



# Youth employment policies in Poland

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- i. to advance the knowledge base that underpins the formulation and implementation of relevant policies in Europe with the aim of enhancing the employment of young people and improving the social situation of young people who face labour market insecurities, and
- ii. to engage with relevant communities, stakeholders and practitioners in the research with a view to supporting relevant policies in Europe. Contributions to a dialogue about these results can be made through the project website <http://www.except-project.eu/>, or by following us on twitter @except\_eu.

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## About the author

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Responsibility for all conclusions drawn from the data lies entirely with the author.



## Contents

Summary and key findings .....	4
National labour market developments.....	6
Labour market developments in Poland since '90s. – main trends and challenges.....	6
The key risk groups in the labour market in Poland .....	9
Labour market policies .....	13
Youth employment policies: a general overview .....	17
Youth employment policies: focus on selected interventions.....	22
Detailed description and evaluation of the selected measures .....	23
Diffusion of EU youth employment initiatives .....	40
Other policy measures .....	42
Consistency of the youth policies .....	44
Estimation of effectiveness of policy measures .....	47
Appendix - Main data sources.....	50



## Summary and key findings

The aim of this Working Paper is to provide a general overview of labour market developments in Poland during last two decades with particular focus on youth situation and youth labour market policy.

The Working Paper is divided in three main sections. The first section presents the broader context of Polish labour market and its developments since the mid-1990s. The main trends are highlighted as economic transformation, high unemployment including high youth unemployment.

The second section includes the description of active and passive labour market policies, youth employment policies and their most effective measures. It is divided into five parts.

The third section contains the description of youth policy coherence with other policies, assesment of effectiveness and recommendations.

### Key findings

- Two different perspectives of youth entering the labour market:
  - In mid '90s and during the following decade, young people from demographic peak were entering the labour market. Many possessed the university diploma. Nevertheless they were supposed to adapt to existing conditions – take part in multiple internships with limited chances to find a job afterwards, work beneath qualification or on a minim wage, decide on temporary contracts.
  - Currently, the perception of youth on the labour market is often considered from perspective of generation changes. Both employers and public employment services have to cope with generation Z.
- Youth employment policy provides mostly reactive support oriented on removal of existing difficulties and obstacles to existing problems of young people entering the labour market, while educational policies shall be preventive and provide youth with skills and knowledge that will facilitate their career start.
- The role of early educational and career advisory is crucial in sphere of youth educational and professional choices.
- Many young people, employed for the first time, are facing the problem of low income resulting in in-work poverty.
- The youth NEETs are described as a main risk group. Although this group is internally diverse.
- Young people expect to receive the tailored support in a very short time connected with direct information on long term advantages, benefits and motivational support .



- The support system based on youth self-responsibility is more effective, e.g. businesses created on the basis of loans are more stable than those established on the basis of donations.
- The most important change in employment policies is that support for youth is based on in-depth diagnosis effects that are transformed into individualized and complex support paths.
- Effective support for risk and disadvantaged groups shall include the additional support for families/environment in order to reduce external demotivating factors. Such possibilities are accessible under social inclusion policy, but their use in terms of employment policy is rather limited in Poland
- The biggest challenges for Polish youth employment and social inclusion policies are the reduction of grey-area employment and the phenomenon of youth economic inactivity connected with extensive use of social transfers or/and inherited unemployment.



## National labour market developments

### Labour market developments in Poland since '90s. – main trends and challenges

#### The capacity of the labour market in long-term perspective

Since early 1990s the Polish economy and labour market have experienced thorough transformations. The labour market changes in terms of employment, unemployment rate and activity rate have varied strongly over time as one can distinguish six stages :

- 1990-1995 - employment and the number of people active on the labour market was declining while unemployment was rising. It was the result of the restructuring in state enterprise which revealed unemployment, that could not be absorbed by dynamically emerging private sector. In 1994 the employment rate for the group aged 15-64 years reached 58.3%, the activity rate was 68.4% and the unemployment rate was 14.8%.
- 1995-1998 - improvement of labour market situation due to economic expansion. The raise of employment rate with declining unemployment rate (10.8%) and activity rate ( 66.1%).
- 1998-2003 – the cyclical slowdown of the economic growth brought the fall of employment rate and raise of unemployment rate. Between 1998-2002 employment rate fell by 8,9 percentage point while unemployment rate increased by more than a quarter, reaching 20.1% in 2003.
- 2003-2008 - economic expansion and labour market rapid development. The raise of employment rate by 9,2 percentage point (64,9%) with declining unemployment rate by 12,3 percentage point (7,1%) and stable activity rate.
- 2008-2013 - the effects of the financial crisis and economic downturn. The raise of unemployment rate to 10,3% with slightly raising employment and activity rate.
- Post crisis - The raise of employment and activity rates supported by declining unemployment rate.

Polish labour market have been undergoing economic transformation and demographic changes. Since the mid-90s' the young people from demographic peak were entering the labour market and the youth unemployment rate was rapidly growing. The accession to European Union created new possibilities and multiple young people decided to economic emigration. Moreover, existing social transfers system was the primary cause of early exit from the workforce among those aged 45 years and over. Most important were the early retirement schemes offered to certain vocational groups, pre-retirement benefits for unemployed people, and disability benefits.



## Trends in wages

Low level of wages is a significant and long-term problem in Poland. The minimum wage in Poland have increased from 159 EUR in 1999 to 462 EUR in 2016. In 2017 minimum wage will rise to 500 EUR. The proportion of employees being paid less than 105 % of the national minimum wage was 9.9 % <sup>1</sup>.

The average hourly labour cost in the EU was estimated at EUR 25.03 in 2015, while in Poland that indicator is about one third of EU average. Moreover, about 25% of Polish employees belongs to the group of low-wage earners<sup>2</sup>. The tax wedge for Poland was 33,6 % in 2014 and was slightly lower than the EU average. Statistics indicate that the unemployment trap in Poland is rather high – 77,6%<sup>3</sup>.

## Level of labour market security, employment protection legislation and trade unions role

The employment protection legislation in Poland is implemented on the principles of the Labour Code. In order to evaluate the employment registration protection the OECD indicators are accessible. They confirm that Polish law is rather less restricted, indicators are as follows:

- Protection of permanent workers against individual and collective dismissals – 2,39
- Protection of permanent workers against (individual) dismissal – 2,2,
- Regulation on temporary forms of employment – 2,33<sup>4</sup>.

Experts often indicated that the insecurity level was extremely high for young people who were mainly offered temporary and civil law contracts. Moreover, during economic crisis multiple companies (especially SME) decided on “so-called” outsourcing and enhanced employees to self-employment and further cooperation on the basis of B2B contracts.

During the last year a number of legal initiatives were emerged:

- From 2016 all contracts, including civil law contracts,
- From 2017 there will be a minimum hourly rate for work - 12 PLN (about 3 EUR) for all civil law contracts,
- Young people in their first job (full time contracts) will receive at least a minimum wage (not 80% of minimum wage as it was before),

<sup>1</sup> Minimum wage statistics, [http://ec.europa.eu/eurostat/statistics-explained/index.php/Minimum\\_wage\\_statistics](http://ec.europa.eu/eurostat/statistics-explained/index.php/Minimum_wage_statistics) accessed, 12.09.2016

<sup>2</sup> Low-wage earners – employees, excluding apprentices, earning less than two thirds of the median gross hourly earnings. <http://ec.europa.eu/eurostat/en/web/products-statistics-in-focus/-/KS-SF-12-048> accessed, 12.09.2016

<sup>3</sup> Wages and labour costs [http://ec.europa.eu/eurostat/statistics-explained/index.php/Wages\\_and\\_labour\\_costs](http://ec.europa.eu/eurostat/statistics-explained/index.php/Wages_and_labour_costs) accessed, 12.09.2016

<sup>4</sup> OECD Indicators of Employment Protection, <http://www.oecd.org/els/emp/oecdindicatorsofemploymentprotection.htm> Accessed 05.09.2016



- The overall time limits for temporary contracts with one employer have been introduced – maximum 3 contracts with 33 months in common, next contract shall be signed on indefinite period of time.

The role of collective bargaining trade unions in Poland is limited to specific branches e.g. mining, industry and professions e.g. teachers, nurses, medicine doctors or policeman. Trade union coverage rate is relatively low at around 12% of employees<sup>5</sup> and membership is divided between a large number of organisations. There are two dominant confederations, NSZZ Solidarność and OPZZ, and one somewhat smaller one, FZZ. However, a significant number of union members are in small local unions not affiliated to any of the main confederations.

### **Educational trends and the mismatch of youth qualifications**

The mismatch of youth qualifications is one of a crucial problems on the labour market that is often indicated by employers and justified in multiple research both on national and regional level<sup>6</sup>. It is the result of several long-term factors listed as follows:

- the rapid changes of Polish economy during last two decades, international development of communication and services supported by technological change resulted in an urgent need of better skills among population. It has been an enormous challenge while schools provided overly theoretical knowledge. Basic vocational education has failed to provide many students with skills adequate to labour market needs.
- the raise of educational expectations has been observed as both youth and their parents perceived university diploma as a crucial factor for finding employment. The percentage of population gaining a university degree almost tripled from 6.5 per cent in 1988 to 17 per cent in 2005 and later reached 28% in 2015. In 2015, 43% of population aged 25-34 had attained a tertiary degree and the majority of them graduated with master's degree or equivalent<sup>7</sup>.
- the tertiary education boom led to low quality in several areas. There was a mismatch between the growing number of humanities and social sciences graduates leaving universities, not corresponding with a number of new jobs in related professions.

However, Poland has made a substantial progress in improving the quality of education system in recent years. Significant actions were taken to develop and support the educational counselling system at schools. Simultaneously, EFS support for education

<sup>5</sup> Związki zawodowe i prawa pracownicze, BS/52/2102, Centrum Badania Opinii Społecznej (CBOS), 2012, p.1

<sup>6</sup> Human Capital Balance reports are available on [www.bkl.parp.gov.pl](http://www.bkl.parp.gov.pl), e.g. M.Jelonek, *Students – the future force of Polish economy*, PARP, Warsaw 2011, M.Jelonek, *Młodzi na rynku pracy – polityka publiczna wobec wyzwań związanych z poprawą sytuacji zawodowej osób młodych*, PARP, Warszawa 2015.

<sup>7</sup> *Education at a Glance 2016: OECD Indicators*, Poland, [http://www.oecd-ilibrary.org/education/education-at-a-glance-2016/poland\\_eag-2016-74-en](http://www.oecd-ilibrary.org/education/education-at-a-glance-2016/poland_eag-2016-74-en), Accessed 20.09.2016



system reform resulted in important investments in vocational education and the system of high quality in-job trainings and internships<sup>8</sup>. To support validation of qualification national Qualification Framework has been designed. However the validation system is not active yet. The economical and demographical changes on the labour market enhanced the cooperation between universities and employers.

## The key risk groups in the labour market in Poland

### Main risk groups in labour market

Labour market statistics and strategic documents indicate several risk groups in the Polish labour market. Groups of national concern indicated in Human Capital Development Strategy are: people who are inactive in the labour market; people with disabilities both inactive and unemployed; young people entering the labour market; parents, especially those who raise children under 3 years old; people over 50 years old<sup>9</sup>. Among unemployed the Act of employment promotion and labour market institutions define the groups of unemployed in difficult situation : people under 30 years old and over 50 years old, with disabilities, long-term unemployed, supported by social benefits, raising at least one child under 6 years old or a child with disability<sup>10</sup>.

The risk groups structure has changed during last two decades. The age limit for youth has been increased from 25 to 30 years old. The problems of older workers and unemployed have been the subject of in-depth analyses while there are major changes in society age structure. Additionally, the labour market situation of parents has been the subject of broader national discussion.

