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EQUAL OPPORTUNITIES: YOUTH INCLUSIVENESS IN THE POLISH LABOUR MARKET IN THE CONTEXT OF URBANISATION

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ABSTRACT. From an economic and social standpoint, it is imperative for any nation to analyse the situation of young people in the labour market under changing macroeconomic conditions. In Poland, the employment rate of young people is lower than the European Union average, which is likely to have ramifications for future labour demand. The aim of this study is to assess the situation of young people in local labour markets, with particular emphasis on regional capitals as employment centres and the inclusivity levels of regional labour markets. The analysis was conducted on data from the Labour Force Survey (LFS) by Statistics Poland, covering the years 1995–2023. Econometric techniques and spatial statistics methods were employed, taking into account the level of urbanisation. The findings indicated a substantial variation in inclusiveness across different levels of urbanisation, demonstrating a clear link between the two. Contrary to popular belief, urbanisation did not appear to uniformly promote labour market inclusiveness; indeed, large cities exhibited both lower unemployment rates and lower inclusiveness.

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Introduction

Young people constitute a distinct group of workers within the labour force. Their openness to new experiences and recently acquired knowledge can be valuable for employers. In particular, the youth bring a fresh perspective, innovative thinking, and better adaptation to technology. However, a lack of experience is frequently cited by employers as a drawback of

this group. Typically, young people are defined as those aged 15–24. Given their preparedness and readiness to enter the workforce, this is quite a diverse group that includes pupils, university students, and workers. The Statistics Poland data indicates that as of 30 April 2023, young people accounted for 5.9% of the 15.1 million employed in all sectors of the national economy (including small enterprises). According to Kusideł (2020), the labour force participation rate of young Poles is significantly lower than the EU average, particularly for the 15–19 age group. The author posits that it will not be possible to meet the future demand for labour with domestic resources without increasing the professional activity of the youngest age groups.

Labour market research shows that young people are one of the most vulnerable groups of workers (Kwiatkowska, 2012; Wachowska, 2015; Dunsch, 2017; Yoon, 2018; Kucharski & Kwiatkowski, 2020), which contradicts the principles of inclusive growth. Inclusive growth postulates equal access to opportunities, productive employment, and social inclusion – ensuring that young people, regardless of background, can actively participate in and benefit from economic progress, thereby reducing unemployment, poverty, and inequality among the youth population (Saher et al., 2024). In the labour market, the young people are facing numerous issues influenced both by macroeconomic conditions and by various mismatches between the demand for labour and the supply of labour in terms of qualification, sector, level of vocational training, and territorial distribution. In addition, the individual preferences of young people influence their decisions to seek or not seek employment. The situation of workers in the labour market can also be influenced by factors such as gender or family status (Ryczkowski & Zinecker, 2020; Bolińska et al., 2023).

In the regional context, internal and external migrations ought to be considered when analysing the situation of young people in the labour market. In this respect, various dimensions can be chosen, such as voivodeships and counties, cities and rural areas. In the case of the latter, observed labour market migrations result in the phenomenon of polarisation, significantly impacting the size of local labour markets (and to a lesser extent, regional ones). From a long-term perspective, emigration has negative impacts on source economies (Potuzakova & Bilkova, 2022). Consequently, there is a 'drain' of young, ambitious, and better-educated individuals to metropolitan centres, contributing to the contraction of local labour markets. In view of the migratory processes (described in Section 1 of this article) observed between large urban centres and peripheral areas, research on the labour market and the circumstances of young people from a spatial perspective gains significance.

To date, such analyses have been conducted at the administrative level of disaggregation, without distinguishing young people or levels of urbanisation. Access to unique unite-level data from the LFS has enabled the analysis of the spatial differentiation of youth unemployment, considering the level of urbanisation of the area (rural, towns up to 50,000 inhabitants, towns from 50,000 to 100,000 inhabitants, and cities over 100,000 inhabitants).

In light of the above, this article poses the following research questions:

1. Does the situation of young people in the labour market vary depending on the level of urbanisation of the territorial unit?
2. Which labour markets (regarding urbanisation) offer the best conditions for young people?
3. Does a favourable labour market equally benefit adults and young people?
4. Is youth inclusivity dependent on the level of urbanisation of the area?

The answers to these questions were obtained through the analysis of LFS data covering the years 1995–2023. The analyses were conducted at the county level and for groups of areas with a certain level of urbanisation. Measures of regional labour market inclusivity concerning young people and econometric and spatial statistical methods were used to answer the research questions.

The study is divided into the following main sections: theoretical aspects of youth unemployment in regional labour markets (Section 1), research methodology (Section 2), and results on the inclusiveness of regional labour markets from the perspective of young people (Section 3). The conclusion presents findings related to the study's objectives and addresses the research questions.

