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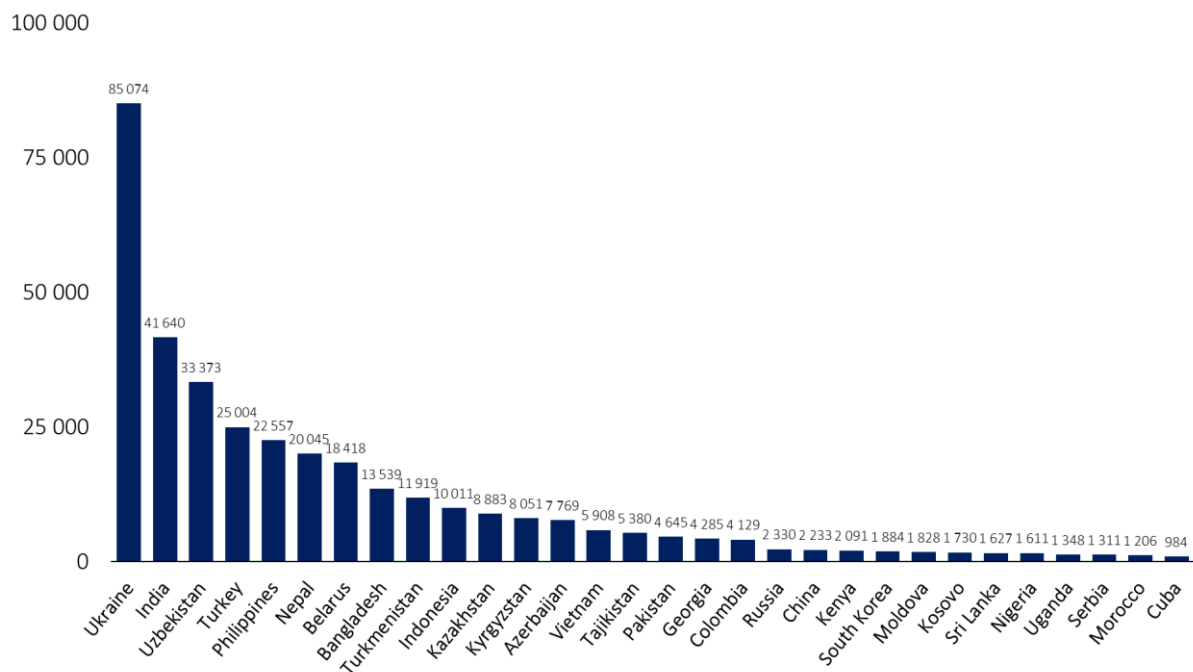
Poland Willingly Welcomes Foreign Workers

The increasing demand for labor and the ongoing process of society's aging mean that Polish entrepreneurs are more willing to employ foreigners. The Polish authorities are keen to bring in economic immigrants. It is therefore absurd how the Polish government behaves: while they themselves approve the admission of a multitude of workers from outside of the EU, they enter another pointless dispute with Brussels, rejecting the proposal of a solidarity mechanism in the field of migration.

In 2022, the provincial governors (voivodes) issued 365,490 work permits in Poland to foreigners from 140 countries, according to data from the Ministry of Family and Social Policy¹. With the consent of Polish government's representatives, the most work permits were granted to citizens of Ukraine (85,074 permits, that is 23.3% of the total). In second place were citizens of India (41,640 permits, that is 11.4%), and in third place, citizens of Uzbekistan (33,373 permits, that is 9.1%).

¹Zezwolenia na pracę cudzoziemców, <https://psz.praca.gov.pl/web/urzed-pracy/-/8180075-zezwolenia-na-prace-cudzoziemcow>.

