



Basics of legal work in Poland - types of permits

When is a work permit refused?

Who can work in Poland without a permit?



Purple Guide



Wstęp

This guide is the first part of the publication on employing foreigners in the company (edition 2021). We answer in it, inter alia, to the following questions:

- 1. What is worth determining before employing a foreigner in Poland?
- 2. On what basis can foreigners stay and work in Poland, and when they do not need a special permit?
- 3. What are the criteria for refusing a work permit for a foreigner in Poland?
- 4. How much are the fees related to the application for employment of a foreigner in Poland?
- 5. What tasks are imposed on the employer after employing a foreigner?

In the second part of the guide, we discuss three key issues: COVID regulations regarding foreigners in Poland, step-by-step employment of a Ukrainian citizen, consequences of Brexit for foreigners.

See part II

We cordially invite you to read both Purple Guides!

Purple Guide - a source of valuable information

We are pleased to present the next edition of the "Purple Guide" - a series of analyzes in which we discuss important and current issues for entrepreneurs.

In the current study, we present the general rules for the legal employment of foreigners in Poland - listed below - in connection with the growing scale of economic immigration to our country, especially by Ukrainian citizens, as well as during the upcoming increased seasonal work - in summer and autumn.

Grant Thornton HR and payroll experts share their knowledge, and the culmination of the whole is a commentary by Monika Smulewicz - labour law expert who oversees the handling of hundreds of projects, including, inter alia, employment of foreigners.

Grant Thornton Outsourcing Team

Rules of employing foreigners in Poland



In order to legally employ a foreigner in Poland, i.e. a person who does not have Polish citizenship, employers must meet a number of conditions that result directly from three key sets of regulations:

- 1. Act of 20 April 2004 on employment promotion and labour market institutions,
- 2. Act of 15 June 2012 on the consequences of entrusting work to foreigners residing on the territory of the Republic of Poland in violation of the regulations and
- 3. Act of 12 December 2013 on foreigners.

To legally employ a foreigner, it is necessary to have:

- title entitling to stay on the territory of the Republic of Poland,
- document allowing to work on the Polish labour market.

2 groups of foreigners distinguished in national regulations



Citizens of the EU, EEA states and Switzerland

Pursuant to the Act of 20 April 2004 on employment promotion and labour market institutions, citizens of the European Union or European Economic Area member states, as well as Swiss citizens, are entitled to work on the territory of Poland without obtaining a work permit. They are also not covered by the obligation to obtain a visa or a temporary residence permit in Poland. In their case, to enter and work, all they need is an identity document confirming their respective citizenship and the employer's completion of standard employment-related formalities.



Third-country citizens

Third-country citizens (i.e. persons who are not EU, EEA or Swiss citizens) have the right to enter Poland on the basis of a travel document (e.g. a passport) and must have documents confirming the right to stay in Poland, which include:

- Polish visa (excluding visas marked with the symbol: "01" purpose of tourism, "20" use of temporary protection, "21" arrival for humanitarian reasons, due to interest of a state or international responsibilities);
- temporary residence permit (the so-called residence card);
- visa of another Schengen country;
- residence permit issued by another Schengen country;
- stamp in the passport or other travel document confirming the submission of a valid application for permanent or temporary residence in Poland or submission of an application for a long-term resident's European Union residence permit.

What do you have to do before employing a foreigner?



An employer wishing to legally employ a foreigner in Poland should take care of the following issues:

- 1. Check the basis and validity of the document allowing the foreigner's stay in Poland
 - Most often it is a visa or residence card, and then copy it and keep it in the employee documentation until the foreigner finishes work.
- 2. Take care of legalizing his/her employment

In accordance with statutory criteria, check whether and, if necessary, which form of legalization of employment is appropriate in a given case, and then submit an application to the competent office for an appropriate work permit or submit a declaration on entrusting work to a foreigner (in the simplified procedure).

- 3. After obtaining the required permit, prepare a written agreement for the foreigner
 - Under the terms of the work permit, then translate it into a language that is understandable to the foreigner and present it to him/her for approval before signing it.
- 4. Provide the foreigner with one copy of the work permit issued for him/her In writing.
- 5. Provide the foreigner with work under adequate conditions
 As shown on his/her work permit.
- 6. Inform the foreigner about the activities and their results in the scope of proceedings related to the legalization of employment l.e. about applying for a work permit or its extension, as well as about decisions to revoke or refuse to issue a work permit.

