CASE STUDY

Employment Policy in Poland

Preparatory Activities for Establishing Employment Priorities in Bosnia and Herzegovina

Łukasz Sienkiewicz
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
KEY STAKEHOLDERS IN EMPLOYMENT STRATEGY COORDINATION IN POLAND

State level

- Ministry of Family, Labour and Social Policy
- Voluntary Labour Corps
- Labour Market Council
- Social Dialogue Council

Regional level

- 16 Voivodeship Labour Offices (WUP)
  - State supervisory structures
- Employment Agencies
- Training Institutions
- Regional Labour Market Council

Local level

- 340 Poviat Labour Offices (PUP)
- Local Labour Market Council
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 implementing 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

<table>
<thead>
<tr>
<th>EU level (European Semester Process)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Joint Employment Report</td>
</tr>
<tr>
<td>• Employment guidelines</td>
</tr>
<tr>
<td>• Country Report</td>
</tr>
</tbody>
</table>
| • Country-specific employment ...

<table>
<thead>
<tr>
<th>National level: legislation and strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Act on Employment Promotion and Labour Market Institutions.</td>
</tr>
<tr>
<td>• National Reform Programme</td>
</tr>
<tr>
<td>• National Action Plan for Employment</td>
</tr>
<tr>
<td>• Strategy for Human Capital Development</td>
</tr>
<tr>
<td>• National Strategy for Regional Development</td>
</tr>
<tr>
<td>• Act on Employment Promotion and Labour Market Institutions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regional level: strategies and action plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Regional Development Strategies</td>
</tr>
<tr>
<td>• Regional Action Plans on Employment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local level: Employment resolutions and action plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>• e.g. Programme for the Promotion of Employment and Activation of Local Labour Market</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Income and expenditure from Labour Fund in 2019</th>
<th>in thousand EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income, including:</td>
<td>3269178,3</td>
</tr>
<tr>
<td>➢ compulsory contributions</td>
<td>2881067,9</td>
</tr>
<tr>
<td>➢ EU Funds</td>
<td>255974,5</td>
</tr>
<tr>
<td>Expenditure, including:</td>
<td>1418047,8</td>
</tr>
<tr>
<td>➢ Benefits and allowances</td>
<td>703616,2</td>
</tr>
<tr>
<td>➢ Active Labour Market Policies, including:</td>
<td>614502,6</td>
</tr>
<tr>
<td>• spent by Local Labour Offices</td>
<td>485695,9</td>
</tr>
<tr>
<td>• expenses for activating people up to 30 years of age</td>
<td>236404,0</td>
</tr>
<tr>
<td>• expenses for activating people over 50 years of age</td>
<td>55932,1</td>
</tr>
<tr>
<td>➢ Regional &amp; local labour office wages</td>
<td>42579,6</td>
</tr>
</tbody>
</table>
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

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
4. Reducing labour market rigidity and segmentation;
5. 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;
7. Migration policy ensuring skills availability to meet Polish labour market needs;
8. Creating jobs in new sectors less vulnerable to the crisis (e.g. green jobs);
9. 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:
  - training
  - intervention works
  - public works
  - internships
  - 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.
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 governance & coordination 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!

Contact:

lukasz.sienkiewicz@iarp.edu.pl