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Precarious employment in Poland – a legacy of transition or an effect of European integration?

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The Polish labour market is characterised by increasing flexibility and precarisation of employment relationships. This is due to the spread of limited-term and civil-law work contracts, in many cases covering a de facto employee-like status without job-security and social rights. These new working conditions, particularly in low-skill service areas, provide many with what is a sub-poverty-line existence, but have yet to become a public scandal. This article seeks to explain why this is the case by reconstructing Polish labour market policies, which are torn between the influences of economic transition and European integration.

Keywords: Labour market policy, Poland, working poor, precarisation, temporary work, civil law work contracts, Europeanisation

Poland belongs to the EU countries with the highest unemployment and lowest employment rates. While the country has certainly recovered from its historically highest unemployment rate of 20.3% at the beginning of the new century, after which the rate declined to 9%, it has since begun to rise once again – up to 13.1% as of this writing. The main cause of that drop was the intensifying labour emigration after the signing of the Schengen Agreement, which largely eliminated EU cross-border passport checks and opened the UK and some other national labour markets to Polish citizens (Iglicka 2008). Since the Polish EU accession in 2004, an estimated 2.5 million Poles have left the country in search of work; their destination countries are above all the UK, Germany and Ireland (GUS 2010b). The structurally-related unemployment is still however around 10%; and the employment rate is just over 50%. Over four million jobs have been eliminated in the system transformation. This is largely due to the restructuring or abandonment of industrial enterprises without compensating the job-losses in manufacturing and agriculture by providing sufficient new jobs in the service sector. Frankly, the creation of replacement jobs was also accorded little importance.

Here, the lack of actors has also played an important role. Worker interest-representations lost their socio-political function in the workplace with the change of political order. To date they not been able to regain an effective influence either in politics or at the workplace level through new structures of interest-representation. At first this was not seen as problematic, since a large number of union functionaries were also simultaneously members of parliament: *Solidarność* with their anti-communist roots supported the centre-right governments, while the *OPZZ* (*Ogólnopolskie Porozumienie Związków Zawodowych* – All-Poland Union Alliance), heir to the state's unitary union apparatus, supported the post-communist centre-left political camp. Also, at the workplace level the unions began to development a genuinely representative union policy on behalf of the employed only with the end of the transformation period under the influence of transnational capital investors. In many cases they had already lost support among employees because of their key participatory role in company restructuring processes – a change of role almost equivalent to their becoming 'co-owners'. Only on the sectoral level did they manage to implement instruments of labour-market policy

that shielded workers during restructuring processes in certain areas (Trappmann 2008). Traditionally, other non-government organisations aside from unions have had almost no role in building Polish prosperity. Only with EU accession have NGOs become addressed as potential beneficiaries of European funding programs and begun to develop into important sponsors of government aid programmes (cf. Kutter/Trappmann 2010).

Currently, the greatest challenge in employment policy lies in increasing flexibilisation and precarisation of employment relationships: Since 2004 the use of limited-term and civil-law work contracts has grown rapidly. Nearly one-third of all employed Poles now work on limited-term contracts (also called ‘trash contracts’ in Poland); most new employment relationships are short-term contracts. In addition, one-third of all employed Poles are self-employed – most are in relationships regulated by civil contracts with bigger firms, which provide them de facto an employee-like status but without job-security and some social rights. These new working conditions, particularly in low-skill service areas, provide most with what is essentially a sub-poverty-line existence. Every eighth employed person earns less than 60% of the national average wage and is thus counted as one of the ‘working poor’. The legally established minimum wage presently amounts to only 40% of the national average pay. The net of Polish social security entitlements also only allows for a life possible below the poverty line. Since most unemployed individuals also cannot (or will not) claim the already meagre unemployment benefits, some fall through the social security net entirely.

This constellation of labour-market problems is, to a great extent, related to the transformation and EU accession processes. Thus, this article begins with a general overview of the current labour-market situation in Poland (part 2) and then focuses on the analysis of the forms and extent of precarious employment relationships in Poland (part 3). Part 4 examines the evolution of the labour-market policy that led to increasing flexibilisation and precarisation and argues that it is due to the tension existing between the priorities of economic transformation and Europeanisation (part 4). Finally, the last section discusses why a large portion of precarious jobs do not find political actors who are willing to campaign for their interests (part 5). This contribution is based on a document analysis as well as interviews with experts in labour markets, regional political actors and union actors in the periods 2005–08 and 2010–11.

