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YOUTH AND THE LABOUR MARKET IN ROMANIAN RURAL AREAS

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Abstract: *The issue of employment among young people, in general, and especially in rural areas, has become increasingly active at the beginning of the 21st century on national and regional development agendas. The challenge of employment among young people in rural areas has its own dimensions and is present in all rural areas, regardless of their stage of socio-economic development. The level of economic development in rural areas, lack of employment opportunities, low level of education and training, declining interest and motivation of young people to engage in agricultural activities, are just some of the factors that generate pressure on the labor market for young people in rural areas. In addition, they must enter a volatile labor market, in the process of structural change under the impact of changes caused by digitalization and intensive automation of all sectors of activity. The paper presents a synthesis of the particularities of the labor market of young people in rural Romania.*

Keywords: *youth, rural area, employment, unemployment, vulnerabilities*

JEL Classification: *J21, J24, J43, P25*

1. Introduction

One of the most important and complex economic, social, political, cultural, moral, ecological, etc. subjects of our country is the one related to rural issues. In the current conjuncture, the rural area exceeds the field of agricultural activities, it is both the place where the agricultural population works and lives, as well as the place where certain industrial and commercial activities

are carried out and which tends to become a place of residence and recreation for the population.

The weaker consolidation of relations on the rural labor market, the lack of employment opportunities in this environment causes a reduced flexibility of this market and, therefore, an increase in the number of unemployed, especially among young people.

The situation of young people on the labor market represents a major challenge both in rural and urban areas, being a major challenge for local administrations and the Government.

2. Stage of knowledge of the problem

In the context of the increased polarization of jobs, but also of the increased economic and social uncertainty as a result of the economic-financial crisis of 2008, but especially of the current economic-social crisis, they find themselves in a position which makes them extremely sensitive to economic fluctuations.

Among the causes that analysts, as well as young Romanians themselves, identify as obstacles to the insertion of young people from rural areas on the labor market, the following can be mentioned:

- i) lack of jobs at the local level;
- ii) specific obstacles to entry, often resulting from lack of experience;
- iii) the high level of poverty, a phenomenon that particularly affects the young population;
- iv) the level of professional qualification of rural youth is often considered inadequate to market requirements;
- v) lack of counseling for career and in more general terms, for life, for gaining personal autonomy (young people are not prepared to evaluate, find a solution and act effectively in a risky situation, let alone in a situation of socio-professional failure);
- vi) access to information about jobs available especially for young people from rural areas (most young people turn to relatives, friends or acquaintances to find a job);
- vii) a marked gender difference in occupations and fields of activity (young people are predominantly present in construction and industry, while young women are mostly employed in commerce, education, health and social assistance).

The analysis of the youth labor market from the perspective of its main characteristics highlights the fact that, on a segmented labor market, they are included in a niche that suffers from even greater segmentation and is subject to inherent rigidities.

In the specialized literature, a series of studies have been carried out in order to identify the main problems and opportunities regarding the employment, employability and entrepreneurship of young people in rural areas. The main obstacle in obtaining a job is considered by some authors to be the lack of employment opportunities in the locality (Rural economic development through the revitalization of popular traditions and the exploitation of non-agricultural economic potential), but also the lack of information among young people about employment opportunities in the area where I live.

A higher share of unemployed young people from rural areas in total, which, combined with their lower share in an aging rural population, also results in an increased rate of inactivity. Supporting the mobility of young people with the aim of increasing interest in gainful activities, improving professional skills and increasing confidence in one's own strength was achieved through various Projects financed from the European Social Fund through the Sectoral Operational Program Human Resources Development 2007-2013, but also 2014-2021, 2022-2027.

3. Material and method

To achieve the objectives proposed in this paper, a combination of quantitative and qualitative methods and various data sources was used to capture the particularities of the youth labor market in rural areas. The methodology used aimed to identify the challenges of the labor market in the current conjuncture and carry out an analysis of the dynamics and structural changes of the labor market. Also, factorial analysis was used to identify the determining factors of employment among young people from rural areas on the labor market.

Data related to the labor market in Romania published in the Annual Reports of the National Agency for Employment, the National Institute of Statistics of Romania (TEMPO-Online database) were used for the analyses, studies and statistics on the evolution of employment in rural areas carried out by national and international organizations, specialized works published in the country and abroad, Reports and studies of the Ministry of Agriculture and Development Rural.

