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INSTITUTE OF AGRICULTURAL
AND FOOD ECONOMICS
NATIONAL RESEARCH INSTITUTE

The socio-economic structure of the non-farming rural population in Poland

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MULTI-ANNUAL PROGRAMME
2005-2009

THE ECONOMIC AND SOCIAL CONDITIONS OF THE DEVELOPMENT OF THE POLISH FOOD ECONOMY FOLLOWING POLAND`S ACCESSION TO THE EUROPEAN UNION

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This publication was prepared as a contribution to the research on the following subject **Regional differentation of agricultural development and its impact upon economic and social problems of rural areas** within the framework of the research task *The role of non-farming activities in shaping new structures in rural areas*

The purpose of the study was to analyse changes in the social and economic situation of non-farming families in 1996-2005

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Introduction

For years, rural development strategies have attached great importance to speeding up the multifunctional development of rural areas. This primarily means increasing job opportunities for rural residents, encouraging rural entrepreneurship in non-agricultural activities, seeking new ways to utilise the existing production capacity. The majority of such efforts are aimed to find new sources of income for the rural population, thus to reduce excessive agricultural employment [6].

In the past, mostly prior to economic transition, changes in rural structures triggered by the development of non-agricultural sections of the economy were primarily reflected in the growing non-farming population. That upward trend, as well as its scope, was closely related to the urbanisation of rural areas, i.e. the discontinuation of farming and taking up non-agricultural activities, usually tantamount to the outflow of the farming population. The process was stimulated by a favourable situation in the labour market, particularly with regard to employment in manual jobs. Since vocational education was sufficient to meet the requirements, for rural youth it was the most accessible way to start work and independent adult life. A significant proportion of persons working in towns and cities continued to live in rural areas, either by choice (for family reasons, the rural landscape) or on account of delayed spatial migration in relation to the change of workplace (due to the housing shortage and the need to wait for flat assignment). As a consequence, the non-farming population in rural areas gradually increased, to account for more than 41% of the total rural population in 1988, i.e. immediately before economic transition in Poland.

Compared to the rest of the rural population, i.e. farming families, the non-farming population was distinguished by the quality of human capital. It was primarily related to the considerable share of relatively young and skilled persons. Their lifestyle, the adopted system of values and social aspirations were increasingly similar to behaviour patterns observed in highly urbanised and industrialised areas. In the then prevailing conditions that group was the engine of civilisational progress in rural communities and represented occupational advancement [14].

Due to economic transition and related changes in economic structures, the group rather soon lost its previously prominent position in local communities and gradually suffered social and economic degradation.

It mainly resulted from the fading out of the factors which had shaped the group in the past. Enterprises functioning on the basis of an extensive (thus labour-intensive) production model went bankrupt across Poland. Such plants usually provided employment for members of income-earning families in rural areas. There was a dramatic fall in demand for three-year vocational school leavers, mainly prepared to perform skilled manual work. Such an educational level, previously sufficient for job-seekers, was widespread among rural youth. Furthermore, there was a sharp rise in commuting costs as employees needed to cover increased distances to their workplace. Company transport of workers at the expense of the employer, financial aid for company canteens, ticket allowances etc. were all discontinued.

But the factor which had the most adverse effect on the situation of the non-farming rural population was the imbalance in the labour market and growing unemployment [2]. Insofar as in 1988 in the group of the surveyed persons without agricultural land employment was nearly tantamount to labour market participation, as early as 1992 unemployed persons accounted for one-fourth of those economically active [8]. The loss of earnings, very limited alternative job opportunities as well as low adaptability contributed to a dramatic deterioration of the economic and financial situation of this group, and consequently to its social degradation. Only some rural residents with no farming background managed to cope with the new reality and switch to other economic activities.

Job opportunities were mostly found in self-employment as such entrepreneurial initiatives were relatively easy to pursue, given the underdevelopment of rural infrastructure, particularly with regard to trade and services. However, even in the early period of economic transition when start-up businesses faced rather little competition, it was impossible for local entrepreneurship to compensate for the loss of jobs following the winding-up of unprofitable enterprises [10].

Regardless of the changed conditions for the development of the non-farming rural population, an upward trend was still observed over the years covered by subsequent IAFE-NRI surveys. It stemmed from determined efforts of the rural population to improve living conditions; since the development potential of a major share of farms was marginal and the feeling of redundancy was increasingly widespread among farmers, it was necessary to find new sources of income. Competitive pressure in agri-food markets and technological progress pushed down agricultural employment, therefore strong outflow of workforce from agriculture continued, in spite of family

ties and the growing role of farms as protection against the loss of off-farm jobs. After Poland's accession to the European Union, those processes became even more intensive [1]. As a result, despite a number of constraints on further growth of non-farming rural families, this category of households has become a permanent element of rural areas, and the future socio-economic rural development in fact largely relies on the non-farming population to be the engine of favourable changes in rural areas and agriculture.

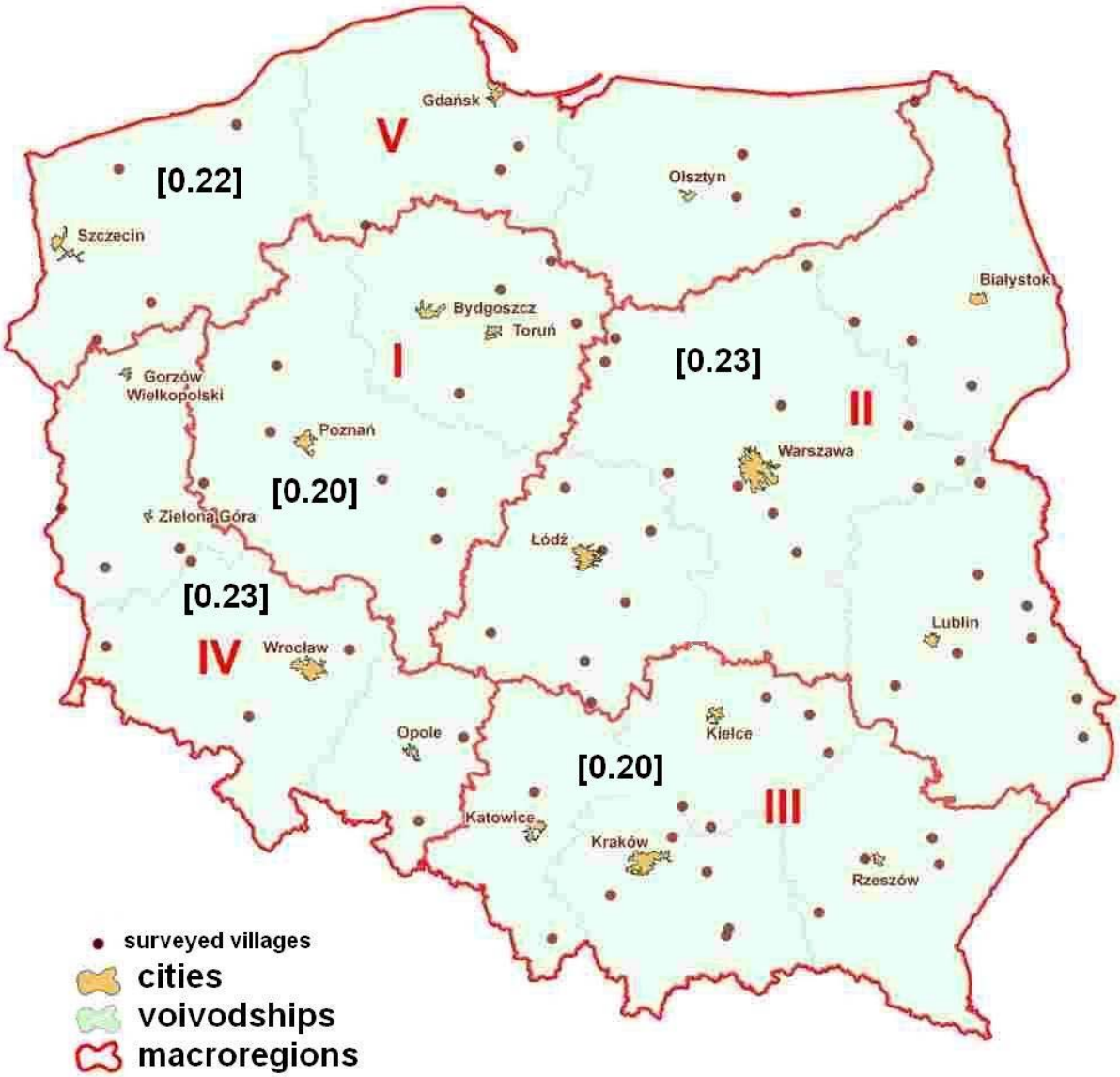
Object of the study and research method

The paper is primarily focused on the description of the non-farming rural population (both families and individuals). Data on the mobility of the group in question, its demographic characteristics and main sources of income allow to identify changes which could be observed prior to accession and in the early period of Poland's membership in the European Union.

The main source of the analysed data were surveys of families residing in 76 villages across Poland, conducted by the Institute of Agricultural and Food Economics – National Research Institute (IAFE-NRI) in 2000 and 2005. The sampling of villages for the surveys was purposeful and representative, based on socio-economic features of the population and the land structure of holdings located in the distinguished regions (Map 1). Basically, the sample excludes villages of a mixed nature (urban and rural), villages dominated by workers' families or those particularly attractive for tourists in terms of location. The surveyed villages represent a fixed sample for panel field surveys conducted periodically at the Social and Regional Policy Department of the IAFE-NRI.

