

**MUTUAL LEARNING PROGRAMME:
PEER COUNTRY COMMENTS PAPER - POLAND**

**ROUGH TIMES
Solving the Youth Employment Puzzle**

Peer Review on “Project Learning for Young Adults: A social integration programme helping young people back into work and education”

Slovenia, 2 – 3 November 2009

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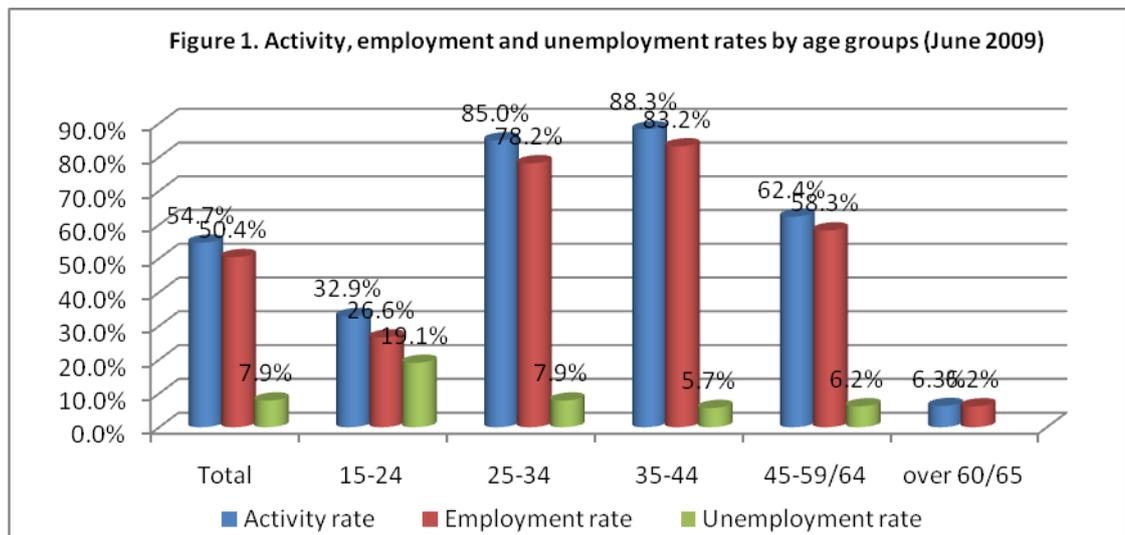
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1 LABOUR MARKET SITUATION IN THE PEER COUNTRY

This paper has been prepared for a Peer Review within the framework of the Mutual Learning Programme. It provides information on Poland's comments on the policy example of the Host Country for the Peer Review. For information on the policy example, please refer to the Host Country Discussion Paper.

A low economic activity level has been a significant problem of the Polish labour market for some years. Economic activity rates of people aged over 15 years have slowly been growing – from 53.9% in the second quarter 2008 to 54.7% in the second quarter of 2009. The high level of economic inactivity among this age group is partly caused by young people staying on longer in education (this was the reason for inactivity among over 23% of the total economically inactive population in the second quarter of 2009). In the second quarter of 2009, activity rates among the 15 – 24 year old age group amounted to 32.9%, compared to 32.2% in the previous year. The dynamics of growth in the employment rate were lower, although employment rates are still increasing among this group: from 21.1% in 2004 to 25.8% in 2007, and 26.6% in the second quarter of 2009.

