

A sociological study

AN EMPLOYEE FROM UKRAINE
WAGES IN POLAND



The report from the second edition of the sociological study 'Ukrainians on the Polish labour market: experiences, challenges and perspectives' conducted by EWL S.A., Foundation for the Support of Migrants on the Labour Market 'EWL' and the Centre for East European Studies at the University of Warsaw

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ANDRZEJ KORKUS

EWL S.A. Chairman of the Board

THE EVOLUTION OF THE PROFILE OF THE UKRAINIAN EMPLOYEE

I am pleased to present you with the report 'The employee from Ukraine – wages in Poland' that constitutes an important supplement to this year's publication 'Ukrainians on the Polish labour market: experiences, challenges and perspectives', prepared in cooperation with the Centre for East European Studies at the University of Warsaw. In our latest report we decided to look closely at one of the most important migration factors – wages.

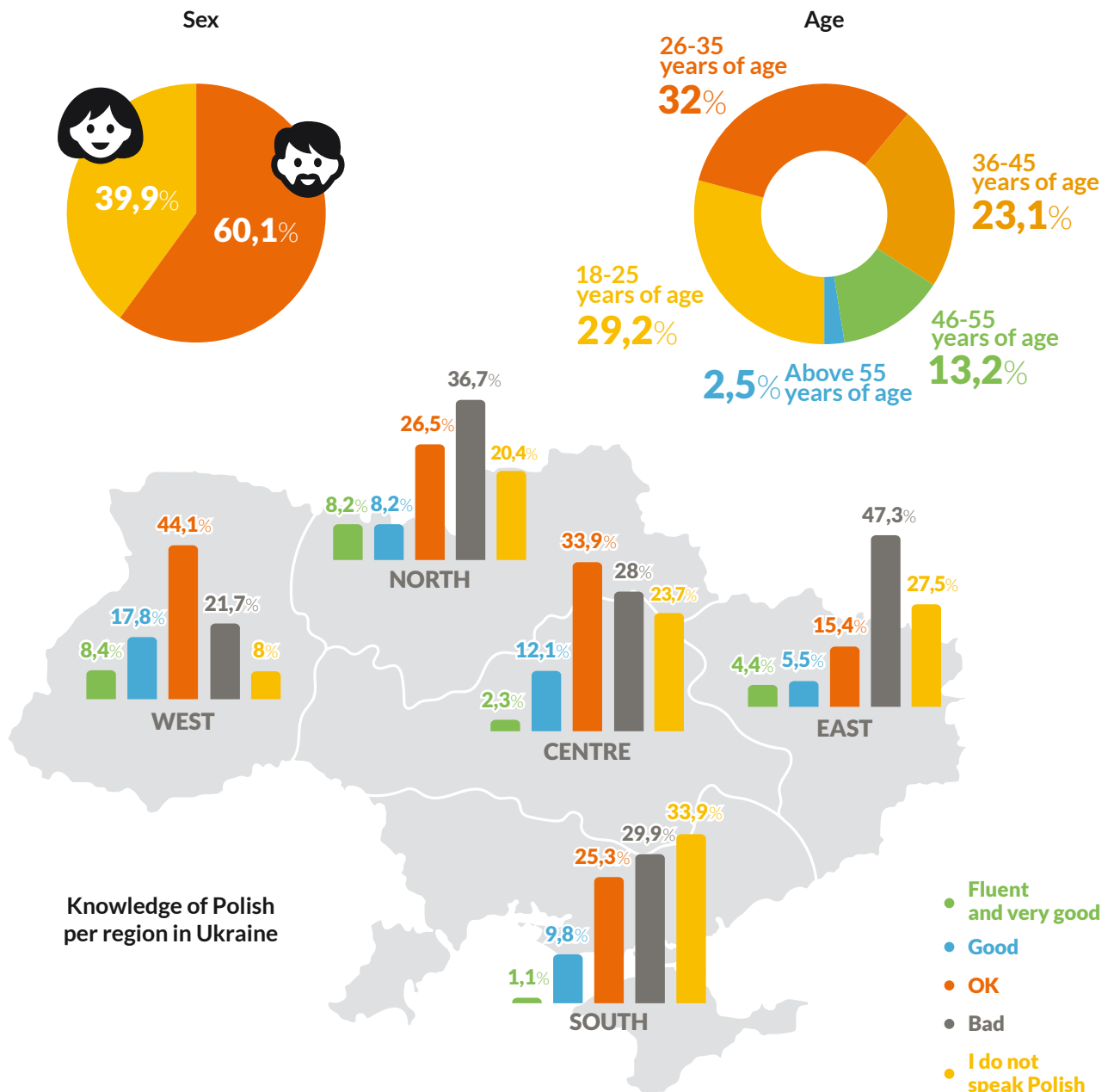
The labour market is constantly evolving and its participants are changing together with it. Every day we observe the way the economy, technology and social factors shape employer expectations towards the employed foreigners, but we cannot ignore the impact of these factors on the other participant of the market, namely the migrants themselves. The employed foreigners pay attention to many aspects of their work, including the remuneration. The stay for employment is an opportunity to learn from each other and come to relevant conclusions. Employees from the East are feeling better and better on the Polish market and are making conscious decisions regarding their employment.

The remuneration of Ukrainian citizens working in Poland is determined by many factors, such as Polish language skills, gained professional experience, as well as the industry in which foreigners found employment. More importantly, the study showed that one of the most important variables affecting wages is the number of stays in Poland or their length.

We have noted with great satisfaction that in 2019 voivodship offices managed to shorten waiting times for granting work permits for foreigners despite a 1.5-fold increase in the number of documents issued. It will significantly impact the development of our market, because foreigners who work longer in Poland are of greater value to the Polish economy. They gain necessary experience, learn the language, integrate and thus become more valuable to Polish employers. We need to take care of foreign employees in the face of emerging European markets, including Germany or the Czech Republic. The recipe for beating this competition are accelerated residence permits for foreigners in Poland (i.e. residence cards), which will encourage those employees whose qualifications are valued in our country and Europe to stay in Poland.

Have a good read.

RESPONDENT PROFILE



DEMOGRAPHIC DIVERSITY IS GROWING

The demographic structure of migration from Ukraine is subject to significant fluctuations. The largest group of Ukrainian citizens who came to Poland to take up a job are people aged 26 to 35 – 32% of respondents. Compared with last year's study, this group decreased by over 3 percentage points. At the same time the number of the youngest economic migrants (in the 18 – 25 age group) who came to our country shortly after completing their education in Ukraine increased by almost 8 percentage points.

Men dominate among the respondents (60%), though their number decreased in comparison with 2018

by 3.5 percentage points. Respectively, the share of women increased to 40% of the respondents.

The number of employees from Ukraine who do not speak Polish decreased by one third – from 31% respondents in 2018 to 20.6% in 2019.