In such surveys, information from respondents is obtained on the basis of questionnaires by interviewers, whose function is reduced to simply conveying the questions and registering the answers as faithfully and literally as possible. This means that the interviewer in fact serves as a research instrument of great sensitivity and precision. In addition, the questionnaire is always completed in the presence of the interviewee so as to minimise the influence of the interviewer on the answers. The surveys always cover all the families residing in the selected villages.

Map 1. Location of villages in IAFE-NRI surveys by macroregion



The red line marks the borders of selected macroregions, which include the following voivodships:

I **Central-Western** – the Kujawsko-Pomorskie and Wielkopolskie voivodships;

II **Central-Eastern** – the Łódzkie, Mazowieckie, Lubelskie and Podlaskie voivodships;

III **South-Eastern** – the Świętokrzyskie, Małopolskie, Podkarpackie and Śląskie voivodships;

IV **South-Western** – the Opolskie, Lubuskie and Dolnośląskie voivodships;

V **Northern** – the Zachodniopomorskie, Pomorskie and Warmińsko-Mazurskie voivodships.

In 2000, the number of surveyed rural households was 8,643 and they represented the total population of the villages in question. This group included 4,716 families without agricultural land, also referred to as non-farming families. In 2005, the survey conducted in the same villages covered 8,604 rural families. It produced source materials on social characteristics and economic activities of all the residents. The group included 4,899 non-farming families.

The description of the group in question and of changes observed between the 2000 and 2005 surveys represents the main objective of this analysis. Findings from such surveys conducted in 1988, 1992 and 1996 were also used for more detailed presentation of trends and the pace of change with regard to selected developments.

It should be emphasised that the source materials for the analysis have the merit of providing comprehensive information. In the questionnaire for non-farming families most questions refer to the family, the outflow and inflow of families and individuals from and to the village. Detailed questions concern sources of income for the family and demographic characteristics, the educational level and working life of the family members. Another section of the questionnaire refers to the possession of basic goods, with a view to determining the living standards in the surveyed group of families.

The paper consists of three parts. The first part analyses changes in the regional distribution of non-farming families in 1996-2005, with a particular emphasis on migration as a factor affecting the number of the surveyed rural households. The second part describes the group in question in terms of social and demographic characteristics. Finally, the paper analyses the sources and level of income of the non-farming population as well as assesses changes in the living standards on the basis of the equipment of the surveyed households with durable goods.

1. The non-farming population in 1996-2005

1.1. Changes in the structure and regional distribution

According to IAFE-NRI surveys, the share of families without agricultural land in the rural population has been increasing for more than ten years. In 2005, the number of the surveyed non-farming rural households was almost 3% higher than five years before and 6% higher than in 1996. Over nearly two decades, the number of non-farming families went up by 15.4%/percentage points. The main determinant of such changes was the abandonment of farming and taking up non-agricultural activities by the rural population or the discontinuation of production at the retirement age (Table 1).

Table 1. Rural families by use of agricultural land in 1988-2005

Year	Share of	
	farming families	non-farming families
1988	58.5	41.5
1992	54.6	45.4
1996	49.0	51.0
2000	46.0	54.0
2005	43.1	56.9

Source: IAFE-NRI surveys 1988, 1992, 1996, 2000, 2005.

Despite the fact that similar patterns in structural changes were observed in rural families across Poland, and in 1996-2005 the number of non-farming households increased in all the macroregions, regional differences in the scale of the process continued to be significant (Table 2). The only exception was south-western Poland, where the share of non-farming families in the rural population showed a slight fall in 1996-2000.

According to the surveys, even though the number of non-farming families rose in all the macroregions, the growth rate still considerably varied. In 2000-2005, the number of non-farming families increased the most in the South-Eastern and South-Western macroregions. Compared to the period of 1996-2000, in the former macroregion the share of such households

went up nearly by 5 percentage points, whereas in the latter by 2.5 percentage points. As regards the decade of 1996-2005, the highest growth rate of the number of non-farming rural families was recorded in the Northern macroregion (an increase in the share by more than 14 percentage points); for years, this region had been distinguished by a major proportion of the non-farming rural population. In the past, it was primarily related to the functioning of many state-owned agricultural holdings. At present, the rather high share of non-farming families in villages located in the north of Poland should be attributed not only to the significant number of former workers of state-owned farms, previously functioning in such areas, but also to the relatively high concentration of agricultural land and the resulting limitations on agricultural employment. At the same time, a rather considerable increase in the share of non-farming households in the Central-Western macroregion stemmed from advancement in efficiency-oriented changes in agricultural structures. Consequently, as in the whole of Poland, in 1996-2005 all the macroregions (with the exception of the South-Western macroregion) witnessed an increase in the share of non-farming rural families.

Changes observed in recent years with regard to the proportions of farming and non-farming rural families had no major effect on existing regional differences in this respect. As in previous years, the polarisation of rural households continued to be more advanced in the west and north of Poland, whereas it was less evident in eastern and southern regions.

Compared to the proportion of families, the share of the non-farming population was lower, less than half of the total surveyed population. It resulted from a significant gap between the number of persons in non-farming households in comparison with farming families. In the group in question, it was an average of three persons, whereas an average farming household, i.e. a family with a farm, consisted of four persons. Such differences had been observed for years, which suggests that it should be seen as a constant characteristic of the rural population.

The lower average family size in non-farming households as compared to that in the farming population is largely related to the main development mechanism of the former group. It mainly includes persons coming from a farming background. In the past, it primarily consisted of rural youth wishing to become self-supporting and independent of their parents. In the decade in question, the non-farming population increasingly absorbed older persons. Uncertain about non-agricultural sources of income and faced with the risk of unemployment, young people decided to continue farming

activities. In such cases, in multigenerational families the persons to become "non-farming" were the retired parents. Both trends, particularly the latter, reinforced the domination of a "small family" in the non-farming population [9].

Table 2. Non-farming families in 1996, 2000 and 2005

Macroregion	Year	Surveyed families, total	of which: non-farming families	
			number	share
Total	**1996**	**8401**	**4279**	**51.0**
	2000	**8643**	**4716**	**54.6**
	2005	**8604**	**4899**	**56.9**
Central-Western	1996	981	460	46.9
	2000	1012	534	52.8
	2005	1031	556	53.9
Central-Eastern	1996	2391	1016	42.5
	2000	2787	1249	44.8
	2005	2635	1213	46.0
South-Eastern	1996	2657	1226	46.1
	2000	2368	1117	47.2
	2005	2408	1229	51.0
South-Western	1996	996	721	72.4
	2000	1255	897	71.5
	2005	1278	946	74.0
Northern	1996	1376	856	62.2
	2000	1221	919	75.3
	2005	1252	955	76.3

Source: IAFE-NRI surveys 1996, 2000, 2005.

When interpreting fluctuations in the share of non-farming families in the rural population, it should be emphasised that, unlike in the period when the formation of the group had been primarily driven by non-agricultural career aspirations, at present it is increasingly related to the feeling of redundancy among farmers and the resulting need to find alternative sources of income.

1.2. Mobility of families and population

Fluctuations in the number of non-farming families may be related to various forms of mobility among rural residents. Basically, they may result from migration (outflow from or inflow to rural areas), the formation of new families among rural residents or the disintegration of existing families as well as from changes in the use and ownership of land of more than 1 ha of agricultural land.

Subsequent surveys conducted by IAFE-NRI between 1996 and 2005 confirmed developments noted before, namely that non-farming rural families represent a group characterised by relatively high mobility. Presumably, both the formation of and changes within this group have a significant impact on the patterns observed with regard to the new socio-economic structure of rural areas.

1.2.1. Fluctuations in the number of families

According to the 2000 IAFE-NRI survey, both the outflow of families covered by the 1996 survey and the inflow of new households, i.e. those surveyed for the first time in 2000, was relatively significant among the surveyed non-farming families. On average, the proportion of households surveyed in 1996 but not in 2000 was ca. 10%. At the same time, the share of newly formed non-farming families was significantly higher. This pattern was observed in all the distinguished macroregions.

As regards the 2005 survey, new households, i.e. those surveyed for the first time, accounted for 13.4% of the total number of the surveyed non-farming families. The highest share of newly formed non-farming families was found in the Central-Western macroregion (17%), followed by the South-Eastern and Central-Eastern macroregions (16% and 13% respectively), in areas where non-farming families had been rather few previously. It means that socio-economic diversity in rural areas, related to the diversification of activities or alternative incomes, was increasingly observed also in regions where rural families had been traditionally engaged in agriculture.

This is confirmed by survey findings concerning the reasons for the increased number of non-farming households in rural areas. Such families usually dispose of agricultural land, thus losing the status of farming families.

This should be primarily attributed to relatively significant efforts by rural residents in seeking alternative income sources. Geographical mobility of the population is less relevant. Nearly 30% of new non-farming families were formed as a result of migration within rural areas and the inflow of the urban population, of which cases where persons changing the place of residence had owned a farm or came from a farming background accounted for a mere 5%.

In general, the comparison of information on the sample surveyed by the IAFE-NRI in 1996 with the survey findings obtained in 2005 suggests that nearly one-third of the surveyed families were those formed within the previous decade.

Figure 1. Share of new non-farming families in 1996-2000 and 2000-2005

Source: IAFE-NRI surveys 2000, 2005.

