

## **THE ATTITUDES OF RURAL POPULATION WITH UNCERTAIN INCOME ON THE LABOUR MARKET**

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**Abstract.** The article discusses the attitudes of rural population with uncertain income on the labour market. It pays attention to the main source of income in the group under investigation and the influence of education on the occupational activity. The respondents were observed to exhibit mostly passive and conservative attitudes, which were manifested with their poor engagement in searching for employment and with their lack of willingness, skills and ideas for their own business. The authors also observed the growth of unfavourable attitudes among the population without permanent employment, such as the demanding attitude and withdrawal. The article presents the reasons why the people do not look for a job and their attitudes on the labour market. An important element of the article is the perception of the respondents' existence in comparison with members of other households and the methods of coping with the unfavourable living situation.

**Key words:** economic activity, rural areas, uncertainty of income, quality of life

### **INTRODUCTION AND RESEARCH METHODOLOGY**

The main determinant of the situation of rural households is the situation on the labour market. It may be both the cause and effect of social marginalisation of individuals and their households. The situation on the labour market determines the perception of reality and one's own social position and it also determines the actions taken by the respondents in order to improve their socioeconomic situation. The aim of the article is to indicate the economic activity in view of the population with uncertain income.

The empirical materials included in the article come from the studies conducted as part of the research project No. UMO-2011/01/B/HS5/01034, financed by the National Science Centre and they are only a fragment of them. The research was conducted from the beginning of June to mid-July 2012. The size of the research sample was 1,067 adult respondents, the inhabitants of rural areas in Poland. Information about the population

was obtained from a questionnaire, which was both a research tool and scenario of the direct interviewing method PAPI (paper and pencil interview). The problems in the questionnaire consisted of nine thematic blocks. The article chiefly uses the information from the third block – The respondents and household members' economic activity.

The research sample was a representative selection according to the formula for an unknown fraction, where the assumed significance level was 0.05 and the population size was retained. Due to the research on an "unknown" population (there is no research on the population with uncertain income, which could enable assessment of the demographic distribution) the only possibility was to apply a quota sample, which was equally divided according to voivodeships and demographic traits (sex, age). The sex was assumed according to the Local Data Bank of the Central Statistical Office. However, it was only an approximate value, because during preparations for the research it was impossible to specify the ratio between the men and women who met the input criteria. The size of the sample in individual voivodeships otherwise depended on the population of rural communes in the voivodeships under study and it ranged from 26 in Lubuskie Voivodeship to 133 in Mazovian Voivodeship. The statistical error for the entire country was assumed to be 3%. Thus, it is possible to assume that the sample is representative, which results from the fact that for the most significant major traits proportions were retained and thus the percentage in the sample was equal to the percentage in the population.

### **THE RESPONDENTS' SOURCES OF INCOME AS A FACTOR OF SOCIAL INCLUSION/EXCLUSION**

One of the elements which enables assessment of the conditions of rural households is the standard and character of their economic activity. The position on the labour market, the type of job and its character considerably determine the households and individuals' chances for development and in consequence, they influence the population's behaviour and its lifestyles. When studying the economic activity of rural population with uncertain income it is possible to notice that the most frequent source of income is a contract of mandate or contract for specific work (15.6% of all respondents). However, it is worth noticing that flexible forms of employment are also very important, e.g. part-time employment (12.5%), temporary employment (12.0%), fixed term employment (4.8%). Slightly less common forms of employment include replacement employment (2.5%), home-based Internet employment and outwork (0.7%) and leasing employment (0.7%). It is possible to observe differences between men and women in their responses concerning the forms of employment and character of the source of income. Men tend to declare illegal employment and self-employment much more often than women (11.4 vs 1.8% and 9.8 vs 4.7%, respectively), but women receive aid from their families more often than men (20.0 vs 9.8%) – Figure 1.