It is no surprise that respondents from the western part of Ukraine have a good command of Polish (every fourth one declares their knowledge of Polish as 'good'). The inhabitants of eastern and southern parts of the country assess their linguistic skills as slightly worse. Over 2/3 of them admit to speaking Polish badly or not at all.

BREAKING THE STEREOTYPES OF 'CHEAP LABOUR FORCE'

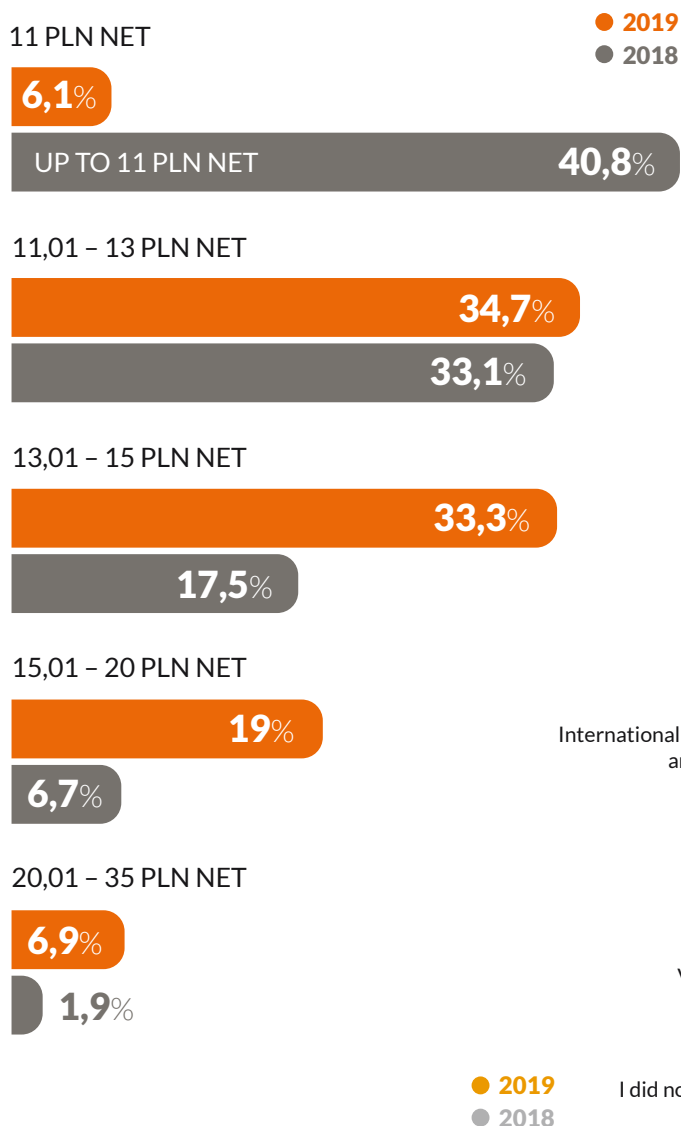
Important changes took place in the expectations of Ukrainian citizens regarding their wages in Poland. In 2018 the largest group of respondents (over 40%) were people applying for the minimum hourly wage. In 2019 only 6% of Ukrainian citizens would agree to work for such remuneration. Nevertheless, the group of employees from Ukraine wanting to earn from 13 to 15 PLN net per hour doubled (33%) and the share of respondents expecting to earn from 15 to 20 PLN net per hour almost tripled (19%).

In terms of total estimated income, the largest group are employees from Ukraine who during their entire stay in

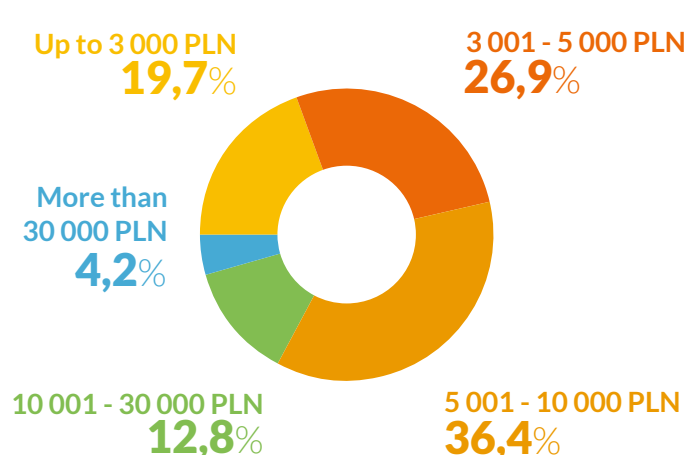
Poland (after deducting maintenance and travel costs) plan to earn from 5 to 10 thousand PLN. This group accounts for as much as 36% of the total population surveyed.

With a greater availability of technologies supporting international payment systems, there has been an increase in international money transfers and bank transfers as methods of transferring wages to Ukraine (from 39% to 55%). The number of respondents who, while employed in Poland, do not transfer their wages home decreased by 2.6 percentage points.

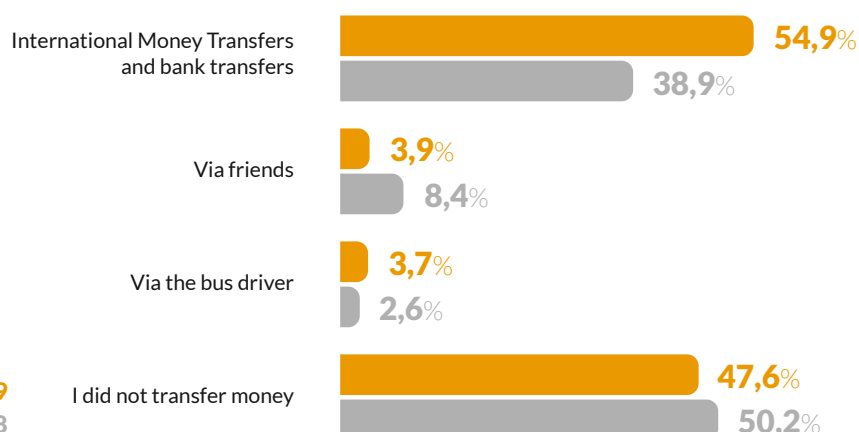
What remuneration do you expect per hour of work in Poland? (net)



What amount do you plan to save while working in Poland (bring back or transfer home)?



How did you transfer money to Ukraine?



WAGES – GENDER AND KNOWLEDGE OF POLISH

IS KNOWLEDGE OF POLISH A PASS TO BETTER WAGES MAINLY FOR MEN?

