Nr 90

2024

Julita AUGUSTYŃCZYK¹, Urszula GOŁASZEWSKA-KACZAN²

EMPLOYMENT OF FOREIGNERS AS AN ANSWER TO THE PROBLEM OF POLAND'S AGEING POPULATION

DOI: 10.21008/j.0239-9415.2024.090.13

The dynamic demographic changes in Poland, leading to an ageing population, are significantly affecting the labour market. Given the declining number of working-age people and the rising share of the post-working age population, it is becoming important to look for effective solutions to counteract the growing labour force shortages. Therefore, the main objective of this article was to identify the key challenges related to the increasing number of people in the post-working age group and the decreasing number of people in the working-age group, as well as to assess the employment potential of foreigners as a response to the problem of the ageing population in Poland.

The above objectives were achieved through an analysis of the available domestic and foreign literature and statistical data, including data from the Central Statistical Office and the Ministry of Labour and Social Policy. The considerations presented in the article lead to the conclusion that the introduction of innovative solutions, such as the employment of seniors and foreigners, may contribute to balancing future tensions in the labour market in Poland.

In this context, hiring foreigners, due to their availability and ability to quickly integrate into the workforce, is seen as a strategy that can fill labour shortages more quickly, as opposed to waiting to increase labour force participation among the domestic workforce, which is a much longer and more complex process.

Keywords: labour market, ageing population, employment of foreigners

1. INTRODUCTION

Population ageing is undoubtedly a global process, albeit of varying intensity in different regions of the world. According to the Population Reference Bureau, 10%

² University of Białystok, Faculty of Management. ORCID: 0000-0003-2084-6268.



¹ University of Białystok, Faculty of Management. ORCID: 0000-0001-7788-4375.

of the world's population is aged 65 and over, while 25% is under the age of 15. The youngest region in the world is sub-Saharan Africa, where 40% of the population is under the age of 15. Although Japan is the oldest country in the world, with people aged 65 and over accounting for 28% of its population, the oldest regions are Western and Southern Europe, where people aged 65 and over make up about 21% of the population. Table 1 presents the number and percentage of people aged 65 and older in selected countries.

Table 1. People aged 65 and over in selected countries of the world

Country	Number of people 65+	% of people 65+ among the population	Population
Nigeria	5,43	2,7	200,96
Bangladesh	8,35	5,1	163,67
Mexico	9,17	7,2	126,58
Russia	21,42	14,6	143,73
United States	52,76	16	329,15
Poland	6,72	17,5	38,4
United Kingdom	12,24	18,3	66,83
Sweden	2,05	19,9	10,26
Greece	2,33	21,8	10,7
Italy	13,76	22,8	60,34
Japan	35,58	28,2	126,18

Source: Population Reference Bureau, 2020.

Poland, like other developed countries, is experiencing population ageing. This trend is clearly shown by the data presented in table 2.

Table 2. Population of Poland by age groups in selected years

Age groups	1990	2000	2010	2022	2023	1990	2000	2010	2022	2023
	In thousands				In %					
Total population	38073	38254	38530	37766	37637	100	100	100	100	100
	Biological age groups									
0-14 years	9495	7294	5856	5816	5667	24,9	19,1	15,2	15,4	15,1
15-64 years	24705	26234	27484	24597	24420	64,9	68,5	71,3	65,1	64,9
65 and over	3873	4726	5190	7353	7550	10,2	12,4	13,5	19,5	20,1



A on amount	1990	2000	2010	2022	2023	1990	2000	2010	2022	2023
Age groups	In thousands					In %				
Economic age groups										
Pre-working age group (0-17 years)	11286	9333	7243	6951	6865	29,6	24,4	18,8	18,4	18,2
Working age (18-59/64)	21898	23261	24831	22169	21985	57,5	60,8	64,4	58,7	58,4
Mobile (18-44)	15447	15218	15424	13581	13323	40,6	39,8	40	36	35,4
Immobile (45-59/64)	6452	8043	9407	8589	8662	16,9	21	24,4	22,7	23
Post-working age (60/65+)	4889	5660	6456	8646	8786	12,9	14,8	16,8	22,9	23,3

Source: Central Statistical Office, 2024a, p. 17.

Over the period 1990-2023, there was a clear decrease in the number of children aged 0-14. In 1990, children still accounted for almost 25% of Poland's population, while in 2023, this figure declined to just 15.1%. The decrease in the population of the youngest age group is accompanied by a growing number of older people (aged 65 and over). For comparison, in 1990, people aged 65 and over made up 10.2% of Poland's population, while by 2023, it exceed 20%. Figure 1 shows the numerical and percentage changes in Poland's economic age groups across selected years.

