

EMPLOYABILITY - ANALYSIS FROM A COMPARATIVE PERSPECTIVE OF EMPLOYMENT GROWTH AND THE SITUATION MARKETING IN CONTAGEM – MG

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SUMMARY

This article aims to create a critical sense of the current employability situation and growth situation of the 2nd sector in the city of Contagem-MG and add important points for the systematic view of its potential growth through the influences of the 1st sector over the last few years prior to 2019. The growth of Contagem-MG combined with the support of municipal leaders makes the region stand out in the generation of employment and income for the entire state.

Keywords: Strategic administration, public management, market analysis, public competitiveness, industrial market, production processes, 2nd sector.

ABSTRACT

This article aims to create a critical sense for the current employability and growth situation of the 2nd sector in the city of Contagem-MG and add important points to the systematic view on the potential growth of the same through the influences of the 1st sector in the course of the last years before 2019. The growth of Contagem-MG allied to the support of the municipal leaders make the region become prominent in the generation of employment and income for the entire state.

Keywords: Strategic management, public management, marketing analysis, public competitiveness, industrial market, production processes, 2nd sector.

1 INTRODUCTION

Before delving into the study of the economy of the second sector within the municipality of Contagem-MG, it is extremely important to identify the three sectors of the economy, commonly differentiated and adopted as nomenclature by Brazilian theorists of state reform in the late 1980s and early 1990s.

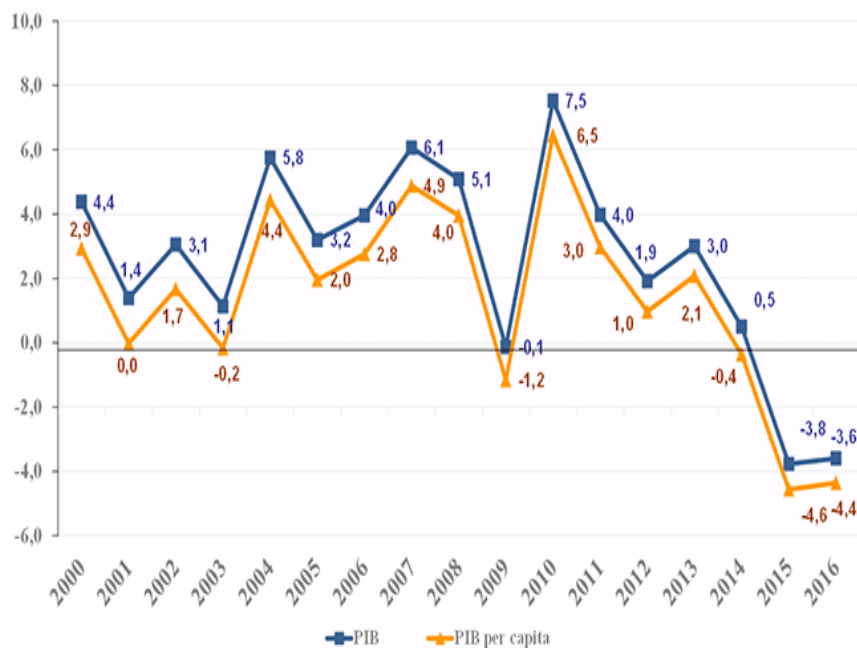
The first sector of the economy refers to the state, which is made up of city halls, state governments, federal governments and their ministries. Everything that is linked to and reserved for public power is characterized as the first sector. The second sector of the economy is a sociological term that represents the private sector of the economy, that is, the market, also known as the productive sector, and is made up of industries, businesses, companies and private for-profit organizations. The third sector of the economy is used to define non-profit public organizations of private initiative, focused on voluntary non-governmental participation. These are NGOs, unions, political parties,

condominiums in buildings, autonomous social services, among others. The IBGE and IPEA conducted a joint study entitled "Private Foundations and Non-Profit Associations in Brazil 2002" and identified with this study more than 500 thousand institutions characterized as the third sector.

There are, in the vast majority, studies and articles involving the third sector of the economy, compared to the few studies involving other sectors of the economy, by exploring its sociological and terminological context. Its numerous controversies also stand out in the discussion of which are the permissive contours for using resources from the state (1st sector) and the market (2nd sector) for the maintenance of their organizations.