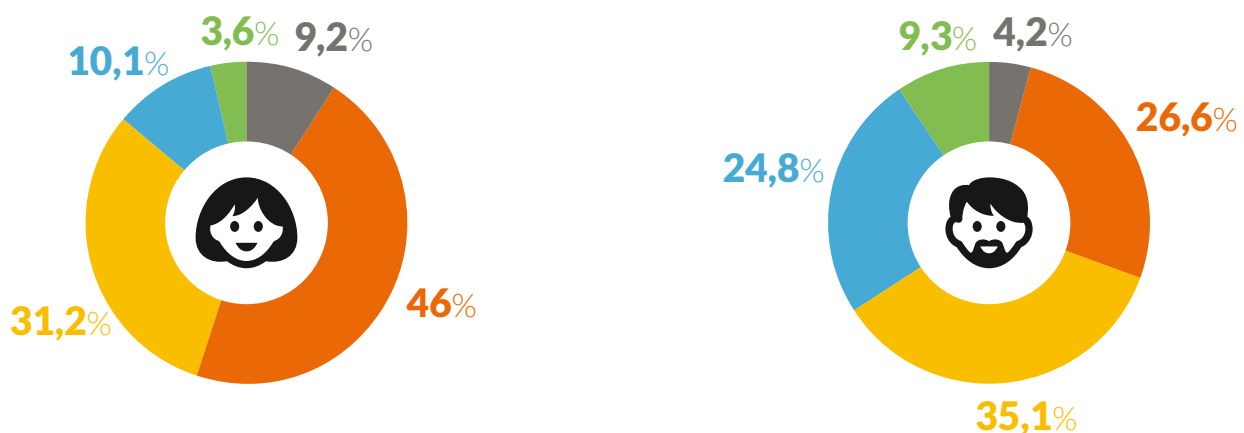
The study showed a significant difference in wages of Ukrainian men employed in Poland compared with women from Ukraine. Among the respondents earning the least, i.e. up to 13 PLN net per hour (PLN 17.37 gross), the share of women is over 55% and of men about 31%. We observe the opposite situation in the group of employees earning more than 15 PLN net per hour (PLN 20.5 gross). Among the employees from Ukraine with the highest wages, the share of women is 2.5 times smaller than men. It can therefore be seen that the prevailing trend of the Polish labour market of higher salaries among men is also true for labour migrants from Ukraine.

Based on the results of the study we can observe a strong correlation between the amount of remuneration and

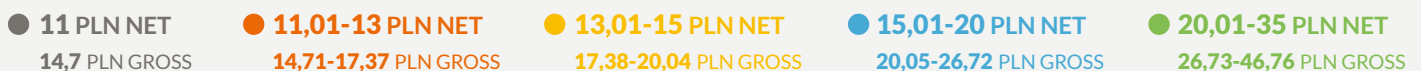
the level of knowledge of Polish among employees from Ukraine in our country. It is worth emphasizing that none of the respondents with fluent or good knowledge of Polish earn the statutory minimum wage, i.e. 11 PLN net per hour (PLN 14.7 gross). In case of people who do not speak the language the situation is quite different.

According to the survey almost 10% of respondents earning 11 PLN net per hour (PLN 14.7 gross) do not speak Polish. In turn, over 51% of Ukrainians with fluent or good knowledge of Polish can count on wages over 15 PLN net per hour (PLN 20.5 gross). At the same time Ukrainian citizens declaring no knowledge of our language who get a similar pay amount to just over 10%.

