

# **THE SERVICES PROVIDED BY THE NATIONAL AGENCY FOR EMPLOYMENT TO JOB SEEKERS**

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**Abstract:** This paper includes a review of theoretical aspects pertaining to enhancing labour market participation, and a quantitative research (secondary analysis) on the services provided by the National Agency for Employment Romania (ANOFM) to job seekers. The analyzed timeframe ranges from 2008 to 2012, and the method we used is social documents analysis (ANOFM activity reports). In line with the direction set at European level, employment activation policies in Romania also target the inclusion of persons from groups at high risk of labour market exclusion, such as persons with disabilities, the long-term unemployed, persons living in rural communities, the Roma, persons in prison.

**Keywords:** job seekers, inclusive policies, vulnerable groups, vocational training, EURES

## **Introduction**

Taking into account the current labour market demands, magnified by the economic crisis over the past several years, finding a job has become a very difficult undertaking.

According to the Activity report (2012) by the National Agency for Employment (ANOFM), at the end of 2012, the national unemployment rate was 5,59%, compared to 4,2% at the beginning of 2008, and in the 2008-2012 period, the highest unemployment rate was recorded in March 2010 – 8,39%. The same source indicates that at the end of 2012, long-term unemployment (calculated as the share of the long term unemployed in the total number of unemployed persons in that specific age group) was 19,78% for young people under 25, and 35,38% for adults.

Overall, employment policies include measures aimed at: workforce training and qualification, increasing labour market flexibility, creating new jobs, reducing unemployment for groups with socio-professional integration difficulties (e.g. the Roma, persons with disabilities, incarcerated persons, young people leaving child care system) etc.

In a 2009 report (CPARSD, p. 30), the authors showed that "labour market policies are massively underfinanced and consist of a set of active measures which although has continuously expanded, is still underdeveloped" and called for "a change of perspective in employment policies, from coercive policies toward inclusive policies", targeting the inclusion of persons excluded from the labour market.

Full employment (precise targets for the general employment rate, the employment rates of women and older workers) and enhancing social cohesion and inclusion are key objectives in the revised European Employment Strategy (SEO), presented in the European Commission Communication on January 14, 2003 (MMFEŞ, 2007, p. 4). Moreover, one of the priorities set in the "Europe 2020" Strategy adopted in June 2010, aims for inclusive growth: fostering a high-employment economy

delivering social and territorial cohesion. "The adoption of the Europe 2020 Strategy is a reconfirmation of trends of employment policies shifts, from passive toward active measures, by promoting preventive measures for reducing unemployment, especially among youth, persons at high risk of labour market exclusion and persons at a greater risk of becoming long term unemployed" (Constantinescu, 2013, pp. 16-17).

This paper presents theoretical aspects in regard to enhancing labour market participation, and a quantitative research of the active measures taken by the public employment service in Romania for jobseekers. The analyzed timeframe ranges from 2008 to 2012, and the method we used is social documents analysis – secondary analysis (ANOFM activity reports).

### **Measures aimed at enhancing labour market participation and their importance**

Following the revisions and completions introduced by the Government Emergency Ordinance no. 144/2005, Law no. 76/2002 on the unemployment insurance system and employment activation defines the job seeker as: "the person who takes steps to find a job, by their own means or by registering with the employment agency located in their area of domicile or, as applicable, residence or with other employment services provider, accredited according to law" (art. 5). As we previously mentioned, on account of the economic crisis (Bekesi și Coturbaș, 2011) employment opportunities for job seekers are rather limited. People from vulnerable social groups are in a very difficult situation since "labour market does not offer them many perspectives" (Costin, 2014, p. 15).

According to art. 3 of the Law no. 202/2006 (republished) on the organization and functioning of the National Agency for Employment,

ANOFM implements the policies and strategies in the area of employment and vocational training for job seekers, elaborated by the Ministry of Labour, Family, Social Protection and Older Persons.