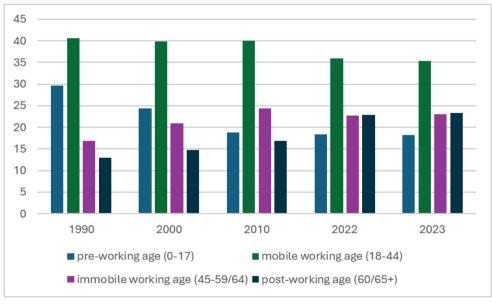


Fig. 1. Percentage changes in economic age groups in Poland in selected years (in %) (Central Statistical Office, 2024a, p. 18)



As a result, the structure of the population by economic age groups is changing. Between 1990 and 2023, the share of the pre-working age group in the Polish population decreased by more than 10 percentage points (from 29.6% to 18.2%). Moreover, the proportion of people in the post-working age group increased by over 10 percentage points (from 12.9% to 23.3%).

Regarding the working-age population, significant growth was observed up to 2010, driven by the entry of individuals born during the baby boom of the early 1980s into this age group. Both the size and the share of this group in the total population grew intensively. However, since 2010, the proportion of working-age individuals has been declining, reaching 58.4% in 2023 (Central Statistical Office, 2024a).

2. CHALLENGES OF THE AGEING SOCIETY IN POLAND

Projections for the future confirm the continuation of this demographic trend. According to the Central Statistical Office, in its study "Rozwój Regionalny Polski. Raport analityczny 2023", Poland's population is expected to decline to 30.9 million by 2060. The natural population growth rate is projected to decline annually. It is estimated that in 2060, the working-age population in Poland will be around 15.0 million, while the post-working-age population will be around 11.0 million. At that time, there will be 105 people of non-working age for every 100 people of working age. The value of the demographic old-age coefficient, i.e., the proportion of the population aged 65 and over in the total population, is also expected to rise (Central Statistical Office, 2024b, p. 12).

The changes taking place in the age structure of the Polish population are perfectly illustrated by the evolving shape of the age-sex pyramid.

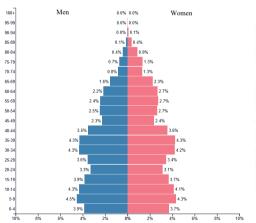


Fig. 2. Age-sex pyramid Poland 1990, population 38,064,254 (World Population Pyramids, 2024a)

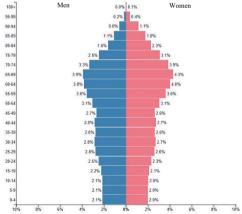


Fig. 3. Age-sex pyramid Poland 2050, population 34,932,339 (World Population Pyramids, 2024b)



The changes taking place in Poland's age structure have resulted in a regressive age-sex pyramid³.

The trend of population ageing can, of course, be considered as one of the greatest achievements in human history. People live longer and healthier thanks to advances in medicine, healthcare, social services, and technological progress (Barković Bojanić, Damoska Sekuloska, 2024, p. 155). However, this trend, named by P.G. Peterson (Peterson, 1999) as the "greying of the world", is becoming a challenge in many areas. The most frequently mentioned challenges in this context include (Wyszkowska, Wyszkowski, 2023, p. 28):

- the pension system its increasing burden and the need for reform, including redefining the retirement age;
- the social care system ensuring that elderly people in need of care can live independently and with dignity;
- the healthcare system and its sources of funding a significant increase in demand for health services is anticipated as health deteriorates over the years;
- labour market challenges resulting from the projected significant decline in the number of people of pre-working and working age.

This article will raise the issue of the labour market.

3. THE LABOUR MARKET IN POLAND IN THE CONTEXT OF AN AGEING SOCIETY

The problem associated with the negative impact of Poland's ageing population on the labour market has been recognised for a number of years. With changes in the structure of Polish society, it is becoming increasingly difficult for employers to meet staffing needs using only people of working age. While employing people in the post-working age could be a potential solution, statistics show that there is a preponderance of economically inactive people among the elderly.

According to the Labour Force Survey (LFS), in 2022 there were 7.8 million economically inactive people aged 60-89, accounting for 84.3% of the population in that age group (Central Statistical Office, 2023, p. 25). These data are shown in table 3.

