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**Title:** Labour markets of postindustrial regions in the time of economic crisis on the example of South Wales and the Silesian Voivodeship - a comparative analysis

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LABOUR MARKETS OF POSTINDUSTRIAL REGIONS IN THE TIME OF ECONOMIC
CRISIS ON THE EXAMPLE OF SOUTH WALES AND SILESIAN VOIVODESHIP –
A COMPARATIVE ANALYSIS

Introduction

The article attempts to compare two regions of Poland and Wales which are the most developed in terms of industrialisation, urbanisation and population density. More than thirty years ago both the Silesian voivodeship and South Wales had a similar structure of employment with a dominant role played by the heavy industry, mainly the mining sector which became their symbol for a long time. In the 1970s of the last century over 70 active coal mines in the Silesian voivodeship employed 340 thousand people and the production of hard coal was almost 200 million tons a year (cf. Mrozek 2001, 10). At the same time in Wales 13 million tons of coal were extracted.

Both regions have undergone the economic transformation and the restructuring of the coal mining industry, however it happened in different ways. In the early 1980s most of the Welsh coal mines were closed in a very radical manner and the rest were privatised (in the early 1990s there were only 5 active coal mines which employed about 2600 miners. In 2001 only one remained (Coddington 2005, 417); in the Silesian voivodeship the mining restructuring process started only a decade ago and since then has not been so restrictive and violent as in South Wales. Only a few coal mines were closed and their miners received a chance to work until reaching the retirement age in other mines which still existed. While in South Wales the result of the radical restructuring of the mining industry was the closure of almost all of them, in the Silesian voivodeship rather a ‘creeping restructuring’ is taking place now – more than 30 active coal mines employ over 159 thousand people extracting nearly 80 million tons of coal per year (cf. www.stat.gov.pl). The reason of that is quite simply the characteristic and specific nature of Polish economy where coal is still treated and considered as one of the main sources of energy.
The article attempts to compare the situation of the labor markets of both of these regions in time of the global economic crisis. On the one hand, there is the region in which in a short period of time the coal extraction was drastically limited, on the other hand the one where the coal mining still plays an important economic role.

**Silesian Voivodeship and South Wales – Basic Information**

The Silesian voivodeship covers an area of 12.3 thousand km² which is 4% of the whole area of Poland. It is inhabited by 4,63 million people (12% of the population of Poland) that gives it the second place in the country – just after Masovian voivodeship (13.6%). The Silesian voivodeship is the most urbanised region of Poland (78.4% of its inhabitants live in cities) and has the highest population density in the country (376 people per km²). For comparison’s sake, the average population density of Poland is 122 persons per km² (cf. Zygmunt 2009, 216).

The area of the region of South Wales, which in contrast to Silesian voivodeship does not constitute a separate local government unit, is 3.6 thousand km² which is 17% of the whole territory of Wales. South Wales is currently inhabited by over 1,8 million people id est 60% of the whole population of Wales. It is the most populated of all Welsh regions. Similar to the Silesian voivodeship it also has the highest population density in the country, which is 697 persons per km², while the average for Wales is 380 persons per km² (Region and Country Profiles – Population and Migration 2013).

The analysis of statistical data shows some negative trends in natural increase and net migration in the Silesian voivodeship. In 2011 the birth rate per 1,000 was -0.6, while the migration rate −1.1. This means that more people were leaving the voivodeship than arriving there. Particularly it concerned the labour markets with a dominant role played by the heavy industry. For example, it was the case of Jastrzębie-Zdrój (−8.7), Żory (−6.7), Zabrze (−4.8), Bytom (−4.8), Sosnowiec (−4.5), as well as Świętochłowice (−4.0). In turn the highest migration balance was observed in the following districts: bielski (6.2), mikołowski (4.9), częstochowski (4.4) and cieszyński (2.7) (cf. www.katowice.stat.gov.pl).

