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## CHARACTERISTICS AND TRENDS OF RURAL EMPLOYED POPULATION: REGIONAL DISPARITIES

### ABSTRACT

The human capital, the quantity and quality of labor resources affect the rural development pattern. Knowing the level and structure of labor resources, the socio-professional structure, by age and educational level, as well as the territorial distribution of labour force provides an opportunity for a better understanding of the development level of rural areas. This paper aims to conduct an analysis of rural occupational structures at regional level, using indicators that describe the current situation and developments in the occupational structure by age and educational level. The conclusion that emerges is that the economic development determined the compression of rural employment in the period 2002–2007. The structure of employed population by age and level of education has changed significantly in the direction of increased rural employment of the population belonging to the age group “65 years and over” and increased employment for the rural population with low educational level.

**Key words:** human capital, rural employed population, rural area.

**JEL Classification:** J24.

### 1. INTRODUCTION

The human capital, the quantity and quality of labor resources affect the rural development pattern. Knowing the level and structure of labor resources, the socio-professional structure, by age and educational level, as well as the territorial distribution of labour force provides an opportunity for a better understanding of the development level of rural areas.

### 2. STATE OF KNOWLEDGE

Despite the fact that the technical advance has substantially reduced the human presence in many production processes, until the present moment no process could be fully completed in the absence of human contribution. In the economic literature, it is accepted that among the economic resources, the human resources prevail, because regardless of the modernization of a production process man’s intervention is needed to solve up certain unforeseen situations or to create new stages of the productive apparatus to correspond to a new economic and social context.

While the special importance of the human resources was and is still unanimously acknowledged, not the same thing could be said about the definition of the human resources concept, which has been differently approached in time. In the last years, in the specialty literature, different terms or terms with quite similar meanings were used to designate the same concept: “human capital”, “human factor”, “human resources”, “labour resources”, “labour force”, “human potential”, etc.

At the national economy level, the human resources are represented by the total population, in the assertion of its economic dimension, through the direct or indirect participation on the labour force market, by the accumulation of knowledge, which incorporates the ideas, the experience, the skills acquired during the school years, as well as in the work process.

### **3. MATERIAL AND METHOD**

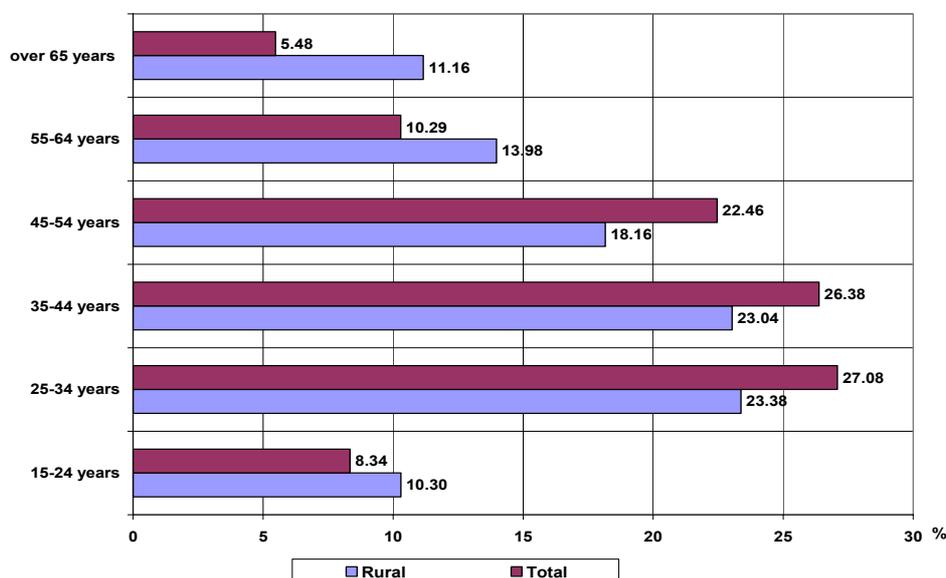
The analysis of the rural occupational structures, by regions, comprises the indicators describing both the present situation and the evolution of the occupational structure by age groups and educational level, so that their intrinsic features can be captured and by this, the elements conditioning the future economic development pattern, from the perspective of the labour market resources.

### **4. RESULTS AND DISCUSSIONS**

In Romania, the employed population, totalling 9,353,326 persons, accounted for 43.7% of total population in the year 2007. In the rural area, the employed population amounted to 4,282,043 persons, which represented 49.46% of the total employed population registered at national level. The data published by the National Institute for Statistics for the period 2002–2007 show that the rural employed population was down by 339,403 persons (NIS, 2003, 2007).

