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STATE AND DYNAMICS OF EMPLOYMENT IN BULGARIA

Abstract: *In the global dynamic world, human labor is a universal problem, a major economic and social factor and a means to achieve social stability of man and a criterion for determining the place of man in society. Employment and unemployment are elements of the labor market that are extremely important for analysis, as by studying their dynamics can be characterized both the social policy of the government and its ability to implement its economic program. As a result of the demographic aging of the population, employment in productive labor is increasingly limited. Along with this, education, vocational training, skills, competencies, adaptability, etc. remain an increasingly determining factor for economic development for the level of employment. The economic system, together with society, at the beginning of the new millennium are facing numerous social, economic and technological challenges that require solutions in the future.*

Key words: *employment, dynamics, labor force, types of employment, employment rates.*

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Introduction

In the global dynamic world there is hardly a more universal problem than that related to human labor as a major economic and social factor, as a means of achieving social stability of man and as a criterion for determining the place of man in society. The whole economic system, together with society, at the beginning of the new millennium is facing numerous social, economic and technological challenges that require solutions in the future. The labor market affects the overall socio-economic characteristics of the population. Employment and unemployment as elements of the labor market are extremely important for analysis, because by studying their dynamics can be characterized both the social policy of the government and its ability to implement its economic program.

In any society, the ideal is for gross national product to grow at a steady pace, for prices to be relatively stable, and for unemployment and inflation to be insignificant.

The real gross national product is all goods and services that end products are valued at constant prices.

There is a cyclical nature of economic development, alternating periods of economic crisis with ups and downs, and inflation and unemployment are inevitable companions of development. To a large extent, employment and unemployment are the two factors that determine the labor market. Together, they are functionally connected and form the labor force - a key indicator of economic activity of the population.

As a result of the demographic aging of the population, employment in productive labor is increasingly limited. Along with this, education, vocational training, skills, competencies, adaptability, etc. remain an increasingly determining factor for economic development for the level of employment [2].

The high standard of living and the quality of life of the people are connected with the development of human resources, the improvement of living and working conditions, the overcoming of poverty, the provision of an effectively functioning system of social protection.

The living standard of the population of each country is connected with the real gross domestic product per capita. The UN General Assembly since

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1990 ranks the member countries of the world organization not only by gross domestic product, but also by the indicator "Human Development Index".

The main components of the standard of living as a social standard are health and health care, diet and income, housing, housing, paid services, education and cultural level of the population, working conditions and employment [4, p. 509 – 511].

Labor force or the so-called currently economically active population are persons aged 15 and over who invest or offer their labor for the production of goods and services. The economically active population (labor force) includes all employed and unemployed persons. Employed persons are persons aged 15 and over who, during the observed period: perform work for the production of goods and services for at least 1 hour, for which they receive a salary or other income; do not work, but have a job from which they are temporarily absent due to leave, illness, pregnancy, childbirth and raising a small child (for the period during which they receive the full amount of their remuneration), adverse weather conditions, strike or other reasons.

"The labor force - the ability to work, physical and spiritual strength of man, thanks to which he is able to work, to perform a certain type of work. The carriers of the labor force are the people. They are the decisive element of any labor process. In statistics, the labor force is defined as the sum of employed and unemployed persons" [3, p. 9].

The basis of statistical information on the labor force is the demographic indicators - gender and age. In this connection, the category of able-bodied population is considered, which is in fact the population of working age from 15 to 64 years of age. In Bulgaria, sixteen years of age are accepted as the first working age, but the statistical study of the labor force also covers persons aged fifteen years of age [5, p. 104 – 105].

The labor force is a resource that determines the level of economic development of the country and it is the working age population (men 15 – 65 and women 15 – 65). The able-bodied population is formed under the influence of a number of demographic characteristics such as births, deaths, natural growth, migration and others.

A distinction should be made between the workforce and the workforce. The labor force, the so-called economically active population includes persons aged 15 and over who invest and offer their labor for the production of goods and services, and the labor force incl. the employed and the unemployed (those who do not have a job but are able to work and are looking for one).

