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The Problem Of Youth Unemployment in Rural Area

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Abstract

The development of Czech agricultural labour market has been continuously predominantly negative since 1989 and recently, the problem of youth unemployment is acute in many countries, not only in the Czech Republic, but also in the Russian Federation, where most of graduates of agricultural universities work in non-agricultural sphere and in urban area. The present paper tries to consider the problems faced by youth in the labour market after graduating from the university, the reasons for working in any sphere but not in agriculture and not in rural area. It identifies the factors influencing the profession choice by young people. It considers the opportunities for attracting young people to work in agriculture and rural area.

Key words

Agriculture, agricultural labour market, youth, youth unemployment.

Introduction

Labour and employment have been and remain the main sources of social reproduction, which associated with the production not only the subsistence, but the man himself, his spiritual and physical strength. Lot of researchers considered the problem of unemployment in different countries: Tor Jacobson, Anders Vredin and Anders Warne (1997) in Sweden, Yongsung Chang, Jaeryang Nam and Changyong Rhee (2004) in Korea, Charles R. Bean (1994) in Great Britain, Ragnar Nymoen and Asbjorn Rodseth (2003) in Norway, Robert A.J. Dur (2001) in the Netherlands, Roberto Bande, Melchor Fernández, Víctor Montuenga (2008) in Spain.

The problems that employers face in rural areas are very much determined by the low population density levels that characterize these settlements. This means that there are less people 'to choose from' when a vacancy arises, and it can be increasingly challenging to find a suitable candidate as the level of specialization required increases (Hoyos M., 2011). The drift of population away from the countryside is one of the main factors affecting the regional structure in many countries, and although the temporal course of this effect may differ from one country to another, in fact it is always the case that the consequences are most dramatic in the marginal areas of settlement (Muilu T., 2003). As noted Linda Marie Bye (2009), many rural communities in the Western world have experienced stagnation, migration and 'brain drain' in recent decades, and

as a result remote rural districts have been portrayed as profoundly masculine societies, unattractive to contemporary women and unsympathetic to their demands for equality.

In recent years, due to intense competition in labour market and the growing demand for highly skilled labour force, clarify issues related to youth employment.

These problems are caused by recession and job cuts, early release of youth into the labour market because of low income families, greater demands from employers for quality to labour force, while reducing the cost of its preparation. This problem was considered by many authors from different countries.

With the development of market relations youth unemployment is particularly negative.

For employment and unemployment purposes, „youth“ is generally defined as the period from the age when mandatory schooling ends through age 24. For most countries, that means the time span from 15 years old through 24 years old (Martin G., 2009).

Youth are three times more likely to be unemployed than adults, even in economies with strong economic growth. Especially this phenomenon spreads in rural areas.

In almost all instances, the unemployment rate for teenagers (aged 15 or 16 years to 19 years) is

consistently higher than that for 20- to 24-year-olds. Germany is the lone exception. All the reasons that make youth unemployment higher than the norm could be expected to make those who are the youngest within the youth range have the higher unemployment rate.

The aim of the article is to consider the situation of youth in the labour market of the countryside in the Czech republic and the Russian Federation, to analyze the main problems faced by young people and to identify new employment opportunities for youth in rural areas.

Material and Methods

The starting data and figures included in Table 1 were obtained from the web pages of the Czech Statistical Office. These are absolute numbers of population by the age groups. The tables contain the data as of 31st December 2009, according to which the age of the population in the particular regions of the Czech Republic was assessed. Also it contains relative change of number of population of the country by the age groups. Nominal monthly wages in agriculture, industry and national economy of the Czech Republic were taken from the web pages of the Czech Statistical Office. The paper contains data which were obtained from the web pages of Russian Federal State Statistic Service. It includes absolute numbers of population by the age groups at 31st of December 2009 and its relative change, results of research made by Russian Union of Rural Youth about plans, motives, attitudes and expectations of rural youth.

Methodologically, the paper is based on secondary analyses of quantitative data. For the analysis, we used the methodology of comparing data obtained from the Czech Statistical Office and Russian Federal State Statistic Service.

