

MEASUREMENT OF RURAL LABOUR FORCE IN POLAND

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Abstract

Measuring of the size and structure of the labour force in rural areas in Poland causes many difficulties. In particular, it refers to the population working in agriculture. It results from different data obtained from different statistical sources, from high dynamics of changes taking place in the Polish agriculture as regards the labour force, a high rate of older people working in agriculture, and also, from a different situation in the rural labour market of the population connected with agriculture, as well as, population outside agriculture. Solving the problems constitutes an important task for the Polish labour statistics. In the paper there are presented basic tendencies in the rural labour market, as well as, the methodological and conceptual improvement of measuring the rural labour force in Poland.

1. The importance and scope of analysis of the rural labour market

The Polish labour market has been experiencing quite serious problems in recent years. The number of workplaces has been falling for a few last years, which in view of the demographic growth of labour forces has intensified growth of unemployment. Despite the fact that currently the number of the unemployed is slowly falling, the level and intensity of unemployment in Poland are very high. Actually, all most important characteristics of labour market negatively distinguish Poland among other EU countries with: low level of economic activity of the population, alarmingly low employment rate, very high unemployment level, relatively low occupational and spatial mobility of the population, narrow range of non-standard and flexible forms of employment (one of indicators of low flexibility of the labour market), low fluctuation of unemployment. However, we stand out particularly negatively due to a very low level of engagement of human resources in the work process and a very high unemployment level. [Witkowski, 2003]

The rural labour market has an important place among difficult problems that must be solved in the Polish labour market. No wonder, since 14.6 million persons live in the rural areas, which constitutes 38.2% of total population of Poland. As opposed to the number of persons living in urban areas, which has been systematically growing (however at a falling rate), the number of rural population, for a dozen years or so, has remained relatively stable. From the labour market point of view this is a population with its own specific problems and needs.

Therefore, a proper diagnosis of the situation in rural labour market is extremely important for a general evaluation of the Polish labour market. One of the elements of this diagnosis should be the measurement of labour resources: their size, demographic and professional structure and trends. For supply of labour force – besides the demand for labour - constitutes the second component of the labour market. Therefore, accurate information on supply of labour force is necessary for many users of statistical data, decision-makers and analysts of the labour market problems. It is therefore significant to distinguish potential and active labour force resources. The first category includes population in working age (in Poland these are persons aged 18-59 years for women and 18-64 years for men), and the second (also referred to as the economically active population) includes all employed and unemployed persons. However, both categories of labour resources are not homogenous and therefore the scope of analysis and information should include those of their features that determine the situation of

certain population groups in the labour market. We shall focus our considerations on the active resources of the Polish labour force.

Fundamental information on labour force resources obviously refers to their size. There are a number of factors influencing the size of supply of labour resources that are subject to rather dynamic changes within a relatively short period of time. Poland has been a good example, since in the last decade we have noted quite significant increments of working age population, which have also had an impact on size of active resources of the labour force. Demographic situation was the most important factor determining these changes, although other factors influencing the size of labour resources (earlier retirements, gaining of pre-retirement benefits, passing on to pensions, continuation of education etc.) were also of significant value. Full evaluation of the labour force supply requires therefore measurement of changes in its volume and factors that determine these changes.

However, from the point of view of the needs of labour market analysis, information on the size of labour force resources is insufficient. Since it is the structural characteristic of economically active population which is important. It often decides on professional opportunities and perspectives of a certain population. From this point of view the most important is demographic and professional features.

The category of potential resources of labour force alone considers age as a distinguishing criterion for this population, but age is also a significant attribute with regard to economically active population. Therefore, knowledge of the labour force structure by age is crucial information. Particularly, it is important for rural population in Poland because for many years the main characteristic of Polish private farms has been a large share of farmers in advanced working age and post-working age. Knowledge of this structure is therefore important decision factor for search of certain social solutions or solutions connected with improvement of economic efficiency in agriculture. Also the information on gender structure of labour force resources is of importance for the analysis.

Expectations of employers and the labour market towards new employees have been changing quite rapidly in the contemporary world. Also requirements towards already employed persons have been changing. Following these requirements is possible only through systematic professional training, and actually self-education throughout the entire life. Labour market requirements constitute also an important challenge for school education system, since qualifications of graduates often decide on possibilities of finding a workplace and professional opportunities. For that reason professional and qualification structure of the labour force are an important element of labour market analysis and a premise for decision making on improvement of the educational system.