A characteristic of the labor force in Bulgaria is the growing mobility in its areas - regional, industry, professional, and in terms of status change. Mobility is voluntarily chosen, but also imposed by the lack of another alternative or impasse. This is the migration

to the interior of the country and more precisely to the capital from the small settlements in the country, where the unemployment rate is high and the demand for labor is absent. There is also mobility related to the change of professional work from unskilled due to the lack of another alternative for work and due to high pay. The first type of mobility is typical for men, and the second - for women [1, p. 282].

Labor resource = (working + unemployed) + non-labor force.

The main criterion for classifying a person of working age as an element of the system of employees is the actual participation in the labor process.

Labor resource - shows the potential opportunities of the labor force in a country and their quantitative and qualitative characteristics are a factor determining the supply of labor and economic growth.

The employees of a country are the component of the labor force that is directly involved in the labor process. Employees are the people in an organization, who with their qualification, competence and motivation for work are crucial for the implementation of the labor process at the required level and for the realization of the set goals [3, p. 89].

According to the employment status, employed persons are grouped into employers, self-employed persons, employees and unpaid family workers.

- employers – include persons who alone or in partnership with other persons manage their own enterprises (companies, farms), work on lease or perform other activities independently, employing at least one person;

- self-employed persons - they include persons who carry out economic activity alone or with other persons, work on a free (private) practice, work on lease or perform other activity independently, without employing other persons;

- employees - are the persons performing work for others, for which they receive remuneration in cash or in kind in the form of salary, remuneration under a civil contract and others; working in public enterprises and organizations or for a private employer;

- unpaid family workers - include persons who work without pay in a company, enterprise, farm of a relative of the same household;

- employment is defined and assessed at national, regional and individual level [3].

Persons outside the labor force, the so-called currently economically inactive population are persons aged 15 and over who are neither employed nor unemployed during the observed period. This group also includes persons who are on parental leave up to 2 years of age.

Each representative of the population aged 15 and over falls into one of the following three categories: employed; unemployed; outside the workforce.

Employees are:

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– the persons who are in an employment relationship under the Labor Code and an employment relationship under the Civil Servant Act and by virtue of these relationships they receive remuneration in the form of salary remuneration in cash or in kind for certain work performed, regardless of whether the contract is permanent, temporary, and working hours are full or part time;

- persons who have a job but have not worked during the observed period due to maternity, etc. ;
- employees under a civil contract;
- persons who run their own business or perform any work for personal gain.

People aged 15 and over who want to work but are not looking for a job because they assume they will not find one are discouraged [3].

The term "employment" characterizes the labor realization of the labor force. In essence, employment expresses the economic relations that arise between workers on the occasion of their inclusion in the

production of goods and services. Employment and unemployment can be addressed at both national and individual levels.

Employment is an indicator of the degree of utilization of labor resources in a country and it is closely linked to economic growth, because labor resources are a major factor in intensive economic growth.

According to the methodology applied by the National Statistical Institute for Bulgaria, employed persons are persons aged 15 and over who during the observed period:

- perform work for the production of goods and services for at least one hour a week against payment (in cash or in kind) or other income;
- do not work, but have a job from which they are temporarily absent due to leave, illness, pregnancy, childbirth and raising a small child, unfavorable weather conditions, strike or other similar reasons.