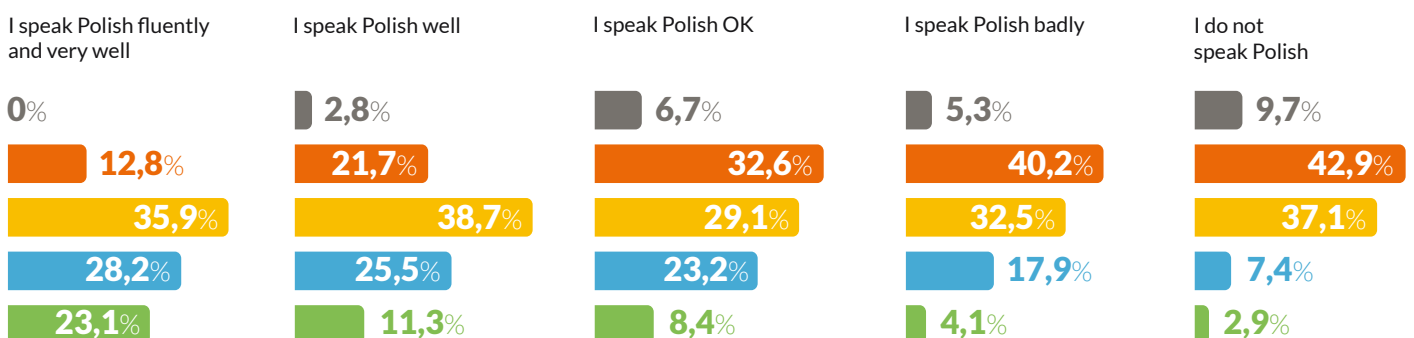
Wages by gender



HOURLY RATES



Wages by knowledge of Polish

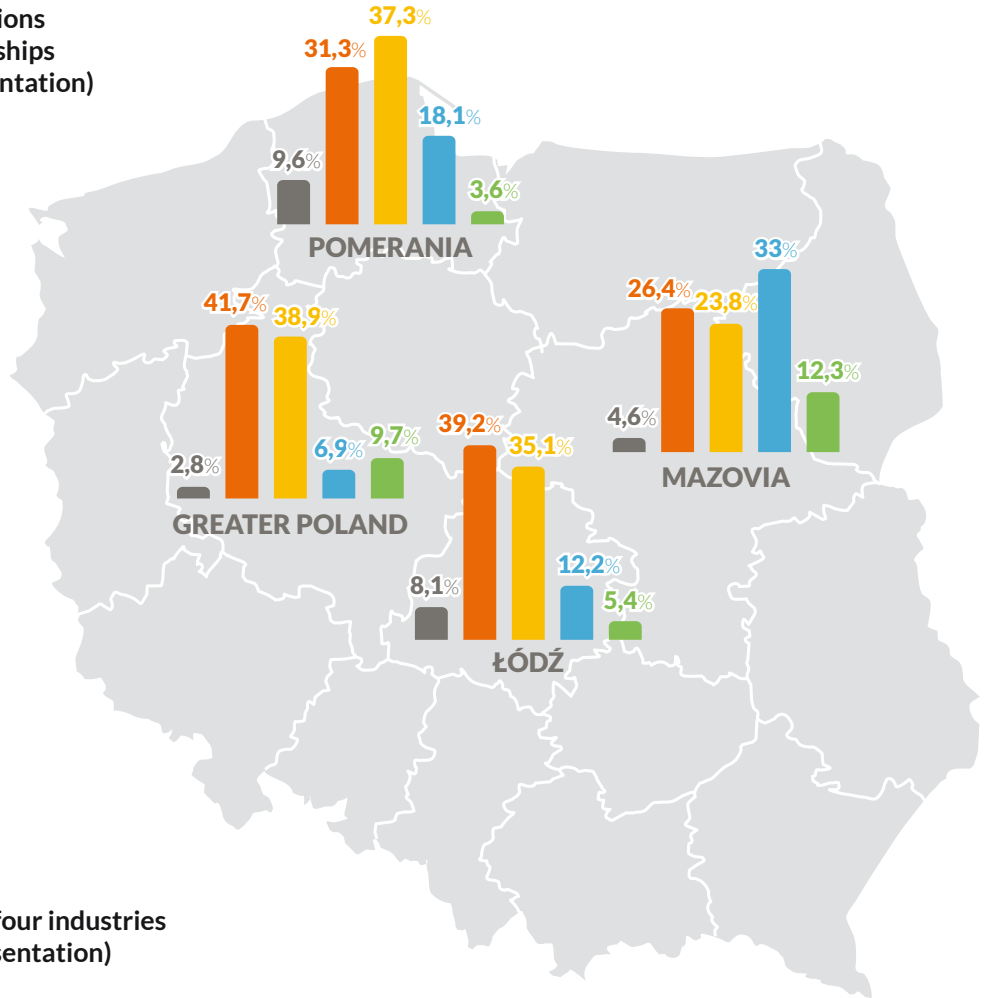


WAGES - GEOGRAPHY AND INDUSTRIES

Wages by Polish regions (among four voivodeships with the highest representation)

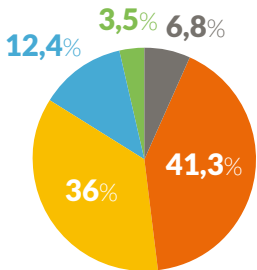
HOURLY RATES

- **11 PLN NET**
14,7 PLN GROSS
- **11,01-13 PLN NET**
14,71-17,37 PLN GROSS
- **13,01-15 PLN NET**
17,38-20,04 PLN GROSS
- **15,01-20 PLN NET**
20,05-26,72 PLN GROSS
- **20,01-35 PLN NET**
26,73-46,76 PLN GROSS

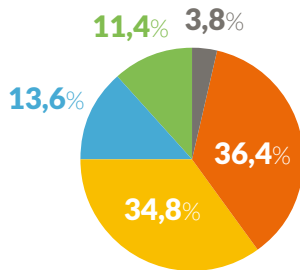


Wages by industry (among four industries with the highest representation)

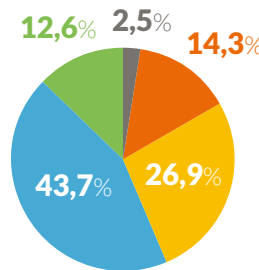
Industrial sector



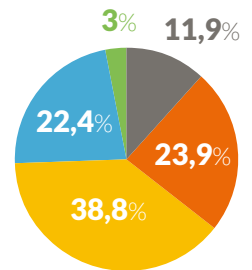
Logistics, transport and warehouse management



Construction



Agriculture



THE CONSTRUCTION INDUSTRY TEMPTS UKRAINIANS WITH WAGES, THE BEST PAY IN MAZOVIA

The best wages among the Polish voivodeships with the highest representation of Ukrainian employees were recorded in Mazovia. Over 45% of Ukrainians employed here earn more than 15 PLN net per hour (PLN 20.5 gross).

In turn, among the industries employing Ukrainians the most it is the construction industry that provides the highest wages. Over 56% of respondents employed on

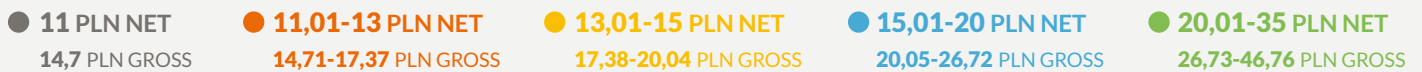
Polish construction sites receive more than 15 PLN net per hour (PLN 20.5 gross). In the industry most often chosen by Ukrainian citizens, namely the industrial sector, fewer than 16% can count on a similar pay. The vast majority, over 3/4 of employees in this sector, earn from 11 up to 15 PLN net per hour (PLN 14.7 to PLN 20.04 gross).

WAGES – EXPERIENCE AND PLANS

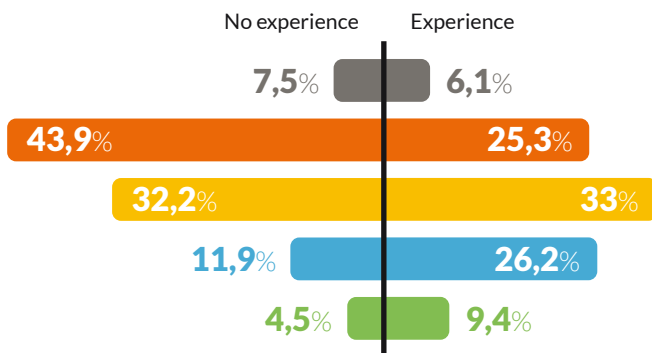
Wages by the number of stays in Poland



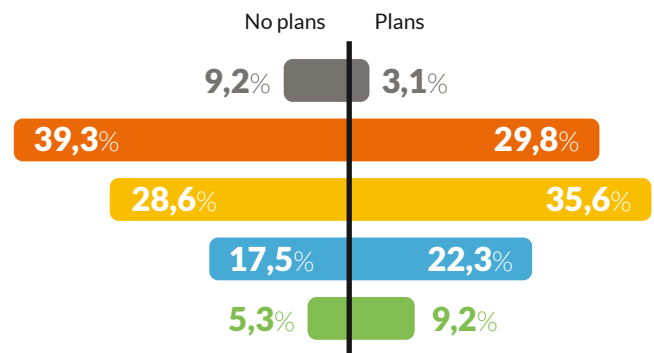
HOURLY RATES



Wages by relevant professional experience



Wages by plans of employment in countries other than Poland or Ukraine



GREATER EXPERIENCE – HIGHER REMUNERATION

The results of the study confirm the relationship between the number and length of stays of Ukrainian citizens in Poland and the level of remuneration. It is therefore not surprising that the wages of Ukrainians are growing in proportion to the number of stays for employment in our country. More than 61% of those who work in Poland for the first time can count on a pay lower than 13 PLN net per hour (PLN 17.37 gross). In turn, over 47% of respondents who were employed in our country over five times currently earn over 15 PLN net per hour (PLN 20.05 gross).

Temporary employees from Ukraine should therefore remember the rule 'the more experience the higher your wages'. Over 51% of migrants declaring lack of experience working in a given position in Poland earn less than 13 PLN net per hour (PLN 17.38 gross), whereas only 31% of experienced employees would agree to

work for that amount. Among people with experience almost 36% are employed at the rate of over 15 PLN net per hour (20.05 PLN gross) and there are over two times fewer inexperienced employees working for such pay, i.e. a little over 16%.