³ Changes in the age structure of a population can be represented graphically using the so-called age-sex pyramid. Three basic model structures were proposed by Sunbarg in the 19th century. These include progressive, stationary (stagnant) and regressive population structures. The progressive structure occurs with a young society with a high birth rate; in this case, this age-sex pyramid takes the shape of an isosceles triangle. A stagnant, bell-shaped structure occurs when births and deaths are at similar levels. Population ageing leads to a so-called regressive age structure. It takes the shape of a spindle (a pyramid with a tapering base). More: Sojka, 2011, p. 300, 299-313.



*		`	_	The state of the s		
Specification	Total	Male	F1-	Of the total number		
	Total		Female	cities	Rural areas	
Population in thousands	9285	3934	5350	5993	3292	
Economically active	1459	979	480	960	499	
Including employed	1438	962	476	945	493	
Economically inactive	7825	2956	4870	5032	2793	

Table 3. Economic activity of the population aged 60-89 by gender and place of residence in 2022 (annual average data)

Source: Central Statistical Office, 2023, p. 25.

As the Central Statistical Office points out, one of the main reasons for economic inactivity among seniors is collecting a pension. In 2022, this was the reason for not working and not seeking employment by 90.7% of people aged 60-74. Another important reason for inactivity in this age group is illness or disability. For this reason, 5.8% of economically inactive people aged 60-74 were not working or seeking employment (Central Statistical Office, 2023, p. 25). These data are presented in table 4.

Table 4. Economically inactive people aged 60-74 by selected reasons for inactivity in 2022 (annual average data)

Specification	Total	Male	F1-	Of the total number				
	Total	Maie	Female	cities	Rural areas			
	in thousands							
Total	5590	2121	3469	3544	2046			
Including non-jobseekers:	5588	2119	3469	3543	2045			
due to retirement	5071	1810	3260	3258	1813			
due to sickness or disability	326	236	90	176	150			

Source: Central Statistical Office, 2023, p. 25.

In 2022, the number of economically active people aged 60-89 reached almost 1.5 million, representing an economic activity rate of 15.7% for this age group. The vast majority of economically active seniors (98.6%) were employed. That year, the number of working people aged 60-89 reached 1.4 million. At the end of December 2022, 55.5 thousand people aged 60-64 were registered with labour offices. Seniors accounted for 6.8% of the total number of registered unemployed individuals (Central Statistical Office, 2023, p. 25).

Such a low level of economic activity among the elderly highlights the need for intensive measures aimed at utilizing the labour potential of this age group (encouraging them to remain professionally active for as long as possible) and to create tools and instruments that support older workers in the labour market (influencing



employers to recognise the benefits of employing older workers). However, the results of such measures will certainly not be seen immediately.

It is therefore necessary to look for other ways to improve the challenging labour market situation caused by the ageing population trend. Certainly, one of such possibilities is the employment of foreigners.

4. EMPLOYMENT OF FOREIGNERS ON THE POLISH LABOUR MARKET

As C. Żołędowski points out, the demand for the employment of foreigners in Poland stems from employers' labour needs, which are a direct consequence of the persistently low birth rate that fails to ensure generational replacement (Żołędowski, 2019, p. 208).

Table 5 shows the number of work permits issued for foreigners and the number of declarations of the intent to employ foreigners registered in Poland at the turn of 10 years: 2013-2023.

Table 5. Work permits for foreigners and declarations on the intention to entrust work to foreigners issued in Poland in 2013-2023

Year	Work permits for foreigners	Change from previous year	Declarations	Change from previous year
2013	39078	-0,20%	235616	-3,30%
2014	43663	11,70%	387398	64,40%
2015	65786	50,70%	782222	101,90%
2016	127394	93,60%	1314127	68,00%
2017	235626	85,00%	1824464	38,80%
2018	328768	39,50%	1582225	-13,30%
2019	444738	35,30%	1640083	3,70%
2020	406496	-8,60%	1519599	-7,30%
2021	504172	24,03%	1979886	30,29%
2022	365490	-27,51%	1038316	-47,56%
2023	320630	-12,27%	506554	-51,21%

Source: own elaboration based on Ministry of Labour and Social Policy, 2024.

Based on table 5, it is possible to distinguish two periods of increased employment of foreigners in the Polish labour market:



- 2014-2017, characterised by a very high increase in declarations and work permits for foreigners,
- 2021, which saw an approximately 24% increase in the number of work permits issued for foreigners and a roughly 30% rise in registered declarations.

