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Size and structure of the local labour markets in powiat capital towns in Mazovia



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INTRODUCTION

It is already more than 200 years since the Scottish thinker and philosopher Adam Smith wrote that the proportion between what the nation produces and is able to purchase and the number of consumers of these goods “must in every nation be regulated by two different circumstances: first, by the skill, dexterity, and judgment with which its labour is generally applied; and, secondly, by the proportion between the number of those who are employed in useful labour, and that of those who are not so employed”¹. Therefore the number of employed people is a significant variable affecting the level of economic development. The larger number of the employed enhances the pace of increase of the wealth of the nation. Changes in the size of employment allow to evaluate the condition of the economy and its branches.

Bearing in mind the fact that cities and towns are the core of local labour markets, powiat capital towns located in Mazowieckie voivodship have been selected as objects for the analysis. According to the data from the end of 2012 over 80% of persons employed in enterprises employing over 9 persons were employed in cities and towns which are capitals of powiats. The report covers 38 cities and towns. It has to be mentioned that in Mazowieckie voivodship there are 42 powiats, yet four cities are at the same time cities with powiat status and seats of powiat authorities for the powiats consisting of gminas around the city. Ostrołęka is both a city with powiat status and the seat of the authorities of ostrołęcki powiat. Płock, Radom and Siedlce have a similar situation. Hence in the report they are analysed only once.

The aim of the report is pointing to the most important branches which are at the same time strategic for the development of the region and which develop the fastest. The analysis concerns the changes in the size of the workforce employed in particular branches as well as the structure of employed population by sex and sector of ownership.

The elaboration has been based on the number of employed persons according to the annual report on employed persons, wages and salaries and working time (form Z-06). This data covers entities of national economy excluding the entities with up to 9 employed persons (micro enterprises), private farms, social and political organizations, trade unions, clergymen doing pastoral work and budgetary entities conducting activities within the scope of national defence and public safety. Hence the data used in the elaboration concerns small, medium and large enterprises in which, according to the definition, at least 10 persons work (in small enterprises the number of employed persons is up to 49, in medium-sized ones between 50 and 249, and in large enterprises – over 249 persons).

Data on employed persons has been stated as of 31 December, without recalculation of part-time employed into full time employed as well as following the rule of one-time only calculation of persons according to their actual workplace.

Polish Classification of Activities (PKD 2007) has been used in the classification of enterprises to branches.

The analysis covers the years 2008-2012. Hence it has to be noticed that in this period the Polish economy (as well as the world economy) functioned under changing conditions. First two years (2008-2009) are the period of global economic crisis. Economic growth slowed down. The pace of

¹ Adam Smith (1812), *An Inquiry into the Nature and Causes of the Wealth of Nations*, London, pp 1-2. First published in London in 1776.

growth of the added value and employment decreased. Next three years – since 2010 negative tendencies occurring in the economy were overcome, although the labour market was stagnant. The pace of growth of the GDP and the growth of added value increased.

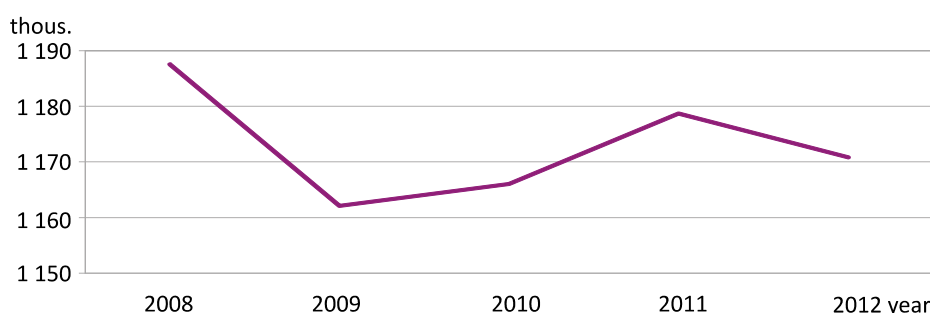
Financial and banking crisis which began in 2007, has caused a worldwide economic crisis. In the case of Poland the crisis has caused a significant decrease of the dynamics of GDP growth, especially in 2009. Hence in this report this period is referred to as economic slowdown.

SIZE OF THE LOCAL LABOUR MARKETS

In 2012 in the labour market of Mazovian cities and towns with powiat functions there were 1170.8 thousand employed persons, who constituted 81.1% of the total number of employed in the voivodship. The largest centre of workplaces concentration was Warsaw, which gathered 69.5% of the persons employed in cities and towns with powiat functions by enterprises employing over 9 employees. Among the analysed centres there is much differentiation in the level of employment, In 11 out of 38 analysed urban centres the number of employed persons was over 10 thousand. These are: Warsaw and all former voivodship capital cities: Ostrołęka, Radom, Płock, Siedlce i Ciechanów, as well as Grodzisk Mazowiecki, Mława, Mińsk Mazowiecki, Piaseczno and Pruszków. On the other end of the spectrum there are 13 towns in which the number of employed persons was not more than 5 thousand. It is worth noticing that majority of these towns belong to two subregions: radomski and ostrołęcko-siedlecki. Among the towns with the smallest employed workforce there are two: Białobrzegi and Przysucha (both located in radomski subregion), where the number of employed persons was under 2 thousand.

It is worth noticing that the poorer economic situation caused by the world economic crisis has been a significant factor slowing down employment growth. In the years 2008-2009 the largest drop in the number of employed persons was registered. However, the consequences of economic slowdown were not permanent and in the subsequent two years (2010-2011) employment increased. Eventually 2012 brought another decrease of employment, due to which the number of employed has not reached the pre-crisis level.

Graph 1. Number of employed in powiat capital towns in Mazovia in the years 2008-2012