Results and discussion

General demographic situation in Czech Republic and the Russian Federation

According to the data of the Czech Statistical Office the population of the Czech Republic, similarly as populations of other European countries, is getting old. Since the end of 2001, when the last population census took place and the demographic data were updated accordingly, the total population of the republic has grown by 300thousand during the period from 2001 to 2009. According to the definitive demographic data, the population exceeded 10.5 million at the end of the 2009 (Table 1). However, this increment was very unbalanced from the viewpoint of age. The part of the population in the pre-productive age up to twenty years decreased at the same time by 186thousand persons. The long-term negative trend in the birth rate development is documented by the fact that the number of children and young people up to 20 years of age decreased from the end of 1991 by more than 903thousand, i.e. by 30%.

The age group of 20-64, which has a decisive influence on the level of economic activity of the population, recorded the eight-years' increment by 13,6% (higher than the total increment in the

Age group	Status as at 31 Dec. 2009, thousands	Increment / loss according to status as at 31 December, %		
		2009/1991	2009/2001	2009/2008
Total	10506.8	1.88	2.94	0.38
0-14	1494.4	-29.54	-7.86	0.97
15-24	1316.7	-17.31	-11.27	-2.09
25-34	1686.4	24.68	6.38	-2.36
35-44	1546.9	-5.15	14.76	2.97
45-54	1380.7	8.86	-12.82	-0.35
55-64	1482.9	43.57	26.84	0.75
65 and more	1598.8	21.6	13.03	2.75
0-19	2110.4	-29.98	-8.1	-0.33
20-64	6797.6	13.6	4.65	0.05
65 and more	1598.9	21.59	13.03	2.74

Source: CZSO - definitive demographic data.

Table 1: Age structure of the population in the Czech Republic as at 31 December 2009.

Czech Republic population). However, within such a defined group of productive age (young people up to 20 years are mostly involved in the educational process and, on the other hand, retirement age is postponed for later), the development was very diverse. In eight years, similarly as in case of pre-productive age group, the number of young people (15-24) decreased by more than 167thousand or 11,27 %. A large decline was recorded also in the age group of 45-54 (by 12,82%). The losses resulting from changes in life-tree were offset by extraordinarily strong increase in the number of thirty-year old people by more than 380thousand and in the number of persons in the oldest ten-year group of 55-64 (by nearly 26,84%).

At the same time, the population in post-productive age (65+) increased by 184thousand persons in the monitored period or 13,3%. This increment practically equaled to the loss in the number of all children and young people up to twenty. That was the group which recorded absolutely the biggest year-on-year increment by 2,74%, as compared with the end of 2008, while the total population increased by less than 40thousand persons, y-o-y.

The resident population of the Russian Federation on 31 December 2009 amounted to 141.9 million (Table 2). In rural areas 27% of the total population of Russia lives. This is more than in Germany or the UK (11-12%), North America (20%) and even in Brazil (17%), although not as much as in China (60%). But Russia is losing many countries on the total agricultural production, and, most importantly, the productivity of labour. One of the main features of the demographic situation of recent decades in

the country is urban concentration in a small number of densely populated centers. Rural municipalities in the Czech Republic are usually classified municipalities with fewer than 2,000 inhabitants. They represent 89.82 % of all the municipalities and administer the territory covering 73.6 % of the total territory of the Czech Republic. Only one fourth (26.3 %) of the population, however, lives in rural municipalities. So we can conclude that situation in the both countries is very similar, most of people prefer to live in big cities

For rural municipalities, the agriculture constitutes a stabilizing factor especially for non-commuting population and helps the inhabitants identify themselves with the rural area concerned. Nevertheless, the process of aging of persons working in agriculture continues as well as the decrease in its numbers. According to international criteria, population is considered to be old, if the proportion of people aged 65 years and over in the total population more than 7%. Currently, nearly one in eight Russian, i.e. 13,3% of the population, are aged 65 and over. In the Czech Republic the same indicator constitutes 15,22%, that can be explained by a reduction of more active part of the population of the countryside. The minimum creation of job opportunities in agriculture and a limited offer of jobs in rural areas generally are reflected in the labour market imbalances and growth of the agrarian unemployment rate. The Czech Republic seeks to support greater diversification of agricultural activities and to strengthen its non-productive functions in order to increase the number of jobs. Unfortunately, these efforts have so far failed to bring about any major