Overview of the labour market in Poland

Of the 38 million inhabitants of Poland, 18 million are estimated to constitute the economically active population. 12 million are employed – nine million of whom are in a dependent employment relationship. In international comparison, the employment rate is very low at 50% (data for the 1st quarter of 2011) and demonstrates an imbalance between the sexes: 43.2% of women and 57.5% of men are gainfully employed. Particularly dramatic is the state of the labour market in Poland from the perspective of the distribution of work among the generations: Above all, older people and youth are strongly disadvantaged. Among 55- to 59-year-olds only 35.5% are employable; the rest have retired from working life. In contrast, the employment rate of 35-to-44-year-olds is 81.3%. For younger persons, however, the situation – as in other European countries – is dramatic: Only one in four 15-to-24-year-olds has a job or is in job-training. Thus, the unemployment rate of young adults is almost 30%. In other words, one-fourth of the unemployed are under the age of 24 and a third are under 34. Among those just starting a career, nearly 300,000 are still looking for their first job (GUS 2011a).

Since the financial market crisis, unemployment has risen from 8.8 to 13.1% (1st quarter of 2011) (GUS 2011b). Of these individuals, approximately 50% are considered long-term unemployed – i.e., without a job for more than 12 months. However, only 17% of the registered unemployed are entitled to receive unemployment allowances (GUS 2011b: 24).

This difficult situation explains the emigration of many young Polish jobseekers. Most of the emigrants of both genders (57% male, 43% female) are between 18 and 29 years old and

are motivated by the poor job prospects, but also by the low earnings offered to most career beginners in Poland. The majority of work-related migration has begun to present a problem for the Polish specialist job-market, as well as the demographic development of Poland. Thus, the Polish government is now attempting to entice many of the labour migrants back to the country. Such programs, however, have had only modest success to date, even despite the effects of the financial market crisis in Britain (Iglicka/Ziolek-Skrzypczak 2010). Poland's own immigration policy has also failed to compensate in any real way for the losses to its workforce. Though immigrants to Poland are young – mostly aged 20 to 29 – they work mostly in agriculture or the shadow economy (Iglicka 2008). Officially, 200,000 labour immigrants currently reside in Poland; but estimates indicate that an additional 300,000 are working illegally after having entered the country on tourist visas. Labour immigrants typically come from neighbouring countries – usually the Ukraine, Belarus, Russia, Armenia and Moldavia. Many are ethnic Poles who grew up in diasporas (Iglicka 2008).

The labour-market situation has led to an unequally distribution of income. While the GINI coefficient in 1990 was still at 24%, today it is at nearly 35%. The EU average is at 29%. Poland, together with countries like the UK, is near the top in terms of unequal income distribution. In total almost one-fifth of the Polish population lives below the 'poverty line' (Atkinson/Marlier 2010).

The average monthly income (in 2011) is 3,224 PLN (Polish zlotys) before taxes – approximately 800 EUR. The average income in the public sector is somewhat higher than in the private sector: 4,182.67 PLN monthly in comparison to 3,120.17 PLN (GUS 2011c). The work-week in Poland is, on average, 43 hours; vacation time is 20 days for less experienced workers and 26 days for those with more than ten years' experience (Giaccone/Colleoni 2010).

Precarious forms of employment in Poland

Since 2004 the proportion of atypical employment has risen to 30%; thus, next to Spain, Poland is near the top position in the EU (Ministry of Labour and Social Policy 2008). More than one-fourth of employed persons have only a short-term work contract. The number of those in part-time work is markedly lower; still, one in five part-time workers would prefer to work full-time. The number of those working under terms regulated by civil contracts is also rapidly increasing.

Short-term employment

The deregulation of employment conditions began around the beginning of the new century with two amendments to the Polish Labour Code. Quite in line with the European trend, the Polish government attempted to combat unemployment with the liberalisation of labour laws. Conditions of employment termination were softened and flexible employment forms made legal. Accommodations for financial relief of enterprises, especially those with up to 20 employees, were undertaken; and the limit of a maximum of two short-term work contracts per worker per company was eliminated (Stegemann 2011). Notice of termination for limited-term contracts is now only two weeks instead of three months, which is otherwise mandatory. The share of short-term work contracts has since rapidly risen. Most contracts are now made only for limited terms; and more than one-fourth of employed persons now work on a limited contract (Vaughan-Whitehead/Eyraud 2007), with three-fourths of these only reluctantly agreeing to do so (Gebel 2008). In 2007, 27% of all employment relationships were short-term or temporary (ibid.: 48) and 27% of this employee group were younger than 24 years old. Thus, two-thirds of all young people under 24 have only a short-term or temporary job (Ministry of Labour and Social Policy 2008). Within the EU, this large share of short-term contracts is outdone only by Spain – all other EU countries have more permanent contracts (Ingham and Ingham 2010). However, the Polish government regards the practice of short-term contracts primarily in terms of its positive effects: more work contracts are being and,

above all, with young people who otherwise would have considerably worse chances on the labour market (Ministry of Labour interview 2.7. 2010).