The described trends in the formation of new non-farming families were observed in all the macroregions, but geographical migration was relatively the most relevant in the Northern macroregion. It was reflected in a high share of new non-farming families formed as a result of the inflow of persons from other villages or towns. The highest share of non-farming families in villages located in this macroregion and relatively significant land concentration in agricultural holdings contributed to the fact that the share

of new families with a farming background was lower than in other macroregions. In 1996-2005, a similar trend was observed in the Central-Western macroregion, which for years had been characterised by a rather large average farm size as well as the highest share of economically strong and market-oriented holdings in Poland. Observed regional conditions confirm that the rise in the share of non-farming families in rural areas primarily results from increased market orientation of farms, improved equipment and more efficient use of production factors. The specialisation of agricultural holdings, motivated by changing market conditions, increasingly pushes down agricultural employment. In a great many cases, redundant persons become members of non-farming households. At the same time, the relatively greater geographical mobility of the non-farming population as compared to that of the farming population should be attributed to the situation in local labour markets and the influence of large urban areas offering job opportunities in non-agricultural sectors. Presumably, in the future the impact of major cities on rural development will increase as improved infrastructure will enable to take up off-farm employment without the need to change the place of residence.

Table 3. New non-farming families by origin in 1996-2000 and 2000-2005

Macroregion	Years	**New non-farming families by previous place of residence (%)**			
		another village or town		**the same village**	
		as a share of the total number of families	of which those with a farming background	as a share of the total number of families	of which those with a farming background
Total	1996-2000	30.2	6.8	69.8	54.6
	2000-2005	29.0	5.3	71.0	67.1
Central-Western	1996-2000	30.9	10.0	69.1	55.2
	2000-2005	29.0	0.0	71.0	50.0
Central-Eastern	1996-2000	19.6	15.9	80.4	74.4
	2000-2005	16.2	8.0	83.8	85.3
South-Eastern	1996-2000	30.0	4.1	70.0	37.0
	2000-2005	27.8	10.5	72.2	64.2
South-Western	1996-2000	29.9	3.4	70.1	47.1
	2000-2005	34.8	2.6	65.2	63.0
Northern	1996-2000	51.8	3.4	48.2	53.7
	2000-2005	46.2	2.4	53.8	57.1

Source: IAFE-NRI surveys 2000, 2005.

In general, it should be noted that the scale of the described pattern depended on two main factors, namely migration and changes in particular households within the same villages (Table 3). In both cases, family reasons proved to be the most important. As regards newcomers, they also indicated the job and housing situation, whereas changes within the same villages usually stemmed from the need to take care of unmarried or widowed relatives who discontinued agricultural activities upon reaching the retirement age.

The formation of non-farming rural families was determined not only by the inflow of new persons without agricultural land, but also by the fall in the number of families, usually as a consequence of migration from the surveyed villages or the disintegration of existing families (e.g. due to death), particularly with regard to one-person households. The analysis of the survey data indicated that the 2005 survey did not cover approx. 22% of the families surveyed in 1996. Those were the families which had migrated from the surveyed villages or where deaths among household members had occurred.

Due to the changing economic conditions, the pre-accession period and the first year of EU membership, the group of non-farming families which had left the surveyed villages represented different migration patterns in 2000-2005 in comparison with 1996-2000. Between 2000 and 2005, the most families without agricultural land migrated to urban areas (nearly 58%). More than 37% of rural migrants moved to other villages, whereas 5% left Poland.

Table 4. Migration patterns among non-farming rural families by macroregion

Macroregion	Migration patterns among non-farming families (%):					
	urban areas		rural areas		abroad	
	1996-2000	2000-2005	1996-2000	2000-2005	1996-2000	2000-2005
Total	40.9	57.8	56.8	37.0	2.3	5.2
Central-Western	11.5	42.9	88.5	54.2	0.0	2.9
Central-Eastern	39.6	65.0	61.4	32.5	0.0	2.5
South-Eastern	19.5	53.1	72.4	34.4	7.1	12.5
South-Western	50.0	65.4	47.4	30.8	2.6	3.8
Northern	92.5	62.5	7.5	32.5	0.0	5.0

Source: IAFE-NRI surveys 2000, 2005.

Among the households which migrated from the surveyed villages in 2000-2005, most families moved to other villages (57%) or urban areas (41%), while very few decided to leave Poland (a mere 2% of the families). In 2000-2005, members of non-farming families seeking employment moved to cities.

After Poland's accession to the European Union, improving market conditions and the relatively more favourable situation in the labour market (a fall in unemployment) had a different effect on migration patterns among the non-farming rural population as compared to previous decades. The growing job market and increasingly liberalised labour law in other EU Member States were also relevant. As a result, rural families had more migration opportunities and found it relatively easier to leave their villages.

Migration patterns significantly varied between macroregions (Table 4). Among the migrant non-farming families, relatively the most households moved to urban areas in the Northern macroregion, more than 90% of families which had left the surveyed villages. In 1996-2000, no families in this macroregion were reported to have left Poland, whereas in 2000-2005 the share of such households was as much as 5% of the migrant non-farming families.

The highest share of families having decided to leave Poland permanently was found in the South-Eastern macroregion. For years, this region had been characterised by relatively the most intensive job migration, and the process further intensified after Poland's accession to the EU.

1.2.2. Individual migration

In addition to the migration of the whole families, fluctuations in the non-farming rural population are also affected by the scale of individual migration. It should be primarily attributed to increasingly widespread education (a rise in the number of rural youth at universities and frequent decisions to seek employment in urban areas), job migration of individuals and changes in the family situation (mostly in the marital status of young persons). Nevertheless, the geographical mobility of the non-farming population usually concerns the whole families. In 2000-2005, as 1996-2000, individual migration was rather minor and found in ca. 9% of families in both periods in question.

In 2000-2005, unlike in the case of family migration, individual migration in the surveyed sample was mostly observed within rural areas – 45% of migrants moved to other villages. But also in this respect the scale of migration decreased in comparison with that recorded in 1996-2000 when half of individual migrants chose other villages as their new place of residence. On the other hand, persons deciding to leave their villages were increasingly interested in job opportunities for Polish nationals in foreign labour markets. It concerned nearly 14% of all individual migrants, whereas in 1996-2000 the respective share was only 9% of members of non-farming families.

Table 5. Individual migration in non-farming rural families

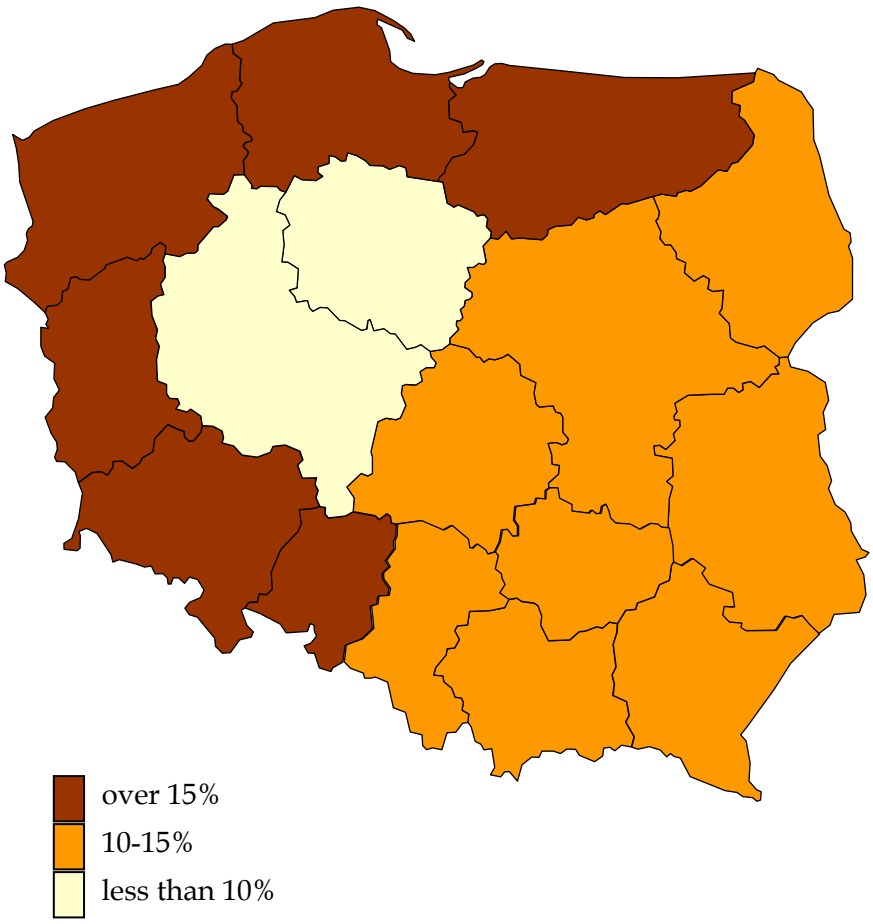
Macroregion	Share of families with individual migration		Migration patterns among individuals from non-farming families (%):					
			urban areas		rural areas		abroad	
	1996-2000	2000-2005	1996-2000	2000-2005	1996-2000	2000-2005	1996-2000	2000-2005
Total	8.8	9.3	41.4	41.3	49.7	45.0	8.9	13.7
Central-Western	9.0	10.3	40.3	28.8	59.7	65.0	0.0	6.2
Central-Eastern	5.3	8.2	60.0	56.7	37.8	31.4	2.2	11.9
South-Eastern	8.4	9.8	21.5	36.2	71.6	49.7	6.9	14.1
South-Western	10.3	11.7	29.8	39.6	48.1	43.5	22.1	16.9
Northern	12.5	7.2	58.1	41.7	35.1	41.7	6.8	16.6

Source: IAFE-NRI surveys 2000, 2005.

The scale of individual migration in non-farming families considerably varied across Poland. Insofar as the share of households with individual migration was rather similar in all the macroregions, migration patterns significantly differed. For members of non-farming families from the Central-Western macroregion it was definitely the most frequent to migrate within rural areas, while relatively few decided to go abroad. It should be noted that changes in the socio-economic structure in this macroregion were strongly related to agriculture, and the non-farming population, more often than in other regions, pursued economic activities oriented towards technical infrastructure and services in rural areas. Geographical mobility of the surveyed group was largely affected by fluctuations in related demand. Therefore, migration was mostly found between villages, whereas decisions to leave rural areas or Poland were less frequent.