Measures to stimulate employment are defined as those measures aimed at supporting job seekers in finding a job, and especially, the unemployed in acquiring the status of an employed person (art. 5). In keeping with art. 53 of the Law no. 76/2002, measures to stimulate employment seek to: increase the employment opportunities of job seekers, encourage employers to hire unemployed persons and create jobs, as well as promote the labour market participation of youth at risk of social marginalization.

According to art. 54 of the Law no. 76/2002, "measures to stimulate employment are aimed both at job seekers, as well as employers and are carried out through specialized services, provided by employment agencies or other service providers in the public or private sector".

"Active employment measures consist of a set of interventions which influence directly and in the short term, the volume and structure of employment and correspondingly of unemployment, in order to keep balance between labour demand and supply, either in the sense of increasing labour demand, or reducing an oversized labour supply" (Constantinescu, 2013, p. 21).

Programs aimed at enhancing employment (active employment measures, such as providing benefits to employers, qualification and re-qualification training courses) are part of "measures to stimulate social growth with a direct effect on increasing the wellbeing of human communities" (Chipea, 2010, pp. 20-21).

In the opinion of authors Cojocaru and Popp (2010, p. 394), active labour market policies in Romania "are the most efficient activity of social assistance targeting the unemployed (aiming to counteract the inefficiencies determined by giving cash assistance, helping the population affected by unemployment find jobs through actions such as information, intermediation, vocational training and encouraging labour mobility)".

In keeping with the 2007-2013 National Development Plan, the Public Service for Employment "must be capable in providing job seekers and persons at risk of becoming unemployed a complete set of services, personalized assistance, correlative with the development of an individual action plan for each person, and the most appropriate employment solutions".

According to art. 57 of the Law no. 76 from 2002, the services delivered by ANOFM with the purpose of increasing the job seekers' chances of finding employment are: vocational information and counseling; job-matching (labour market intermediation); vocational training; assessment and certification of professional competences acquired other than through formal means; consultancy and assistance for starting an independent activity or a business; supplementing the employees' wage ; stimulating labour force mobility.

Vocational information and counselling consist of a set of services provided free of charge to job seekers and serve the following purposes: offering information in regard to the labour market and the evolution of occupations; personality assessment and self-assessment for vocational guidance; developing the job seekers' ability and self-confidence, in order to enable them in making career-wise decisions; training on job-searching methods and techniques (art. 58).

According to art. 59 of the Law no. 76/2002, job-matching (labour market intermediation) services connect employers to job seekers, in order to establish labour or employment relations, and consist of:

- information on vacancies and conditions for employment, by means of publishing, posting, and organizing career fairs;
- electronic exchange, by matching the labour demand to the supply, enabled by information technology;
- a preliminary selection of the candidates, according to the requirements of the vacancies available and in line with their training, skills, experience and interests.

Article 63, paragraph 2, stipulates that vocational training programs encompass vocational initiation, qualification, re-qualification, improvement and specialization of job seekers. Access to vocational training programs is provided subsequent to the information, professional counselling or intermediation activity (art. 64, paragraph 1).

In accordance with art. 71, paragraph 1, consultancy and assistance for starting an independent activity or a business are provided through legal, marketing, financial services, efficient management methods and techniques, and other counselling services.

Geographic mobility is encouraged by granting bonus payments on employment or establishment, as applicable. According to art. 74 of the Law no. 76/2006, the persons who take up employment in a locality at more than 50 km from their domicile, while they receive unemployment allowance, shall be granted an employment bonus payment, from the unemployment insurance budget, equal to twice the value of the reference social indicator in effect at the date of granting. The persons, who take up employment in another locality and change their domicile, while they receive unemployment allowance, are granted

an establishment bonus payment, equal to seven times the value of the reference social indicator at the date of employment (art. 75).