Temporary jobs

Temporary work was first regulated in 2003 with the ‘Law on Temporary Work’. Before then, temporary work was widely practised but was a rather vaguely perceived phenomenon that was commonly known as ‘leasing’ workers. There are currently around 3,000 ‘temporary’ agencies in Poland; among the market leaders are ‘WorkService’ as well as the internationally active ‘Adecco’, ‘Randstad’, ‘Manpower’, and ‘Creyf’s’. With the financial market crisis, the number of temporary agencies has decreased slightly from 3,811 in 2008 (Ministry of Labour and Social Policy 2008). These agencies are active in placing workers, occupational counselling, personnel consulting and temporary worker assignments. The types of jobs placed most are generally those involving simpler industrial tasks, warehousing, sales, office work, telecommunications, call centres and personal aides/hostesses (ibid.: 20f). Since 2006, however, a growing number of former management personnel have been among those seeking temporary jobs (Przytuła 2008). Most temporary employment relationships last no longer than three months.

The number of temporary workers has doubled since 2003: Estimated at only 167,644 in 2003, by 2007 there were already 486,591¹ – some 4% of all employed persons. However, in the crisis year 2010, there were only 178,242 temporary workers (Ministry of Labour and Social Policy 2010). In the opinion of temporary agencies, many temporary workers are returnees from emigration. The director of one temporary agency believes that the high number of returnees among the temporary workers is related to their experiences in western Europe:

Staff coming back from abroad has been quite an important factor for the growth and profile of temporary work in Poland. A large portion of employees who worked abroad and came back to Poland in fact also performed temporary work there. This is a very practical and popular form of staff employment in the West. It is beneficial for both an employee as well as a company. People who come back are not afraid of undertaking work in the form of temporary employment and, what is more, such employees can boast of [having] [...] unique experience (Andrzej Grudniok, temporaries agency director Kadry Agencja Pracy Tymczasowej)².

The legal regulation of temporary work in Poland is rather strict by international comparison. There is a fundamental equality of compensation for the regularly employed and temporary workers in a contracting enterprise. There have been attempts to create obstacles such as limiting the contract period to 12 months within three years as well as the obligation to issue an employer’s official employee termination document for every temporary job. Also, enterprises that have terminated workers within the preceding six month period may not contract temporary workers. Temporary workers are permitted to perform: seasonal work, ad-hoc assignments, tasks that cannot be completed on time by the company’s regular workers alone, and as replacements for a company’s long-term absent employees. In the latter case, the replacement can be extended to 36 months.

The temporary agencies are closely monitored. Between 2007 and 2009 alone violations of labour laws were found in 58% of routine checks; and 18 temporary agencies were discovered to be lacking official registration (Ministry of Labour and Social Policy 2010).

The risks to the temporary workers themselves are also great: They only have a right to a termination notice of one week; they have no claim to social security or the minimum wage; and they may also be paid by means of a works contract, which means that, in the absence of a firm that is contracting them directly for work, they do not even have to be paid at all. Thus, the social security of this employee group is particularly poor and is in fact similar to that of day-labourers. If one also considers the fact that claims to unemployment allowances are possible only after an employment duration of 365 work-days within the past 18 months, even a job as a higher-level office worker often offers no social security for the temporary employee in the medium to long term. In addition, the legal provisions are seldom respected

or fully carried out in the regulation of temporary work – as in other areas subject to social security laws in Poland (Ministry of Labour and Social Policy 2008).

Part-time work

Part-time work in Poland is by European comparison rather limited and, since 1997, has been stable at about 10% (Ministry of Labour and Social Policy 2008: 2). The majority of part-time employees are retirees or disabled persons who seek to obtain additional income besides their regular public-paid income (Zawadzki 2005: 4). For other employees, part-time work is unattractive due to the lower earnings. ‘Teleworking’ in Poland, at only 5%, is also relatively seldom practised.