The main source of income is also influenced by education (Table 1). Employment contracts and self-employment can usually be observed in respondents with higher education, whereas illegal employment and seasonal employment are dominant with less qualified people (vocational and lower education). However, it is difficult to determine a linear dependence between one's education and profession.

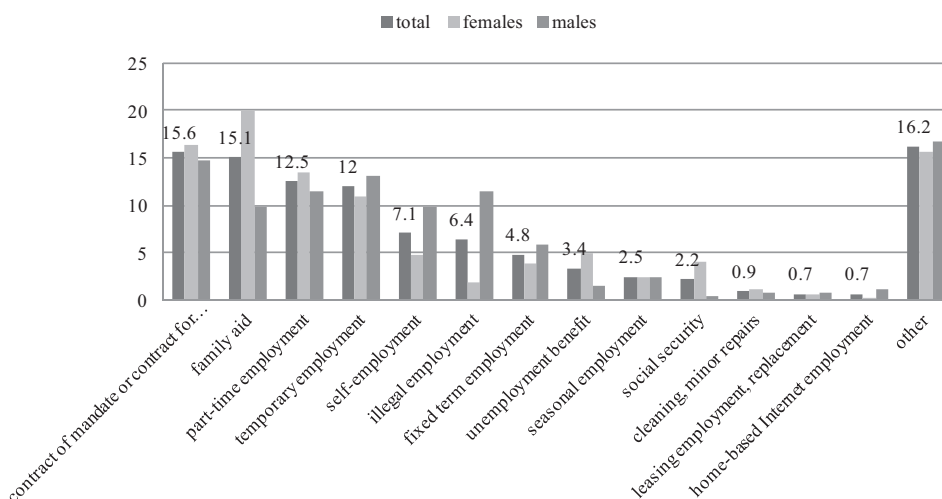


Fig. 1. The respondents' main source of income according to gender (%)

Source: Authors' own research.

Table 1. The respondents' main source of income according to education (%)

Specification	Total	Tertiary	Post-secondary	Vocational secondary	General secondary	Basic vocational	Lower secondary, primary and incomplete primary
Contract of mandate or contract for specific work	15.6	19.8	28.0	24.2	16.2	5.0	3.9
Family aid	15.1	13.5	14.6	14.1	21.1	12.7	14.6
Part-time employment	12.5	15.6	6.1	10.1	22.5	10.8	1.0
Temporary employment	12.0	14.6	13.4	11.5	8.8	14.7	6.8
Self-employment	7.1	12.5	4.9	7.5	5.4	6.2	3.9
Illegal employment	6.4	3.1	6.1	4.8	3.9	11.6	7.8
Fixed term employment	4.8	4.2	3.7	3.5	4.9	4.6	9.7
Unemployment benefit	3.4	2.6	3.7	4.0	2.9	5.0	0
Seasonal employment	2.5	3.6	1.2	1.8	2.5	2.7	2.9
Social security	2.2	0.5	6.1	1.3	2.9	1.5	4.9
Cleaning, minor repairs	0.9	0.5	1.2	0.9	0	1.9	1.0
Leasing employment, replacement	0.7	0.5	1.2	0.4	0	1.2	1.0
Home-based Internet employment	0.7	0.5	0	1.3	0.5	0	1.9
Other	16.2	8.3	9.8	14.5	8.3	22.0	40.8

Source: Authors' own research.

The respondents were considerably interested in changing their current jobs. Their dissatisfaction with the job can be proved by the fact that  $\frac{3}{4}$  of the respondents were ready to start another job. Moreover, for half of them it would not matter much, if the new job was legal or not. As results from the research, although the respondents are not satisfied with their current jobs and forms of employment, they are not interested in starting their own business. Their unwillingness chiefly results from the lack of ideas (40.3%), the lack of sense of one's own initiative (23.1%) and lack of skills (14.3%). Only every eighth respondent would be ready to start their own business. The respondents who have an idea for their own business usually cannot make it profitable. In many cases they are unable to stay on the market for a longer period of time or their ideas are not innovative enough to easily compete on the market. Some respondents consider the lack of appropriate means to be the main cause of this situation. However, as results from the research by Martin and Grubb [2001], this instrument is effective only with a small number of the unemployed, usually those with higher education and better qualifications. Chronically unemployed people rarely have a chance to start their own business.