Note!

There is an exception: for a period of less than 30 days in a calendar year, such an employee may be entrusted with work of a different nature or position than specified in his/her work permit.

Legal stay

Depending on the purpose of stay on the territory of the Republic of Poland, foreigners may apply for the following types of permits:



uniform permits, i.e. temporary residence and work permit;



permit to settle in the Republic of Poland;



residence permit for a long-term resident of the European Communities in the Republic of Poland;



visas, permits for a specified period of time, uniform visas issued by another country of the Schengen area, or when staying on the territory of the Republic of Poland under the visa-free regime;



staying in Poland for special reasons (including refugee status granted in the Republic of Poland, temporary or subsidiary protection, consent for tolerated stay or for humanitarian reasons);



Basics of legal work in Poland - types of permits

Type A

For foreigners performing work under a contract with an entity whose seat is on the territory of the Republic of Poland.

A type A permit is issued for a period of up to 3 years.

Type B

For foreigners performing work consisting in serving on the management board of a legal entity entered into register of entrepreneurs. A type B permit is issued for a period of up to 3 years, but members of the management boards of companies employing more than 25 people may apply for a permit for a period of up to 5 years.

Type C

For foreigners performing work for a foreign employer, delegated to the territory of the Republic of Poland to a branch or establishment of a foreign entity or an entity related to that foreign employer, for a period exceeding 30 days in a calendar year.

Type D

For foreigners performing work for a foreign employer which does not have a branch, plant or other form of organized activity on the territory of the Republic of Poland, delegated to the territory of the Republic of Poland in order to provide a temporary and occasional service.

Type E

For foreigners performing work for a foreign employer, delegated to the territory of the Republic of Poland for a period exceeding 3 months within the next 6 months for a purpose other than that indicated in the type B, C and D permits.

Type S

Seasonal work permit. Seasonal work is work performed for a period not longer than 9 months in a calendar year as part of activities recognized as seasonal.

When is a work permit refused?



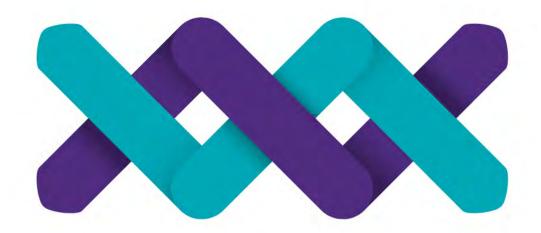
The voivode issues a negative decision regarding a work permit for a foreigner if the applicant employer:

- submitted an application containing false personal data or false information;
- · attached to the application documents containing false data;
- testified untruthfully or concealed the truth;

- used an inauthentic document, or counterfeited or forged an authentic document for use;
- did not meet the specific requirements set out in the law for individual work permits;
- was legally punished for a misdemeanour of misleading a foreigner or exposure to financial losses;
- within two years of being found guilty of illegal employment of a foreigner, was again legally punished for a similar misdemeanour;
- is a natural person, punished for offenses involving violation of employee rights under the Penal Code;
- is a natural person, punished for committing specific acts in connection with the proceedings for the issuance of a work permit (such as: forging documents, attestation of an untruth, obtaining the attestation of an untruth by deception, sale of an identity document or using someone else's document), or when it is an entity managed or controlled by such a person;
- is a natural person, punished for trafficking in human beings under the regulations of the Penal Code or in another country under the regulations of the Protocol to Prevent, Suppress and Punish Trafficking in Persons (Especially Women and Children) supplementing the United Nations Convention against Transnational Organized Crime, or when it is an entity managed or controlled by that person;

When is a work permit refused - continued

- applies for a work permit for a foreigner who does not meet the requirements (qualification ones and other conditions) in the event of the intention to entrust work in a regulated profession;
- applies for a work permit for a foreigner whose personal data has been included in the list of undesirable foreigners on the territory of the Republic of Poland;
- applies for a work permit for a foreigner who, in connection with the
 procedure for issuing a work permit, was punished for the illegal acts
 specified in the Penal Code (e.g. forging documents, attestation of an
 untruth, obtaining the attestation of an untruth by deception, sale of
 a document).



Remember!