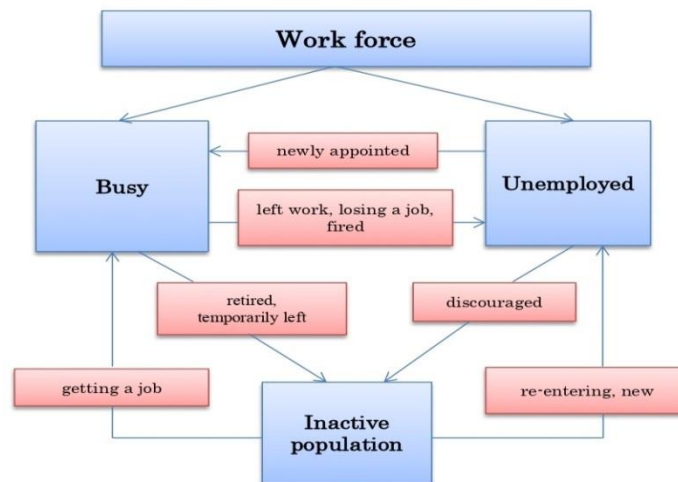


Figure. 1. Work force

Employment and unemployment in their entirety are the main indicators for determining the economic activity of the population. In a given country, potential resources depend on the number and structure of the working age population. The size of the economically inactive population is subtracted from this value and the current economically active population is reached, which constitutes the real labor resource, which creates the supply on the labor market. Part of a common system is the ratio between the employed, the unemployed and the labor force, namely the labor market, predetermine the relationship between the phenomena of employment, unemployment and their levels.

Gross salary - remuneration that the employee receives for work performed before the deduction of social security contributions and tax accruals at his expense [6].

There are differences in determining the status of an employed person in different countries and they reduce to the minimum hours that a person must work during the week in order to be recognized as employed. In order to be qualified as employed, a person starts from the main concepts and definitions in accordance with the international standards of the International Labor Organization. In order to be included in the unemployment system, a person of working age must meet the following criteria: not have a job at any given time; actively looking for one; has the necessary abilities to perform employment. These are the principles underlying unemployment and employment legislation in almost all market economies.

We distinguish several types of employment of the workforce: full and part time, efficient and inefficient.

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There is full employment when the employment of all able-bodied people is reported. Full employment cannot be spoken of in the literal sense, because at any moment someone changes their place of residence or retrain. The theory of full employment refers to the efficient use of labor and is therefore defined as a state of the labor market in which unemployment is within the current and structural unemployment. Full employment is when 94 – 95% of the working population is employed.

The Lisbon Strategy introduces the idea of full employment, ie. the policies of all countries should be aimed at achieving higher employment. High employment is estimated as a result of the inclusion of economically inactive people in the labor market [2].

Full employment is therefore compatible with the natural rate of unemployment, which takes into account current and structural unemployment, which can be considered voluntary.

Full employment presupposes a certain minimum level of unemployment, which is its natural norm. Full employment can be seen as a state of the economy in which those wishing to work can find work except when they are in a situation of current and structural unemployment. It is clear that full employment does not mean 100% employment. At full employment, not only labor but also fixed capital is in a state of full, efficient use.

Unemployment is when unemployment exceeds its "natural level". In the case of rational employment, there is an optimal use of the employed for a long period of time, and not just providing employment for the able-bodied population. In modern conditions, full and part-time employment are associated with the natural level of unemployment. This is the level at which the forces raising prices and the inflation rate of wages are in equilibrium. At the individual level, employment is full when it provides him with work throughout the year within the statutory length of the working day and working week. Part-time employment is that in which the person works part-time. Seasonal is usually added to it.

At the national level, employment is effective when it provides optimal use of the material, labor and financial resources of the country, economic growth and a higher standard of living of the population, and otherwise inefficient. At the individual level, this employment is effective, which allows the individual to be fully realized in the labor process, ensuring a dignified existence of his family. Otherwise, it is ineffective.

There may be full but inefficient employment, ie. everyone has a job, they get an income, but their work is low productive. And part-time but effective employment, when unemployment is above its natural level, but production reaches its limit with the existing technological base and organization of labor.

The transition to a market economy has changed the employment model, created large-scale unemployment and insecurity in the population. The process of building employment is slow and arduous. Employment and economic activity of the population have significantly decreased and this restructuring has developed new forms of employment. This in turn led to mass unemployment, which reached a high level. The long and difficult transition to a market economy, accompanied by economic restructuring, as well as the severe economic crisis, have completely changed the level and structure of employment, labor relations and security of the population [1, p. 271].

Uncertainty in employment is a result of economic instability, restructuring associated with mass layoffs; loss of foreign markets, bankruptcies of enterprises, high unemployment, political instability, etc. [1, p. 273].

Today, employment challenges are of different aspects, social, demographic and economic, related to the implementation of common European policies at national, regional and local levels. In each country, a high level of employment is the result of economic policies that create jobs, the development of education and training and the scope of social policy. This creates preconditions for another level of employment. Definitely higher employment is related to the availability of legislation and social practice to ensure employment of different groups of the population [2, p. 107].