Mostly well-educated young people who cannot find a job on the site decide to migrate from the Silesian voivodeship. Thus the essential reasons for migration (both internal to other major cities of Poland, as well as external one mostly to the UK) are financial issues. This causes a number of adverse changes in the demographic structure of the region – especially the aging process, as well as declining fertility rates. Some people decide to emigrate after acquiring pension benefits (mainly miners). They return to the villages they left a few decades ago in order
to work in coal mines. However, statistical data clearly indicate that the largest outflow of population occurs in the case of the cities where the traditional mining industry still plays an important role (Jastrzębie-Zdrój, Żory, Zabrze, Bytom).

The demographic projections prepared by GUS (Central Statistical Office of Poland) for the Silesian voivodeship are not optimistic. It is estimated that by 2030, the population of the region will have declined by approximately 700 thousand people. The negative changes in the field of demographic load factors will lead to the increase in the number of people in non-productive age to 75 per 100 persons in productive age. In comparison, in 2002 it was 56 (Zygmunt 2009, 227).

The demographic situation of South Wales is different. This region can boast not only a positive natural increase which is 0,4 thousand people but also a positive balance of internal migration (0,4 thousand), as well as international migration (0,1 thousand). However, the individual authorities of South Wales differ from each other in this respect. For example, in Cardiff the natural growth was 2,2 thousand people while in Neath Port Talbot and Blaeneu Gwent exactly Zero.

When it comes to the internal migration the best situation was noted in the following authorities: Rhondda Cynon Taff (0,4 thousand), Neath Port Talbot (0,2 thousand and Bridgend (0,2 thousand). The worst in Merthyr Tydfil (−0,2 thousand) and Newport (−0,2 thousand).

In the case of the international migration the best situation was recorded in Swansea (0,6 thousand) and Rhondda Cynon Taff (−0,4 thousand). The worst in Cardiff (0,4 thousand) and Vale of Glamorgan (−0,2 thousand).

Taking into account the total net migration the leaders were: Cardiff (0,8 thousand), Rhondda Cynon Taff (−0,4 thousand), as well as Swansea (0,5 thousand). The outflow of the population was especially visible in Caerphilly (−0,2 thousand) and Newport (−0,2 thousand).

As the most developed region of Wales, South Wales is perceived as a very attractive place to live and work in for residents from other parts of Wales. At the same time, however, for its native inhabitants other regions of the United Kingdom appear to be better places because of greater professional opportunities and better salaries. On the other hand, for people living outside Wales, Wales is attractive as well because of lower costs of living and appealing surrounding. As a result, a positive balance of migration leads to the positive natural increase in South Wales as well. The percentage of mother-immigrants has increased significantly in recent years not only in England, but also in Wales and in South Wales.

That is why it is estimated that the population of South Wales will increase from 1,86 million in 2011 to 1,95 million in 2021. At the same time it is anticipated that only Blaenau will experience opposite trends (Region and Country Profiles – Population and Migration 2013).

The labour market of the Silesian voivodeship is still seen through the prism of the dominance of the mining industry. Meanwhile, if in the 1970s it employed
more than 340 thousand people (Mrozek 2001, 10), currently it is 159 thousand miners. However, due to the fact that the heavy industry has been playing a key role in shaping the Silesian labour market for many years, the effects of this are felt to this day (Muster 2009, 201). Additionally still 40% of the active population is employed in industry and construction. Services lag far behind. Moreover, a significant portion of employees doing simple jobs makes the voivodeship a reservoir of cheap labor (cf. Sobula 2004, 45). Therefore the tertiarisation of the regional economy that is a sharp increase in the number of employees working in the service sector, in which about 70–80% of all employees are hired in the developed countries, is necessary (cf. Blasjak, Nawrocki, and Szczepański 1994, 51) as the main feature of the postindustrial society is the dominance of services – especially highly qualified ones (cf. Jałowiecki and Szczepański 2002, 188). This situation has not been changed even by the investments made by the companies that are located in the area of the Katowice Special Economic Zone and its four subzones: Gliwice, Tychy, Sosnowiec-Dąbrowa and Jastrzębie-Żory. The main reason for the creation of the economic zones was to support the restructuring process of the region (Kiecka-Niechajowicz 1996, 85), of which counterbalance was mainly foreign investments (Geisler 2006, 236). Till the end of 2013 over 200 companies have invested about PLN 20 billion creating at the same time about 50 thousand jobs.