The National Agency for Employment provides labour intermediation services in the European Union and the European Economic Area (EEA), as a member of EURES. European Employment Services (EURES) is a cooperation network between European public employment services and was created to facilitate the free movement of workers within the European Economic Area and Switzerland. Within this network, public employment services are partnered with trade unions, employers' organizations and other labour market stakeholders.

### **The analysis of the services provided by ANOFM to job seekers in the 2008-2012 period**

*Vocational information and counselling.* Vocational information and counselling services have a very important role in the activity developed by ANOFM, their quality shaping the results of implementing the other employment enhancing services, particularly vocational training. As table 1 indicates, in 2012, the number of beneficiaries receiving information and counselling services was higher by 42 percent, compared to 2008, but lower by 8 percent in comparison with 2011. The largest number of beneficiaries receiving information services delivered by ANOFM was recorded in 2010 – 947.560 persons. Furthermore, the data presented in table 1 point to a significantly high figure, reported in 2010 as well, accounting for the persons who were offered counselling for starting a new business, subsequent to the vocational information and counselling (8.884).

**Table 1.**  
Beneficiaries of the vocational information and counselling services in  
the 2008-2012 period

	2008	2009	2010	2011	2012
The number of jobseekers who received vocational information and counselling services	610.597	762.164	947.560	943.455	867.456
out of which: newly registered persons	479.807	599.174	729.561	661.847	578.317
The number of participants in vocational training courses, following their participation in vocational information and counselling	38.150	30.581	31.164	38.285	34.974
The number of beneficiaries provided with counselling for starting a business, subsequent to the vocational information and counselling	2.108	4.306	8.884	1.594	432
The number of persons employed exclusively through the counselling and vocational guidance services	66.269	53.683	64.784	61.254	56.950
The number of persons with special needs who received counselling services	40.891	49.598	51.165	24.871	33.090

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*



*Vocational training.* Analysis of the data presented in table 2 indicates a decline in the number of persons included in vocational training programs in the reference period, with the exception of 2011, when it reached the peak of the analyzed period. In 2012, the number of beneficiaries who participated in vocational training courses, was lower by 11,46 percent, compared to 2008, and by 19,5 percent lower than in 2011. As shown in table 2, the persons who benefited from free vocational training programs included, in the period under analysis, not only the unemployed, but also persons returning from parental leave of up to two years, or persons who resumed working after a time of invalidity retirement.

**Table 2.**  
Beneficiaries who participated in vocational training programs in the  
2008-2012 period

	2008	2009	2010	2011	2012
The total number of participants in vocational training programs	43.915	36.378	35.454	48.321	38.881
out of which: unemployed persons	39.448	32.329	33.682	46.687	37.977
The number of clients receiving free services, other than unemployed persons	4.467	855	666	827	413
The number of persons who do not benefit from free-of-charge services	2.878	3.194	1.106	807	491

*Source: ANOFM, Activity report 2008, 2009,2010, 2011, 2012*

In regard to the categories of vulnerable persons enrolled in vocational training programs, in the analyzed period (table 3), the National Vocational Training Plan was developed taking into account the need to include persons from disadvantaged groups on the labour market.

Thus, vocational training programs targeted different vulnerable groups, such as: the Roma, persons with disabilities, persons from rural areas, women, incarcerated persons etc.

**Table 3.**

Categories of vulnerable persons included in vocational training courses in the 2008-2012 period

	2008	2009	2010	2011	2012
long-term unemployed	2.961	-	-	3.461	5.905
persons from rural areas	18.760	11.940	10.865	15.000	13.920
persons with disabilities	94	79	98	283	91
the Rroma	1.109	775	677	898	1.227
persons in prison	1.546	631	595	583	404

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*

The job sectors accounting for most of the courses organized and attended by a large number of participants, are: agriculture (worker in plant and livestock farming), construction (painter and construction labourer), electrical engineering, automatics, electronics, computer science/IT (data entry operator, validation and data processing operator, and computer and network operator), commerce (retail worker and grocery clerk), food, beverage and tobacco industry, tourism, and restaurants (waiter and cook), human resources inspector.