1. Theoretical framework

1.1. Youth unemployment in the regional context

Inclusivity and diversity in labour markets are crucial topics in economic and sociological literature, particularly concerning young people entering the workforce. This subject encompasses issues related to equal employment opportunities, barriers to labour market entry, and policies supporting youth employment. In recent years, inclusiveness and diversity in labour markets have gained particular importance, especially in the context of the COVID-19 pandemic (OECD, 2020; UNICEF, 2020), as well as demographic and technological changes affecting the younger generation of workers (ILO, 2021). Recent literature has highlighted the importance of adaptive policies and practices that support young people in a rapidly changing work environment (European Commission, 2020; WEF, 2023; CEDEFOP, 2021).

It is in the public interest for young people to enter the labour market smoothly. Unfortunately, many countries have consistently experienced high unemployment rates among young workers for years (O'Higgins, 1997; Perugini & Signorelli, 2010; Kwiatkowska, 2012; Choudhry et al., 2013; Dolado, 2015; Kucharski & Kwiatkowski, 2020; Konle-Seidl & Picarella, 2021). This phenomenon varies by country and region (Nienaber et al., 2020). In some countries, such as Spain, Italy, and Croatia, youth unemployment is particularly severe. However, economies such as Germany and Austria have relatively favourable labour market conditions (Bal-Domańska, 2022). At the beginning of the 21st century, Poland faced significant labour market challenges. Nowadays, the situation has drastically improved, and Poland boasts one of the lowest unemployment rates in the EU (Pennoni & Bal-Domańska, 2022). According to United Nations (UN) methodology (LFS), Poland's unemployment rate was 2.8% in September 2023, compared to the EU27 average of 6%, making it the third lowest in the EU (after the Czech Republic at 2.6% and Malta at 2.7%).

When assessing Polish regions regarding overall unemployment rates, it is notable that the northern part of the country – particularly the voivodeships of Warminsko-Mazurskie, Kujawsko-Pomorskie, and Zachodnio-Pomorskie, as well as the southern parts of Dolnoslaskie and Mazowieckie – is particularly disadvantaged (Bal-Domańska, 2016a; Lewandowska-Gwarda, 2018). However, there are centres with strong economic positions and low unemployment rates, including counties encompassing Poland's largest cities and their surrounding municipalities, such as Warszawa, Poznan, Wroclaw, and Trojmiasto (Gdansk, Gdynia, and Sopot), as well as Gorny Slask. The problems of underdeveloped labour markets in these regions are compounded by poverty (Bal-Domańska, 2016a), in addition to other developmental or demographic issues (Gorzelak, 2006; Czyż & Hauke, 2011).

Despite significant improvements in Poland regarding the overall unemployment rate, the level of labour market inclusivity for young people remains low (Bal-Domańska, 2022) and varies considerably across regions. The difficulties young people face in accessing local labour markets often prompt them to migrate. As one of the most mobile age groups, young people frequently relocate to large urban centres and highly developed regions, often at the expense of less developed areas (Lewandowska-Gwarda & Antczak, 2015). Therefore, as mentioned

earlier, the observed migration processes between large urban centres and peripheral areas justify conducting further research on the labour market and analysing the situation of young people from a spatial perspective.

1.2. Regional conditions of young people's labour market situation

The situation of young people in regional labour markets is generally influenced by the same macroeconomic factors that apply at the national level. However, these factors are further shaped by regional conditions, such as the economic structure of a given area and demographic processes (Kwiatkowska, 2012; Cefalo et al., 2020).

Broadly, the factors determining the labour market situation can be grouped into national and regional categories (*Table 1*). These factors are widely discussed in the literature (Dylkiewicz, 2014), including in the context of young people (O'Higgins, 1997; Bal-Domańska, 2021).

Table 1. Factors determining the labour market situation by national and regional categories

Specification	Of national significance	Exhibiting regional variation
Economic (related to the general economic situation)	• labour costs	• level of development and economic growth rate, • productivity
Structural and technological (affecting the supply of sought-after jobs)	• economic openness	• sectoral structure of the economy (share of labour-intensive sectors vs. high-technology sectors), • ownership structure of economic entities (private, public), • dominance of large or small economic entities
Labour market and social policy legal regulations (defining labour market rules and tools)	• labour market model, • flexibility of employment forms, • length of working time, • minimum wage, • policies supporting the return to work after maternity leave	• effectiveness of local labour market institutions (support)
Education and training (related to the adequacy of qualifications acquired by job seekers to market needs)	• programmes aimed at professional activation, e.g. POWER	• structure of available education at vocational, secondary and higher levels
Demographic and cultural (related to natural increase, migration, age structure, and commitment to work for the family)	• general rules	• age structure of the population, • family model, • fertility rate

Source: *own elaboration*

Labour market research consistently show that the unemployment rate among young people is significantly higher than that of adults and is more sensitive to changes in the economy

and the labour market (Clark & Summers, 1982; O'Higgins, 1997; Perugini & Signorelli, 2010; Bell & Blanchflower, 2011; Choudhry et al., 2013; Dietrich, 2013; Bruno et al., 2017; Tamesberger & Bacher, 2020).