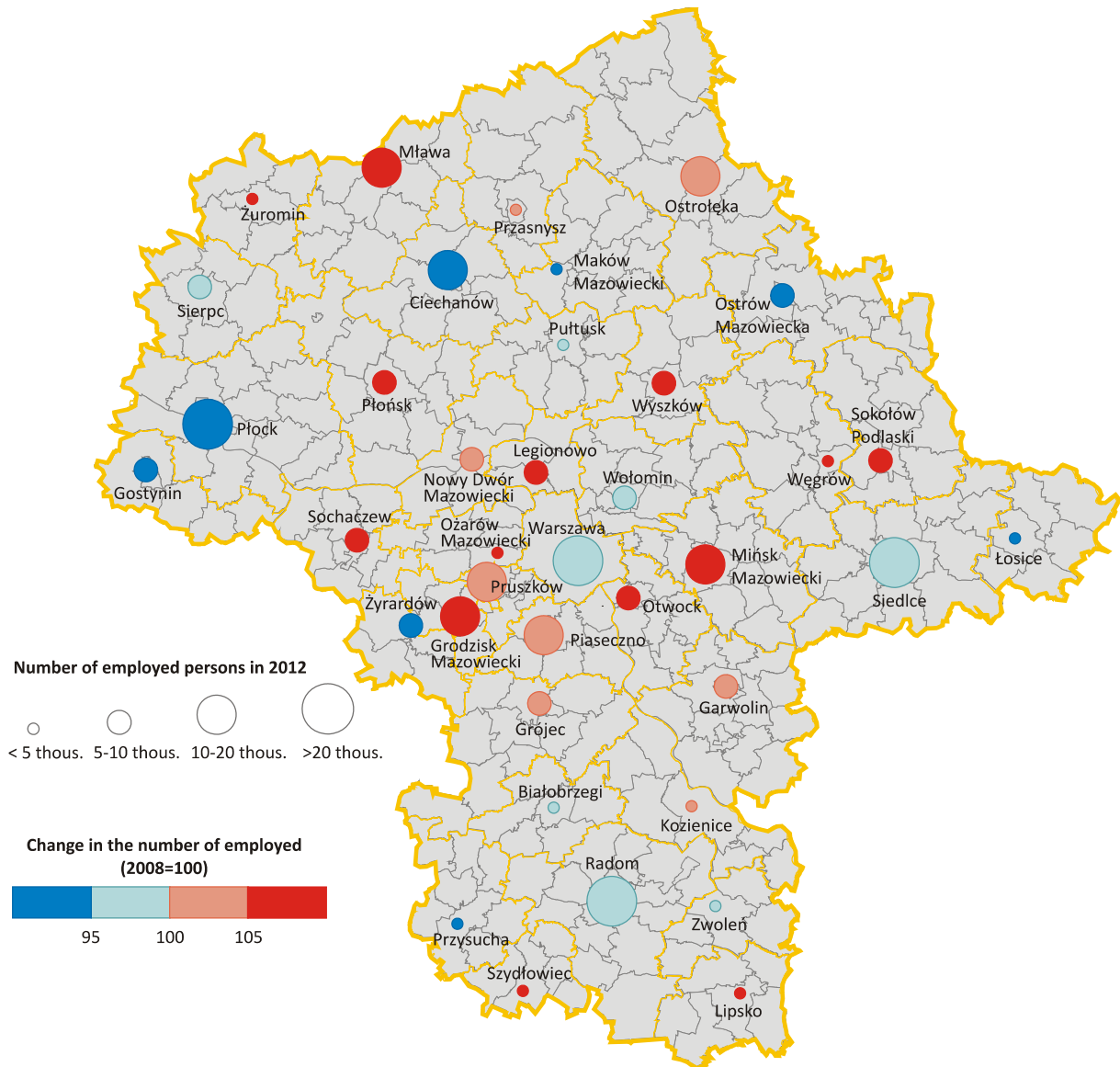


In the surveyed period, i.e. 2008-2012, the number of employed persons in the voivodship decreased by 5.4 thousand (decrease by 0.4%) and in powiat capital towns only this decrease was more pronounced and amounted to 16.7 thousand persons (1.4%). Analysing the absolute changes the number of employed persons decreased the most in Warsaw (by 16.1 thousand persons), and the share of the capital city in the structure of employment in powiat capital towns in the region decreased by 0.4 percentage points. However, the highest growth of the number of employed was registered in Sochaczew (by 1.2 thousand persons).

Considering the relative change in the number of employed – the largest, over 10% drop was observed in four towns: Przysucha (by 18.5%), Łosice (13.2%), Żyrardów (12.1%) and Ostrów Mazowiecka (10.9%). It is worth noticing that Przysucha and Łosice register also the smallest number

of the employed. In contrast, the largest increase in the number of employed persons occurred in Ożarów Mazowiecki, situated next to Warsaw (by 19.9%) and in Sochaczew (by 14.8%)

Map 1. Employed persons in powiat capital towns in Mazovia in 2012



Analysing the above results one can notice that vast majority of towns which registered increase in employment are situated in the centre of the region – in proximity or with good communication to Warsaw. In addition half of these towns belong to Warsaw Metropolitan Area.

Dynamics below the level of 95 has been registered in 8 towns, which in majority belong to ciechanowsko-płocki and ostrołęcko-siedlecki subregions.

The table below presents the division of powiat capital towns according to the number of employed people in 2012 and to the change of this number in comparison with 2008. On the basis of the level of dynamics towns have been classified as ones with growth, stagnation or slump in the number of employed persons.

Table 1. Number of employed people and its change in comparison with 2008

Dynamics of the number of the employed (2008=100)	Number of employed persons (2012)			
	< 5 thousand	5-10 thousand	10-20 thousand	>20 thousand
Growth (over 105)	Ożarów Mazowiecki, Żuromin, Szydłowiec, Węgrów, Lipsko	Sochaczew, Legionowo, Otwock, Sokołów Podlaski, Wyszaków, Płońsk	Grodzisk Mazowiecki, Mława, Mińsk Mazowiecki	
Stagnation (95-105)	Kozienice, Przasnysz, Pułtusk, Zwoleń, Białobrzegi	Nowy Dwór Mazowiecki, Grójec, Garwolin, Wołomin, Sierpc	Ostrołęka, Pruszków, Piaseczno	Warsaw, Siedlce, Radom
Slump (below 95)	Maków Mazowiecki, Łosice, Przysucha	Gostynin, Ostrów Mazowiecka, Żyrardów	Ciechanów	Płock

Cities and towns ordered according to the level of dynamics of the number of employed (2008=100). Cities and towns listed first within each group have registered higher dynamics.

It has to be noticed that 3 out of 4 towns with the highest number of employed (over 20 thousand), belong to the group which registered stagnation, that is only small changes in the number of employed. These are: Warsaw, Siedlce and Radom. The fourth one is Płock, which registered the least favourable situation in the group of towns with the highest employment. In Płock there was a slump, that is a drop in the number of employed.

In comparison, in the group registering growth there are 14 towns, of which 5 – Ożarów Mazowiecki, Żuromin, Szydłowiec, Węgrów and Lipsko – belong to the group of towns with the smallest number of employed (less than 5 thousand).

Among the towns which registered a slump Przysucha deserves special attention. Not only has it registered a decline in the number of employed persons, but it also has the smallest number of employed (1.7 thousand). Two towns in ostrołęcko-siedlecki subregion, Maków Mazowiecki and Łosice, are in a similar situation. Their small number of employed persons decreased further over the five-year-long period.

STRUCTURE OF THE EMPLOYED PERSONS BY SEX IN THE LOCAL LABOUR MARKETS

Structure of the employed persons by sex in particular towns is highly differentiated. Differences between the minimum and maximum value of the proportion of women in the number of employed in 2012 equates 18.3 percentage points. In 2012 the proportion of women in the number of employed in powiat capital towns in Mazovia was 52.4% and it has increased by 1.4 percentage points in comparison with 2008.

Among the towns with a clear majority of employed women there are only centres with not more than 10 thousand employed persons.

