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### **CASE STUDY**

### **Employment Policy in Poland**

Preparatory Activities for Establishing Employment Priorities in Bosnia and Herzegovina

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### **OUTLINE**



- Key facts on Poland
- Key stakeholders in employment strategy coordination
- Roles of public employment services x by governance level
- Other stakeholders in the Polish employment eco-system
- Key policy instruments by governance level in Poland
- Funding of employment policies
- Monitoring and reporting arrangements
- Recommendations: BIH employment developments

### **KEY FACTS ON POLAND**

- Poland is the 5th largest EU country
- Population: 38.5m
- GDP 4% in 2019
- EU member since 1 May 2004
- Fall in unemployment 2005/2019: 17.8%- 3.3%
- 2019 Men unemployed 2.7%, women 3.1%
- Youth unemployment 2019: 3.5% (EU27 5.9%)
- Not in education, employment or training 2019: 8.1%

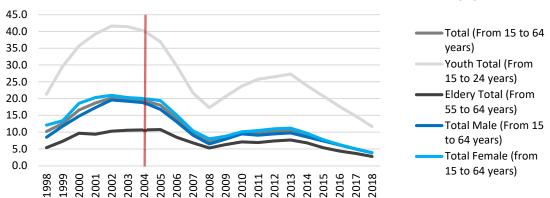
### **KEY FACTS ON POLAND**

- Decentralised employment policy between & regional labour market challenges between 16 regions (voivodeships)
- Persistent labour market challenges over last 20 years, including high unemployment of youth, women
- Significant progress made since joining EU, also thanks to EU funding

### THE 2018 UNEMPLOYMENT RATE IN POLAND BY REGION



#### **UNEMPLOYMENT RATE IN POLAND BY SEX, AGE, 1998-2018 (%) \***



# KEY STAKEHOLDERS IN EMPLOYMENT STRATEGY COORDINATION IN POLAND

**Voluntary Labour Corps** State level Ministry of Family, **Labour and Social** Labour Market Council **Policy** Social Dialogue Council **Employment Agencies** Regional level 16 Voivodeship Labour Offices (WUP) **Training Institutions** State supervisory structures Regional Labour Market Council Local Labour Market Council Local level 340 Poviat Labour Offices (PUP)

# ROLES OF PUBLIC EMPLOYMENT SERVICES IN EMPLOYMENT STRATEGY BY GOVERNANCE LEVEL

### National level: Ministry of Family, Labour and Social Policy

- Defining employment / labour market policy at national level
- Liaising with EU institutions on employment policy and funding
- Preparing law on labour market, employment and social policy
- Defining and allocating funding (Labour Fund, EU funds, ministerial reserve)
- Defining standards of labour market services provided by labour offices

### Regional level: Voivodeship Labour Offices (WUP)

- Defining employment / labour market policy at regional level
- Designing and implemeting EU-funded employment programmes at regional level
- Supervising adherence to standards set at national level

### **Local level: Poviat Labour Offices (PUP)**

- Provision of public employment services
- Implementation of active labour market policies (ALMPs)
- Payment of unemployment benefits
- Implementation of EU-funded programmes

# OTHER STAKEHOLDERS IN POLISH EMPLOYMENT ECO-SYSTEM

#### Labour Market Councils

- Labour Market Councils operate at national, regional and local levels.
- Advisory and opinion-forming bodies. They also are instrumental in
- Involved in allocation of the Labour Fund, and programming and monitoring of labour market policies at the three governance levels.

### Voluntary Labour Corps

- Voluntary Labour Corps support young people at risk of early school leaving or unemployment
- Reports to the Minister of Family, Labour and Social Policy.

### Employment agencies

- Over 8,000 non-public employment agencies, accredited by regional employment authorities.
- Job-placement, vocational guidance and job counselling.

### Training institutions

- Training institutions (public & private) registered at local labour offices
- Provide training services to meet the demands of the local labour offices.

### POLICY INSTRUMENTS BY GOVERNANCE LEVEL

European Employment Strategy (open method of coordination). This engages EU member states with European Commission to jointly:

- identify and define employment objectives
- agree on measurement instruments (statistics, indicators, guidelines)
- benchmark and exchange good practices.