It is worth drawing attention to one more aspect of labour force resources' analysis, namely its spatial cross-section. Territorial differentiation of situation in the labour market has been an attribute characteristic for every country. In Poland, it has been exceptionally strong, particularly at the level of local labour markets. Of course there are a lot of factors that cause such differences and generally they are both on the demand and supply sides of the labour force. Analysis of these differences can facilitate undertaking of appropriate actions that enable better balancing of the labour market, also within the scope of labour force supply. In Poland, small spatial mobility of rural population has been well known for many years, which, combined with strong spatial differentiation of demographic increase of labour force has had a substantial influence on unemployment formation. Educational gap of population living in rural areas, particularly agricultural population limiting possibilities of finding appropriate workplaces by this population, has also been known. This reduces also the scale of occupational mobility that is so needed, particularly in terms of transformation of the economy.

The result of the above considerations is that demand for information on rural labour force is very wide and includes, in conjunction with its spatial distribution, many demographic and

professional characteristics of economically active population. Such information is necessary with high frequency and for a long term, so that evaluation of fundamental trends in the labour market is possible. Construction of information system on the labour market in Poland, including the rural labour market, is heading precisely in this direction.

2. Population censuses as the fundamental source of information

Such complex range of information on rural labour force is provided only by population censuses. There are a number of qualities of such survey, which decide on its importance for analysis of the rural labour force. First of all, it is a significant fact that on the grounds of this survey, according to homogeneous methodology, we can distinguish all most important population categories: economically active, the employed, the unemployed and also economically inactive persons. The latest results of the 2002 census in Poland (Population and Housing Census 2002) will allow distinguishing a methodologically homogeneous category of economically active population and characterizing it in detail. This analysis may include both elements of the structure of economically active population (in terms of its demographic, social and professional features), as well as evaluation of the intensity of economic activity of the population (applying economic activity factors).

The results of the population census allow also for a detailed description of both sub-populations of economically active population: the employed and the unemployed. From the point of view of the economy, employed population is the leading category, as it reflects capability of jobs creation by the economy, defines qualification and professional requirements towards the employed population. The employed population, therefore, pictures quantitative and qualitative demand of the economy for labour resources. Therefore, analysis of the actual condition and structure of the employed population, and also evaluation of changes of this population in time, are the necessary components of analysis of the situation in the rural labour market. It should also include many features, of which the most important are: qualifications and demographic properties of the employed, type of activities of entities where they are employed, and broadly understood work conditions.

However, in current circumstances, the evaluation of professional structure of the population working in rural areas has gained special importance. During the transformation period, economic demand for certain qualifications of employees changed considerably, what was not always reflected in the professional structure of the supply of labour force. This mismatching of supply and demand structure according to qualifications (particularly according to professions) obviously had an impact on high unemployment. Nevertheless, larger dynamics of changes, including adjustment of labour force qualifications, has occurred in urban labour market. In rural areas these processes occurred with delay and in a smaller scale. Results of the 2002 population census allow for a quite in-depth analysis of population's professional structure and evaluation of its changes during the transformation. This has been a considerable enrichment of our knowledge on occupational mobility of our country's population, including the rural population. Awareness of the educational and qualification gap between populations living in rural and urban areas should constitute an important premise for educational policy in our country. Therefore, if acceleration of development in rural areas is the important objective of macroeconomic policy, then elimination of this educational gap, as obstacle of economic development, is the crucial task.

For labour statistics, a particularly important task is to gather detailed information on population employed on private farms. In case of the Polish agriculture, which employs a relatively high number of persons, constitute a relatively large percent of the total number of the employed persons, demand for such data is very urgent. During the transformation, the Agricultural Census in 1996 was the first survey with so broad character that provided detailed

information on population employed in agriculture. Results of this census, however, disclosed a different number of persons employed in agriculture as compared to other sources of data, in particular with data from the Labour Force Survey. Due to these discrepancies, for some years the number of persons employed on private farms was considered unchanged and determined on the basis of the agricultural census. However, this was not a correct solution since, as a matter of fact; it overlooked changes that occurred in the Polish agriculture within the last few years. This was disclosed by latest data from the Population and Housing Census, which with reference to the number of the employed on private farms differs considerably from the previous estimates.