Age group	Status as at 31 Dec. 2009, persons	Increment / loss according to status as at 31 December, %		
		2009/1991	2009/2001	2009/2008
Total	141903979	-4.3	-3.01	-0.07
0-14	21092427	-37.87	-18.62	1.29
15-24	21833481	10.47	-6.81	-4.95
25-34	22572792	-7.52	12.47	2.75
35-44	19254338	-14.01	-19.72	-1.29
45-54	22879474	41.28	9.77	-0.1
55-64	15372993	-6.76	10.59	7.9
65 and more	18898474	25.35	4.07	-3.52
	30353370		-20.62	-2.18
0-19		-31.34		
20-64	92652135	4.11	3.06	1.38
65 and more	18898474	25.35	4.07	-3.52

Source: Russian Federal State Statistic Service.

Table 2: Age structure of the population in the Russian Federation as at 31 December 2009.

positive results. The rate of increase of population in the age 65 and more in 2009 in the Russian Federation in comparison with 2001 was 4,07%, that is more than the rate of increase of people aged 20-64 which constitute 3,06% and amount of young people for the period from 2001 to 2009 decreased by 20,62%. The down-sizing of young people in the age of 0-19 in the Czech Republic is less significant than in Russia but the share of this group of population in the both countries is approximately the same (21,4% in the Russian Federation and 20,1% in the Czech republic)

Thus, one can say that the situation in the Russian Federation is worse than in the Czech Republic, on the one hand, because in the Czech Republic the decrease of young people is less and the growth of working population is more. But on the other hand, the increase of the old population is more significant in the Czech Republic than in the Russian Federation (13,03% against 4,07%).

The population aged 0-15 years for 18 years (1991 to 2009) declined. In 2008, due to increased number of births in this age group increased slightly - by 44 thousand, or 0.2% in 2009 - by 313 thousand or 1.4%. The rate of birth in the Czech Republic in 2009 is 8,3 per 1000 population, which has tendency of insignificant decline. So the share of age group 0-14 rapidly decrease on 7,86% in the period from 2001 till 2009, that less than in the Russian Federation, in which this decline for the same period is 18,62%.

The population of working age, compared with the beginning of 2009 decreased by 0,9 million or 1,0% (in 2008 0,4 million or 0,5%) and amounted to the beginning of 2010 by 88,4 million people. Indicator demographic pressures increased to 606 per 1000 working age population (in 2009. - 590), including the burden of children - 259 (253), and people of retirement age - 347 (337). In 2009, the majority part of the population of the Russian Federation, 16,12%, was in the age category 45-54 years. Little more than in the previous and following age groups, which contain 13,57% and 10,83% respectively. In the Czech Republic the most part of population concentrate in age group 25-34 and 65 and more. It shows that on the one hand the population of the Czech Republic own labour force of high quality, because in this age people usually has work experience and they are not old. But on the other hand, one can observe the process of "greying" of the labour force of the Czech Republic.

The most vulnerable in the labour market (as in the Czech Republic as well as in the Russian Federation) are young people particularly in rural areas. For

employment and unemployment purposes, „youth“ is generally defined as the period from the age when mandatory schooling ends through age 24. For most countries, as for the Czech Republic, that means the time span from 15 to 24 years old. Spain, Sweden, the United Kingdom and the United States have the youngest youth age: 16 years. In Italy, it was 14 before 1990, but has been 16 years old from 2009 year. In the Russian Federation "youth" defines as the group of people at the age 15-29. For them it is especially difficult to find suitable work due to the lack of job vacancies. In rural areas, today there are almost no well-functioning enterprises with suitable job vacancies for young people. Practically, there are no working farms, and those who operate, offer jobs for low pay, delayed payment of salaries of practice or the payment of the final result, which doesn't attract young people.

Some scientists suggest different ways to decide the problem of youth unemployment. One of them is developing of the rural nonfarm sector (RNFS). One of the direction development of RNFS is rural tourism. Rural tourism focuses on participating in a rural lifestyle. It can be a variant of ecotourism. Rural tourism - a form of tourism, which involves a temporary stay of tourists in rural areas to rest or participate in farm work. Mandatory requirement: accommodation facilities for tourists, individual or special, shall be located in rural areas or small towns with no industrial and multi-store buildings (Hájek T., 2002). There is European Centre for Ecology and Tourism (ECAT) is an organization which supports the development of rural tourism in Europe, and the Czech Republic is its member. One of the main tasks of this organization is to create new job opportunities for village people (Antoušková M., 2009). There are lots of prospects for development this kind of activities in the Czech Republic and in the Russian Federation, as both countries have vast rural territory.