The increase in the number of employed foreigners during both of the indicated periods should be mainly attributed to the growing interest of Ukrainian nationals in the Polish labour market. This is indicated by the number of work permits and declarations issued by country of origin. Although Ukrainians have been present on the Polish labour market since the beginning of Poland's accession to the European Union, their presence increased several times between 2014 and 2017 (Wendt, Lewandowska, Wiskulski, 2018, p. 225-226). In 2021, Ukrainian nationals accounted for the largest increase in the number of employed foreigners in Poland. Indeed, they represented 64.5% of foreigners employed on the basis of work permits and almost 83% of those working under declarations of intent to employ.

Employment of foreigners, from the perspective of the host country, may bring a number of advantages. In the case of unfavourable demographics, as in the case of Poland, employing foreign workers serves, among other things, as a method of ensuring the stability of the entire pension system, which has a huge impact on the level of public trust in the state (Żołędowski, 2019, p. 208). The employment of foreigners who are willing and ready to take up employment has a positive effect in this aspect, as foreigners of working age who do not abuse access to social benefits contribute to the national labour force and, by paying pension contributions, support the pension fund (Duszczyk, 2020). Table 6 presents the age and gender structure of foreigners working in Poland on the basis of a work permit.

Table 6. Foreigners working in Poland on the basis of a work permit in 2023 – age and gender structure

Age	Female	Female (in percentage of the total number)	Male	Male (in percentage of the total number)	Total	Total (in %)
under 25	7451	2,32%	47755	14,89%	55206	17,22%
25-34	19467	6,07%	112144	34,98%	131611	41,05%
35-44	14716	4,59%	82943	25,87%	97659	30,46%
45-54	5541	1,73%	26090	8,14%	31631	9,87%
55-59	600	0,19%	2711	0,85%	3311	1,03%
60-64	170	0,05%	785	0,24%	955	0,30%
over 64	49	0,02%	208	0,06%	257	0,08%
Total	47994	14,97%	272636	85,03%	320630	100,00%

Source: own elaboration based on Ministry of Labour and Social Policy, 2024.



Based on table 6, it is evident that among foreigners employed in Poland in 2023, the majority were aged 25-34. Almost 89% of all foreigners working in Poland were under the age of 45. The gender was dominated by men (over 85%). The majority share of men may undoubtedly be due to the nature of work undertaken by foreigners in Poland, particularly those involving difficult working conditions and physically demanding tasks (Górny et al., 2018) The structure of foreign employment by section of the Polish Classification of Activities (PKD), taken into account in figure 4, shows that in 2023 the largest percentage of work permits was issued in the manufacturing sector (36.56%), followed by transport and storage (20.95%), construction (17.02%), and administrative and support service activities (11.01%).

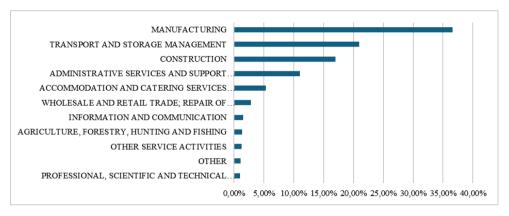


Fig. 4. Work permits issued to foreigners in Poland in 2023, by PKD section (own elaboration based on data from the Ministry of Labour and Social Policy, 2024)

The Polish Strategy for Human Capital Development 2030 indicates that Poland's migration policy should be aimed at addressing labour market shortages by attracting foreign workers, especially in occupations and industries where competence gaps exist (Strategia Rozwoju Kapitału Ludzkiego 2030, 2025). In fact, when foreigners take up employment in the sectors indicated in figure 4, they alleviate national labour shortages, as they take up work in occupations facing workforce deficits.

Among the 27 identified shortage occupations, as many as 17 can be included in the first four PKD's sections in which foreigners are most likely to be employed (fig. 4). These include professions such as: carpenters and joiners; roofers and tinsmiths; electricians, electromechanics and electrical fitters; bus drivers; truck and tractor drivers; warehousemen; motor vehicle mechanics; building installation fitters; bricklayers and plasterers; earth-moving equipment operators and mechanics; cutting machine tool operators; accounting and bookkeeping workers; construction workers, welders, and locksmiths (Barometr Zawodów, 2024). The conducted



analysis allows us to conclude that foreigners take up employment in shortage occupations in Poland, particularly within the PKD sections that report the highest number of vacancies, especially in lower-skilled positions. The key importance of employing foreigners to fill the Polish labour market shortages is also emphasised by labour market experts, who indicate the demand for foreign labour force, especially in sectors such as construction and services, where labour supply remains insufficient (Jaroszewicz, Małynowska, 2018, p. 6).