Chart 1. Number of work permits for foreigners issued in 2022 by nationality (30 countries whose citizens most frequently received work permits in Poland)



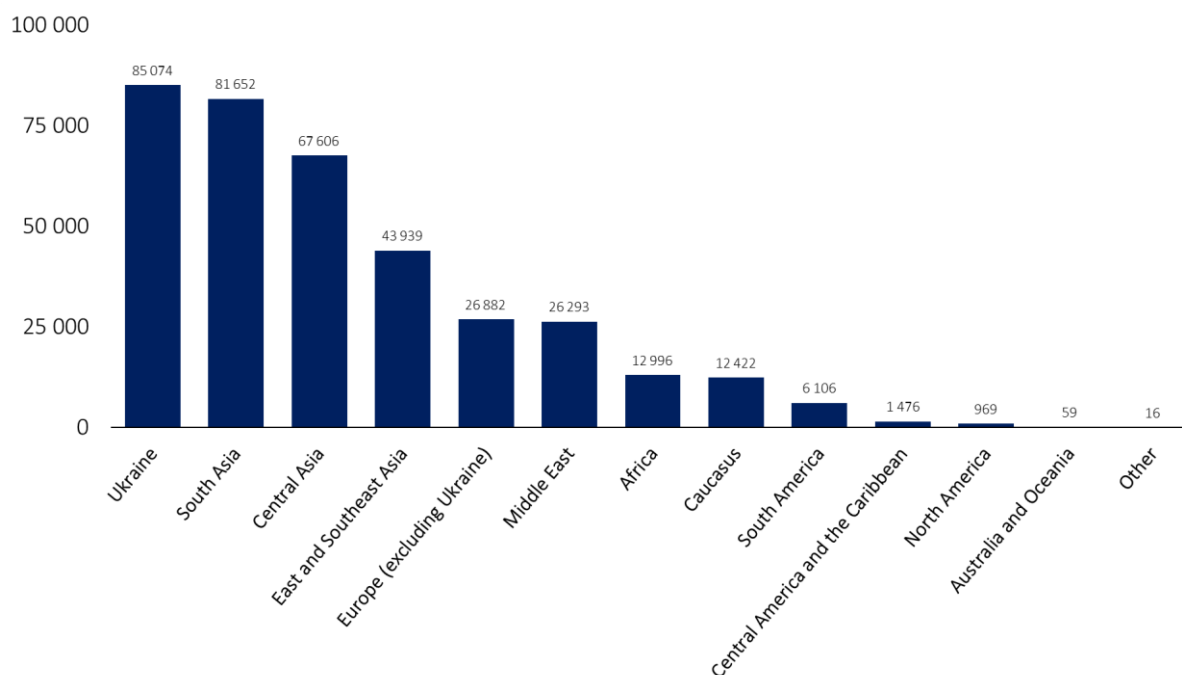
Source: Own study based on data from the Ministry of Family and Social Policy:

<https://psz.praca.gov.pl/web/urzed-pracy/-/8180075-zezwolenia-na-prace-cudzoziemcow>

In 2022, besides Ukrainians, work permits in Poland were most often granted to citizens of:

- South Asia (mainly: India, Nepal, Bangladesh),
- Central Asia (mainly: Uzbekistan, Turkmenistan),
- East and Southeast Asia (mainly: Philippines, Indonesia, Vietnam),
- Middle East (mainly: Turkey).

Chart 2. Number of work permits for foreigners issued in 2022 by world regions



Source: Own study based on data from the Ministry of Family and Social Policy:

<https://psz.praca.gov.pl/web/urzed-pracy/-/8180075-zezwolenia-na-prace-cudzoziemcow>

