

# ***Basic Coordinates of the EU Occupation Policies and the Necessary Transformations in the Academic Environment in order to Encourage the Development of Professional Euro-Careers***

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**Abstract:** *The paper contains a research study developed by the author concerning the content and the evolution of the European and Romanian labor market from the perspective of the European policies. The paper also presents main changes in the European market. Other direction of approach is from the perspective of the opportunities on the European market for the Romanian qualified people. The last part of the paper contains the main changes in the European System for Higher Education and the main actions already established at the European level for the period 2007 – 2010.*

**Keywords:** *euro-career, European policy, labor market, European System for Higher Education*

## **1. Introduction**

The labor market occupation policy has always been at the edge of the European policies and was barely mentioned in the initial treaties. Its secondary role was associated to a general failure in the attempt of creating a “social dimension” of “positive” integration, which accompanies the “negative integration”. The labor market occupation policy – and its multiple forms- contributed to reordering the power and influence relations between the national and super-national levels. The national occupation policy means understanding the laws and conventions which establish the rights of the workers and the structure of the work relations, and also the measures for protecting and promoting the occupation in general. A complete understanding of this evolution is basically impossible without taking into consideration the European dimension.

However, the occupation has been and also is one of the most difficult domains of policy elaboration in the European Union, containing many obstacles. After a few decades of political initiatives, institutional and treaty innovations, experiments of a “new” way of governing, and also after creating new forums of political interaction, the labor market occupation policy became of an intense preoccupation at the EU level. Lacking solid fundamentals in the treaty, the occupation policy evolution is based essentially on the entrepreneurial capacity of the Commission of establishing the agenda and creating new coalitions around its legislative agenda, by soliciting the support of the European Justice Court (which was frequently obtained) and creating coalitions with 1) the member states, by using the social action programs and the programs which support the treaty innovations and 2) with the national and European patronages and trade unions, supporting new methods of policy elaboration.

The labor market occupation policy is based on a series of policy elaboration methods, such as using the communitarian legislation method (although, with some hesitation, due to the fragile fundament in the treaty), a specific hybrid between the communitarian method and the legislation approach in post-Maastricht method of “collective agreement legislation”, and between the more moderate ways of intervention, characteristic to policy coordination and benchmarking in the EOS (European Occupation Strategy).

## **2. The three pillars of the labor market occupation policy at the European level**

Beginning in the early 60's, they identified *three institutional pillars* of the labor market occupation policy.

The first is represented by "*legal*" *rights pillar*, which is based on the standard communitarian method, used intermittently in the occupation field during the 60's. The policies of this pillar have been elaborated using unanimous decisional regulations and (after Unique European Act, UEA) based on a qualified majority in the Council, they were applied using directives, in which the possibility of varying the applications has been substantially reduced.

The second pillar is the "*collective agreement legislation*" *pillar*, which is based on the social dialogue forms, promoted in the 80's by a Commission, at the European level of Confederations of patronages and trade unions. This was sustained by the Article 118b CEE (currently named Article 138 TCE) and officially institutionalized in the social policy agreement (Article 4, currently named Article 139 TCE) in the Treaty of Maastricht concerning the European Union (EUT). This gave the right to the social partners to demand a Council decision concerning an agreement on the occupation policy or, alternatively, to demand the application of the directives by collective negotiations and "national practice".

The third pillar is represented by *the "European Occupation Strategy" (EOS)*, more recent, more experimental and more ambitious, a radical and "new" way of governance (or an "open coordination method") and its application depends on persuasion and "soft" conformity, using the benchmarking and collective evaluation. The construction of each of the pillars has been limited by the necessity of taking into account the diversity of the member states, mentioned above, taking into account the rapid evolution of the labor markets and their challenges, the business organizations in the last decades and also the bidirectional conflict of the necessary forms and levels of legislation and of the super-national jurisdiction area.

Each of the three pillars is connected to a certain policy elaboration form, in a specific governance method. In order to clarify these connections and their implications over the resulted policies, they used the typology elaborated by Treib, Buhn and Falkner (2004).