### Structural and individual deficits

Human Capital Development Strategy emphasises mostly the structural deficits of the whole system influencing the labour market listed as follows:

- weaknesses of employment policies and educational policies,
- ineffective and limited system of internships and in-job trainings for vocational students,
- low jobs supply,
- large scale of grey zone,
- large scale of long-term and inherited inactivity connected with overusing of social benefits system,

<sup>8</sup> Compare with regional projects e.g. Modernizacja kształcenia zawodowego w Malopolsce, <http://www.zawodowamalopolska.pl/Strony/default.aspx> accessed 17.02.2016; Modernizacja kształcenia zawodowego na Dolnym Śląsku II, <http://www.umwd.dolnyślask.pl/edukacja/projekty-unijne-realizowane-przez-wydzial-edukacji-i-nauki/modernizacja-ksztalcenia-zawodowego-na-dolnym-slasku-ii/> accessed 17.02.2016

<sup>9</sup> *Strategia Rozwoju Kapitału Ludzkiego 2020*, Monitor Polski 2013 poz. 640.

<sup>10</sup> Ustawa z dnia 20 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy, with further changes, Dziennik Ustaw 2016, poz. 645, 691, art. 49.



- lack of active National Qualification Framework with ongoing verification system.

Many of listed factors influences on the level of individual deficits connected with attitude, skills, qualification and competences. It is the reason for introducing individual and comprehensive support for inactive and unemployed into mainstream of employment policy. Main legal acts and strategic document emphasise the role of individual diagnosis as a first step for designing support path that would be adequate to individual needs.

### **Youth (15-29) in the labour market**

In 2015 more than 5 million youth were in primary and secondary education in Poland. Most attended schools at the primary level (2.48 million). Another 1.4 million youth studied at higher education institutions<sup>11</sup>. An average of 11.0 % of young people (aged 18–24) in the EU were early leavers from education and training in 2015, while in Poland the proportion of early leavers was much lower – 5,2%. Only 7.2% of boys aged 18 to 24 and 3.2% girls of left school early in 2015<sup>12</sup>.

Between mid-90s' and 2015, changes in the youth unemployment rate were larger than adult unemployment rate. The youth unemployment rate in 1998 was 23,3% for 15-24 age group and 10,6% for 25-29 age group. Between 1998 and 2004 there was a significant raise in youth unemployment rates (43,6% in 2002 and 46,5 in 1<sup>st</sup> quarter of 2003 for 15-24 years old, 20% in 2002 and 21,7% in 1<sup>st</sup> quarter of 2003 for 24-29 years old)<sup>13</sup>. Then rates were falling down to the beginning of the economic crisis. Youth unemployment rates in 2<sup>nd</sup> quarter of 2016 are 17,0% for 15-24 age group and 6,4% for 25-29 age group<sup>14</sup>.

Despite the increase in youth unemployment rate over the last decade, labour market participation rates for youth in Poland have been steady. However, the participation rates for youth in Poland are approximately 10 percentage points lower than the EU average, which can be explained by high participation rates in higher education. In the 2<sup>nd</sup> quarter of 2016, 2.6 million youth (15-24 years old) were professionally inactive<sup>15</sup>.

In the last two decades there were two important factors influencing the youth situation. Since the mid-90s' the young people from demographic peak were entering the labour market. The rise in the supply of secondary and tertiary graduates was more dynamic than employers demand. Demographic and economic factors resulted in high unemployment rate of youth in Poland.

Another important factor was the accession to the European Union. EU enlargement created new possibilities including gradually expanded access to EU labour market.

<sup>11</sup> Data on schooling and tertiary education in 2015, <https://bdl.stat.gov.pl/BDL/start>

<sup>12</sup> Early leavers from education and training, [http://ec.europa.eu/eurostat/statistics-explained/index.php/Early\\_leavers\\_from\\_education\\_and\\_training](http://ec.europa.eu/eurostat/statistics-explained/index.php/Early_leavers_from_education_and_training) Accessed 10.10.2016

<sup>13</sup> Kwartalna informacja o rynku pracy, II – IV kwartał 2002, Kwartalna informacja o rynku pracy, I – IV kwartał 2003

<sup>14</sup> Kwartalna informacja o rynku pracy, II kwartał 2016, GUS, Warszawa 2016, p.11

<sup>15</sup> Ibidem, p. 14



As a result there was a significant strengthening of migration trends. It is estimated that the scale of temporary economic migration reached 2,27 million people in 2007. The largest group of Polish migrants were young people between 25 and 34 years old<sup>16</sup>.

NEETs are one of the youth risk groups. The share of NEETs among young people aged 15-19 years old is lower than EU average – 3,1% in 2015, while 6,3% for EU-28. In older age groups the share of NEETs among youth is significantly higher - 17,6% for 20-24 age group and 20,5% for 25-29 age group<sup>17</sup>. Currently the youth NEETs are described as a main risk group.

### **Youth – public perception and expectations**

The perception of youth in the Polish society has changed in last 20 years. In mid '90s and during following decade, enormous groups of young people were entering the labour market every year. As a result of educational boom many of those young people possessed the university diploma, however having a tertiary degree did not necessarily confirmed having qualifications adequate to employer's needs. High unemployment of young people, the mismatch of youth qualifications were considered as major social problems. Simultaneously, young people were supposed to adapt to existing conditions and make their choice – take part in multiple internships with limited chances to find a job afterwards, work beneath qualification or on a minim wage, decide on the civil law or temporary contracts. Subsequently, access to European Union markets has changed the gravity of young interests and choices. The frequent youth emigration has been perceived as chance for a better life for many, but at the same time it brought other problems and difficulties. New dimensions have been identified as migration orphanhood, aspects of social transfers, loose of educational investments in youth or long-term side effects on taxation and social security systems.

Currently, the perception of youth on the labour market is often considered from perspective of generation changes and its influence on the youth and employers expectations. Media releases and researches confirms that there are two major stereotypes that affect the society. Young people are usually described as demanding, unwilling to involve into work/company, with strong orientation on personal development, promotion and work-life balance. Statements concerning employers often indicates short-term perspective, lack of development vision, high expectations of young employers qualification and work experience with minimum salary offered.

### **Youth 'risk groups'**

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<sup>16</sup> Podstawowe informacje o rozwoju demograficznym Polski do 2012 roku, GUS, Warszawa 2013, p. 3, A. Fihel, P.Kaczmarczyk, *Migracja a polski rynek pracy* w M. Kielkowska (red.) Rynek pracy wobec zmian demograficznych, Instytut Obywatelski, Warszawa 2013, p.113-158

<sup>17</sup> Statistics on young people neither in employment nor in education or training,

[http://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics\\_on\\_young\\_people\\_neither\\_in\\_employment\\_nor\\_in\\_education\\_or\\_training](http://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics_on_young_people_neither_in_employment_nor_in_education_or_training)

Accessed 10.10.2016



There is a noticeable dissonance between media coverage of themes connected with young people entering the labour market and results of multiple research on Youth situation. Problems of early school leavers, ethnic minorities, teenage parents concern the limited number of young people in Poland and they are usually invisible in media articles and programmes. Researches confirm the limited scale of those problems. Nevertheless specific problems of young people from groups listed above are long-term factors directly influencing on their inactivity on the labour market or long-term unemployment.

Table 1. "Risk group" construction

<b>Potential risk groups</b>	<b>Importance by actors</b>		
	Public opinion/ Media	Mainstream policy	Research
<i>All young people</i>	5	3	3
<i>Young unemployed</i>	5	5	5
<i>Early school leavers</i>	1	3	3
<i>Young people with low skills</i>	5	4	5
<i>Young people with outdated qualifications</i>	3	4	4
<i>Young people without qualifications</i>	4	4	5
<i>NEET</i>	3	5	4
<i>Higher education graduates</i>	5	4	3
<i>Migrants/Ethnic minorities</i>	1	4	3
<i>Teenage/single parents</i>	2	3	3
<i>Young people from workless families</i>	2	2	3
<i>Young people from remote/disadvantaged areas</i>	3	3	3
<i>Young people with a disability</i>	3	4	5



## Labour market policies

### Main trends in active and passive labour market policies<sup>18</sup> since the mid-1990s. Effects on employment, with particular focus on youth employment.

Due to economy structural reforms and high unemployment in Poland the expenses on Passive Labour Market Policy in 90s' were higher than overall budget on Active Labour Market Policy. Accession of Poland to the European Union made a substantial change in labour market policy expenses. European Social Fund has enabled to foster the scale of employment programmes and influenced on the gravity change in Polish labour market policy. Additionally, several reforms were implemented that reduced the scale of early retirement.

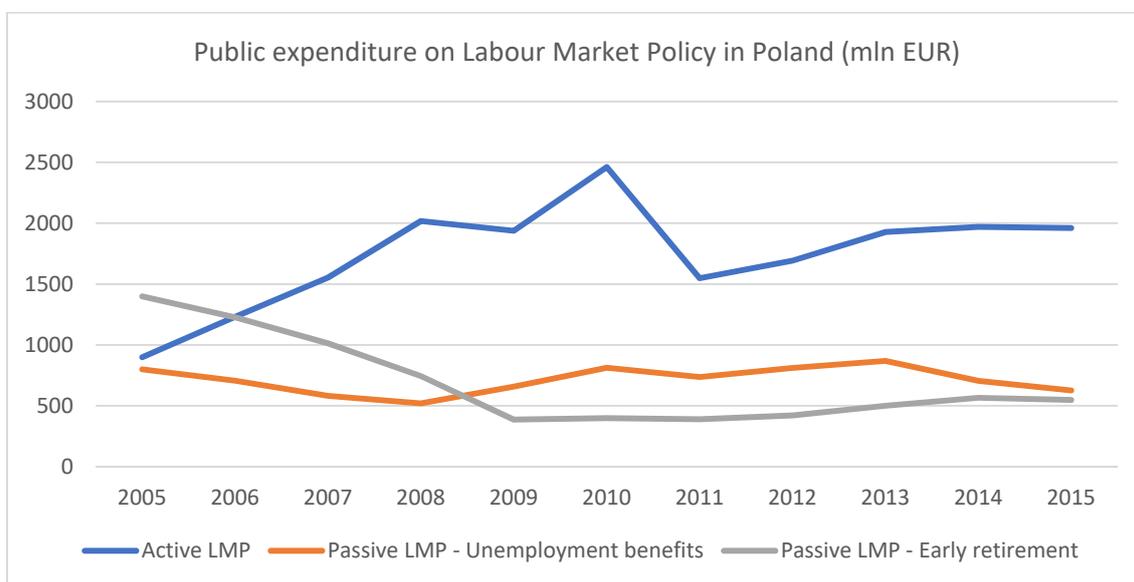


Figure 1 Public expenditure on labour market policy in Poland (mln EUR)

Source: Eurostat, Labour Market Policy Database

<sup>18</sup> OECD defines active and passive labour market policies as follows:

Active labour market programmes include all social expenditure (other than education) which is aimed at the improvement of the beneficiaries' prospect of finding gainful employment or to otherwise increase their earnings capacity. This category includes spending on public employment services and administration, labour market training, special programmes for youth when in transition from school to work, labour market programmes to provide or promote employment for unemployed and other persons (excluding young and disabled persons) and special programmes for the disabled.

Passive or income maintenance programmes in the context of labour market programmes consist of unemployment compensation programmes and programmes for early retirement for labour market reasons.