A large number of these persons could give up working on a farm without any consequences for its output. Actually we observe here the phenomenon of hidden unemployment. Results of the census allow for estimation of the size of hidden unemployment on private farms as well as many of most important demographic, social and professional features of the population redundant in agriculture. This is a very important value of the census for analysis of rural and agricultural labour market. Simultaneously, by comparing data from the Population and Housing Census 2002 with Agricultural Census 1996, one can illustrate the main trends of changes in the employed population, including population redundant in agriculture.

One of the problems of rural labour market is the unemployment. To a large extent it is peculiar, because it partially results from liquidation of the previous state owned farms, from a lower – than some years ago - number of commuters living in rural areas and working in towns and limited development possibilities for the majority of rural areas. Therefore, a survey on rural unemployment is an important element for diagnosis of the rural labour market. Because of the methodology, applied in the population census to analyze population's economic activity, this source of data provides the best information on rural unemployment. Of importance, for this evaluation, is also the full international comparability of the population census data on unemployment in general, including also rural areas and the possibility to present the scale of unemployment risk with regard to different groups of rural population.

Hidden unemployment, in the first place on private farms, has been a distinct problem in rural areas. This happens because the Polish agriculture has still been characterized by a large agrarian dispersion, large proportion of small farms and agricultural plots, relatively small yield of marketable agricultural products and a large proportion of farms producing for their own needs. These features of the Polish agriculture cause that we observe employment that is redundant from the economic point of view. Difficult situation in the rural labour market, relatively large families and households of population connected with private farms, favor employment in the farm of all members of the household, who are capable of working. According to international recommendations, all persons who during the week assist in farm work for at least one hour, are classified as the employed. These criteria cause that most of persons connected with a farm are accounted for as the employed. Meanwhile, this rule of solidarism of household members has frequently had no economic justification. This is how the hidden unemployment on private farms has occurred. Results of the census allow describing the hidden unemployment not only according to its size but also according to characteristic of persons considered redundant at work on a farm.

Following advantage of the census is the possibility to analyze the situation in rural labour market from any spatial profile. In terms of a strong spatial differentiation of rural labour market, there is a large demand for information that will allow for a detailed evaluation of situation at the level of local labour markets. Data of this type, meeting standards of international statistics and enabling survey of rural labour market at the lowest level of spatial division (administrative), have been available for the first time in the whole transformation

period. Full integration of the results of the Population and Housing Census with the results of Agricultural Census (both were completed simultaneously in 2002) provides previously unavailable information (in such scope and with such accuracy) on the rural labour market, and on the labour resources in rural areas. Therefore, there is no question that the census is by far the most useful source of information on the rural labour market, on labour resources and their demographic, social and professional qualities, and also their application in work process.

3. The employed and the unemployed population in rural areas

Using the results of the Population and Housing Census we can ascertain that in the year 2002 over 11.512 thous. persons aged 15 years and more lived in the rural areas. Most of them were economically active – over 6,329 thous. persons, i.e. 56.3% of total rural population of this age. The employed population, however accounted for only almost 5.1 million, i.e. 45.2% of rural population. The census disclosed also that most of rural population works outside of their farms. This is a population of approximately 3.2 million persons, i.e. 63% of the total employed rural inhabitants. Persons employed exclusively or mainly on their own farms are thus in minority, for their number equals 1,868 thous. persons. These are not all employed in agriculture, since a part of them lives in towns. The total number of the employed in agriculture equals 1.967 thous. persons, therefore those rural inhabitants employed on their own farms constitute 95% of the total number of the agricultural employment.

However, it should be noted that by means of the number of employed on private farms the current situation has been substantially different than a few years ago. Still, in 1996 the Agricultural Census disclosed that 4,659 thous. persons worked exclusively or primarily on private farms, i.e. 28.7% of the total number of the employed in Poland. Because for the first time, in a general survey such as Agricultural Census, the international definition of an employed person was applied (poorly reflecting the Polish agricultural reality), this number had been overestimated. In particular it referred to the number of persons employed in agricultural plots (up to 1 hectare of agricultural land). On private farms (over 1 hectare) the number of the employed was smaller, but also high since it exceeded 3,836 thous. persons (24.2% of all the employed). Meanwhile, the latest data from the Population and Housing Census (2002) indicate that the number of the employed exclusively or primarily on private farms has been substantially smaller and it constitutes currently 14.9% of the total number of the employed in Poland.