When analysing the situation of young people in the labour market, it is important to consider their high mobility and openness to seeking new locations conducive to finding satisfactory employment. This behaviour can be attributed to both push and pull factors. Push factors, in addition to the lack of employment opportunities and the generally poor economic condition of the region, also include poor working and living conditions (e.g. lack of housing). Pull factors include, among others, educational opportunities, better employment prospects, higher wages, and a higher standard of living (Ravenstein, 1889; Jończy, 2010; Kozielska, 2014; Brzozowski & Kaczmarczyk, 2018). Young people frequently migrate in search of optimal living conditions and future career prospects (Jończy et al., 2013; Grabowska & Jończy, 2013; Dolińska et al., 2020). These migrations often occur before entering the workforce, particularly at the beginning of studies, and are associated with a so-called educational boom and a significant change in the level of aspirations among young people (Kaczmarczyk, 2021). As Jończy (2023) points out, 'young people undertaking them are aware of the limited job offer (this applies especially to work for highly qualified people) in the peripheral area of origin, which is why they are determined to migrate to large regional centres. In this way, "educational migrations" become only the first stage of definitive migration'. By migrating from economically weaker regions to stronger centres, they reinforce the polarisation of regions into leading and peripheral areas. This can lead to the further deterioration of regional economies, including increased unemployment. In times of employment fluctuations, young people are typically among the most affected groups. Consequently, their tendency to migrate in search of work increases, fuelling a downward spiral of economic decline in peripheral regions, where the phenomenon of population drainage is observed (this process is discussed by Jończy, 2023). Furthermore, underdeveloped peripheral regions with low levels of economic growth face an additional threat due to the negative effects associated with the progressive ageing of the local community.

2. Methodological approach

The inclusiveness of regional/local labour markets is understood as the relative level of inclusion of young people in employment. Inclusiveness can be defined in both static and dynamic terms. In static terms, it describes disparities in the unemployment rate of two social groups, e.g. young people and adults, at a given point in time and can be described by the formula:

$$Is = \frac{SBm}{SBd}, \tag{1}$$

where *SBm* – unemployment rate of young people; *SBd* – unemployment rate of adults (25 and over).

Inclusiveness is characterised by an insignificant difference between the unemployment rate of young people (SBm) and the reference group (e.g. SBd). In contrast, non-inclusive markets exhibit large disparities in unemployment rates between different groups. It is important to note that this formulation of labour market inclusivity for young people provide a relative assessment of labour markets. Both a highly favourable situation for young people, indicated by a low unemployment rate, and a difficult situation with a high unemployment rate can be observed in markets described as inclusive towards young people. The key factor is the comparison between the position of one group of labour market participants (in this study, young people) and the reference group (here, adult labour market participants).

In dynamic terms, the inclusivity of labour markets (α – inclusivity) expresses the level of responsiveness of labour markets towards young people in relation to similar changes in the reference group (e.g. adults). Its measurement is based on the regression equation:

$$SBm = \alpha SBd + b + \varepsilon \quad (2)$$

Young people are defined as individuals aged 15–24 (SBm), whereas adults are classified as those aged 25 and over (SBd). The higher (lower) the value of α, the greater (lesser) the influence of adult unemployment on youth. In other words, high (low) values of α indicate high (low) inclusiveness, reflecting significant differences between the situation of youth and adults in the labour market and highlighting the weak position of youth.

For this analysis, unpublished individual-level LFS data were used to estimate the unemployment rate for two age groups: 15–24 and 25+, and the following levels of urbanisation:

- rural areas (villages) with fewer than 2,000 inhabitants,
- small towns – above 2,000 to 50,000 inhabitants;
- medium-sized towns – from 50,000 to 100,000 inhabitants;
- large cities – over 100,000 inhabitants.

The LFS data, which form the core of this study on inclusiveness, cover the years 1995–2023 and are entirely unique, as they constitute the longest available dataset on youth unemployment rates by age groups and level of urbanisation in Poland. No other dataset with such a high level of disaggregation and extensive time coverage is publicly available in Poland.

To address the research question concerning spatial patterns, Global Moran's I Statistic and LISA (Local Indicators of Spatial Association) were calculated (Moran, 1950; Anselin, 1995). Moran's I measures the degree of spatial autocorrelation in a dataset, determining whether similar values are clustered, dispersed, or randomly distributed across a geographic space. In calculating Moran's I statistic, a first-order weight matrix was adopted, assuming that each poviat (county) sharing at least one border with the analysed poviat (county) is considered its neighbour (using a queen's contiguity configuration). To illustrate local clusters, a LISA significance map ($p = 0.05$) based on a local Moran's I was provided. A cluster consists of poviats surrounded by poviats with similar situations (i.e. similar values of the indicator). The significance of autocorrelation statistics was assessed using the Z statistic, which represents the standardised value of Moran's I, and the p-value assuming a normal distribution (N(0,1)).