The self-employed and civil-law contracts

The share of self-employed by contrast is particularly high by European comparison. A fifth of all gainfully employed individuals are self-employed (Gebel 2008: 48). This high number has to do with restructuring policies that, besides pushing older workers into retirement with relatively large severance packages, promoted forms of self-employment among working people, particularly in the late 1990’s. In addition, there has been the tendency on the part of employers in recent years to dissolve regular employment relationships with employees and contract the same work from them as self-employed providers through works-contracts, in order to avoid social security costs and termination requirements. These civil-law contracts are not subject to labour-code regulations; thus, the ‘social partners’ have no influence on actual working conditions. Here, there is a particular danger of a creeping subversion of work standards, social security provision and minimum wages. According to EWCS data, the self-employed in Poland work an average of 56 hours per week (EIRO 2007). The extent of such contracts has grown rapidly because an increasingly number of firms and sectors are attempting to ‘flexibilise’ employment relationships with this new contract type in addition to saving money on employment costs. The steady increase in civil contracts seems unbroken. As of this writing, there is legislation pending in the Polish Sejm (Parliament) that would legalise the transformation of nurses’ job contracts into civil ones (Interview, July 2011).

The working poor

The term ‘working poor’ used here refers to those individuals with jobs paying less than two-thirds of the national median gross wage of all full-time employees. EU statistics on income and living conditions (EU-SILC) estimate of share of low-paid workers in Poland of 12%. It is probable that with the financial market crisis the low-pay sector is still growing, since some enterprises, have reduced worker hours or cut (or delayed paying) wages (Towalski/Kuzmicz 2010), in order to maintain employment levels. A survey by Poland’s ‘Public Opinion Research Centre’ (Centrum Badań Opinii Społecznej, CBOS) reveals that primarily workers over 40 (most 40–49 years old) work in low-pay jobs and, far from being mainly unqualified persons, often include specialists and the highly qualified (CBOS 2008). Interestingly, there is a concentration of low-pay workers in extended families in larger households. The low income is reflected by the expectations of these employees: In response to the question how much money they need to survive, these individuals generally indicate an amount less than what the average earner brings home or even what the unemployed poor usually receive. Thus, here there seems to have already been an adjustment of expectations to actual conditions (Towalski/Kuzmicz 2010).

The low-pay sector is not perceived as a problem in public discourse in Poland. No societal actors have formulated this problem; and even if they had, there are no politicians specialising in labour issues who could react. The concept ‘low-pay sector’ almost never appears in official documents, neither in the ‘National Cohesion Plan’, the Lisbon-Strategy realisation plan, nor the ‘National Action Plan for Employment’. The only politically – indirectly – effective instrument for improving the situation of low-paid workers is the attempt to raise the minimum wage. However, this strategy alone will not suffice in combating poverty, as low-paid workers usually live in large households. At the workplace

level, employers in places of employment with more than 20 employees contribute to special funds, out of which workers who earn the minimum wage or slightly more can apply for cost-of-living allowances.

Development and change in labour-market policy

The labour-market situation as described above is, to a considerable extent, attributable to the societal transformation. The restructuring of the economy occurred under the primacy of the 'Washington Consensus', i.e. macro-economic stabilisation, liberalisation and privatisation; other policy areas such as labour-market and social policy were treated secondarily. This so-called 'exceptional policy'³ pursued a shock therapy by which primarily the prerequisite conditions for privatisation and restructuring of the large state enterprises were to be created. In particular, the Polish government set up 'free-trade zones' and tax-havens in order to attract foreign capital and thereby frequently yielded to the interests of multinational concerns. Therefore, some authors also speak of 'foreign-led' (Vliegenthart/Horn 2005), 'peripheral' (Hardy and Rainnie 1996), 'semi-peripheral' (Greskovits 2005) and 'dependent' capitalism (Kolodko 2005), in which important sectors of the economy are dominated by foreign capital.

Overall, three phases are recognisable. First, the early years of the transformation focused on the development of labour-market policy institutions with the aim of avoiding high unemployment. Second, despite this, unemployment rose rapidly from the mid-1990's, which led to radical state social-system reforms. Above all, pension, health-care and educational systems underwent reforms. In the area of labour-market policy, no substantive turnaround was made; rather, only administrative structures were decentralised. The new direction of labour-market policy came about only with EU accession and the 'Europeanisation' of Poland's labour and social policy. Third, from 2002 onward the amount of active and activating labour-market policy measures increased. Also, the flexibilisation of employment relationships ultimately resulted from the EU's indirect influence.