Few factors made impact on changes of the number of the employed on private farms in Poland. One of them was the change of the definition of a person employed on private farm in agriculture, applied in censuses of 2002, as compared to international definition applied in the Agricultural Census of 1996. The new definition of persons employed in agriculture did not include those employed exclusively or primarily on farms with area over 1 hectare that produced exclusively for their own needs. It did not include also persons employed in agricultural plots producing exclusively or primarily for own needs and owners of livestock, production of which was intended exclusively or primarily for their own needs. The change of the definition did not have a decisive meaning, since the number of the employed on private farms declined for this reason by only 359 thous. persons.

Therefore, there is no question that significant transformations have been taking place in the Polish agriculture, with regard to different sides of its functioning, also including the employed population. [*Evolution, 2003; Regional differentiations, 2003*]. They are reflected in the following changes:

- in comparison to 1996, the number of population aged 15 years and more in households with a user of farm (rural population) has fallen by 418 thous. persons (by 4.8%),

- in relation to 1996 the number of rural population employed exclusively outside a farm has increased (by about 989,000 persons),
- after 1996, the attitude of rural population towards unemployment changed. Still in 1996, on the basis of the Agricultural Census, rural population had declared their unemployment very rarely (thus the number and unemployment rate in this population had been very low at that time), which resulted in hidden unemployment on a large scale – about 900,000 persons. Much bigger part of rural population declared themselves as the unemployed during the census of 2002, as a result of which the number and rate of the open unemployment among the agricultural population increased considerably (the unemployment rate of 14.1%), and the scale of hidden unemployment considerably fell – to over 300,000 persons.

Current data on the number of persons employed on private farms in agriculture have been more reliable, since they are close to the LFS results. These difficulties in establishment of the number of persons employed in agriculture reflect a huge importance of a correct system of information for rural labour market, and also the need for a good survey on rural population that can provide good quality and reliable data as well as guarantee international comparability of information.

Despite these changes, there have still been redundant persons from the farm productivity's point of view among persons working exclusively or primarily on their own farms. It has been assumed that this part of population employed on farms is referred to as the hidden unemployment. In view of results of the Agricultural Census of 1996 this population accounted for, depending on qualification criteria, even about 900,000 persons. Since then, in following 6-7 years the situation changed, because hidden unemployment decreased significantly in private farms. In 2002, the number of persons working on private farms and considered as redundant (i.e. those who worked maximum three months in a given year or persons who despite working longer than three months but on average less than 4 hours a day) constituted 417,000 persons, out of which over 386,000 were rural population (about 93%). Hidden unemployment in agriculture has been almost exclusively a problem of population living in the rural areas. First of all these are persons working only on their own farms (minimum number of persons working mainly on their own farms and agricultural plots) and, in majority, women (53%). Despite a decrease of the hidden unemployment rate, still these persons have a big share in total number of rural population employed in agriculture (20.7%). This proportion is larger for population of women (24.1%) than for men (17.8%).

Table 1. Hidden unemployment on farms in Poland

Specification	Total	Men	Women
TOTAL	417,0	197,7	219,3
Inhabitants of rural areas	386,1	181,3	204,8
in % of total population	92,6	91,7	93,4

Source: own calculations based on Population and Housing Census 2002

Hidden unemployment primarily exists in small farms with smaller area than 5 hectares (about 60%), and to the largest degree pertains to older persons, since more than a half of this population are persons aged 45 or more. Within this number almost one fifth is aged 65 or more and persons with primary or lower education (almost half) and with basic vocational education (about 28%). Hidden unemployment is therefore a phenomenon typical primarily to small farms and pertaining mainly to those employed in their own farms, older persons, persons with low qualifications and it includes women more frequently. [*Labour resources*, 2003, p. 264-265]

A smaller scale of the hidden unemployment has been partially connected with the growth of open unemployment in rural areas. According to the Population and Housing Census there were 1,251 thous. unemployed in rural areas in 2002, which indicated a 19.8% unemployment rate. Unemployment, therefore, has not only been a problem for inhabitants of urban area but equally important problem for inhabitants of rural areas.