In the event of all documents enabling a foreigner to work on the territory of the Republic of Poland, the regulator introduced a new ground of refusal - when the circumstances of the case indicate that the obtained permit or declaration may be used contrary to the purpose, or if the applicant wants to obtain it for the sake of appearances. This includes, inter alia, cases in which the applicant employer: has no intention or possibility to entrust work to a foreigner; has no funds to cover employment obligations; is in arrears with the payment of social security contributions or with the payment of taxes.

In the event of a negative decision of the voivode, the applicant may appeal to the body of second instance, i.e. the minister competent for labour.

Who can work in Poland without a permit?

Groups of people authorized to work in Poland without the need to obtain a special permit are regulated by the Act of 20 April 2004 on employment promotion and labour market institutions and the Regulation of the Minister of Labour and Social Policy of 21 April 2015.

Pursuant to Art. 87 (1) of the above-mentioned Act, such a possibility exists if a given foreigner:

- has the refugee status granted in the Republic of Poland;
- · was granted subsidiary protection in the Republic of Poland;
- · has a permanent residence permit in the Republic of Poland;
- has a long-term resident's European Union residence permit in the Republic of Poland;
- · has a residence permit for humanitarian reasons;
- · has a permit for tolerated stay in the Republic of Poland;
- · benefits from temporary protection in the Republic of Poland;
- has a valid certificate issued under Art. 35 (1) of the Act of 13 June 2003 on granting protection to foreigners within the territory of the Republic of Poland;

- is a citizen of a Member State of the European Union;
- is a citizen of a state of the European Economic Area, not belonging to the European Union;
- is a citizen of a state that is not a party to the Agreement on the European Economic Area, who may exercise the freedom of movement of persons on the basis of an agreement concluded by that state with the European Community and its Member States;
- accompanies a foreigner on the territory of the Republic of Poland as a family member within the meaning of the Act of 14 July 2006 on entry into the territory of the Republic of Poland;
- has a temporary residence permit referred to in the following regulations of the Act of 12 December 2013 on foreigners and the work takes place under the conditions specified in this permit:



stays on the territory of the Republic of Poland in connection with the use of short-term mobility of a managerial employee, specialist or intern under the transfer within the enterprise under the conditions specified in Article 139n (1) of the Act on foreigners;

stays on the territory of the Republic of Poland in connection with the use of the scientist's short-term mobility under the conditions specified in Article 156b (1) of the Act on foreigners;

stays on the territory of the Republic of Poland in connection with the use of student mobility under the conditions specified in Article 149b (1) of the Act on foreigners.

Special circumstances enabling work in Poland without a permit

Article 87(2) of the above-mentioned Act on employment promotion and labour market institutions stipulates that foreigners are also exempt from the obligation to have a work permit in the case of certain events, i.e.:

- 1) holding a temporary residence permit in the Republic of Poland granted in connection with the circumstances referred to in the following regulations of the Act of 12 December 2013 on foreigners, i.e.:
- Article 144 full-time studies or education at a doctoral school,
- Article 151(1) or (2) conducting research,
- Article 158(2) (1) or (2), Article 161 (2) the possibility of a family member staying in Poland in the case of widowhood, divorce, separation or death of a relative,
- Article 176 temporary residence permit for victims of trafficking in human beings,
- Article 186 (1)(3) or (4) performance of work, business activity, studies or vocational training by a long-term resident of the EU from another Member State and the stay of his/her family member;

- 2) being a spouse of a Polish citizen or a foreigner referred to in Article 87 (1)(1-6) (i.e. a refugee, a long-term resident of the EU in the Republic of Poland or a foreigner benefiting from subsidiary protection in the Republic of Poland, a permanent residence permit, a residence permit for humanitarian reasons, a permit for tolerated stay or temporary protection) and Article 87 (2)(1), holding a temporary residence permit on the territory of the Republic of Poland granted in connection with entering into a marriage;
- 3) **being a descendant** referred to in Article 2 (1)(8)(b), of a Polish citizen or a foreigner referred to in Article 87 (1)(1-6) and Article 87 (2)(1) and (2), holding a temporary residence permit on the territory of the Republic of Poland;
- 4) **holding a temporary residence permit** on the territory of the Republic of Poland granted on the basis of Article 159 (1) of the Act on foreigners (reunification with the family);

Special circumstances enabling work in Poland without a permit - continued



- 5) staying on the territory of the Republic of Poland pursuant to Article 108 (1)(2) or Article 206 (1)(2) of the Act on foreigners, i.e. **on the basis of the stamp placed in the travel document**, which confirms the submission of the application for a temporary residence permit, permanent residence or long-term EU resident permit, if immediately before submitting the application he/she was exempt from the obligation to have a work permit based on Article 87 (2)(1-4);
- 6) holding a valid Pole's Card;
- 7) entitled to stay and work on the territory of a Member State of the European Union or a state of the European Economic Area not belonging to the EU or the Swiss Confederation, who is employed by an employer with a seat on the territory of that country and temporarily delegated by this employer to provide services on the territory of the Republic of Poland;
- 8) in relation to which **international agreements or separate regulations** allow work to be performed without the need for a permit.