Table 2. Feminised towns

Feminised towns (over 60% of women among the total number of employed)	
2008	2012
Legionowo, Otwock, Maków Mazowiecki	Legionowo, Otwock, Przysucha, Pułtusk

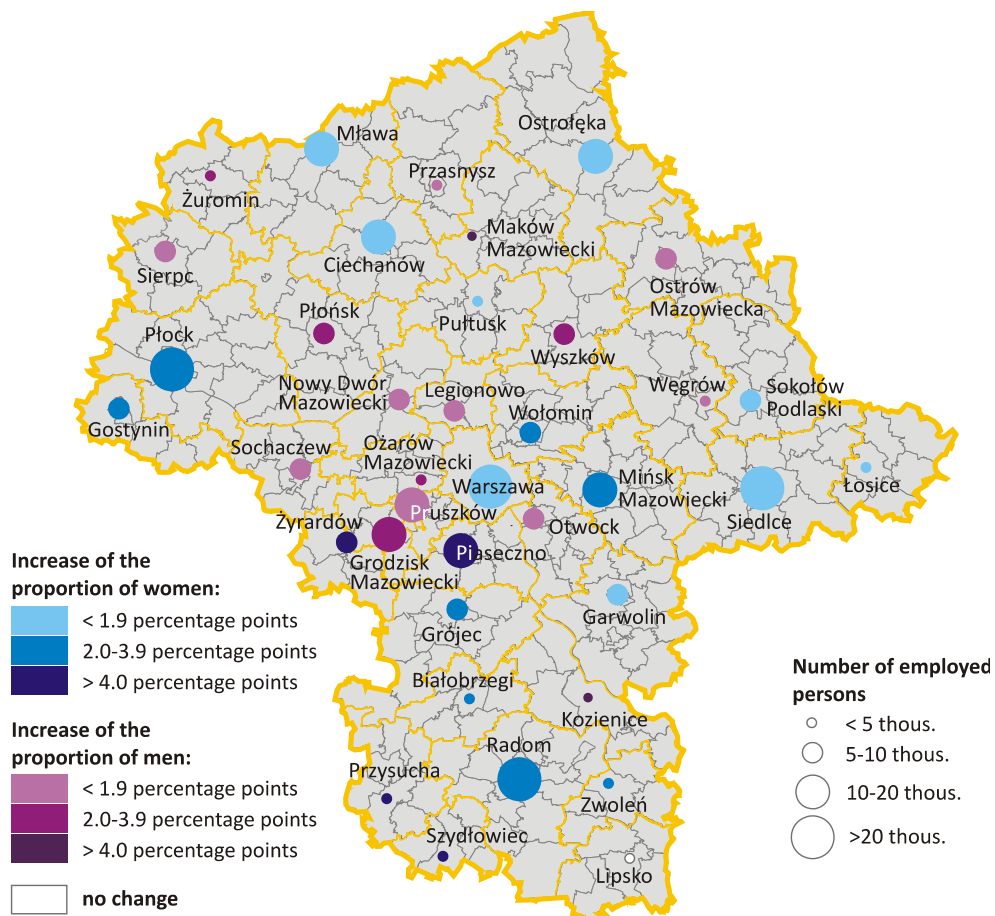
Proportion of men in none of the analysed years has exceeded 60%. The highest share of men in the structure of the employed in 2012 was registered in 3 towns: Grójec, Ożarów Mazowiecki and Płock (the proportion of men was 56.3%, 55.6% and 55.1%, respectively).

Increase of the proportion of women in the structure of the employed over the period 2008-2012 occurred in 21 powiat capital towns – the increase was the highest in Przysucha and Żyrardów (by 7.9 and 5.2 percentage points, respectively). Increase of female employment registered in these towns was a result of the decrease of the total number of employed, which affected men to a larger extent. Increase of the share of employed women was registered also in all of the cities with powiat status and population over 100 thousand: Warsaw, Radom and Płock. In Płock this increase was caused by a smaller decrease of the number of women than of men among the employed. In Warsaw and Radom it was a result of an increase in employment among women concurrent with a decrease in the number of men.

A particularly positive phenomenon can be observed in Lipsko, where the structure of the employed by sex is balanced and an increase in the number of the employed has not caused major structural fluctuation – the proportion of women and men has not changed.

On the other hand, increases or decreases of the number of the employed concerning mostly one of the sexes are unfavourable. Examples of growth which concerned mostly men are: Kozenice, Maków Mazowiecki, Ożarów Mazowiecki and Wyszaków. In these towns the proportion of men increased, respectively, by 5.1, 4.2, 3.9 and 3.2 percentage points. Whereas Przysucha and Żyrardów are towns where reduction of employment affected mostly men, as a result of which the proportion of women increased, respectively, by 7.9 and 5.2 percentage points.

Map 2. Changes of the proportion of women and men in the total number of the employed



The largest (over 4 percentage points) changes in the structure of the employed by sex occurred in 6 towns. In 4 of them an increase in the proportion of women was observed, in the remaining two – of men.

Table 3. Towns with large changes in the proportion of employed women and men

Towns with increase of the proportion of women over 4 percentage points			Towns with increase of the proportion of men over 4 percentage points		
Town	Proportion of women in 2012 (%)	Increase of the proportion of women in comparison to 2008 (percentage points)	Town	Proportion of men in 2012 (%)	Increase of the proportion of men in comparison to 2008 (percentage points)
Przysucha	61.3	7.9	Kozienice	45.3	5.1
Żyrardów	58.0	5.2	Maków Mazowiecki	41.6	4.2
Piaseczno	50.2	4.9			
Szydłowiec	54.5	4.8			

In the case of Przysucha increase of the proportion of women in the structure of the employed concerned the most two last years, when the proportion increased by: 2.8 percentage points in 2011 in comparison to 2010 and 9.5 percentage points in 2012 in comparison to 2011.

STRUCTURE OF THE LOCAL LABOUR MARKETS BY SECTOR OF OWNERSHIP

Analysis of the size of employment according to sector of ownership shows small but noticeable changes. In 2012 the proportion of the employed in private sector in enterprises employing over 9 persons in powiat capital towns in Mazovia was 63.4% and in comparison with 2008 it diminished by 0.1 percentage points. It has to be underlined that in all analysed years persons employed in private sector dominated. In 2012 their number was almost two times higher than the number of employed by public sector. However, considering the fact that these towns are seats of powiat authorities, after excluding powiat seats from regional statistics the proportion of employed in private sector increases. In 2012 it was 68.8%.

Although all of the analysed towns are seats of powiat self-governments, the proportion of employed in public sector is differentiated. In 2012 the highest proportion of employed in this sector was registered in Przysucha (65.0%), the lowest – in Piaseczno (17.1%).

The table below presents differentiation of the proportion of employed in public sector in powiat capital towns following the classification of these towns according to the number of inhabitants.

Table 4. Differentiation of the proportion of employed in public sector by class of town size in 2012

Number of inhabitants (in thousands)	Proportion of employed in public sector (%)			
	< 40	40-50	50-60	> 60
> 50	Warsaw, Pruszków, Płock	Legionowo, Radom, Siedlce, Ostrołęka		
20-50	Ostrów Mazowiecka, Sochaczew, Mińsk Mazowiecki, Nowy Dwór Mazowiecki, Grodzisk Mazowiecki, Wyszaków, Mława, Piaseczno	Płońsk, Wołomin, Ciechanów, Żyrardów		Otwock
10-20	Węgrów, Sokołów Podlaski, Sierpc, Grójec, Garwolin, Ożarów Mazowiecki	Gostynin, Pułtusk, Przasnysz	Maków Mazowiecki, Szydłowiec, Kozienice	
< 10		Lipsko, Zwoleń	Białobrzegi, Żuromin, Łosice	Przysucha

Cities and towns ordered according to the proportion of employed in public sector. Cities and towns listed first within each group have registered higher proportion of employed in public sector.

