

CONDITION AND TRENDS ON THE LABOUR MARKET IN THE TRANSPORT SECTOR OF THE REPUBLIC OF BULGARIA

Daniela Todorova^{*)}

ABSTRACT

In the present work one examines the influence of the economic crisis on the labour market as the accent is put on the reflection in the transport sector. One has presented general information about the labour market in the transport sector as one has examined the main trends in its development and one has determined the factors of influence. The transport sector is an important source of employment. There are good prospectives for the development and improvement of the labour market in the transport sector in Bulgaria, which are related to the positive trends in the development of transport and our country as touristic destination and the establishment of a single European transport system.

Key words: Investments, Transport Sector, labour market, Development, Economic and financial crisis.

ABSTRACT

В настоящей работе исследуется влияние экономического кризиса на рынок труда, посвященных воздействию в транспортном секторе. Представлена общая информация о рынке труда в транспортном секторе, представлены основные тенденции в развитии и влиянии определенных факторов. Транспортный сектор является важным источником занятости. Есть хорошие перспективы для развития и улучшения ситуации на рынке труда в транспортном секторе в Болгарии в связи с позитивными тенденциями в развитии транспорта и страны в туристических направлений по созданию единого европейского транспортной системы.

Key words: Инвестиции, Транспортный сектор, рынок труда, развитие, экономический и финансовый кризис.

^{*)} Daniela Todorova, Assoc.Prof., PhD - "Todor Kableshkov" University of Transport, 158 Geo Milev Str., Sofia, Bulgaria, tel.: +359 2 9709 335, mobile [tel:+359 884 216 370](tel:+359884216370) , fax:+359 2 9709 242, daniela_dt@abv.bg

1 INTRODUCTION

The Bulgarian economy is developing in a hard period with the coming worldwide of the financial and economic crisis. The main hardships originally reflect on the low domestic demand of goods and consumption, which leads to a strong decrease of the production and hence to lower demand of cargo and passenger transport services.

The financial crisis and the recession worldwide have negative influence on the transport of Bulgaria, too. Many enterprises have announced bankruptcy, the domestic and external trade have decreased, the transports of passengers and cargos have decreased. This had negative influence on all enterprises and companies in the sector.

The transport sector has direct influence on the development of the economy of the country, and on the amount of the created GDP and the employment. The data for the period 2009-2014 show us that for 2009 the transport sector has a share from the total GDP of the Republic of Bulgaria of 7.2% and in the next years up to 2014 including as a result of the economic crisis it has a fall and is to the amount of 6.9%.

2 FEATURES OF THE LABOUR MARKET IN THE TRANSPORT SECTOR

In Bulgaria in the end of 2014 the transport sector provides direct employment for about 131 thousands of people and on the transport market there operate approxim. 19 000 mainly small companies. (Table 1)¹

Table 1.

Indicators	2009	2010	2011	2012	2013	2014
Number of enterprises	16 965	19 306	19 084	19 062	19 002	19 000
Turnover, thsd. EUR	5 141 625	4 305 825	4 657 066	5 104 169	5 320 432	5 365 421
Manufactured production, thsd. EUR	5 138 181	4 286 804	4 720 100	5 207 693	5 440 708	5 542 471
Persons employed	143 384	139 303	136 080	136 605	131 463	131 040

We are observing a slow trend towards decrease of the number of the enterprises in the sector. With regard to the employed persons we take into account a decrease to the amount of 8.6% influenced mainly by the economic crisis and the shrinkage in the volume of both cargo and passenger transports.

In the transport sector there are total 19 000 enterprises working, which are particular employers. Their distribution according to the various types of transport is represented in table 2.

¹ Details of the National Statistics Institute, www.nsi.bg

Table 2 Number of transport enterprises according to types of transport²

Year	Cargo automobile transport	Passenger automobile transport	Railroad transport	River transport	Naval transport	Air transport	Auxiliary activity in the transport
2009	7 660	7 051	5	16	8	26	1 748
2010	7 097	6 527	8	20	10	37	1 643
2011	8 188	6 719	8	25	24	38	1 691
2012	9 426	7 512	9	25	35	39	1 725
2013	9 515	7 546	9	23	37	38	1 786
2014	9 514	7 545	9	23	37	38	1 786

The biggest is the number of the enterprises employers in the automobile transport. This result is due both to its biggest relative share with the cargos transports and passengers transports, and also to the possibility for work of a great number of small transport companies, which are located on the territory of the country. The auxiliary activity has a serious participation in the transport market, as it mainly operates shipping and storing of cargos.