Reasons of youth unemployment and problems of young people on labour market

Accordingly, a number of recent studies have sought to investigate the dynamics of the unemployment problem within labour markets, resulting in the identification of a range of barriers to work faced by rural job seekers. These barriers include: demand-side problems related to industrial restructuring, geographical remoteness, and low population density; localised skills mismatches; an over-reliance on low-skilled, casual (often seasonal) work; the preponderance of small enterprises that are more likely to fall victim to sectoral downturns; and a weak transport and service infrastructure (Lindsay C., 2003).

Youth unemployment rates are relatively higher for a number of reasons. First, young people are among the most vulnerable during an economic downturn when workers are being laid off and there are hiring slowdowns or freezes. Youths typically have the least seniority, the least work experience, and the least amount of company training invested in them, and they are more likely to be working on a short-term contract. They are, therefore, the most likely to be let go. Indeed, even if, on the one hand, there were no layoffs at all, but only a general hiring freeze, unemployment among young people would still grow as they attempted to move from school into the labour force upon completing their education; and if, on the other hand, employers were forced by economic conditions simply to be more discriminating in their hiring, those with no experience or with very little experience would be the least likely to be hired, and these, too, are most likely to be the young. Numerous studies have shown that youth unemployment rates are more sensitive to the business cycle than are adult unemployment rates.

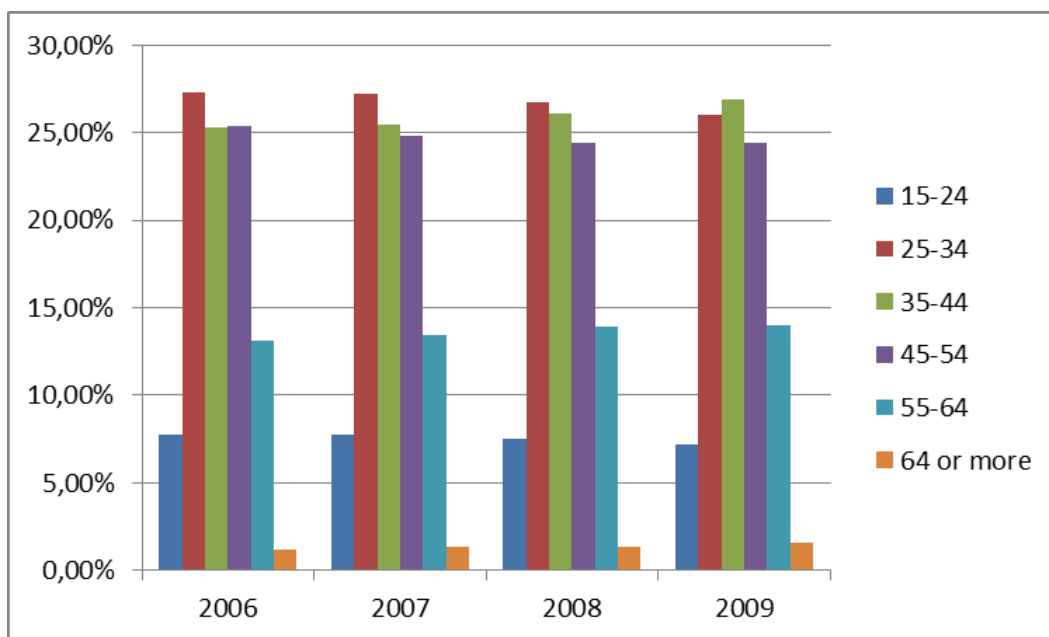
Second, whatever the state of the economy, young people simply have less experience in looking for work. Lack of experience at work is counteracted to a degree by the willingness and ability of youths to work for less money, but lack of experience in the process of finding a job is not.