No work permit required for representatives of selected professions

Pursuant to the **Regulation of the Minister of Labour and Social Policy of 21 April 2015** on cases in which entrusting work to a foreigner on the territory of the Republic of Poland is permissible without the need to obtain a work permit, foreigners were exempted from the obligation to have a permit when:



providing trainings, participating in professional internships, performing an advising function, a supervising function or a function requiring special qualifications and skills in programs implemented under the activities of the European Union or other international aid programs, also based on loans taken by the Polish government;



being foreign language teachers who work in kindergartens, schools, institutions, centres, teacher training establishments or colleges, referred to in the regulations on the education system, or in Voluntary Labour Corps;



performing artistic services individually or in groups lasting up to 30 days in a calendar year;



delivering, up to 30 days in a calendar year, occasional lectures, papers or presentations of special scientific or artistic value;



being members of the armed forces or civilian personnel who perform work in international military structures located on the territory of the Republic of Poland;



being regular correspondents of foreign mass media, which have been granted, at the request of the editor-in-chief of a foreign editorial office or agency, the accreditation of the minister competent for foreign affairs, but only in the field of professional journalistic activity performed for this editorial office or agency;



being athletes performing work for an entity based on the territory of the Republic of Poland in connection with sports competitions up to 30 days in a calendar year



performing work in connection with sports events of international rank, directed by an appropriate international sports organization;



being clergymen, members of religious orders or other persons who perform work in connection with their religious function, in churches and religious associations and national inter-church organizations.

No work permit required for students and seasonal workers

Also on the basis of the above-mentioned **Regulation of the Minister of Labour and Social Policy of 21 April 2015** selected foreign pupils and students, as well as university graduates and seasonal workers from certain countries are exempted from the obligation to have a special permit to take up work in Poland. These are the following foreigners:



being students of full-time studies in the Republic of Poland or participants of full-time doctoral studies in the Republic of Poland;



being students who work as part of professional internships directed by organizations that are members of international student associations:



being students who perform work under the cooperation of public employment services and their foreign partners, if the need to entrust work to a foreigner is confirmed by the competent employment authority;



participating in cultural or educational exchange programs, humanitarian or development aid programs or student summer work programs, organized in consultation with the minister competent for labour matters:



being students of higher education institutions or vocational schools in the Member States of the European Union or states of the European Economic Area not belonging to the European Union or the Swiss Confederation, who perform work under professional internships provided for in the regulations of study or the curriculum, provided that they are referred for such an internship from a higher education institution or vocational school:



being graduates of Polish upper secondary schools, full-time higher education or full-time doctoral studies at Polish universities, research institutes of the Polish Academy of Sciences or research institutes operating on the basis of the regulations on research institutes;



being citizens of the Republic of Armenia, the Republic of Belarus, the Republic of Georgia, the Republic of Moldova, the Russian Federation or Ukraine, who perform work for a period not exceeding 6 months within consecutive 12 months.

What do you have to do before employing a foreigner?

Foreigners who are citizens of the countries specified in Article 2 of the Regulation of the Minister of Family, Labour and Social Policy of 8 December 2017 on the countries the citizens of which are concerned with some regulations on the seasonal work permit and regulations on the declaration of entrusting work to a foreigner, i.e. from: Armenia, Belarus, Georgia, Moldova, Russia and Ukraine can take advantage of the so-called the declaration procedure, which allows for the employment of foreigners from the above-mentioned countries for a maximum period of 6 months within consecutive 12 months according to the shortened procedure.

The employer then submits to the Poviat Labour Office (PUP) a declaration of intention to entrust work for the indicated person, providing:

- · information about the entity entrusting the performance of work,
- information about the foreigner (name, surname, sex, date of birth, citizenship etc.),
- information about the job offered (name of the profession, place of work, date of commencement of work, period of work, number of working hours, type of contract and the amount of gross salary).

