

## PROFESSIONAL AND SOCIAL ACTIVATION OF RURAL POPULATION IN POLAND – STRUCTURAL ASPECTS AND LEGAL FRAMEWORKS

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### Abstract

*The main aim of the article was to characterise the issue of professional and social activation of rural population in Poland from two crucial perspectives: of the structure of employment activities of rural population and of the set of legal measures designed to implement and assure desired levels of working activity of domestic rural population. The structural study focuses mainly on such aspects as a number of employed persons in agriculture, hunting and forestry with an indication of such issues as employment in crop and animal production and hunting, employment in agriculture, different status of employees or total number of registered unemployed persons living in rural area. In terms of structural aspects, it should be firstly noted that statistical data clearly shows that employment in agriculture in private farms is the most common form of employment of rural population. It should be also highlighted that the employer or own-account worker on private farm were the most common employment status for rural population in Poland. In terms of legal aspects, the study mainly focuses on analysis of complex legal provisions of both community and domestic law. The Regulation (EU) No 1305/2013 defines basic and fundamental principles of the Common Agriculture Policy related to the issue of professional and social activation of rural population, while domestic acts intend to define legal frameworks customised to Polish realities.*

**Key words:** professional and social activation, rural population, employment, working activity, registered unemployment, law, regulation, Poland, common agricultural policy.

### INTRODUCTION

Modern labour market requires from working population to be more flexible, qualified, skilled and prepared to constantly broaden knowledge and obtain new professional skills. Such requirements may be also related to the rural population that must keep pace with growing professional requirements, constant technological and agricultural market developments. Conservative and reluctant individuals have no future on modern market. Cultivation of land is not the only professional activity of rural population. We should understand professional activities of rural population as series of various mutually connected and complex activities representing agriculture, forestry and hunting sector.

Assuring proper education, qualifications and skills of rural population should be considered as one of the key tasks of the State in pursuing mature and reflective agricultural policy. Both, Community and Polish legislator seems to understand such need and dependency and

introduce various measures and programmes within the Common Agricultural Policy (CAP) and the Rural Development Programmes (RDP) that are designed to offer various opportunities related to professional and social activation of rural population. Desired competitiveness of common agriculture requires from the Member States to assure sufficient financial schemes dedicated to develop rural areas and its populations. Such aim may be achieved also by appropriate activation programmes.

### MATERIALS AND METHODS

The analysis of structural aspects of employment and unemployment in rural area in Poland was based on data coming from report of the Polish Central Statistical Office (CSO). The CSO publishes statistical yearbooks of agriculture or labour market, where the substantial data can be found and utilised in various researches [9, 10].

In terms of legal aspects, the study was based on the analysis of legal frameworks defining priorities and shaping measures necessary to fulfil professional and social activation policies in both Poland and EU [4, 7, 8]. The author tries to both indicate specific priorities related to the issue of working activation of rural population and identify fundamental measures dedicated to such priorities.

## RESULTS AND DISCUSSIONS

### Structure of employment and unemployment of rural population in Poland

#### (a) Structure of employment in agriculture, hunting and forestry

In years 2005-2015, approximately 16 % of total domestic working population was employed in agriculture, hunting and forestry sector (Table 1). Constant but slow growth in employment rates could be observed in case of in case of agriculture, hunting and forestry sector (from 2,134.1 in 2005 to 2,348.8 thousand persons in 2015)(Table 1). The vast majority of working activity in rural area was concentrated in crop and animal production

and hunting, which represented from 97.6 % (in 2005) to 99.3 % (in 2015) of total employment in rural area (Table 1). However, it could be easily observed that agricultural sector with employment in private farms represented the biggest sector and the most popular form of employment in rural areas (from 94.2 % in 2005 to 96.3% in 2015)(Table 1). At the same time, membership in agricultural production cooperatives represented minor part of employment in agriculture sector and experienced constant decrease (from 0.7 % in 2005 to 0.4 % in 2015)(Table 1).