Third, young people, generally with fewer resources than older workers and a stronger financial attachment to family, tend to be less

mobile. Consequently, they are somewhat less able or willing to move to places where more jobs might be available. This is especially true for those in the 15- to 19-year-old category, and in countries where attachment to home is particularly strong, the more important that factor would be.

Fourth, young people, with fewer financial obligations and often with family support, can typically afford to take immediate employment less seriously – especially as family sizes have shrunk and the pressure to get a job to help support the family has subsided. The younger the prospective workers, the less serious they tend to be about paid work. If they are students, the jobs they are likely to get, or to lose, are typically not full-time, career-track jobs, and they usually pay very little. Young people sacrifice less by passing up such jobs than do older people, whose search for employment is typically for career-type jobs. Whether the jobs are career track jobs or not, young people with financial support from parents can usually afford to wait longer for just the right job to come along. Thus, in this instance, a higher rate of unemployment actually may reflect economic strength, rather than economic weakness, for youths (Martin G., 2009). We can also identify the following reasons of youth unemployment:

- increase the total number of unemployed in relation to the already held and the upcoming bankruptcy of a large part of agricultural enterprises



Source: CZSO - definitive demographic data.

Figure 1: The shares of various age groups employed in "significant rural regions" in national economy of the Czech Republic between 2006 and 2009.

- in recent years, industrial enterprises are mainly aimed at self-preservation and survival, rather than on the development and expansion of production
- increase in the number of young unemployed largely related to the mismatch of their vocational training with labour market requirements and the lack of up-to-date career guidance for young people
- absence of demand of young people on the labour market concerned with the fact that a significant portion of youth unemployment aims to get a job corresponding to his training and highly paid, but does not receive such, that is due to inconsistency of supply and demand of labour.

Thus, there are a lot of reasons, which young people can't find worthy job as on labour market. All these reasons have negative effect on youth. Unemployment leads to loss of young people skills, the loss of ability to work intensively in some cases it leads to personal degradation, adversely affects the demographic situation.

Youth in the labour market of the Czech Republic and the Russian Federation

Classification NUTS 3 regions based on the share of population in rural grid cells. More than 50% of the total population in rural grid cells is predominantly rural, between 20% and 50% in rural grid cells - significantly rural and less than 20% - predominantly urban. For the Czech republic this means that the capital of the Czech Republic - Prague comes under the category „predominantly urban regions“, region Vysočina comes under the category „predominantly rural regions“ and all other regions (NUTS 3 level) represent the category „significantly rural regions“ (Bednarikova, 2006). But it is very difficult to separate these three levels. That is why NUTS 3 level in the present research includes not only the population living in the countryside, but also in the city, but the share of the first one is more significant than of the last one.

Pursuant to the OECD methodology applied for the determination of rural areas in the European Union the total area of rural regions of the NUTS 3 level in the Czech Republic is 78 370.9 km², that means 99.37 % of the country territory and it is inhabited with approximately 9.05 million inhabitants, that means 88.55 % of the country population.

The shares of various age groups employed in “significant rural regions” in national economy of the Czech Republic are represented by Figure 1.

The highest share of employed in “significant

rural regions” falls within the age category of 35-44 years (26,85% in 2009) against the share of employed in the age category 15-24 years, which constituted 7,16%. During the period between 2006 and 2009 year the share of youth on labour market of “significant rural regions” decreased, at the same time the share of people in the age group 55 or more has a tendency to increase.

Many rural areas in North-West Europe experience a net outmigration of the young population. Highly educated young people in particular are inclined to leave these areas. Policymakers are concerned about this ‘brain drain’ and see the selective outmigration of socially mobile young people as a threat to the economic development and reputation of the region (Thissen. 2010).

Since 1989, the age of agricultural workers has been generally increasing, establishing the most important problem within the set of the socio-demographic characteristics of agricultural population. While in 1989 the share of workers under 30 years of age amounted to more than one fifth (21.4%) of the total, in 1995 it was already 17.8%, in 2000 13.5% and by 2003, the share was nearly a half of the original number (11.4%). Since then, the share of this category has been stabilized at about 11%, yet, as a whole, agricultural workforce is still growing older. Their average age has increased by almost four years between 1989 and 2008 and now it reaches approximately 46 years. Although the average age of country's labour has been increasing as well (copying the natural aging of the economically active population), agricultural workers are presently by about four years older – in the mid-1990s, the difference was about three years and it peaked in 2004 at about 4.5 years.