The study also showed that the amount of wages of Ukrainian citizens in Poland also affects their willingness to leave our country to take up employment in other countries. The higher the wages of the Ukrainian employee in Poland, the more actively they plan to go to other countries. Among the people who do not plan to leave for other countries over 48% currently earn below 13 PLN net per hour (PLN 17.37 gross). In the group of employees planning to leave Poland almost every third respondent earns over 15 PLN net per hour (PLN 20.05 gross).

BETTER WAGES HELP TO STOP THE MIGRATION OF EMPLOYEES

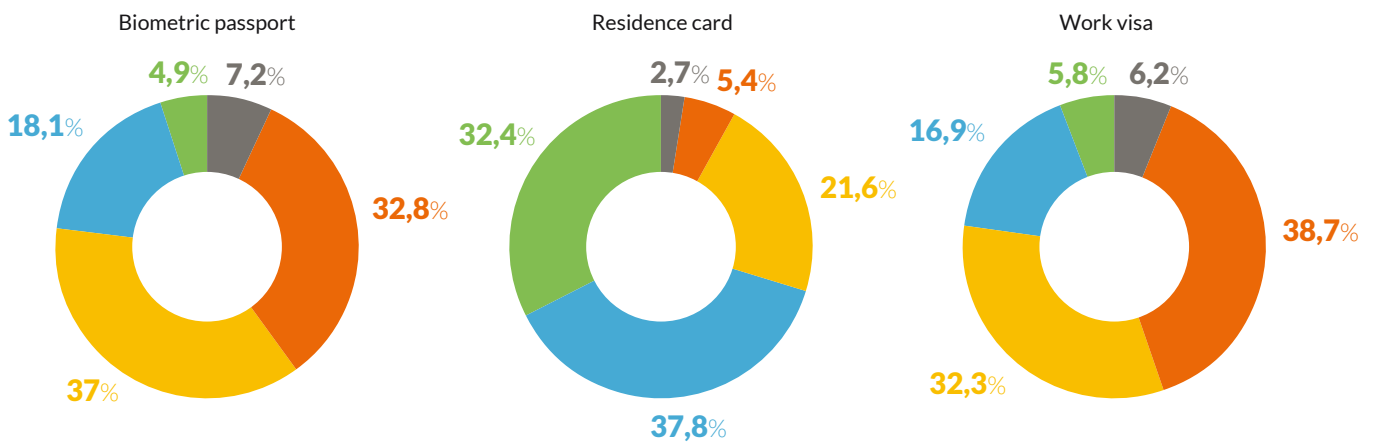
The amount of wages of Ukrainian citizens working in Poland is also diverse due to the length of their stay in our country. The study showed that employees that are employed for more than 12 months can count on higher wages than those working shorter – 49% of respondents in this group earn above 15 PLN net per hour (PLN 20.05 gross). In turn, Ukrainians employed for a period of 3 to 6 months receive the lowest pay, over 48% of them earn up to 13 PLN net per hour (PLN 17.37 gross).

The correlation also persists for subsequent lengths of stay. Ukrainian holders of residence cards (permits for a temporary or permanent stay in Poland) also receive higher salaries. Over 70% of respondents who declared

they had a residence card claimed they earn over PLN 20.05 gross per hour. It ought to be added that almost 1/3 of cardholders can count on salaries of even 20 – 35 PLN net per hour (26.73 – 46.76 PLN gross).

It is also interesting to note that owners of Ukrainian biometric passports (allowing for a stay in Poland up to 3 months) earn more than Ukrainian citizens who are staying in our country based on work visas. In turn, higher wages are noted among Ukrainians who started work in Poland on the basis of an annual work permit than migrants who are employed upon the declaration of entrusting work to a foreigner.

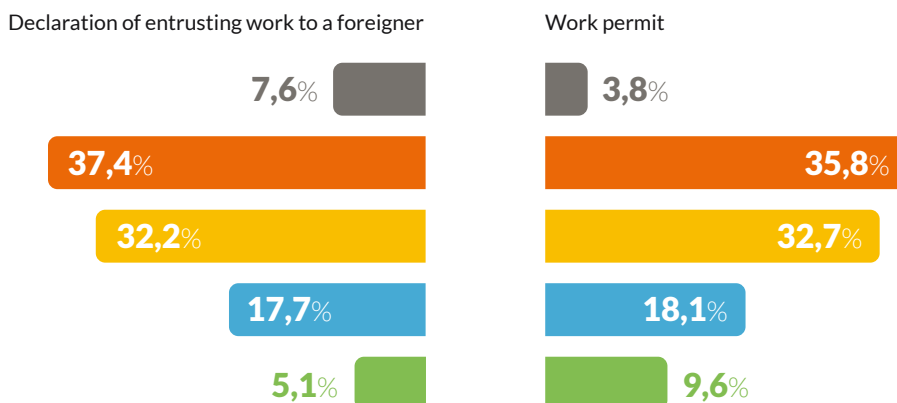
Wages by documents allowing residence in Poland (among the most popular)



HOURLY RATES

- **11 PLN NET**
14,7 PLN GROSS
- **11,01-13 PLN NET**
14,71-17,37 PLN GROSS
- **13,01-15 PLN NET**
17,38-20,04 PLN GROSS
- **15,01-20 PLN NET**
20,05-26,72 PLN GROSS
- **20,01-35 PLN NET**
26,73-46,76 PLN GROSS

Wages by documents allowing work in Poland (among the most popular)