### **LMP formulation process and stakeholders competences**

The responsibility for formulating the priorities of ALMP is based on the dominant role of the state (central government), which supports the operation of the regional and local administration and the social partners. The decision-making competences concerning the employment law are distributed among the public authorities - the Council of Ministers (the initiator of the law/bills), the Parliament (adopting the Act) and ministers - functional in charge of areas such as regional development, labour and social policy or education. Social partners participate in the decision making processes, most often with an advisory vote, due to their cooperation in Social Dialog Council<sup>19</sup>.

The national and regional strategic documents are another important aspect of policy formulation process. National strategies are adopted by the Council of Ministers on the basis of drafts prepared by ministers in charge of functional area e.g. Minister of Labour and Social Policy<sup>20</sup> for Human Capital Development Strategy 2020, or Ministry of Culture and National Heritage for Social Capital Development Strategy 2020. The process of formulating a national strategy includes public consultation of the strategy draft<sup>21</sup>. The process on the level of regional self-governments is organized in the same manner, however regional strategic documents are authorized by regional assembly or regional executive on the basis of the strategy /programme draft prepared by functional regional administration division e.g. Voivodship Labour Office.

The target groups of labour market policy are selected and defined in both processes – in the employment law and national development strategies. The coordination of ALMP priorities belongs to the Ministry of Family, Labour and Social Policy in cooperation with the Ministry of Development that is responsible for overall strategic planning coordination.

### **Public employment services**

The structure of labour market institutions is described by the Act of employment promotion and labour market institutions<sup>22</sup>. The public employment services (PES) in Poland from 2000 are decentralised. The main institution are spread all across the public authorities comprise of the Minister responsible for labour and Ministry of Family, Labour and Social Policy (national level), Voivodship Labour Offices (WUPs- regional self-government), Powiat Labour Offices (PUPs - county level). WUPs are responsible for regional employment policy, analyses of the regional labour market, vocational information and coordinate activities related to lifelong learning and participate in the EURES. WUPs allocate the Labour Found resources, received from the central level, to the local labour offices. Support for unemployed is carried out by the local labour

<sup>19</sup> *Ustawa z 24 lipca 2015 r. o Radzie Dialogu Społecznego i innych instytucjach dialogu społecznego.* Dziennik Ustaw 2015 poz. 1240.

<sup>20</sup> There is the Ministry of Family, Labour and Social Policy from 2015.

<sup>21</sup> *Strategia Rozwoju Kapitału Ludzkiego 2020*, Monitor Polski 2013 poz. 640, p.86.

<sup>22</sup> *Ustawa z dnia 20 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy, with further changes*, Dziennik Ustaw 2016, poz. 645, 691, Rozdział 4.



offices. They are also responsible for the registration of the unemployed and the payment of the unemployment benefits.

Besides PES there are other labour market institutions are such as : Voluntary Labour Corps (OHP – public specialised institution acting on national and local level) , training institutions, private job agencies, social partners and local partnerships.

Next to PES, the Voluntary Labour Corps play pivotal role in the youth support, especially to early school leavers, young people, with elementary or lower secondary education. OHP offer services (job placement, career counselling, and arrange for their employment) to the youth from the age of 15 years old, the unemployed under 25 years of age and for students . Except the Voluntary Labour Corps other labour market institutions are not targeted only to the youth. However this group plays important role in all level PES activities and the Act of employment promotion and labour market institutions provides several measures that are targeted on young people e.g. employment vouchers, training vouchers, internship vouchers, mobility vouchers, system of special subsidies for companies employing Youth. All listed above measures are implemented by Powiat Labour Offices.

Some Labour Offices conduct the surveys among beneficiaries to assess the quality of services and clients satisfaction, although it is not a standardized procedure. There are also the evaluations of separate measures carried by the Ministry. The national surveys on beneficiaries satisfaction had been conducted once in 2015.

An important Youth support is being offered under Knowledge Education Development Operational Programme implemented y PES from all levels. Most of Voivodship Labour Offices involved the social partners and the youth into preparing regional framework of Youth support under KED OP. Some regions, e.g. Malopolska, Pomerania, Podlaskie settled Youth Partnerships and still cooperate with those partners in order to improve the services for young people.

During last decade there was a tendency to decentralise public employment services and to include private job agencies into the policy by the outsourcing of employment services. Nowadays, the conservative government announces the centralization of PES.

### **Towards evidence-based labour market policies**

Polish labour market programmes have been subjected to on-going monitoring and effectiveness verification during last decades. However, complex programme evaluations including direct opinions of participants shall be connected with European Union standards. Ex-ante, mid-term and ex-post evaluations expected in the sphere of structural funds policy resulted in wide spreading the idea of comprehensive verification of programme effectiveness. National programmes usually are subjected to, at least, ex-post evaluation. Another important factor, also connected with EU funds guidelines, is considering including counterfactual evaluations and meta-analysis. However, ALMP



evaluation process sometimes meets difficulties connected with non-adequate level of researchers specialist knowledge, especially when labour market institutions decide to outsource the whole evaluation under public procurement procedure. Holistic programme impact assessment needs comprehensive knowledge on target group situation, internal and external factors influencing on individual support paths and the programme implementation, adequate evaluation methods including qualitative and quantitative research and shareholders involvement. As there are limited research centres that are able to provide high quality and comprehensive evaluations, some institutions decided to conduct internal evaluations, other are trying to combine internal and external analysis.



## Youth employment policies: a general overview

Table 2. An overview of active labour market programmes at national level (2005-2015)\*

	Indicator	Year	2005	2010	2014 / 2015
1	<b>Total number of active labour market programmes</b>		13 <sup>23</sup>	33	30 <sup>24</sup>
1.1	including youth-targeted		5 <sup>25</sup>	2	7
2	<b>Number of participants (stock) in active labour market programmes:</b>				
2.1	Total number		494 319	699 833	564 465
2.2	% of the labour force (15-64)		1,84	2,55	2,12
3	<b>Number of youth participants (up to 29 years old) in active labour market programmes:</b>				
3.1	Total number		107772 <sup>26</sup>	119361	61495
3.2	% of the labour force (15-29)		2,44	2,84	1,73
3.3	% of the total number of participants (stock)		21,80	17,06	10,89
4	<b>Expenditures on active labour market programmes:</b>				
4.1	Total amount (EUR)		869 998 000	2133538000	163369000
4.2	% of GDP		0,36	0,59	0,40
5.	<b>Expenditures on all active labour market programmes for youth participants:</b>				
5.1	Total amount (EUR)		Not available		
5.2	% of GDP		Not available		
6	<b>Expenditures on youth-targeted active labour market programmes:</b>				

<sup>23</sup> Krajowy Plan Działań na rzecz Zatrudnienia na 2005 rok, Ministerstwo Gospodarki i Pracy, Warszawa 2004, <http://www.mpips.gov.pl/userfiles/File/Departament%20Rynku%20Pracy/KPDZ2005.pdf>

<sup>24</sup> Krajowy Plan Działań na rzecz Zatrudnienia na lata 2015 – 2017, Załącznik do uchwały Rady Ministrów nr 28/2015 z dnia 10.03.2015, <https://www.mpips.gov.pl/praca/strategie-i-dokumenty-programowe/krajowy-plan-dzialan-na-rzecz-zatrudnienia-na-lata-2015-2017/>

<sup>25</sup> Sprawozdanie roczne z realizacji zadań Krajowego Planu Działań na rzecz Zatrudnienia na 2005 rok, MPiPS, Warszawa 2006, s.28-30,44. [http://www.mpips.gov.pl/aktualnosci-wszystkie/art\\_5543\\_4938\\_krajowy-plan-dzialan-na-rzecz-zatrudnienia.html](http://www.mpips.gov.pl/aktualnosci-wszystkie/art_5543_4938_krajowy-plan-dzialan-na-rzecz-zatrudnienia.html)

<sup>26</sup> Data concerning youth under 25 years old, there wasn't separate monitoring of under 30 years old group.



6.1	Total amount (EUR)	256098750 <sup>27</sup>	9807250	116955750 <sup>28</sup>
6.2	% of GDP	0,1	-	0,03
6.3	% of the total expenditures on active labour market programmes	29,44	0,5	7,2

Between 2007 and 2013 the employment policy and main programmes were oriented on all risk groups and the share of youth among participants was very high. Due to the large scale of the youth unemployment in Poland since mid-90s', ALMP were consequently mostly reactive to existing problems of young people entering the labour market. Currently the significant shift in policy incentives is observed that is connected with European trends. One of the main priorities of PES actions oriented on the youth is rapid support – offices have maximum 4 months from the moment of registration to prepare of high quality offer for young unemployed. This rule concerns the whole ALMP for youth and has been included into the Act of employment promotion and labour market institutions<sup>29</sup>. It is also implemented under the Knowledge Education Development Programme projects. Reorientation of policy shall result in reduction the scale of long-term unemployment among young people.

Table 3. Overview of types of measures and schemas against youth unemployment in the last years

Type of measure	Importance <sup>30</sup>	Youth specific	Target groups <sup>31</sup>	Main source of funding <sup>32</sup>	Linked to EU initiatives (if yes, which one) <sup>33</sup>	Main actors of delivery <sup>34</sup>	Evaluation present
<b>(Re-)orientation courses, preparation for training or employment</b>	1	no	2, 3	1, 2		2,5	No
<b>vocational guidance, career counselling</b>	2	yes	2	1, 2, 3, 4	1,2	2, 3, 7	No

<sup>27</sup> Ibidem.

<sup>28</sup> Sprawozdanie roczne z realizacji Krajowego Planu Działania na rzecz Zatrudnienia na lata 2015 – 2017, MRPiPS, Warszawa 2016 <https://www.mpips.gov.pl/praca/strategie-i-dokumenty-programowe/krajowy-plan-dzialan-na-rzecz-zatrudnienia-na-lata-2015-2017/>

<sup>29</sup> Ibidem, art. 50.

<sup>30</sup> Importance depends on the comparative scale of the program (coverage & expenditure) -> Does not exist = 0; Not relevant = 1; Quite important = 2; Very important = 3

<sup>31</sup> *Insert:* targeted youth = 1, universal = 2, targeted risk group =3, targeted to youth risk group = 4

<sup>32</sup> *Insert:* EU = 1; national = 2, regional = 3, local = 4; other -5

<sup>33</sup> *Insert:* Youth Guarantee =1; Youth Employment Initiative =2; Framework for Quality traineeships and apprenticeship =3; Eures =4; Support to youth entrepreneurship =5; Other - 6

<sup>34</sup> *Insert:* state = 1, region = 2, municipality = 3, church = 4, foundations, NGOs = 5, private sector = 6, educational institutions=7 Other, please specify=8 If several, please list all



<b>Training (with certificates)</b>	2	no	2, 4	1, 2	1, 2, 3	2	Partly
<b>Training (without certificates)</b>	3	no	2	1, 2		2,3,5,7	Yes
<b>Employment incentives, subsidies for employer</b>	2	yes	1, 3	1, 2	1,2	1, 3	Partly
<b>Direct job creation</b>	2	yes	1	1,2	1,2	1, 3	Partly
<b>Start-up incentives, self-employment programmes</b>	3	yes	1, 2, 3	1, 2, 3	1,2	1, 2, 3	Yes
<b>Apprenticeships</b>	3	yes	1, 3, 4	1, 2	1, 2, 3	3,5	Yes
<b>Supporting Youth mobility</b>	2	yes	1, 4	1, 2	4	1, 5, 7	Partly

## Main aim of ALMP and dominant type of measures

Polish ALMP is directly oriented on increasing youth employability. However the employability is connected with adequate qualification, skills and work experience expected by employers or enhancing entrepreneurship and supporting self-employment of the youth. In this case we cannot increase employability without adequate support in related areas. Long-term monitoring of labour market incentives indicates that internships are the dominant type of policy measures – 14,8% of young unemployed under 25 years old took part in internships in 2015. Besides the internships, the most popular measures are trainings, internships vouchers, trainings vouchers and mobility vouchers. The high share of incentives oriented on qualification and work experience is a long-term tendency<sup>35</sup>. Due to the First Job Programme there should be observed a significant increase of direct employment incentives share from 2016.