The data presented in the Table 1 allows to sketch preliminary structure of employment in rural areas. It seems that employment in all analysed agricultural sectors represent minor part of total employment on domestic market (approximately 16 %). However, despite indicated characteristics, employment in agriculture, hunting and forestry sector experienced constant growth in the analysed period (10% in years 2005-2015). It may prove that analysed employment sector is quite stable with a prospects of insignificant growth in next years.

Table 1. Employed persons in the economy and in agriculture, hunting and forestry sector in years 2005-2015

Specification	2005	2010	2013	2014	2015	Approx.
	<i>Thousand persons</i>					
Total	12,891.0	14,107.0	14,244.0	14,563.0	no data	13,951.3
	<i>Of which in agriculture, hunting and forestry sector</i>					
Total	2,134.1	2,376.1	2,379.0	2,384.9	2,348.8	2,324.6
	<i>Of which crop and animal production, hunting</i>					
Total	2,082.7	2,326.8	2,326.8	2,331.5	2,331.3	2,279.8
	<i>Of which in agriculture</i>					
Total	2,082.2	2,326.2	2,326.7	2,331.4	2,331.2	2,279.5
Employed in private farms	2,009.4	2,262.6	2,262.6	2,262.6	2,262.6	2,212.0
Members of agricultural production cooperatives	15.3	11.8	10.6	10.3	9.7	11.5

Source: Statistical Yearbook of Agriculture 2016, Yearbook of Labour Statistics 2015, CSO [9, 10].

The statistical data coming from the Statistical Yearbook of Agriculture 2016 [10] allows also to present detailed characteristics of most popular forms of employment in agriculture in years 2005-2015. The CSO has identified three fundamental forms that are vastly utilised in domestic agriculture sector: employment on the basis of employment contracts, own-account working on private farms and membership in agricultural production cooperatives (Table 2).

It seems that acting as employer or own account worker on private farms is the most frequent form of working activity utilised in agriculture. Such status was enjoyed by the biggest number of employed persons in agriculture (from 1,967 thousands in 2005 to 2,216.2 thousands in 2015) (Table 2). This form of employment represented also from 94.5% (in 2005) to 95.3 % (2010) of total employment in agriculture in given period. What is more, the dominant form of

employment experienced significant growth in years 2005-2014 with insignificant decrease observed in year 2015 (Table 2).

The form of employment contracts was the second most popular form of employment in agriculture and could be observed in up to 104.7 thousands cases (in 2015)(Table 2). Such numbers represented approximately 4,4 % of total employment in agriculture in Poland in analysed period (from 4.2 % in 2010 to 4.8% in 2005).

Working activity in the form of membership in agricultural production cooperatives was the least popular form of employment in agriculture in Poland in years 2005-2015 and represented approximately 0.5% of all working activities in agriculture in given period. Furthermore, this form of employment in agriculture seems to constantly loose its doubtful popularity, as its number is constantly decreasing (from 15.3 thousands in 2005 to 9.7 thousands in 2015 (Table 2).

Table 2. Employed persons in agriculture by employment status in years 2005-2015

Specification	2005	2010	2013	2014	2015	Approx.
	<i>Thousand persons</i>					
Total	2,082.2	2,326.2	2,326.7	2,331.4	2,331.2	2,279.5
	<i>of which women</i>					
	923.3	1,118.9	1,127.4	1,130.6	1,130.9	1,086.2
Employees hired on the basis of an employment contracts	99.0	97.4	99.2	104.3	104.7	100.9
	<i>of which women</i>					
	28.3	29.7	38.4	41.7	42.2	36.1
Employers and own-account workers on private farms in agriculture	1,967.0	2,216.2	2,216.2	2,216.2	2,216.2	2,166.4
	<i>of which women</i>					
	890.5	1,085.6	1,085.6	1,085.6	1,085.6	1,046.5
Members of agricultural production cooperatives	15.3	11.8	10.6	10.3	9.7	11.5
	<i>of which women</i>					
	4.3	3.5	3.2	3.1	2.9	3.4

Source: Statistical Yearbook of Agriculture 2016, CSO [10].