The highest share of agricultural workforce falls within the age category of 45–59 years (48.5% in 2008, in case of women it is even higher – 54.3%). The higher percentual share of this category as compared to the category of 30–44 years on the one hand, and a less than half-sized share of the youngest category of 24 years and less on the other, are the main differences in comparison between the agricultural and the entire country's workforce. Also, within the agricultural sector, the share of the oldest category of 60+ years (which is the lowest within the entire country's workforce) has reached the same values as the share of workers in the category of 25–29 years. In other words, the share of workers over 45 years of age constitutes 55% of the agricultural workforce and only 40% of total country's workforce (Spesna. 2009).

One more important factor influences the choice of profession by youth is wages level. Its dynamic is

shown in Figure 2. The average monthly nominal wage in agriculture reached 17941 CZK in 2009, compared 22862 CZK in the industrial sector and 23488 CZK in the national economy total. In both comparisons, the absolute difference reaches about five thousand CZK, in case national economy the difference is more than five and a half thousand CZK. This deficit contributes to the agriculture's reputation of low-paid work.

The disparity of agricultural wages for the period between 2000 and 2009 has been oscillating around the 71,6 % for the last ten years. In 2009 it reached 72,8 % in industry and 77,7% in national economy of the Czech Republic. Thus the growth of wages in agriculture was the smallest for the last period of time.

If we consider the situation with the wages in the Russian Federation, it looks significantly worth than in the Czech Republic. The difference between the wages level in industry, agriculture and national economy of the Russian Federation and salary in agriculture of the Czech Republic is presented in Figure 3. As can be seen from the graph the average monthly wage in Russian agriculture reached 222 € in 2009, compared to 382 € in the industrial sector and 430 € in national economy total. In both cases, the absolute difference reaches more than 150 €. At the same time the salary in agriculture of the Czech Republic is almost three times higher than in agriculture of Russia. Despite this fact, agriculture in both countries is unattractive for young people and has the characteristic as a low-paid job. And most of them try to find better and high-paid job

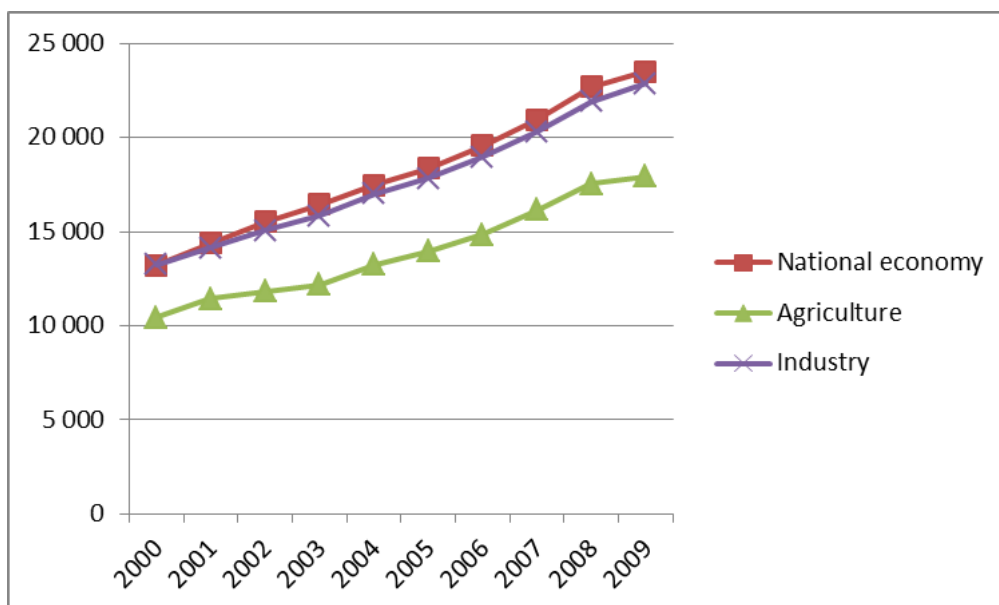
in industry and service, which is concentrated in urban regions.