## Specific risk groups among youth

ALMP provides measures to adequate support for most of the youth risk groups. However, the long term effectiveness of actions is highly related to economy condition and enhancements for employers to create new jobs. Simultaneously there are several

<sup>35</sup> *Sprawozdanie MPiPS-01 o rynku pracy za rok 2015; compare with Sytuacja na rynku pracy osób młodych w roku 2015, Sytuacja na rynku pracy osób młodych – yearly reports 2009-1015*  
<http://www.mpips.gov.pl/analizy-i-raporty/raporty-sprawozdania/rynek-pracy/sytuacja-na-ryнку-pracy-osob-młodych/> accessed 01.10.2016



youth groups that need broader support that should be connected with social inclusion actions or against-poverty enhancements. There is a large group of young people from peripheral rural areas, disadvantage areas or background, workless families. Only comprehensive attitude and wide range of support including employment incentives, social inclusion measures, educational and psychological support may result in long-term positive effects. The support shall be accessible not only to the young person, but also should include the family, in order to make the change possible.

Another important factor for effectiveness of employment programmes for youth from peripheral rural areas is existing system of social insurances in Poland. Farmers and their family members have an access to preferential the Agricultural Social Insurance Fund (KRUS). Insurance rates under KRUS are several times lower than those for employed and self-employed besides agriculture. A large group of young people from rural areas choose the KRUS insurance and work in 'so-called' grey zone<sup>36</sup>. This problem cannot be resolved with employment incentives. There is a need of broader discussion and implementing different law solutions. Consequently, the adequate ALMP measures and services shall be implemented in order to enhance the employability of youth from peripheral rural areas.

### **'Good jobs' for youth**

Personal development and progression opportunities for young people starting their professional career are extremely important in terms of Generation Y and Z expectations and living conditions of young employees. Although, struggling with youth unemployment is the main goal of employment policy, labour market institutions of all levels try to encourage employers to invest in their employees. On the national level National Training Fund provides sources for trainings selected by employers for their staff. From 2016 there was a removal of previous age restrictions for employees whose training may be financed from the fund<sup>37</sup>. Polish regions also enhance the youth employees development by shaping the regional systems of trainings vouchers for business or continuous education refunds for employers in the way emphasising the support for disadvantage groups on the labour market. Although there are no separate incentives supporting the increase of youth employees' wages, apart from ministerial decisions of cyclical minimal wage increase, several Local Labour Offices conditioned the amount of monthly refund under Job for Youth of the wage received by young employee. In this situation the company which employed a young unemployed over minimal wage can obtain the maximal monthly refund<sup>38</sup>.

### **Youth perception of ALMP measures**

The evidence-based policy in the sphere of ALMP has been rapidly developing during last decade. Available evaluations of ESF programmes and national programmes often

<sup>36</sup> *Undeclared work in an enlarged union*, Publisher EC 2014, Bruksela, p. 148-152

<sup>37</sup> <http://psz.praca.gov.pl/-/55453-krajowy-fundusz-szkoleniowy> Accessed 01.10.2016

<sup>38</sup> *Meeting with employers from Tarnovia sub region - Malopolska Youth Partnership Protocols*, Voivodship Labour Office in Krakow, Kraków 2016.



concerns direct participants opinions. The overall conclusion of multiple evaluations and researches is clear – young people are more willing to appreciate measures that can be easily linked with finding employment as subsidies for establishing an enterprise, financial bridging support for newly self-employed, loans, internships. Services (identification of young person needs, career counselling, psychological support, skills development) are underestimated, despite the fact that those actions are crucial for establishing the adequate support plan<sup>39</sup>.

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<sup>39</sup> *Badanie efektów wsparcia zrealizowanego na rzecz osób młodych w ramach Programu Operacyjnego Wiedza Edukacja Rozwój, I raport tematyczny*, Warszawa 2015, [https://www.funduszeuropejskie.gov.pl/media/16948/IBS\\_raport\\_02032016\\_mj\\_JB.pdf](https://www.funduszeuropejskie.gov.pl/media/16948/IBS_raport_02032016_mj_JB.pdf), *Badanie efektów wsparcia zrealizowanego na rzecz osób młodych w ramach Programu Operacyjnego Wiedza Edukacja Rozwój, I raport wskaźnikowy*, Warszawa 2016, [https://www.power.gov.pl/media/19541/IBS\\_I\\_Raport\\_Wskaznikowy\\_07042016.pdf](https://www.power.gov.pl/media/19541/IBS_I_Raport_Wskaznikowy_07042016.pdf), *Ocena stopnia realizacji celu głównego i celów szczegółowych PO KL oraz wpływu środków EFS na osiągnięte rezultaty w ramach poszczególnych obszarów interwencji Programu*, MIR, Warszawa 2015, [https://www.power.gov.pl/media/6295/Ocena\\_realizacji\\_celow\\_PO\\_KL.pdf](https://www.power.gov.pl/media/6295/Ocena_realizacji_celow_PO_KL.pdf) (Accessed 01.10.2016)



## Youth employment policies: focus on selected interventions

Table 4 A brief overview of selected youth employment interventions

No	Name	Level	Main target group:	Type <sup>40</sup>	Start year; end year	Funding source	Part of EU initiatives	Evaluation	“Good practice” <sup>41</sup>
1	Praca dla młodych (Job for the youth)	national	targeted youth	4	2016 - 2018	national	-	No	
2	Pierwszy biznes – Wsparcie w starcie (First business – start-up support)	national	targeted youth; targeted risk group	6	2013 pilot implementation in 3 Voivodeships: Mazovia, Malopolska, Świętokrzyskie); from 2014 - national programme	national	Youth Guarantee	Yes, positive	Yes
3	KEG OP – projects under Priority axis I	national	targeted to youth risk group;	1-6	2014	ESF/YEI / National	Youth Guarantee	Yes, mixed results	Yes
4	vouchers for training, internship, employment and settlement	national	targeted youth		2012 – 2014 pilot project, from 2014 included as a measures dedicated to young	National	-	Yes	Partially

<sup>40</sup> (re-)orientation courses, preparation for training or employment = 1; vocational guidance, career counselling = 2; training (with or without certificates) = 3; Employment incentives, subsidies for employer = 4, direct job creation = 5, and start-up incentives, self-employment programmes = 6

<sup>41</sup> EU Database of national labour market ‘good practices’ definition: “A specific policy or measure that has proven to be **effective** and **sustainable** in the field of employment, **demonstrated** by evaluation **evidence** and/or monitoring and assessment methods using process data and showing the **potential for replication**. It can cover both the formulation and the implementation of the policy or measure, which has led to **positive labour market outcomes** over an extended **period of time**.”



5	Lifetramp	international	universal targeted youth	1/2	2014	private	-	No	Yes
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### Detailed description and evaluation of the selected measures

<b>Name of the initiative</b>	<b>Praca dla mlodych (Job for the youth)</b>
<i>Short description</i>	<p>Aim of the measure: increase Youth employment by creating new workplaces for young unemployed</p> <p>Intended effects: 100 000 new jobs for Youth</p> <p>Target groups: unemployed under 30 years old</p> <p>Eligibility criteria for beneficiaries:</p> <ul style="list-style-type: none"> <li>- unemployed under 30 years old registered in Local Labour Offices</li> <li>- employers who reduced employment of the workplace causes within 6 months are excluded from subsidies,</li> </ul> <p>Type of intervention: subsidies for employer to create a new workplace. Subsidy includes return to employer of employee salary and social security contributions in the amount of minimum wage. Full time contract of employment lasts 24 months and first 12 months are subsidised.</p> <p>Level: national</p> <p>Start/ end date: Program will be financed from 2016 till 2018, but in 2018 only for contracts signed before 31<sup>st</sup> December 2017.</p> <p><i>Praca dla mlodych</i> as a national programme designed by Ministry of Family, Laboru and Social Policy, is implemented by Local Labour Offices. Local and Regional Labour Offices had a limited influence on the shape of the programme – only by remarks to the draft of the bill.</p> <p>The overall programme budget is 700 mln EUR financed from Employment Fund (Fundusz Pracy).</p>
<i>Achieved results</i>	Estimations shows that about 100 000 young unemployed



	<p>should take part in the programme and find a job. The precise number of beneficiaries depends from employer interests. Overall expenditure includes 700 mln EUR (2016-175 mln EUR, 2017- 262,5 mln EUR, 2018- 262,5 mln EUR). Maximum monthly expenditure per beneficiary is equal to minimal wage and related social security contributions – about 546 EUR in 2016, 600 EUR in 2017.</p> <p>Projections indicate that the programme should result in 30 000 workplaces for Youth in 2016. First comprehensive data on programme effectiveness will be available in 2017.</p>
<i>Targeting</i>	The program is targeted to unemployed young people, especially for graduates, young without work experience and from disadvantaged groups.
<i>Youth involvement</i>	-
<i>Links to EU initiatives</i>	The national programme was not directly linked with EU initiatives, although it provides a quality criteria for a job according to Youth Guarantee.
<i>Available evaluations</i>	<p>Comprehensive programme evaluations are not available. Programme is under monitoring of Ministry of Family, Labour and Social Policy – yearly report including the number of beneficiaries and expenditure effectiveness shall be released in 2017.</p> <p>It's not possible to estimate the deadweight loss or displacement effect at current programme stage.</p>
<i>Quality of the intervention</i>	<p>The programme is implemented in all Polish poviats by Local Labour Offices. Implementation at local level provides good access to information for local employers, especially small and medium enterprises. It's also a chance to exclude employers who are trying to overuse the system of employment support (internships, employment grants and subsidies).</p> <p>The programme met with great interest and appreciation on the part of the employers as an adequate response to employers needs and preferences. Simultaneously, employers indicate that they have limited chances to check the unemployed attitude and competences before giving them 24 month employment contract, while there is no contract for a trial period<sup>42</sup>. Moreover, expected 24 months contract is often</p>

<sup>42</sup> *Protocols of Malopolska Youth Partnership Meetings*, Voivodship Labour Office in Krakow, Kraków 2016.



	<p>perceived as a negative factor. Small companies insist that they cannot predict the company future in two years' time and do not possess information whether their financial condition will allow to maintain full-time jobs. Hesitation is more often among companies from construction sector, services or creative industries<sup>43</sup>.</p> <p>Programme provides sustainable employment as young people shall receive 24 months full-time contracts with, at least, minimal wage. It's an attractive offer for graduates without (or with minimal) work experience. Nevertheless, long-term contract may have negative effect in the field of Youth salaries – employers might be unwilling to increase the salary during the contracted period. On the contrary, we need to consider the general attitude to work of the Millennials and Generation Z. Millennials like feeling appreciated and are hungry for development and promotion. They would consider leaving a job if they felt underappreciated.</p>
<p><i>Only for interventions assessed as 'good practice' example</i></p>	<p>It's impossible to assess an overall effect of the programme at contemporary stage of implementation.</p>

<p><b>Name of the initiative</b></p>	<p><b>Pierwszy biznes – Wsparcie w starcie (First business – start-up suport)</b></p>
<p><i>Short description</i></p>	<p>Type of intervention: start-up incentive and self-employment programme</p> <p><u>Pilot project</u>: 12.2013 – 11.2014</p> <p>Main aim of the measure: development of Youth entrepreneurship and direct job creation by providing low-interest loans for students and graduates willing to start a business.</p> <p>Intended effects: supporting students and graduates entrepreneurship, providing capital for start-up, decreasing the absolvents' emigration.</p> <p>Target groups: universities' students and absolvents</p> <p>Level: 3 Regions: Mazovia, Malopolska, Świętokrzyskie</p> <p>Stakehodlers: Bank Gospdarstwa Krajowego (coordinator),</p>

<sup>43</sup> <http://biznes.onet.pl/praca/program-praca-dla-mlodych-hit-czy-kit/bx1h0e>, accessed 07.09.2016.



