

ANALYSIS OF THE EMPLOYMENT OPPORTUNITIES FOR THE WORKFORCE IN THE SOUTH-WEST OLTENIA REGION IN COMPLEMENTARY ACTIVITIES SUCH AS E-WORK

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Abstract: *South West region covers an area of 29,212 km², approximately 12.25% of the country (238391 km²) and includes five counties: Dolj, Olt, Valcea, Mehedinti and Gorj. It is bordered by Bulgaria, Serbia and South Muntenia, Central and West. From the total workforce of 828,900 people, 332,300 people are employed in farming, forestry and fishing (40%) and only 4500 in the areas of information and communications, respectively in 6600 other activities. The regional unemployment rate was 7.7% in 2011 compared to 7.6% nationally, 7.1% for women respectively 8.3% for men, a level very close to the national average[5][7].*

We presented these statistics to highlight the region's potential in the development of e-work activities that would increase employment levels both in urban population and especially in rural areas, low unemployment and thus the local population migration and support sustainable development of the region. This paper aims to analyze the opportunity to develop complementary activities of e-work employment for the South West region.

Keywords: *employment, complementary activities, e-work, IT*

JEL classification: *A1*

1. Introduction

According to the reports of the National Directorate of Statistics County, in 2011, the population numbered 2,250,565 inhabitants, representing 10.48% of the total population (19,043,767 inhabitants) and in rural areas of the region live over 1,156,827 people (51% of all inhabitants), so more than half of its population[3]. The average density of population in the region is 77.1 inhab/km² and only 51.6 inhab/km² in Mehedinți, one of the least populated in the country, for a density of 79.9 inhab/km² wide countries. From the total workforce of 828,900 people, 332,300 people are employed in farming, forestry and fishing (40%) and only 4500 in the areas of information and communications that 6600 other activity. The regional unemployment rate was 7.7% in 2011 compared to 7.6% nationally, 7.1% for men and 8.3% for women, a level very close to the national averages[3].

The statistical data highlights the region's potential in the development of e-work activities that would increase employment levels both in the urban population especially in rural areas, low unemployment and hence the population migration in the region and support sustainable development of the region . This paper aims to analyze the opportunity to develop complementary activities of e-work employment for the South West region.

GDP per capita of the region (RGDP / capita) in 2010, according to the National Institute of Statistics, was 18735.1 lei (RON) / person, compared to total country of 24435.9 lei (RON) / person, given that only the North East has GDP per capita with a lower value of 15014.8 lei (RON) / person[1]. This shows that the region is underdeveloped and especially that there is a great potential for development.

To substantiate the analyzes in this paper have been used data series published by the National Institute of Statistics, National Directorate of Statistics County, Regional Development Plan 2014-2020, Eurostat or the Southwest Regional Development Oltenia Agency.

The main indicators used are those calculated by the INS as "percentage of persons by level of competence in using computers (Pupc) and the Internet (PINT)" or "share of people who have never used the computer, or" turnover of firms who worked in the IT "etc..

2. Aspects of the development of skills in using the computer and the Internet

People's skills in using the computer and Internet in Romania are quite low. Table 1 shows the percentage of people after the skills on computer use, by sex and age group, nationally.

The data in Table 1 shows that in 2007 only 29% of the total population have skills in computer use, of which 14% low, 10% medium and only 5% had high-level skills. By gender, 32% of the male population have skills in computer use, compared to 28% for the female population.

The development of information society and the reduction of the computing costs determined an increase in the percentage of people with skills in using the computer as a whole and for the level of skills. Thus, in 2011 the proportion of people with skills in computer use was 39% (with 34.48% higher than in 2007). Were also recorded and qualitative changes. If the total share of the population with low skills in computer use in 2011 was 15% compared to 14% in 2007 (an increase of 7.14%), the average level of usage share in 2011 was 14% compared to 10% in 2007 (an increase of 40%), the share of high skilled computer usage doubled (10% in 2011 to 5% in 2007).

In the analyzed period, the share of male population in computer use was higher than the female population in both total and on levels of competence. Note, however, that if the population high computing powers in 2011 compared to 2007, both the male population and females, the increase was 5 percentage points, from 6% to 11% of the population of male and from 4% to 9% of the female population.

Table 1. Share of persons by level of competence in computer use at national level(%)

	Level of competence in using computer								
	2007			2009			2011		
	low	medium	high	low	medium	high	low	medium	high
Total	14	10	5	17	10	9	15	14	10
Sex									
male	15	11	6	18	10	11	15	14	11
female	14	10	4	16	11	8	14	14	9
Age									
16-24 year	25	23	12	25	22	21	19	32	23
25-34	19	13	7	23	13	14	18	20	17
35-44	15	11	4	19	10	8	19	13	9
45-54	11	7	3	14	7	6	15	9	5
55-64	6	2	1	8	4	2	9	4	2
65-74	1	–	* ²⁾	2	1	–	2	*	*

Data Source INSSE: http://www.insse.ro/cms/files/Web_IDD_BD_ro/index.htm

The evolution of the share of population by age groups and levels of competence in computer use in 2009 and 2011 are illustrated in Figure 1.