AN EMPLOYEE FROM UKRAINE – ON THE ROAD TO POLAND

FEWER FORMALITIES, FASTER WORK

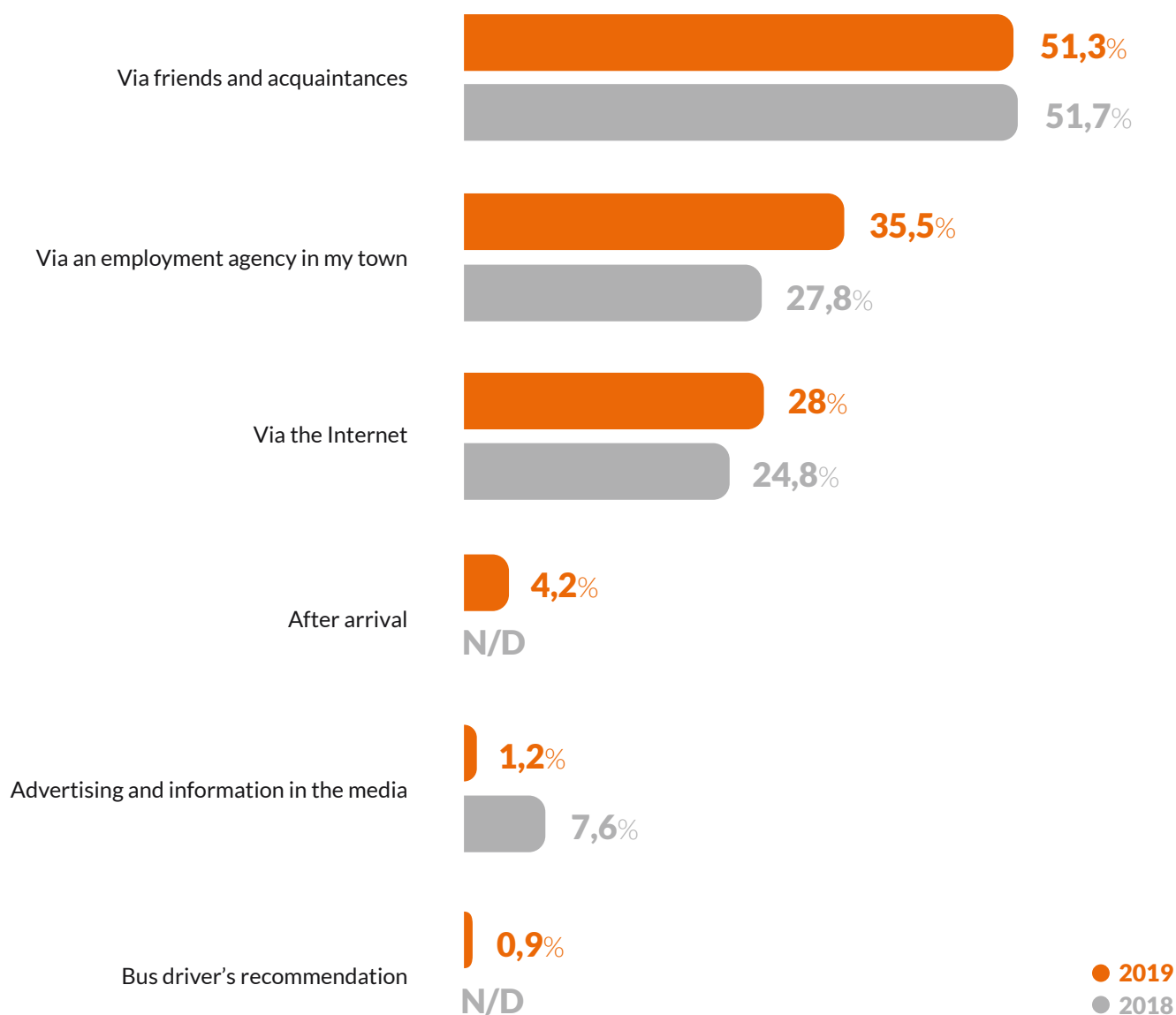
More and more Ukrainian citizens are entrusting employment agencies with looking for a suitable job offer in Poland. According to the survey, in 2019 over 35% of migrants used intermediary services compared to 28% the year before. Nevertheless, just as in 2018, every second Ukrainian was looking for a suitable job offer in our country upon the recommendation of friends and acquaintances.

Citizens of Ukraine do not need much time to find a job in our country – for as many as 60% of respondents it takes

less than 2 weeks (57% in 2018). Respondents also point to the acceleration of formalities related to their employment in Poland. If in 2018 the shortest deadline – up to 2 weeks – was noted by every third respondent, in 2019 it was by every second one.

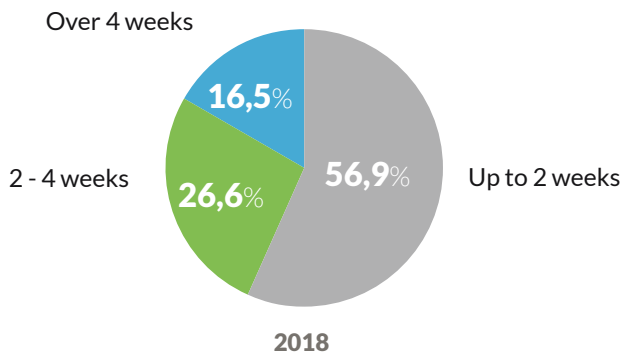
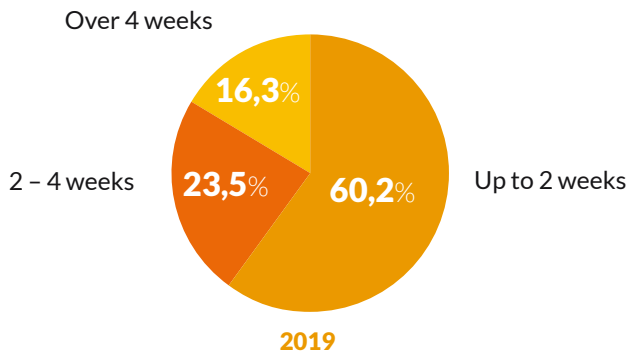
The situation regarding time spent on the Polish–Ukrainian border has also improved. The number of Ukrainians who spent up to 2 hours and 2 to 4 hours on the border increased by 4.5 and 2 percentage points respectively.

How have you been looking for a job in Poland this time?