3. Data analysis

3.1. Spatial patterns for young people (aged 15–24) in Polish poviats

First, the aim was to assess the distribution diversity of young people in 380 local labour markets – referred to as poviats (counties) in Poland. The size of the young population in a given region is a key factor influencing the labour supply of the youngest market participants.

The analysis of data from the Statistics Poland Local Data Bank led to the following conclusions: in 2022, there were 3.656 million individuals aged 15–24 in Poland. Compared to 2010, this represents a 30% decrease in the number of young people, while compared to 2000, this number decreased by 44%. The decline in the number of young people has resulted in a change in the age structure of Poland's population. While in 2000 young people constituted 16.9% of the total population, this proportion decreased to 13.7% in 2010 and further declined to 9.7% in 2022, the most recent year for which data is available.

When analysing the spatial distribution of young people in Polish poviats, a positive spatial autocorrelation is observed (*Figure 1*), albeit one that decreases over the years. In 2022, the global Moran's I statistic for the percentage of young people in the poviats was 0.35, compared to a significantly higher value recorded in 2010 at 0.499. This indicates a declining concentration of poviats with similar demographic structure of young people, deviating from clear territorial regimes. These situations could be evaluated positively were it not for the fact that the disappearance of territorial regimes was associated with a significant decline in the number of young people in the poviats (*Figures 1* and *2*).

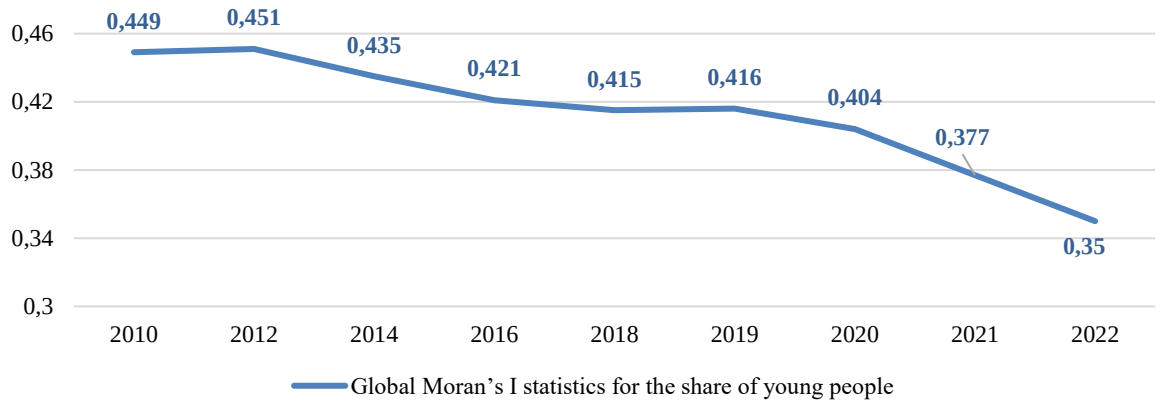

Figure 1. Global Moran's I statistics for the percentage of young people in Polish poviats in 2010–2022
Source: *own elaboration based on Statistics Poland's data and registered unemployment data*

In Poland, the percentage of young people (15–24) is particularly low in large cities, but higher in surrounding counties. In regional terms, in 2022, the most favourable demographic situation – where the percentage of young people ranged from 10% to 13% – was observed in the Malopolska Voivodeship[1] and partially in adjacent poviats of the Podkarpacie Voivodeship, as well as in northern Poland in the voivodeships of Pomorskie and Kujawsko-Pomorskie. Similarly, in the border areas of Warminsko-Mazurskie, Mazowieckie, and Podlaskie, as well as Mazowieckie and Lubelskie, young people comprised a relatively high percentage of the population (*Figure 2*). In these areas, according to the results of the Z test, statistically significant clusters of poviats with favourable demographic situation, characterised by a relatively high percentage of young people, are visible (*Figure 3*). The situation is considerably less favourable in western and south-western Poland, where young people constitute the smallest percentage of local communities (from 7% to 9%) in poviats of the Opolskie Voivodeship, southern and western parts of the Dolnoslaskie Voivodeship, and the Slaskie Voivodeship.

[1] Voivodship – is a regional level self-government unit in Poland (province).