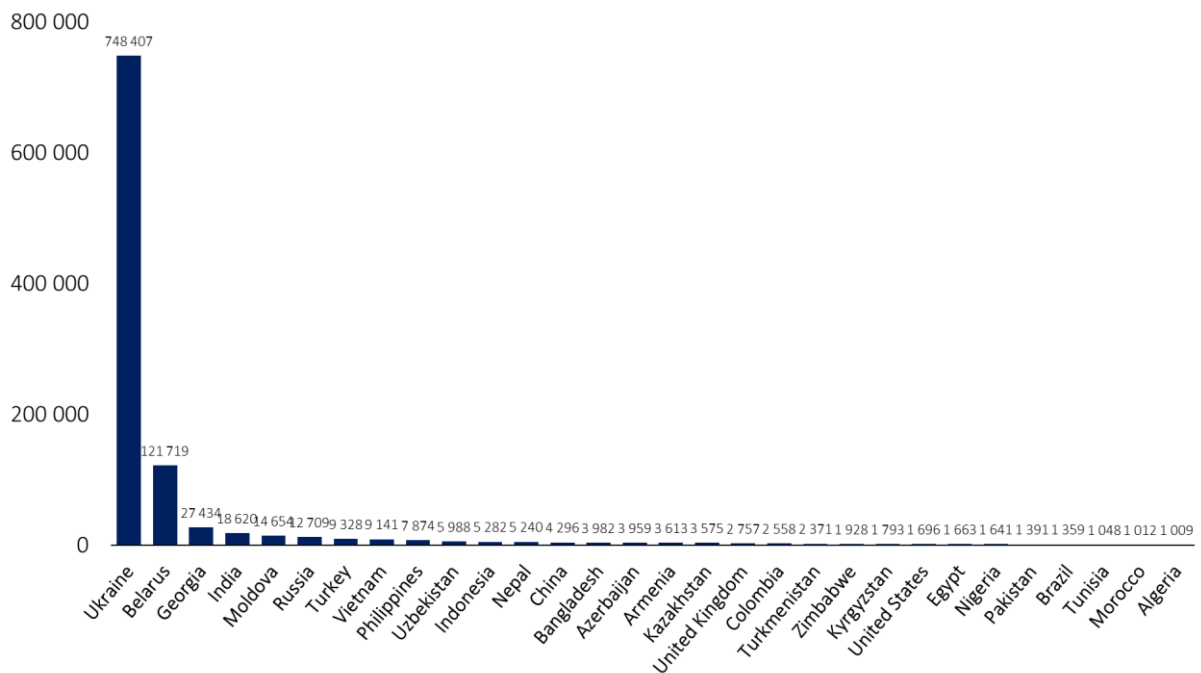
Granting a foreigner a work permit in Poland does not explicitly mean that he will take up employment in our country. It is the first step enabling the submission of a visa application and coming to Poland for work. Nevertheless, the sheer scale of work permits for foreigners approved by the provincial governors (voivodes) testifies to both a high demand for foreign workers and the government's approval to employ people from outside of the EU.

The scale of foreign employment in Poland is presented by the Social Insurance Institution's (ZUS) data. At the end of the first half of 2023, the number of foreigners who were subject to pension and disability insurance amounted to 1,094,148 people, of which 68.4% were Ukrainian citizens². This data is consistent with the information that Deputy Minister of the Interior and Administration Maciej Wąsik provided during a Sejm session on July 12, 2023. He informed that there are currently about a million foreigners employed in Poland, and *only 2.5 percent come from countries with a high migration*

²Ubezpieczenia emerytalne i rentowe – II kwartał, Zakład Ubezpieczeń Społecznych, <https://psz.zus.pl/kategorie/ubezpieczeni/ubezpieczenia-emerytalne-i-rentowe>.

risk.³ In this indirect way, Minister Wąsik admitted that so far, Poland has accepted about 25,000 workers from high migration risk countries.

Chart 3. Number of non-EU foreigners registered for pension and disability insurance in the first half of 2023 (30 countries whose citizens were most frequently insured in ZUS)



Source: Own study based on data from the Social Insurance Institution (ZUS):
<https://psz.zus.pl/kategorie/ubezpieczeni/ubezpieczenia-emerytalne-i-rentowe>

The largest group of workers in our country are Ukrainian citizens. However, Russia's attack on our eastern neighbor has changed the structure and nature of migration. Before the Russian aggression, the workers from Ukraine were mainly men, who most often found employment in the manufacturing and construction industries and as drivers. Currently, the majority of workers from Ukraine are women, who most often work in industrial processing and administrative services. The decrease in the number of men from Ukraine coming to our country to work has led to a growing number of workers