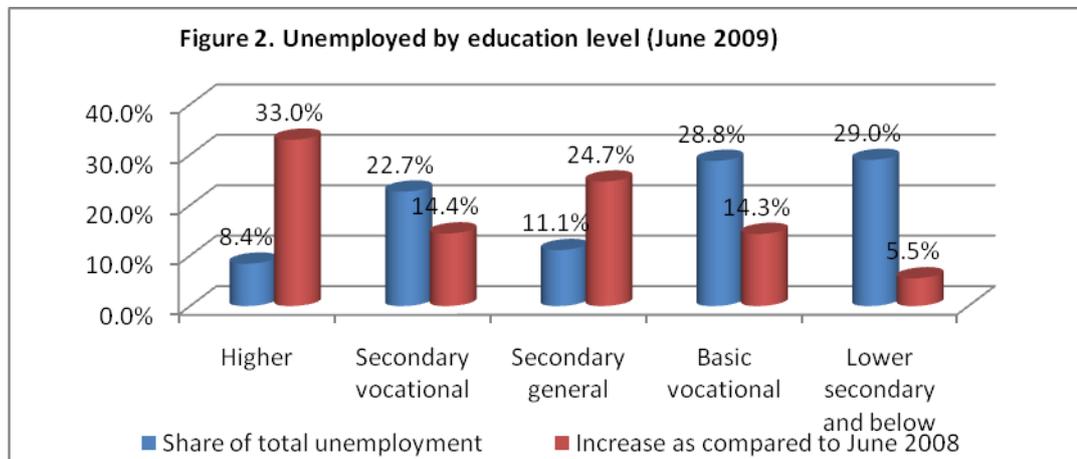


Source: *Labour market in Poland in the first half of 2009, Ministry of Labour and Social Policy, Warsaw, 30.09.2009*

According to preliminary estimates, the registered unemployment rate in September 2009 was 11.0%, an increase of 0.2 percentage points compared to the previous month. Information communicated by labour offices to the Ministry of Labour and Social Policy indicate that the growth in the number of unemployed persons in September 2009 was also caused by the increased registration of this year's graduates from post lower secondary schools. This caused an increase in the number of unemployed graduates by 20.7% compared with the previous month, while the general number of unemployed persons declined by 2.0%.

Since Polish accession to the EU, the unemployment rate among persons aged 15–24 declined from 42% in the beginning of 2004 to 24% in the middle of 2007, and decreased below 20% in 2008. In June 2009, the registered unemployment rate among this group amounted to 19.1%. By the end of June 2009, the number of young unemployed people aged 18–24 increased by 29.3%, whereas the growth in the number of unemployed in the

remaining age groups amounted to 5.5% in the 60 years old and above age group and 18.7% among 25 –34 year olds. As with the whole Polish labour market, there is a significant level of regional diversity regarding unemployment levels among young people. By the end of August 2009 the difference between the lowest and the highest unemployment rate in the provinces amounted to 10.1%.



Source: *Labour market in Poland in the first half of 2009*, Ministry of Labour and Social Policy, Warszawa, 30.09.2009

There is also a clear differentiation in unemployment levels by level of education – with significant shifts in recent months (Figure 2). Whereas individuals with the lowest education level are most significantly affected by unemployment, there has recently been an important increase in unemployment levels among those with higher levels of education. By the end of 2003, 4.4% of persons with higher education were unemployed. This share had increased to 8.4% by the end of June 2009. In comparison with the same period in 2008, the growth in the number of unemployed persons with higher education amounted to 33.0% and was the highest in comparison with the remaining age groups with respect to education. Although the number of young people with higher educational qualifications registering as unemployed has increased, the period they remain on the register is relatively short compared with those with low educational attainment who are significantly more likely to become long-term unemployed.

2 ASSESSMENT OF THE POLICY MEASURE

The policy measure presented by the host county differs from the approaches applied to this target group in Poland, notably by the institutional framework adopted, the scale of the problem and the measures implemented.

Some of Poland's general active labour market policy measures also cover the target group in question. The *Act on the promotion of employment and labour market institutions* specifies groups of people recognised as disadvantaged at whom certain activating actions should be targeted. From the point of view of the host country policy measure the categories include: unemployed persons up to 25 years old (21.6% of the total number of unemployed), long-term unemployed (42.6%), individuals without vocational qualifications (28.1%), persons without vocational experience (26.8%), and without secondary education (57.8%)¹. Active labour market policies implemented by labour offices for similar groups of

¹ These categories are not cumulative, thus a person can be qualified to several groups at the same time, thus being under 25 years of age, long-term unemployed and with no vocational qualifications.

clients also include internships (for young unemployed persons up to 25 years old) and vocational preparation in the place of work (among many, for long-term unemployed and unemployed individuals without vocational qualifications). During an internship, the unemployed person acquires practical skills to perform work through carrying out tasks in the place of work, without entering into employment relationships with the employer. Vocational preparation in the workplace facilitates the acquisition of new qualifications or vocational skills through practical performance of vocational tasks in the workplace.