5. CONCLUSIONS

In recent years, Poland has been one of the countries facing unfavourable demographic situation, influenced by a rapid ageing of its population. During the analyzed period, the population decline in Poland was most pronounced in 2020-2021. According to the estimates of the National Population Council, the number of people aged 80 and over is expected to double between 2026 and 2040, from 1.7 million to 3.4 million (Bińkowski, 2017). It is therefore becoming necessary to look for effective solutions to counteract the growing labour shortages resulting directly from this unfavourable demographic situation.

Measures addressed to domestic labour resources are often characterised by a long time lag before producing noticeable effects (introduction of incentives to remain on the labour market addressed to elderly people, extending the retirement age, programmes increasing fertility, e.g. the 800+ programme), which, in practice, are negligible. Therefore, it becomes necessary to reach for migration policy tools.

The employment of foreigners in the labour market brings a number of benefits for countries facing unfavourable demographic trends, such as Poland. The arrival of young foreigners, mainly under the age of 35, in search of professional opportunities, may also positive impact demographic dynamics, as many decide to start a family and settle permanently. Moreover, foreign workers contribute to the stabilisation of the Polish pension system through their active participation and contributions, which is particularly important in the context of an ageing population. In addition, by filling the gap in the labour market, especially in high-demand sectors, they contribute to the productivity of the economy and support domestic enterprises.

LITERATURE

Barković Bojanić, I., Erceg, A., Damoska Sekuloska, J. (2014). Silver entrepreneurship: A golden opportunity for ageing society. *Economics and Business Review*, 10(1), 155, https://doi.org/10.18559/ebr.2024.1.1068.

Barometr Zawodów (2024). *Prognoza zapotrzebowania na pracowników*, https://barometr-zawodow.pl/modul/prognozy-na-plakatach?publication=national&year=2023&form-group%5B%5D=low (24.09.2024).



- Bińkowski, J. (2017). *Ukraińska emigracja do Polski. Analiza zjawiska w kontekście sytu-acji na rynku pracy*. Kolegium Europy Wschodniej im. Jana Nowaka-Jeziorańskiego we Wrocławiu, Warsaw Enterprise Institute Warszawa–Wojnowice.
- Central Statistical Office (2023). Situation of elderly people in Poland in 2022. Warszawa-Białystok: Urząd Statystyczny w Białymstoku, https://stat.gov.pl/obszary-tematyczne/osoby-starsze/osoby-starsze/sytuacja-osob-starszych-w-polsce-w-2022-roku,2,5.html (24.09.2024).
- Central Statistical Office (2024a). Population. Population state and structure and natural movement in territorial section in 2023. State on 31 December. Warszawa, https://stat.gov.pl/obszary-tematyczne/ludnosc/ludnosc/ludnosc-stan-i-struktura-ludnosci-oraz-ruch-naturalny-w-przekroju-terytorialnym-stan-w-dniu-31-12-2020,6,29.html (24.09.2024).
- Central Statistical Office (2024b). *Regional Development of Poland Analytical Report 2023*. Warszawa, https://stat.gov.pl/statystyka-regionalna/publikacje-regionalne/opracowania-zbiorcze/rozwoj-regionalny-polski-raport-analityczny-2023,11,4.html (24.09.2024).
- Duszczyk, M. (2020). Wokół zatrudnienia cudzoziemców z państw trzecich w Polsce. *Polityka Społeczna*, 552.3.
- Górny, A., Kaczmarczyk, P., Szulecka, M., Bitner, M., Siedlecka, U., Stefańczyk, A., Okólski, M. (2018). *Imigranci w Polsce w kontekście uproszczonej procedury zatrudniania cudzoziemców*. Warszawa, https://www.migracje.uw.edu.pl/wp-content/uploads/2016/11/raport-power.pdf (25.09.2024).
- Jaroszewicz, M., Małynowska, O. (2018). Najnowsza migracja z Ukrainy do Polski: (nie) stały fenomen? Warszawa: Fundacja im. Stefana Batorego, https://www.batory.org.pl/publikacja/najnowsza-migracja-z-ukrainy-do-polski-niestaly-fenomen/ (25.09.2024).
- Ministry of Labour and Social Policy (2024). *Zezwolenia na pracę cudzoziemców, Zezwolenia na pracę 2023*, https://psz.praca.gov.pl/web/urzad-pracy/-/8180075-zezwolenia-na-prace-cudzoziemcow (24.09.2024).
- Peterson, P.G. (1999). *Grey Down. How the Coming Age Wave will Transform America and the World.* New York: Random House.
- Population Reference Bureau (2020). *Countries With the Oldest Population in the world* 23.03.2020, https://www.prb.org/resources/countries-with-the-oldest-populations-in-the-world/ (20.09.2024).
- Population Reference Bureau (2024). *Highlights From the 2023 World Population Data Sheet 18.12.2023*, https://www.prb.org/articles/highlights-from-the-2023-world-population-data-sheet/ (20.09.2024).
- Sojka, E. (2011). Analiza porównawcza struktur i procesów ludnościowych w wybranych krajach UE z wykorzystaniem metod taksonomicznych. *Acta Universitatis Lodziensis*. *Folia Oeconomica*, 253, p. 300, 299-313.
- Strategia Rozwoju Kapitału Ludzkiego 2030 (2025). https://www.gov.pl/web/rodzina/strategia-rozwoju-kapitalu-ludzkiego-2031 (20.02.2025).
- Wendt, J.A., Lewandowska, I., Wiskulski, T. (2018). Migranci ukraińscy w Polsce w latach 2014-2017. Zeszyty Naukowe Politechniki Śląskiej. Organizacja i Zarządzanie, 126.
- World Population Pyramids (2024a). https://www.populationpyramid.net/pl/polska/1990/(20.09.2024).