As results from the research, their unwillingness is caused by long and burdensome procedures that accompany starting a business. This discourages the respondents from business activity. Besides they do not show much initiative and the human capital is of relatively low value. The respondents are usually unable to specify the procedures which are necessary to start a business. They also lack knowledge concerning taxation and the most favourable form of activity. Thus, it seems necessary for local authorities to take action leading to formation of counselling institutions, which would support the future owners of enterprises at early stages of their business. In spite of the fact that the Employment Promotion Act<sup>1</sup> provides for training institutions or local partnership, these tools are still poorly used. Local authorities should use training institutions to offer a wider range of trainings in starting and running a business, but also local partnership should direct potential enterprise owners to the actions which could be effective and guarantee employment for a longer period of time. It is important that trainings and counselling services should be individualised and oriented to the needs of local markets. It is also important to regularly monitor excessive and deficit professions so that appropriate trainings can be effectively adjusted to the current offer on the labour market, both in terms of the demand and supply [cf. Kabaj 1997].

The willingness to start a business is correlated with sex, province of residence and education. Men and people with higher education (Table 2) are much more often ready to do so. However, they lack confidence that their own business may positively affect the situation of an individual and their family as well as the local economic development (higher income of local budgets, reduced number of people receiving benefits, improved skills of the local population, more intensive financial turnover). According to Lyon [2002], thanks to improvement in supply and access to goods, which can be noticed in business, social benefits increase. Flora [1998] and Amin, Cameron and Hudson [2002] think that in consequence this has a positive effect on rural households and motivates other inhabitants, indicates potential enterprises, creates positive social relations and as a result, favours the sense of self-control and self-determination. One person's increased

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<sup>1</sup> The act on promotion of employment and labour market institutions (Journal of Laws from 2008 No 69 Item 415).

Table 2. The willingness to start a own business (%)

Specification	Yes	No			
		lack of ideas	lack of skills	lack of sense	have own business
TOTAL	15.7	40.3	14.3	23.1	6.6
Females	14.2	39.6	15.3	25.5	5.4
Males	17.2	41.1	13.3	20.5	7.8
Level of education					
Tertiary	30.7	40.1	7.3	15.1	6.8
Post-secondary	18.3	45.1	18.3	12.2	6.1
Vocational secondary	15.0	42.3	14.1	22.5	6.2
General secondary	10.3	39.7	20.1	23.0	6.9
Basic vocational	8.9	38.6	15.1	30.1	7.3
Lower secondary	13.3	33.3	33.3	20.0	0
Primary	16.0	37.0	8.6	32.1	6.2
Incomplete primary	0	57.1	0	42.9	0

Source: Authors' own research.

engagement may cause positive effects in a chain and favour other individuals starting their business.

One of the elements that affects the conditions of functioning of households with uncertain income is employment. Unemployment increases helplessness and in consequence, it sometimes leads to demanding attitudes. As results from the interviews, more than 40% of the respondents with uncertain income were not employed within the last week before the survey. Of those who were employed only every twentieth respondent was a full-time employee. It is noticeable that people with higher or vocational education (basic and technical) and men (Fig. 2) were much more often employed. It is interesting to see relatively low unemployment among the respondents with secondary and basic vocational education. Those people have some practical skills and thus they have higher chances to find a job or start their own business than the people in the other groups. Thus, some scientists' opinion that secondary vocational education should be abandoned does not prove to be justified [Leopold 2001].