In the institutional solutions implemented in Poland there is a special institution, the Voluntary Work Corps (Ochotnicze Hufce Pracy – OHP), which carries out state appointed tasks generally for all young people over 15 years, but specifically for those who become unemployed under 25 years of age, within the framework of employment and counteracting the marginalisation and social exclusion of young people, among other things, through education. The main goal of OHP is the creation of conditions for young people for the improvement of their social and vocational development through active support systems for the weakest groups; and the provision of support to help young people come out of poverty and unemployment and to overcome other social problems. A certain number of socially excluded groups is not specifically covered by these measures (such as Roma people, people with disabilities and recipients of social welfare payments, who are target groups in measures implemented by other bodies) but are not excluded from participation in certain projects.

In their statutory actions (financed from the state budget) OHP mainly deal with young people with a background of long-term unemployment and other social problems in their family and resulting problems in the education system, including early school leavers. OHP provide basic labour market services: employment agency, organisation of training, vocational guidance and information through Youth Labour Offices, Labour Clubs (which provide workshops on the methods of searching for work and give individual guidance), Mobile Vocational Information Centres, Youth Career Centres, Vocational Training Centres. The 49 Mobile Vocational guidance Centres deserve special attention, as their councillors reach these young persons with specific needs and organise sessions in schools or local cultural centres in small towns. There, every young person can access guidance free of charge.

About 32,000 young people make use of regular forms of support each year. Similar to the Slovenian approach, the OHP teaching staff cooperate with specialist institutions and organisations from the local community dealing with youth issues; among others, with the police, psychological and pedagogical guidance centres, guidance services for those suffering from addictions etc. However, there is a lack of close cooperation with district labour offices, which have other objectives and are not aimed at integration work with young people.

In contrast to the actions of district labour offices, OHP aims at more individual forms of support for young people. In contrast to the Slovenian approach, most of the support does not take the form of school education. Integration through work and not a return to the education system are the goal. It is difficult to encourage a return to education among people who have problems with attending classes because it is considered likely that they will drop out of the system. Therefore, within the framework of statutory funds, young people are trained in 62 occupations (during a period of 24 – 36 months, finishing with an exam) or learn to perform specific work tasks (up to 22 months, finishing with an exam) in form of blended-learning, but with stronger emphasis on practical learning than theoretical knowledge. Both the education and exams are free of charge.

Apart from stable forms of support financed from statutory resources, OHP implements projects that are co-financed by the ESF. Each of these projects has a defined path of support, according to which a young person participates in a chain of actions: psychological

and reintegration classes, analysis of vocational predispositions, workshops on searching for work, ABC of entrepreneurship, and for the remaining – language, computer and vocational training related to local labour market requirements.

The „Your Knowledge – Your Success” project ran between 2004–2007 and is the closest to the Slovenian example. Its most important goal was the social and vocational activation of youth at risk of social exclusion through their return to the educational system, acquiring occupational skills and becoming independent. In total, almost 20,000 young people participated in the programme. The participants, aged 15 – 24, from families and environments experiencing significant degrees of social exclusion, including poverty and long-term unemployment and poor educational records, received support in the form of psychological and therapeutic training (aimed at supporting young people in combating individual personality problems, barriers to developing interpersonal contacts and low self-esteem); educational workshops (facilitating the identification of vocational preferences from the perspective of the choice of school, planning the development of vocational career and planning an individual path of continuing education); entrepreneurial workshops (aimed at encouraging entrepreneurial behaviour and providing essential knowledge on starting economic activity); workshops on active search for work, computer courses, and vocational training, which allow them to acquire new vocational qualifications relevant to local labour markets.

Another similar project, which took place between January 2007 and February 2008, was „18–24 – Time for Independence”. The participants were a group of 3,000 young people aged 18–24 from poor environments, facing difficult family situations or not continuing secondary or higher education because of their difficult family circumstances. The project was implemented in 100 organisational units of OHP. The project aimed at facilitating entry into the labour market through the participation in vocational training, English language courses, professional computer courses (European Computer Driving Licence standard), entrepreneurship ABC, lectures on basic elements of law with particular focus on the labour law, or even driving licence courses. All the participants of the project also took part in training, workshops and psychological consultation, and workshops on active job search.