- World Population Pyramids (2024b). https://www.populationpyramid.net/pl/polska/2050/(20.09.2024).
- Wyszkowska, D., Wyszkowski, A. (2023). Depopulacja i starzenie się ludności konsekwencje dla finansów gmin w Polsce. *Studia BAS*, 3(75), 27-53, https://doi.org/10.31268/StudiaBAS.2023.23.
- Żołędowski, C. (2019). *Czy Polska jest już państwem imigracyjnym?* In: C. Sadowska-Snarska, Z. Wiśniewski (eds.). *Zmiany na rynku pracy w perspektywie społecznej*. Toruń: Wydawnictwo Naukowe Uniwersytetu Mikołaja Kopernika.

ZATRUDNIENIE CUDZOZIEMCÓW JAKO ODPOWIEDŹ NA PROBLEM STARZEJĄCEGO SIĘ SPOŁECZEŃSTWA W POLSCE

Streszczenie

Dynamiczne zmiany demograficzne w Polsce prowadzące do starzenia się społeczeństwa nie pozostają bez wpływu na rynek pracy. W świetle spadającej liczby osób w wieku produkcyjnym oraz wzrostu liczby osób w wieku poprodukcyjnym istotne staje się poszukiwanie efektywnych rozwiązań mających na celu przeciwdziałanie rosnącym niedoborom siły roboczej. Głównym celem artykułu jest więc identyfikacja kluczowych wyzwań związanych z rosnącą liczbą osób w wieku poprodukcyjnym oraz ze spadkiem liczby osób w wieku produkcyjnym, a także ocena potencjału zatrudnienia cudzoziemców w odpowiedzi na problem starzejącego się społeczeństwa w Polsce. Powyższe cele zostały zrealizowane dzięki analizie dostępnej literatury krajowej i zagranicznej oraz analizie dostępnych danych statystycznych, w tym danych z Głównego Urzędu Statystycznego oraz Ministerstwa Pracy i Polityki Społecznej. Rozważania podjęte w artykule prowadzą do wniosków, że wprowadzanie innowacyjnych rozwiązań, takich jak zatrudnianie seniorów oraz cudzoziemców, może przyczynić się do zrównoważenia przyszłych napięć na rynku pracy w Polsce, z tym że zatrudnianie cudzoziemców, ze względu na ich dostępność i możliwość szybkiego włączenia do siły roboczej, postrzegane jest jako strategia, która może szybciej zapełnić niedobory kadrowe, w przeciwieństwie do oczekiwania na zwiększenie aktywności zawodowej wśród krajowej siły roboczej, co jest procesem znacznie dłuższym i bardziej złożonym.

Słowa kluczowe: rynek pracy, starzejące się społeczeństwo, zatrudnianie cudzoziemców