It is also worth to focus on the issue of women's participation in agriculture. As it appears from the statistical data (Table 2), working women play significant role in agriculture, representing almost half of working population in agriculture in Poland

(from 923.3 thousands in 2005 to 1,130.6 thousands in 2015)(Table 2). Such number represents approx. 47.7 % of working population in agriculture in Poland in given period. Contrary to popular misconception, men's vantage on analysed filed is minor.

Similar trends in popularity of specific employment forms could be also observed in case of women, where own-account work was the most popular and membership in agricultural production cooperatives was least popular (Table 2). Such surprising trends in employment rate of woman of rural area proves also that the role of women in case of rural area is becoming more important [1, 6].

**(b) Structure of unemployment in rural area in Poland in years 2005-2015**

The unemployment is crucial a problem of any modern economy. Unemployment may be linked to such issues like poverty, public discontent and destabilisation or weaker performance of national economy. Stable unemployment rate may prove that given economy is stable and safe. In case of Poland, significant reduction of unemployment rate could be observed in analysed period as the total number of registered persons decreased from 2.7 million in 2005 to 1.8 million in 2015. However, it should be as highlighted that such trend was not constant as significant growth was recorded in period between 2010 and 2013 (over 200 thousands) (Table 3). The economic crisis was the most probable cause of such

phenomenon. At the same time, the lowest unemployment rate in modern Poland was recorded in 2015 (Table 3).

The same observation can be applied to unemployment rate of rural population. Total number of unemployed in rural area declined in given period by approx. 480 thousands, while in specific period of years 2010-2013 the increase could be recorded (by almost 100 thousands)(Table 3). Having regard to such statistical data, it is clear that the issue of unemployment in rural areas should be considered as real and crucial issue for Polish economy and society. The data presented in Table 3 also allows to analyse detailed age structure of unemployment in rural areas. Firstly, it could be easily observed that the highest unemployment rate was recorded in the case of rural population aged 25-34 (Table 3). The second strongly represented group was aged 24 and less, and the third one was aged 35-44 (Table 3). As it appears, majority of the unemployed rural population in years 2005-2015 was in production age. Such data proves also that the problem of unemployment in rural areas should be mainly related to younger population.

Table 3. Registered unemployed persons by place of residence, age and sex in years 2005-2015

Specification	Total	Of which living in rural area					
		Total	by age				
			24 years and less	25-34	35-44	45-54	55 years and more
Thousand persons							
2005	2,773.0	1,180.4	317.8	342.2	242.1	232.3	46.1
2010	1,954.7	856.4	232.2	247.3	155.4	153.7	68.0
2013	2,157.9	954.8	229.4	274.0	182.4	164.0	105.1
2014	1,825.2	812.1	176.2	233.4	159.4	140.0	103.1
2015	1,563.3	701.6	140.4	200.7	139.3	121.0	100.3

Source: Statistical Yearbook of Agriculture 2016, CSO [10].

Quite interestingly, the opposite trend was recorded in case of unemployment rate of older rural population, as the number of registered unemployment persons aged 55 years and

more significantly increased, from 46.1 thousands in 2005 to 100.3 thousands in 2015 (Table 3). Despite general decreasing tendency in case of both total working population and

rural population, unemployment in case of older rural working population is becoming more important issues. However, higher unemployment rate in case of such working group may be linked to growing popularity of transferring farms to younger generations and improving social security standards.

### **Legal frameworks of professional and social activation of rural population in Poland**

#### ***(1) Professional and social activation of rural population as one of the priorities of the Common Agricultural Policy for years 2014-2020***

The Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17th December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 directly defines such aspects as common mission, objectives and unions priorities of Common Agricultural Policy and EAFRD's in the field of rural development [4]. According to the Article 3 of the Regulation, the EAFRD was created in order to contribute to the Europe 2020 Strategy through promoting sustainable rural development in EU as a complementary measure to other measures of the CAP, the cohesion policy and common fishery policy [4]. The EAFRD shall promote such important aspects of agriculture as better development in territorial and environmental aspects, more climate-change-resistant and eco-friendly rural economy or its more competitive and innovative character [4].