Although the zone has moved the region forward (cf. Klasik 2006, 9) and generated relatively stable jobs, most of them are the jobs that do not require high qualifications and are related to the automotive industry (65%) as well as manufacture of non-metallic minerals industry (12%). Because the automotive industry does not create innovations, it rather consumes them, hence the proposal that the special economic zones should evolve and become IT areas. More investments should be associated with the latest technologies (Szczepański 2006: 10). It is important to diversify the local investments as industrial monoculture carries the risk of structural unemployment that proves a deep, mutual maladjustment between supply and demand for labour (Lawn 2008, 23). That is why the replacing of the mining monoculture with the automotive one may cause an increase of unemployment each time when economic slump for manufactured goods of one type takes place.

The Silesian labour market still experiences a substantial deficit of highly qualified jobs which should be of particular concern, taking into account the fact that each year 40 thousand people leave Silesian universities.

The labour market of South Wales was developing in a similar way to the labour market of the Silesian voivodeship. For many years, the vast majority of people was employed in mines and smelters situated on its territory. The percentage of employees in those sectors of the economy has, however, decreased significantly in the 1970s and 1980s of the twentieth century when the Conservative party led by Margaret Thatcher won the parliamentary elections and assumed
power. It started a restructuring program of the British economy, one element of which was the liquidation of mining centres (Morgan 2008, 132–133). Despite numerous protests which covered the whole Wales, among active coal mines only one remained which was finally closed in 2008 (Matthews 2013, 138). The Welsh authorities have taken the measures aimed at the reduction of growing unemployment. They mainly tried to take advantage of tourist potential of Wales and South Wales as well as encourage foreign firms and companies to invest on its territory. Therefore just as it happened in the Silesian voivodeship, special economic zones were created. In Wales there are seven of them, four of which are situated in South Wales. These are: Haven Waterway, St. Athan – Cardiff Airport, Cardiff Central and Ebbw Vale. The first one brings together energy companies such as: Valero, Murco, SEM Logistics and Quiet Revolution. Its attractiveness is primarily due to its location - directly at the coast. The second of the above-mentioned zones concentrates companies representing the aerospace and defense sectors, most of which are state-owned enterprises. No wonder that a part of this area is also the airport in Cardiff. The third zone which covers the center of the Welsh capital and largest city of South Wales – Cardiff – has a completely different character. It is based not only on tourism and trade but also on the business sector. The last one – Ebbw Vale – consists of manufacturing companies of the technology sector including for example Tenneco, Yuasa Battery, Continental Teves, G-TEM, Penn Pharma as well as Monier Redland (http://business.wales.gov.uk/enterprisezones 2013).

Each of them has a different nature and therefore specificity, which makes the economy of South Wales less susceptible, at least in theory, to economic fluctuations than the economy of the Silesian voivodeship. Moreover, comparing the process of the economic transformation of the Silesian voivodeship with the changes taking place in South Wales one can come to the conclusion that the concept of shock therapy usually associated with Poland and its transformation better corresponds to the second case than to the first one. On the other hand, one of the main sectors of South Wales is still the steel industry despite negative consequences that the economic crisis has had on it as well.