By age categories, the employed population in the rural area has a relatively balanced structure, where the population in the adult age groups prevails, with an important potential of participation to work. The analysis of the employed population distribution by age groups reveals that the largest share is held by the persons aged 25–34 years (28.3%) (Figure 1).

A characteristic of the rural employed population in relation to the total population is the largerest share in the categories at the extremities of the working interval, i.e. the groups 15–24 years and 65 and over. The employment of the population in the age group 65 years and over reached a higher share than the national average, revealing a high demographic ageing, both of the population and of the labour force in the rural area. The labour force in the rural area is mainly employed in the private sector, in the agricultural sector in particular, and this can also determine a high share of the employed population from the old aged categories.



Source: NIS (2008) The Labour Force in Romania. Employment and Unemployment in the Year 2007.

Figure 1: The structure of the rural employed population by age groups, in the year 2007.

The rural employed population, by age categories, presents a series of differentiations at the level of the development regions (Table 1). Thus, as regards the age category 15–24 years, most development regions have shares ranging from 10 to 11%, except for the regions South-East and South-West.

The Region Center has the highest share of the employed population in the age group 25–34 years, while the Region Bucharest for the group 35–44 years. In the regions South-West and South-East, the largest share of the persons older than 65 year who are in activity can be found: here the population employed in agriculture prevails and this can represent one of the causes of the high share of this age group together with the high share of the self-employed and unpaid family workers.

The comparative analysis of the eight regions shows that the structure of the rural employed population by age groups reveals a concentration in the adult age group, with an important potential of participation to work.

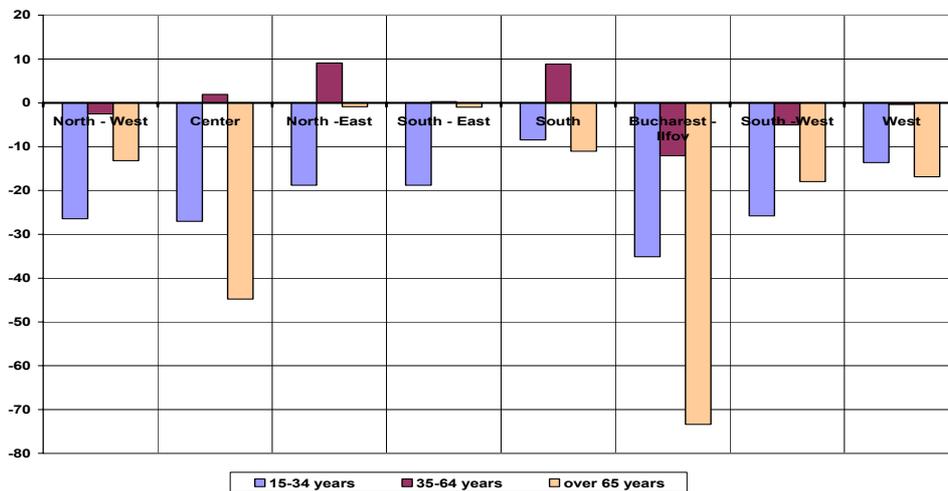
In order to provide a more comprehensive image of the evolution of the regional occupational structures, it is necessary to capture the characteristics and evolutions on the labour market by regions, an analysis for the period 2002–2007 (Figure 2). The analysis of the evolution of the rural employed population reveals that in all eight regions we can notice a diminution process. The only exceptions are found in the case of the age group 35–64 years, which experienced an increase up to 10% in the regions South, South-East and Center. The age group 65 years and over experienced a significant decline in the Region Bucharest (73.39%) and in the Region Center (44.79%).

Table 1

The structure of the rural employed population by age category and development regions in the year 2007

Region	15–24 years	25–34 years	35–44 years	45–54 years	55–64 years	65 years and over
North–East	10.8	23.1	20.7	16.8	14.6	14.0
South–East	9.8	23.2	23.8	18.8	12.8	11.6
South	10.1	23.5	24.0	17.5	14.3	10.6
South–West	8.9	21.0	21.0	17.8	16.6	14.7
North–West	10.2	23.1	24.0	18.3	14.1	10.3
West	11.3	24.2	24.1	20.7	13.1	6.6
Center	11.1	26.5	26.0	20.5	10.9	5.0
Bucharest	11.8	30.1	30.4	19.3	7.1	1.3
Rural	10.3	23.3	23.0	18.2	14.0	11.2