Labour-market policy institutions

The labour-market institutions had to be completely rebuilt after 1989. The main task, however, was not yet the development of labour-market policy guidelines or agendas, but rather the constitution of a functioning administration of labour. The director of the public Employment Office of a major Polish city stated:

We all had to learn what an employment bureau is in the first place. Nobody knew what employment counselling really means. We had to find training programmes and learn to cooperate with other actors. In fact, everything, because we had to develop first a market-based approach for the problem of unemployment. (Interview EI 14, cit. in Trappmann 2008)

The labour-force administration however is still today considered too bureaucratic, inefficient and incompetent. Even the Ministry of Economy and Labour complains about the lack of qualified personnel in the local employment offices (Ministry of Economy and Labour 2005: 200). The salaries in public service are markedly lower than in the private economy, so that there is the unspoken assumption that whoever is well qualified is not going to work there (Interview, regional development office for Lesser Poland, EI 19, cit. in Trappmann 2008). The personnel in the newly instituted Employment Offices (PUPs) thus limited themselves for a long time to the administration of the unemployed and seemed resistant to the changed demands (cf. also Brown 2007). Therefore, the qualification and professionalisation of internal personnel is still the highest priority. Until now, however, only 17% of the administrative staff are qualified enough to work in occupational counselling. The ratio of employment counsellors to unemployed is therefore nearly four times higher than the EU average (Grotkowska and Sztanderska 2008) – 1185 unemployed persons per occupational

counsellor and 1,727 per job consultant (Bieliński et al. 2008). With new regulations in 2004, the Employment Offices attempted to re-invent themselves (Golinowska 2004), in order to perform better the task conceived for them as occupational advisors.

To better activate the unemployed, we had to give up various tasks. We're no longer responsible for paying out child-raising benefits and that type of thing which was taking too much time away from the task of job-activation. [...] The labour offices should work more with their clients together. Actually, our job is to motivate unemployed people, to activate them and find them new workplaces – not just pay out their allowances and take care of their medical insurance. (Director of a voivodship employment office, interview EI 10, cit. in Trappmann 2008)

Since 2004, there have also been a few private job agencies, whose staff provides assessments of the state employment agencies such as the following:

The Polish employment offices are laughable. What do they actually do? Who do they help? When did they ever help anybody find a new job? It's the purest bureaucracy, a heartless machine that isn't interested one bit in the unemployed. They only want people to register, that's their only interest. (Head of a private job agency, interview EI 27, cit. in Trappmann 2008)

However, not only the occupational counselling offices suffer from a bad reputation, but rather the job-placement service of the employment offices, as well. Seventy percent of the job openings listed by the employment offices find no takers. Most companies would rather not list their openings at the employment offices or involve the office at all when seeking new personnel anyway. One employment office director stated that their job offers were considered unattractive. Good firms would always attempt to entice personnel from other companies and not seek them on the labour market at all, let alone try to place them through the employment offices. Even the directors of job placement admit that 80% of new job placements occur through private contacts. Thus, the surest way to find a new job is through private networking. Registration at the employment office has a stigmatising effect anyway (Trappmann 2008). Unfortunately, the official statistics provide no information on actual placement rates for the specific job-finding options but, rather, only for job-seeking attempts. However, the yearly data on the job-seeking strategies used here indicate that informal channels (friends and acquaintances) lead to more success than employment-office placements (GUS 2010b).

Two phenomena hamper the functioning of Polish labour-market institutions. First, the financial means allocated to labour-market policy are scant: On active measures, the Polish government spent 0.23% of GNP in 2000 and 0.36 % of GDP in 2005 (Bieliński, Bober, Sarzalska et al. 2008); and, on passive labour-market policy, 0.86% of GDP in 2005 (Rovelli and Bruno 2008, see also Table 2).⁴ Second, there are considerable weaknesses in the coordination of labour-market policy. Until 1999, labour-market policy was hierarchically organised. Substantive policy was directly established by the Ministry; the employment offices, as executive organ, were directly subordinate to it. The decentralisation of the labour-office administration in 1999 was supposed to lead to an improved adjustment of measures to local needs but, instead, ended in a state of chaos regarding responsibilities. The job offices at the regional (voivodship), district (powiat) and community/local (gmina) level were now under the Polish territorial governments. They were thereby given responsibility for the substance of unemployment policy. Planning was done by the region and execution by the municipalities, which are, however, not allowed to make employment-policy decisions (Sztanderska and Piotrowski 1999). Previously, unemployment policy consisted only in administering claims to and payment of unemployment allowances, while labour-market policy aimed to coordinate supply and demand on the labour market. The Ministry remained responsible for labour-market policy, while the employment offices became responsible for unemployment administration. Only in 2004, with amendments to the 'Law on Job Promotion

and Labour-Market Institutions' could the activities of the three levels be integrated better. Therefore, the next section will examine more closely the application of labour market policies in the context of economic reforms.