The Economic Crisis in Poland and Wales

Crises occur in the global economy periodically with an interval of several years. The last economic downturn began in 2007 in the United States and primarily concerned only the housing sector was soon to affect other industries as well. Its consequences were however quite different depending on the country involved (Libor, Gałuszka I., and Gałuszka J., 2013).
In the case of Wales, the consequences of the economic crisis were significant, from the decline in Gross Value Added by an increase in unemployment to the decline in the economic activity rate. Moreover, the decrease in revenues from subsidies conveyed to the Welsh authorities from the central budget could be noticed as well, which in the context of strong economic dependence of Wales from the Crown only deepened the negative effects of the economic crisis [https://statswales.wales.gov.uk/]

**Table 1. ILO unemployment rates by Welsh local areas and year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Wales</th>
<th>United Kingdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>5.4</td>
<td>5.0</td>
</tr>
<tr>
<td>2002</td>
<td>5.2</td>
<td>5.2</td>
</tr>
<tr>
<td>2003</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>2004</td>
<td>4.8</td>
<td>4.8</td>
</tr>
<tr>
<td>2005</td>
<td>5.2</td>
<td>4.9</td>
</tr>
<tr>
<td>2006</td>
<td>5.2</td>
<td>5.4</td>
</tr>
<tr>
<td>2007</td>
<td>5.6</td>
<td>5.2</td>
</tr>
</tbody>
</table>


**Table 2. Economic inactivity rates (excluding students) by Welsh local area and year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Wales</th>
<th>United Kingdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>26.4</td>
<td>21.4</td>
</tr>
<tr>
<td>2002</td>
<td>25.9</td>
<td>21.3</td>
</tr>
<tr>
<td>2003</td>
<td>25.3</td>
<td>21.2</td>
</tr>
<tr>
<td>2004</td>
<td>24.8</td>
<td>21.1</td>
</tr>
<tr>
<td>2005</td>
<td>24.7</td>
<td>21.0</td>
</tr>
<tr>
<td>2006</td>
<td>24.4</td>
<td>20.8</td>
</tr>
<tr>
<td>2007</td>
<td>24.1</td>
<td>20.5</td>
</tr>
</tbody>
</table>


According to the data given in Table 3, the level of registered unemployment during the economic crisis increased steadily. Since the beginning of the crisis the unemployment rate in Poland increased by 41%, from 9.5% in 2008 to 13.4% in 2013. The negative effects of the economic crisis – apart from the increase in unemployment – was also the decline in Gross Domestic Product. While in 2006 the GDP growth amounted to 6.8%, in 2009 it was 1.6% (http://euro-dane.com.
pl/polska). However – and this point should be stressed – Poland was one of the few European countries that during the crisis registered a growth of the Gross Domestic Product. Therefore, domestic ruling elites started to define Poland as a ‘green island’ but this growth was rather a result of a low-level of ties of the national economy with the European economy at that time.

Table 3. The level of registered unemployment in Poland

<table>
<thead>
<tr>
<th>Year</th>
<th>Poland</th>
<th>Year</th>
<th>Poland</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>17.5</td>
<td>2008</td>
<td>9.5</td>
</tr>
<tr>
<td>2002</td>
<td>20.0</td>
<td>2009</td>
<td>12.1</td>
</tr>
<tr>
<td>2003</td>
<td>20.0</td>
<td>2010</td>
<td>12.4</td>
</tr>
<tr>
<td>2004</td>
<td>19.0</td>
<td>2011</td>
<td>12.5</td>
</tr>
<tr>
<td>2005</td>
<td>17.6</td>
<td>2012</td>
<td>13.4</td>
</tr>
<tr>
<td>2006</td>
<td>14.8</td>
<td>2013</td>
<td>13.4</td>
</tr>
<tr>
<td>2007</td>
<td>11.2</td>
<td>2014</td>
<td>11.5</td>
</tr>
</tbody>
</table>


Undoubtedly, the negative effect of the recent economic crisis for employees are growing problems in obtaining the relative stability in the labour market. Employers are less likely to offer the employees the opportunity to perform work under a fixed-term contract. Banks have, in turn, reduced the availability of mortgage loans, which is particularly acute for young people.