The transport sector in Bulgaria is a liberalized one and is characterized by strong competition. As a country member of the European Union our legislation is harmonized with the European legislation.

At the transport market there has been provided a free access to all transport operators to the various types of transport infrastructure, with the exception of the railroad passenger transport, where we have only one carrier and this is the state owned carrier BDZ.

The labour market in the transport sector of the Republic of Bulgaria has significant economic and social importance both for the stability of the economy, and for the society as it influences on the development of the country and the quality of living.

In 2014 the population of the Republic of Bulgaria is 7 364 570 as it has decreased with 564 331 people (7,2%) compared to 2001. One takes into account the change in the age structure of the population, as around 1/4 of the population is over the age of work capability. In 2001 the median age of the population has been 39.3 years and in 2014 it reaches 42.8 with average for EU - 28 of 40.9 years³. This negative trend speaks about aging of the population and assumes performance of a policy directed towards renewal of the labour force. For the transport sector one observes aging of the labour force, too, as on figure 1 one has presented the distribution of the employed persons in the transport sector on age in 2014.

² Details of the National Statistics Institute, www.nsi.bg

³ Details of the National Statistics Institute, www.nsi.bg

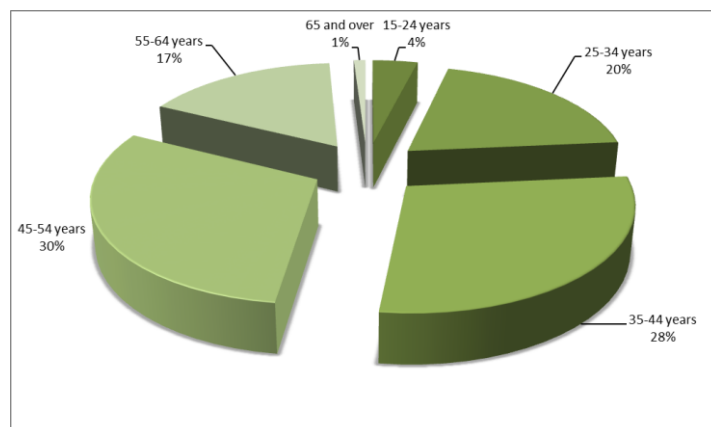


Figure 1. Distribution of the employed persons in the transport sector on age

The main part of the employed persons form an age group 45-54 and in the group of 65 and more years there are at least employed persons. In the years one observes the trend for decrease of the share of the first two age groups and an increase of the share of the other one, which from its part is unfavourable and shows aging of the labor resources. The problems of the labour market in the transport sector are not different significantly than the ones in the most economic sectors in Bulgaria. The economic crisis has reflected on the number of the employed persons as especially in 2009 one takes into account a heavy decrease in the sector. (Table 3)

Table 3 Number of employed persons in the transport sector⁴

Indicators	2009	2010	2011	2012	2013	2014
Total number of employed persons	143 384	139 303	136 080	136 605	131 463	131 040
Land transport	105 614	101 345	100 180	102 520	98 968	98 955
Water transport	3 443	3 498	2 874	2 609	1 623	1 542
Air transport	2 303	2 941	2 190	2 012	1 831	1 598
Storing	32 024	31 519	30 836	29 464	29 041	28 945

One observes that the higher rate is for the employed persons in the land transport and it is approx. 75%, in the water and air transport they are approx. 1.2% of all employed persons.

Depending on the position occupied on the transport labour market for 2014 one observes the following professional structure:

- 4.5% - share of the management employees;
- 3.5% of the analytical experts;
- 10.7% of the technicians and other applied experts;
- 19.3% of the administrative personnel;

⁴ Details of the National Statistics Institute, www.nsi.bg

- 5.6% of the personnel busy with services for the people, security and commerce;
- 5.8% of the qualified production workers;
- 38.4% of drivers of vehicles, aviators, captains, motormen and other workers, related to the exploitation of the machines;
- 12.3% of non qualified workers.