The first pillar uses obligatory juridical instruments (directives) with a rigid form of application using Working Law, being supported by national and European courts of justice. This pillar represents the most punitive form of governance. Nevertheless, the treaty statements underline the fact that the EU legislation concerning the workforce occupation must be according to the existent variations at a national level, concerning the patronage-trade union relations and the Working Law systems. That is the reason for which the occupation directives avoid the objectives harmonization and reach for a "partial harmonization" or a "diversity built on common standards" (Kenner 2003: 30-1). In this way, except for the cases which refer to the right of equal chances and equal payment, for which there was a specific fundament to sustain the adoption of the law, and especially for the European Court of Justice jurisprudence, the real extension of the punitive area was obstructed by the problems raised by the application of the European Working Law in different national systems.

The second pillar of the "Collective agreement legislation" produces obligatory but flexible instruments (for example, framework legislation, which offers a set of alternatives from which the member states can choose) but also non obligatory but rigid instruments (for example, "targeted" recommendations, which contain explicit rules of conduct for employers and employees). This approach is mostly based on negotiation between social actors – both at a European and at a national level. This is a flexible form of governance, but still it can lead to an efficient application. However, the impact of the directives produced along with this pillar was rather weak, due to the political opposition against the harmonization and the institutional fragility of this experimental legislation form.

The third pillar contains the European Occupation Strategy by open coordination method, using non obligatory and flexible instruments. This is a "voluntary" form of governance, with a low capacity of application and uncertain connections between policy inputs and outputs.

In the meantime, the attention drew from the first pillar to the second and then to the third pillar, meaning a diversity of policy elaboration methods and a separation from the specific communitarian method, by using the EU model of adopting regulations, to the policy coordination and benchmarking, in the context of the interactions between member states.

The EU enlargement opened internal market for other 10 different countries and also for Romania, starting with 1<sup>st</sup> January 2007. The extended market provided for the companies a higher level of scale economies, along with reduced costs. The stronger competition in diverse sectors lead to restructuring commercial enterprises and also lead to lower prices for the consumers. The potential of economic growth and creation of jobs evolved even if on a short term, it reduces the number of working places in certain sectors.

Secondly, many economic exchanges took place but also a great degree of specialization. The commerce between Eastern and Western Europe tripled or even quadrupled, since the beginning of the 1990's.

Thirdly, there are more investment opportunities and also foreign direct investments. Calculating the percentages, the foreign direct investments represent more than 5% from the GDP of the new Member States.

Accordingly, an extended Union is more competitive. The number of workplaces created was much bigger than the ones lost after the delocalization. Moreover, the extended economic space allows the EU to face the global competition, while European companies become stronger on an extended internal market and more competitive on the international markets. That is the reason for which Romania must continue eliminating the existent barriers and must persevere in extending the internal market, including the public services.

Romania has a competitive advantage in Europe, if we take into consideration the lower level of costs. Nevertheless, Romania can no longer compete by using this advantage: there is always going to be a cheaper country than Romania.

Romania is a country with a very dynamic workforce. The young represent a vivid example for the rest of the continent: they have a strong academic education, with technical competences and strong entrepreneurial and linguistic abilities. In order to fully exploit its potential, Romania must ensure it encourages a flexible economy, which can adapt to the opportunities and the threats of the global market. A series of labor market reforms must be applied and the social policies must be reviewed, in parallel with the reforms of the capital and product markets.

### **3. Developing a career in the European Union institutional structures – euro-careers**

More than 12 000 Romanians applied for a job in such a competition. Getting ready for such a career development opportunity competition can be quite an interesting and extraordinary experience from many points of view. There is no official structure program, no bibliography, the tests from the past years are rather difficult to obtain, the necessary manuals are relatively expensive for the Romanian public, with prices varying from 15 and 40 Euros and they can only be bought by using an electronic credit card. There is no such thing as an official bibliography. The Romanian educational system accustomed us with a bibliography published before the exams, which does not change as the years pass, with correctional charts which are clearly announced before or even after the exams take place. However, this system does not apply for the jobs offered in the European Union institutions. In general, no bibliography is need but in case it exists, there are certain standards applied (like in the case of jobs for correctors, where they required the STAS, or for the translator jobs, where certain grammar norms are applied, including the new Academy regulations and the use of prestigious dictionaries).