4. Dual character of rural labour market

From the point of view of evaluating the situation in the rural labour market in Poland, distinguishing the rural population connected with agriculture (population actually living in households with a user of a farm or agricultural plot) from population that is not connected with agriculture has a fundamental significance. Conventionally, we shall call the first group as agricultural population, whereas the second as non-agrarian population. According to the data from the Population and Housing Census (Census) of 2002 over 11.5 million persons aged 15 years or more lived in the rural areas (almost 79% of the total rural population). Out of this over 6.7 million (i.e. 58.5% of total population in this age) – are connected with households of private farmers (over 80% of total rural population in the country). Population that is not connected with farms is thus less numerous but it counts almost 4.8 million persons.

Each of the groups however is strongly differentiated in respect of many features and their positioning in the labour market. As shown in earlier surveys and analyses, actually the main line dividing the population living in rural areas lies between these two groups. This line determines two segments of the rural labour market. [Rosner, 2003, p. 219] That is why it is sometimes stressed that the Polish rural labour market is of a dual nature.

Distinction of these two rural labour markets (agricultural, non-agrarian) has also significant value for reflection upon the future of the rural labour market. It should be assumed that the trends in both labour markets would take completely different courses in the future. It is hard to expect a development of the agricultural labour market, creating new jobs and employing a larger number of persons. It should be rather expected that, according to trends observed earlier in many countries, this market would significantly shrink. Opposite expectations refer to the non-agrarian rural labour market in the rural areas, which should systematically develop, offering more jobs for population inhabiting rural areas, including that moving out from agriculture. Solution of problems in rural labour market is therefore connected with the development of the non-agrarian sector of economy in the rural areas.

All basic indicators indicate fundamental differences in the labour market status of agricultural and non-agrarian population. Traditionally agricultural population distinguishes itself with a relatively high rate of economic activity. This feature was also confirmed in 2002 (the rate of economic activity was 60.9%), though the level of economic activity of agricultural population is not as high at present as it used to be a dozen or so years ago. Nevertheless the level of economic activity of the agricultural population is considerably higher than that for non-agrarian population (49.6%). These differences in the level of economic activity of above mentioned groups refer both to men and women (in both sub-populations the economic activity is higher among men). Higher economic activity of agricultural population is also typical for all population age groups but biggest differences can be observed in pre-working age and post-working age and non-mobile working age (45-59/64 years). High economic activity in post-working age is the feature distinguishing the agricultural population. In 2002, every fifth person in post-working age was economically active, whereas in the non-agrarian group it was a marginal phenomenon (the rate of economic activity was 1.6%). On the other hand the non-agrarian population is characterized, as opposed to agricultural population, with a relatively small economic activity in non-mobile age (49.3%), which has influence on lower level of economic activity of total population in the working age. Higher level of economic activity of

agricultural population than that of non-agrarian is typical for each educational level. These differences, however, are not large within the group of persons with highest educational level (tertiary, post-secondary and vocational secondary) but are significant for population with primary education at the most.

The higher level of economic activity of agricultural population than that of the non-agrarian population results from differences in employment intensity. The rate of employment for the agricultural population (52.8%) is considerably higher than that for the non-agrarian population (34.3%) and to a larger extent this refers to women than men. So that a considerably larger part of the agricultural than non-agrarian population is employed and this refers both to men and women. A higher rate of employment is typical for agricultural population in all age groups but largest differences refer to population in post-working, pre-working (but this is a relatively small population) and non-mobile age.

There is also a clear regularity: the lower level of education of the population the larger difference in employment intensity in favour of the agricultural population. The rate of employment for the agricultural population with primary education exceeds 36%, whereas for non-agrarian population it is only 12%. Therefore, persons with higher qualifications (educational level) find employment easier no matter if it is the agricultural or non-agrarian population but higher chances for employment of the non-agrarian population are primarily connected with a higher level of its education. The lower it is, the lower is the rate of employment. It is an important indicator for the strategy of increasing employment of rural population, particularly of that not connected with agriculture.

Table 2. Population living in rural areas aged 15 and more according to economic activity and selected features in 2002

