# Policy brief on 25+ NEETs in Poland

**Evidence Institute Foundation** 

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IN THE FRAMEWORK OF THE PROJECT 'LOST MILLENNIALS – TRANSNATIONAL RESEARCH NETWORK FOR THE EVALUATION OF INITIATIVES TARGETING 25+ NEETS'

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#### Project summary:

The project 'Lost Millennials' focuses on a regularly neglected group of the generation of Millennials: young people aged 25-29 neither in employment or education and training (25+ NEETs). This generation started their working life shortly after the economic crisis of 2008, perceiving uncertainty and lack of security for work and well-being, they are more likely to be inactive or in precarious jobs. The main objective of the project is to contribute to the successful integration of 25+ NEETs to the labour market through increasing knowledge on the effects of employment initiatives on 25+ NEETs, building capacity of stakeholders to perform impact studies and thus improving the quality of labour market interventions. This objective will be achieved through the creation of the transnational research network which will share know-how and good practices, the evaluations of governmental and community-based initiatives targeting 25+ NEETs, as well as the engagement of stakeholders to increase the policy-relevance of project results.

For more information, please visit our <u>website</u>, contact us on <u>Im.leadpartner@hetfa.hu</u> and follow our social media (<u>Facebook</u>, <u>LinkedIn</u>).

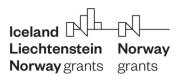
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#### Implemented by:



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# 1. Key Points

- In Poland, there is a lack of systemic activities and programs addressed exclusively to NEETs, as
  well as a lack of a comprehensive national strategy targeting this group. Most programs and
  initiatives covering NEETs were addressed to a wider group and were possible to implement
  thanks to European funds (ESF+, YEI) and national funds (Labour Fund). Most people from the
  NEETs group do not use the support of employment offices, which is why it is difficult to reach
  them. Labour market institutions do not have authority and tools that could support NEETs.
- **Being NEET affects young women more often than men**. The NEET rate for men aged 25-29 is twice as high as for women of the same age. In this age category, the gender gap is larger than in the 15-24 age group.
- Although the activities undertaken for NEETs are subject to evaluation, the quality of the evaluation studies is usually low and limited to simple descriptive statistics and presentation of the output indicators (e.g., number of participants). The long-term effect of the undertaken initiatives is rarely measured, which is due to the lack of data. Most analyses are conducted only ex-post. There is a need to provide transparent monitoring and reliable evaluation of programmes, which would allow to recognize effective initiatives and could constitute the basis for building effective programs for NEETs. Moreover, evaluations would enable to control the validity of expenditures.
- The catalogue of tools and activities of labour offices requires review and adaptation to the current situation and needs of the labour market. People with disabilities, mothers raising children, and socially excluded people require more attention. The currently low unemployment rate in Poland means that the scale of activities of labour offices is limited, at the same time these institutions do not have the opportunity to reach out to inactive populations. Actions should be taken to motivate young people and try to protect them against inactivity, professional and social exclusion.

# 2. Introduction

The NEET phenomenon has been one of the most serious social problems in recent years in the European Union (EU) Lack of professional activity and education among young people is a burden and a big loss both in the short and long term, both at the individual and societal levels (Pennoni & Bal-Domańska, 2022; Sobocz, 2022). Therefore, the NEET group is attracting more and more the attention of economists and politicians, and is increasingly becoming the centre of interest of the EU, which can be seen, among

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others, in fund allocation for activities aimed to support this group with particular emphasis on the social inclusion of young people.