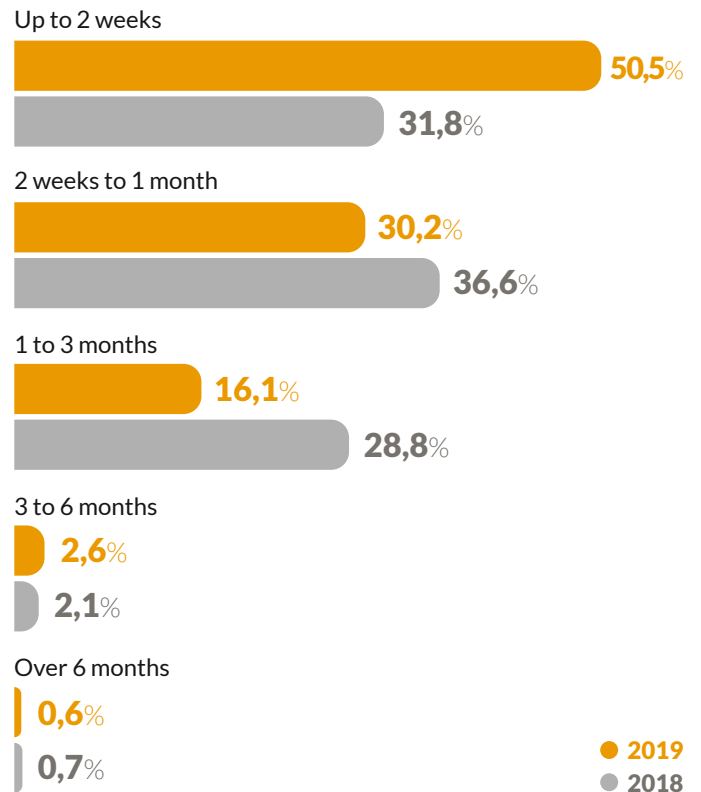


AN EMPLOYEE FROM UKRAINE - ON THE ROAD TO POLAND

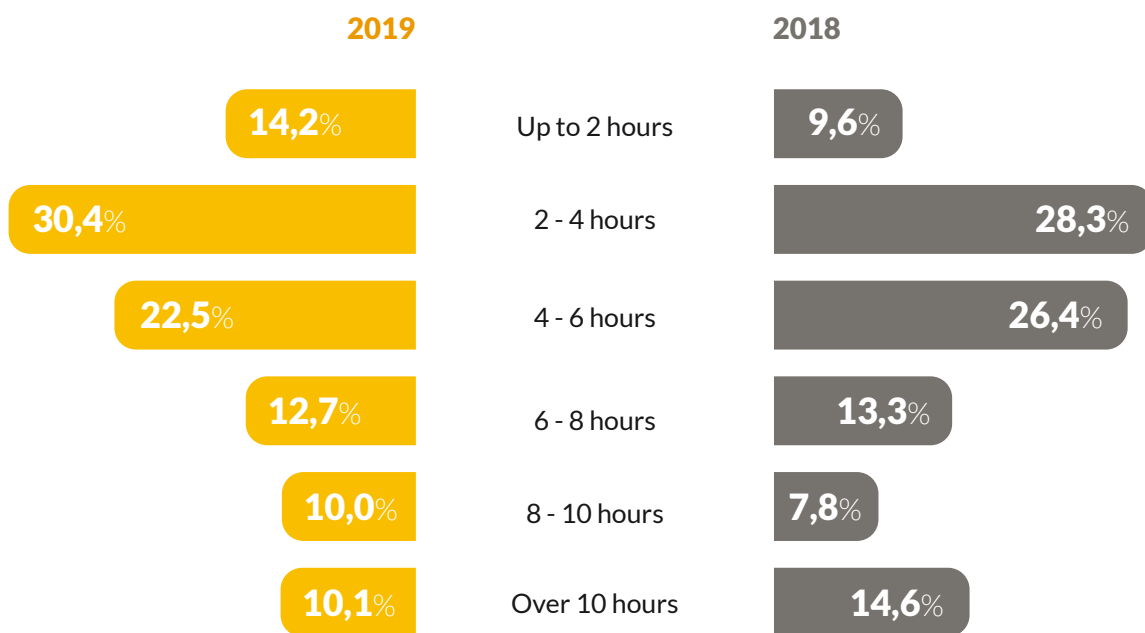
How long have you been looking for a job in Poland this time?



How long did the formalities related to your employment in Poland take?

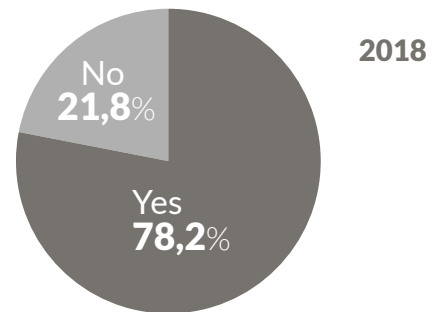
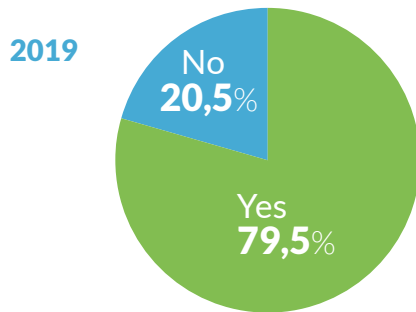


How many hours did you spend on the Polish-Ukrainian border during your last trip to Poland?

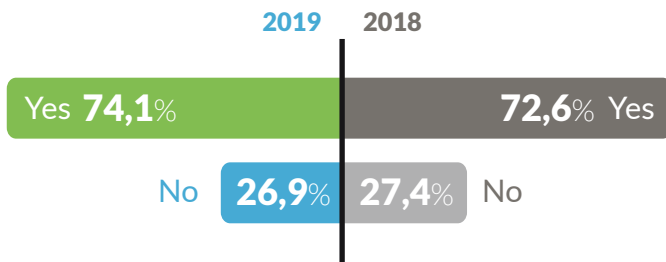


AN EMPLOYEE FROM UKRAINE - KNOWLEDGE AND AWARENESS

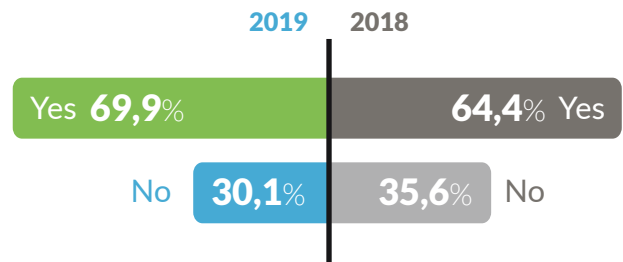
Before coming to Poland, did you know exactly what the remuneration would be?



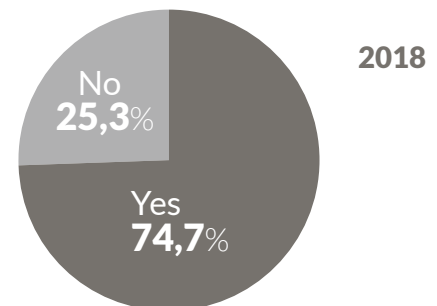
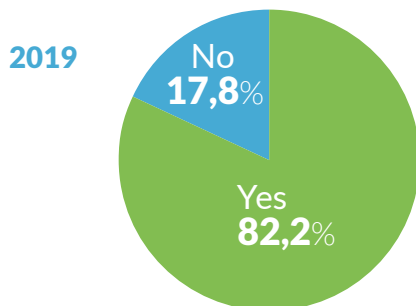
Before coming to Poland, did you know exactly what work you would do?



Before coming to Poland, did you know exactly what the working conditions would be? (type of contract)



Before coming to Poland, did you know exactly which employer you would be employed by?



THE MEANING OF CONSCIOUS DECISIONS IN THE CHOICE OF WORK

There is a growing awareness of our eastern neighbours about work in Poland. Before travelling to our country, an even large group of respondents take the necessary steps to check all the information about their future employer, along with details and conditions of performed work, civil-legal conditions of the contract and the amount of remuneration.

All these indicators increased compared to 2018 by several percentage points – from 1.5 to 7.5. The level of knowledge of the conditions ranges from 70% – for employment conditions, and up to 82% – for the knowledge about the entity employing a migrant worker from Ukraine.