4. Results and discussion

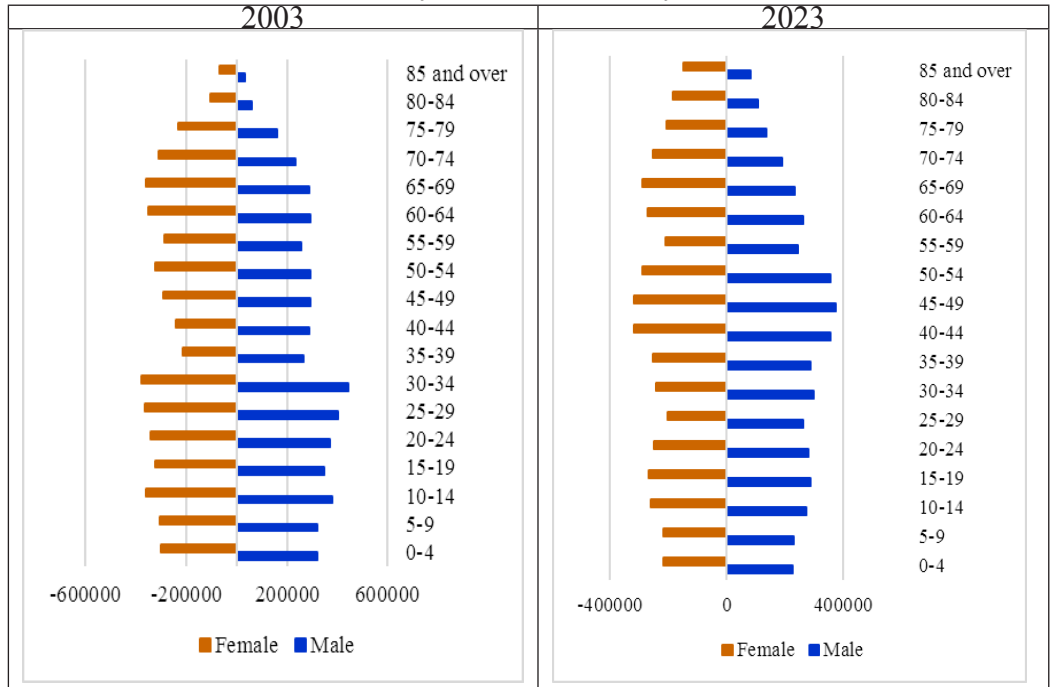
The transformation process of the Romanian village started in the 90s and continued in the first two decades of the 21st century, which led to the modification of the specifics of rural localities, the demographic, occupational and value coordinates of the population in these areas.

Romania is the seventh largest country in the European Union, with a rural area that almost covers 87% of the total surface of the country and 47.8% of the population, of which 19.6% are employed in agriculture, in 2022 agriculture had a share of GDP of only 4.5% (TEMPO-online database - INS).

With a rural population of 9.11 million people on January 1, 2023 (TEMPO-online database - INS), it is the state with the highest share of the rural population in the European Union, followed by Poland and Bulgaria (Eurostat statistics). At the Romanian rural level, there is a phenomenon of an accentuated aging of the agricultural workforce: of the total population employed in agriculture in 2022, 15.6% were over 65 years old, and 30.5% over 45 years old (TEMPO-online database – INS).

The analysis of the age pyramid of the rural population (Figure 1) reveals major changes in the age structure of the population in the last two decades. In the conditions in which the birth rate will continue to decrease, and the number of young people from rural areas who migrate abroad or to the urban area will continue to increase, then an inverted demographic pyramid will be recorded, which is based on the representation of young generations, and at its peak the reunion of cohorts belonging to the third and fourth ages.

Figure 1. Age pyramid for the rural population, January 1, 2003 and January 1, 2023



Source: Author's work based on TEMPO-online data - National Institute of Statistics, www.insse.ro

From the analysis of the statistical data regarding the evolution of the age structure of the rural population, a significant reduction in the share of the young population between the ages of 0 and 24 emerges: from 33.1% in 2003, to 26.8% in 2023, simultaneously with the increase by almost 3.7 percent, of the share of the population over 65 years old (from 18.1% in 2003, to 21.8% in 2020). In the first two decades of the 3rd millennium, Romanian agriculture presents itself in its vast majority as a subsistence agriculture. At the national level, in 2022, only 12.3% of farmers were employees and 0.7% were employers, while 54.8% were self-employed and 35.8% were unpaid family workers (TEMPO-online database – INS), weights that varied insignificantly in 2022.