This article provides, in addition to defining the sectors of the economy, an overview of their influence on improving the economy and social well-being of the population of the city of Contagem, Minas Gerais, during a period of economic recession that began in 2014. Brazil's GDP declined for two consecutive years in 2015, contracting by 3.8% and 3.6% in 2016, reaching R\$6.3 trillion in this period, according to data from the IBGE News Agency. The following figure shows a graph that shows a significant decline in the economy in Brazil since 2013:

Figure 1 - GDP in Brazil between 2000 and 2016
 GRÁFICO II.1 - PIB e PIB per capita
 Taxa (%) de crescimento anual



Source: IBGE Agency

Much of the recession was generated by administrative consequences in the 1st sector, showing the total influence that good or bad management can have within the administration.

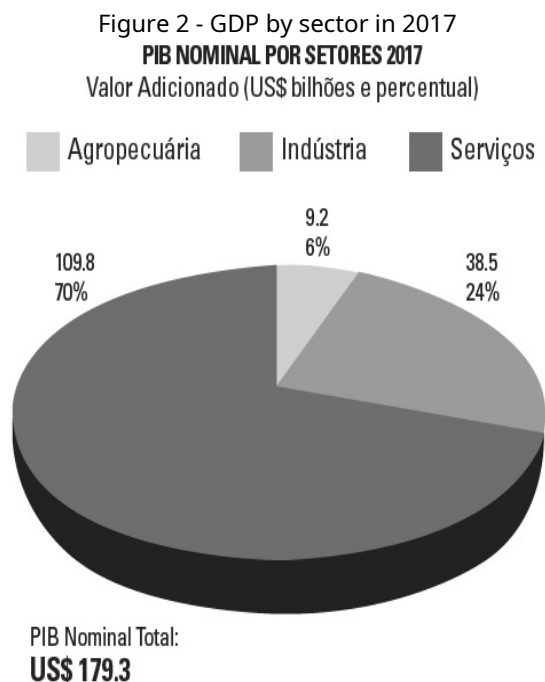
and financial health of the following sectors that are directly linked to the current conditions of contribution to the formation of the state's GDP.

In March 2017, unemployment reached its highest point ever recorded by the IBGE, with a high rate of 13.7% in Brazil, which, according to data from that date, represented approximately 14 million workers without employment conditions. This situation intensified due to instability, poor management and the crisis that occurred in the 1st sector of the economy, in addition to the fall in commodity prices and the slowdown in the Chinese economy.

MUNICIPALITY OF CONTAGEM-MG

Contagem is a Brazilian municipality belonging to the metropolitan region of Belo Horizonte in the state of Minas Gerais, with a population of 659,070 inhabitants, according to the IBGE estimate in 2018.

In 2016, at a time of economic recession in the country, the city of Contagem had an average monthly salary of 2.5 minimum wages (R\$2,200.00), and the proportion of employed people in relation to the total population was 31.6%. As indicated by the IBGE, this value is 21.5% lower than the index of employees per population compared to the capital Belo Horizonte, which corresponded to 53.1% with a population of 2,501,576 in 2018. The state of Minas Gerais is home to the second largest consumer market in Brazil, estimated at R\$444.4 billion (IPC estimate, 2018), as shown in the following graph:



Source: IBGE/João Pinheiro Foundation (FJP) / Department of Economics ACMinas

The table below shows the rate of formal jobs created in the 2nd sector in the state of Minas Gerais.