After paying a fee of PLN 30 and submitting a correctly completed declaration, along with the necessary attachments, the declaration of entrusting the performance of work is entered in the register of declarations within 7 working days.



Note!

Pursuant to Article 15zzq (3) of the so-called special COVID act (i.e. the Act of 31 March 2020 amending the Act on special solutions related to the prevention, counteracting and combating of COVID-19, other infectious diseases and crisis situations caused by them, and some other acts), validity of declarations on entrusting work (entered in the register of declarations), the end of which falls in the period of the state of epidemic threat or the state of epidemic (announced in connection with SARS-CoV-2 virus infections), is extended to the 30th day following the date of cancellation of the last state that was in force.

Seasonal work

The seasonal work permit was introduced on 1 January 2018 and is marked with the letter "S". This permit can be obtained for citizens of all third countries (i.e. countries outside the EU / EEA and Switzerland) for seasonal work performed for up to 9 months in a calendar year.

A seasonal work permit is issued by the Poviat Labour Office (PUP) at the request of the employer for a foreigner who is to provide work under the types of economic activity according to the Polish Classification of Activities (PKD) in the scope of:









A seasonal work permit for a foreigner is issued by the staroste competent for the seat or place of residence of the employer, after submitting a written application (on the appropriate form) in a paper or electronic version and other required documents.

To obtain a seasonal work permit for a foreigner, you must:

- specify the amount of salary, which will be specified in the contract with the foreigner, will not be lower than the salary of employees performing work of a comparable type for the same number of hours or in a comparable position;
- attach to the application for a seasonal work permit the information (opinion) of the staroste about the impossibility of satisfying the employer's staffing needs with the local labour market, i.e. so-called Labour market test.

Note!

The labour market test is not required if the application for a seasonal work permit is for a citizen of: Ukraine, Belarus, Russia, Moldova, Georgia or Armenia.

Fees related to the legalization of employment of a foreigner

Submission of the application

Submitting an application in connection with entrusting work to a foreigner involves specific fees, which are updated once a year. The currently applicable rates are specified in the Regulation of the Minister of Family, Labour and Social Policy of 8 December 2017 on the amount of payments made in connection with the submission of an application for a work permit or a seasonal work permit and submission of a declaration on entrusting work to a foreigner. They are as follows:

50 PLN – in the case of entrusting work to a foreigner on the basis of a work permit, for a period of up to 3 months.

100 PLN - as above, for a period of more than 3 months.

200 PLN – for a type D permit (transport service).

30 PLN – for seasonal work (type S permit).

30 PLN – in the case of a simplified procedure, the so-called declaration (entrusting the performance of work on the basis of a declaration entered in the register of declarations).

Detailed information on the steps to be taken to employ a foreigner on the territory of the Republic of Poland can be obtained from the government guide on the biznes.gov.pl portal, in the following categories:

Employees in the company > I want to employ a foreigner

Permit extension

If the entrepreneur submits an application for the extension of a work permit, the entrepreneur pays half of the relevant fee - however, this does not apply to the fee for the type S permit and the declaration procedure. In the case of extending a seasonal work permit, the full rate applies, and in the case of a declaration of entrusting work to a foreigner, there are no extensions - a new application must be submitted after the expiration of a time limit specified in separate regulations.

What do you have to do after employing a foreigner?

An employer employing a foreigner - in addition to the previously discussed obligations - must also complete information formalities, generally divided into three groups:

1. Towards certain institutions

It is about the necessity to provide documents confirming the fulfilment of certain formal and legal obligations related to the legalization of employment of a foreigner, drawn up in Polish or translated into Polish, to the following officials: voivode, head of the competent tax office, local organizational unit of the Social Insurance Institution, the National Labour Inspectorate body, Customs, Border Guard, Police and the consul;

2. Regarding the occurrence of specific events or circumstances related to the employment of a foreigner

This applies to the requirement to inform the voivode issuing the work permit for the foreigner, within 7 days, of the following circumstances:

- the foreigner has not started work within 3 months from the initial validity date of the work permit,
- · the foreigner stopped work for a period exceeding 3 months,
- the foreigner finished work earlier than 3 months before the expiration of the work permit.



Do you have questions about matters related to the calculation of salaries and the resulting public and legal obligations?

