

## RECENT DEVELOPMENTS OF THE ROMANIAN LABOUR MARKET AND IMPLICATIONS FOR COMPETITIVENESS – A QUALITATIVE ANALYSIS AT REGIONAL LEVEL

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**Abstract.** *During the last few years, the Romanian labour market has experienced all the effects of an economy in transition and reconstruction, from severe unemployment and emigration to lack of workforce and skills. Confronted with the demands of the new fast – moving industries that started to develop, the more inflexible education system was not able to provide a proper response to the market needs. The large percentage of the population which is still occupied in agriculture also represents a dead end for the market, as the labour force there is neither trained, nor willing to participate in other activity. The concerted effect of these factors translates in a structural deficiency of the economy, which cannot make use of one of its most important assets: human capital.*

*However, starting from Porter's assertion that key factors such as capital or labour are acquired, not inherited, it is reasonable to say that through an integrated array of actions, the untapped potential of the available workforce can be properly involved in the economic activity. At the same time, it is our opinion that these actions are better taken at local and regional level, as they must be in full coordination to the local specificity, while nation-wide policy action should better provide the framework for development.*

*The article analyzes the recent developments of the Romanian labour market at regional level, in terms of labour supply; we compare participation rates, employment structure, education levels and migration trends, in order better understand the implications on regional competitiveness and the possible actions that could be undertaken at regional level.*