They use the reference books from every domain and the learning process is mostly individualized. The forums and the discussion groups contribute to the information exchange between

participants. The percent of those who succeed in passing the pre-tests from the first try is rather low but the exam experience is the most important.

You can check [www.euroconcur.ro](http://www.euroconcur.ro) in order to download a few tests to become more familiar with the questions referring to numeric and verbal abilities, but also to check your knowledge about the European Union. In Romania, [www.euroconcur.ro](http://www.euroconcur.ro) offers information about the possibility of beginning a career in the EU institutions and since May 2006, it also organizes preparation seminars for the EU competitions, with the help of a specialized trainer from Brussels. Through these preparation programs they offer the opportunity of studying the ways of resolving the verbal and numeric exercises, the ways of clarifying certain aspects and of checking the most frequently asked questions about the history and the EU policies. One must begin studying 6 months before entering the competition. The information referring to the European Union must be taken seriously because the test about the EU knowledge is frequently charged with questions about recent events. On the Europa server, the official EU source of information, they recommend in the EU section the main principles of the member states, the communitarian legislation, the history, the euro-language and the symbol of the European Union. Most of the successful candidates apply complete study strategies, combining individual study with other methods which have proven their efficiency, such as trainings, discussion groups and psychological training for the exam. EPSO is the unique contact point for those who wish to work in the European public institutions: the European Parliament, the EU Council, the European Commission, the EU Justice Court, the Social and Economic Committee, the Regional Committee, the European Ombudsman. EPSO offers information to the potential applicants and to those who participate to a selection competition; it processes the requests and organizes the selection process. The EPSO site is the most important source of information regarding the career perspectives in the EU institutions, the competitions which take place, the application procedures to follow, FAQ (Frequently Asked Questions), on-line tests to verify the knowledge and abilities, European CV model and the examination centres. The jobs offered by the EU institutions are very popular with people in Romania, as in the EU member states. The competition is higher than the one for the most wanted colleges, and the exam difficulty increases exponentially. At the EPSO/AD/47/06 Romanian Administrators in European Public Administration, Law, Economics, Audit (AD5), for which the application deadline was 20 July, the competition was hard: 42 people for one available job: 9213 Romanian citizens for 215 places. The pre-selection tests (V&N, EU knowledge) were on-line, additional information over these had been sent to the applicants of EPSO profile in the first half of August. At the similar competition for the Bulgarian citizens, EPSO/AD/46/06, even if the number of applicants was smaller, 5397 people, only 110 were available, the competition was even stronger: 49 people for one job available. This has been, for the Romanians, the toughest competition until now. However, it is still far from the usual level of competitions for EU-25, where, for example, in the EPSO/AD/25/05 European Public Administration/Human Resources, for which the pre-selection tests and the written test were held in spring, there were 19014 candidates for 210 places, which means a competition of 90 people for one job.

Even if the selection procedure is pretty rigorous, the exams are difficult and the applicants need too much time to study, but the rewards of a career in the EU structures have become more and more attractive for the Romanian citizens, as the access to information for the applicants increased.

#### **4. Characteristics of the EU labor market, from the point of view of the human resources potential in Romania**

Like in Romania, as certain economic sectors began to grow, the labor market in the European Union member states is lacking qualified workforce. There is also the situation in which the companies tend to reduce the employment costs, beneficiating in exchange, from the services of highly skilled employees. The solution in such cases is to hire people from certain states in which the workforce level is much lower, as in Romania's case. Year to year, the number of those who find a job

outside the border is increasing. From the Department of Working Abroad (DWA), from the total of 69774 people registered in the Workforce Migration Office, 1543 have academic background, from which 509 people obtained a work contract abroad. We mention that these figures are only the ones from the Workforce Migration Office database, in which the solicitors are registered.