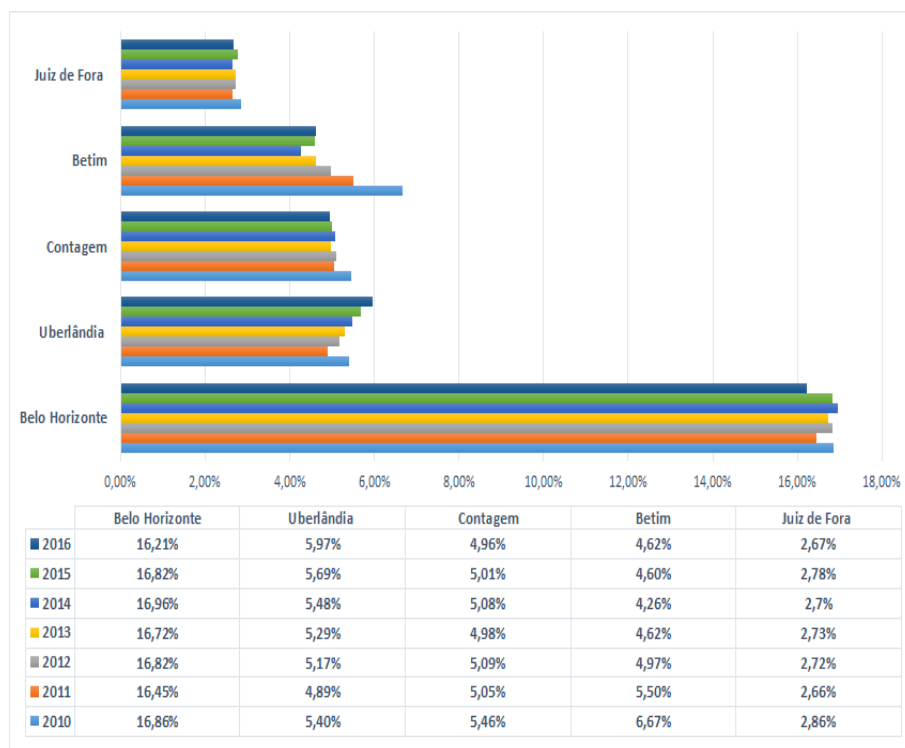
Figure 3 - Formal jobs generated in the second sector in Minas Gerais

EMPREGOS FORMAIS (2016)	
AGROPECUÁRIA	259 mil (5.59% do estado).
INDÚSTRIA	1.06 milhões (22.87% do estado).
SERVIÇOS	3.31 milhões (71.54% do estado).

Source: IBGE/João Pinheiro Foundation (FJP) / MET (RAIS Yearbook)

The city of Contagem is ranked among the top municipalities in the state, based on the economic analysis of its contribution to the development and formation of the state's GDP. The growth of its industries and businesses is due to the local competitive advantages due to its proximity to sources of natural resources, specialized labor and a strong local consumer market. The growth of the 2nd sector, currently estimated at over 38 thousand companies, according to the Municipal Secretariat of Economic Development, makes the city conducive to the growth of business and attractive for new investments. Consequently, in the state's Gross Domestic Product (GDP) ranking, Contagem is in 3rd place with 26,487,357.03 (Unit: R\$ x1000) according to Deepask research with sources from DATASUS - Demographic and socioeconomic data of the municipality, behind Uberlândia and Belo Horizonte in the state of Minas Gerais and 26th place in the national GDP ranking of municipalities in 2016. The following Figure shows the aggregated GDP value in % in the five largest municipalities in the economy of Minas Gerais in the period from 2010 to 2016:

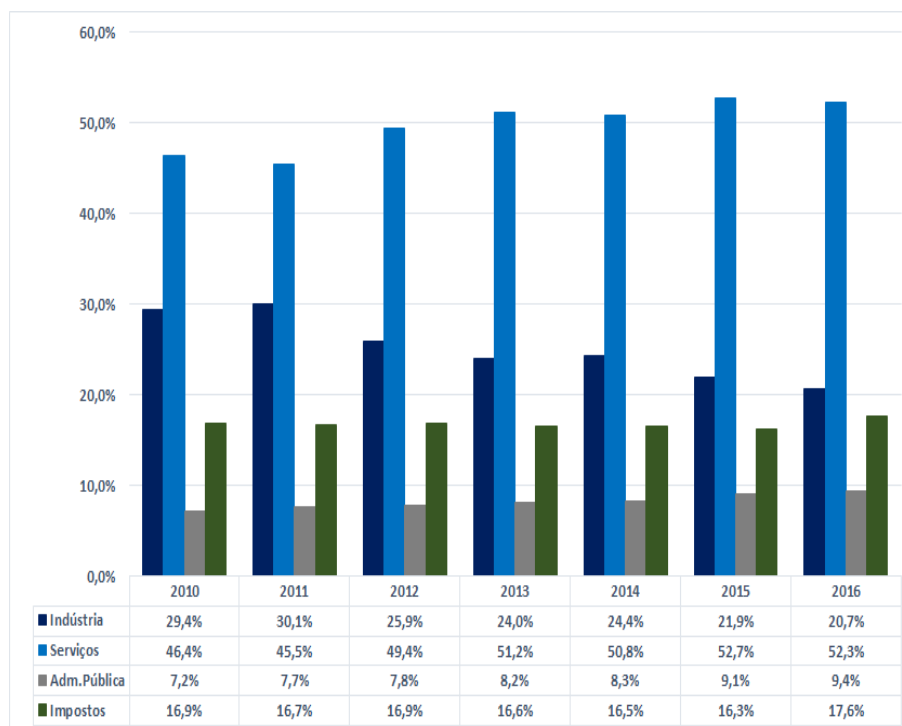
Figure 4 - GDP in the largest municipalities of Minas Gerais