*Employment stimulation of disabled persons.* As indicated in table 4, in 2009, there was a significant decline in the numbers of persons with disabilities in employment (by 62 percent, compared to the previous year). Actually, compared to 2008, the number of persons with disabilities who received counselling services in 2012 dropped by 25,4 percent, while the number of disabled persons in employment decreased by 42,3 percent. According to ANOFM, "the obstacles to integration experienced by persons with disabilities are particularly diverse, relating to: accessibility issues that the community and employers need to

resolve; workplace accommodations provided by the employers; attitudes toward employing disabled persons” (ANOFM, Synthesis 2010, p.7).

**Table 4.**  
The number of persons with disabilities who received services from ANOFM in the 2008-2012 period

	2008	2009	2010	2011	2012
The number of persons with disabilities employed, as a result of the services provided	1.061	402	718	815	612
The number of persons with disabilities who received counselling services	974	1.169	1.178	809	726
The number of persons with disabilities included in vocational training programs	94	79	98	283	91

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*

*Stimulating the labour force mobility.* This may be a solution for the workforce deficits in some areas, regions or job sectors, but it is a limited measure in terms of results. As mentioned in the ANOFM activity reports, encouraging geographic labour mobility has not produced significant effects, the main reasons for its reduced efficiency being: the mindset of being rooted in one's birthplace, correlated with low wages and other issues such as the possibility of finding accommodations for oneself and one's family (ANOFM, Activity report 2009, p. 16). In 2010, the number of persons receiving a mobility bonus payment reached its peak – 3.410 persons, thereafter continuing to decrease in the following years (table 5). In regard to the beneficiaries' age, the measure was most successful in the 25-35 age group, and also in the over 45 age group, as shown in table 5.

**Table 5.**

Persons who were employed through mobility bonus payments (total number and distribution by age group) in the 2008-2012 period

		2008	2009	2010	2011	2012
The number of persons who received mobility bonus payments		2.636	2.233	3.410	3.179	1.922
out of which:	under 25 yrs	627	556	642	471	395
	aged between 25-35	765	693	1.138	992	608
	aged between 35-45	615	510	824	837	388
	over 45 yrs	629	474	806	879	531

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*

*Granting consultancy and assistance for starting an independent activity or a business.* According to the 2009 Activity Report prepared by ANOFM (p. 17), the small number of people who managed to start an independent activity or business, following the consultancy and assistance services, is indicative of: the providers' offer of consultancy and assistance services is modest and focuses especially on urban areas where the unemployment rate is usually low; job seekers' inability to start and develop independent activities (also considering the structure of unemployment by level of education and qualification, registered by the Agency) and the economic context which characterized Romania in 2009. The data presented in table 6 indicate that, compared to 2008, in 2012 the number of persons who used consultancy and assistance services, decreased by four times, while the number of persons who started a new business, declined by more than half (similar to the number of women who started an independent activity or business, following the consultancy and assistance provided).

**Table 6.**

The number of persons who received consultancy and assistance in the 2008-2012 period

	2008	2009	2010	2011	2012
The number of persons who received consultancy and assistance services	11.684	14.340	18.620	6.070	2.773
The number of persons who started an independent activity or business, as a result of receiving counselling and assistance services	593	869	507	264	242
The number of women who started an independent activity or business, as a result of receiving counselling and assistance services	256	297	221	101	112

*Source: ANOFM, Activity report 2008,2009, 2010, 2011, 2012*

*Job-matching.* An analysis of the data presented in table 7, points to a 15,3% decline in the number of persons employed through intermediation services in 2012, compared to 2008. The most significant decline in the analyzed period was reported in 2009, namely a decline by over 25 percent compared to the previous year.

The labour market intermediation activity was unquestionably enhanced by organizing job fairs (two general job fairs - targeting all categories of job seekers and for graduates; fairs targeting specific groups - for women in various occupations, for young people leaving child care system, for persons with disabilities, for the Roma).