The IT specialists, the engineers and the medical staff are the most wanted to work abroad, according to the recruitment agents. "The most frequently requested jobs are in the IT industry. This mainly is about the jobs which presume developing IT applications, web programs and IT administration. Secondly, there are the engineers. Mechanical engineers are the most wanted. It is about the graduates from Electro-technical colleges. Construction engineers are also highly wanted, like the ones who have knowledge in the medical field and who can work in the medical system: doctors, nurses or technicians", said Rudolf Fedorovici, consultant for Advice Human Resources. In Germany, for example, they must fulfill the communitarian aquis regarding the number of doctors/number of residents. That is why they want as many pediatricians, neurologists, surgeons as they can get. Moreover, there are very many requests from the automobile production area. The research shows that most of the doctors who work abroad are residents. "Most of the offers for the Romanians come from Italy, Belgium, France, Cyprus. Outside of the European Union, the top countries which appreciate Romanian workforce are the Arab Emirates, Yemen and Canada." Most of the Labor Inspection jobs refer to: doctors (one person in 2005 and 5 people in 2006), economists (79 in 2005, 3 in 2006), engineers (125 in 2005, 74 in 2006) and one psychologist (in 2006).

In general, every country has its own lack of workforce on certain sectors of activity. As the countries which undertake a reform process need engineers, the rapidly growing areas need many IT specialists. Romanian IT specialists are highly wanted in the highly industrialized countries, in which certain development programs are undertaken, such as the United States of America, Canada, Germany, France or even Israel. Then, there are also the British companies which hire people to work in the former Yugoslavian republics. In these cases, they mostly want mechanical engineers and the jobs are mostly for Project Management. The doctors can also find jobs in the Arab countries, France or Italy.

Regarding the fact that in Romania the minimum wage is much under the one in the average European states, the Romanians are seen as low cost. Moreover, in most of the cases, the Romanian employees of a foreign company are paid less than the locals who have the same position. In exchange, for a Romanian citizen, a salary of a few thousands or even tens of thousands of Euros a month represents a huge sum of money, that is one of the reasons for more and more Romanians choose to work abroad, especially because they get other benefits like health or life insurance, a place to stay or even free trips for their families to come and visit them, besides the usual payment. "Very rarely, foreign companies hire a Romanian just because he is professional and pay him the same wage as a local citizen. Only those who have lived a while in that country have a chance of getting the same salary as the locals", as the recruitment companies researches show. According to this one, a Romanian manager earns in England between 25 000 and 40 000 pounds a year. "The best paid Romanians are the construction engineers but this is a consequence of the hard working conditions in countries like Kazakhstan. In the IT field, the minimum wages start from 5 000 Euro, to which they add the benefits: the place to stay, sometimes a pack of benefits for the wife and the kids. However, there are smaller benefits than the ones for the foreigners who come to work in Romania."

The increasing investment in the local economy generated in the last few years a huge lack of workforce in Romania. Because 2007 is a crucial year for Romania, the workforce mobility will be free in the European Union, the acceptance of Romania as an EU member state shall increase this phenomenon. The human resources specialists estimate that most of the Romanian professionals will go and work abroad. The vacant positions shall be occupied by the citizens of the Republic of Moldova or Turkey. Of course, they are paid less than the average Romanian worker. "For certain jobs, the European Community had placed restrictions for the Romanians until 1<sup>st</sup> January 2007. After 2007, there will no longer be this problem. This means a greater lack of specialists. More and more

Moldavians, Ukrainians, Chinese, Vietnamese or Thai shall arrive in Romania, because the unemployment rate in their home countries is very high.”

After 2007, the Romanian workforce will have the right of free circulation. This not necessarily means that Romania has immediate free circulation rights regarding the workforce because as the Treaty between Romania and the EU specifies, the member states can solicit the need of a certain transition period in our country. Otherwise, every EU country has the right to impose restrictions concerning the access to the labor market for the Romanian citizens, on a period of 2 to 10 years. The decision is made separately by every state, before the end of 2006.