From the point of view of structural indicators, the Romanian rural environment is characterized by the very high share of agricultural occupation of the population. This occupational category registered a downward trend among young people, but continues to be the main employment sector for the population of this area. In the self-employed and unpaid family worker categories, according to INS statistics (TEMPO-online database - INS), there are 190.7 thousand young people aged between 15-24 years and 134.2 thousand young people in the 25-34 age category in 2022. In the two age categories, 142.1 thousand people are employed, respectively 464.8 thousand young people. Only a small part of the young people who work in rural areas have the status of self-employed (52.57 thousand people from the 15-24 age segment and 169.4 thousand people between the age of 25-34 years) and a much smaller part of these are employers (only 5.242 thousand people aged between 25-34). In this context, it can be said that Romanian agriculture continues to be strongly dominated by subsistence family holdings, with agricultural enterprises constituting a minority whose development is at least unlikely in the near future.

Another phenomenon faced by rural areas is internal migration, but especially international migration. Regarding international migration, the regions that had the largest share in the total number of permanent emigrants, in the last two decades, were: Bucharest - Ilfov Region (19.8%), North - East (16.4%), Center (16.2%), West (13.6%) and North-West (13.4%). The people with the greatest willingness to migrate are usually the young, from the working population, who migrate either abroad or to urban areas in search of better jobs and a more attractive social life.

5. Young people and the rural labor market

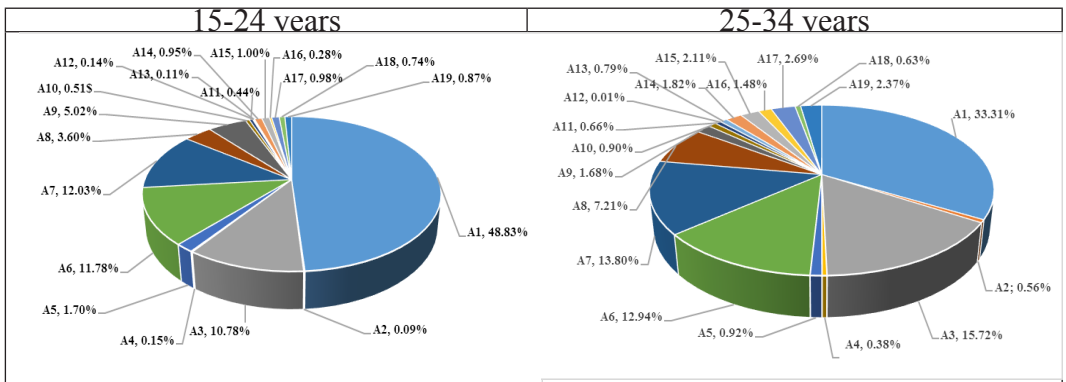
The insertion of young people in the rural labor market or their decision to continue their studies (possibly combined with part-time work) depends on a series of economic and social factors, the financial situation of the young person, the support that parents or other members of the I can offer it to the

family, due to the availability of public funds for studies, for the duration of the transition from school to work; the expansion of the service sector (which requires more qualified labor); the demographic processes that determine the structure of the population; the decrease in the interest and motivation of the young population to engage in agricultural activities.

In rural areas, on January 1, 2023, there were 2.093 million young people aged between 15-35. In the period 2003-2023, the evolution of the number of young people from rural areas had a downward trend, in 2023, they were 876.3 thousand people less than in 2003 (TEMPO-online database).

The analysis of statistical data on employment in various economic activities highlights the fact that young people aged between 15 and 24 years, respectively 25-34 years old from rural areas, in 2022, the trend of previous years was continued, being trained in other activities than those related to agriculture, such as the manufacturing industry (10.78%, respectively 15.78%), wholesale and retail trade; repair of motor vehicles and motorcycles (12.03%, respectively 13.8%), Construction (11.78%, respectively 12.94%) (Figure 2).

