) with the low level of labour productivity, slightly over half of the EU-28 average, 61.6% of EU-28 (of 100%), it is proved that, in Romania, there is a deficit in job quality (ILO, 2014).
Figure 2 illustrates that, in Romania, as well as in the EU-28, the education level of employed people represents an important factor that influences in-work poverty. As the level of education attained increases, the working poverty decreases and can increase quality of employment. In Romania, in 2016, the incidence of in-work poverty is 12.1 times higher for the low educated workers (37.6%) than for those with high education (3.1%).

From the perspective of “skills development and training” dimension of quality of employment (according to UN, 2015a), statistical data regarding training participation shows that, in Romania, only 19.2% of employed persons (5 p.p below the EU-28) has participated in job-related non-formal education and training in the past 12 months (Table 3 and Figure 3). It is recognized that training participation can have significant results such as increasing employability, which permits workers to improve their job opportunities, increasing their earnings; better job-security and higher work motivation, as well as higher participation in the labour market (UN, 2015a). Also, there is a large gap in term of skills match between Romania and the EU-28 average (49.7% against 57.1%, Table 3), fact which emphasises that, in Romania, less than half of workers have had the opportunity to use their knowledge and skills in their current job. According to UN (2015a), a small extent of this indicator shows that the person is overqualified for the job.

In order to emphasise the progress in quality of employment made by Romania, in 2010-2014 period, we have analysed twelve indicators (gender pay gap, employed women being in managerial positions, low-wage earners, involuntary part-time work, involuntary temporary employees, own-account workers, contributing family workers, training participation, skills match, job autonomy, organizational participation and people killed in accidents at work) related to seven quality of employment dimensions according to UN (2015a). Statistical data (Table 3 and Figure 3) point out that progress was made in nine indicators of quality of employment. A negative tendency was recorded in involuntary part-time work, involuntary temporary employees (working time and work-life balance dimension) and people killed in accidents at work (safety and ethics of employment dimension) fact which emphasises a deficit of quality of employment.

![Graph showing quality of employment indicators in Romania: 2010 vs. 2014](https://dx.doi.org/10.15405/epsbs.2019.01.02.10)

**Figure 03.** Main indicators of the quality of employment in Romania: 2010 vs. 2014
A comparative analysis of the current level of the quality of employment indicators (for the year 2014), illustrates negative gaps between Romania and EU-28 average (see Table 3) fact which highlights the need to diminish the dysfunctions and gaps existing on the labour market through real structural and qualitative transformation of employment. Therefore, a set of actions are needed in order to support the various dimensions of job quality, on the one hand, and, on the other hand, poor quality jobs have to benefit from labour market policies aimed at boosting opportunities to move from poor quality jobs into better-quality jobs (Eurofound, 2017a).

4. The main active measures to improve quality of employment in Romania

The active labour market policies can be effective in order to support people who are confronted by a number of barriers to (re)employment, to move into work as well as helping workers to transition from one job to another. These policies are considered a fundamental element of the policy strategy to promote more and better quality jobs (ILO, 2016b) aiming at “activating the unemployed, helping people move from involuntary inactivity into employment, or maintaining the jobs of persons threatened by unemployment” (EU, 2017b). As it can be noticed from Table 4, in Romania, in 2010-2015 period, public expenditure on labour market policies (as % of GDP) and the share of participants to activation –support (labour market policies per 100 persons who want to work) decreased. At EU level, in 2015, statistical data (EU, 2017b) show that the number of participants to activation-support varied widely, ranging from less than 3% in Bulgaria to over 50% in Denmark. Romania occupied the second last position in EU (3.1%). Furthermore, statistical data from Table 4 regarding the structure of expenditure on labour market policies (LMP) show an inefficient structure, in Romania, taking into account a very high share of out-of-work income maintenance and support expenditure (90.72%, in 2014, and 58.74%, in 2015), which include mostly unemployment benefits.

Moreover, the share of training, as a component of active labour market policies, is very low (less than 1%), emphasising the fact that there is an insufficient support both for transition between unemployment and employment and for helping to keep people integrated into the labour market through the accumulation of required skills. In Romania, adult participation in learning (% of population aged 25 to 64) is very low (only 1.2% in 2016), much below the EU-28 average of 10.8% (Eurostat Database, 2018).