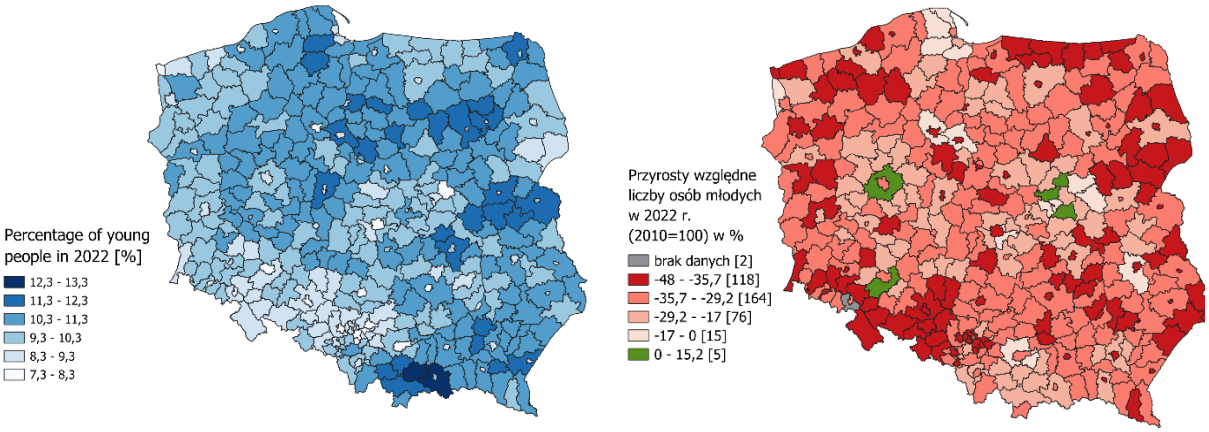

Figure 2. Percentage of young people in 2022 and relative increases in the number of young people (in %, year 2010* = 100) in Polish counties
Source: *own elaboration based on local Statistics Poland's data*

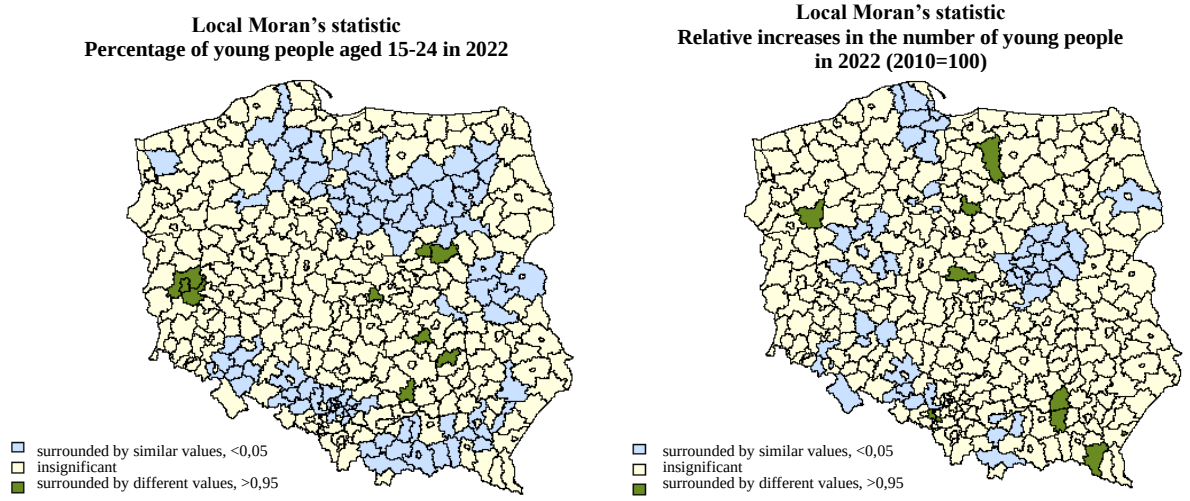

Figure 3. Local Moran's statistic for the percentage of young people in Polish counties in 2022 and relative increases in the number of young people (year 2010* = 100)
Source: *own elaboration based on local Statistics Poland's data*

Poviats surrounding major cities exhibit the most favourable dynamics in the number of young people. Compared to 2010, only selected poviats around Warsaw, Wroclaw, and Poznan recorded positive growth in the number of young people aged 15–24. Other regions experienced an absolute decline in the number of young residents (*Figure 2*).

In summary, the most favourable age structure (with the highest percentage of young people) is observed in Polish regions frequently identified as having the least advantageous economic conditions, including high unemployment rates (e.g. Kujawsko-Pomorskie and Warminsko-Mazurskie Voivodeships) (Bal-Domańska, 2016b; Lewandowska-Gwarda, 2018). Meanwhile, cities functioning as regional capitals report a deficit of young people in their age structures. A more favourable situation is observed in poviats located in direct proximity to large cities. This observation may partly explain the migration processes mentioned in the introduction, whereby young people migrate to cities that lack a sufficient number of young residents, in search of employment opportunities and better living conditions. Migration usually concerns young people at the upper end of adolescence, typically after completing at

least primary school. In contrast, those at the lower end of the age range often reside in the same locations as their parents. When analysing these data, it should be taken into account that the migration of young people for the above-mentioned reasons may be partially difficult to identify.