In the table above it can be seen that the smaller the number of inhabitants the higher the level of employment in public sector. Clear domination of the employed in this sector is a characteristic feature of small powiat capital towns situated on the fringes of the voivodship. They are usually located in less developed, agricultural parts of the region, which feature relatively low level of entrepreneurship of inhabitants and marginal share of large private enterprises. As a result, local administration offices, public health care and education entities remain the main employer. The highest proportion of the employed in public sector has been registered in Przysucha, where it reached 65.0% after growing by 11.7 percentage points over the last 5 years (which was the highest growth rate registered among the analysed towns).

Among towns with 10-20 thousand inhabitants only in three: Maków Mazowiecki, Szydłowiec and Kozienice, persons employed in the public sector dominate. The largest number of workplaces in these towns are generated in health care establishments and local administration. Other towns with 10-20 thousand inhabitants feature a low percentage of persons employed in public sector (below 40%). Large industrial plants located in their area employ significant numbers of inhabitants. The lowest share of persons employed in public sector was registered in Ożarów Mazowiecki (27.0%).

In the next category, towns with over 20 thousand inhabitants, this proportion does not exceed 50%. One exception is Otwock, with almost 45 thousand inhabitants, where employees of the public sector constitute 61.8%. It is a consequence of the health-resort function of the town. In Otwock more than one third of public sector workers is employed in health care.

It is also worth paying attention to the structure of employed persons in Warsaw. In spite of its capital city functions, public sector employees amount to 36.0% of persons employed in enterprises employing over 9 persons. The number of workplaces in local and national administration, educational and cultural institutions as well as health care establishments, which satisfy the needs not only of the inhabitants of the capital city and the region, but also of the whole country, is lower than in the private sector.

EMPLOYED PERSONS BY SECTION OF PKD 2007

Analysis of employment by PKD sections in the years 2008-2012 allows to identify branches (sections of PKD 2007), which generate the most workplaces. Also those, which are strategic for the development of the region's economy and therefore develop the fastest. With this in mind the variable referring to the number of employed persons according to the PKD sections has been presented in two ways: first – by pointing to branches which constitute the highest percentage in the structure of employment (in 2012), second – by analysing the changes and identifying sections the share of which in employment market in the years 2008-2012 increased the most.

In this report, in order to increase legibility of lists, tables and charts, the following short names of the PKD 2007 sections have been used: A – Agriculture; B – Mining; C – Manufacturing; D – Energy and Gas supply; E – Water supply; F – Construction; G - Trade, repair of motor vehicles; H – Transportation and storage; I – Accommodation and food service; J - Information and communication; K - Financial and insurance activities; L - Real estate activities; M – Professional activities; N - Administrative and support service activities; O – Public administration; P – Education; Q – Health care; R - Arts, entertainment and recreation; S, T, U – other services.

Among almost 1.2 million employed persons (in entities with over 9 employed persons) in powiat capitals in Mazovia the dominant group of employed persons were the ones employed in trade and vehicle repair, amounting to 15.5% of all employed people. Relatively high share of employment was registered also in industrial manufacturing (12.3%) and education (9.3%). In 2008 the same branches generated the most workplaces and their share was: 16.0% employed in trade and vehicle repairs, 14.4% employed in manufacturing and 8.4% in education.

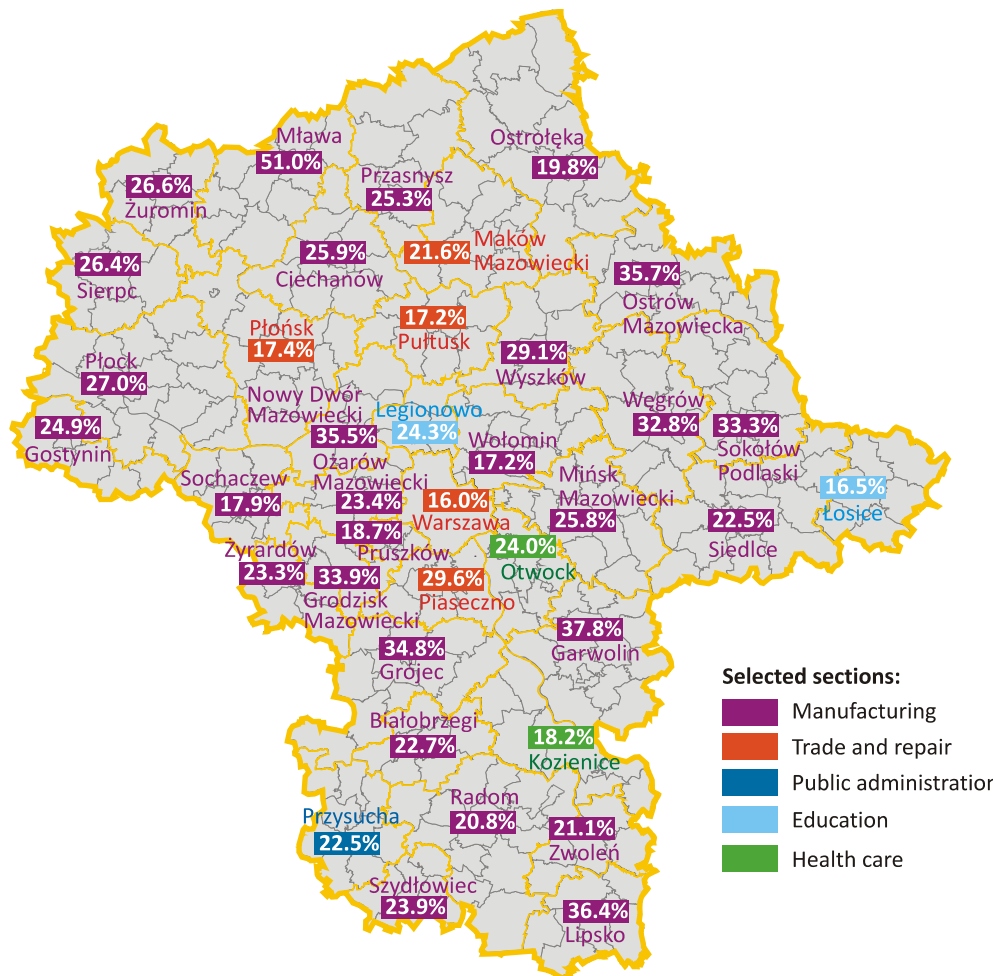
Considering employment in particular towns in 2012, one can notice that branches generating the most workplaces vary. In the vast majority (28 out of 38) of the analysed towns manufacturing companies are the leaders in employment market. It is worth underlining that in 8 towns: Garwolin, Lipsk, Ostrów Maz., Nowy Dwór Maz., Grójec, Grodzisk Maz., Sokołów Podlaski and Węgrów – one in three employed persons is an employee in this branch, and in Mława even every second one. It has to be noticed that industry in Mazovia is very varied with respect to branches: from traditional² to modern production in medium and high-tech sectors.