Different patterns could be observed in the Central-Eastern macroregion, where both individual and family migration was largely affected by major cities (particularly Warsaw and Łódź); therefore, cities were the most popular destination for individual migrants. On account of job opportunities in urban areas, some rural residents were even inclined to commute to distant workplaces, and it was increasingly frequent to move to cities despite much higher costs of living (e.g. rent), mostly due to the improving situation in the labour market (a rise in salaries and wages) and more accessible home loans. At the same time, job stabilisation and improved terms of employment encouraged permanent change of the place of residence.

Map 2. Spatial differences in the share of individuals moving abroad among migrants in non-farming families in 2000-2005



Source: IAFE-NRI survey 2005.

Even though in Poland there was an increase in the share of families experiencing individual migration, it varied significantly between the analysed macroregions. For years, the highest share of non-farming families where a family member decided to migrate had been observed in southern regions. Job migration was the most frequent in such areas, and decisions to seek employment in foreign countries were taken much more often than in other regions of Poland.

Individual migration increasingly concerns non-farming families in various regions, and the main determinant remains the labour market in major cities. For instance, the most significant growth in the number of non-farming families with individual migrants was observed in Central-Eastern macroregion (by 3%), where the scale of individual migration was relatively the lowest in 2000. The influence of macroeconomic conditions on rural migration was also confirmed by the situation in the Northern macroregion, which experienced a slowdown in migration by members of non-farming families in 2000-2005. In the macroregion in question, very intensive migration was observed in 1996-2000, on account of an extremely difficult situation in the labour market.

To conclude the analysis of the mobility of the non-farming rural population, it should be emphasised that in 2000-2005, as in the previous five years, net migration in non-farming families was positive. In 2000-2005, the increase in the number of the surveyed households (new families accounted for 13%) was greater than the decrease (12% had left the surveyed villages), but the gap was less significant than in 1996-2000 (16% against 5% respectively). Therefore, it follows that the period of 1996-2005 witnessed an upward trend in the mobility of the group in question.

Although non-farming families were characterised by relatively higher geographical mobility than other rural families, it should be emphasised that the rise in their number was primarily related to changes in the status of farmers. Also in this respect the continuation of long-term patterns could be observed, i.e. relatively greater inflow of former farmers to the non-farming population than the outflow of persons taking over an agricultural holding. In both 2000 and 2005, as many as 70% of new non-farming families had been farming families in the previous survey, i.e. they owned a farm of 1 ha of agricultural land or more. It follows that in 1996-2005 the formation of non-farming rural families largely reflected changes in family farming, particularly with regard to the reduction in agricultural employment and the availability of excess labour force to non-agricultural sectors.

Thus, the mobility of non-farming families indirectly affected the pace of concentration in agriculture and changes in socio-demographic characteristics of the farming population.

Individual migration from non-farming families primarily reflected tendencies in the social mobility of the group in question, prospects of changing the social and economic situation, the openness of existing patterns and structures, encouraging or hindering the realisation of personal plans. Considering that individual migration from non-farming families primarily concerns young people, it should be assumed that this group is determined to strive for economic independence and improved living conditions. According to subsequent surveys, rural youth are increasingly convinced that the successful realisation of individual plans involves obtaining adequate education. At the same time, the growing scale of migration indicates that success is within reach. The realisation of plans concerning non-agricultural activities should be primarily attributed to the improving situation in the labour market in urban areas. With regard to geographical mobility of the rural population, it is reflected in greater opportunities to move to major cities, previously inaccessible to migrants from rural areas due to the high cost of living (e.g. rent).

2. Socio-demographic characteristics of the non-farming population

In the period of intensified formation of the non-farming population in the social structure of rural areas, i.e. in 1970-1980, the most important determinant of its scale was the outflow of rural youth from agriculture. Also today the expansion of this category of rural families continues to be related to changes in career choices by young persons with a farming background.

At the same time, after economic transition, it was increasingly frequent for the retired parents to separate from the family and form a non-farming household, whereas adult children took over the farm. Furthermore, it was accompanied by the demographic ageing of the once non-farming population. As a consequence, despite the fact that the inflow of young persons to the non-farming rural population continued to be rather significant, its demographic picture and social characteristics were increasingly affected by factors which had had a minor effect on the non-farming rural population in the past.

2.1. Age structure

In every population group, the age structure represents a crucial factor affecting its social activity. For the most part, it largely determines the relations between the working and non-working population, as well as between persons participating in the labour market, i.e. workers or unemployed, and those economically inactive. As a result, the age structure of the population influences the share of workers' families and pensioners' households and codetermines the type and level of income and the social needs satisfied.

For more than the past decade, a demographic ageing trend could be observed in the non-farming rural population. According to the IAFE-NRI survey carried out in 1998, there were 32 post-working age persons per 100 working age persons. After twelve years, i.e. in 2000, the survey conducted in the same villages demonstrated that the respective indicator increased to 36 persons.

Table 6. Non-farming rural population by age in 2000 and 2005

Macroregion	Share of*									
	the pre-working age population		the working age population		of which:				the post-working age population	
					the age of mobility		the age of non-mobility			
	2000	2005	2000	2005	2000	2005	2000	2005	2000	2005
Total	26.5	22.2	54.0	58.8	37.0	38.1	17.0	20.7	19.5	19.0
Central-Western	27.2	25.3	53.4	57.3	37.0	37.8	16.3	19.5	19.4	17.4
Central-Eastern	21.6	17.3	48.5	53.2	32.9	32.7	15.7	20.5	29.9	29.5
South-Eastern	29.8	24.3	55.0	59.3	38.8	40.2	16.2	19.1	15.2	16.4
South-Western	24.8	22.0	56.1	60.4	36.4	37.4	19.7	23.0	19.1	17.6
Northern	28.5	22.8	57.2	62.9	39.8	41.4	17.6	21.5	14.1	14.3

* **Economic** age groups according to GUS: **the pre-working age population** – persons aged 17 or under; **the working age population** – women aged 18-59 and men aged 18-64; **the post-working age population** – women aged 60 or over and men aged 65 or over. The **working age population** was subdivided into two groups: the **age of mobility population** – persons aged 18-44 – and **age of non-mobility population** – women aged 45-59 and men aged 45-64.

Source: IAFE-NRI surveys 2000, 2005.

With regard to the whole non-farming population surveyed, the working age population accounted for more than half, the majority being the mobility age population, i.e. persons at the stage in life distinguished by greater social activity. It could be reflected in geographical or job mobility, choosing a different type of employment or in the family situation. Presumably, such demographic features of the surveyed group indicated its significant potential and the capacity to influence overall changes in rural communities.

The demographic "youth" of non-farming rural population was reflected not only in a high share of younger working age persons, but also in a relatively high proportion of children and young people. The pre-working age population accounts for approx. one-fourth, a higher proportion than that of the post-working age population (less than one-fifth of the surveyed group). However, in recent years there has been an intensification of the demographic ageing of the non-farming rural population. In 2000-2005, as compared to the previous period covered by the surveys, there was an increase in both the post-working age population and the non-mobility working age population.

The proportions between the distinguished age groups of the non-farming population showed certain regional differences [9]. Those were mostly found in the share of the working age population relative to that of the post-working age population. From this point of view, in demographic terms, relatively the youngest non-farming population was found in rural areas in the Northern macroregion, whereas the oldest – in the Central-Eastern macroregion, where in 2005 the share of the post-working age population was 10 percentage points higher (at 29%) than the national average (19%). Similar differences in the age structure of the non-farming population in specific regions of Poland had been observed before. It primarily concerned the demographic ageing of the population in question in the Central-Eastern macroregion. In those areas, the share of the post-working age population went up from 27% in 1996 to 30% in 2000. In both years the respective proportion was also 10 percentage points higher than the national average.

Despite the observed inflow of the retirement age population to the non-farming population, the group continued to be relatively young, with working age persons accounting for more than haft of the total surveyed population, and the so-called mobility age population, i.e. persons aged 18-44, representing over one-third. Therefore, it should be concluded that irrespective of the growing share of retired persons, the group in question primarily reflects the urbanisation of rural areas, i.e. the growing popularity of non-agricultural activities among rural residents.

2.2. Population by sex

In demographic terms, the breakdown of the selected groups by sex is largely related to the age structure as nowadays, on average, women tend to live much longer than men. As regards the rural population, particularly persons without agricultural land, other important factors include different attitudes of women and of men to working life. It mostly concerned the approach to farm work and the intensity of outflow from agriculture. In the past, such trends had been primarily observed among young rural women, which had contributed to the growing problem of the lack of wives for farmers, but it was not found in non-farming rural families, with the number of men and women roughly the same. It was also characteristic of the group surveyed in 1996, 2000 and 2005. Although in the non-farming rural population there were slightly more women (approx. 51%) than men, that long-term difference remained insufficient to be attributed to specific factors in their favour.

Rather similar shares of men and women were also found in particular macroregions (Table 7). A slightly higher number of women was only noted in the Central-Eastern and South-Western macroregions, i.e. in areas where the non-farming population included relatively more older persons. Therefore, in 1996-2005 the share of women in the structure of the non-farming rural population in the South-Eastern macroregion fell from 51.2% to 50.3%.