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3. Regarding the employing entity

This group of tasks includes providing information on changes in the formal and legal situation on the part of the employer of a foreign; updated data should be provided to the voivode in the following cases:

- change of the seat or place of residence, name or legal form of operation of the entity entrusting work to a foreigner,
- takeover or transfer of this entity in whole or in part to another employer;
- · change of the person representing this entity.

The last task to be performed, after employing a foreigner, is reporting the foreigner to social insurance and paying advances for income tax, if such an obligation results from legal regulations in the case of a given form of employment.

Employment of a foreigner by examples



Example 1

A university from Krakow plans to employ a foreigner as an academic teacher.

Do it need a work permit for him/her? No - under the Act on higher education, employment of a foreigner at a university as an academic teacher does not require a permit and consent from the employment authority.



Example 2

Dancers from folk groups from Russia will perform on stages in Poland for 21 days.

Do they need a work permit? No - according to the Regulation of 21 April 2015, foreigners performing artistic services individually or in groups lasting up to 30 days in a calendar year do not need to obtain a work permit in Poland.



Example 3

The employer employs a Canadian citizen on the basis of a type A permit. According to the provisions of the application and the binding agreement, the place of work is Poznan. The employer plans to send this foreigner on a business trip to an international fair lasting several days in Warsaw. Can it do this? In this case, it can do this because the period of departure will be shorter than 30 days, but the employer should inform the voivode about this fact.

Note!

Not requiring a work permit does not mean that you do not need a visa to work. A foreigner applying for a visa should attach a written declaration of the employer on the intention to entrust work - also in the case of arriving to Poland under the visa-free regime, and the purpose of the arrival is to perform work.

COVID regulations regarding a seasonal work permit



Pursuant to Article 15z7 of the Act of 2 March 2020 on special solutions related to the prevention, counteracting and combating of COVID-19, other infectious diseases and crisis situations caused by them, in sectors where seasonal work permits are generally required, during the state of epidemic threat or the state of epidemic and 30 days after their cancellation, it is not required to obtain a seasonal work permit for a foreigner who had:

- · work permit,
- seasonal work permit or
- · declaration on entrusting the performance of work,

valid for at least 1 day during the period of the state of epidemic threat or the state of epidemic.

Note!

The above-mentioned regulations are valid until 25 June 2021.

For current information related to the Covid-19 pandemic, visit the **government website**.

Legal basis

Be sure to read

The conditions for taking up employment by foreigners on the territory of the Republic of Poland are regulated by the following acts:

- Act of 20 April 2004 on employment promotion and labour market institutions (consolidated text: Journal of Laws of 2018, item 1265, as amended) - applies to both Polish and foreign citizens,
- Act of 15 June 2012 on the consequences of entrusting work to foreigners residing on the territory of the Republic of Poland in violation of the regulations (Journal of Laws of 2012, item 769),
- Act of 12 December 2013 on foreigners (Journal of Laws of 2017, item 2206, as amended),
- Act of 20 July 2017 amending the Act on employment promotion and labour market institutions and certain other acts (Journal of Laws of 2017, item 1543), which entered into force on 1 January 2018; its key objective was to implement Directive 2014/36/EU of the European Parliament and of the Council of 26 February 2014 on the employment of seasonal workers.

Worth knowing

In addition, when planning to employ a foreigner, it is worth familiarizing yourself with the following regulations:

- Regulation of the Minister of Family, Labour and Social Policy of 7
 December 2017 on issuing a work permit for a foreigner and entering
 a declaration on entrusting work to a foreigner in the register of
 declarations (Journal of Laws of 2017, item 2345);
- Regulation of the Minister of Labour and Social Policy of 29 January 2009 on the determination of cases in which a work permit for a foreigner is issued regardless of the detailed conditions for issuing work permits for foreigners (i.e. Journal of Laws of 2015, item 97);
- Regulation of the Minister of Labour and Social Policy of 21 April 2015 on cases in which entrusting work to a foreigner on the territory of the Republic of Poland is permissible without the need to obtain a work permit (Journal of Laws of 2015, item 588);
- Regulation of the Minister of Family, Labour and Social Policy of 8
 December 2017 on the countries the citizens of which are concerned
 with some regulations on the seasonal work permit and regulations
 on the declaration of entrusting work to a foreigner (Journal of Laws
 of 2015, item 2349).