In the other towns the main section of employment is trade and vehicle repair (Maków Mazowiecki, Piaseczno, Płońsk, Pułtusk, Warsaw), education (Legionowo, Łosice), health care (Kozienice, Otwock) and public administration (Przysucha).

The map below presents branches, which generate the most workplaces. In addition the share of employed in these sections is indicated.

² In the group of traditional industries an important role is played by food processing which dominates in manufacturing especially in 8 towns: Białobrzegi, Ciechanów, Gostynin, Grodzisk Maz., Sierpc, Sokołów Podl., Węgrów and Żuromin. Important role is played also by the production of metal products, which concentrates in radomski subregion (especially in Radom, Lipsk and Zwoleń).

Map 3. Share of employed in the structure of employment by selected sections of PKD in 2012



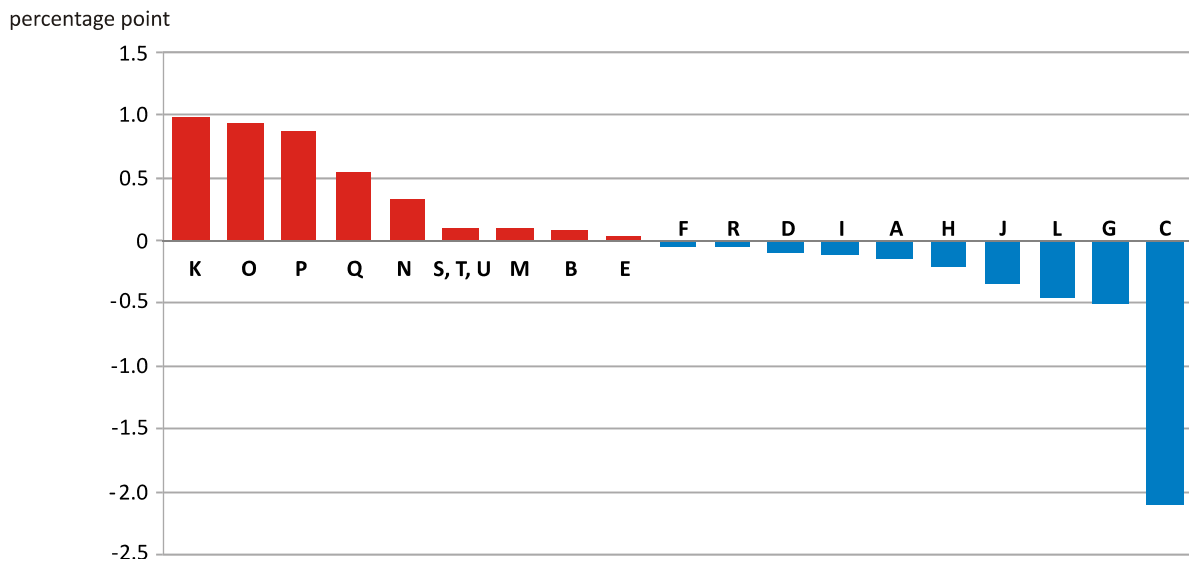
As stems from the data, enterprises conducting industrial activity are the largest employer in powiat capital towns. It can be noticed, that in some towns industrial manufacturing generates over one third of the workplaces. The most single-industry dominated labour market occurs in the above mentioned Mława, where over half of employed persons (in companies employing over 9 persons) are employees in manufacturing section.

Referring these data to 2008 it can be stated that significantly more (34 out of 38) powiat capitals featured the largest employment in industrial manufacturing, and its share in the structure of employed population was higher. Remaining 4 towns, dominated by other branch than manufacturing, were: Legionowo, where persons employed in education dominated, Maków Maz. and Otwock, where the most workplaces have been created in health care, and Warsaw, with employment market dominated by services related to trade and vehicle repair.

Over the 2008-2012 period a diminishing share of industrial manufacturing and trade and vehicle repair was observed. On the other hand, the significance of financial and insurance activities, public administration and education increased.

The graph below presents change in the proportion of persons employed in powiat capital towns by section in the years 2008-2012. Its value has been expressed in percentage points and equals to the difference between the proportion of persons employed in a given section in 2012 and its value in 2008.

Graph 3. Changes of the share of employed persons by PKD section in powiat capital towns in the years 2008-2012



The largest increase of employment in the years 2008-2012 was registered in sections: K – financial and insurance activities (increase by 1.0 percentage points), as well as O – public administration and education (by 0.9 percentage points each). It is worth underlining, that financial and insurance institutions support the sector of new services. Their presence in the local market prepares fundamentals for the increase of effectiveness, productiveness and competitiveness of economic entities. Therefore such a result is a positive signal of the development of the service sector.

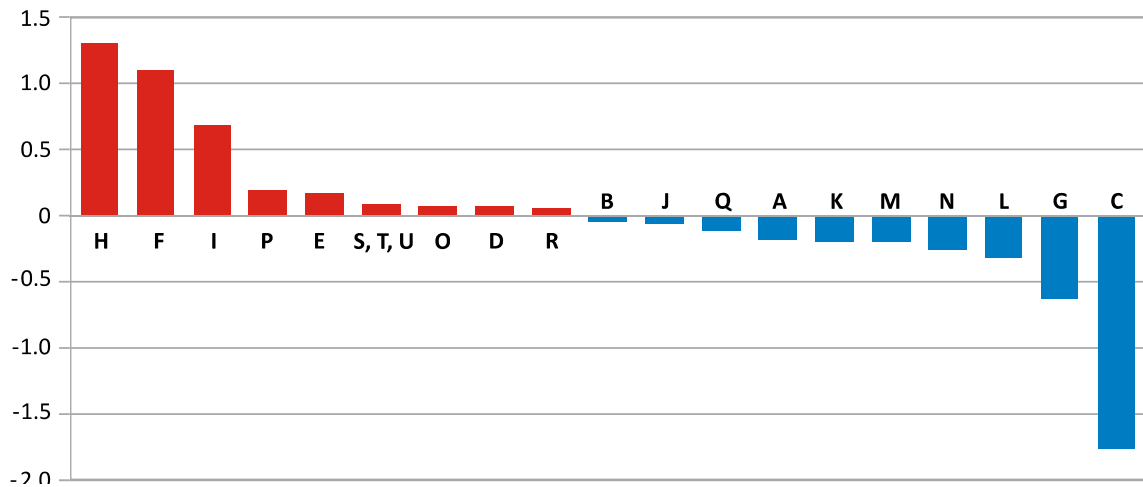
It has to be mentioned that four sections which registered the largest increase of employment are at the same time the most feminised branches. In the powiat capitals in Mazovia the largest proportion of women work in health care (83.2% of employed persons), education (74.2%), public administration (63.7%) as well as financial and insurance activities (60.7%).

