
Slowdown signs - Romanian jobless rate may rise to 10pct in 2010

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Analysts expect Romania's jobless rate to rise to 9% to 10% next year from an estimated 8% this year. They say the increase will largely depend on measures the government takes to deal with the country's overstuffed public sector.

Mr Nicolaie Chidesciuc, a senior economist at ING Bank Romania, who sees the country's jobless rate at 10.2% next year, said that it will rise because of lay offs in the public sector.

Mr Mihai Seitan minister of labor said that about 70,000 to 80,000 jobs in the public sector would disappear in 2010.

Mr Ionut Dumitru chief economist at Raiffeisen Bank Romania said that next year's jobless rate will be 9% to 9.5%. He added that "The way in which the government lowers the public sector payroll will probably be decisive for the unemployment rate in 2010."

According to the national employment agency, Romania's jobless rate rose to an annual 7.5% in November 2009.

(Sourced from Mediafax)

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