

# Returns to vocational education in Poland

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## Abstract

The vocational education in upper-secondary school for many years has been perceived as an inferior to general education besides the fact that vocational education graduates enjoy faster transition from school to work and are more likely to have a permanent first job. On top of that, the reform of the educational system took place in Poland in 1999. As a consequence, the enrolment ratio to vocational schools has fallen dramatically. The empirical evidence in the literature on the returns to vocational education is limited. This study fills that gap and looks into wage premium from vocational education in Poland before and after reform of educational system.

The relative returns to different types and levels of education are estimated with a standard Mincerian wage equation framework. The empirical analysis is concentrated on the comparison of benefits from vocational education in relation to non-vocational one. The results show that vocational education graduates have on average higher probability of finding a permanent job and secondary vocational education graduates have higher earnings than secondary general education graduates in Poland. However, wages of vocational education graduates are lower than those of secondary general education. Despite that, the decreasing number of vocational education graduates after the reform has shrank this earning gap.

Keywords: Educational economics, wage differentials, returns to education, vocational education, general education, tertiary education, Poland.

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