	<p>Financial intermediaries: Małopolski Fundusz Ekonomii Społecznej (MFES), Mazowiecki Regionalny Fundusz Pożyczkowy sp. z o.o. (MRFP) oraz Agencja Rozwoju Regionalnego w Starachowicach (FARR).</p> <p><u>National programme:</u> since 11.2014</p> <p>Main aim of the measure: development of Youth entrepreneurship and direct job creation by providing low-interest loans for students and graduates willing to start a business.</p> <p>Intended effects: supporting students, graduates and unemployed entrepreneurship, providing capital for start-up, decreasing the emigration from Poland.</p> <p>Measures:</p> <ul style="list-style-type: none"><li>- start-up loans – max. expenditure per beneficiary is about 20 095 EUR, loan repayment period – 7 years, grace period – 1 year and the lowest market interest rates – 0,44% per year</li><li>- loans supporting new jobs creation – max. expenditure per beneficiary is about 6028 EUR, loan repayment period – 3 years, interest rates – 0,44% per year</li><li>- consulting and training for borrowers on starting a business, taxation regulations, accounting.</li></ul> <p>Target groups:</p> <ul style="list-style-type: none"><li>- <i>start-up loans</i>: universities' students and absolvents, unemployed,</li><li>- <i>loans supporting new jobs creation</i>: loans beneficiaries listed above, employers willing to create a new workplace for unemployed, nurseries, private kindergartens and schools.</li></ul> <p>Eligibility criteria for start-up loans beneficiaries:</p> <ul style="list-style-type: none"><li>- inactive or unemployed students in their final year of bachelor's or master's studies;</li><li>- university's or school's graduates during 4 years from the date of graduation;</li><li>- unemployed registered in Local Labour Office.</li></ul>
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	<ul style="list-style-type: none"><li>- Working students and graduates are excluded;</li><li>- self-employed during 12 Months before applying for the loan are excluded.</li></ul> <p>Level: all Polish regions</p> <p>Implementing authority: Bank Gospodarstwa Krajowego (coordinator), Financial intermediaries: Agencja Rozwoju Regionalnego w Starachowicach, CAPITALES Sp. z o.o., Europejskie Centrum Doradztwa Finansowego, Fundacja Rozwoju Śląska oraz Wspierania Inicjatyw Lokalnych, Fundusz Regionu Wałbrzyskiego, Małopolski Fundusz Ekonomii Społecznej, Małopolska Agencja Rozwoju Regionalnego S. A., Mazowiecki Regionalny Fundusz Pożyczkowy sp. z o.o., Polska Fundacja Przedsiębiorczości, Towarzystwo Inwestycji Społeczno – Ekonomicznych S.A.</p> <p>The programme is financed from national sources - Employment Fund (Fundusz Pracy).</p> <p>Loans provided from 2013 until 2016 – 35 mln EUR</p> <p>Estimated budget: 66 mln EUR</p>
<i>Achieved results</i>	<p>Pilot project: 104 loans, total cost: 1,425 mln EUR, average expenditure per beneficiary: 13702 EUR<sup>44</sup></p> <p>National programme 4<sup>th</sup> quarter 2014 – 3rd quarter 2015: 1733 loans, total cost 25,750 mln EUR, average expenditure per beneficiary: 14859 EUR</p> <p>Overall effects of national programme till May 2016:</p> <p>2200 new businesses (self-employed) and additionally 55 loans creating workplaces for unemployed<sup>45</sup>.</p>
<i>Targeting</i>	<p>During the pilot stage the programme had been oriented only to students and graduates. Currently, the national programme is oriented also on registered unemployed.</p>
<i>Youth involvement</i>	-
<i>Links to EU initiatives</i>	The programme had been established in 2013, contemporary

<sup>44</sup>. Kowalczyk, T.Kaczor, *Główne wyniki badania pilotażowego etapu programu „Pierwszy biznes - wsparcie w starcie”*, Bank Gospodarstwa Krajowego, Warszawa 2015, <https://www.bgk.pl/aktualnosci/badanie-pilotazowego-etapu-programu-pierwszy-biznes-wsparcie-w-startcie-702/>, Accessed 10.09.2016

<sup>45</sup> <http://wsparciestarcie.bgk.pl/aktualnosci/ciekawe-wydarzenia/2016-05-24-dodatkowe-60-mln-zl-na-stworzenie-wlasnej-firmy/>, Accessed 10.09.2016



	it's included in national Youth Guarantee Plan.
<i>Available evaluations</i>	<p>Bank Gospodarstwa Krajowego is responsible for on-going programme monitoring and evaluation. There are two evaluation reports available.</p> <p>Pilot project findings:</p> <ul style="list-style-type: none"><li>- students and graduates are less interested in setting their own business with loan support than it was predicted. Suggestion to expand the group of potential beneficiaries.</li><li>- Beneficiaries were asked about their possible market situation if they hadn't started a business. 33% of respondents pointed having difficulties with finding a job, 16% would prefer economic emigration, 3% would register as unemployed.</li><li>- 70% of survey respondents indicated that the loan was the only available support to start a business.</li><li>- If not getting a loan, 35% of respondent wouldn't decide on self-employment or would decide to postpone their plans.</li><li>- Nevertheless, the evaluation findings do not provide comprehensive information needed to evaluate potential scale of deadweight loss.</li><li>- beneficiaries met difficulties with providing two warrantors. The number of obligatory warrantors had been limited to one person, despite higher financial risk.</li><li>- Loans provided the lever effect among beneficiaries. Majority of survey respondents invested into their new businesses not only received loans, but also additional amount of money - their own savings (over 50%), savings and borrowing from family or friends (14%), loan from family or friends (10%).</li></ul> <p>National programme:</p> <ul style="list-style-type: none"><li>- The target group has even extended and unemployed become eligible beneficiaries. 72% of all borrowers were unemployed.</li><li>- 55% of beneficiaries possessed a tertiary degree.</li><li>- 70% of survey respondents indicated that the loan was the only available support to start a business.</li></ul>



	<ul style="list-style-type: none"><li>- Beneficiaries were asked about their possible market situation if they hadn't started a business. 15% of respondents pointed having difficulties with finding a job, 15% would prefer economic emigration, 11% would maintained unemployed.</li><li>- If not getting a loan, 43% of respondent would decide to postpone their plans connected with self-employment.</li><li>- Beneficiaries insisted that the loan repayment period is adequate to their needs and the interest rate on the loan is small in comparison to other loans.<sup>46</sup></li></ul>
<i>Quality of intervention</i>	<p>Programme achieved stated goals in terms of offering adequate support for start-ups. Students, graduates and unemployed insisted that structure of the offer and additional advisory support reduced their fear against repayable financial instruments.</p> <p>The loan repayment period, yearly grace period and the lowest market interest rates were highly scored by beneficiaries. The high amount of loan resulted in higher interest of potential beneficiaries. Donations for unemployed to start a business offered by Local Labour Offices were 3 times lower then loans.</p> <p>The national programme implementation period started in the "gap-year" between two European programming period. There was no donations financed from EFS available.</p> <p>Researches, analysis and evaluations on long term effect of self-employment support indicate that businesses established on the basis of obtained loans are better planned. Their business plans are more realistic, perspective is longer. Borrowers are less willing to close the company in 2 or 3 years' time.</p>
<i>Only for interventions assessed as 'good practice' example</i>	<p>The programme creates opportunities for inactive or unemployed people with entrepreneurial attitude to start their own business. Researches confirm the long term effects and adequate durability of borrowers self-employment. The business plans are more realistic and adequate to the loan</p>

<sup>46</sup>A. Kowalczyk, T.Kaczor, *Raport z badania programu „Pierwszy biznes - Wsparcie w starcie“*, Bank Gospodarstwa Krajowego, Warszawa 2016, [https://www.bgk.pl/files/public/Pliki/news/Ekspertyzy\\_BGK/Wsparcie\\_w\\_starcie\\_2016/Raport\\_z\\_badania\\_Programu\\_Pierwszy\\_biznes\\_-\\_wsparcie\\_w\\_starcie\\_.pdf](https://www.bgk.pl/files/public/Pliki/news/Ekspertyzy_BGK/Wsparcie_w_starcie_2016/Raport_z_badania_Programu_Pierwszy_biznes_-_wsparcie_w_starcie_.pdf), Accessed 10.09.2016



	<p>repayment period.</p> <p>Malopolska Youth Partnership analysis and recommendations indicate that different types of repayable (or partly repayable) instruments are more effective in supporting Youth on the labour market. Those instruments support Youth responsibility in terms of professional, business or educational decisions.</p>
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<b>Name of the initiative</b>	<b>Knowledge, Education, Development Operational Programme – projects under Priority axis I: Young people on the labour market</b>
<i>Short description</i>	<p>Main aim of the measure: Enhancing the employability of young people aged up to 29 who are not in employment, including in particular those who are not in education and training (so-called NEET).</p> <p>Intended effects: 30% of participants will acquire qualifications, 58% of participants in employment six months after leaving the programme.</p> <p>Target groups: young people, including disabled persons, aged 15-29, who are not in employment, in particular those who are not in education or training (NEET) , including also persons not registered in labour offices.</p> <p>Eligibility criteria for beneficiaries: Support is offered only to inactive and/or unemployed people from NEETs group. There are overall eligibility criteria designed on the national and regional level – depends from the type of a project. Specific criteria of eligibility are described on the separate project level.</p> <p>Type of intervention: direct support for young unemployed and inactive people, tailored to individual needs including at least 3 instruments:</p> <ul style="list-style-type: none"> <li>- identifying young person needs (obligatory),</li> <li>- comprehensive and individual job agency services,</li> <li>- career counselling,</li> <li>- instruments and services addressed to early school-leavers or persons for whom the need to supplement or gain new skills and competences,</li> <li>- traineeships and apprenticeships,</li> </ul>



	<ul style="list-style-type: none"><li>- subsidised employment,</li><li>- financing the workplace adaptation,</li><li>- support for intersectoral or geographical mobility of young persons,</li><li>- instruments and services addressed to disabled persons,</li><li>- supporting entrepreneurship and self-employment: non-returnable aid (subsidy) for establishing an enterprise, counselling and training, bridging support.</li></ul> <p>Level: national, regional and local</p> <p>Start/ end date:12.2014-31.12.2023</p> <p>Stakeholders are involved in the formulation of this measure:</p> <ul style="list-style-type: none"><li>- national level: 47 entities and partners were involved in the working groups for preparing an operational programme. Partners, including social partners and non-governmental organisations, are involved in the programme implementation, programming, monitoring and evaluation, mainly by means of participating in the work of the Monitoring Committee.</li><li>- regional level: regional Youth Partnerships or other Youth representatives.</li></ul> <p>Institutions implementing the projects for Youth:</p> <ul style="list-style-type: none"><li>- Poviats Labour Offices,</li><li>- Voluntary Labour Corps,</li><li>- social partners,</li><li>- non-governmental organisations,</li><li>- non-public employment agencies.</li></ul> <p>Total budget:2 035 mln EUR</p> <p>Total expenditure YEI - 549,4 mln EUR</p> <p>Total expenditure EFS – 1 485,76 mln EUR</p>
<p><i>Achieved results</i></p>	<p><u>Expected results:</u></p> <p>Number of young people supported under YEI – 177 025</p> <p>Number of young people supported under EFS – 470 431</p> <p>Total expenditure YEI - 549,4 mln EUR</p>