In Poland, in 2022 the percentage of NEETs aged 15-29 was close to the average EU level (11.7%), which means a decrease by approximately 5 percentage points compared to 2012 (Eurostat, 2023). In the 25-29 age group, the rate for men has been decreasing since 2015, but began to increase again with the outbreak of the Covid-19 pandemic in 2020. In the case of women, a decline was also observed, but smaller, and an increase has been noticed since 2019. In both cases, however, the percentage of NEETs began to decline after the pandemic (Gasz & Politaj, 2022; Eurostat, 2023). The deterioration of the situation of young people on the labour market due to the pandemic occurred not only in Poland, but also in other EU countries (Mazurkiewicz, 2022; Subocz, 2022)

The NEET group is highly heterogeneous, which applies to applies both to the situation in Poland and most other EU countries, and there are various factors responsible for belonging to this group. The basic risk factor is inequality in access to education, which translates into a lower level of education and a more difficult situation on the labour market, difficult economic situation of families, coming from dysfunctional and pathological environments, low self-esteem, lack of motivation and determination in overcoming obstacles, but also socio-economic factors, such as: economic slowdown related to the crisis, promoting the tendency to live with parents for a long time.

The low unemployment rate suggests that most NEETs in Poland are economically inactive, i.e., not looking for employment, mainly due to caring responsibilities, family situations, poor health or disability. Some would like to return to the labour market, but due to various barriers, they cannot do so.

In this policy brief we 1) present the factors supporting membership in the NEETs group, 2) present the scope of activities for NEETs and their evaluation in Poland, and 3) recommend actions that could support the activation of NEETs.

# 3. A summary of the major policy challenges related to NEETs in Poland

#### 3.1 Characteristics of NEETS in Poland

Apart from the period of the Covid-19 pandemic, during which an increase in the percentage of NEETs was observed, the situation is generally improving - we are observing a downward trend in the percentage of NEETS in Poland (Eurostat, 2023). However, it should be noted that there are groups that are more vulnerable and likely to end up as NEET, which also find it more difficult to overcome unemployment or professional or training inactivity.

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As in other European countries, also in Poland the following are important: education - for people aged 15–29 with upper secondary and post-secondary non-tertiary education, their NEET rates were in general significantly higher than for the other levels of education. The lowest share was among those with tertiary education (Barszcz, 2019; Eurostat, 2023).

There is a higher percentage of NEETs in the 25-29 age group than in the 15-24 age group, which is partly related to the professional inactivity of women who decide to become mothers at this age. In general, women are more often exposed to professional and educational passivity, which may partially result from the traditional family model in which the woman is responsible for raising children. In Poland, the gender gap at the age of 15-29 is about 5 percentage points, but in the 25-29 age category it widens and is almost twice as large. The gender gap between the female and the male NEET rate, with the NEET rate among the female population higher than among the male population is, however, present also in other countries. While among women who are not working or studying, the main reason for not looking for a job was caring responsibilities, most often indicate poor health or disability as the BAEL data from 2018 indicate (BAEL, 2018; Somek, 2019).

Place of residence may also be a factor determining NEET membership. Most young people from the NEET group live in small towns and suburbs or rural areas. These people have less access to attractive jobs, day care for children or labour market institutions. They also have limited access to public transport, which reduces their mobility.

It is also worth paying attention to the economic context in Poland. A favourable situation from the perspective of young people on the labour market is a supply gap consisting in a shortage of workers. Therefore, employers have less opportunity to choose between candidates and this also leads to lower employment requirements and less motivation among young people to pursue education. Therefore, expectations regarding the job position and related benefits are high, while the lack of qualifications or experience are marginalized.

It is also worth emphasizing that the period of leaving the family home and the comfort it provides has been prolonged. It is a derivative of society becoming richer. Young people accustomed to good living conditions, which their parents are able to provide, are reluctant to put in effort for which they do not think they will be adequately rewarded. If their basic needs are met, they are not motivated to pursue employment.

In summary, young people being particularly endangered to becoming NEET in Poland include women, the disabled, those responsible for family and household duties, suffering from illnesses, and those living in economically disadvantaged regions. Some of these groups are targeted by intervention t programmes and initiatives.