'Shock-therapy' and unemployment

In state socialism, institutional social security was particularly linked to gainful employment⁵; not citizens, but rather 'the workers' enjoyed protection, since industrialisation and the proletariat were the actual backbone of the economic and political system. Besides, the maxim 'whoever does not work, shall not eat' was the rule (Golinowska 2009: 220). Thus, a lack of regular work did was not even considered in the official statistics, where official unemployment was avoided by means of over-employment.⁶ Unemployment, at the beginning of the system change, had been an unknown phenomenon in Poland for decades or, at the least, a taboo subject (Baxandall 2003). With the collapse of parts of the country's economic production and the goal of restructuring the economy, as formulated in the reforms, the labour-market policy of the early 1990's was to avoid unemployment at all costs.

This did not, however, translate into the creation of new alternative jobs; rather, the 'excess' labour-force was simply pushed off the labour market. Early retirements – also widely used in the West – and disability pensions were massively promoted in order to lower the number of employees in state-owned workplaces in a socially acceptable manner (Kaufman 2007: 121). In state-socialist Poland, early retirements and work-disability certifications were already common, so that their continuation and extension in the 1990's was viewed positively by employees. Many older workers, who otherwise would have been threatened by unemployment, readily accepted this alternative when it was offered. As the director of one municipal employment office stated:

These people over 50, apparently healthy but without much qualification, they've got a problem. So they turn up here, not even pretending to be disabled, but somehow have managed to get themselves declared chronically ill. (Municipal employment office director, interview EI 13, cit. in Trappmann 2008).

In specific sectors such as mining and steel, and in response to union pressure, advantageous early retirement conditions were negotiated. Thus, the retirement age has been at an average of 56 years since the early 1990's (ZUS 2007, cit. in Chlon-Dominczak 2009).

In addition to these instruments directed towards older workers, unemployment benefits were introduced for the first time for other groups of the population. The right to state support was guaranteed in December 1989 with a so-called 'employment law', which was amended two years later to become the 'Law on Employment and Unemployment', which guaranteed anyone out of work the right to an unemployment allowance (Spieser 2006: 9). This broad definition of unemployment also led to 'housewives' in practice – the not-yet employed such as new graduates, who claim unemployment benefits. This allowance was at first higher than the existential minimum and granted for an unlimited duration. Newly-unemployed workers collected 70% of their previous income during the first six months, 50% in the following six months, and 40% thereafter. All other unemployed individuals received a benefit equivalent to the minimum wage. This broad structure resulted from the assumptions that unemployment was only temporary and that economic growth would steadily bring new jobs. However, the unemployment did not remain temporary; instead, it became a structural problem involving a large proportion of long-term unemployed and low-skilled persons as well as high rates of jobless people among school and university graduates. Between 1989 and 1993 alone, 2.6 million jobs were eliminated without creating new employment opportunities, so that the unemployment rate by 1993 was already at 16.3% (GUS, cit. in Gardawski 2002). As a consequence, the massively growing burden on the public budget led to the termination of unemployment benefits.

The worsening social situation of many Poles led to an explosion of social protest in 1993/94, so that the unions once more had to retract their support for the neo-liberal course of

the government. Among other things, they brought about the abolition of the popiwiek, a sort of penalty tax imposed on wage increases, which they had tolerated up to that point. However, the government attempted to further limit wage increases. At the time, there was still no autonomous collective bargaining, so that wage conflicts were directly politicised (cf. also Krzywdzinski 2008). In 1994, a tripartite commission was established with the intention of pacifying the situation. After that, the unions were explicitly consulted by the state on matters of economic and social policy. However, this often amounted to a discussionless assent to the government's legislative proposals. This national tripartism in Poland functioned superficially; the social partners mainly used their direct political influence to impose primarily their own interests (Ost 2000: 515).

The election campaigns in these years were defined by the conflict surrounding the direction of reforms between market liberalisation and social security, or between the expansion and retrenchment of benefits. In transformation Poland, however, there were no permanent interest groups that were engaged in favour of a particular policy direction. Rather, divisions into left- and right-wing camps are, up to today, present in Poland only regarding the conflict surrounding the country's communist past as well as the preservation of the conservative values represented by the Catholic Church. Post-communist parties are considered leftist and non-confessional; the former 'opposition' parties are right-wing and predominantly Catholic Church-oriented. Similarly, among the unions, Solidarność was the opposition movement that came to support radical, neo-liberal policies, while OPZZ was the successor to the communist-epoch unitary union that supported protectionist ideas.