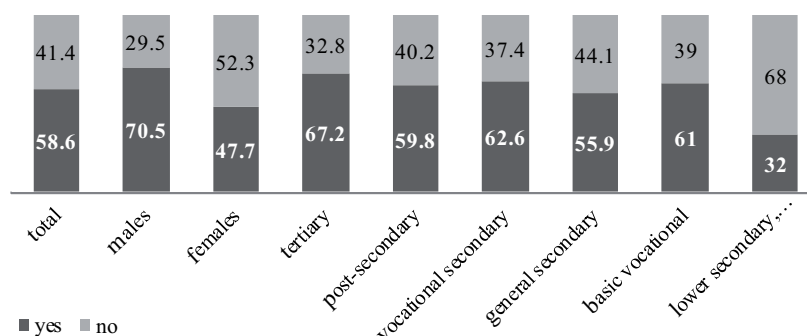


Fig. 2. Have you been employed in the last week? (%)

Source: Authors' own research.

As results from the research, neither unemployment nor an unsuitable form of employment are sufficient factors to encourage the respondents to search for a job. This attitude proves to be characteristic of all the respondents regardless of their sex and education. Despite researchers' opinions that education is a determinant of one's mentality and perception of reality, it is hard to conclude that the higher one's education is, the greater their tendency to seek employment is. The percentage of people searching for employment is the highest among the respondents with secondary comprehensive (44.6%) and secondary vocational education (37.4%), whereas the percentage is the lowest among the respondents with middle school (16.5%) and basic vocational education (28.2%). Simultaneously, it is noticeable that people with the lowest education more often accept their status quo and abandon active search for employment. Contrary to that people with higher education although much more often indicate that they are ready to start work immediately. The fact that they do not search for employment is usually the result of two intermingling causes. The first is related with failure to meet the expectation that higher education guarantees a good job. The other cause is related with the fact that there is low absorption of people with higher education on the rural labour market.

Almost every fourth respondent does not find it necessary to actively search for employment. Many of them are discouraged due to their long unemployment. Some of them assume that they do not have a chance to find a job that meets their expectations. The second most frequent reason why men abandon their search for a job is their illegal employment (22.7%), whereas women explain this fact with their housework (24.7%). It is surprising to see that the continuation of education and improvement of qualifications is a rare reason why people do not search for employment – only every fifteenth respondent listed it (Table 3). This is a serious problem, because skills and knowledge are forms of capital and they should be a well-thought and long-term investment [cf. Schultz 1961]. Thus, people's main goal should be improvement of their skills, especially if they are excluded from the labour market. However, as results from analyses, this is not the case. In spite of the fact that in recent years there has been considerable educational progress in rural areas, the process is still insufficient to face the challenges of civilisation. Education, trainings and self-investments create wider possibilities of choice, which may be unavailable to people with low qualifications. Failure to take advantage of these opportunities may be the cause of social exclusion. However, Simmel [1997] observed that an increasingly high level of education favours the appearance of a gap between the groups with access to knowledge and those without such access.

The question related with a comparison of the economic situation of rural inhabitants with uncertain income with the situation of other households is a reflection of the respondents' subjective perception of their existence. In their opinion their situation is not much different from the situation of other families. Women with jobs make interesting assessments. They find their situation to be worse than the women who are unemployed (Fig. 3). Worse results for Poland are not isolated on the global scale [cf. Pahl 1989, Goode, Callender and Lister 1998]<sup>2</sup>. This situation may be the effect of "hidden exclusion", which results from uneven distribution of income in a household. Simultaneously,

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<sup>2</sup> Studies by R. Lister, J. Pahl, J. Goode, C. Callendar made in the United Kingdom also confirm this correlation.