### 3.2 Problems with reaching the NEETs

As mentioned, most young people who do not work and study in Poland are economically inactive, and most young people who do not work and study do not register in the labour offices, which is why it is extremely difficult to reach them. Actions taken by the state to counteract unemployment are implemented to a large extent by labour offices. They finance internships, courses, trainings, cover some of the costs associated with setting up a company. People from this group are not interested in the offers of these institutions and do not apply to them. The lack of interest in the offers of labour offices is not only due to passivity, but also to the lack of comprehensive support, e.g. it is impossible to participate in training or internship without providing child care. The support offered should be comprehensive. Employment offices do not have appropriate tools to reach NEETs, and their offer is not always available and tailored to their needs. Activities aimed at activating NEETs should go beyond labour market tools.

The results of the evaluation conducted by the Evidence Institute Foundation also indicate that the effectiveness of the activities undertaken, based on the example of trainings organized by public institutions and those independently selected and paid for, largely depends on the motivation of the individual. Participating in self-selected trainings that are consistent with the interests of the trainees increases their chances of having employment. Some training courses offered by employment offices are not adapted to the preferences of young people or the needs of the labour market.

#### 3.3 Programs, initiatives and evaluations

Although the Act on the Promotion of Employment and Labour Market Institutions of March 14, 2014, as well as other acts, specify aid instruments addressed specifically to people up to 30 years of age covering 25 NEETs, there is no national comprehensive strategy for NEETs in Poland aimed at mitigating professional and training inactivity. Most of the initiatives and activities were undertaken as part of the Youth Guarantee program.

Even though numerous projects aimed at NEETs were organized at the NUTS 2 (voivodeships) and NUTS 3 (poviat) levels, the analysis shows that in some cases, the scope or design of the program/initiative did not match the needs of NEETs and they do not reach them (Smoter, 2022a, 2022b; Sobocz, 2020); additionally, the conditions for receiving support were sometimes difficult to meet. Most projects were not tailored to NEETs challenges.

The review of programs and initiatives targeting the employment challenges of NEETs revealed that they are rarely subject to monitoring and comprehensive and reliable evaluation. Evaluations of small (poviat level) projects are rather scarce, and usually no information about the evaluation was available. In the case of projects organized on a larger scale, financed from EU funds (the European Social Fund), evaluations were carried out ex-post and were most often limited to product indicators informing about

the number of participants who completed a given training or other activity. Satisfaction surveys with participation in the initiative were also conducted, but the actual employability after the project completion and the durability of employment were rarely analysed.

To sum up, there is a lack of comprehensive research on the effectiveness of programs undertaken at the national and lower levels. Available publications allow only a fragmentary assessment of the implemented programs and initiatives.

# 4. Policy solutions and recommendations

This section outlines recommendations to the challenges identified in Poland related to the country's NEETs situation. The recommendations are based on the evaluation of the effectiveness of trainings and the material gathered throughout the project implementation.

- Governments and social partners should frame their intervention to reduce the total level of NEETs by a disaggregation of the NEET category. Taking into account the different needs and characteristics of different subgroups, it is not possible to indicate a one-size-fits-all political solution that would enable NEETs to be activated. Only a tailored approach for different subgroups has the potential to effectively and successfully incorporate NEETs into the labour market and education.
- Place greater emphasis on eliminating the causes of professional inactivity, e.g., by developing institutional care for children and other forms of care, enabling part-time work, increasing digital and transport accessibility, and attractive employment conditions for people with disabilities.
- Adapt the offers and tools of labour offices to labour. There is a need to establish a practice of meeting NEETs by reaching schools, rural areas, cooperation with social welfare centres and non-governmental organizations.
- Increase the availability of high-quality nurseries and kindergartens, develop new forms of child care, create attractive employment conditions for people raising children, enable employees to work part-time and promoting a more partnership-based family model.
- Set up activities enabling people with disabilities to take up work, including: increasing the availability of transport services, eliminating barriers, increasing access to education and trainings, adapting workplaces, encouraging employers to employ people with disabilities, increasing financial spendings on mental health services.
- Develop the entrepreneurial competences of young people in schools.
- Monitor implemented programs and strategies and their reliable evaluation. Introduce solutions based on reliable evaluation and analysis.

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