Table 04. Labour market policies (LMP) in Romania: 2015 vs. 2010

<table>
<thead>
<tr>
<th>LMP- indicators</th>
<th>2010</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public expenditure on labour market policies (% of GDP)</td>
<td>0.591</td>
<td>0.185</td>
</tr>
<tr>
<td>The share of participants to activation–support–labour market policies per 100 persons who want to work</td>
<td>3.5</td>
<td>3.1</td>
</tr>
<tr>
<td>LMP structure (% from total LMP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labour market services</td>
<td>4.641</td>
<td>31.093</td>
</tr>
<tr>
<td>Training</td>
<td>0.566</td>
<td>0.569</td>
</tr>
<tr>
<td>Employment incentives</td>
<td>3.085</td>
<td>8.349</td>
</tr>
<tr>
<td>Direct job creation</td>
<td>0.984</td>
<td>1.230</td>
</tr>
<tr>
<td>Start-up incentives</td>
<td>0.004</td>
<td>0.014</td>
</tr>
<tr>
<td>Out-of-work income maintenance and support</td>
<td>90.720</td>
<td>58.742</td>
</tr>
</tbody>
</table>

Source: Eurostat database (2018)
Taking into consideration that a high level of education and training is a key driver of improving quality of employment, a better education and training of people is considered a European and national strategic objective. Romania, through the National education and training strategy for the period 2016-2020 (GR, 2016), aimed, for 2020, at a participation percentage in the educational or training process of 10%, for the population aged 25-64. This national target is a real challenge for Romania taking into account that adult participation in learning, in 2010-2016 period, recorded a negative trend (from 1.4% to 1.2%). One of the obstacles that impeded the increase in participation in training is the wrong perception of the employer who considers the expenses on education and training as a cost not an investment, as well as the lack of recognizing the advantages of the training, by both the employers and the employees (Herman & Georgescu, 2012). Moreover, Romania, through the The National Strategy for Tertiary Education 2015-2020, which is the national strategic policy framework for higher education, “aims at improving tertiary education attainment, quality, and efficiency, and at making higher education more relevant to labour market needs and more accessible to disadvantaged groups” (GR, 2015).

Nevertheless, in Romania, public expenditure on education represents only 3.1% of GDP (in 2015) related to 4.8% at EU level. Furthermore, annual expenditure on educational institutions per pupil/student (euro) is very low (1142 euro against 7509.3 euro). All these statistical data prove, on the one hand, that Romanian education is underfinanced, and, on the other hand, the need to increase spending in education in order to “improve educational outcomes, support human capital development and economic growth” (EU, 2017c).

5. Conclusions

The empirical research and EU Reports show that progress in employment rate, as Europe 2020 strategy target, is not always associated with progress in quality of employment. This study has shed light on the main challenges of quality of employment in Romania, as an EU member stat, in the period following the adoption of the Europe 2020 strategy.

The results of the study highlight that Romania, between 2010 and 2016, made little progress in terms of employment, both quantitative and qualitative, and indicates the existence of large gaps between Romania and EU-28 average. A major issue for Romania is the persistence of a very high level of working poverty that is mainly associated with a high level of vulnerable employment, low level of labour productivity, emphasising also a deficit in job quality. Moreover, we find that Romania is characterized by both a low level of labour market policies and an inefficient structure of them, fact that requires taking some measures for increasing the effectiveness of labour market policies.

Based on the fact that better education can improve employability and quality of employment and more and better jobs can in turn contribute to economic and social performance, education and training has to become a strategic priority for any country that aims to become a smart, sustainable and inclusive economy. In order to achieve the Europe 2020 Strategy objectives in terms of employment and poverty, it is absolutely necessary for low quality jobs and poor workers to benefit most from actions that support the diverse dimensions of job. Improving job quality and working conditions continues to be a significant goal in European policies, being a cross-cutting issue that influences, but at the same time it is influenced by many other European policies (Eurofound, 2017a).
References