	<p>Total expenditure EFS – 1 485,76 mln EUR</p> <p><u>Outcomes achieved until 05.10.2016<sup>47</sup>:</u></p> <p>Number of supported NEETs:</p> <ul style="list-style-type: none"><li>- unemployed – 177 698</li><li>- inactive – 6 322</li></ul> <p>Total value of projects under Priority axis I – 612,6 mln EUR</p>
<i>Targeting</i>	<p>All projects are targeted to young NEETs - young person aged 15-29 who jointly meets the three requirements, i.e. is not in employment (i.e. is unemployed or inactive), not in education (i.e. not in formal, full-time education) and not in training (i.e. does not participate in out of school classes aimed at obtaining, supplementing or improving professional or general skills and qualifications required to work; the assessment of whether a given person is not in training and thus is classified as NEET must include verification of whether the person participated in this form of activation, financed from public funds, within the last 4 weeks).</p> <ul style="list-style-type: none"><li>- Local labour offices – oriented on supporting Youth registered as unemployed, especially disabled, long-term unemployed and low qualified.</li><li>- Voluntary Labour Corps – 2 types of projects: 1. supporting early school leavers from 15 to 18 years old, 2. For unemployed and inactive 18-24 years old.</li><li>- Regional calls targeted on projects for inactive Youth and young people from disadvantage groups according to regional statistics. Different Polish regions have defined their priorities of Youth support e.g. in Malopolska regional projects are oriented mostly on inactive Youth with special support for disadvantaged people, parents returning to the labour market and young people from peripheral rural areas.</li><li>- National calls targeted on projects for disadvantaged groups: foster care and child care home leavers, single mothers supported by emergency housing, teenage mothers, special schools graduates, Youth leaving prisons and centres for troubled teenagers.</li></ul>

<sup>47</sup> SL2014 reports, accessed 06.10.2016



<i>Youth involvement</i>	<p>One of Youth associations -The Polish Scouting and Guiding Association (ZHP) - was involved in the working group for preparing an operational programme.</p> <p>Polish regions implementing Actions 1.1 and 1.2 under Priority axis I: Young people on the labour market have a possibility to engage local partnerships and Youth representatives into preparing concepts of regional Youth support and overall eligibility criteria. Examples of regional initiatives:</p> <ul style="list-style-type: none"><li>- Podkarpackie in 2014 established advisory board - Youth Labour Market Council of the Podkarpackie Region including 17 representatives of Youth organizations and NGOs representatives e.g. students self-governments, Scouting Association, Association AIESEC Poland , Association of Active Youth Podkarpacie , Catholic Youth Association of the Diocese of Rzeszow.</li><li>- In Malopolska more than 60 regional institutions, organizations supporting or representing young people and employers representatives signed Malopolska Youth Partnership in 2014. Partnership provides information on Youth situation, partners conducts researches on Youth, directly support young people entering the labour market, share best practices and take part in formulating concept of Youth support and eligibility criteria for regional calls.</li></ul>
<i>Links to EU initiatives</i>	KEG OP is linked to Youth Guarantee, Youth Employment Initiative, Framework for Quality traineeships and apprenticeship; Support to youth entrepreneurship.
<i>Available evaluations</i>	KEG OP is in-going permanent monitoring by IT system – SL2014. Moreover, two evaluation reports are available. The evaluations are conducted by external research consortium. The scope of researches is wide and detailed including achieved outcomes, participants opinions on received support, shows creaming and souring effects among different types of projects. However, both evaluations were carried on the date from the early phase of KEG OP implementation and as a result the data are not fully representative to the full scope of programme. Several recommendations on youth policy were refuted in second report.
<i>Quality of intervention</i>	Projects under I Axis if KEG OP achieve stated goals and intended effects.



	The direct meetings with social partners implementing projects and youth participants indicate that in-depth analysis of personal situation and “tailored” support are crucial for effective labour market entrance. Nevertheless, institutions often emphasise that it is extremely difficult to reach young inactive people from NEET group and their motivation for change and active participation in the support path is rather low. Young people are more eager to change their decision on educational and career path.
<i>Only for interventions assessed as ‘good practice’ example</i>	Overall concept of tailored youth support shall be treated as a good practice and the most effective way of supporting young people from a risk groups. However, exact good practices should be chosen on the basis of single projects or individual youth support paths.

<b>Name of the initiative</b>	<b>Vouchers for training, internship, employment and settlement<sup>48</sup></b>
<i>Short description</i>	<p>Aim of the measure: Improvement of youth situation at labour market</p> <p>Intended effects: Increase youth employability on the basis of innovative methods supporting youth activity, self-reliance and mobility</p> <p>Target groups: unemployed under 30 years old</p> <p>Eligibility criteria for beneficiaries:</p> <ul style="list-style-type: none"> <li>• unemployed under 30 years old,</li> <li>• unemployed profile I (active, ready to start a job) or profile II (expecting support to find a job),</li> <li>• provided that the unemployed will justify the probability of employment after support</li> </ul> <p>Type of intervention:</p> <ol style="list-style-type: none"> <li>a. Internship voucher, - voucher for internship in the company chosen by unemployed, contract includes 6 months internship and subsequently 6 months of employment. After obligatory 6 months of employment the employer will receive</li> </ol>

<sup>48</sup> Ustawa z dnia 20 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy, with further changes, Dziennik Ustaw 2016, poz. 645, 691, art. 66k-66n



	<p>financial bonus – 378 EUR</p> <ul style="list-style-type: none"><li>b. Training voucher - voucher for training chosen by unemployed up to 100% of average salary, voucher includes the cost of training, accommodation costs when training take place in different city, travel costs.</li><li>c. Employment voucher – person is signing 18 months employment contract , employer receives 12 months reimbursement of employment costs up to 207 EUR per month.</li><li>d. Settlement/mobility voucher - a voucher for settling in a place where young person plan to undertake employment, other paid work or business activity, provided that it is outside the place of your current residence. The value of voucher is up to 200% of average salary – 2090EUR.</li></ul> <p>Level: national</p> <p>Start/ end date: 2012-2014 pilot project</p> <p>2014 – national implementation</p> <p>Budget and source: Vouchers are financed from Employment Fund, ESF, YEI – there are no specific budget limits</p>
<p><i>Achieved results</i></p>	<p><u>Number of youth supported in 2015<sup>49</sup>:</u></p> <p>Internship voucher – 9 054 started internships</p> <p>Training voucher – 5 924 started trainings</p> <p>Employment voucher – 3 239 employed</p> <p>Settlement/mobility voucher – 6 804 employed and 121 self-employed</p> <p><u>Overall results from 05.2014 until 04.2016:</u></p> <p>Internship voucher – 11 609 employed 3 months after internship</p>

<sup>49</sup> Sytuacja na rynku pracy osób młodych w roku 2015, MRPiPS 2016, p.9



	<p>Training voucher – 4 172 employed 3 months after training</p> <p>Employment voucher – 5 289 employed</p> <p>Settlement/mobility voucher – 11 267 employed and 217 self-employed<sup>50</sup></p>
<i>Targeting</i>	Vouchers are targeted on young unemployed under 30 years old.
<i>Youth involvement</i>	-
<i>Links to EU initiatives</i>	Incentives support the implementation of Youth Guarantee and Youth Employment Initiative
<i>Available evaluations</i>	<p>The internal evaluation was provided by the Ministry of Family, Labour and Social Policy.<sup>51</sup></p> <p>Main finding:</p> <ul style="list-style-type: none"> <li>- The most effective are employment and settlement/mobility vouchers.</li> <li>- The employment effectiveness of training vouchers is 9 percentage points higher than in typical trainings.</li> <li>- Internship vouchers effectiveness is 8 percentage points higher than in typical internships.</li> <li>- The vouchers support youth independence and self-reliance.</li> <li>- There was a suggestion to expand the range of innovative tools on different age groups.</li> </ul> <p>52</p>
<i>Quality of intervention</i>	<p>The vouchers were implemented into Polish employment law after the pilot project on selected area. They can be implemented by all Poviats Labour Offices providing national coverage of those measures. However, the on-going monitoring of labour market measures indicates that there's still a place to promote those incentives both among Youth and Poviats Labour Offices.</p> <p>The share of vouchers among other youth oriented measures</p>

<sup>50</sup> Analiza rozwiązań wprowadzonych ustawą z dnia 14.03.2014 o zmianie Ustawy o promocji zatrudnienia i instytucjach rynku pracy, MRRiPS, Warszawa 2016, p.123-124

<sup>51</sup> *Ibidem*, p.121 – 132.

<sup>52</sup> Adanie ewaluacyjne projektu pilotażowego "Twoja kariera – Twój wybór", Raport końcowy, WYG PSD Sp. Z o.o., Warszawa 2014, [http://psz.praca.gov.pl/documents/10240/1486102/TKTW\\_Raportkoncowy.pdf](http://psz.praca.gov.pl/documents/10240/1486102/TKTW_Raportkoncowy.pdf)



	is rather low, while research indicates that vouchers' effectiveness is higher than traditional trainings and internships. There should be additional information action oriented on unemployed in order to promote those measures among target group. Moreover, client counsellors from the Labour Offices should be supported with adequate information and trainings in order to provide wide-spreading vouchers among youth.
<i>Only for interventions assessed as 'good practice' example</i>	The vouchers respond to major goals of youth policy. They support Youth responsibility for their educational and professional choices. The shape of all vouchers demands youth activity in finding a training, job or company eager to employ a young person. There are settled rules according to minimum job quality supported by vouchers.

<b>Name of the initiative</b>	<b>Lifetramp</b>
<b>Short description</b>	<p>Lifetramp is a private start-up initiative. Lifetramp has been established in 2014 as an IT platform that allows people to try different careers and lifestyles by training with and learning from a mentor for a day. It is accessible under website <a href="http://lifetramp.com">http://lifetramp.com</a> .</p> <p>Lifetramp offers the access to base of mentors from different locations, representing different professions or passions. People interested in doing something different in their life are "so-called" Lifetramps. Lifetramps browse through the profiles of mentors, and request to shadow mentor for a day. Mentors offering to be available for a Lifetramp tag along and get a feel for their particular job, hobby, or passion. As a result, Lifetramps receives information about reality and daily work in the profession they are interested in or always wanted to try. They have a chance to try doing something different in their life, find new way or living, verify own beliefs or expectations.</p> <p>Main aim of the measure: connect people in order to share professional experience, passion or lifestyle.</p> <p>Intended effects: sharing experiences, providing real and practical information on professions or workplaces. According to founders: "We spend most of our time at work so we better make sure we truly enjoy it. We believe that finding what we</p>



	<p>love doing is the first step to self-discovery and fulfilled life. In the world of constant change there is still a common misbelief that we should choose our profession once. Never before the knowledge was as accessible as today making it more easy to shift from one social position to another so don't be afraid to make mistakes, try as many different pursuits as possible and get inspired. Never give up on experimenting with our hobbies or exploring our new interests as they quite possibly can blossom into a dream job and very often — lifestyle. Finding what you love doing is a key part but if you don't seek, you won't find. So let's break out of your comfort zone and try something new today"<sup>53</sup>..</p> <p>Target groups: as an online community Lifetramp in not limited to any specific group. However, it is a tool adequate to Generation Y and Z preferences and needs.</p> <p>Type of intervention: Although Lifetramp is not an instrument of ALMP, it might be useful as a tool of career counselling and a part of preparation for training or employment.</p> <p>Level: global</p> <p>Due to the activity of mentors and Lifetramps we can confirm that shareholders are actively involved in shaping and developing the platform.</p>
<i>Achieved results</i>	<p>The precise data on the number of Lifetramps and a day-meetings with mentor are not published. However, there are about 300 active mentors accessible via platform.</p>
<i>Targeting</i>	<p>Created as the online community, Lifetramp in not limited to any specific group. However, it is a tool adequate to Generation Y and Z preferences and needs. Platform co-founders indicates that young people have limited access to good quality career advisory, there are no accessible programmes for in-work internships or trainings for secondary school students and vocational education has been discredited for many years<sup>54</sup>. Lifetramp is a chance to discover a reality of different professions and confirm that work-life balance is achievable if we connect career and passion.</p>
<i>Youth involvement</i>	<p>Active involvement at every level – designing, creating</p>