Specification	Agricultural population			Non-agrarian population		
	Economic activity rate	Employment rate	Unemployment rate	Economic activity rate	Employment rate	Unemployment rate
TOTAL	60,9	52,8	13,4	49,6	34,3	31,0
Men	67,8	58,9	13,1	57,9	41,5	28,3
Women	53,9	46,5	13,7	42,1	27,6	34,4
Age						
Pre-working	10,3	9,7	6,4	2,8	1,9	33,9
Working	76,0	65,1	14,4	68,7	47,3	31,1
Mobile	80,7	66,1	18,1	77,3	52,2	32,5
Non-mobile	67,1	63,1	5,9	49,3	36,3	26,4
Post-working	20,3	20,2	0,3	1,6	1,5	7,3
Education						
Tertiary	87,3	80,4	7,8	84,7	79,4	6,2
Post-secondary	81,7	71,3	12,7	75,6	62,6	17,2
Secondary vocational	79,9	68,5	14,2	73,7	56,6	23,2
Secondary general	62,6	50,6	19,1	56,5	40,5	28,2
Basic vocational	79,1	66,9	15,4	71,9	47,4	34,1
Complete primary	40,7	36,4	10,4	23,5	11,8	49,7
Incomplete primary and without school education	18,2	17,5	3,7	2,6	1,1	58,0

Source: Economic activity of population, Population and Housing Census, Agricultural Census, CSO, Warsaw 2003

Another feature that is distinguishing agricultural and non-agrarian population in the labour market is the risk of unemployment. As it appears, it is much bigger among the non-agrarian population. The rate of unemployment for the non-agrarian population was 31% that is 2.3 times higher than the rate for the agricultural population (the unemployment rate of 13.4%). This difference is even bigger in case of women (34.4% for non-agrarian and 13.7% for agricultural population).

Larger risk of unemployment for non-agrarian population as compared to agricultural population exists practically in all age groups. It has been most clearly visible among the population at pre-working age (but this is a relatively small group of the unemployed). Also it is observed in the post-working age group (in agricultural population there is virtually no unemployment and in non-agrarian group it exceeds the level of 7%, so it is also not high) and in non-mobile age group. In this last group the unemployment in agricultural group is relatively small (unemployment rate of about 6%) but in the non-agrarian group this rate exceeds 26% (i.e. more than four times higher). The largest unemployment rate, however, exists among non-agrarian population in pre-working age (34%) and in working-mobile age (32.5%). Definitely in the worst situation in the rural labour market are young persons (up to 24 years of age), among which the unemployment rate for the non-agrarian group was 48.8% and for the agricultural population 33.4%. The situation in the labour market for young non-agrarian population is therefore even more difficult than the situation of young persons in urban areas and decisively more difficult than that of agricultural youth. However, a high risk of unemployment across all age categories and relatively large proportion of the unemployed population in older age groups is a characteristic feature of the non-agrarian rural population.

The non-agrarian group is an example that confirms the broadly recognized feature of unemployment, namely a high unemployment risk for population with low qualifications. In the light of the results of 2002 censuses (Population and Agricultural) the low educational level of non-agrarian population is fostering a high rate of unemployment. Among the non-agrarian population with primary education, at the most, the unemployment rate has exceeded 50%. A high intensity of unemployment can also be observed among population with basic vocational education (unemployment rate of over 34%). None of the qualification groups (according to education) among the agricultural population has had so high unemployment rate. The highest unemployment rate refers to the population with general secondary education (19.1%), whereas unemployment rate for other groups is considerably lower. It is worth noting that the agricultural population with primary education, at the most, features relatively low unemployment (unemployment rate of about 10%) and this is the most typical difference between the unemployment of agricultural and non-agrarian population.

Summarizing, we can therefore state that in rural areas we observe considerable separate features in the situation of agricultural and non-agrarian population in the labour market. This first group is characterized by a higher level of economic activity, mainly because of a higher involvement of post-working age and working-mobile age population in work process and population with at least primary education (higher employment levels). On the other hand non-agrarian population is characterized by a high unemployment level, considerably higher than that of the agricultural population, but also considerably higher than that of the urban population. Situation of the non-agrarian population in the labour market is therefore particularly difficult but the youth and population with low education levels are in the most difficult situation.

Discussed differences between agricultural and non-agrarian population are not the one and only because each of these populations is also differentiated internally by a number of features. However, from the point of view of measurement methods for rural labour force these differences are particularly important.

5. Current survey of the rural labour force

Analysis of the census data has confirmed that in the Polish reality we have to deal with two segments of the rural labour market and with fundamentally different situation of the two groups of rural population: the agricultural and the non-agrarian population. This phenomenon of the Polish rural area justifies monitoring of changes in the rural labour market. Census surveys, despite huge cognitive merits, because of their periodical character, do not satisfy these needs. For that purpose a system of analysis of the labour market was established, which provides the latest data on basic occurrences and processes.