NSI statistics show that in the period 2013 – 2019 there is an increase in employment in all age groups except the group of 15 – 24 year olds. The decline in youth employment is due to the changing age structure of the population due to its aging. The youth employment rate in 2019 was 21.8%, 0.6 percentage points higher than in 2013 and 4.5 percentage points lower than before the crisis (2008). The value of the indicator is lower than the EU-28 average in 2019 by 13.9 percentage points. The largest increase in employment is reported among older workers (55 – 64 years). An increase in the share of the employed in the period 2013 – 2019 is observed in the age groups 45 – 54 and 55 – 64, as their shares reach 26.8% and 19.6% respectively in 2019. For the other age groups in As a result of the aging population and the low birth rate, a decrease is reported compared to 2013, as it is more significant for 35 – 44 and 15 – 24 year olds, whose shares decreased by 1.5 and 1.4 percentage points, respectively, compared to 2013. and reach 27.7% for the age group 35 – 44 years and 4.3% for the age group 15 – 24 years. In 2020 the employed (15 – 64 years) decrease in all age groups compared to 2019. The decrease in the age groups of 25 – 34 year olds by 6.5% and 35 – 44 year olds by 4.4%.

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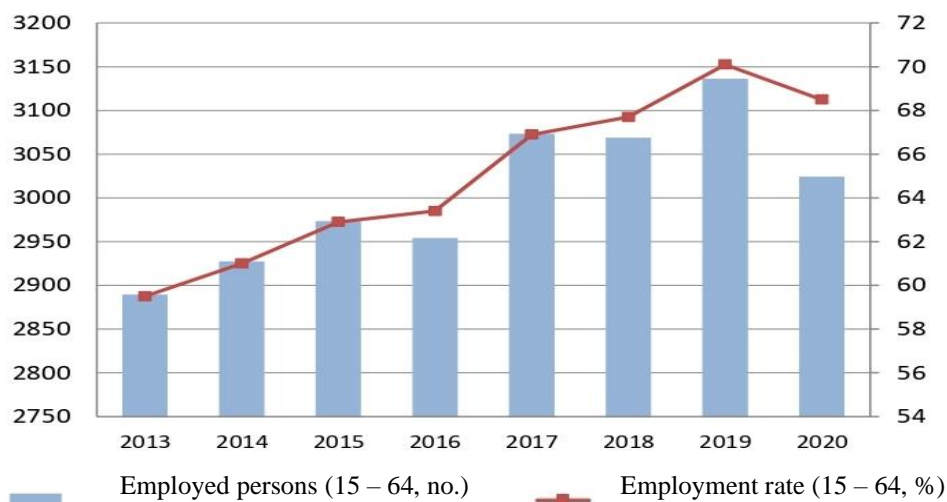


Figure. 2. Employment and employment rate

Source: NSI

In 2019, the number of employed persons aged 15 and over, according to the National Statistical Institute, increased by 80.4 thousand compared to 2018. Their number is 3 233.1 thousand, and compared to 2015 there is an increase of 201.2 thousand. The employment rate for the population aged 15 – 64 is 70.1%, increasing by 2.4 percentage points compared to 2018. The employment rate for the age group 20 – 64 is 75% - 2.6 percentage points higher than in 2018.

Under the impact of the crisis caused by the Covid-19 pandemic in 2020, the long-term trend of employment growth and falling unemployment was interrupted. As a result of the state of emergency declared in March and the anti-epidemic situation in different periods, the activity of enterprises in a number of economic activities was suspended. Production volumes decreased in other related enterprises. This led to the dismissal of employees and an increase in the number of unemployed.

The spread of the coronavirus since the second quarter of 2020 has caused a shock to the economy not only worldwide. The dynamics of the labor market in the first half of 2020 was strongly influenced by the restriction of economic activity in the country as a result of the government's measures taken to overcome the negative effects of the pandemic. As a result of the measures introduced by the government

in the second quarter of 2020, a decrease in the number of employees of 1.2% is reported, and the unemployment rate increased by 6%. The introduced measure 60/40, in which the government subsidizes 60% of the due expenses of employers for salaries and related insurance payments in companies that meet certain conditions, is aimed at maintaining employment and limiting unemployment.