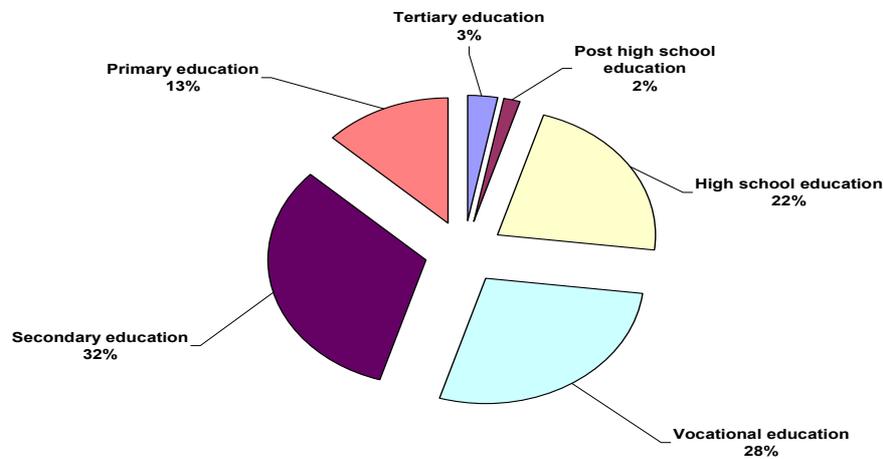
Source: NIS (2008) The Labour Force in Romania. Employment and Unemployment in the Year 2007.



Source: NIS (2008) The Labour Force in Romania. Employment and Unemployment in the Year 2007; NIS (2003) Household Labour Force Survey (AMIGO) in the Year 2002, AMIGO, 2002.

Figure 2. The evolution of the rural employed population by age groups, in the period 2002–2007, by development regions.

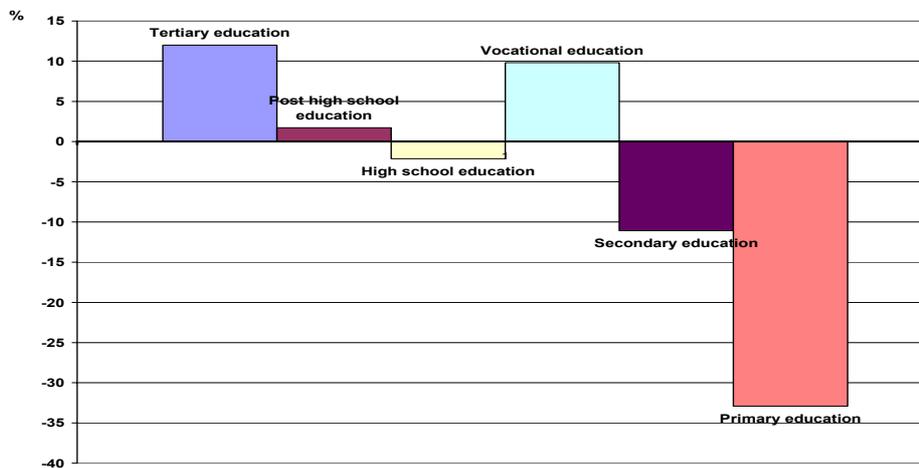
The concentration of the rural activities in the primary sector is associated to a specific educational structure: the structure of the rural employed population reveals the prevalence of the low level educational categories: secondary school 32%, vocational 28%, primary or no schooling 13%. These categories sum up 73% of total employed population (Figure 3). The structure of the rural employed population by educational level reflects the occupational structure dominated by forms of occupational status characteristic to the traditional agrarian economy – the self-employed and the unpaid family workers.



Source: NIS (2008) The Labour Force in Romania. Employment and Unemployment in the Year 2007.

Figure 3. The structure of the rural employed population by educational level, 2007.

In the year 2007, the rural employed population was down by 7.74% as compared to the year 2002. The evolution of the employed population by educational level reveals a strong diminution in the case of persons with secondary school education (-11.10%) and also in the case of persons with primary school and/or without schooling (-32.91%) (Figure 4). The share of the rural employed population that graduated a university and vocational school had an increasing trend, i.e. 11.99% and 9.83% respectively.



Source: NIS (2003) Household Labour Force Survey (AMIGO) in the Year 2002; NIS (2008) The Labour Force in Romania. Employment and Unemployment in the Year 2007.

Figure 4. The evolution of the rural employed population by educational level in the period 2002–2007.

By development regions, in the year 2007, we can notice significant disparities as regards the educational level of the rural employed population. Thus, the Regions North-West and Center have significantly larger shares of labour force with higher education: 3.67% and 4.51% respectively. The Region Bucharest (37.79%), the Region South (26.04%) and the Region North-West (25.91%) are characterized by the highest share of employed population with high-school education. Significant shares of employed persons with primary education and/or without any education are found in the Regions North-East and South-West (Table 2). By regions, the structure of the rural employed population by educational level reveals that in the predominantly agricultural regions, it is the persons with primary and medium education prevail, while in the regions with a higher development level, the share of the rural employed population with higher education is significantly higher.