The Labour Force Survey (LFS) is most useful for complex analysis of the resource of the rural labour force. Primarily, because it includes population actually living in rural areas and provides information about its situation in the labour market. This is the only current survey, on the basis of which we can analyze the rural labour force.

An important advantage of the LFS, from the point of view of the characteristic of the Polish rural area, is a possibility to distinguish on its basis between the agricultural and nonagrarian population, which – as we already know - differ in situation in the labour market. Without a separate analysis of agricultural and non-agrarian populations there is no chance to comprehend the fundamental division lines in rural areas and present the most important problems of the rural labour market.

A huge advantage of this survey is that we can isolate, on the basis of it, all population categories important for the diagnosis of the rural market, namely: the active, employed and unemployed and economically inactive population. Apart from the census, no other survey provides so conceptually coherent and essentially uniform data. This creates exceptional interpretative possibilities, free from essential incoherence of different information sources on labour market situation and enables quite broad analysis of certain population categories. For each one of the distinguished population groups (the active, employed, unemployed, and inactive) we have a lot of information on their demographic, social and professional properties. Therefore, based on the LFS, we can conduct the most complex analysis of the rural labour market.

In Poland, this survey has been conducted since 1992, with quarterly frequency from the very beginning and thus, we have a relatively long time series data. Thus, an additional merit of this survey is the possibility of analyzing the quarterly changes in the rural labour market, which is desirable with regard to the continuous reconstruction of agriculture and rural areas.

On the basis of the LFS we have the possibility to distinguish agricultural and non-agrarian populations in the rural area and describe their up-to-date situation (in quarterly cycles). However, the representative character of the survey does not allow for a more in-depth analysis of certain population groups at the level of local and above local labour markets. (NUTS 3,4,5). But apart from the LFS we have at our disposal a number of other surveys that include certain groups of labour force in the rural areas. Due to organization and accessibility of data, these surveys differ in case of agricultural and non-agrarian population. It should be stressed though that the current labour statistics examines work places, also by their localization in urban or rural areas, but does not examine the population by their place of living. In case of population living in rural areas we can evaluate its situation in the labour market only approximately, since inhabitants of rural areas occupy the majority of rural work places. This does not change the fact that possibilities of a rural population analysis on the basis of current labour statistics are limited.

As far as survey on persons working in rural areas is concerned, it is an integral part of the survey on labour market outside of private farms. With regard to entities with more than 9 employees, these surveys are conducted with monthly and quarterly frequency but using the method of enterprises, without the possibility of isolating the number of work places in rural

areas. Only the annual survey is more detailed and allows distinguishing persons employed in the rural areas. In addition, once a year we also conduct a survey on units employing up to 10 persons, with the possibility to distinguish work places located in the rural areas. Therefore, only annual surveys provide data on the number of persons employed in the rural areas outside of private farms. They carry, however, a limited range of information on the characteristic of persons employed in the rural areas since they distinguish only their gender.

However there have been no current surveys on persons employed on private farms. To establish a general number of the population employed in rural areas we utilize the data about persons employed on private farms from the LFS or we prepare estimates based on data from the last Population or the Agricultural Census. Nevertheless, lack of conformity of results that originate from different sources has so far impeded preparation of estimates, therefore so far a constant number of persons employed on private farms, established during the Agricultural Census of 1996 had been assumed for official information on the number of persons employed in 1996-2002. The results of the latest census have shown that it had been a false assumption. For that reason, in the nearest future, as an additional source of data on persons employed on private farms, a survey on the structure of agriculture (Farm Structure Survey) shall also be applied. This survey shall be conducted every 2 years.

Next, when it comes to the unemployed as the second category of population constituting the labour force, we have two sources of information in Poland: the register of unemployment and the LFS. I have mentioned above the advantages and limitations of the LFS. There is no question that it has been the best source of data on unemployment in the rural areas, providing complex and internationally fully comparable data. Its disadvantage has been the quarterly frequency of data dissemination (monthly data are needed) and limited possibilities of spatial presentation (data are accessible for voivodships only while data are necessary also for local labour markets). From this point of view the registers of unemployment are a good supplement for the LFS. On their basis, data on the registered unemployment have been accessible on a monthly basis and with high accuracy in spatial approach (on the poviats level). Unfortunately, the registers encompass only a part of the actually unemployed in the rural areas. According to the definition, binding upon legal regulation [The Law, 2004], agricultural population from farms having more than 2 hectares of agricultural land is not accounted for as the unemployed. From the point of view of the survey on rural labour market this has been a big constraint.