Figure 2. The share of young people employed in economic activities in rural areas in 2022



Source: Author's work based on TEMPO-online data - National Institute of Statistics, www.insse.ro

where:

	Activities of the national economy		Activities of the national economy
A1	Agriculture, forestry, fish farming	A11	Financial intermediations and assurance
A2	Mining and quarrying	A12	Real estate transaction
A3	Manufacturing	A13	Professional, scientific and technical activities

	<i>Activities of the national economy</i>		<i>Activities of the national economy</i>
A4	Production and distribution of electric and thermal energy, gas and warm water and conditioning air	A14	Activities of administrative and support service
A5	Water distribution; salubrity, managing of waste, decontaminate activities	A15	Public administration and defence
A6	Constructions	A16	Education
A7	Trade	A17	Health and social work
A8	Transports and storage	A18	Cultural and recreative entertainment activities
A9	Hotels and restaurants	A19	Other service activities, staff and social
A10	Informations and communications		

Statistical data for Romania regarding the training level of young people from rural and urban areas highlight significant differences, the share of young people with lower levels of education being much higher in rural areas. Added to these is the reduction of the gross rate of schooling in rural areas, as well as a hidden form of school dropout when students come to school only a few times a month (these cases not being documented in official statistics).

The weaker consolidation of the relations on the rural labor market, the lack of employment opportunities in this environment causes a reduced flexibility of this market and, therefore, an increase in the number of unemployed. In rural areas, the unemployment rate values were lower than the national average for young people aged 15-24, in the period 2015-2022.

The analysis of statistical data highlights the fact that, for young people in the age segments 25-29 years and 30-34 years, the chances of being enrolled in the ranks of the employed population increase extremely much. The unemployment rate for these two age categories among young people from rural areas has only rarely exceeded 10% in the last five years.

Also, in the rural area, there are significant differences in unemployment by gender, the unemployment rate among young men being higher than that of young women, regardless of the age group analyzed and it is dependent on the level of training (the higher the level of education reduced, the higher the number of young unemployed).

The analysis of the evolution of the labor market indicators for young people from the rural environment indicates the complexity of the problems that affect the 2.093 million young people aged between 15 and 34 whose communities need to overcome the barriers related to education, professional

training and the labor market work, at the same time having to face the challenge of the aging population phenomenon.

6. Conclusions

The important structural changes and essential mutations that have taken place in the last decades in Romania have deeply affected the state of the Romanian countryside. In recent years, both at the national and rural levels, the aging process of Romania's population has intensified. The official statistical data indicate that, in 2022, young people represented 26.8% of the population in the rural environment (being lower in the case of the rural environment compared to the urban one), respectively 2.093 million people.

At the level of the Romanian countryside, depending on the level of education, gender, age and ethnicity, the existence of certain categories of vulnerable young people on the labor market is noted, namely:

- young people without qualifications, who have not graduated from a higher secondary education institution, dropping out of school at a certain time;
- young people between the ages of 19-25, most often recent graduates, without professional experience, or new entrants to the labor market;
- women who represent the vast majority of inactive young people.

Despite Romania's agricultural potential, only approximately 5.6% of young people have income from work in agriculture. In the rural environment, there is a strong relationship between certain economic activities and the gender structure of young people: men work predominantly in construction and industry, while women are the majority in trade, education, health and social assistance. Not infrequently, young people are employed as skilled, unskilled and service and trade workers.

As a result of a relatively low level of education and professional training of young people from rural areas, many employers believe that the skills are not inadequate to the market requirements.

A lower level of education makes the unemployment rate in rural areas higher. Even if at the national level, as a result of the health and economic crisis, the unemployment rate increased in 2022, still, young people from rural areas recorded higher values of this labor market indicator, especially those with a low level of training. Differences in the unemployment rate were also reported between young men and women: unemployment among young people is almost double that of young women.

A high level of unemployment, combined with other socio-economic factors determined by the health and economic crisis can lead to the emergence

of a series of social and economic problems that can affect both the economic development and the social development of rural communities.

Over time, a series of laws were formulated and promulgated for young people in general (Law 350/2006; Law 76/2002; Law 279/2005; Law 333/2006) and for those from rural areas in particular (Law 646/2002), or strategies in the field of youth policy, lifelong learning in order to reduce school dropout (Education and Vocational Training Strategy in Romania for the period 2016-2022; National Lifelong Learning Strategy 2015-2022; National Strategy in the field of youth policy for the period 2015–2022; Strategy for the Reduction of Early School Leaving in Romania), increasing the degree of insertion of young people into the labor market.

However, young people from the Romanian countryside continue to be a vulnerable group on the labor market. In this context, the young rural population is faced with the situation either to accept a job for a modest income, or to choose the path of migration to the urban environment in order to find a more attractive and better-paid job, or to go abroad.

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