Table 7. Share of women and men in the non-farming population

Macroregion	1996		2000		2005	
	women	men	women	men	women	men
Total	51.0	49.0	51.0	49.0	50.9	49.1
Central-Western	49.9	50.1	50.8	49.2	50.5	49.5
Central-Eastern	51.9	48.1	51.9	48.1	51.9	48.1
South-Eastern	51.2	48.8	50.2	49.8	50.3	49.7
South-Western	51.2	48.8	52.3	47.7	51.9	48.1
Northern	50.0	50.0	50.0	50.0	50.0	50.0

Source: IAFE-NRI surveys 1996, 2000, 2005.

For accurate interpretation of data on the population broken down by sex, it should be remembered that a significantly higher share of either usually indicates underlying mechanisms contributing to the social deformation of the analysed group. Such a situation primarily hinders its appropriate development – starting new families going through subsequent stages of family life. In this context, similar shares of men and women in non-farming families should be seen as a sign of demographic viability of the described group. This characteristic of the non-farming population confirms its stable position in the rural community.

2.3. Educational level

In every group of the population, social activity is largely determined by the educational level. The analysis of the non-farming rural population in terms of education demonstrates that in 2005 the population aged 15 or over was still dominated by persons with vocational education, whereas another major group discontinued education at the basic level of compulsory education. The educational structure of the rural population had been largely shaped prior to economic transition when the educational system in rural areas was mostly oriented towards manual jobs.

At the same time, it should be emphasised that in the period covered by the recent survey there was an increase in the share of persons with secondary, post-secondary or higher education. In 2000, such an educational level was declared by 23 out of 100 persons without agricultural land, whereas in 2005 the respective figure went up to 28.

According to data on the educational structure of the non-farming population, the group was strongly oriented towards non-agricultural activities. It was reflected not only in the relatively high share of persons with non-agricultural qualifications, but also in differences in the educational level between macroregions. Relatively the best educational level of the surveyed group was found in the south of Poland. For instance, in 2005 the share of the non-farming rural population with secondary, post-secondary of higher education in the South-Eastern macroregion exceeded 36%, compared to the national average of 28%. Those areas are characterised by the most advanced diversification of economic activities of the rural population among all the macroregions. Relatively more absorptive local labour markets provided more non-agricultural job opportunities than in villages located in other macroregions.

Importantly, the rural community is also characterised by significant differences in the educational level between the farming and non-farming population. Relevant data primarily illustrate social and economic aspirations of young people. The improvement in the educational level was found to be stronger in the farming population (in terms of secondary, post-secondary and higher education) than among persons without agricultural land. At the same time, the gap between the two groups of the rural population had been gradually narrowing, which is primarily reflected in the growth rate of persons with secondary education (Table 8). It follows that education opportunities and aspirations have been increasingly similar in rural areas, and regardless of the type of economic activity education is perceived as a main precondition of social and economic advancement as well as of improved living standards of the rural population.

Table 8. Rural population aged 15 or over by education in 2000 and 2005

Specification	Year	Share of rural population with:			
		primary education	basic vocational education	secondary and post-secondary education	higher education
non-farming families	2000	39.5	38.8	18.1	3.6
	2005	**36.1**	**36.1**	**22.5**	**5.3**
farming families	2000	41.6	39.2	17.0	2.2
	2005	**34.4**	**37.4**	**23.2**	**5.0**

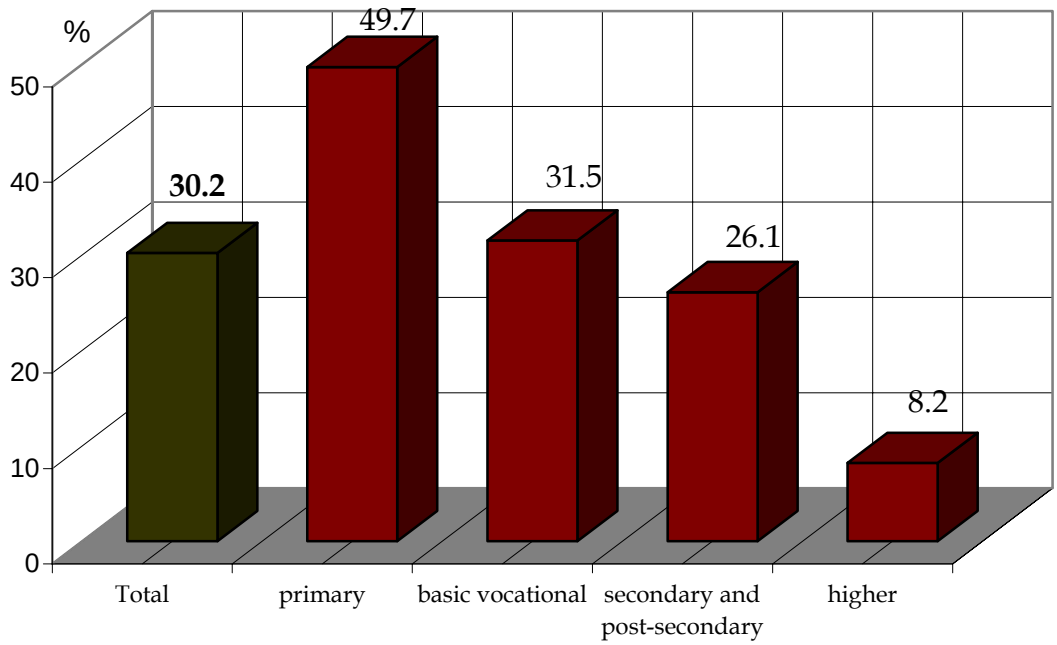
Source: IAFE-NRI surveys 2000, 2005.

The importance of the educational level as a determinant of individual position in the labour market is very clear in data on rural unemployment as the unemployment rate differs between social groups. According to the surveys, the situation of the population in the labour market largely depends on the following factors: sex, age, education, trade/profession and the place of residence. This is also confirmed by data on the unemployment rate among the non-farming population broken down by education [16].

In the non-farming rural population only a minor group enjoyed a relatively stable situation in the labour market during economic transition in Poland. Such persons were almost exclusively found among the so-called rural intelligentsia, i.e. persons with a university degree employed in local

healthcare institutions, schools, administration. However, the group was relatively limited, a mere 8-10% of the total number of economically active persons without agricultural land. As regards the remaining and dominant group, new economic conditions were frequently coupled with long-term disadvantage in the labour market. An increase in rural employment was primarily hampered by capital constraints, inexperience in taking up economic activities, ignorance about market rules as well as by significant competition between local companies oriented towards satisfying community needs, usually limited by low incomes [11].

Figure 2. Unemployment rate among the non-farming population in the 2005 IAFE-NRI survey by education[1]



Source: IAFE-NRI survey 2005.

In the case of persons looking for employment in urban areas, their unfavourable position in the labour market was primarily related to insufficient education and/or training, fierce competition among job seekers and the relation of high costs of commuting to earnings.

[1] The unemployment rate was calculated as the share of unemployment persons (those registered in labour offices or declared as job seekers) in the number of economically active persons (aged 15 or over).

The rural population remains disadvantaged in the labour market also due to relatively fewer educational establishments in villages than in towns and cities, frequently coupled with lower average teaching standards in rural areas. Basically, the much less favourable educational opportunities of rural children result from a number of barriers related to the functioning of the school system such as the above-mentioned limited access to educational establishments, a poorer educational offer for lower secondary school leavers and the economic and financial situation of rural families. The choice of school often depends on its proximity, accessibility or the availability of a dormitory (boarding school) and the related cost. However, it should be pointed out that such conditions significantly vary between regions, depending on the development of the social infrastructure, features of the settlement structure and the distance from urban areas as well as on educational traditions. In this respect, relatively the lowest development level has long been observed in north-eastern Poland [4].

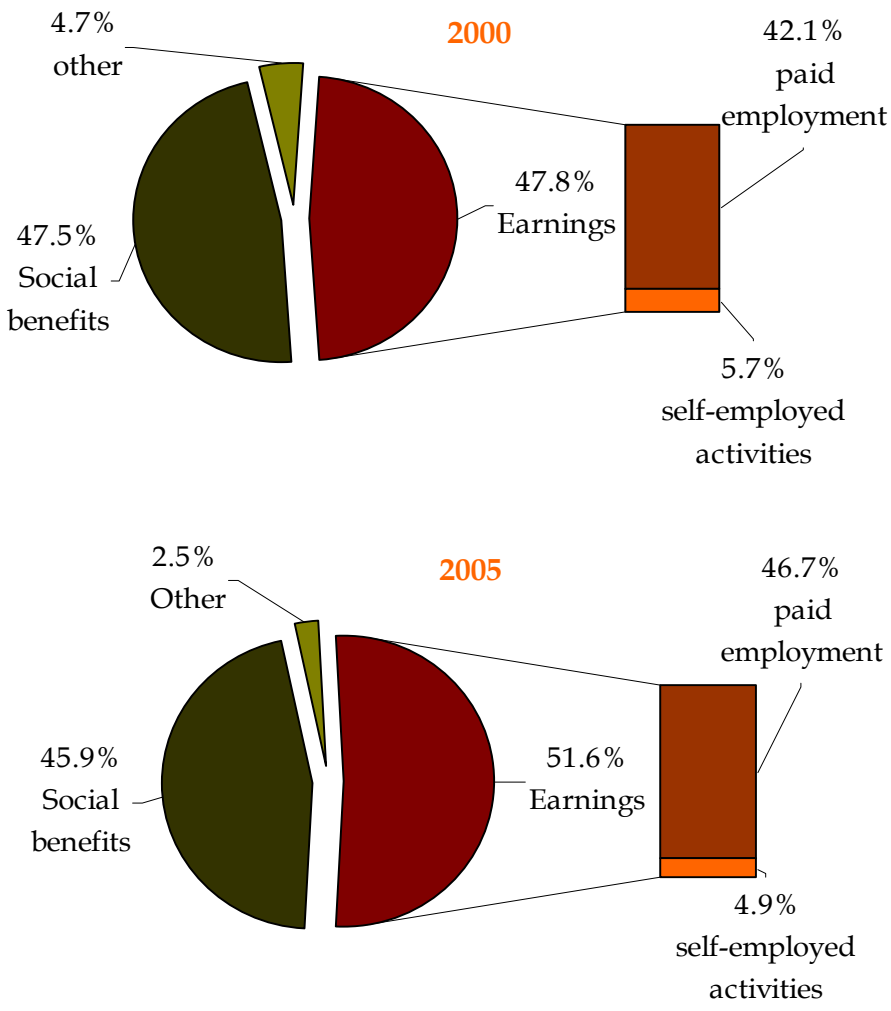
3. Economic situation of non-farming families

3.1. Sources of income. Changes in 1996-2005

The demographic structure of the rural non-farming population and economic activity of persons without agricultural land both have a significant effect on the sources of income for such families [9]. According to the above analyses of non-farming households, the main sources of income may be earnings (from paid employment) or pensions. Since some non-farming families cultivate small agricultural plots (of less than 1 ha of agricultural land), it should be also remembered that a certain group of rural non-farming families may obtain income from the sale of agricultural products (in this chapter included in the ‘other’ type of income, see: Figure 3).