THE STUDY IN NUMBERS

59%

of employees from Ukraine are planning to earn in Poland more than PLN 14.71 gross per hour

6%

of respondents agree to employment for the lowest rate of PLN 14.70 gross per hour

2,5x

more men than women from Ukraine earn in Poland above PLN 20.05 gross per hour

45%

of Ukrainians employed in the voivodeship of Mazovia earn more than PLN 20.05 gross per hour

56%

of Ukrainians employed on Polish construction sites earn over 20.05 PLN gross per hour

51%

of respondents who speak Polish fluently or very well earn above PLN 20.05 gross per hour

NONE

of the fluent or well Polish-speaking respondents earn the minimum wage in Poland (PLN 14.7 gross per hour)

55%

of employees send their wages to Ukraine via international money transfers and bank transfers

51%

of employees from Ukraine were looking for employment in Poland through friends and acquaintances

79%

of employees from Ukraine coming to Poland know exactly what their remuneration will be

60%

of respondents were looking for work in Poland for less than 2 weeks

855

people were surveyed

DYNAMICS 2019/2018

↑ increase of 3x

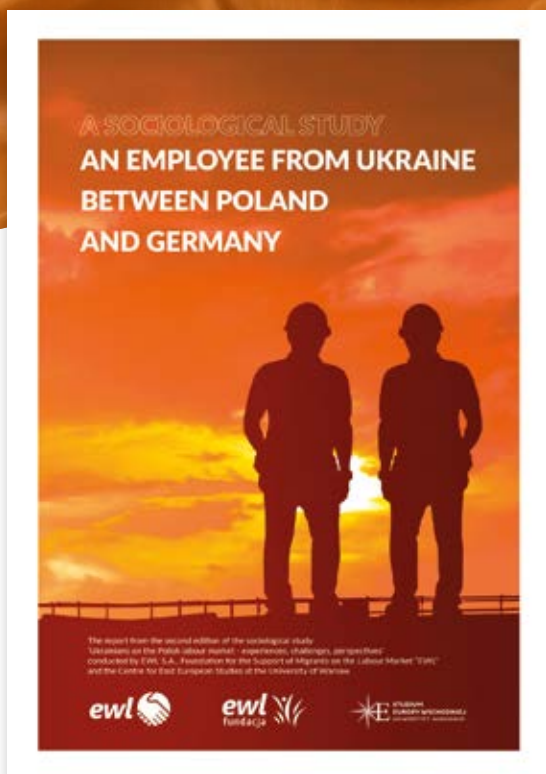
of Ukrainian citizens planning to earn in Poland above PLN 20.05 gross per hour

↓ decrease of 7x

in the number of respondents who decide to work in our country for the minimum hourly rate (PLN 14.7 gross per hour)

↑ 2,4x

more respondents use international money transfers and bank transfers



'AN EMPLOYEE FROM UKRAINE between Poland and Germany'
(June)



'UKRAINIANS ON THE POLISH LABOUR MARKET: experiences, challenges and perspectives'
(September)

METHODOLOGY

The study of employees from Ukraine was carried out by means of direct individual questionnaire interviews. The selection of the sample was oriented towards finding respondents representative of the community of Ukrainians working in Poland. Thus, the interlocutors were selected in places where one could meet people representing all regions of this country, all age groups, professions and levels of education.

The study included citizens of Ukraine who were staying, working or arranging formalities related to taking up a job in Poland and were ready to take that job.

In the period of 17 April – 31 May 2019 interviews were held with 855 adult respondents (18 years of age and above). The sample size (bearing in mind that about 1 million citizens of Ukraine residing in Poland) and the place of its selection ensure adequate representation. It is also confirmed by the cross-cutting nature of the selection of people covered by the study, which included the inhabitants of all regions of Ukraine (in line with geographic conditions, including the overrepresentation of citizens from Western Ukraine), the representatives of various age groups, occupations and levels of education, and city and countryside residents in proportions that correspond to the current demographic structure of Ukraine.

EWL S.A.



Founded in 2007, EWL S.A. recruits top-notch specialists from four continents. It is the leader on the Polish market of employment of foreigners in the field of permanent recruitment, employee leasing, outsourcing and servicing the employment of non-EU citizens. The Group provides HR solutions for most sectors of the economy in the European Union, including formalities related to staffing and legalization of stay.

EWL S.A. has 32 branches in 5 European countries (Poland, Ukraine, Belarus, Moldova and the Czech Republic), and last year opened 16 new offices in Ukraine. This is the company's response to the ever-growing demand for qualified employees from the East and the constant improvement of the quality of services provided to

candidates. For this reason, the company is planning – next to the working branches in Belarus and Moldova – to open further offices in other countries of the former USSR.

EWL S.A. wants to be as close as possible to its foreign candidates in order to look after them from the beginning to the end of the recruitment process and work in the target place. It guarantees the company's clients the recruitment of only matching and loyal staff. Thanks to advanced IT technologies and tools the recruitment process and employee management are getting faster and more automated. The result? A high percentage of orders and a low percentage of turnover of employees recruited by the company.

FOUNDATION FOR THE SUPPORT OF MIGRANTS ON THE LABOUR MARKET 'EWL'



Founded in 2015, the Foundation for the Support of Migrants on the Labour Market 'EWL' aims to initiate and support activities related to the presence of foreigners on the Polish labour market.

Our idea is to raise awareness of rights and obligations and the benefits of legal employment among foreigners, as well as to limit the abuse by dishonest employers. One of the main objectives of the Foundation is to improve multilateral cooperation between employers, government

institutions, non-governmental organizations and migrants themselves.

The Foundation also does charity work addressed mainly to foreigners who are in a difficult life or financial situation. In addition, it works for European integration, active dialogue and the development of contacts and cooperation between societies. The Foundation's activities are directed, among others, to entities involved in migration processes and participants of the global labour market.

THE CENTRE FOR EAST EUROPEAN STUDIES AT THE UNIVERSITY OF WARSAW



The Centre for East European Studies is a unique academic unit in Poland, continuing the traditions of pre-war Sovietological centres – the East European Institute in Vilnius (1930–1939) and the Eastern Institute in Warsaw (1926–1939). The teaching offer of the Centre includes elite Eastern Studies (1st and 2nd degree and postgraduate courses) as well as schools for foreign students. The lecturers are eminent scientists, diplomats and specialists from Europe and the USA.

The Centre annually organizes international scientific conferences and a series of events building positive relations between Poland and the countries of the former

USSR. It is also the publisher of numerous books and magazines devoted to the eastern themes.

In the years 2004–2013, the Centre for East European Studies, under the content-related supervision of Mariusz Kowalski and the general management of Jan Malicki, conducted a series of social studies in Ukraine. The first of them took place in December 2004. A total of about 2,000 questionnaire interviews was carried out, pertaining issues such as political views and preferred directions of international cooperation, with particular emphasis on the place of origin, nationality and language of the respondents' daily communication.



'AN EMPLOYEE FROM UKRAINE - WAGES IN POLAND. A REPORT BY EWL'

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