In agriculture of the Russian Federation, there is deterioration in the quality structure of the labour force. Annually declining number of graduates of agricultural institutions fixed on the village. Less than 15% of the graduates continue to work in the countryside in recent years. This, in turn, leads to aging of the rural population. Reduction of human resources has a negative impact on production efficiency. One of the major reasons for the outflow of rural youth is the low prestige of rural labour, low pay and irregular payment of wages (Babekina, 2009).

In April-May 2010, the Russian Union of Rural Youth for professional consulting support of All-Russian Public Opinion Research Center conducted a case study whose purpose was to study plans, motives, attitudes and expectations of rural youth.

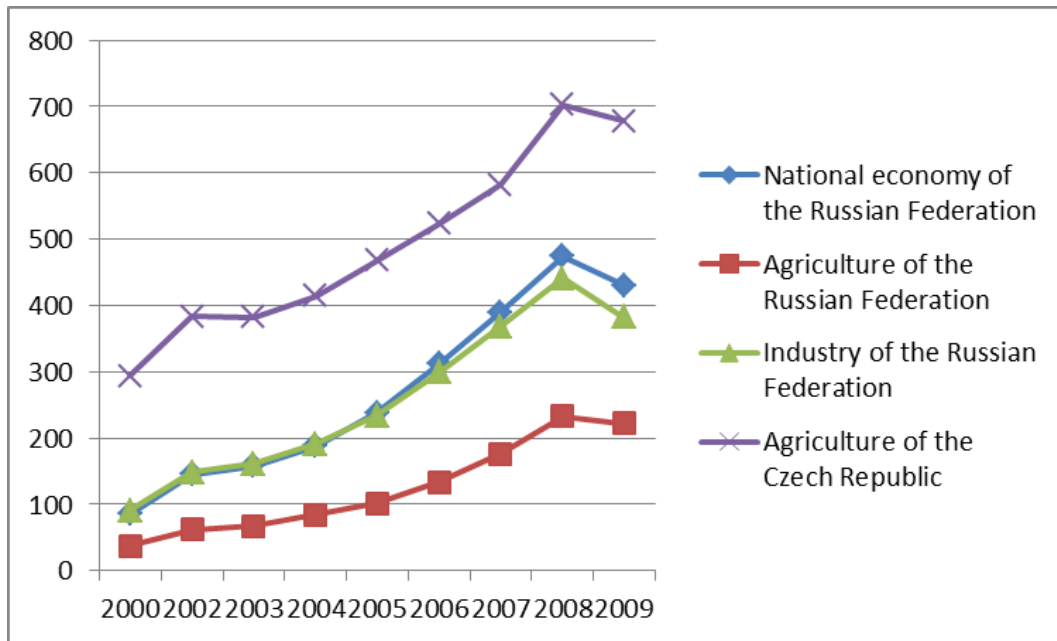
As the results of the study, life plans of rural youth have different directions. In this case, most young people (48,8%) have no plans to connect his life to the village. At the same time more than the third of young men (35,9%) in the future plan to live and work in rural areas or to return there after receiving vocational training.

It is noteworthy that among men the percentage of those who intend to live in the village is significantly higher than among women. In particular, almost two-thirds of girls (61,2%) are inclined to leave the village.



Source: CZSO - Labour Statistics.

Figure 2: Nominal monthly wages in agriculture, industry and national economy of the Czech Republic (Czech Koruna).



Source: Source: Russian Federal State Statistic Service, CZSO.

Figure 3: Nominal monthly wages in agriculture, industry and national economy of the Russian Federation and in agriculture of the Czech Republic (Euro).

There are noticeable differences in life plans in different age groups of youth. The study showed that the percentage of those planning to leave the village, with age, gradually increases and reaches its maximum to 21 years (66,5%). There is a pronounced tendency to decrease the desire to leave the village in the future. Only a third of young people (33,5%) aged 25-30 years has not yet parted with plans to move into the city.

It says, that population of rural area (on NUTS3 level) becomes older. It can negatively influence labour market of "significant rural regions" of the Czech Republic and rural area of the Russian Federation. In the future, if the tendency doesn't change, there will be less specialists, which could change the old ones.