<sup>53</sup> <http://lifetramp.com/> Accessed 05.10.2016

<sup>54</sup> <http://10tysiecy.pl/lifetramp-spedz-jeden-dzien/> Accessed 05.10.2016



	mentors and Lifetramps database, social media marketing.
<i>Links to EU initiatives</i>	-
<i>Available evaluations</i>	Evaluations on Lifetramp are unavailable. Due to the private investments in the platform, financial information of overall cost of the start-up are unavailable.
<i>Quality of intervention</i>	<p>The Lifetramp concept based on direct meetings between mentors and people interested in their work, passion, hobby or lifestyle is very attractive for young people. It operates on the Youth values – offering the first step to self-discovery and fulfilled life, providing information that can facilitate the professional or educational decisions. It would be a valuable and interesting part of career counselling for students and young NEET's if only it was integrated into ALMP – even as a pilot or innovative solution.</p> <p>While, English is the working language of the platform, it may be difficult to include the Lifetramp into ALMP measures or projects.</p>
<i>Only for interventions assessed as 'good practice' example</i>	Lifetramp is a tool designed precisely to Youth needs and preferences. It provides attractive evidences that people can fulfil their passions enables and to try. Lifetramp concept has an enormous potential to widespread among young people while the tool offers a real experiences, interesting information on professions, both social media & face-to-face communication with mentor. It's just like a game, you can safely play and leave if it's against your expectations.

According to accessible evaluations the most effective in terms of direct employability are Job for the youth, First business – start-up support and mobility vouchers. All those measures (subsidies for employers, loans, vouchers) are connected with newly established or existing workplaces. However, the scale of usage of those measures shall be precisely limited among ALMP in order to avoid the displacement effect of job creation. Moreover, there is a limited number of young people showing entrepreneurial skills that is why the youth self-employment is not an overall resolution to labour market situation of this group.



## Diffusion of EU youth employment initiatives

Table 5.

EU initiatives	When adopted by a policy document?	Date of regulation if available	Start of implementation	Presence in basic relevant national documents like NRP, CSR, National Employment Strategies	Number of young people involved (absolute number and as a share of all young people concerned)	Envisaged expenses (in absolute terms and as a share of employment programs; as a share of GDP, etc.).
<b>Youth Guarantee Schemes</b>	The Youth Guarantee Implementation Plan in Poland <sup>55</sup>	April 2014	2014	Human Capital Development Strategy <sup>56</sup> , The Youth Guarantee Implementation Plan in Poland, Knowledge Education Development Operational Programme		
<b>Youth Employment Initiative</b>		April 2014	2015			
<b>Quality traineeships and apprenticeships</b>		April 2014	2015		Not defined	Not defined financial allocation
	Polskie Ramy Jakości Staży i Praktyk <sup>57</sup>	2014	2015			
<b>Eures Job</b>	Act on promotion of employment and labour market institutions	2010	2012	Human Capital Development Strategy, Regional Human Capital Development	Not defined	Not defined financial allocation

<sup>55</sup> *The Youth Guarantee Implementation Plan in Poland*, <http://ec.europa.eu/social/main.jsp?catId=1161&langId=en&intPageId=3348>, Actualized Plan (Polish version only) <http://gdm.praca.gov.pl/o-programie> Accessed 03.10.2016

<sup>56</sup> *Human Capital Development Strategy* and implementation documents, <https://www.mpips.gov.pl/praca/strategie-i-dokumenty-programowe/strategia-rozwoju-kapitalu-ludzkiego-srki---projekt-z-31072012-r/> Accessed 03.10.2016

<sup>57</sup> <http://stazeipraktyki.pl/program> Accessed 03.10.2016



	and executive regulations			Programmes		
<b>Supported young entrepreneurs</b>	Human Capital Development Strategy , The Youth Guarantee Implementation Plan in Poland,	2014	2014	Human Capital Development Strategy , The Youth Guarantee Implementation Plan in Poland,  Knowledge Education Development Operational Programme	Not defined	Not defined financial allocation

Most of EU initiatives are implemented under the Youth Guarantee Implementation Plan in Poland that creates the main strategic framework for most of the Youth oriented incentives. Ministry of Family, Labour and Social Policy provides periodic plan actualization what is extremely important in terms of dynamic changes in economy and on the labour market.

EU priorities and incentives are extremely important for setting the frames of active labour market policy. It is also the result of Youth Employment Initiative and European Social Fund allocations for Poland and its share in total budget of the youth oriented policy. Although EU incentives are setting the main trends, national government and regional self-governments are extremely active in looking for new solutions, testing new concepts, implementing best-practices. Multiple new initiatives, previously tested as a pilot projects, have been implemented into national policy e.g. vouchers for Youth, loans.



## Other policy measures

Table 6. Policy measures and their impact on the employment of different risk groups

Policy measures	All young people	All young unemployed	Early school leavers	Young people with low skills	Young people without qualifications	Migrants/ethnic minorities	Teenage/single parents	Young people from workless families	NEET	Young people with disability	Young people from remote/disadvantaged areas
Early intervention and activation measures (outreach strategies etc)	5	5	5	5	5	5	4	5	5	5	5
Apprenticeship/vocational training	4	4	5	5	5	3	4	5	4	5	4
Grant for school enrolment/ Scholarship addressed to specific juvenile sub-groups	3	3	5	4	4	4	4 – teenage parents 2 – single parents	5	3	4	4
Training in basic skills and competences	4	4	4	5	5	4	2	5	4	4	3
Second chance education programmes	2	2	5	4	4	4	2	5	4	3	2
Family/ child benefits	2	2	1	3	1	3	2	3	3	1	1
Early childhood care	2	4	1	4	1	4	5	5	4	2	4
Policy measures related to housing	4	4	3	3	2	3	4	4	3	3	4
Minimum income schemes	4	4	3	5	4	4	3	4	4	3	3
Subsistence benefits	3	3	3	3	2	2	3	3	3	2	3
Promotion of employment/ labour mobility	4	4	4	4	4	4	1	4	4	4	4
Micro-credit/ Promote/fund self-employment	4	3	2	2	3	2	3	3	3	4	4
Subsidies for employers	4	4	4	5	5	5	5	5	5	5	4
<b>Estimates: very weak =1; weak = 2; medium = 3; 4 = strong; 5 = very strong</b>											

Estimations specified above shall be treated with adequate provision. It's a kind of simplification, while real effectiveness of support part and selected measures should be related to personal situation and identified needs of individual. It is important to emphasise that young people in Poland from risk groups often suffer from several problems and cannot be easily assigned only to one group.

Polish conservative government implemented the system of child benefits – Programme 500+ in 2016. The programme is oriented mostly on families with at least 2



children or with income lower than 800 PLN (about 200 EUR) per family member. There are no comprehensive impact assessment available, although many different sources indicates that the benefits might have a negative effect on women activeness on the labour market, especially young women with low qualification, young mothers, those from peripheral or disadvantaged areas. Such projections are shared by employers, media articles, qualitative research and sub regional meetings of Malopolska Youth Partnership.

Multiple researches on the situation of young people with disabilities indicates that the existing system of subsistence benefits often results in choosing inactivity instead of entering the labour market. Effective employment policy addressed to young with disabilities shall include broader support for employers and families, especially for parents who are often concerned that their child cannot work on the open labour market.

*Table 7. The trends in impact of policy measures on young unemployed in 2005 - 2015*

Policy measures	Significant improvement	Improvement	No change	Deterioration	Significant deterioration
Early intervention and activation measures (outreach strategies etc)		X			
Apprenticeship/vocational training		X			
Training in basic skills and competences			X		
Second chance education programmes			X		
Family and child benefits	X				
Early childhood care	X				
Policy measures related to housing			X		
Minimum income schemes	X				
Subsistence benefits			X		
Promotion of labour mobility	X				
Other measures (please specify)					



## Consistency of the youth policies

### **Youth employment policies and universal labour market policies**

Labour market policies in Poland are coordinated on the ministerial level by the Ministry of Family, Labour and Social Policy. Youth employment policies and universal labour market policies are consistent and mutually supportive. However, there are several exceptions connected with youth in-work poverty, Agricultural Social Insurance Fund rules, supporting women economic activity vs. higher fertility expectations and poor system of nurseries.

The most important change, both in universal and youth employment policies, concerns the individualized attitude to unemployed and economic inactive and designing tailored support path. It's a positive trend, although shall be stronger supported by connecting employment and social inclusion tools.

### **Youth employment policies vs. educational policies**

Polish educational policies have been undergoing multiple changes oriented on supporting vocational education and providing skills needed in the labour market. As a result, educational policies on different levels shall become more supportive and consistent with youth employment policy. It's a positive change after educational trends observed in 90s'. As educational policy possess a strong influence on transition from school to job, youth employment policy provides mostly reactive support oriented on removal of existing difficulties and obstacles. The educational advisory and career counselling at schools shall be strongly supported as a tools of early support for students.

### **Youth employment policies vs. other components of social policies (income policies, social assistance & social insurance)**

The major changes of the youth policy result in stronger interrelation with income and social insurance policies. However, many young people, employed for the first time, are facing the problem of low income resulting in in-work poverty. Simultaneously, it's evident that social insurance regulations in terms of civil law contracts are oriented not only on youth social security, but also tend to provide higher income for social insurance system in Poland in era of aging society.

Another important factor is the need of Agricultural Social Insurance Fund (KRUS) reform in order to reduce the grey zone employment among young people from rural areas. In this sphere social insurance reforms shall be interrelated with adequate employment measures.

It remains an open question whether child benefits under Programme 500+ will influence on women activity in the labour market and reduce in-work poverty among young parents.



### **The coordination of youth employment policies; educational policies; universal labour market policies; social policies.**

Coordination of employment, educational, social and youth policies is based on institutional arrangements on national and regional level. Thematic working groups have been established on the ministerial level in order to on—going monitoring of policies implementation. Moreover, the Ministry of Development is responsible for permanent and comprehensive monitoring of national strategies implementation, including sectoral strategies.

Another important aspect of policies coordination are the sources of funding. While there is a high share of European funds' investments in ALMP, educational reforms or social integration policy, all those actions need to be carefully coordinated in order to provide synergy effect.

There are also legal solutions supporting the policy coordination e.g.:

- The Act on employment promotion and labour market institutions introduced the programs on professional activation and social inclusion that are implemented by Poviats Labour Offices in cooperation with Municipal Social Welfare centers. Common programs are oriented on long-term unemployed with low skills who receive social benefits.
- Regional Labour Market Councils prepare opinions on new fields of study in vocational schools.

### **Towards the synergy to improve employment and social inclusion of young people**

The shape of youth employment policies or social policies is related to educational policies. Educational policies have the enormous potential to influence on young people lives – their skills, qualification, competences, self-responsibility and even professional attitude. The role of early educational and career advisory is crucial in sphere of youth educational and professional choices. It's often said that youth employment policy is mostly reactive to existing problems of young people entering the labour market, while educational policies shall be preventive and provide young people with skills and knowledge that will facilitate their career start.