Restructuring the economy and social policy

After the first post-transformation years in which the main objective of labour and social policy was to cushion the social consequences of system change, the Polish government has made attempts since the mid-1990s to limit expenditures and place state social policy on a new footing, in order to avoid endangering support for reforms. Because, more than anything, costs were exploding, reforms were carried out in almost all social programme areas (Fultz 2002). Among the larger reform projects were the pension system, health-care, education and administration decentralisation reforms. The pension-system reform retracted state-guaranteed pensions and privatised the risk of old-age security with the establishment of a three-pillared system. The first pillar comprises the state pension. The second pillar is the obligatory payment into a capital-markets-financed private pension, while the third pillar provides for optional private workplace-pension plans. Employed people pay de facto 12.22% of their gross wage into the state pension fund and 7.3% into their private pension-funds account. This division was set aside in 2011; and the assets were transferred into the state pension fund. In order to take care of the budget deficit of 7%, a law was passed mandating only 2.3% for the private pension account and 17.22% for the first pillar. The education reform aimed to increase the proportion of secondary-school and university graduates. The health-care reform introduced a system of separate regional public 'sick-funds' and the decentralisation of care. The result was the factual unequal treatment of patients by region, which was not even remedied by a re-centralisation in 2003 by the transformation of the sick-funds into a single 'national health fund'. Employed persons pay 8% of their gross wage into the Health Fund. However, they also spend, on average, an additional third on private health-care services. In addition, the decentralisation of the labour-force administration was supposed to lead to a more efficient use of resources as well as an optimisation of jobless people's placement into new job relationships. Still, after a brief – economic cycle-related – improvement on the labour market, an additional 1.7 million jobs were eliminated between 1998 and 2002. This second wave of dismissals resulted from the restructuring of those economic sectors that were supposed to be made profitable as a condition for EU accession. Once again, many industry employees lost their jobs, found no new ones and withdrew from official working life (cf. also Baxandall 2003).

As a special instrument for cushioning the negative impact of this wave of restructuring, a 'pre-retirement' scheme was introduced – a reduced pension allocation made to employees in problem sectors until the attainment of full pension age. Eligible for this payment were social security-obligated, employed men with at least 35 years of employment or 30 years if they had worked under difficult conditions. Women were eligible after 30 or 25 years of social security-paying employment. Older workers who had reached the age of early retirement but lacked a sufficient numbers of years of employment could also go into pre-retirement; however, they received a lower payment amount – 160% of the unemployment allowance rather than the usual 80% of the regular pension (Sztandersk/Piotrowski 1999). Because the requirements for claiming a work disability pension had been tightened in 1996, many of those who would have been potential claimants to invalidity now decided to take the pre-retirement allowance or related benefits (Ministry of Economy and Labour 2005). Without the introduction of pre-retirement, the number of unemployed in that year would have been 26% higher (Kwiatkowski et al. 2001). Both types of early retirement once again represented a degree of financial security for older workers who otherwise would have been threatened by unemployment. However, the extensive early retirements led to a disastrous rise in the ratio of pensioners to productive people from 42% in 1992 to 71% in 1998 (Fultz/Ruck 2001; Krzywdzinski 2008).

The negative consequences of restructuring were met only passively: 'Restructuring goals were realised at the expense of employment, with the deactivation of large professional groups taking place without serious programmes for their reintegration into the labour market.' (Golinowska 2005: 35). The costly mechanisms for shielding the older workforce, however, fell on the shoulders of the middle-aged and young workers, so that today the paradoxical situation exists of pensioners often being financially better off than many employed people. The Polish state's expenditure on current pensions makes up 54% of all social programmes and somewhat more than 10% of GDP (Golinowska 2009).

However, it was again the unemployed who were the worst off, with benefits subjected to further restrictions. Unemployment payments were no longer adjusted to the rise in average wages but instead to rising prices. The claimant criteria and job-acceptability regulations were also once again made more stringent: acceptable were now all jobs that could be performed on the basis of workers' qualifications and state of health, independent of their original occupational training. Additionally, now the refusal of only a single job offer was sufficient to result in benefit stoppage (Krzywdzinski 2008). A client's absence from regular check-ins at the employment office also lead to benefit cut-off. If the unemployment had resulted from a worker's own action, benefits were also now suspended for three months. As a result, the proportion of registered unemployed who also received unemployment benefits decreased from the historical high of 80% at the beginning of transformation to 16.7% in 2002, 14.2% in 2010 and 17% in 2011 (Jarosz 2005; Krzywdzinski 2008: 158; Ministry of Economy and Labour 2005: 209; Auleytner 2006; GUS 2010 Labour Force Survey). Today, the benefits are independent of previous income and amount to approximately 20% of the national average wage or 60% of the minimum wage. Since the minimum gross wage is at PLN 1,370 (346 Euros) as of 2010 in spite of a 40% increase, these unemployment benefits are hardly sufficient to guarantee the existential minimum.⁷ Many unemployed individuals remain registered, nonetheless, since this at least provides them paid access to basic medical care. Precisely for the unemployed who combine income from various non-contribution-paying sources, e.g. who sub-let rooms in their own flat, sell their own garden products on the street or work at 'informal' jobs, the official registration provides a minimum level of care in case of illness.