Conclusions

Youth in the labour market is quite vulnerable category, the issues of providing effective employment which are matters of public policy. Of course, the decision of this problem is impeded in the social, economic, legal and political spheres of our live, so the appropriate measures should be adopted correspondingly.

The interest of young people in working in agriculture is low, because of high demand for unskilled labour, low wage levels in comparison with industry and total national economy of the Czech Republic.

The effective problem solution of youth employment in rural regions can be a complex program of adaptation of students in the labour market.

The most important of its directions should be the following activities as in Russia as in the Czech Republic: first of all it is necessary to teach students the process of employment, broad information about employment opportunities, professional growth and development; teaching students the labour legislation, more knowledge about the rights and responsibilities of job seekers; important point is to stimulate the activity of students through participation in the development of their activities (social organizations, business games, etc.).

One more measure to increase the potential size of the demand for worker-student (as an intern and full-fledged employee) can be the development of incentives to employers (tax benefits, partial compensation of expenses for employee additional training and joint projects to address the internal problems of the enterprises, etc.). It is necessary to develop this activity in both countries as in The Czech Republic as well as in the Russian Federation.

Restoration and development of rural infrastructure – this measure is especially relevant for the Russian Federation. A lot of Russian villages have a lack of basic infrastructure, electricity, drinking water, transport chain, school, and hospital. Information system is also one of the priority directions in the development of the countryside. It expands opportunities for integration into the global

economic system. All the enterprises face with the problem of collecting, analysis and proceeding of big amount information. There is always the need to work in the following directions: identification of issues and information requirements; selection of information sources; information gathering; information processing and evaluation of its completeness and relevance; analyzing information and identifying trends in selected areas. The development all of these services can create new jobs and attract young people to the countryside

The rural nonfarm sector (RNFS) is increasingly playing an important role in the development of rural areas. The RNFS will need to become more and more a major provider of employment and income to many rural people. It should be noted, however, that RNFS is not a substitute for employment in agriculture but rather a supplementary measure. RNFS can include such activities as production of fertilizer, maintenance and repair of agricultural equipment; transport; the construction or maintenance of market facilities and commerce. As Russian center of agricultural consulting reports the share of rural tourism in Russia is low and currently stands, according to expert estimates, 1,5 - 2%. However, Russia has all the prerequisites for the development of this type of tourism. In developed European countries, rural tourism in the popularity ranks second after the beach. Currently, rural tourism in Europe brings about 20-30% of the total income of tourism industry. Rural tourism is not really one of the most seminally developing branches of travel industry in the Czech Republic, but it has a great prosperity in future. In the Russian Federation there is National Association of Rural Tourism, which was founded in 2010, if put into comparison with ECAT which was founded in 1994. Also there is The State Tourism Policy Concept in the Czech Republic for the period of 2007 – 2013 which constitutes a mid-term strategic document, which is first of all based on development potential of tourism in the Czech

Republic. The main problem for development of rural tourism in the Russian Federation is the absence of common national concept for the development of rural tourism and a clearly articulated state policy on rural tourism and, accordingly, a system of normative-legal framework for this activity as in the Czech Republic. Therefore, the authorities of Russia, firstly, should project the national program of agro tourism development that could contribute the extension of this branch. In the frame of this program government should define the tasks, such as project of standards and regulations applicable in the field of rural tourism as a special sector of the tourism industry; increase of qualification of labour force and knowledge and experience in the service of foreign and domestic tourists. This kind of tourism saves the landscape, especially the one that is provided on ecological farms. The money earned by accommodating tourists and other related services helps to develop other agricultural activities. The development of rural tourism has a lot of advantages: reducing unemployment, promoting job creation, revenue growth and improving living standards of rural residents with relatively small financial costs; improving villages, the development of engineering and social infrastructure; the development of small rural business as well as environmental attractiveness of the countryside.

These measures will improve the situation of the youth labour market. On the one hand it will be advisably for young people as potential employees and for employer on the other hand. Graduates can get knowledge about how to behave during job search, their rights and responsibilities and development of their career. Employers can get young workforce that has such advantages as educability, mobility, fresh look, ability to adapt quickly to changing conditions in comparison to older generation. All these characteristics need for innovation development of national economy of the Czech Republic and the Russian Federation.

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