The employment of the academic graduates in the EU countries means recognizing the diplomas and the certificates obtained in Romania. However, countries like Italy and Germany offer certain facilities in employment for certain professional categories and crafts. For example, in Italy, the university lecturers, the university teachers and the researchers who work in an Italian university can be hired outside the annual contingent. Moreover, Germany can facilitate the obtaining of a staying permit to work, without requesting the permission of the Federal Work Agency for the highly skilled personnel, the employees in leading positions and the scientific personnel. Germany, Spain, Luxemburg, Hungary, France are among the states which have workforce exchange agreements. For example, from the Workforce Migration Department, France demands a maximum of 300 stagier Romanians per year.

As the lack of workforce in the EU countries is increasing, the number of work positions for Romanians also increases. If we take into account the jobs available in the Workforce Migration Office, in the first 6 months of this year, as many Romanians as in the whole year 2006 went to work abroad. It is about a total of approximately 42 400 people, compared to 42 700 (in 2006). Most of the Romanians, helped by the Office, more precisely, 4 out of 5, had obtained work contracts in the agricultural field. 14% of them went to work as waiters or chefs, 8% in the industrial field. Most of them went to work in Germany, Spain, France, Switzerland and Qatar.

##### **5. Priorities for the year 2008 for the European System for Higher Education, in the perspective of EURO-CAREERS development**

At the Conference of the European Ministers Responsible with the Higher Education which took place in Bergen, 19-20 May 2005, they confirmed the commitment at a European level of coordinating the educational policies of the higher education, according to the Process of Bologna, in order to establish the European Space for Higher Education (ESHE).

Organizing the studies in two cycles was implemented on a large scale, more than half of the students having applied to such programs in most of the countries. However, there are a few obstacles from a cycle to another. Moreover, an intense dialogue is needed, in order to attract Government implication, the institutions and social partners, in order to increase the chances for the first cycle graduates (licensed) to find a job, including in adequate positions in the public administration field.

There are preoccupations at the European level to ensure the general framework of ESHE qualifying, the three cycles (license, MBA, PHD) including the possibility of intermediate qualifications on a national agreement basis, generic descriptors for every cycle based on study results and competences and credits distributions for the first and second cycle. Promises have been made concerning the elaboration until 2010 of the national qualification frameworks compatible with the ones for the ESHE and the beginning of their elaboration until 2007.

In most of the European responsables' interventions, they emphasized the importance of ensuring the complementarities between the general qualifications framework foreseen by the ESHE and the framework proposal for lifetime studying, concerning education and professional formation, like they are actually developed by the EU and the Bologna partner countries.

The mobility of students and teachers in the ESHE remains one of the key objectives of the Process of Bologna. At a European level, they reaffirmed the commitment to facilitate the transfer of

scholarships and study credits through conjoined actions, when needed, in order to transform into reality the ESHE mobility concept.

It is widely accepted that we must intensify the efforts to eliminate the mobility obstacles, by facilitating the visa liberation and giving work permits and encouraging the participation at mobility programs. Another important aspect was soliciting to all institutions and to all the students to use at a maximum capacity the mobility programs and they also pleaded to fully recognizing the study periods, concerning the fact that the European System for Higher Education should be open and attractive to other parts of the world. The contribution in ensuring the education for all people must be based on the durable development principle and to be accordingly to the measures taken worldwide in order to ensure the quality of the higher education outside the borders.

They repeatedly reaffirmed the content of the principles according to which the academic values must prevail in the actions of international university cooperation. ESHE is seen as a partner of the other higher education systems across the world, which stimulates the balanced mobility and the cooperation between higher education institutions.

The priorities for 2007 and 2008 in the ESHE, as presented in the Bergen Conference are the following:

- ❖ Introducing the models of system analysis for the quality assurance agencies, as they were mentioned in the ENQA Report;
- ❖ Implementing the national qualifications framework;
- ❖ Offering and recognizing the common diplomas, including the PHD ones;
- ❖ Creating opportunities for flexible educational paths in the system of higher education, including by recognition procedures of earlier studying.

This research paper presented only a few relevant aspects for the dynamics and the complexity of the workforce occupation process at the European level. Both the opportunities and the risks were highlighted, as well as the specific conditions to keep in mind in fundament and implementation of public policies in Romania, in the work and social assistance fields but also in the role of the Romanian system of higher education, from the perspective of the opening of the European space for the workforce coming from our country.

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