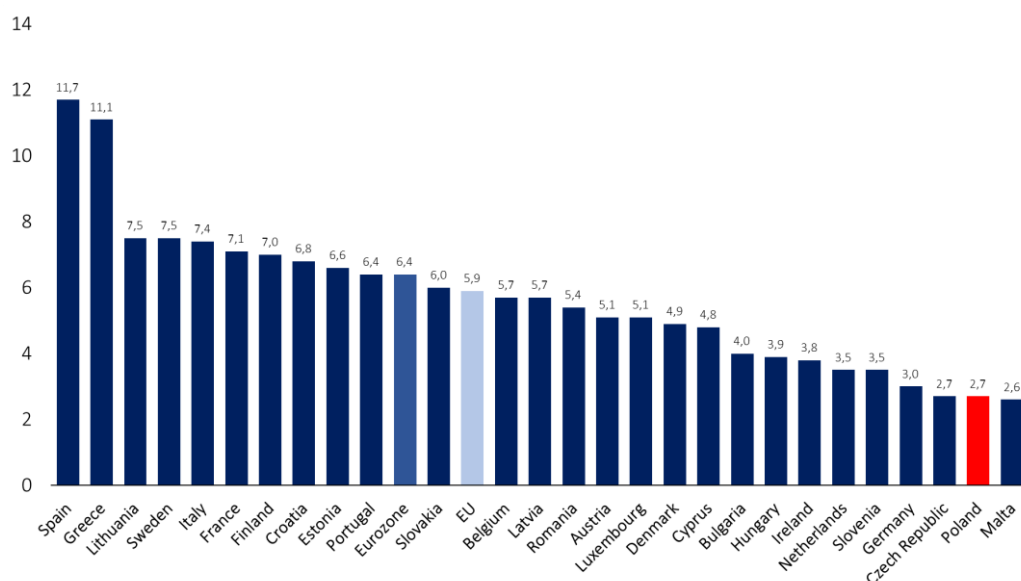
³ Statements during the Sejm sessions. Meeting No. 79 on July 12, 2023 (2nd day), <https://www.sejm.gov.pl/Sejm9.nsf/wypowiedz.xsp?posiedzenie=79&dzien=2&wyp=49&view=5>.

from the near and far east, including from Belarus, Georgia, India, Turkey, the Philippines, and Uzbekistan⁴.

Polish employers are increasingly hiring foreign workers due to the depleting domestic labor force. According to a 2021 study by the Ministry of Family and Social Policy, employing foreigners is caused mainly by the lack of Polish candidates for the offered job openings. As many as 78.4% of the 332 surveyed representatives of district labor offices shared this view⁵.

Additionally, Eurostat data indicates that in June 2023, the unemployment rate in Poland was one of the lowest in the EU. It stood at 2.7% in our country, with an EU average of 5.9%. Only Malta had a lower unemployment rate at 2.6%⁶. Such low unemployment rate means that Poland currently faces only frictional unemployment, which is caused by workers movement on the job market - some people change their current jobs, look for better employment, or move to another location. There is no surplus of labor supply.

Chart 4. Seasonally adjusted unemployment rate in June 2023 in EU countries (in %)



Source: Own study based on Eurostat data:

<https://ec.europa.eu/eurostat/documents/2995521/17270043/3-01082023-AP-EN.pdf>

⁴Barometr zawodów 2023. Raport podsumowujący badanie w Polsce, Wojewódzki Urząd Pracy w Krakowie, https://barometrzwadowod.pl/forecast-card-zip/2023/report_pl/raport_ogolnopolski_2023.pdf, p. 17, 21.

⁵Cudzoziemcy na polskim rynku pracy. Jest znacznie lepiej niż kilka lat temu, <https://www.gov.pl/web/rodzina/cudzoziemcy-na-polskim-ryнку-pracy-jest-znacznie-lepiej-niz-kilka-lat-temu>.

⁶June 2023. Euro area unemployment at 6.4%, <https://ec.europa.eu/eurostat/documents/2995521/17270043/3-01082023-AP-EN.pdf>.

There is also a large number of job vacancies on the Polish labor market. According to GUS data, in 2022, 38.8 thousand companies had 139.8 thousand unfilled job positions⁷. Compared to 2021, the number of job vacancies increased by 3.8 thousand. On the one hand, we are dealing with record-low unemployment, and on the other, with a significant number of unfilled job positions.