Over the analysed five years a decrease of significance in generating workplaces was registered in: C – industrial manufacturing (decrease by 2.1 percentage points), G – trade and vehicle repair, and L – real estate activities (both went down by 0.5 percentage points). Reduction of employment in industry is evidence for its restructuring, implementing modern technologies and continuing growth of productivity. On the other hand, the decrease in the number of employed in trade and vehicle repair can be a negative consequence of the financial crisis, as the largest decrease of employment in this section was registered in 2009 (in comparison with 2008 the number of employed in this section dropped by 7.0%). Probably the crisis has also caused the decrease in employment in enterprises providing real estate services (in comparison with 2008 the number of persons employed in this section fell by 17.0%). Although the impact of the crisis was not long-lasting and many branches, which between the years 2008 and 2009 reduced employment, in the subsequent years made up for the losses, in the sections mentioned above the number of employed persons increased in the years 2010-2012, but has not reached the 2008 level. Some branches have registered a regular decrease in the whole analysed period – such was the case of agriculture and manufacturing.

It is also worth to look at the changes caused by excluding powiat capitals.

Graph 4. Changes in the share of employed persons by PKD section in Mazowieckie voivodship after excluding powiat capital towns in the years 2008-2012

percentage point

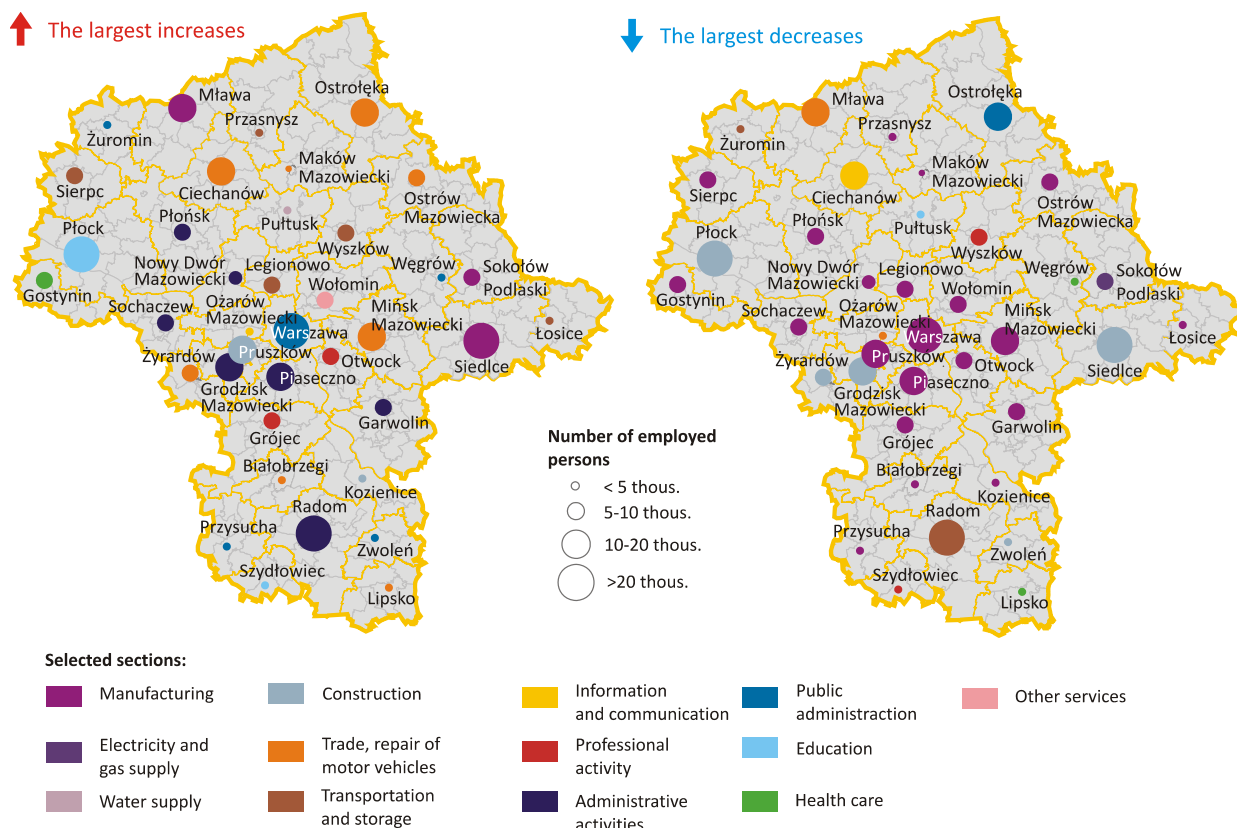


The highest increase in the share of generated workplaces after excluding powiat capitals has been registered in the sections: H – transportation and storage (increase by 1.3 percentage points), F – construction (by 1.1 percentage points) and I - accommodation and food service (by 0.7 percentage points), whereas the largest decrease, similarly as in the case of powiat capitals, has been observed in enterprises dealing with industrial manufacturing – section C (1.8 percentage points) as well as trade and repairs –section G (by 0.6 percentage points). As stems out from the data in Mazovia – apart from powiat capital towns, section developing the most is transportation and storage. This kind of activity is typical for areas with good communication, located close to the hubs providing access to retail networks and customers. An important factor for the growth of this branch is also relatively low price of storage space located outside urban areas.

The subsequent part of the analysis presents a more detailed description of changes taking place in particular towns.

In the years 2008-2012 29 out of 38 analysed powiat capitals registered a decrease of the proportion of employment in industrial manufacturing. It is worth underlining that in 13 towns this decrease was over 5 percentage points, and the largest one occurred in Łosice (by 15.8 percentage points), Przysucha (by 12.7 percentage points) and Piaseczno (by 12.6 percentage points).

Map 4. The largest increases and decreases of the proportion of persons employed by PKD section in the years 2008-2012



The branches whose importance for generating workplaces has increased are all services, such as: trade and vehicle repair, administrative and support services, transportation and storage. On the other hand the importance of industrial manufacturing and construction has decreased. It is worth noting that the largest decrease of the significance of industry has occurred mostly in the towns located in the centre of the region.

It is interesting to compare the branches which generated the most workplaces in 2012 with the ones which registered the largest increase of importance for the labour market over the period 2008-2012. For clarity of presentation of these changes, the tripartite division of the economy, based on the classical three-sector theory of A.B.G. Fisher, C. Clark and J. Fourastié³ has been adopted. Sections have been classified into relevant sectors in the following way:

- I agriculture (section A);
- II industry (sections: B, C, D, E, F);
- III services (remaining sections: G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U).

Due to the fact that enterprises in the agricultural sector do not generate the largest number of workplaces in any of the towns (neither have they registered the highest growth in employment); they have not been included in the table below. This situation results from the fact that the statistics do not include persons employed in enterprises employing less than 9 persons, and in Mazovia agriculture is dominated by private farms.

³See Z. Kaźmierczak, *Rynek pracy w państwach wysoko rozwiniętych*, Wyd. UŁ, Łódź 1995, pp 191-192.