The finding of qualified personnel for work in the transport enterprises is a serious challenge since for this important work one requires specific qualification, experience, desire and responsibility.

The economic crisis has influenced negatively the development of the human resources and the current condition of the labour force in the transport sector. An influence on the condition of the labour market in the sector has had the size of the working salary, too, which is changing with very slow temps. Of course this has influenced the personal motivation and the desire of the work capable persons for work in the transport sector. The size of the average working salary for the period 2009 - 2014 is changing very slow and the increase of this salary is only 24,3 % for six years.

Table 2 Average working salary in the transport sector for the period 2009-2014 in EUR⁵

Year	Average working salary in EUR	Amendment in %
2009	334.00	-
2010	388.00	16.2%
2011	394.00	1.5%
2012	391.00	- 0.7%
2013	406.00	3.8%
2014	415.00	2.2%

The transport has extremely significant role for the development of the economy of the country, by means of providing access to various markets. This, from its part, supposes serious development, modernization and support of the transport infrastructure, requiring significant investments. The effect of the investments in the transport infrastructure is indisputable since it influences the economic growth of the country, the development of the commerce, mobility of the people. The goals of the transport sector are directed mainly towards achievement of economic efficiency by means of developing a stable transport, which is in the ground of the held investment policy.

The supply of modern, environmental, safe and stable transport which could promote the achievement of integration of the country in the common European transport system requires qualified personnel in the transport and logistics, which should be motivated to work for achieving the purposes of the transport policy. The dynamic development of the transport technologies and the growing market

⁵ Own calculations and details of the National Statistics Institute, www.nsi.bg

requirements impose the necessity of continuous development and professional competencies of the employees.

The global financial and economic crisis has strongly influenced the business climate in Bulgaria, the development of the various economic sectors and the labor market. At the end of 2014 the ratio of unemployment on the labour market in Bulgaria is 13.0% and in comparison to the previous year it has increased to 0.6%.

56.7 % of the total number of unemployed persons in 2014 are males and 43,3 % are females. From all unemployed persons 13.9% have university education, 56.0% have secondary education and 30.0% have primary or lower education⁶.

This trend is typical for the transport sector, too, since it is one of the most badly influenced economic sectors. The decrease of the demand of transport services, the shrinkage of markets, the limited investments for development of this sector have lead to negative trends of the transport labour market and to increase of the registered unemployment. The unemployment becomes a stable economic and social problem of the transport sector. The coming out of the economic recession and the development of a stable transport assumes the creation of new and better working places in Bulgaria. For this purpose one holds a number of events, which we could summarize here:

- appropriate financial policy;
- removal of administrative burdens;
- modernisation of the transport infrastructure;
- better qualification of the managers and the employees in the sector.

3 CONCLUSION

The crisis in Bulgaria strongly influenced the transport sector which gives its reflection on the labour market, too. The decrease of the employment has lead to the increase of the unemployment, as in the examined period the unemployed persons in the transport sector have a high relative share.

The transport sector is an important source of employment and offers big possibilities for employment in the future. There are good prospectives for the development and improvement of the labour market in the transport sector in our country, which are related to the positive trends in the development of transport and our country as touristic destination.

The modernisation of the infrastructure and the investments in new transport technologies shall lead to the opening of new working places in the sector, requiring well trained and qualified experts with skills and knowledge, according to the needs of the transport business. This shall be reflected for sure in the state of the labour market in the transport sector.

⁶ Details of the National Statistics Institute, www.nsi.bg

REFERENCES

- [1] Ганев, П., Заетост по време на криза, Институт за пазарна икономика, 2012г.
- [2] Министерство на транспорта, информационните технологии и съобщенията, www.mtitc.government.bg
- [3] Национален статистически институт, <http://www.nsi.bg/otrasal.php?otr=10>
- [4] Оперативна програма „Транспорт и транспортна инфраструктура” 2014-2020 г., <http://www.optransport.bg/page.php?c=209>
- [5] Стратегия „Европа 2020” – стратегия на ЕС за интелигентен, устойчив и приобщаващ растеж, http://ec.europa.eu/europe2020/index_bg.htm

Článok recenzovali dvaja nezávislí recenzenti.