3.2. Assessing labour market inclusivity for young people – analysis of individual LFS data

This section presents analyses based on individual data from the LFS survey, generated specifically for this study for areas defined by urbanisation levels. These data indicate that the national LFS unemployment rate was the lowest in 2019 (2.9%) for the period from 1995–2023. The unemployment rate in both urban and rural areas has remained close to the national average in recent years; for instance, in 2019, it was 3.0% in cities and 2.8% in rural areas. However, youth unemployment is consistently significantly (several times) higher. Nevertheless, this measure in 2019 also reached a historic low of 7.9%.

Analysing the data gathered for this study, the unemployment rates for different groups were first visualised as a basis for calculating inclusivity (see *Figure 4*).

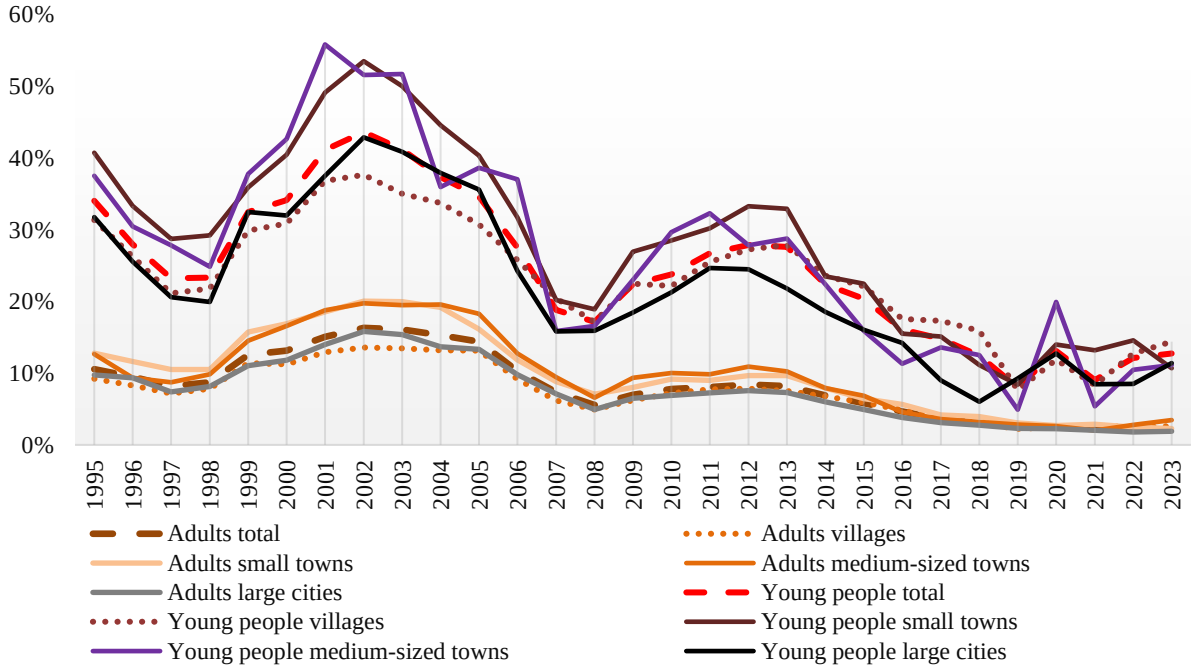

Figure 4. *LFS* unemployment rate for young people and adults by urbanisation level in Poland, 1995–2023
Source: *own elaboration based on Statistics Poland's LFS data*

From the data presented in *Figure 4*, which depicts the unemployment rate for young people and those over 25 over the past 29 years (1995–2023), the following conclusions can be drawn:

1) the unemployment rate for young people (24 years and under) is significantly higher than that for the 25+ age group;
2) the year 2020 (pandemic) had a significant impact on the rise in youth unemployment, especially in medium-sized cities;
3) in both age groups, the unemployment rate is highest in medium-sized cities (averaging 10.4% for those aged 25+ and 29.3% for those aged 24 and under) and lowest in large cities (averaging 7.9% for those aged 25+ and 22.9% for those aged 24 and under). In

the early years of the study, the situation in rural areas was relatively better than in small towns, although these relationships have changed over time.

This last conclusion is particularly important given the common belief that urban areas provide better employment conditions than rural areas. Indeed, general unemployment rate data for these areas confirm that conditions are slightly better in rural than in urban areas. However, our study provides new evidence that this difference is due to large cities, as the situation in medium and small towns is frequently worse than in rural areas (i.e. the unemployment rate in small and medium towns is often higher than in rural areas).