The comparison of data on the sources of income for rural non-farming families with relevant survey findings from 1996 indicated increased polarisation of such families into pensioners’ and workers’ households. Regional differences in the structure of rural non-farming families broken down by main source of income had been observed in Poland for years. Such dissimilarities mostly resulted from heterogeneous conditions affecting the formation of non-farming households in rural areas in specific macroregions.

Figure 3. Share of non-farming families by main source of income in 2000 and 2005



Source: IAFE-NRI surveys 2000, 2005.

According to the analysis of data on the sources of income for the non-farming population, southern, western and northern regions were dominated by income-earning families, whereas relatively more pensioners' households were found in central and eastern Poland. The highest share of non-farming families with earned income was recorded in the South-Eastern macroregion, for years characterised by rather developed non-agricultural economic structures in rural areas. Income-earning (i.e. workers') families accounted for nearly 58% of the total number of the surveyed households.

This macroregion was also distinguished by a significant proportion of households with income from self-employed activities, over 7%. In other macroregions where earned income played a prominent role in household budgets (such northern Poland) self-employment was less widespread, and workers' families, i.e. those where the main source of income was paid (hired) employment, clearly dominated. It should be emphasised that for decades the socio-economic structure of rural areas in the north of Poland had been strongly affected by a high degree of urbanisation.

Table 9. Sources of income of non-farming families in 2005 by macroregion

Macroregion	Share of non-farming families by main source of income				
	Earnings		Social benefits		Other
	paid employment	self-employed activities	pensions	unemployment benefits	
Total	46.7	4.9	45.1	0.8	2.5
Central-Western	46.6	4.0	46.2	1.6	1.6
Central-Eastern	36.8	3.1	58.0	0.7	1.4
South-Eastern	50.7	7.2	39.7	0.7	1.7
South-Western	50.0	5.7	40.7	0.3	3.3
Northern	51.0	3.9	39.6	1.0	4.5

Source: IAFE-NRI survey 2005.

Different factors affected the formation of non-farming families in central and eastern Poland, usually the transfer of farms to other farmers and the discontinuation of economic activities at the demographic old age. The inflow of older persons to the non-farming population was reflected, among other things, in a relatively high share of families whose main source of income were (old age or disability) pensions. Such situations were the most frequent in central-eastern Poland. In those regions, as many as 58% of the non-farming families surveyed in 2000 and 2005 were pensioners' households. For comparison, in the South-Eastern macroregion the respective share was less than 40% of non-farming families.

Data on income sources of non-farming rural families also concern the group of unemployed persons without agricultural land for whom unemployment benefits represented the highest income. Even though such a source of income was also common for other recipients of social security benefits (unearned income), the group in question received unemployment compensation in respect of non-agricultural economic activities of the rural population, therefore its social status should be seen as similar to that of workers' families. According to the survey findings, in the surveyed sample the families whose main source of income represented unemployment benefits accounted for a relatively minor and decreasing share (a mere 1% of the non-farming rural population in 2005).

Such households were mostly found in the north of Poland, for years characterised by very limited job opportunities for rural residents. The fact that for some rural families unemployment compensation was the main source of income primarily reflects the difficulties experienced by the non-farming population in achieving financial stability under new social and economic conditions.

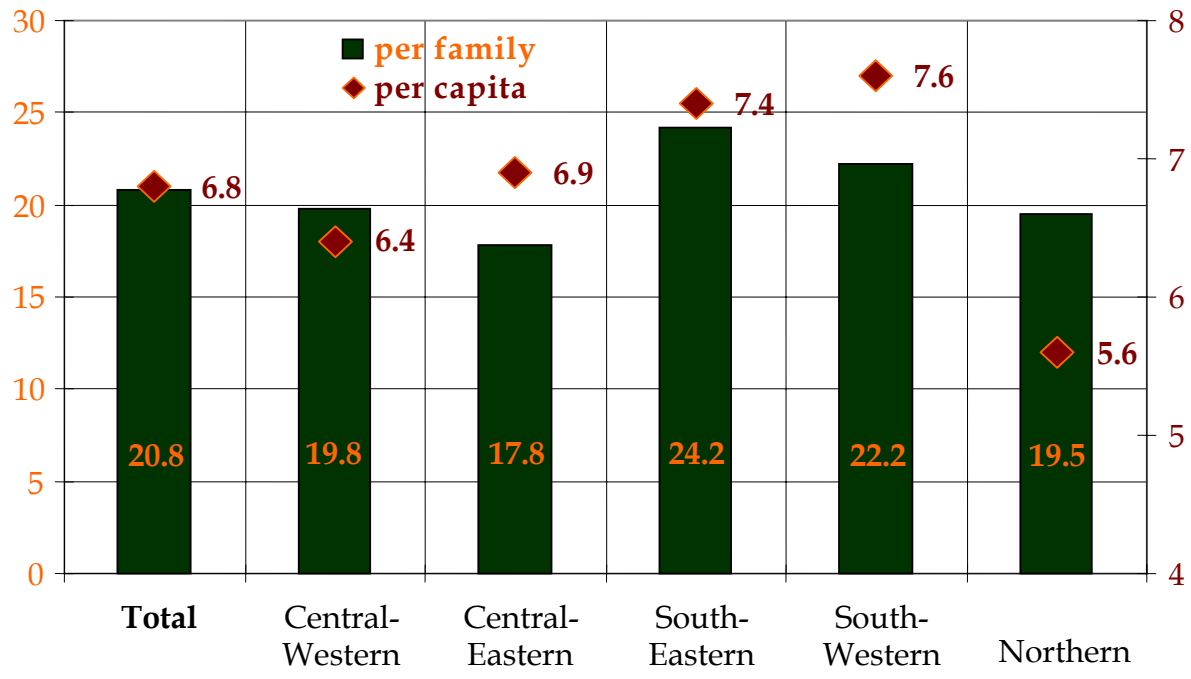
3.2. Income level

The level of income represents one of the basic determinants of living standards of the family. The analysis of data on sources of income for the non-farming households indicates that in 2005 the average income per non-farming family was less than PLN 21,000, i.e. below the average for farming families (more than PLN 36,000). According to the 2000 IAFE-NRI survey on rural household budgets, in 2000 the average income in non-farming families amounted to PLN 17,500, also below the average for farming households (PLN 24,200).

The income gap between the farming and non-farming families stems from the differences in the income structure. In non-farming households, unearned income sources (old age and disability pensions, unemployment benefits etc.) accounted for more than one-third of total income, whereas the respective proportion for the farming population was only one-fifth. It should be emphasised that insofar as non-farming households usually obtained one type of income, the farming population was often engaged in multiple activities, thus having income from different sources. In 2005, more than 24%

of members of farming families combined farm work with off-farm employment, and a further 10% exclusively relied on non-agricultural earned income. In addition, farming families benefited from support measures under the common agricultural policy (such as direct payments), which contributed to the widening of the income gap between farming and non-farming households after Poland's accession to the European Union.