The Regulation clearly defines three basic goals of the CAP in the field of rural development:

- (i) fostering the competitiveness of agriculture;
- (ii) ensuring the sustainable management of natural resources, and climate action and
- (iii) achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment (Article 4)[4].

As it appears, one of the top development priorities of current CAP is to assure and foster proper working and social status of rural communities. It seems that applying proper measures related to the issue of professional and social activation of rural population may

be appropriate instrument to achieve the so defined goal of the CAP.

The Regulation also defines numerous union priorities on the field of development of rural areas, among which there are several that are related to the issue of professional and social activation of rural population [4]. For instance, there are such thematic objectives as:

- (i) fostering lifelong learning and vocational training in the agricultural and forestry sectors (Article 5(1)(c)),
- (ii) facilitating the entry of adequately skilled farmers into the agricultural sector and, in particular, generational renewal (Article 5(2)(c)) or
- (iii) promoting social inclusion, poverty reduction and economic development in rural areas, with a focus on the following areas by facilitating diversification, creation and development of small enterprises, as well as job creation, fostering local development in rural areas and enhancing the accessibility, use and quality of information and communication technologies (ICT) in rural areas (Article 5(6)(a)(b)(c))[4].

The so-defined union priorities in the field of rural development are clearly linked to professional and social activation of rural population. It seems that assuring proper working environment of rural population is one of the top priorities of the European Union.

#### ***(2) Rural Development Programme for years 2014-2020 in Poland***

Rural Development Programme (RDP) for years 2014-2020 in Poland is coordinated by the Ministry of Agriculture and Rural Development. Particular measures, instrument, competent bodies, principles of funding and fulfilling the CAP, specific tasks and goals are regulated under two fundamental acts (Act on financing common agricultural policy of 27th May 2015 and Act on promoting the development of rural areas with the European Agricultural Fund for Rural Development under the Rural Development Programme for years 2014-2020) and numerous implementing regulations [7, 8]. According to data coming from the Ministry, current RDP consist of approx.. 13,612,211,428 EUR, including 8,697,556,814 EUR from EAFRD and 4,914,654,614 EUR from national contribution

[2]. There are 15 directly defined tasks to achieve under current RDP, including specific ones related to professional and social activation of rural population in Poland [2]. For instance, Polish RDP intends to develop such aspects as:

(a) creating employment opportunities outside agriculture without a need to change place of residence through reduction of unemployment rate, fostering entrepreneurship, improving transportation conditions and creating new opportunities of teleworking,

(b) enhancing professional skills and qualifications of rural population,

(c) developing farm helper services, professional advisors in fields of professional and social skills, technology and innovation,

(d) implementing programs for vocational trainings of rural populations,

(e) promoting and developing new sectors such as food processing and agricultural marketing or

(f) implementing specific funding and premium rules that promote young farmers and rural individuals trying to initiate non-agricultural professional activity [3]

The premium programme for young farmers is the first RDP scheme linked to the issue of professional and social activation [3]. Entitled young farmers (applicant to 40 years of age) may apply for financial aid in order to set up an agricultural holding. The aid shall be utilized in order to develop agricultural activity or to prepare for sale of agricultural goods [3]. The aid is granted in the form of financial premiums of 100,000 PLN, paid in two instalments (1<sup>st</sup> – 80% of aid, 2<sup>nd</sup> – 20%) [3]. Beneficiaries of previous RDP programme (for years 2007-2013) cannot apply in current scheme [3]. The scheme is designed to encourage young rural population to initiate and continue professional activity in rural area through appropriate financial boost.

Another significant scheme is designed to restructure small farms. Financial aid granted under the programme should be spent on measures that will improve competitiveness and profitability of given agricultural holding through increase of economic size of farm, especially by the switch of production

profile [3]. Financial aid under the scheme is granted in the form of premiums of 60,000 PLN (but no more than 15,000 EUR), paid in two instalments (1<sup>st</sup> – 48,000 EUR, 2<sup>nd</sup> – 12,000) [3]. This form of aid should be considered as an appropriate motivating measure that intends to maintain agricultural activity of rural population.