Table 5. Powiat capital towns by sectors dominating in 2012 and sectors which increased importance on the labour market over the years 2008-2012

		Sector dominating in 2012	
		industry	services
Sector in which employment increased the most in the years 2008-2012	industry	Mława, Siedlce, Sokołów Podlaski, Pruszków	Pułtusk, Koźienice
	services	Białobrzegi, Ciechanów, Garwolin, Gostynin, Grodzisk Mazowiecki, Grójec, Lipsko, Mińsk Maz., Nowy Dwór Maz., Ostrołęka, Ostrów Maz., Ożarów Maz., Płock, Przasnysz, Radom, Sierpc, Sochaczew, Szydłowiec, Węgrów, Wołomin, Wyszków, Zwoleń, Żuromin, Żyrardów	Maków Maz., Przysucha, Legionowo, Łosice, Piaseczno, Płońsk, Warszawa, Otwock

In the vast majority of towns the main sector of employment is industry, however over the studied five-year-long period its importance decreased, whereas enterprises in the service sector registered an increase.

Information contained in the above table has been used to divide the towns into **4 groups**; the rest of the report presents a more detailed analysis of the changes in the towns under study.

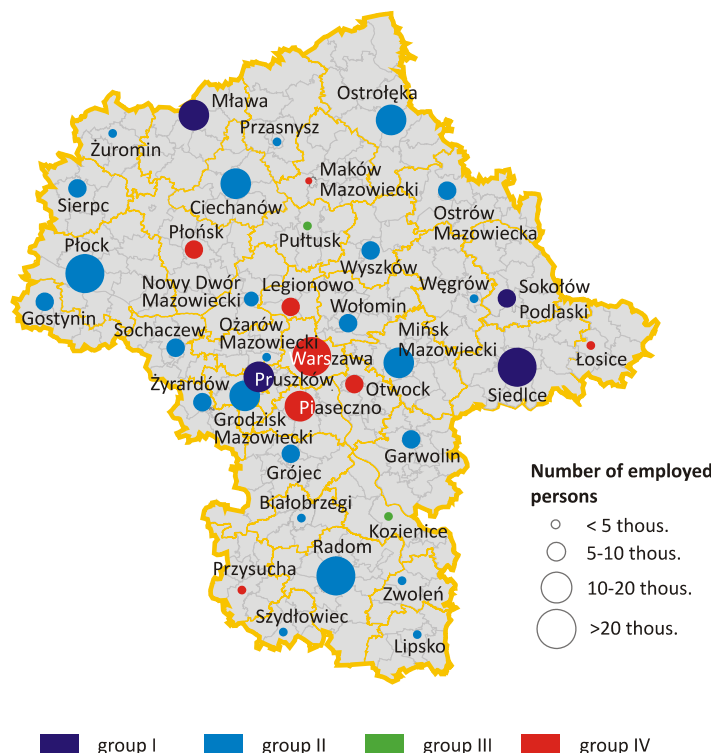
GROUP I – to which belong areas where employment in industry dominates and in the analysed period the importance of this sector for the labour market increased.

GROUP II – covers areas where employment in industry dominates, but over the analysed period importance of service sector increased the most.

GROUP III – to which belong areas where employment in services dominates but in the analysed period the importance of industry increased the most.

GROUP IV – covers areas where services are a dominant sector of employment and over the period under study its significance for the labour market increased.

Map 6. Towns according to groups



GROUP I

In towns belonging to this group enterprises dealing with industrial manufacturing have the highest importance for creating of workplaces. In addition, over the surveyed five years enterprises of this branch have increased their employment the most. Such trends occurred in **Mława, Siedlce** and **Sokołów Podlaski**. It is worth noticing that this kind of activity dominates also in the remaining parts of these powiats after excluding the powiat capital towns.

Another town in this group is **Pruszków**, where in the years 2008-2012 the importance of construction increased the most. It is worth underlining that both in the town and in the whole powiat the branches are very diversified. In Pruszków the difference between the shares of the sections generating the smallest and the largest number of workplaces is 18.2 percentage points, in comparison in Mława it equals 50.9 points. However, after excluding the town from the statistics the most workplaces are generated by trade and repair of vehicles. Such a diversity in branches decreases the susceptibility to economic fluctuations. Hence, although due to the economic slowdown Pruszków registered reduction of employment in 2008, already from 2009 the number of employed persons was increasing each year and in 2012 it was 2.6% larger (in absolute value) than in 2008, before the financial crisis.

GROUP II

This group covers the towns in which employment in industry dominates, whereas in the analysed period the importance of service sector increased the most. It is the most numerous group.

In 7 out of 24 towns in this group employment increased in trade and vehicle repair. These towns are: **Białobrzegi, Ciechanów, Lipsko, Mińsk Mazowiecki, Ostrołęka, Ostrów Mazowiecka** and **Żyrardów**. In the case of Białobrzegi, Ciechanów, Ostrów Mazowiecka and Żyrardów increase of employment in enterprises belonging to the section trade and vehicle repair occurred despite the fall of the total number of the employed. In these towns employment in industrial manufacturing, generating the most workplaces, decreased as well. In comparison, in Lipsko and Ostrołęka employment increased in both sections, but the increase in trade and vehicle repair was more significant. In the case of Mińsk Mazowiecki increase of the importance of trade and vehicle repair in generating workplaces was a result of the decrease of employment in other sections, i.a. industrial manufacturing. Such a situation could be a consequence of economic slowdown, which in Mińsk hit industrial manufacturing the most. After a steady decrease in employment over the years 2008-2010, in the two subsequent years the number of employed people started to increase again, yet it has not reached the level of the year 2008. Such a situation is typical for areas, in which one branch of industry dominates. It has to be added that in the remaining part of the powiat industrial manufacturing dominates.

In three other towns in this group: **Przasnysz, Sierpc** and **Wyszków**, employment increased the most in enterprises conducting activities in transportation and storage. It is typical for areas with good infrastructure and all three towns lie near main routes of national significance. However, it has to be noted that the increase of significance of this branch was a result of the reduction of employment in industrial enterprises. For the economy of these towns transportation and storage is quite an important branch in the structure of employment, but not a dominating one – it employs only one in ten employed persons.

In next five towns with powiat authorities seats classified into group II: **Garwolin, Grodzisk Mazowiecki, Nowy Dwór Mazowiecki, Radom** and **Sochaczew** administrative and support activities had the largest increase of the proportion in the structure of employed. This section covers a wide range of activities supporting economic activity and is included in the new services sector. Enterprises conducting such

activity in the framework of outsourcing provide to other companies services related to i.a. office administration, marketing and advertising as well as HR services. Using services of such external companies is often cheaper than fulfilling these tasks within a company. It also allows producers to focus on their primary activity. It is worth underlining that in Nowy Dwór Mazowiecki persons employed in this section constitute over 15% of the structure of the employed and it is the highest percentage recorded among the analysed towns.