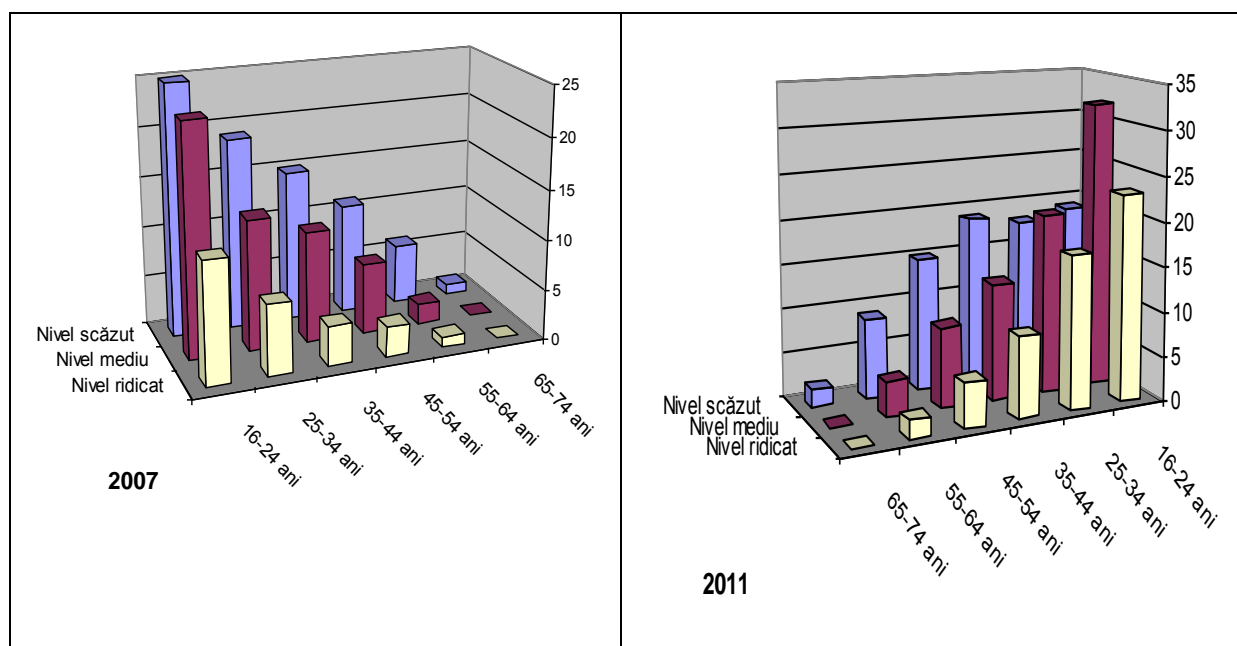


Figure 1. Evolution of the age group level skills in computer use

Note an interesting phenomenon, specific for information society, namely that if in 2007 the number of people with low skills in computer use in all age and sex but was two times higher than those with high competence, in 2011 only for people older than average, so over 45 years, are large differences between the high

and the low. Moreover, for the young, between 16 and 35 years, medium and high level of competence exceeds the low with 20% or more.

The share of people after the skills on Internet use by gender and age group, nationally, record in 2007 and 2010, are presented in Table 2.

Table 2. Share of persons by level of competence in using the internet, nationally (%)

	Level of competence in using the Internet ¹⁾					
	2007			2010		
	low	medium	high	low	medium	high
Total	16	10	2	25	16	1
Sex						
male	17	11	3	27	18	1
female	16	9	2	25	16	1
Age						
16-24 year	27	25	7	36	33	2
25-34	23	13	3	33	26	1
35-44	19	9	2	31	14	–
45-54	15	4	1	24	10	–
55-64	6	2	–	13	4	1
65-74	1	–	* ²⁾	4	1	*

1) difference to 100% is the share of people 16-74 years old who engage in activities other than the activities analyzed

Source INSS: http://www.insse.ro/cms/files/Web_IDD_BD_ro/index.htm

The analysis of data in Table 2 shows a similar situation as in the previous case, obviously young people aged 16-35 years were more competent in using the Internet than people over 45. Also, the number of people who have low skills is higher in case of elderly persons who basically do not use the Internet.