Expert comment:

Labour market and migration policy - trends in 2022

In conditions of such rapid volatility of the economic environment as we are dealing with today, hardly anyone weighs on long-term or even medium-term forecasts. However, when observing certain - it seems - permanent trends, one can make assumptions in the short term.

The Polish labour market has been characterized for at least several years primarily by

- 1) the risk related to the aging of the Polish society and thus the lack of replacement of generations in a number of professions,
- 2) low unemployment resulting in a lack of people willing to perform certain types of work, and
- 3) high rate of professional inactivity mainly among women.

One of the answers to the above challenges facing the Polish labour market is to be, inter alia, the National Action Plan for Employment for 2021 announced in June (including also assumptions regarding the employment of foreigners), as well as the Government's Migration Policy for 2021-2022.

Is economic migration really that important for the condition of the Polish labour market and employers? Just look at the statistics.

In 2018, Poland was the largest labour market in the OECD, absorbing foreigners from outside the states of the Organization for Economic Co-operation and Development and the EU at a tremendous pace (this trend increased significantly after 2014 - since Ukraine experienced a sharp deterioration in the political situation) - approx. 1.1 million foreigners worked in Poland at that time.

This means that in terms of employment, the number of temporary economic migrants was then ahead of the United States (724,000 people) and Germany (458,000 people).

Among the foreigners on the Polish labour market, Ukrainians are definitely dominant, who constitute ¾ of the foreign workforce in the Polish social insurance system. In May this year, the number of temporary residence permits issued to them increased by almost 40% y/y, and even more so in the category of residence permits of long-term EC/EU resident and permanent residence permits - by over 90% and almost 55% y/y, respectively.

The increase in the share of employees from Ukraine on the Polish labour market is also confirmed by the results of the "Polish Labour Market Barometer" developed by Personnel Service. According to them, on average, as many as 28% of companies in Poland employ workers from Ukraine, of which as much as 45% in the case of large entities, medium-sized - approx. 30%, and small - 25%. Moreover, almost every fourth company in Poland plans to employ Ukrainian workers within the next year. The greatest demand for work on the part of Ukrainian citizens in the near future can be seen in companies from the industrial (approx. 30%), commercial (27%) and service (20%) sectors.

So what actions - with such an absorptive attitude of the Polish labour market towards foreigners – are envisaged by the Polish regulator? What can employers planning to employ foreigners in the coming years expect?



Expert comment:

Labour market and migration policy - trends in 2022 - continued

The resolution on the National Action Plan for Employment for 2021, adopted on June 22 this year by the Council of Ministers, assumes more effective management of economic migrations through, inter alia, streamlining procedures favouring the increase in employment from outside the Polish labour market, supporting employee mobility on the labour market of EU/EFTA Member States through the EURES network (taking into account the needs of the Polish labour market) or supporting the returns of people from emigration and repatriates.

In turn, Poland's migration policy for 2021-2022 includes the following assumptions:

- 1) selective access of foreigners to the labour market in terms of qualifications (including systemic methods of recognizing foreigners' qualifications and creating a centralized information system on the conduct of immigration proceedings);
- 2) recognition of qualifications obtained outside the EU, inter alia, in the so-called other medical professions and through the system of recognizing foreign certificates, diplomas and degrees; in addition, by stronger use of preferences for students of strategic fields of study (including technical and IT) or incentives for foreigners who are graduates of Polish full-time studies to remain on the Polish labour market (e.g. by changing the law of residence or enabling registration as an unemployed person);
- 3) simplified visa policy for foreigners, assuming a one-time entry visa in connection with work and aiming at the electronic circulation of documents in the visa process, including the creation of a "fast track" for selected groups of foreigners (e.g. due to the needs of the labour market);

4) centralized information system on immigration proceedings.

The authors of the draft noticed that "a large scale of migration may strengthen the polarization in the labour market and contribute to lowering employment standards", hence they made a postulate that the solutions developed should ensure to a greater extent that "work of foreigners takes place in an adequate legal form (taking into account the limitation of the scale of using contracts for specific work), on conditions comparable to the total number of employees in a given profession. "The aim is to create such regulations that will not increase the threats of labour market segmentation or lead to social tensions, which should be the subject of constant research and analysis - added the authors of the Polityka.

It remains to be hoped (contrary to experience) that the final proposed solutions will actually support Polish employers and serve the entire labour market well, including domestic and foreign employees, building a strong Polish economy.



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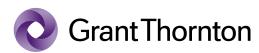


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