

Cyrila Marková

Employment Possibilities and Their Changes from the Regional Point of View

The transfer to the market economy in the Czech Republic has put heavy pressure on agriculture which has had to adapt itself, in terms of size, structure and performance, to new economic conditions.

The social and demographic dimension has also seen striking changes in comparison with the year it started (1989). Whilst in 1989 the average number of registered workers employed in agricultural primary production was 531,000, today it has more than halved to 217,000. At the end of 1995, a further decrease to 100,000 in both the public and private sector is expected.

Agriculture remains dominant in the countryside, although 74% of the rural population are already employed in other sectors. Since opportunities for non-agricultural employment are limited, especially in small villages, 64% of the working rural population has sought employment in larger villages or towns.

Employment structure in rural areas in 1993

Size of village	Agriculture	Forestry	Industry	Construction	Transport	Other
0-199	36.6	3.4	29.4	6.3	4.9	19.4
200-499	32.1	2.8	31.2	6.4	5.5	22.0
500-999	25.6	2.5	34.6	6.9	5.9	24.8
1000-2000	19.7	2.5	38.2	6.9	6.0	26.7
Countryside	25.8	2.6	34.7	6.7	5.7	24.5

Despite privatisation and an overall increase in private enterprises in retailing and the service industry, rural sites became 'hostels' for urban agglomerates. Local municipalities and government administrations try to encourage the creation of new jobs directly in the rural areas where unemployment black spots are threatened after the reduction of production in the industrial centres.

This paper is based on field studies carried out with the aid of a questionnaire in 932 rural households of three different regions with the following characteristics: *laissez faire*, pro-agriculture, and pro-development and in three different types of village.

The district of Vsetin is located in Northern Moravia near the Slovak border. There is a coal mining area and heavy industry not far away. It is a district with a strong prevalence of industrial production, primarily machine tools and the arms industry, where a great many jobs have already been lost. There is a dearth of job opportunities which results in one of the highest rates of unemployment in the Czech Republic.

The district of Domazlice is on the frontier area of the German border. The number of its inhabitants has been radically reduced by the displacement of Germans after the second World War. Later efforts to draw new settlers to this area were not successful. The industrial production is poorly developed and holds few job opportunities. The number of jobs in agriculture has also rapidly declined. However, the district has a very low unemployment rate due to the fact that a considerable proportion of the population commutes (legally or illegally) to work in Germany.

The district of Kutna Hora is situated near the Prague agglomeration. It is an agricultural-industrial district. Industrial production is represented by glass works and machinery. Unemployment is not high because those residents who lose their jobs can commute to Prague where there are still job vacancies.

In each of these districts, the research has been conducted in three villages selected according to given criteria. In this paper, I want to concentrate on differences between the villages.

The first question on our questionnaire prepared for the households was: *What was your longest lasting job during the 1980s?*

The largest percentage of people employed in various aspects of agricultural work was in Kutna Hora and Vsetin regions. The situation looked like this:

Professional in agriculture-related job	Kutna Hora 40%
	Vsetin 28%
Manager in agriculture-related job	Vsetin 43%

Skilled worker in agriculture—related job (Not administration)	Kutna Hora 35%
	Vsetin 30%
Other workers in agriculture—related job	Vsetin 37%
	Domazlice 30%

On the contrary, the largest number of people employed in jobs unrelated to agriculture was in the Vsetin region:

Professional outside agriculture (any job requiring a higher educational qualification)	34%
Manager outside agriculture (head of enterprise or large organisation or of larger units within them)	43%
Administrative employee outside agriculture	45%
Skilled worker outside agriculture, but not in administration	45%

In the Vsetin region was also the largest percentage of entrepreneurs (86%) and of people in full time education (47%).

If we compare these figures with the present situation surveyed in 1994, we notice an increase in agriculture—related jobs in the Domazlice region, especially in the following categories:

Other worker in agriculture—related job	42%
Manager in agriculture—related job	50%
Entrepreneur	22%

Also the numbers of private farmers show an increase. In the Kutna Hora region, however, there is a decline in the number of people in agriculture—related jobs:

Professional in agriculture—related job	25%
Skilled worker in agriculture—related job, but not administrative	31%
Other worker in agriculture—related job	16%

In the Vsetin region, there is a larger number of entrepreneurs (56%), of old age pensioners (42%) and of people in full time education (49%). If we compare the data between 1989 and the present day, we can see that while in the eighties 18% of all respondents had their longest jobs in agriculture—related professions, nowadays that can only be said for 11%, a decrease of 7%.

The second question posed was: *How long have you been in your current employment or business?*

Length of employment	Domazlice	Kutna Hora	Vsetin
One year	10%	12%	9%
Not longer than 5 years	46%	40%	34%
More than 20 years	25%	23%	28%

Rural inhabitants in the Czech Republic are accustomed to a regular change of job. Even those not employed in agriculture-related jobs tend to love their villages and prefer to stay in them even in deteriorating living conditions. The lack of job opportunities in small villages causes serious problems for young people seeking jobs which utilise their qualifications. Such jobs tend only to be available in large villages and towns to which young people tend to gravitate. This, in turn, leads to the gradual depopulation of small villages and to the loss of educated people from rural areas.