The research conducted by Beaufort Research Ltd. in 2010 show that 84% of the people in Wales admit they have changed their spending behaviour because of the economic crisis. 41% say they are spending less on socialising and on clothes/shoes, while over 20% say they are spending less on overseas holidays or even use the car less. 72% of people express their worries about the general rise in the cost of living. It mainly concerns gas, electricity and petrol prices (54%). The negative effects of the economic crisis were especially visible in the case of vulnerable people who declared experiencing such difficulties more often than other groups (“Wales feels the pain as economic crisis bites hard” 2010).

The research carried out on a representative nationwide sample indicate that the majority of Poles (79%) think that the economic crisis is a European problem. Most of respondents (87%) fear that the crisis could have negative consequences on Poland and about 81% express their concerns about his or her situation and his or her family (“Czy Polacy boją się kryzysu?” 2012).

Wales was affected to a greater extent by the crisis than the other regions of the United Kingdom. As James Meadway writes: “The financial crash of September 2008 drove the UK economy into a deep recession from which it has not subsequently recovered. Both the severity and the length of this recession were
a direct result of the model of economic development adopted across the UK in the preceding decades – growth driven by the accumulation of debt, mobilized by an exceptionally large financial sector, leading to a prolonged period of deindustrialization. That model worked well for the richer regions of the UK, and particularly for the richer residents within those regions. But for the majority of the country outside of London and the Greater South-East, it led to a stagnation of real income […] We now live in the most geographically unequal nation in the EU. It contains both the richest region in the Union (in central London) and areas in the Welsh Valleys comparable in income to recent EU accession countries. Those regional inequalities have worsened considerably over the last two decades” (Meadway 2013).

In contrast to Wales and many other European countries Poland recorded a slight increase in GDP during the economic crisis. In 2009 Poland’s GDP increased by 1.7%, while other European countries experienced its significant decline. For example, in the UK in the same period the GDP decreased by 5.1%. This small increase of GDP in Poland (and not the fall – as in most European countries) was mainly related to the weak links between Polish economy and the EU and global ones. Poland has experienced the economic crisis with a significant delay, and in comparison to other countries – on a much smaller scale.

At the same time – and this point is particularly interesting – despite the growing GDP a dynamic increase in unemployment was recorded as well. This situation results not only from the insufficient growth of GDP to generate new jobs but also from significant reductions of persons employed in the industry. In the Silesian voivodeship dismissals have mainly concerned those working in international corporations associated with the automotive industry.

However, in the future the Polish economy will be increasingly subject to the influence of European and global economies. Generally it can be said that what will happen in the U.S. economy, or the economies of major European countries will influence the situation of Poland more and more.

Consequently, the economic peripherality has produced quite different results in Wales and Poland. In the case of Wales it means its further marginalisation and problems with making it an attractive place for foreign investors and banks. In the case of Poland it means much smaller impact of the financial crisis on its economy which is still undergoing transformation including gradual incorporation into the global economy.
Regional Labour Markets and the Global Economic Crisis

In order to describe the situation of the labour market of Silesian voivodeship the statistics of GUS and those coming from LFS have been used, while in the case of the labour market of South Wales it has been StatsWales data.

In 2007 166 thousand people had the status of unemployed in the Silesian voivodeship which was 9.2% of its total active population. The next years were characterised by deterioration of the situation on the regional labour market. The number of unemployed increased from 166 thousand to 208.3 thousand – that is for 42.3 thousand. Over the last six years the unemployment rate has increased by 25% and currently it is 11.2%.

The increase in the number of unemployed can also be observed in the case of South Wales however with greater fluctuations between the individual years. In 2007 the total number of people applying for unemployment benefits was 25.3 thousand, while in 2013 it was 42.6 thousand. In the meantime, that is, in 2009, 2011 and 2013, the number of such people exceeded 50 thousand. Then the unemployment rate was also the highest – over 10%. Now it is 9.3% (Table 4).