Table 3. The sex- and education-dependent causes of failure to search for employment (%)

Specification	Total	Females	Males	Tertiary	Post-secondary	Secondary vocational	General secondary	Basic vocational	Lower secondary, primary and incomplete primary
I don't need it	23.5	19.6	27.6	37.3	20.0	23.9	16.8	25.3	8.1
I look after the household and my family	14.8	24.7	4.1	14.2	16.4	15.5	17.7	16.1	7.0
I am illegally employed	14.1	6.2	22.7	8.2	23.6	14.8	13.3	17.2	10.5
I am not the right age/I am retired	12.2	12.6	11.6	6.0	1.8	7.0	8.0	10.8	45.3
I am a student/I am improving my qualifications	6.1	7.3	4.9	3.7	1.8	6.3	18.6	1.6	5.8
I am ill/disabled	4.6	5.6	3.5	1.5	5.5	4.9	4.4	4.8	8.1
I have no chance to find a job because I am not skilled enough	3.4	3.5	3.2	0.0	1.8	4.2	2.7	6.5	2.3
Other	21.4	20.4	22.4	29.1	29.1	23.2	18.6	17.7	12.8

Source: Authors' own research.

such assessments are intensified by many women's double duties, which result from the combination of occupational and household duties. On the one hand, some women have a feeling that they do not do any of their duties appropriately. On the other hand, the excess of duties causes negative consequences such as discouragement and loss of belief that the job makes sense. Apart from that, women receive lower salaries than men, which causes them to feel economically dependent. Over the years there have been positive changes in the range and degree of women's economic dependence, but their earnings are still significantly lower than men's, especially if women have a flexible job. The consequences of inequality within a household go beyond the limit of hidden poverty. According to Lister [2007], the problem consists in women's dependence on their partners. Usually they are not ready to live on their own account. This situation favours worse living standard in the households headed by women, especially if they are the only supporters of the family.

The respondents' situation on the labour market and their attitude to the search for employment affects their assessment of reality and the living standard in their household. One of the elements of coping with the economic situation is the respondents' decisions related with the ability "to make ends meet", which are a key element of "human creative causative action" [Titterton 1992]. It is assumed that the respondents, who said they were hardly able "to make ends meet", are in danger of poverty, whereas those who cannot satisfy their demand are afflicted by poverty. It is noticeable that the respondents who were not employed in the last week before the survey assess reality and their potential to satisfy their expectations to be worse. The respondents' assessment is also influenced by their active search for employment. The respondents searching for jobs perceive reality and

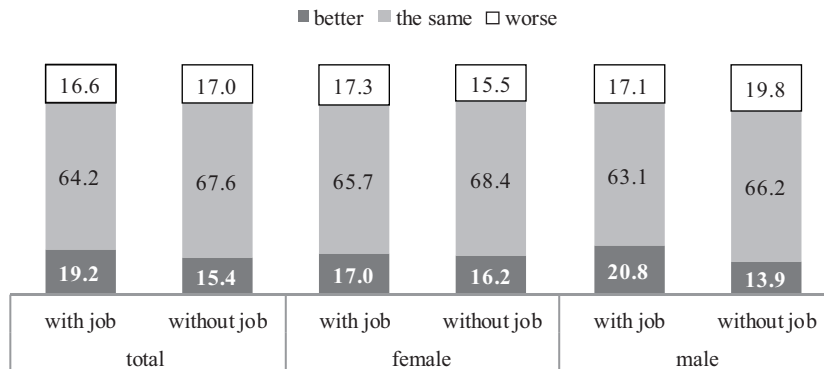


Fig. 3. A sex- and employment-dependent comparison of the income situation of one's own and other households

Source: Authors' own research.