Figure 4. Average income of non-farming families in 2005 by macroregions (in thousand PLN)



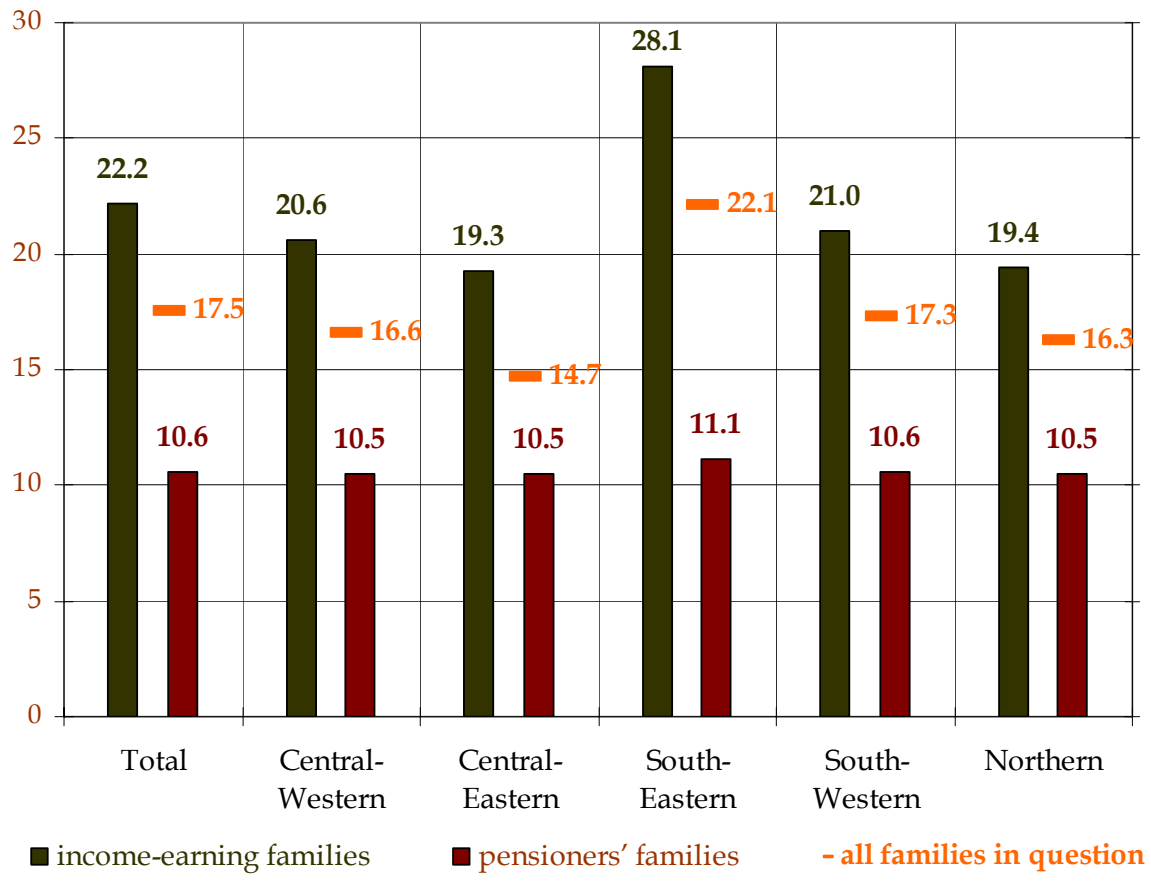
Source: IAFE-NRI survey 2005.

Differences in the income level should be seen not only as a result of the categorisation as farming or non-farming families, but consideration must also be given to the place of residence. The group in question is characterised by significant disparities between regions in terms of income. For instance, in 2005 a non-farming family in the South-Eastern macroregion obtained an annual average income of over PLN 24,000, whereas the respective amount in the Central-Eastern macroregion was less than PLN 18,000.

The income gap was largely determined by the share of income-earning families in the total number of the non-farming households and the nature of employment. Earned income tends to be much higher than pensions. As a consequence, in areas where income earning was rather widespread the

average income of non-farming families was also higher. Such differences were further increased by an uneven distribution of self-employment. Since self-employed activities (running a business) usually provide greater income than paid employment, regions with a relatively higher share of self-employed persons were usually characterised by higher average income of non-farming families. It should be noted that in the southeast of Poland, distinguished by advanced multifunctional rural development and non-agricultural activities, the average income of non-farming households was higher than in other regions. The crucial importance of the number of income-earning families for regional disparities in the income situation of the non-farming rural population also stems from the fact that the average income of pensioners' households was rather similar, and only in areas where pensioners combined unearned income with sales of agricultural products the average income was close to that obtained by income-earning families.

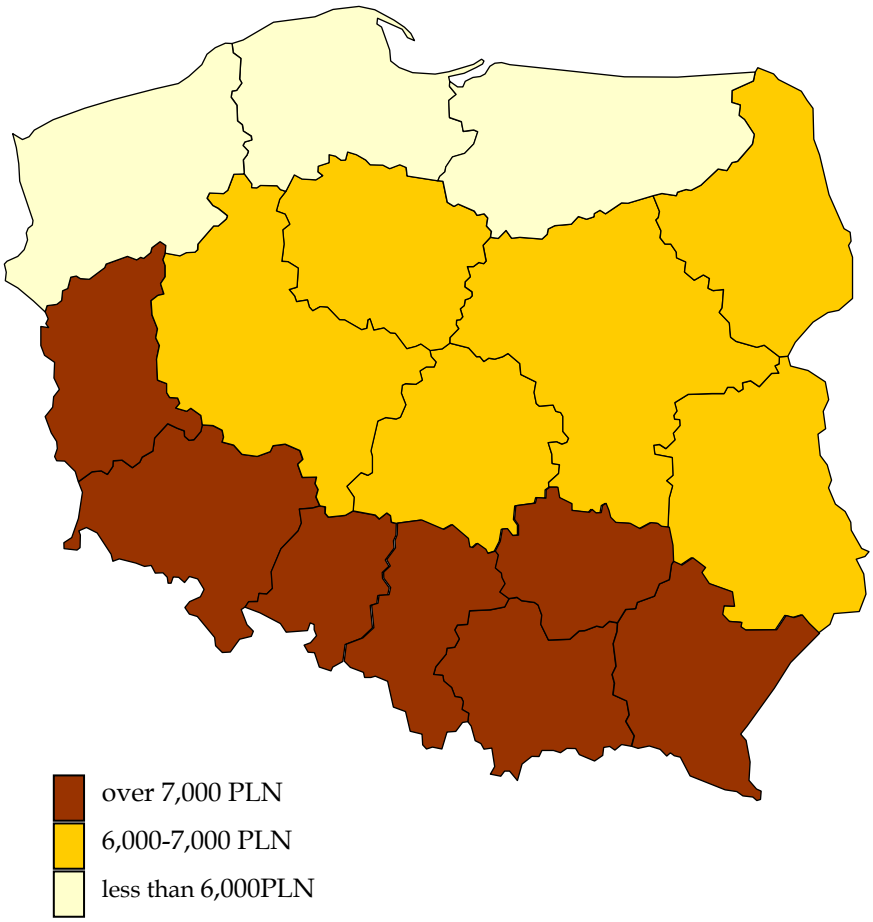
Figure 5. Average income of non-farming families in 2000 by macroregions (in thousand PLN)



Source: IAFE-NRI survey 2000.

Differences in the income level in non-farming families across Poland were more evident in terms of income per capita. From the point of view of living standards, such a measure is more reliable as it allows to take account of the varying number of household members in the surveyed groups. It should be pointed out, however, that even though in non-farming families income per capita showed reduced differences compared to income per family, regional disparities continued to be significant. According to the survey, in 2005 an average non-farming family in the north of Poland had PLN 2,000 less income than a non-farming family in the southwest. But the level of this indicator was rather similar, irrespective of the main source of income, at ca. PLN 7,000 in annual terms (in 2000 the respective figure was approx. PLN 6,000), with the exception of the Northern macroregion.

Map 3. Spatial differences in average income of non-farming families, per capita in 2005



Source: IAFE-NRI survey 2005.

The analysis of regional disparities in the level of income in non-farming families should take account of the fact that significant differences between specific rural areas are also observed within macroregions; in each macroregion there are villages and districts characterised by advanced multifunctional rural development and relatively widespread non-agricultural activities, as well as areas where no adaptation to new economic conditions had taken place and the living standards remained extremely low. The survey data confirmed the continuing significant differences in the living standards of non-farming rural families; although such disparities stemmed from different economic activities pursued by persons without agricultural land, they reflect regional diversity in terms of economic development in rural areas.

3.3. Living standards

One indicator of the living standards of the population represents the equipment of households with durable goods. Changes in the living standards of rural residents, following macroeconomic developments, are reflected in the wealth of the rural population. At the same time, the adoption of the urban lifestyle stimulates the intensity and structure of demand in society, reducing the differences between rural and urban areas in this respect [5]. Due to technical and technological innovations, the equipment of households with durable goods is subject to continuous changes. The improved quality of new products available in the market usually encourages consumers to replace owned appliances and devices. In recent years, products once indicating a higher economic status have become common goods for nearly all households. Such goods include colour televisions, washing machines and refrigerators. In the previous five years, the lists of durable goods published in statistical sources had also been extended to cover new products such as personal computers, microwave ovens, dishwashers and equipment for the reception of satellite television, once unavailable to consumers on account of insufficient income or limited market supply [15].

According to GUS data, there has been a gradual improvement in the equipment of households with basic appliances and devices. This is also confirmed by survey findings showing that in 2000-2005 the equipment of non-farming rural families significantly improved. It was observed with regard to all the selected durable goods, particularly those which had been

relatively infrequent in rural families in 2000 (e.g. mobile phones and computers). Due to the dispersed settlement structure and previous telecommunications underdevelopment in rural areas, the availability of such goods, facilitating communication, access to information, education, cultural resources and interesting leisure activities, plays a prominent role in the socio-economic activation of the rural population.

Table 10. Equipment of non-farming households with selected goods

Specification	Share of households equipped with:		
	1996	2000	2005
Cooking and food storage facilities			
Gas or electric cooker	76.9	88.5	91.5
Microwave oven	3.8	11.7	17.5
Deep freezer	31.0	35.0	41.9
Refrigerator	92.7	97.7	97.4
Automatic washing machine	32.0	46.9	61.0
Devices providing access to information and entertainment			
TV set	73.0	87.1	96.4
Video cassette recorder	29.6	33.5	32.6
Sattelite/cable TV equipment	8.7	20.5	26.6
Personal computer	3.2	6.5	23.0
Other			
Wired telephone	13.8	51.5	64.4
Mobile phone	0.3	9.6	41.7
Passenger car	33.3	36.0	42.2

Source: IAFE-NRI surveys 1996, 2000, 2005.