In the first quarter of 2020, the number of employed persons aged 15 and over, according to the National Statistical Institute, decreased by 40.6 thousand compared to the first quarter of 2019. Their number was 3,107.2 thousand, compared to the fourth quarter of 2019. There is a decrease of 115.5 thousand. The employment rate for the population aged 15 – 64 is 68.1%, as compared to the first quarter of 2019 it decreases by 0.2 percentage points. The employment rate for the age group 20 – 64 is 73% - 0.1 percentage points lower compared to the same period in 2019 [7].

The National Action Plan for Employment in 2021 includes activities to stabilize the functioning of the labor market in the new conditions. The aim is not only to restore employment to levels in 2019, but also to develop human capital to meet the needs of the economy and to be able to quickly adapt to changes in labor demand caused by both pandemic conditions and new technologies.

Table. 1. Main indicators for the labor market

Employed according to NSI data (Labor Force Survey)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	IV tr. 2020	IV tr. 2021*
Population 15 - 64 years (number of thousands)	5 079.1	5 009.9	4 923.6	4 859.2	4 795.6	4 726.6	4 658.8	4 595.2	4 531.1	4 474.1	4 417.1	4 403.2	4 368.1
Economic activity rate 15 - 64 years	66.7	65.9	67.1	68.4	69.0	69.3	68.7	71.3	71.5	73.2	72.2	72.7	71.8

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(%)													
Employed persons aged 15 and over (thousand)	3 075.3	2 965.2	2 934.0	2 934.9	2 981.4	3 031.9	3 016.8	3 150.3	3 152.7	3 233.1	3 121.7	3 126.9	3 080.5
Employed persons aged 15-64 (thousands)	3 037.0	2 927.5	2 894.9	2 889.4	2 927.4	2 973.5	2 954.3	3 073.4	3 068.9	3 136.3	3 024.3	3 029.7	2 990.4
Employed young people aged 15-24 (thousands)	219.1	190.2	178.3	164.5	152.7	143.2	133.4	148.6	130.3	134.6	115.0	122.3	99.5
Employed young people aged 15-29 (thousands)	549.3	502.2	488.6	463.4	464.9	465.9	440.3	464.5	434.0	432.5	381.2	383.2	337.3
Employment rate (15-64 years) (%)	59.8	58.4	58.8	59.5	61.0	62.9	63.4	66.9	67.7	70.1	68.5	68.8	68.5
Employment rate (20-64 years) (%)	64.7	62.9	63.0	63.5	65.1	67.1	67.7	71.3	72.4	75.0	73.4	73.8	73.6
Youth employment rate (15-24 years) (%)	24.3	22.1	21.9	21.2	20.7	20.3	19.8	22.9	20.7	21.8	18.8	19.9	16.0
Youth employment rate (15-29 years) (%)	39.4	37.2	37.5	36.7	38.0	39.2	38.3	42.0	40.8	42.1	38.5	39.0	34.9

Source: NSI

* From the beginning of 2021, the labor force monitoring is conducted in accordance with the requirements of Regulation (EU) 2019/1700, which requires changes in the monitoring methodology, due to which the results of the LDC (labor force monitoring) for 2021. are not fully comparable with those for previous periods.

In the first quarter of 2021 the employed persons aged 15 and over, according to the National Statistical Institute, were 3 028.7 thousand. In the first quarter of 2020 their number was 3 107.2 thousand. The employment rate for the population aged 15 – 64 years is 66.7%, compared to 68.1% in the same period of the previous year. The employment rate for the age group 20 – 64 is 71.7%, and the value of the indicator in the first quarter of 2020 is 73%.

In the fourth quarter of 2021 the employed persons aged 15 and over, according to the National Statistical Institute, were 3 080.5 thousand. In the fourth quarter of 2020 their number was 3,126.9 thousand. The employment rate for the population aged 15 – 64 years is 68.5%, compared to 68.8% in the same period of the previous year. The employment rate for the age group 20 – 64 is 73.6%, and the value of the indicator in the fourth quarter of 2020 is 73.8%.