Table 4. Unemployment in Silesian voivodeship and South Wales in the years 2007–2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Silesian voivodeship</th>
<th>South Wales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>number of unemployed (in thousand)</td>
<td>percent of unemployed</td>
</tr>
<tr>
<td>2007</td>
<td>166.0</td>
<td>9.2</td>
</tr>
<tr>
<td>2008</td>
<td>122.7</td>
<td>6.9</td>
</tr>
<tr>
<td>2009</td>
<td>168.4</td>
<td>9.4</td>
</tr>
<tr>
<td>2010</td>
<td>181.2</td>
<td>10.0</td>
</tr>
<tr>
<td>2011</td>
<td>186.2</td>
<td>10.2</td>
</tr>
<tr>
<td>2012</td>
<td>205.5</td>
<td>11.1</td>
</tr>
<tr>
<td>2013</td>
<td>208.3</td>
<td>11.2</td>
</tr>
</tbody>
</table>

* On the basis of Claimant Unemployment Rate.
** The methodology used by the International Labour Organisation (LFS)

Source: GUS, StatsWales

On the basis of the analysis of the Labour Force Survey (LFS) in the fourth quarter of 2013 it can be concluded that the Silesian voivodeship has one of the lowest economic activity and employment indicators in Poland, which are 53.8% and 48.7% respectively. In the case of South Wales the first one is 54.7%, the second one 60.2%. In comparison to other regions of Wales, South Wales has the lowest economic activity indicator, but the highest employment indicator. This is one of the main differences between South Wales and the Silesian voivodeship.
The analysis of the economic activity rate by age leads to the conclusion that its lowest value was recorded among people aged between 15–24 (35.4%) and above 55 (21.0%). In turn, its highest values were noticed for persons between 35–44 (88.8%) (Table 5). In South Wales the economic activity rate was particularly high for people in the age between 16 to 24 (62%), while the lowest for people above 65 (7.5%). Young people from South Wales were as a result more active economically than their peers from Silesian voivodeship. However, because of different intervals used in the analysed research it is hard to compare older groups (Table 6).

### Table 5. The economic activity rate by age – Silesian voivodeship

<table>
<thead>
<tr>
<th>Age</th>
<th>The fourth quarter of 2013 (in percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15–24</td>
<td>35.4</td>
</tr>
<tr>
<td>25–34</td>
<td>86.7</td>
</tr>
<tr>
<td>35–44</td>
<td>88.8</td>
</tr>
<tr>
<td>45–54</td>
<td>73.2</td>
</tr>
<tr>
<td>55 and more</td>
<td>21.0</td>
</tr>
</tbody>
</table>

Source: GUS

### Table 6. The economic activity rate by age – South Wales

<table>
<thead>
<tr>
<th>Age</th>
<th>The fourth quarter of 2013 (in percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16–24</td>
<td>62.0</td>
</tr>
<tr>
<td>25–49</td>
<td>85.7</td>
</tr>
<tr>
<td>50–64</td>
<td>64.6</td>
</tr>
<tr>
<td>65 and more</td>
<td>7.5</td>
</tr>
</tbody>
</table>

Source: StatsWales

As far as sex in the Silesian voivodeship is concerned, most of the working people are men (55%). The similar situation occurs in the case of South Wales, where men are 51.9% of the workforce. At this point it is difficult to identify any significant differences between both of the regions.

When it comes to the employment status the largest part of workers in Silesian voivodeship are salaried employees (88.1%) then employers and self-employed (11.2%) and working family-members (0.8%). In South Wales the salaried employees also constitutes 88% of all workers while the self-employed 10.7%.