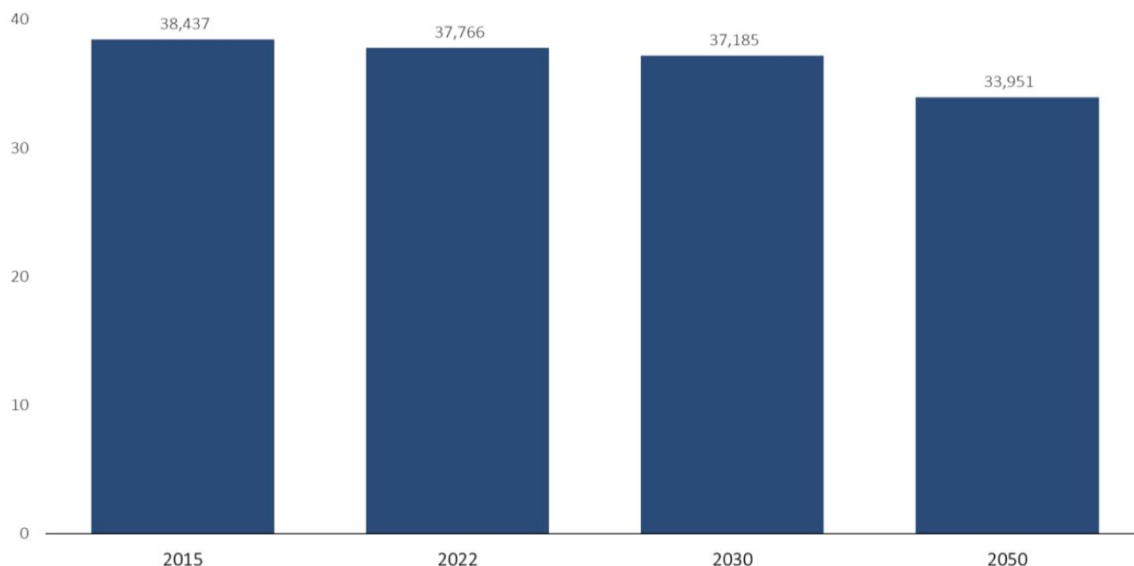
The need for employers to open to economic migrants is intensified by adverse demographic trends. Currently, Poland is experiencing a progressive process of population aging, leading to a reduction in the number of potential workers. In 2015, there were 6.25 million retirees in our country, accounting for 16.3% of the Polish population. In 2021, the number of retirees increased by nearly 850 thousand compared to 2015, reaching 7.10 million residents, or 18.7% of the Polish population⁸. The demographic burden ratio, which represents the number of post-productive age people (60/65 years +) per 100 productive age people, is also steadily increasing. In 2015, there were 31 retirees per 100 productive-age individuals, and this ratio increased to 39 in 2022⁹. These data indicate unfavorable demographic trends and the intensifying population aging. Additionally, in recent years, we have observed a rapidly progressing population decline. Between 2005 and 2022, the number of residents in our country decreased by nearly 671 thousand. Meanwhile, demographic forecasts are not optimistic. According to GUS predictions, between 2022 and 2030, the population will decrease by another 581 thousand, and by 2050 the population of Poland will shrink to about 34 million people, which is over 3.8 million less than in 2022.

⁷Popyt na pracę w 2022 r., Główny Urząd Statystyczny, <https://stat.gov.pl/obszary-tematyczne/rynek-pracy/popyt-na-prace/popyt-na-prace-w-2022-roku,1,18.html>, p. 26.

⁸Emerytury i renty w 2021 r., <https://stat.gov.pl/obszary-tematyczne/warunki-zycia/dochody-wydatki-i-warunki-zycia-ludnosci/emerytury-i-renty-w-2021-r-,32,13.html>.

⁹Ludność. Stan i struktura ludności oraz ruch naturalny w przekroju terytorialnym. Stan w dniu 31 grudnia, <https://stat.gov.pl/obszary-tematyczne/ludnosc/ludnosc/ludnosc-stand-i-struktura-ludnosci-oraz-ruch-naturalny-w-przekroju-terytorialnym-stand-w-dniu-31-grudnia,6,34.html>.

Chart 5. Population in 2015 and 2022, and GUS forecast for 2030 and 2050 (in millions)



Source: Own study based on data from the Central Statistical Office (GUS).

A significant problem is that Poland lacks a government document that comprehensively defines the principles of migration policy. An attempt to create such document was the development of "Poland's Migration Policy - Action Directions 2021-2022". However, in the fourth quarter of 2022, Mateusz Morawiecki's government decided not to adopt this document, leaving the issue of migration policy uncoordinated. Given the declining population of Poland and the ongoing aging of society, as well as an increased demand for workers and the experiences of Western European countries, it is expected that in the near future, more and more economic migrants will be coming to our country. Instead of fearing the influx of immigrants, which is already happening, what is needed is the development of a long-term migration policy that will allow foreigners to culturally adjust in Poland and enable employers to efficiently address personnel shortages.