The goal of the National Action Plan for Employment for 2021 is to restore employment and improve the quality of human capital, and its vision is defined as: "Support for maintaining and restoring employment by ensuring rapid transitions of the unemployed to new jobs, incl. by acquiring new skills, both from the redundant persons as a result of the pandemic and from the unequal groups on the labor market and by promoting employment by assuming part of the employers labor costs".

In 2021, the priorities set by the national employment policy are: support for maintaining and restoring employment, prioritizing quality jobs in the real economy by providing the required workforce according to the needs of employers and bearing part

of the staff costs; improving the business environment and maintaining employment in the main sectors of the economy, reducing unregulated employment; improving the quality of human capital through training; achieving greater efficiency and quality of employment services [9].

In the first quarter of 2022 the total number of employed persons was 3 068.3 thousand, of which 1 632.2 thousand were men and 1 436.0 thousand were women. Compared to the first quarter of 2021, the number of employed persons increased by 1.3%. The relative share of employed persons in the population aged 15 and over is 52.7%, as for men this share is 58.6%, and for women - 47.3%. [6].

The main goal of the National Action Plan for Employment in 2022 remains the preservation and restoration of employment in a changed economic environment as a result of the pandemic, which depends mainly on domestic factors, but also on the international situation. In these conditions, it is important for human capital to develop in order to meet the needs of the economy and to be able to quickly adapt to changes in demand for labor.

The motto of the Plan in 2022 is "To support employment and improve the quality of the workforce", and its vision is: "Support for maintaining and increasing employment by acquiring new skills by the unemployed and ensuring rapid transitions to new jobs. places, priority for disadvantaged groups on the labor market and promotion of employment by bearing part of the costs of employers for labor" [11, p. 5].

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The active labor market policy for 2022 is job placement by providing the necessary training for jobseekers and activating inactive people and inclusion in subsidized employment, which focuses on the most disadvantaged groups in the labor market. Improving the qualifications and skills of both the unemployed and the employed with the opportunity to ensure sustainable employment. In the conditions of risk of redundancies and termination of the activity, the assumption of part of the personnel costs of the companies, especially for the small and medium enterprises, is a condition for their survival and preservation of the employment. After the economic shock that the world economy, and in particular the Bulgarian economy, went through, due to the spread of the coronavirus in 2020, in 2021 there is a relatively rapid recovery of most of the economic sectors in the country, at least in terms of dynamics of added value.

The priorities set by the national employment policy in 2022 are: improving the quality of human capital through training; support for maintaining and restoring employment, primarily in quality jobs in the real economy by providing the required labor force according to the needs of employers; reduction of unregulated employment and undeclared payments; achieving greater efficiency and quality of employment services.

As a result of the crown virus crisis, the labor market is slowly recovering. The measures introduced by the government have limited the growth of unemployment, but the pre-crisis levels of the main indicators of the labor market in the field of employment and unemployment have not yet been achieved [11].

In the first quarter of 2022 of all employed 3.7% (114.1 thousand) are employers, 6.3% (193.0 thousand) - self-employed (excluding employees), 89.5% (2 744.9 thousand) - employees, and 0.5 % (16.2 thousand) - unpaid family workers. Of the total number of employees, 2,101.3 thousand (76.6%) work in the private sector and 643.6 thousand (23.4%) in the public sector. Employment in the different age groups is as follows: The employed persons aged 15 – 64 years are 2 975.3 thousand. The employment rate for the population in the same age group was 68.4% (71.8% for men and 64.9% for women). The employment rate for the population aged 15 – 29 years is 36.3% (40.2% for men and 32.2% for women). The employment rate for the population aged 20 – 64 was 73.7%, respectively 77.4% for men and 69.8% for women. Compared to the first quarter of 2021, the employment rate (20 – 64 years of age) increased by 2.0 percentage points, by 1.2 percentage points for men and by 2.6 percentage points for women. The employed persons aged 55 – 64 years are 601.4 thousand, or 66.0% of the population in the same age group (70.7% of men and 61.7% of women) [8].