3 ASSESSMENT OF THE SUCCESS FACTORS AND TRANSFERABILITY

Generally, in Poland projects concerning the issues presented in the case of Slovenia are organised, both, by labour market institutions, like OHP, and by a number of NGOs, and educational and training institutions, which have various sources of financing (central and local government resources, European funds including ESF). This causes problems with the organisation and coordination of actions at national level. Similar tools and solutions can be suggested in the same region for the same target group, and can pursue similar objectives, thus not assuring the best use of funds. This way of organising and funding measures can also make it difficult to provide adequate levels of support taking account of the different labour market profiles and size of the target group in different regions, as these beneficiaries generally suffer from low mobility.

In addition, there are problems in including new institutionalised forms of support in domestic policy, which results from the complexity of the legislative and decision-making processes. Institutions financed from budgetary resources often have a short planning horizon, usually finishing in a given calendar year. Institutions like the OHP would have much greater problems with the realisation of longer projects, similar to the Slovenian case – particularly those realised within the school, and not the calendar year, because of the necessity to close accounts each year. From the financial perspective it is far easier to suggest such solutions in the form of a project, especially within the framework of projects co-financed by the ESF, which can last even for several years. With additional funding,

OHP and other training and supporting institutions can prepare measures, which are better targeted towards specific problems or groups in need of support rather than generalised approaches.

The serious problem for recipients of ESF funding is the bureaucratic burden at central and regional level. Despite many declarations of the simplification of the rules of financing ESF projects the administrative barrier is strong, and may be increasing. Smaller institutions and organisations, NGOs particularly, experience great difficulties in that respect. The problem with project financing is also low sustainability of the effects of projects, which – usually – ends with financing. Thus, providing stable sources of financing for youth support is a challenge. The best solution would be to get the additional financing, like ESF funds, for the preparation of training programmes, mentors and testing this methodology in practice and – if successful - supporting a stable financing from central or local governments' resources.

The well established institutional network in Poland should facilitate the transfer of good practice from the Slovenian example. The more mass programmes (and such programmes are necessary in Polish conditions because of the scale of the problem), the more difficult to reach lasting results if there is no developed structure at regional level. The existing institutions are well established, both, legally and as far as the experience in conducting these forms of support is concerned. Most of the supporting institutions have expanded structures, training backup and sufficient employment for the realisation of big reintegration projects in all the regions of the country. Moreover, the existing networks of cooperation with other reintegration and training institutions are strong. It would be good to improve cooperation among labour market institutions, especially with district labour offices. The weak side of existing institutions is their extended, hierarchical structure, and thus, limited flexibility and susceptibility to changes and new solutions.

Another success factor not mentioned is the content of training related to the changing requirements of the labour market. A regular review of the curriculum offered by training courses and matching it to labour market demand for new qualifications and new occupations is an essential factor, especially in the service industry. In the OHP projects presented, great emphasis is put on the analysis of labour market trends with respect to new vocations and adjustments of the content of education.

4 QUESTIONS

- Is the training curriculum of the activities presented available?
- How many people are included in the programme?
- Is the graduate's employment path monitored after finishing the programme?
- What is the real degree of the individual approach towards trainees in the programme? What is the relation of psychological support and work with vocational counsellor?
- How much time is devoted to individual support in comparison to group activities?
- What is the territorial structure of the supporting institutions?
- Is the training content adjusted to the requirements of the modern labour market?
- Are there any special training programmes for the mentors? How are they financed and organized?

ANNEX 1: SUMMARY TABLE

Labour market situation in the Peer Country
<ul style="list-style-type: none"> • Large scale problem: low activity rate and high unemployment of youth in Poland • Highest dynamics of unemployment rate of youth • Growing unemployment among not only low educated young people but also graduates
Assessment of the policy measure
<ul style="list-style-type: none"> • General policy measures supporting youth employment • Similarities and differences of both budgetary and project actions • Examples of similar projects undertaken in Poland
Assessment of success factors and transferability
<ul style="list-style-type: none"> • Problem of coordination of actions at national level • Problems with sustainability of financing • Well established institutional framework for reintegration projects • Content of training in line with labour market needs
Questions
<ul style="list-style-type: none"> • Is the training curriculum of the activities presented available? • How many people are included in the programme? • Is the graduate's employment path monitored after finishing the programme? • How much time is devoted to individual support in comparison to group activities? • Is the content of training adjusted to the requirements of the modern labour market?