Statistical data also point to a growing share of the part-time work in the Silesian voivodeship – currently it is 8.9% of the total working population, of which an essential part are women. The percentage of people working in part-time jobs in the Silesian voivodeship is, however, much lower than in South Wales, where it is 26% of which 76.2% are women.

Comparing statistical data from South Wales and the Silesian voivodeship labour market, it turns out that in the first case the percentage of people working at part-time jobs is three times higher than in Silesian voivodeship where despite increasing labour market flexibility most of economically active people want to work at a full-time jobs which stems from the economic factors. The earnings of the persons working at a part-time jobs in most cases do not exceed 150 euro per month.

On the other hand, a significantly higher proportion of those working on a part-time basis in the region of South Wales may also be related to the fact that
other members of household receive sufficient financial gratification to enable one of them (mostly women) to work on a part-time basis and spend more time on other duties – such as childcare.

The analysis of statistical data also indicates that at the end of 2013 most people in the Silesian labour market were employed in the following industries:

- manufacturing (398 thousand)
- trade; repair of motor vehicles (287 thousand)
- mining and extraction (159 thousand)
- education (151 thousand)
- construction (143 thousand)
- health care and social assistance (130 thousand)
- transportation and storage (111 thousand)
- public administration and defense (103 thousand).

Men dominated the following two sectors: the mining and extraction (92.5%), as well as the construction (92.3%), while women the health care and social assistance (83.1%), as well as the education (81.5%).

As far as South Wales is concerned, the situation was as follows:

- professional occupations (155 thousand)
- technical occupations and ones related to professional occupations (104 thousand)
- administration and secretarial (99 thousand)
- simple jobs (87 thousand)
- crafts (87 thousand)
- personal services (82 thousand)
- sales and customer service (70 thousand)
- executives, senior officials (68 thousand)
- operation of machinery and equipment (60 thousand).

Men dominated all of these sectors with the exception of the professional occupations (53%), the administrative work (78.7%) and the sales and customer service (64%).

As we can see, the structure of employment is quite different in both cases. In the Silesian voivodeship the influence and the strong position of the heavy industry – especially mining – can be noticed, while in South Wales service sector is becoming to play a more and more important role.

**Conclusion**

Unfinished restructuring of the mining industry can be a source of social instability in the Silesian voivodeship in the coming years. Decreasing demand for coal,
wider use of alternative energy sources, cheaper import of raw materials from Ukraine or Russia will lead to redundancies in this sector of economy. Moreover, the provisions of the Kyoto Protocol of which Poland is one of signatories, force Polish government to reduce greenhouse gas emissions that are produced during the coal combustion. This is another factor that may significantly affect the reduction of employment in the mining sector. Another danger facing the regional labour market is the replacement of the mining companies with the companies that represent the automotive industry. As a result a new monoculture is appearing on the local market of the Silesian voivodeship now. This industry is, as the recent economic crisis has showed, particularly exposed to economic fluctuations which lead to the structural unemployment. Therefore authorities should try to diversify the structure of the regional economy by new investments and not to allow to concentrate companies from the same sector on a small area. The Silesian voivodeship needs more jobs in the service and high technology sectors which would limit the migration of young, well-educated people.

In the case of South Wales the share of these sectors in its economy is greater than in the case of the Silesian voivodeship. Despite this a large percentage of native inhabitants of South Wales decide to emigrate but at the same new ones from other parts of Wales and different parts of the UK come and settle down. This explains the positive net migration, as well as the positive natural increase.

Despite this and despite the fact that the impact of the economic crisis on Wales was so drastic the increase in the unemployment rate during the crisis period was smaller in South Wales than in the Silesian voivodeship. This can be explained not only by more multicultural structure of its economy but also by the differences as far as the number of young people at the age of 15–24 who are economically active and the number of people working at part-time jobs is concerned.

The labour markets of both of these regions have experienced negative consequences of the economic crisis, but in the case of South Wales unless the influx of new population had not been so significant these consequences would probably have been less severe. However, further research in this field is required.

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