their potential to cope with it to be worse than those who do not search for employment. It is possible to observe that the men who do not have a job, although they actively search for it assess their situation the worst. Almost every fourth of them says that he has no chance to satisfy his needs, whereas only every eighth woman respondent gave a similar answer. This assessment is affected by the stereotype that it is men who should keep the financial continuity in a household and they are responsible for a decent living standard. In a situation when they cannot meet this expectation, men become "compulsive altruists" more rarely than women. More often they are struck by the feeling of failure to meet this expectation, which intensifies pathological behaviours. This situation can especially be observed at the time of economic slowdown when men are more afflicted by layoffs than women, which is a new phenomenon. The elimination of many jobs in sectors that employ mostly men (building, heavy industry) enables creation of a certain scheme of exclusion. The men, who lose jobs and are usually less qualified, have problems finding employment. They usually earn a living doing undemanding casual work or they are illegally employed, which worsens their competitiveness on the market. A long period of time without legal employment causes them to lose touch with the labour market and intensifies passive attitudes. Apart from that there are problems related with their self-assessment, which result from feeling redundant and their lack of belief that the situation may change for better. The lack of sense of control of the situation causes the men to turn away from current problems of their families and fall into apathy, which often leads to self-destructive actions and withdrawal.

As Orłowska [2005] observes, anybody can be excluded at any time, but people with certain social, physical or mental dysfunctions and the inhabitants of outskirts and small towns are at the greatest risk. The most common social dysfunction is unemployment, which is a significant factor of marginalisation and intensification of the awareness of being deprived of one's material and immaterial needs. In consequence it affects the assessment of one's poverty. Although the unemployed respondents are at greater risk of poverty, it is intriguing to observe a considerable percentage of people who are employed but do not meet the appropriate standard of their needs. In consequence there is a specific



group of poor people with jobs. It is particularly noticeable among people with uncertain income. In such households there are frequent anomic situations. In spite of the fact that the household members have a source of income, they cannot meet their needs by means of commonly accepted instruments. In consequence they adopt demanding and passive attitudes. This approach has negative influence both on the functioning of the households and their environment.

## CONCLUSIONS

The pauperisation of the rural population with uncertain income is not equivalent to the feeling of exclusion, but there is considerable correlation between these phenomena. For many people the deprivation of material needs itself is not a major problem. It is more important that they cannot participate in certain aspects of social and economic life and cannot play the roles that particular individuals could and would like to play. Being deprived of an opportunity to participate in social life leads to the feeling of exclusion, but it occurs much less frequently than the sense of poverty. For many people the shortage of funds is not equivalent to deprivation of the opportunity to participate in everyday life. To a certain extent this results from their lower aspirations and the feeling that some activities are associated with "other groups". As results from the research, every eleventh respondent with a job and every fifth without a job is aware of their elimination from social life. This is a worrying tendency, because the incapability of participation in social life leads to limitation of the development of cognitive functions and in consequence, this limits people's competence. Apart from that, it leads to reduced human capital, weakens the openness to other people and events taking place nowadays, social activities and it makes interpersonal communication difficult. The main form of participation in everyday life is spending time in front of a computer or television screen and with people of a similar living standard, which leads to closure in specific ghettos for the excluded.

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## **POSTAWY LUDNOŚCI WIEJSKIEJ O NIEPEWNYCH DOCHODACH NA RYNKU PRACY**

**Streszczenie:** W artykule omówiono postawy ludności wiejskiej o niepewnych dochodach na rynku pracy. Zwrócono uwagę na główne źródło utrzymania w badanej grupie oraz wpływ wykształcenia na podejmowaną aktywność zawodową. Zauważono, że dominujące wśród respondentów są postawy pasywne i zachowawcze, przejawiające się małym zaangażowaniem w poszukiwanie zatrudnienia, a także brak woli, umiejętności i pomysłów na własną działalność. Zwrócono również uwagę na pogłębiające się niekorzystne zjawiska wśród ludności bez trwałego zatrudnienia, takie jak roszerzeniowość czy też wycofanie. W artykule przedstawiono przyczyny nieposzukiwania pracy oraz przyjmowane postawy na rynku pracy. Ważnym elementem artykułu jest postrzeganie warunków funkcjonowania respondentów w porównaniu z członkami innych gospodarstw domowych, a także sposoby radzenia sobie z niekorzystną sytuacją życiową.

**Słowa kluczowe:** aktywność ekonomiczna, obszary wiejskie, niepewność dochodów, poziom życia

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