Streamlined into policy making process at national, regional and local levels

### **EU level (European Semester Process)**

- Joint Employment Report
- Employment guidelines
- Country Report
- Country-specific employment recommendations

### National level: legislation and strategies

- Act on Employment Promotion and Labour Market Institutions.
- National Reform Programme
- National Action Plan for Employment
- Strategy for Human Capital Development
- National Strategy for Regional Development
- Act on Employment Promotion and Labour Market Institutions

### Regional level: strategies and action plans

- Regional Development Strategies
- Regional Action Plans on Employment

### Local level: Employment resolutions and action plans

e.g. Programme for the Promotion of Employment and Activation of Local Labour Market

### **FUNDING OF EMPLOYMENT POLICIES**

### **Labour Fund**

- employer contributions
- distributed to regions and local level from national government

### **EU** funds:

- National Operational Programme
- Regional Operational Programmes in 16 regions

### **Income and expenditure from Labour Fund in 2019**

		in thousand EUR
Income, including:		3269178,3
>	compulsory contributions	2881067,9
>	EU Funds	255974,5
Expenditure, including:		1418047,8
>	Benefits and allowances	703616,2
>	Active Labour Market Policies, including:	614502,6
•	spent by Local Labour Offices	485695,9
•	expenses for activating people up to 30 years of age	236404,0
•	expenses for activating people over 50 years of age	55932,1
>	Regional & local labour office wages	42579,6

# MONITORING AND REPORTING ARRANGEMENTS

- European Semester tracks employment developments.
- Poland engages in the 'Semester' through dialogue with the European Commission on:
  - National Reform Programme,
  - Joint Employment Report,
  - > Employment Guidelines,
  - Country Report and
  - Country-specific Employment Recommendations.

### **Key actions in 2020 National Reform Programme**

- 1. Raise the retirement age
- 2. Adjusting social benefits to make work attractive,
- 3. Promote female labour force participation, and access for people with special needs
- Reducing labour market rigidity and segmentation;
- Increasing competition in the provision of services to both the unemployed and job seekers;
- 6. Facilitate work-life balance: developing childcare facilities for children up to the age of 3;
- Migration policy ensuring skills availability to meet Polish labour market needs;
- Creating jobs in new sectors less vulnerable to the crisis (e.g. green jobs);
- Implementation of lifelong learning policies and VET synergies with labour market
- **10.** Implementation of the National Qualification Framework consistent wider European Qualification Framework
- 11. Facilitating the transition from education to first employment

**Source: National Reform Programme for Poland** 

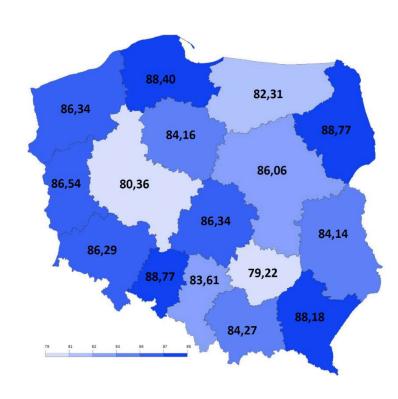
# MONITORING AND REPORTING ARRANGEMENTS

- Monitoring of Local Labour Offices based on the common standards of services
- Two major measures used nationwide: a)
  employment effectiveness (% employed due to
  active labour market measures) & b) cost effectiveness (cost per participant).
- Active labour market measures monitored & reported:

  - public works

  - equipment or re-fitting workplaces for the unemployed
  - business start-up grants.
- Average efficiency score: 85% in 2019 (85% 2018)
- Most effective: start-up grants & intervention works
- Least effective training.

### Effectiveness of Active Employment Measures 2018



### RECOMMENDATIONS

- Consider decentralisation as an opportunity for the regions to address diversified labour market problems
- Define roles and responsibilities for employment developments as all levels
- Stakeholders at all levels: engage and commit to good employment goverance
  & coordinaton of services
- Align state-level and regional policies (and regional socio-economic plans) with EU employment policies
- Use EU employment targets and guidelines as policy references, set common targets, while retaining autonomy and flexibility at regional/local levels
- Establish common standards for service delivery
- Ensure local and regional levels feature in EU funding

### **THANK YOU!**

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