### **Major changes, reforms or policy innovations**

The major changes in terms of youth policy concern the job quality and minimal income. The youth are more often offered the temporary or civil law contracts. Therefore Polish government implemented the law with minimal hourly rate for work and included civil law contracts into social insurance. Moreover, support for youth is based on in-depth diagnosis effects that are transformed into individualized and complex support paths. However, researches indicates that employment policy shall be stronger supported by social inclusion measures and additional support for families among youth from



disadvantages groups. Furthermore, the long term trend in policy innovations can be observed – new measures or employment paths are primary tested as pilot projects.



## Estimation of effectiveness of policy measures

### **The dominant causes of youth unemployment and social exclusion**

The dominant causes of young unemployment are:

- the weaknesses of educational system including theory orientation and limited internships and in-job trainings,
- insufficient system of school educational and career counselling,
- structural problems of local labour markets especially situated in peripheral or mostly rural areas,
- limited access to nurseries and kindergartens,
- economic development with less than proportional job creation.

Another important factors are youth attitude to work, financial expectations and the influence of the family, friends or neighbourhood. Environmental factors are especially important for youth from disadvantage areas or risk groups family, where the inherited unemployment or economic inactivity are observed.

### **Individual and structural causes of youth unemployment**

Both individual and structural factors influence on youth unemployment. In Poland structural causes are perceived as a dominant difficulties. Nevertheless there are specific groups, e.g. youth from socially disadvantaged families, where individual causes, as attitude and values, clearly determine the unemployment or economic inactivity. Individual factors are becoming more important among young people from the NEET's group, especially when NEETs are the main target group of youth-oriented labour market policy. Those trends shall result in significant reorientation of PES actions while accessible employment tools and incentives identified in Act of employment promotion are not effective enough to support changes in attitudes or values.

### **Adequacy of ALMP intervention**

Polish employment and educational policy address the main structural causes of youth unemployment. However, structural factors result in the need of providing long term incentives and implementing innovative measures adequate to dynamic changes in the labour market. It's often said that educational cycle is much longer than accessible forecasts of labour market skills demand. As a result, employment policy provides incentives that are mostly reactive to the mismatch between schooling and employers expectations.



Risk groups among young people have been significantly reshaped during last years. Nowadays most employment and social inclusion incentives are oriented on specific groups of young people e.g. NEETs, young with disabilities, young parents. Nevertheless, there are several groups that shall be offered more comprehensive support combining education and employment incentives with social inclusion support and advisory or assistance to the families.

Youth labour market policies provide multiple measures that are adequately designed. However, the main challenge of labour market policies is changing nowadays. It's becoming more important to provide a specialist and interdisciplinary support for youth from disadvantage groups, including instruments oriented on psychological and motivational support, advisory or assistance to the whole family in order to influence on the environment and provide long-lasting improvement. The cooperation with employers is another important aspect of labour market policy, that needs in-depth analysis, testing new tools and types of cooperation.

### **Approach to active involvement of the youth into designing policies**

The long term trends in designing youth employment policy confirm indirect youth involvement into decision making processes. Public consultations of legal acts or programmes are oriented on organizations from different sectors supporting young people in the labour market. Direct consultation with youth are limited or conducted as the researches among projects (e.g. pilot projects) participants or different qualitative and quantitative researches on youth labour market situation.

### **Strengths and weaknesses in approach to tackling youth employment**

Supporting youth responsibility and their active participation into implementation of employment path shall be considered as major strength of contemporary youth policy. Those actions include the system of vouchers or self-employment loans. Simultaneously, the main weaknesses are: limited access to nurseries influencing on women inactivity and ineffective system of early support for unemployed or inactive families that are dependent on the social benefits system.

### **Lessons learned**

Researches and evaluations confirmed that the support system based on youth self-responsibility is more effective, e.g. businesses created on the basis of loans are more stable than those established on the basis of donations.

Young people expect to receive the tailored support in a very short time connected with direct information on long term advantages, benefits and motivational support . It' s a challenge of generation changes and short term perspective - youth more likely to stop participating in incentives if they can achieve higher benefits from another temporary activity.

Effective support for risk and disadvantaged groups shall include the additional support for families/environment in order to reduce external demotivating factors. Such



possibilities are accessible under social inclusion policy, but their use in terms of employment policy is rather limited in Poland. While youth policy is being reoriented onto risk groups support it's more important to connect the employment and social inclusion instruments.

The biggest challenges in Polish youth employment and social inclusion policies are the reduction of grey-area employment and the phenomenon of youth economic inactivity connected with extensive use of social transfers or/and inherited unemployment.

### **Recommendations**

Polish youth employment policy shall be focused on tailoring support into individual needs of young people and enhancing youth self-reliance. While the youth unemployment rate is becoming lower, the internal structure of unemployed shows that youth representing disadvantage groups remain unemployed much longer. Tackling with multiple problems of youth from disadvantage groups need to be supported by additional measures oriented on social inclusion. Moreover, it is becoming more important to effectively support inactive youth in order to change their attitude and encourage them to enter the labour market.

International cooperation provides information on best practices, effective employment and social inclusion incentives, innovative tools and attitude to social problems. Most of foreign solutions cannot be directly implemented, but need to be tailored to national or regional needs.



## Appendix - Main data sources

The reports could profit from available data and surveys. Some sources of information are:

- Legal acts

Strategia Rozwoju Kapitału Ludzkiego 2020, Monitor Polski 2013 poz. 640.

Ustawa z dnia 20 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy, with further changes, Dziennik Ustaw 2016, poz. 645, 691

Ustawa z 24 lipca 2015 r. o Radzie Dialogu Społecznego i innych instytucjach dialogu społecznego. Dziennik Ustaw 2015 poz. 1240.

- Data from reports of ministries/agencies;

Analiza rozwiązań wprowadzonych ustawą z dnia 14.03.2014 o zmianie Ustawy o promocji zatrudnienia i instytucjach rynku pracy, MRPiPS, Warszawa 2016

Jakość życia w Polsce, edukacja 2015, GUS, Warszawa 2016

Krajowy Plan Działań na rzecz Zatrudnienia na 2005 rok, Ministerstwo Gospodarki i Pracy, Warszawa 2004

Krajowy Plan Działań na rzecz Zatrudnienia na lata 2015 – 2017, Załącznik do uchwały Rady Ministrów nr 28/2015 z dnia 10.03.2015

Program „Młodzi na rynku pracy”. Działania na rzecz zmniejszenia bezrobocia młodzieży, MPiPS, Warszawa 2012

Sprawozdanie roczne z realizacji zadań Krajowego Planu Działań na rzecz Zatrudnienia na 2005 rok, MPiPS, Warszawa 2006

Sprawozdanie roczne z realizacji Krajowego Planu Działań na rzecz Zatrudnienia na lata 2015 – 2017, MRPiPS, Warszawa 2016

Sprawozdanie MPiPS-01 o rynku pracy za rok 2015; MRPiPS, Warszawa 2016

Sytuacja na rynku pracy osób młodych w roku 2009, MPiPS, Warszawa 2010

Sytuacja na rynku pracy osób młodych w roku 2010, MPiPS, Warszawa 2011

Sytuacja na rynku pracy osób młodych w roku 2011, MPiPS, Warszawa 2012

Sytuacja na rynku pracy osób młodych w roku 2012, MPiPS, Warszawa 2013

Sytuacja na rynku pracy osób młodych w roku 2013, MPiPS, Warszawa 2014

Sytuacja na rynku pracy osób młodych w roku 2014, MPiPS, Warszawa 2015

Terytorialne zróżnicowanie bezrobocia w Polsce w 2015 roku, MRPiPS, Warszawa 2016

Terytorialne zróżnicowanie bezrobocia w Polsce w 2010 roku, MPiPS, Warszawa 2011



Warunki życia rodzin w Polsce, GUS, Warszawa 2014

- Eurostat labour market policies statistics;  
<http://ec.europa.eu/eurostat/data/database>
- OECD statistics and reports

OECD Indicators of Employment Protection,

<http://www.oecd.org/els/emp/oecdindicatorsofemploymentprotection.htm>

Education at a Glance 2016: OECD Indicators, Poland, [http://www.oecd-ilibrary.org/education/education-at-a-glance-2016/poland\\_eag-2016-74-en](http://www.oecd-ilibrary.org/education/education-at-a-glance-2016/poland_eag-2016-74-en)

Carcillo, S. et al, "NEET Youth in the Aftermath of the Crisis: Challenges and Policies", OECD Social, Employment and Migration Working Papers, No. 164, OECD Publishing, Paris 2015

- Youth Guarantee Implementation plans;

The Youth Guarantee Implementation Plan in Poland, MPiPS, Warszawa 2014

Zaktualizowany Plan realizacji Gwarancji dla młodzieży w Polsce, MPiPS, MliR, Warszawa 2015

- Available academic research

M.Jelonek, Students – the future force of Polish economy, PARP, Warsaw 2011

M.Jelonek, Młodzi na rynku pracy – polityka publiczna wobec wyzwań związanych z poprawą sytuacji zawodowej osób młodych, PARP, Warszawa 2015

- EXCEPT dropbox

WP2 macrodata – separate report for each EU member state;  
<https://www.dropbox.com/sh/ipmoa9ymoviurve/AADT23reLin2reOZhqYOG4ala?dl=0>

Data on LMP participants and expenditure

<https://www.dropbox.com/s/9l0mwb5nu1j9joq/LMP%20Active%20measures%20Participant%26Expenditure.xlsx?dl=0>

Comparative Eurostat data on important statistical indicators and sub indicators:

<https://www.dropbox.com/sh/sj4rwxnkco9bm1z/AADLpPy774nM5klyfr0NZP2Ga?dl=0>

- statistical data and evaluation surveys, position papers of different stakeholders, etc.

A. Kowalczyk, T.Kaczor, Raport z badania programu „Pierwszy biznes - Wsparcie w starcie“, Bank Gospodarstwa Krajowego, Warszawa 2016

Badanie efektów wsparcia zrealizowanego na rzecz osób młodych w ramach Programu Operacyjnego Wiedza Edukacja Rozwój, I raport tematyczny, IBS, Warszawa 2015



Badanie efektów wsparcia zrealizowanego na rzecz osób młodych w ramach Programu Operacyjnego Wiedza Edukacja Rozwój, I raport wskaźnikowy, IBS, Warszawa 2016

Badanie ewaluacyjne projektu pilotażowego „Twoja kariera – Twój wybór”, Raport końcowy, WYG PSD Sp. Z o.o., Warszawa 2014

SL2014 reports, accessed 06.10.2016

M. Kiełkowska (red.) Rynek pracy wobec zmian demograficznych, Instytut Obywatelski, Warszawa 2013

A. Kowalczyk, T.Kaczor , Główne wyniki badania pilotażowego etapu programu „Pierwszy biznes - wsparcie w starcie“, Bank Gospodarstwa Krajowego, Warszawa 2015

Malopolska Youth Partnership Protocols, Voivodship Labour Office in Krakow, Kraków 2016

Ocena stopnia realizacji celu głównego i celów szczegółowych PO KL oraz wpływu środków EFS na osiągnięte rezultaty w ramach poszczególnych obszarów interwencji Programu, MIR, Warszawa 2015

M. Pańkow, Młodzi na rynku pracy. Raport z nadania, ISP, Warszawa 2012

Podstawowe informacje o rozwoju demograficznym Polski do 2012 roku, GUS, Warszawa 2013

Undeclared work in an enlarged union, Publisher EC 2014, Bruksela

Związki zawodowe i prawa pracownicze, BS/52/2102, Centrum Badania Opinii Społecznej (CBOS), 2012