The unemployment rate, which is generally negatively correlated with economic growth, is particularly sensitive to economic changes for individuals aged 19–24 (Clark & Summers, 1982; Bell & Blanchflower, 2011; Dietrich, 2013). This has been demonstrated by analyses using Okun's law (Dunsch, 2016; 2017). Similar conclusions can be drawn by analysing the correlation coefficients between unemployment rates and economic growth rates, which are negative and higher for young people than for those aged 25+. This means that young people's employment situation is more closely linked to economic conditions; specifically, during downturns, young people lose jobs more quickly than others. This is understandable given that young people are more likely to work part-time, on temporary contracts, or under so-called 'junk' contracts (commission or work contracts). The pandemic year (when Poland recorded a real GDP decline of 2%) is a good example of this relationship. During this period, the youth unemployment rate increased by 64%, whereas the adult unemployment rate remained unchanged.

Poland is among the countries with an average level of youth labour market inclusivity (Bal-Domańska, 2022). Even with favourable labour market conditions in many parts of the country, young people are in a more challenging situation than adults. As shown in *Figure 5*, the inclusivity index (in static terms) ranged from 2.4 (2004–2005) to 5.4 in 2023. Over the past 10 years, there has been a clear improvement in the labour market (see the previous chapter). However, the level of youth labour market inclusivity has decreased, as evidenced by rising inclusivity index values. The increasing inclusivity index values from 2017–2023 are due to the fact that the significant improvement in the adult labour market (manifested in record-low unemployment rates) was not accompanied by a similarly dynamic improvement in youth employment (unemployment rates fell, but less dynamically for young people than for adults).

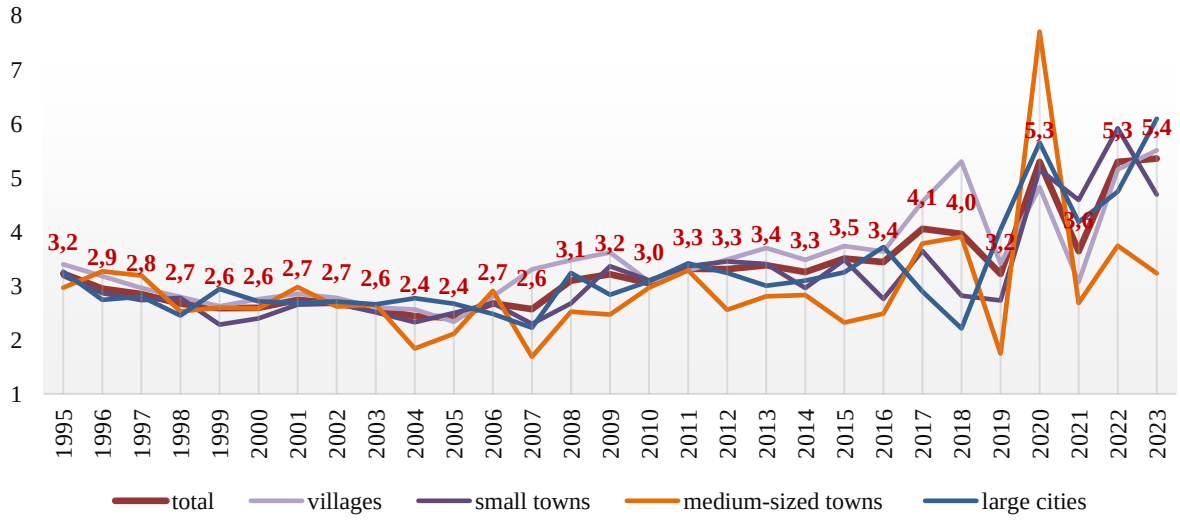

Figure 5. Inclusivity index for young people by urbanisation level in Poland, 1995–2023 (static perspective)
Source: *own elaboration based on Statistics Poland's LFS data*

Comparing labour market inclusivity levels in rural areas and cities of different sizes, rural areas can be identified as the least youth-friendly (particularly from 2007 until the COVID-19 pandemic). The relatively good situation of young people in the labour markets of large cities observed over the last decade is only partially reflected in the inclusivity index (*Figure 5*). The most favourable situation was observed only once in 2018, when the level of inclusiveness in large cities was the highest. In other years, large cities' inclusivity index values have fluctuated slightly above the national level. Accordingly, a more favourable situation for young people has been observed in medium-sized cities, which, during the period 2007–2023 and following the COVID-19 pandemic, recorded the lowest values of the inclusivity index.