The economically active population aged 15 – 64 in 2021 is 3 155.3 thousand. The economic activity

rate is 72.0% compared to 72.2% in 2020. The value of the indicator for men in 2021 is 76.2% and for women 67.7 %.

The number of employees aged 15 – 64 was 2,986.7 thousand compared to 3 024.3 thousand in 2020. The employment rate for the same age group was 68.21% and was lower compared to 2020 and 2019 by 0.43 respectively. percentage points and 21.09 percentage points. The employment rate for the age group 20 – 64 is also lower compared to 2020 and 2019 and is 73.21%. In 2021, the employment rate for women (15 – 64 years) is 64.23%, and that for men for the same age group is 72.0%.

In the age structure of the employed with the highest share are 45 – 54 years (27.7%) and 35 – 44 years (26.5%), and with the lowest young people aged 15 – 24 (3.4%). Compared to 2020, in the structure of the employed by age there is a decrease in the share of the employed aged 15 – 24 and 25 – 34 (by 0.3 percentage points) while the shares of the employed aged 45 – 54 and 55 – 64 years increase (by 0.7 and 0.1 percentage points respectively) [6].

After the elimination of anti-epidemic measures, the recovery of employment is slower and to a limited extent, and the lack of qualifications and skills hinders employment in activities less affected by the pandemic. Seasonal employment has seen a shortage of labor due to anti-epidemic restrictions affecting the free movement of workers. The transition to teleworking and the wider use of new forms of employment have increased the risks and preconditions for undeclared employment, social exclusion and new difficulties in combining family and professional responsibilities. 2022 started again with a threat to the labor market - there is a long-term nature of demographic trends, changes in labor supply and demand, skills shortages. The main threat in early 2022 remains the Covid-19 pandemic and its impact on the economy through rising inflation, limiting the hiring of new staff and more. The discontinued training of adults due to the suspension of face-to-face group classes and the lack of certified active distance learning platforms makes it difficult to increase the knowledge and skills of the unemployed and employed at risk of redundancies [11].

The priority goal is to restore employment at the levels in 2019 as well as the development of human capital in order to meet the needs of the economy and to be able to quickly adapt to changes in labor demand caused by both pandemic conditions and from new technologies.

The digital and green transition and the consequences of the Covid-19 pandemic have led to significant structural changes in the labor market and changed the skills requirements of the workforce. This has led to the need to develop lifelong skills in order to overcome skills shortages and facilitate transitions in the labor market and social inclusion. Providing training and employment for disadvantaged groups is

Impact Factor:

ISRA (India) = 6.317	SIS (USA) = 0.912	ICV (Poland) = 6.630
ISI (Dubai, UAE) = 1.582	ПИИИ (Russia) = 3.939	PIF (India) = 1.940
GIF (Australia) = 0.564	ESJI (KZ) = 8.771	IBI (India) = 4.260
JIF = 1.500	SJIF (Morocco) = 7.184	OAJI (USA) = 0.350

a chance to get out of the poverty trap and to realize some of the tasks of the social economy. Conducting information campaigns to raise awareness of the benefits of skills development and encourage participation in various forms of training is a way to attract those who have the greatest need for training - the low-skilled unemployed, incl. through electronic platforms for learning and acquiring new skills, incl. digital. The ongoing demographic crisis and the projected contraction in labor supply in the long run require continued work to activate labor potential. For this purpose, the prepared amendments to the Employment Promotion Act should be adopted in

order to regulate the work on identifying, reaching and activating able-bodied persons who do not work, study and are not educated, and are also not registered in the labor offices.

The national employment plan for 2022 includes areas such as services, projects, programs and measures for employment growth by district; providing a workforce with qualifications and skills according to the demand of the business and in view of the future needs; Ensuring employment for unequal groups on the labor market in programs, projects and measures of the Employment Promotion Act; limiting the various manifestations of undeclared employment.