Source: João Pinheiro Foundation (FJP) – May/2019 prepared by the Municipal Government of Counting/SEDECON

This highlight is due to the 2nd sector of the economy, the energy spent on achieving this result and the support of the 1st sector of the economy for significant advances in the development of industrial, commercial and agricultural businesses. It is also worth noting that the 1st sector is responsible for R\$3,658.80 reais per inhabitant of the city's per capita GDP index, as indicated by the IBGE in the update of the GVA by municipality and sector of activity in 2012. According to the João Pinheiro Foundation, in 2019 the 1st sector of the economy closed 2016 with 9.4% of the share of Contagem's GDP, thus demonstrating its relevance not only in administrative and political issues that influence production capacity due to consumer demand, but also for its role in contributing positive numbers to the growth of municipal, state and federal GDP. The following Figure shows the participation of industry, services, public administration and taxes in Contagem's GDP (%) from 2010 to 2016:

Figure 5 - GDP of Contagem-MG in detail



Source: João Pinheiro Foundation (FJP) – May/2019 prepared by the Municipal Government of Contagem/SEDECON

Since 2011, there has been a fluctuation in the commercial demands of the 2nd sector of the economy, but from the perspective of the municipality of Contagem-MG, it is observed that despite the difficulties, there has always been a significant growth in manufacturing demands, mainly in the demand for automotive vehicles. With this growth, the natural consequence is that there will be greater results from investments in new technologies and hiring for the sector in the municipality. The support of the region's public leaders is extremely important to maintain this growth in a sustainable manner.

According to the IBGE, the city of Contagem-MG has come out of a 7-year stagnation and resumed its sustainable growth in recent years. It currently has a growth rate greater than that of the state at a progressive level, assuming the position of third largest economy in Minas Gerais. This result is being achieved due to the participation in direct actions of the federal, state, municipal governments and mainly of companies in the region, demonstrating the importance of interaction between the sectors of the economy. According to Sine (National Employment System), at the beginning of 2019, approximately 1,021 employees entered the job market in Contagem. The city stands out at a national level, since there is a large number of unemployed people in the country.

METHODOLOGY

The study on the growth of the city of Contagem-MG related to the level of employability in the region, at a time of economic recession, was prepared in a single academic production stage. In this stage, the exploratory methodology was used to identify, analyze and conclude on the subject presented, based on other articles and research from the Brazilian Institute of Geography and Statistics (IBGE), and various articles on the proposed themes were also used to carry out a broad approach to the subjects presented.

Critical analysis on the topic is extremely relevant to ensure communication between the sectors of the economy and make the municipality's recession brief, generating jobs and improving the population's living conditions, and can serve as a model for other municipalities in the state of Minas Gerais and Brazil.

FINAL CONSIDERATIONS

After carrying out the study on the subject and consulting the data collected by representative bodies of the 1st and 2nd sector, it can be considered that the city of Contagem-MG advances with significant growth in relation to the national economy in the current economic and fiscal situation that the country is going through in 2019.

The city of Contagem-MG has more than 107 thousand m² of industrial area and stands out for its economy in the manufacture of clothing and accessories, assembly of motor vehicles, auto parts industry, manufacture of medical-hospital equipment, plastic, oil refining, gas distribution, furniture manufacturing, among others, which make up the diversified production matrix of the municipality, which generated in the first quarter of 2019 a total of 20 thousand jobs according to the General Registry of Employed and Unemployed Persons (Caged), a total of 17.6% more than the same period in 2018.

The data collected for the development of the article are part of research and texts that are highly recommended to public administrators, as it is an instrument of popular participation. Individuals, both residents and non-residents of the municipality of Contagem-MG, are advised to familiarize themselves with the transparency portal of the resident municipality, in order to manage information about the management of the finances and administration of their municipality in a clear and efficient manner. Inspection is a public utility instrument to ensure that its agents comply with their legal obligations to society.

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