Table 2. Results of estimating the parameters of the labour market inclusivity model in a dynamic approach by urbanisation level, 1995–2023

Specification	Alpha level of inclusiveness (standard error of estimate)	R^2	Binary variable COVID-19		
			Alpha level of inclusiveness (standard error of estimate)	Dummy variable COVID-19	R^2
Total	**2.187***** (.095)	.952	**2.213***** (.098)	.024 (.024)	.953
Villages	**2.165***** (.116)	.928	**2.171***** (.123)	.004 (.024)	.928
Small towns	**2.170***** (.111)	.934	**2.179***** (.117)	.011 (.036)	.934
Medium-sized towns	**2.295***** (.167)	.875	**2.372***** (.163)	**.101*** (.050)	.892
Large cities	**2,440***** (.103)	.954	**2.492***** (.100)	**.048**** (.023)	.961

*, **, *** denote significance at the 0.1, 0.05 and 0.01 level of significance, respectively; R^2 – coefficient of determination.
Source: *own elaboration*

The regression coefficients presented in *Table 2* represent marginal inclusivity and show how much the youth unemployment rate rises (falls) when the adult unemployment rate rises (falls) by 1 percentage point – the dynamic approach. Generally, the higher (lower) the coefficient value, the lower (higher) the labour market inclusivity. The obtained values indicate that the more urbanised the area, the lower the inclusivity (as evidenced by decreasing coefficients with decreasing urbanisation levels). Interestingly, in Bal-Domańska's (2022) study, which calculated labour market inclusivity in different countries, similar results were obtained. Countries with high (low) urbanisation levels were characterised by higher (lower) alpha coefficients, and thus lower (higher) inclusivity. Specifically, this applies, for example, to Slovakia and Romania, which have a low degree of urbanisation and a low alpha coefficient (indicative of high inclusivity), and, at the other end of the spectrum, to Belgium, Sweden, and the United Kingdom, which have a high degree of urbanisation and a high alpha coefficient (indicating a lack of inclusivity).

From the findings of this study, a cautious thesis can be formulated that urbanisation does not favour inclusivity. One explanation for this phenomenon is that inclusivity does not correlate with labour market conditions; i.e. the worse the labour market situation, the more equal the situation of young people and adults becomes, leading to a lower inclusivity index and indicating a more balanced position of these age groups in the labour market. This thesis is supported by the dynamic approach found in this study's data, where relatively low youth

unemployment rates in large cities are accompanied by lower inclusivity, whereas high unemployment rates in rural areas are accompanied by higher inclusivity.

Conclusions

This study focuses on analysing the situation of young people in the Polish labour market, considering local specifics and the level of inclusiveness of these markets. Young people, defined as those aged 15–24, are characterised by openness to new experiences and recently acquired knowledge, but lack experience. Data from Statistics Poland indicate that 24% of young people in Poland are employed (mainly in large enterprises or the smallest firms), representing 5.9% of all employed individuals. Regarding the employment rate for those aged 15–24, which stood at 28.3% in 2023, Poland ranks only 16th among EU countries (where the average is 35.2%, with the highest rate of 76.5% in the Netherlands).

Despite significant improvements in Poland's labour market, cities serving as regional capitals report a shortage of young people (while generally recording the lowest unemployment rates). This phenomenon justifies the widespread migration process to larger cities and developed regions, while simultaneously exacerbating the economic problems of areas with weak economic conditions (characterised by high unemployment rates).

Analyses conducted based on LFS data from 1995–2023, considering the level of urbanisation (by rural areas, and small, medium and large towns), confirm that the situation of young workers is weaker than that of adults and varies depending on the level of urbanisation. This means the first research question can be answered in the affirmative. Large cities offer better employment opportunities and have lower unemployment rates. However, the better labour market conditions for young people pertain exclusively to large cities, as their situation in medium-sized and small towns is worse than in rural areas (i.e. the unemployment rate in small and medium-sized towns is, on average, higher than in rural areas). Therefore, in response to the second research question, the following order of favourable labour markets for youth can be identified: large cities, rural areas, medium, and small towns.

Labour market inclusiveness refers to the level of integration of young people into employment, which can be measured both statically and dynamically by assessing differences in youth and adult unemployment rates and responses to economic changes. The results of this study indicate that despite the overall improvement in the Polish labour market (particularly visible in the years 2017–2023), youth inclusiveness has not changed proportionally. The decline in youth unemployment 'does not keep pace' with declines in adult unemployment (despite significant amounts spent on youth activation within European funds; *Ewaluacja*…, 2023). This means that during periods of general labour market improvement, youth inclusiveness decreases. Therefore, the answer to the third research question is negative, as favourable labour market conditions benefit adults more than young people.

The significantly varied level of inclusiveness across different levels of urbanisation provides a positive answer to the question of whether inclusiveness depends on urbanisation. Moreover, the findings suggest that urbanisation does not favour labour market inclusiveness, as in large cities, the lowest unemployment rates are accompanied by lower inclusiveness, whereas in rural areas, the highest unemployment rates are accompanied by higher inclusiveness.

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