Following the analysis of the distribution of employed population by educational level, we can notice that the largest shares are found in the persons with high-school education in all eight development regions.

The concentration of the economic activities in the rural area in the primary sector is associated to a specific socio-professional structure. While more than 90% of the employed persons in the urban area are wage earners, in the rural area the self-employed or the unpaid family workers prevail, most of them working in the farming sector. These characteristics can influence the distribution of the employed rural population by educational level.

*Table 2*

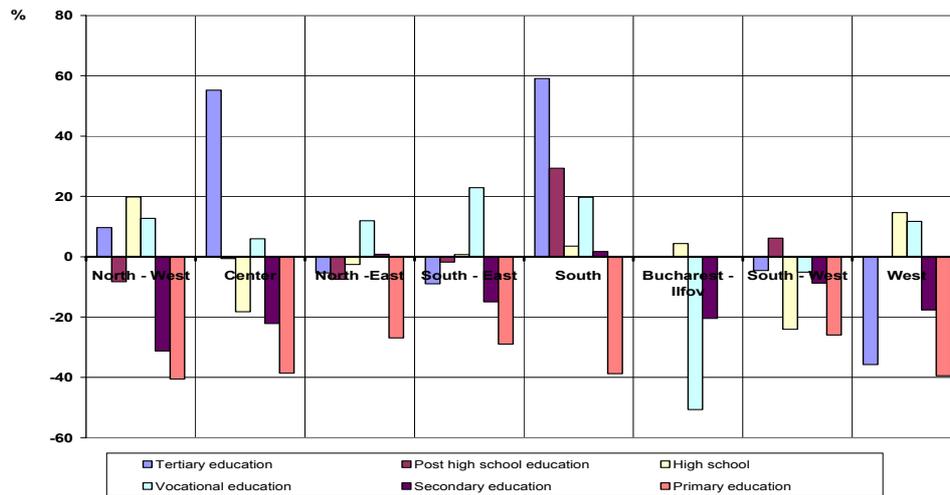
Structure of rural employed population by educational level, by development regions in the year 2007

	<b>Tertiary education</b>	<b>Post high-school education</b>	<b>High-school education</b>	<b>Vocational education</b>	<b>Secondary education</b>	<b>Primary or without school</b>
North-East	2.00	1.20	16.19	27.27	36.63	16.70
South-East	2.24	1.75	20.12	25.52	35.53	14.84
South	3.28	2.05	26.04	28.85	27.70	12.08
South-West	3.05	2.03	20.87	25.64	32.89	15.52
West	2.72	...	25.89	30.12	32.14	7.39
North-West	3.67	2.15	25.91	24.87	32.49	10.92
Centre	4.51	1.98	23.89	36.47	24.66	8.48
Bucharest	...	...	37.79	21.48	28.06	...
Rural	2.99	1.80	22.19	27.78	32.16	13.08

Source: NIS (2008) Labour Force in Romania. Employment and Unemployment in the Year 2007.

The analysis of the rural employed population evolution by the educational level reveals the existence, in the first place, of a significant diminution of the employed population with primary education and/or with no schooling in all the eight development regions: the most critical decrease is met in the Region North-West (40.60%) and the lowest decrease in South-West (25.93%). Except for the regions South and North-East, all the other regions are confronted with a

diminution of the employed population with secondary education. As regards the increase of the share of employed population with medium and higher education, it can be noticed that two regions are on a top position, namely the Region South and the Region Center (Figure 5).



Source: NIS (2003) Household Labour Force Survey (AMIGO) in the Year 2002; NIS (2008) The Labour Force in Romania. Employment and Unemployment in the Year 2007.

Figure 5. Evolution of the rural employed population by educational level, in the period 2002–2007, by development regions.

## 5. CONCLUSIONS

To sum up, the employment of the labour force, basic component of the rural development, represents one of the sensitive dimensions in the investigated period, when a process of labour employment compression took place in the rural area. The structure of the employed population by age groups and educational level significantly changed, in the direction of an increase in the share of the rural employed population in the age group 65 years and over and the increase of the category of employed population with a low educational level.

In the territory, the evolution of the structure of employed population by age groups and educational level is coordinated with the economic and social development level: the regions with a low level and a very low level of economic development have an occupational structure characterized by high shares of population with a lower educational level. The regions with high economic and social development indices (Bucharest, Center, North-West) have an occupational structure in which the younger age groups and the medium to higher education prevail.

### ACKNOWLEDGEMENTS

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