The modernization of agricultural holding is another financial scheme that may be linked to the issue of professional activation of rural population in Poland. This programme is designed to support specific investments that aim to improve total productivity of agricultural holdings engaged in gainful agricultural activity [3]. Total productivity should be defined as an improvement of profitability and competitiveness of given farm [3]. Financial aid should be spent in order to obtain certain GVA increase, by at least 10% in 5 years, as regards the base year for the granted aid [3]. The aid is granted in the form of partial refund of paid eligible expenses (up to 60% in case of young farmers, 50% in case of other applicants) [3]. Maximum refund is:

(a) 900,000 PLN in case of investments concerning development of pig production,

(b) 500,000 PLN in case of investments on feed stores or other inventory buildings or

(c) 200,000 PLN in case of other investments [3].

Current RDP also intends to improve opportunities of rural population to initiate other non-agricultural professional activities. In order to achieve so-defined goal, new programme was introduced that offers financial aid for starting non-agricultural gainful activity [3]. The aid is granted in the form of financial premiums of 100,000 PLN, paid in two instalments (1<sup>st</sup> – 80% of aid, 2<sup>nd</sup> – 20%). First instalment is paid within 9 months since delivery of granting decision. Second one is paid after 3 years [3]. Applicants are required to present appropriate business plans and beneficiaries of RDC 2007-2013 or of the Young Farmers Premiums Programme cannot apply [3]. This is the most important activation programme that creates great opportunity to start other professional gainful non-agricultural activity.

The last scheme operating under current RDP is programme designed to assure desired levels of knowledge transfer and professional information services for rural population. This scheme introduces set of professional trainings that are designed to improve professional skills and knowledge of rural population in Poland. Trainings should transfer knowledge related to such issues as: managements, marketing, occupational safety in agriculture and forestry, organisation of production and technology, accounting, insurances in agriculture, use of financial instruments, environmental and climate protection, cooperatives or producer grouping [3]. In this case, only research centres, universities, public advisory bodies, territorial or state administrative bodies or training enterprises may apply to be a beneficiary and obtain financial aid in form of total refund of eligible cost spent on knowledge transfer and training activities[3]. This programme intends to improve non-material opportunities of rural population through improvement of qualifications and professional skills.

## CONCLUSIONS

Individuals employed in agriculture, forestry and hunting sector represent relatively small group of Polish working population. However, it does not mean that rural working population should be considered as a minor working group. We should remember that such small number of agricultural workers assure that total Polish society has sufficient access to basic needs in the form of food.

The biggest agricultural working group works in agriculture sector with a centre in private farms. Vast majority of rural population performs professional activities as employers or own-account workers on private farms. As it appears, majority of agricultural workers prefer to work on their own farms. Other forms of professional activity are less popular and remain stable (employment contracts) or even are losing its popularity (agricultural production cooperatives). At the same time, unemployment rate among rural population experienced serious reduction (almost 1 million in 10 years) in analysed period.

Accession and various schemes within the CAP seems to significantly improve welfare and status of rural population, especially through higher incomes, more advance technology or new working opportunities. However, the issue of unemployment still mostly influence working rural population in the middle of working age. Future CAPs and RDP should devote more attention to this issue. Generational changes in mindset of rural population cause also that unemployment rate among older rural generation is increasing.

Tu sum up, the CAP for years 2014-2020 seems to recognise importance of the issue related to professional and social activation of rural population, defining new and specific mission, goals and union priorities. It is obvious that appropriate financial schemes may influence current status of rural population and may be a key factor in creating new working opportunities in agriculture and forestry. Polish legislator also seems to understand this regularity and introduces series of programmes related to the issue of professional and social activation of rural population. However, at current stage, it is impossible and purposeless to assess influence of such schemes. The future will review whether current measures of the CAP and the RDP were effective in achieving defined goals and priorities.

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