The most remarkable increase was recorded with regard to the number of non-farming families which had acquired mobile phones in the period in question. In 1996, such devices were used by less than 1% of non-farming families, whereas in 2005 the respective share approximated 42%. This buoyant growth allows to conclude that mobile phones successfully compete with fixed lines, and that demand for the latter, on account of high charges and less convenient use, continues to decline [3].

An important indicator of rural development represents the use of ICT (information and communications technology) by households. In 1996-2005, the share of families with a personal computer jumped from slightly more

than 3% to as many as 23%. According to data on purchases planned by non-farming families, a further 5% of households intended to buy a personal computer in the following years. At the same time, general statistics show that only one-tenth of computers used by rural families have broadband Internet access [13]. The underlying reason for this remains the high cost of broadband Internet connection. Therefore, it should be expected that in the nearest future the use of ICT in rural areas will depend on the pace of improvement in the financial situation of rural families. It should be emphasised that the rapid development of this medium in all areas of social and economic life also helps to modernise the organisation and information spheres of agriculture and to activate rural areas.

The favourable changes observed with regard to the possession of selected durable goods in 1996-2005 may be illustrated by the equipment with various household appliances. In 2005, nearly all the rural families owned refrigerators and used gas or electric cookers. A slightly lower share, 42% of the surveyed families, used deep freezers, but it was still an improvement in comparison with the 1996 survey (by 11 percentage points).

Improved living standards of non-farming families could be observed not only in terms of the increasing quality of equipment of residential buildings with basic durable goods, but in the possession of cars. Due to general availability and relatively significant reduction in prices of both new and used cars between 1996 and 2005, in 2005 a passenger car was no longer seen as a product of prestige or a sign of the owner's economic status. According to the survey, in 2005 a passenger car was found in a total of 54.0% of rural families, and the respective share was 69.5% for farming families and 42.3% for non-farming households. As regards non-farming families, the proportion increased by 10percentage points compared to 1996. It should be emphasised that cars play a significant role in the rural population due to transport constraints and significant dispersion of the settlement structure; therefore, an increase in the number of such vehicles improves the quality of rural life and the economic situation as it allows to commute to work.

To conclude the above analysis, it should be noted that the living standards of the non-farming rural families have been gradually increasing, which is reflected in the improvement of the equipment of households with all the selected durable goods. It should be emphasised that farming families continue to be relatively better equipped with durable goods than non-farming

households, which is attributable to the rather high share of pensioners' families in the latter category of rural households.

In general, the period in question witnessed positive changes in the living standards of the rural population. Specifically, it is worth noting that appliances and devices previously seen as luxury goods in the rural community, and definitely less frequent than in urban households, have become much more popular. It concerns both modern households appliances (a significant increase in the share of families using a automatic washing machine) and more advanced household maintenance, radio and television equipment. Furthermore, there was a marked improvement in the availability of equipment previously rather rare in rural areas, also due to the general underdevelopment of technical infrastructure. It is primarily reflected in the robust growth in the share of rural families using personal computers and mobile phones. All the developments described above confirm the increasing purchasing power and improved living standards of the rural population.

Summary

The analysis of the non-farming rural population has primarily demonstrated that persons without agricultural land represent an increasingly significant group of rural residents. From 1988 the number of non-farming rural families rose by 15.4%, up to as many as 57% of all the rural households in 2005. Therefore, the rural population can no longer be identified with the farming population.

The regional distribution of non-farming rural residents suggests that the previous division into in the west and north of Poland, where the rural population was characterised by a high share of non-farming families, and central and eastern regions, with a relatively minor proportion of non-farming households, remained virtually unchanged. In some areas, particularly in the north and southwest, the group in question accounted for three-fourths of all rural families. Even in the southern regions, where agricultural holdings are characterised by very traditional family ties, non-farming families represented nearly half of the rural community, irrespective of the economic status of individuals.

For the description of changes observed in rural areas, the increasing share of the non-farming population is significant in a number of ways. First of all, it indicates the diminishing role of agriculture as a determinant of the economic situation of the rural population. For more than a decade, the process has been intensified. In the past, the main mechanism for reducing the economic dependence of rural residents on agricultural holdings was the outflow of rural youth from agriculture to non-agricultural occupations. It was primarily driven by prospects of rapid social advancement and frequently involved plans to leave rural areas [7]. The outflow of labour from agriculture observed in the past twenty years should be primarily attributed to necessary adjustments to new macroeconomic conditions, particularly the need to cope with greater competitive pressure and to reduce production costs. Significant land fragmentation, characteristic of Polish agricultural holdings, rapidly increased hidden unemployment in agriculture and, regardless of the imbalance in the labour market, the situation in agriculture pushed farmers to seek alternative incomes. As a result, even though non-farming rural families suffered all the adverse effects of Poland's economic transition, the number of such households continued to rise. Furthermore, partly due to increased interest on the part of rural youth in taking over the farms

as rightful successors, the non-farming rural population included a growing number of retired farmers.

After Poland's accession to the European Union, the generally improving economic conditions and significant land fragmentation contributed to greater interest in non-agricultural activities, thus more new rural households became non-farming families [12]. Ever greater job opportunities encouraged such attitudes. As a consequence, over 70% of new non-farming families had a farming background.

In recent years, to a greater extent than before, the formation of the non-farming population in rural areas has been affected by family and individual migration. In 2000-2005, a total of 12% of the households in question lost the status of a non-farming rural family. Within this group, relatively the most non-farming families left rural areas to live in towns or cities (nearly 60%). Almost 40% of migrant families moved to another village, whereas a mere 5% decided to go abroad. At the same time, very rare occurrences of individual migration by members of non-farming rural households, unlike in the case of family migration, usually involved geographical mobility within rural areas – 45% of individual leaving the surveyed villages moved to another village. According to survey findings, an increasing number of migrants decided to leave Poland. It concerned nearly 14% of the total number of individual migrants.

In general, in 2000-2005 net migration among non-farming families was positive. The increase in the number of the surveyed households (new families accounted for 13%) was greater than the decrease (12% had left the surveyed villages), but the difference was less significant than in 1996-2000 (16% against 5% respectively). Therefore, the conclusion is that the period of 1996-2005 witnessed an upward trend in the mobility of the non-farming population.

The non-farming rural population was characterised by a high share of younger working age persons, as well as by a relatively high proportion of children and young people. The pre-working age population accounted for ca. one-fourth, a higher share than that of the post-working age population (less than one-fifth of the surveyed group). However, in recent years there has been an intensification of the demographic ageing of the non-farming rural population. In 2000-2005, as compared to 1996-2000, there was an increase in both the post-working age population and the non-mobility working age population.

For years, the demographic structure of the non-farming population in rural areas has been determined by the inflow of persons who discontinued farming and took up paid employment. In recent years, the age structure of the group in question has largely been affected by changes resulting from job migration of families/individuals and more widespread education, particularly higher education. Another important factor has been a growing number of retired farmers in the non-farming population. Combined with job migration by young members of non-farming families, this pattern determines the demographic ageing of the population in question.

In accordance with general trends, in 2000-2005 there was an increase in the share of persons with gainful employment (from less than 48% in 2000 to approx. 52% in 2005). Most income-earning families were workers' households, i.e. those where paid employment represented the main source of income (47%). Relatively few non-farming rural families obtained income from self-employed activities (5%). Presumably, for non-farming rural families this form of employment remains not very accessible as the main source of income and the basis for economic stability.

The fact that starting a business is relatively rare in the non-farming rural population does not imply the lack of potential for self-employment. Local initiatives and examples of successful rural entrepreneurs may encourage such attitudes. According to the surveys, in the group of non-farming families self-employment spread through joining previously advanced processes of multifunctional rural development. This may be illustrated by the situation in the South-Eastern macroregion, with a relatively high share of non-farming families where self-employed activities represent the main source of income. The macroregion is characterised by significant lnd fragmentation, and paid employment has long been popular among the rural population. Job migration has been observed for decades, persons returning to their villages frequently started small businesses, not only investing their earnings, but also relying on work experience gained abroad. Some non-farming rural residents, with no prospects for paid employment, attempted to learn such skills through the observation and imitation of their neighbours. In addition, due to different geographical and natural conditions, a number of villages in this macroregion could benefit from a favourable location for various non-agricultural activities (the rural landscape, the proximity of border crossing points). As a result of the above mechanisms, in the South-Eastern macroregion non-farming families where self-employment represented the main source of income nearly accounted for a 9% share, one-third above average for the whole group in question.

According to information on sources of income in non-farming households, in 2005 the average income per non-farming family was almost PLN 21,000, less than in farming families (over PLN 36,000). The income gap between the farming and non-farming families stems from the differences in the income structure. In non-farming households, unearned income sources (old age and disability pensions, unemployment benefits etc.) accounted for more than one-third of the total income, whereas the respective proportion for the farming population was only slightly more than one-fifth.

The analysis of regional disparities in the level of income in non-farming families should take account of the fact that significant differences between specific rural areas are also observed within macroregions; in each macroregion there are villages and districts characterised by advanced processes of multifunctional rural development, as well as areas where no adaptation to new economic conditions had taken place and the living standards remained extremely low.

According to surveys of households concerning the possession of basic appliances and devices, in 2000-2005 the equipment of non-farming rural families significantly improved. It was observed with regard to all the selected durable goods, particularly those which had been rather infrequent in rural areas in 1996. Technological progress and macroeconomic changes increased the availability of appliances and devices previously seen as luxury goods. This reflects the increasing purchasing power and improved living standards of the rural population.

On the basis of the analysis of socio-economic development observed in rural areas, it may be assumed that the non-farming rural population will grow further and that this socio-occupational category will increasingly determine the socio-economic development of rural areas.

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