Table. 2. Employment indicators

Indicator	Value 2019 (%)	Value 2020 (%)	Target value 2030 (%)
Coefficient of economic activity, 15 - 64 years	73.2	72.2	77.7
Employment rate, 15 – 64 years	70.1	68.5	74.6
Employment rate, 20 – 64 years	75.0	73.4	78.2
Employment rate, 55 – 64 years	64.4	64.2	70.0

Source: National Employment Action Plan, 2022

The debate on the future of Europe outlines a number of challenges facing European countries over the next decade, including continuing digitalisation and the need to "keep pace" with technological progress; the transition to a green economy; the future of work and its impact on skills and competence needs; negative demographic trends; socio-economic inequalities. The Covid-19 pandemic in 2020 posed new socio-economic challenges by stepping up the transition to distance and distance learning processes and clearly showing the lack of digital preparation of the population to meet the new needs [10].

The implementation of the new employment strategy 2021 – 2030 begins in a period of economic and social challenges caused by the Covid-19 pandemic with an hitherto unknown impact on society. The Employment Strategy 2021 – 2030 takes into account the achievements in the implementation of the Updated Employment Strategy 2013 – 2020 and the accumulated experience of the country as a full member of the EU for 14 years. The strategy as a key strategic document defines the tasks and directs the efforts of all stakeholders in the labor market to reduce unemployment, increase the economic activity of the population and increase the labor potential of the labor force in the country. The implementation of the objectives is linked and will be supported by the National Reform Program, the Partnership Agreement and the programs for the programming period 2021 – 2027, the National Recovery and Sustainability Plan, whose objectives in this area are to increase employment, improve quality and labor productivity and strengthening social and territorial cohesion. At

present, Bulgaria is in the fifth stage of the demographic transition, which is characterized by an excess of mortality rates over those of birth rates, which is the reason for the negative natural growth in the country.

Conclusion

The challenges facing our country in the field of the labor market in recent years are, first of all, a decrease in employment and economic activity and an increase in unemployment as a result of the economic crisis as a result of the Covid-19 pandemic. The economic crises have a direct impact on the labor market in the country both at national and regional level. Employment and unemployment are characterized by regional disparities caused by economic, social and geographical factors.

Today, employment challenges are of different aspects, social, demographic and economic, related to the implementation of common European policies at national, regional and local levels. In each country, the high level of employment is the result of economic policies that create jobs, the development of education and training and the scope of social policy. This creates preconditions for another level of employment.

The ongoing demographic crisis and the projected contraction in labor supply in the long run require continued work to activate labor potential. For this purpose, the prepared amendments to the Employment Promotion Act should be adopted in order to regulate the work on identifying, reaching and activating able-bodied persons who do not work,

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study and are not educated, and are also not registered in the labor offices.

The impact of the Covid-19 crisis on the labor market is reflected in job losses, part-time work, declining wages and rising unemployment among all age groups, but especially among young people. There are prerequisites for increasing pressure on the labor market due to the significant supply of labor and the limited number of vacancies. In the conditions of crisis, the tendencies in the change of the employment and unemployment rates change the direction of their development=

The debate on the future of Europe outlines a number of challenges facing European countries over the next decade, including continuing digitalisation and the need to "keep pace" with technological progress; the transition to a green economy; the future of work and its impact on skills and competence needs; negative demographic trends; socio-economic inequalities. The Covid-19 pandemic in 2020 posed new socio-economic challenges by stepping up the transition to distance and distance learning processes

and clearly showing the lack of digital preparation of the population to meet the new needs.

The goal set in the National Action Plan for Employment for 2021 is to restore employment and improve the quality of human capital, and the vision is: "Support for maintaining and restoring employment by ensuring rapid transitions of the unemployed to new jobs, incl. by acquiring new skills, both by those laid off as a result of the pandemic and by disadvantaged groups in the labor market, and by promoting employment by bearing part of employers labor costs".

The motto enshrined in the National Action Plan for Employment in 2022 is "To support employment and improve the quality of the workforce", and the vision: "Support for maintaining and increasing employment through the acquisition of new skills by the unemployed and ensuring rapid transitions to new jobs, giving priority to disadvantaged groups in the labor market and promoting employment by bearing part of employers labor costs".

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