The third question was: *Where is/was your main place of work?*

Main place of work	Domazlice	Kutna Hora	Vsetin
Where you live	56%	52%	48%
In another village	14%	15%	20%
In the nearest town	25%	21%	26%
In a town further away	6%	13%	6%

From these statistics, it can be seen that commuting is much more common in industrial areas than in agricultural ones. The settlement structure plays an important role in this respect. Also commuting is more common in areas with many small villages.

Further, we enquired about the organisations in which the respondents were employed:

Form of company	Domazlice	Kutna Hora	Vsetin
State enterprise (non-agricultural)	40%	48%	36%
Private enterprise	30%	23%	31%
Agricultural co-operative	18%	18%	
Public sector			19%

The size of organisation differs greatly between regions:

Size of organisation	Domazlice	Kutna Hora	Vsetin
More than 200 employees	28%	46%	33%
Less than 25 employees	20%	25%	27%

Important conclusions have been drawn from the enquiry regarding the sort of business the respondent was employed in. Agriculture dominates the answers in the Domazlice region (25%), next is Kutna Hora (20%) whereas Vsetin occupies the last place with 9%. In the Vsetin region, an important position is taken by engineering (10%), the service industry (9%), schools (10%), commerce (8%), central and local government (8%). However, in the Domazlice region almost all sorts of business are equally distributed: forestry 7%, commerce 6%, engineering 7%, service industry 7% etc. In the Kutna Hora region, the situation is similar with the exception of construction (7%) and forestry (4%).

The frequency of response offers solid information on the character of each region. Answers on how to get a job depict the social climate of every area. In remote regions, a job is mostly recommended by friends or acquaintances (Domazlice 35%, Vsetin 26%). Only 10% of respondents replied that a job had been advertised and they applied for it. In the Kutna Hora region which lies close to the capital Prague, the percentage of people who find their jobs through advertisements is much higher.

The responses to questions regarding the situation after a person loses his/her job, differ regionally. In the Domazlice region, 37% of respondents could find a job with equivalent terms and conditions, but it would have meant travelling for longer distances. Only 14% of people could find a job with equivalent terms and conditions, as close to their home as the one they lost. However, in the Vsetin region 22% could find a job with terms equivalent to those they lost and 27% could find a job with equivalent terms but with a need to travel further. 22% of respondents in Vsetin and 30% in Domazlice held no opinion. This holds no surprises as people have not yet adopted their way of thinking to the new conditions imposed by the market economy.

In all regions, three quarters of respondents were willing to change their professional qualification if necessary. 92% in Kutna Hora and 86% in the Vsetin region were ready to commute to their place of work rather than remain unemployed. About 70% of respondents were prepared to take on occasional work outside their qualifications rather than remain unemployed.

People in industrial areas like Vsetin were more willing to move house to facilitate gaining employment than people in agricultural areas who preferred to remain in their villages. Only 14% of them expressed willingness to move. The migration of people in the Czech Republic is limited by a shortage of houses and flats for rent. People from rural areas prefer to live in family houses, but the cost of building such a house these days is prohibitive, far beyond the means of an average family.

Most people remain unemployed for only a short time, usually about a month (42% of respondents): 75% of those who had been unemployed in the past, could not find work for a period not exceeding six months. Of

course these figures differ from place to place. In the Domazlice region 33% of people had been unemployed for one month and 76% for no longer than six months. In Vsetin 40% remained without work for one month, but 20% for not less than three years. The decline in industry in the Vsetin region explains these figures.

The last question posed was: *What activities are household members engaged in as entrepreneurs?*

Business	Domazlice	Kutna Hora	Vsetin
Commerce	19.2	23.1	42.3
Agricultural production	20.7	31.0	31.0
Construction	39.1	13.0	39.1
Engineering	16.7	0	66.7
Wood industry	8.7	8.7	69.6
Food industry	0	33.3	66.7
Other manufacturing	37.5	0	50.0
Transport	20.0	10.0	60.0
Hotel & catering	0	25.0	50.0
Repairs	33.3	22.2	38.9
Consulting/marketing	22.2	11.1	44.4
Service industry	10.6	5.3	73.7

CONCLUSIONS

The employment structure plays an important role in the life of the rural population. The lack of job opportunities and having to commute to larger villages or towns cause difficulties to those inhabitants of small villages populated by less than 500 people. The situation is different in particular areas. If we compare the data from the industrial peripheral area and a rural peripheral area, we discover substantial differences not only in job opportunities, but also in the unemployment rate. The situation is influenced by many factors, one of the most important being the geographical location.

After the change of political orientation of the country in 1989, the previously preferred Vsetin region, situated in the Eastern part of the Czech Republic closer to the then Soviet Union, has now lost the advantages of that position. Similarly, the previously neglected and backward area of Domazlice, once situated at the forgotten end of the socialist world close to the Iron Curtain, profits now from its position on the open and easily accessible boundary with the economically highly developed Germany, making use of the advantages of a comparatively well preserved environment.