**Table 7.**

The number of persons employed through labour intermediation services in the 2008-2012 period

		2008	2009	2010	2011	2012
The number of persons employed through intermediation services		320.544	239.958	305.179	306.206	271.416
out of which:	with an employment contract for an unspecified period	244.995	169.712	207.984	203.867	178.647
	with an employment contract for a specified period	75.549	70.246	97.195	102.339	92.769

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*

At the end of the period under analysis, the number of persons employed through job fairs (13.305), decreased by 23,2 percent, compared to 2008 (17.328), as shown in table 8.

**Table 8.**

The number of persons employed through job fairs in the 2008-2012 period

	2008	2009	2010	2011	2012
The number of persons employed through job fairs	17.328	13.124	15.619	16.532	13.305

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*

*The job placement of Romanian citizens abroad.* The number of vacancies available in the EURES network, as well as the number of job seekers in European countries, who demanded EURES adviser's services, rose in the analyzed period, as shown in table 9. Thus, compared to 2008,

in 2012 the number of jobs doubled and the number of people who were employed through EURES tripled. Similar to implementing other active measures, as the analysis indicates, the number of work placements abroad reached its peak in 2010.

**Table 9.**

Vacancies available in the EURES Network in the 2008-2012 period

	2008	2009	2010	2011	2012
The number of vacancies available in EURES	1.566	2.122	3.038	2.648	3.302
The number of persons applying for EURES counselling	9.825	10.008	17.441	17.318	16.496
The number of job placements in EURES	226	951	1.885	1.563	715

*Source: ANOFM, Activity report 2008, 2009, 2010, 2011, 2012*

According to ANOFM activity reports, in the period under analysis, the most popular destinations for job seekers were Spain, Germany, Italy, United Kingdom, and Denmark. In regard to the level of training, in the analyzed period, most of the applicants for a job placement in European countries had primary, lower secondary and vocational training (43-50%). High school and post-secondary school graduates make up a share of about 40%, while the percentage of applicants with a higher education degree is reportedly 10%-15,8%, out of the total number of applicants.

The data in table 9 illustrate a notable difference between the number of persons receiving information and counselling services from EURES and the number of successful job placements through EURES. Activity Reports prepared by ANOFM, from the reference period, describe the main obstacles to labour mobility encountered by Romanian workers in the European space: lack of proficiency in the European language requested by the employer, lack of specialization and

insufficient knowledge among job seekers about working and living conditions in that specific state.

### **Conclusions**

In spite of an overall decline in the analyzed period in the number of persons receiving services delivered by ANOFM, the active measures promoted by ANOFM carry significant weight in enhancing employment. Unquestionably, the economic-financial crisis over the past several years has had a considerable impact on the labour market in our country. An analysis of the data on the persons receiving services from ANOFM shows that in some instances, the number of service users rose to a peak in 2010, when the unemployment rate was also at its highest in the 2008-2010 period. Upward trends are also discerned for the number of persons receiving vocational information and counselling and the number of persons who applied for EURES counselling in the period under analysis. We believe that current labour market demands in terms of qualification and professional experience, relative to the large number of job seekers, are substantial challenges to enhancing employment. Hence, vocational training should be regarded as a central measure of active labour market policies, and the course content should be responsive both to the needs of applicants, and the current labour market demands. There is an increase in workforce mobility abroad, as a result of the services available through the EURES network.

In line with the direction at European level, active labour market policies in Romania target the labour market inclusion of persons from vulnerable groups, such as: persons with disabilities, persons from rural areas, women, the Roma, persons in prison. Thus, the active measures implemented by ANOFM in the 2008-2012 period aimed to include



persons at risk of labour market exclusion, as the data presented in this paper show in regard to counselling, vocational training, job-matching, consultancy and assistance for starting an independent activity or a business.

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