3. The evolution of people who have never used the computer, by region

A statistic presented by Eurostat regarding the percentage of the population between 16 and 74 who never used a computer on the regions of Romania, shows that in Southwest Oltenia region, the population is not among the first in Romania to IT skills although experienced a downward trend in recent years in terms of the number of people who have not used the computer.

Following situation shows that, nationwide, the South West Oltenia is unfortunately among the first in the number of people who have never used the Internet, being an unflattering third place, but the trend is downwards, in 2010, a percentage of 55% of people who have never used a computer compared to 63% in 2008.

Table 3. People between 16-74 years who have never used a computer in percent (%)

Year	2008	2009	2010
Nord-Vest	60	54	48
Centru	60	61	48
Nord-Est	62	57	53
Sud-Est	59	60	57
Sud - Muntenia	62	61	58
Bucuresti - Ilfov	44	40	35
Sud-Vest Oltenia	63	60	55
Vest	53	48	44

Source: Eurostat.eu, *Individuals who have never used a computer*, by NUTS 2 regions, 2012

According to data from the National Statistics Institute, in 2011, in the proportion of 43.3% of households in Romania have access to the Internet at home, the majority (78.6%) of these were concentrated in urban areas.

The interest shown connecting to the Internet is influenced by the opportunities offered in the territorial plan, by the service providers and the financial availability that every household has. Translate them into the

decision to purchase a home computer or network Internet connection may explain the large differences found between urban and rural region.

4. Evolution of the ICT industry by region

The data presented in the report on the Regional Development Plan 2014-2020 corroborated by data presented by INSS, South West Region is ranked last in terms of number of enterprises that have their own website in total company assets, with a percentage of only 20.8% over first place with 61.8% in the Bucharest-Ilfov.

The following table shows the evolution of turnover in the ICT industry in the years 2008-2010, on regions of the country. Note that the South West region is the last among regions of the country and at a great distance even of the latest classes. Compared to the turnover of Bucharest-Ilfov area is 40 times smaller! In absolute values, the analyzed region less notable differences recorded in 2008-2010, with a minor increase in 2009.

Table 4. Turnover of the ITC

Development regions	Year 2008 Milioane lei RON	Year 2009 Milioane lei RON	Year 2010 Milioane lei RON
TOTAL	34959	32306	32493
Region NORD-VEST	1798	1674	1731
Region CENTRU	1323	1411	1520
Region NORD-EST	1210	1181	1236
Region SUD-EST	840	869	819
Region BUCURESTI - ILFOV	25548	23330	23865
Region SUD-MUNTENIA	1672	1588	1330
Region SUD-VEST OLTENIA	593	623	598
Region VEST	1975	1630	1394

Source: TEMPO Series, National Institute of Statistics

http://www.nord-vest.ro/Document_Files/Planul-de-dezvoltare-regionala-2014-2020/00001310/bvd0x_Societatea%20informatiionala%20-%20noiembrie%202012.pdf

Gross investment in tangible goods from local ICT units in 2008-2010 indicates, besides the general downward trend due to the crisis, an interest of investors in this sector, as shown in Table 5.

Table 5. Gross investment in tangible goods from local units of IT & C

Macro and development regions	Year 2008 Milioane lei RON	Year 2009 Milioane lei RON	Year 2010 Milioane lei RON
TOTAL	5456	3643	3354
Region NORD-VEST	244	182	107
Region a CENTRU	181	94	107
Region NORD-EST	117	119	62
Region SUD-EST	111	70	48
Region BUCURESTI – ILFOV	4307	2920	2889
Region a SUD-MUNTENIA	146	53	53
Region SUD-VEST OLTENIA	78	48	25
Region VEST	272	157	63

Source: INSS+http://www.nord-vest.ro/Document_Files/Planul-de-dezvoltare-regionala-2014-2020/00001310/bvd0x_Societatea%20informatiionala%20-%20noiembrie%202012.pdf

According to Table 5, the situation for studied region look a last place for investments in the IT & C area and with a very small value even compared to the next class, the South-East region. Investments have dropped dramatically during the crisis to a third of the value in 2008.

Conclusions

This paper tries to present the situation in the South West region regarding the impact of the information society in which Romania must accede. Unfortunately, this region is on worst in all indicators, the use of computers and the Internet to the turnover of companies and investments in ICT area.

Not in terms of the share of households with computer at home region recorded no great results, being the last places nationwide.

The situation is not favorable for any e-commerce, only a small share of the population made online purchases.

Poor development of information infrastructure is a major obstacle in the development of any e-work activities basically would prevent optimal exhibition. On the other hand, have not made significant investments in this sector, preferring other economic domains. Personally, I think it would be extremely important to develop this area of economic activity, the activity of e-work, given appropriate information infrastructure, enabling a large number of people engaging in activities consuming less resources and energy. There is huge potential given that the region is virtually non-computerized!

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