There is also hidden unemployment in the rural areas and this does not only refer to economically inactive population because of their discouragement in searching for a workplace, but also to the employed in agriculture. As it was shown earlier there are persons who help but economically redundant from the productivity of a farm point of view among persons working on private farms. The current statistics of the labour market does not offer the possibility to estimate the number of this population, not to mention its demographic and professional characteristics. In the nearest future such estimates will be possible on the basis of the results of the Farm Structure Survey.

What results from the above review is that possibilities for complex analysis of the rural labour force based on current surveys of labour market are limited. Actually only the LFS provides data that enable such analysis but with a limited spatial scope. The remaining sources of data on labour force provide fragmentary information and primarily on work places located in the rural areas. Creation of an integrated system of surveys and accounts for labour market that allows a quite detailed analysis of the rural labour market has still been an important task for labour market statistics.

6. Directions for improvement of rural labour force measurement

The best current source of data on the rural labour force has been the LFS, as it has been discussed. However, a representative character of this survey (at limited sample size due to financial constraints) limits the analytical possibilities of the rural labour market in the spatial approach (to voivodships). Meanwhile, the demand for data on local labour market has been systematically growing and therefore one of the directions for improvement of statistics has been broadening of the scope of data estimation for small areas with the use of the LFS results. The Central Statistical Office, within the framework of improving the regional statistics, has already commenced works in this regard. We have also enjoyed a greater support from academics, because the statistical issues of small areas have considerably gained importance in last years. [Gołata, 2004]

In case of the rural labour market, the data on employed persons in private farms have been particularly sensitive. The experiences from the transition period have shown that collection of reliable information on population employed in agriculture has been very difficult. Only results from the LFS have been accessible on up-to-date basis, however without a possibility of comparison with any other source of information. For this reason the LFS data have often been criticized by its users as being not much reliable. The last census has proved that this criticism has not been justified. Nevertheless, because of a small representation of rural population and farmers in this survey, it has been recommended to use also other sources on persons employed on private farms. Such possibilities are offered by the Farm Structure Survey (FSS), the framework of which provides for a relatively broad range of information on the employed persons. This information has primarily been referring to work time in certain seasons (spring, summer, autumn, winter) with consideration of the number of working weeks in the season and the average number of working hours in a week. Such approach to work-time was comparable to other surveys on rural population, which were conducted earlier using the opportunity of carrying out the LFS and during the 2002 Agricultural Census. The FSS shall be conducted every 2-3 years but still the accessibility of necessary data shall be more frequent than in case of the population censuses. Thank to this survey the results from the LFS shall be confronted with the FSS data in the part regarding persons employed on private farms. With such comparison (verification) of the LFS data we will be able to use them for estimation of persons employed on private farms. However, initial data shall always be taken from censuses (or Agricultural Census) and then updated with the use of trends, observed in the LFS, referring to the change of the number of population employed on private farms. Starting from the year 2002, data on persons employed on private farms in agriculture shall be updated at least once a year.

Both sources of data (LFS and FSS) shall also be used for estimation of work units on private farms. First such attempt has been made on the basis of results of the Population and Housing Census and the Agricultural Census of 2002 (Systematics, 2003) and these estimates shall be prepared regularly. Since this is a very important economic category, which decisively better than the number of persons characterizes the actual work outlays taking place in agriculture. It has a larger meaning because, in the Polish agriculture, work-time of farmers is significantly different in certain seasons and, moreover, the work input of different persons employed in agriculture is different.

Measurement of the rural unemployment requires further improvement also. In case of the non-agrarian population, information from unemployment registers has been very useful. This cannot be stated about the agricultural population since the register omits a certain group of the unemployed. Better information on the agricultural population has been provided by the LFS but without the possibility of a detailed spatial analysis. It seems that the most rational direction of actions is to estimate the unemployment for small areas (also rural) on the basis of

the LFS results but with the use of data on the registered unemployment. Works in this direction have been already been commenced within the framework of improvement of the regional statistics.

In conclusion it can be commented that the search for better information on rural labour market, on the rural labour force, should be aimed at a broader use of the LFS results. It is necessary to develop estimates using other sources of information, particularly the new FSS survey to make this possible also for the spatial analysis. Therefore, we plan further growth of the Polish labour market statistics in this direction.

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