In **Grójec** the largest increase of the proportion in the structure of employment concerned persons employed in companies conducting professional, scientific and technical activity, which is often classified among new services. Activities of these enterprises are oriented towards i.a. services in technological innovation as well as generating new or improved products and services. Hence, it requires intense usage of information technologies and employing highly skilled personnel. In Grójec increase of significance of this section was a result of the reduction of employment in industrial manufacturing. At the same time it has to be underlined that industrial manufacturing still contributes the most workplaces in this town.

In **Ożarów Mazowiecki** in the structure of employment the significance of information and communication increased. Enterprises belonging to this branch are active on supraregional level and deal with i.a. production and dissemination of information, IT services and data processing. However, in spite of the increase of significance of this branch, labour market is still dominated by industry.

It has to be underlined that increase of employment in new services is registered in towns belonging to the Warsaw Metropolitan Area (Grójec, Grodzisk Maz., Nowy Dwór Maz., Ożarów Maz. and Sochaczew).

In **Węgrów**, **Zwoleń** and **Żuromin** the highest increase of the share in the structure of employment concerned persons employed in public administration. It is a characteristic feature of small powiat capital towns on the fringes of the voivodship. These towns are located in less developed, agricultural parts of the region and display a relatively low share of large enterprises. In consequence, the main employer in their area is local administration.

The situation is similar in **Gostynin**, where the highest increase has been observed in health care. It is worth noting, that in Gostynin this branch ranks second regarding the number of generated workplaces; however, the increase of its share is a result of the reduction of employment in industrial manufacturing.

In two towns, **Płock** and **Szydłowiec**, the highest increase of significance in the creation of workplaces has been registered in education. In the case of Płock such a situation is a consequence of an actual increase of employment in this branch, whereas in Szydłowiec increase of the share of education in the structure of employment is a result of large reduction of employment in industrial manufacturing.

The last town in this group is **Wołomin**, where the highest increase of the proportion in the structure of employment has been registered by enterprises classified as other services. Enterprises belonging to this section deal with i.a. activities of organizations (trade unions or political parties), repair of computers, domestic and personal care appliances. Despite the increase, this section has a small share in generating workplaces, and the leadership on the labour market belongs to industrial manufacturing (in spite of the largest decrease registered in the analysed period).

GROUP III

This group consists of two towns, where services dominate in the structure of employment, but the significance of industry increased the most over the studied period.

In **Pułtusk** the largest number of workplaces are generated by enterprises dealing with trade and repair, however over the analysed five years the significance of the section water supply and waste management increased the most. This trend was a result of a small increase of employment in this section and a large decrease of employment in trade and repair of vehicles.

In **Kozienice** persons employed in health care dominate. Nevertheless, since 2009 their number has been decreasing systematically and hence, over the period 2008-2012, proportion in the structure of employment increased the most for construction. In 2012 this branch employed every ninth person working in enterprises employing over 9 persons.

GROUP IV

This group consists of towns where the largest employer are companies in service sector and where over the last five years their significance for generating workplaces has increased.

Especially the towns where the dominant branch strengthened, increasing its share in the structure of employment deserve attention. In **Maków Mazowiecki** the companies dealing with trade and repair of motor vehicles generate the most workplaces and despite the overall reduction of employment between the years 2008 and 2012 they have increased their proportion of the labour market (by 7.7 percentage points). At the same time, in **Przysucha**, despite the reduction in employment, the proportion of employment in public administration increased.

In **Legionowo** and **Łosice** persons employed in education dominate, however over the analysed five years the highest increase of the proportion in the structure of employment was registered in transportation and storage. In **Łosice** persons employed in transport are a large group, which has the second largest number of employees, after education. The development of this branch is connected to the convenient location on a communication route of international significance. On the other hand, in **Legionowo** this section has a low proportion in the structure of employment.

In **Piaseczno** and **Płońsk** section administration and support activities increased its significance. Growth of employment in companies offering new services is related to the convenient location near the capital city and the centre of the region. In **Piaseczno** this section is one of the most significant branches, whereas in **Płońsk**, despite the increase, persons employed in this section form a small proportion in the structure of employment.

In **Warsaw** the most workplaces are generated in section trade and vehicles repair and during the analysed five years the proportion increased the most in the case of public administration. It is connected with the capital city functions of Warsaw. Here are located main and central bodies of national, governmental and local administration, and authorities responsible for protection of domestic security as well as public order and security. However, growth of the proportion of public administration is a result of decrease of employment in other branches and only a small increase of the number of persons employed in this section.

In **Otwock** the largest employment is generated by health care, yet in the analysed five years the highest increase concerned the section professional, scientific and technical activities. This section includes i.a. legal activities, accounting, tax advice, technical research and analysis, advertising, market research etc. The proportion of persons employed in this section increased by 1.7 percentage points. With respect to generating workplaces this section is quite significant – it ranks third, after health care and education. It employs already every ninth employed person.

CONCLUSIONS

In the analysed period the number of employed persons in powiat capital towns in Mazowieckie voivodship decreased by 0.4%. Poor overall economic situation caused by the world economic crisis was a significant factor influencing reduction of employment. The decrease in the number of employed persons was registered especially in 2008 and 2009. However, its consequences were not permanent and in the subsequent two years (2010-2011) employment increased.

Regarding the structure of employment according to sex it can be noticed that it varies between towns. Difference between minimum and maximum value of the proportion of women in the number of employed persons equates 18.3 percentage points. The labour markets of two towns are exceptionally feminised: Otwock and Legionowo, in which throughout the whole analysed period the proportion of women exceeded 60%. In addition, in the years 2008-2012 majority of towns included in the survey (21 out of 38) registered an increase of the employment of women.

Also the structure of employment according to the ownership sector is differentiated. From the data it stems that the smaller the number of inhabitants, the higher the proportion of persons employed in public sector. Clear dominance of persons employed in this sector is a characteristic feature of small powiat capital towns, localised in less developed agricultural parts of the region. Due to the small proportion of large private companies in their area, the main employer are local administration offices, health care establishments and education facilities. In comparison, in towns with over 20 thousand inhabitants the proportion of persons employed in public sector does not exceed 50%. Even in Warsaw, where there are both central and local level offices, working not only for the inhabitants of the capital city and the region, but also of the whole country, persons employed in public sector amount to 36.0% of all persons employed in enterprises employing over 9 persons.

Structure of employment according to sectors shows that two branches are leaders on the labour markets of powiat capital towns: industrial manufacturing and trade and repair of motor vehicles. Together, they generate over ¼ of workplaces in enterprises employing over 9 persons. However, taking into account the changes that occurred in the analysed period, it can be noticed that the economic slowdown affected the most the condition of exactly the same branches. It is worth noting that worse condition of the economy resulted in some towns in reduction of employment. Three towns deserve special attention: Przysucha, Łosice and Maków Mazowiecki, where the number of employed persons, already low (all three towns have employed population below 5 thousand) decreased further.

In the years 2008-2012, a increase of significance in generating workplaces has been registered with respect to enterprises in the service sector, mostly running financial and insurance activities. It has to be underlined that these institutions support the sector of new services. Their presence in the local labour market creates the basis for increased effectiveness, productivity and competitiveness of economic entities. Therefore such a result is a good sign of the development of the service sector.