When their claim to unemployment benefits expires after 6, 12 or 18 months (depending on the unemployment rate in a region), unemployed people may apply for regular social assistance benefits. One problem with the social assistance introduced in 1990, however, is in determining its amount, for it is not bound to any kind of minimum income level, but rather is set by local governments and the amount of budget money they have at their disposition. In addition, it is often provided in the context of a number of social ills such as alcoholism, drug

abuse, orphanhood, chronic illness, homelessness, pregnancy or criminal resocialisation (Auleytner 2006). The benefit recipients are obliged to cooperate with measures to remedy their problems and accept any job offered to them (Krzywdzinski 2008). The amount of social assistance payments also scarcely covers essential needs: The amount of 447 PLN for an adult and 42-63 PLN for a child per month lies well under the absolute poverty line.⁸ This minimal monetary allowance does about as much to alleviate growing poverty as the proverbial drop in the bucket. Besides, resorting to social assistance invokes the social stigma of failure, parasitism or laziness (Golinowska 2009: 236). Despite all this, there remains a lack of long-term strategies in politics for avoiding the exclusion of broad parts of the population. The reason for this is, in the first place, the absent political will. Poland saw a cure-all in the free-market economy. Therefore, neoliberal ideas defined most of the policy reforms. ‘Social exclusion’ did not even occur to the reformers. As a result, Poland must struggle with increasing poverty and a rapidly growing informal sector. Estimates suggest that 20% of GDP is now produced in the informal economy.

The social welfare situation in Poland just before EU accession – despite economic growth – was disastrous. In 2003, twenty per cent of all Poles capable of working were unemployed – 55% of them for longer than one year, making up 11% of all capable workers including all long-term unemployed. Youth unemployment was at 42%; the EU average is 15.3%. The rate of employment among the workforce above 55 years of age was, at 28.6%, particularly low – the EU15 average was nearly 20% higher at 45.8% (Ministry of Labour and Social Policy 2008: 20; cf. also Table 1 below). In labour-market policy, a turn-about must still take place in order to both hinder the impoverishment of the population and bring Poland closer to EU labour policies.

Labour-market policies under the influence of the EU

The idea that ‘the market will solve the unemployment problem’ did not seem to be happening. Instead, Poland suffered from ‘jobless growth’ and a mismatch of supply and demand. While the government first reacted with further radical marketisation, forcing reductions in employers’ social costs and the flexibilisation of employment relationships, the approaching EU accession brought with it the beginning of a formative rather than purely administrative labour-market policy. For one thing, Poland’s participation in the Lisbon process and the European employment strategy led to the development of a coherent labour-market policy: For the first time, short- and long-term goals were defined. Also, the strategic importance of qualification and further training – in the framework of the ‘Strategy Paper for the Development of Life-long Learning 2010-2013’ by the European Commission in 2008 – was acknowledged for the first time. Until then, the field of labour policy had been simply adrift.

Before accession, there was only the plan that we don’t plan anything – with the collapse of the planned economy, we had said good-bye to planning. It was fairly chaotic, we had no strategy. Each new government put into place their own changes to labour policy. Only in 2003 or 2004 did things improve, thanks to the EU. (Lesser Poland development agency representative, interview EI 24, cit. in Trappmann 2008)

The EU completely changed our practices. Not only our finances, but also our programme. (Lesser Poland employment office director, interview EI 42, cit. in Trappmann 2008).

The Polish government put together a long-term programme, ‘Entrepreneurship – Development – Employment’, with which it intended to get the employment problem under control. Also, European Social Fund (ESF) assistance contributed to an expansion of the active employment policy. During the accession phase, a large part of Poland’s PHARE funds⁹ already went directly into projects to remedy unemployment (Grosse 2006: 153). Then, starting in 2004 immense sums from the ESF were made available for re-integration of long-term unemployed and persons with disabilities into the labour market as well as the promotion of ‘life-long learning’.¹⁰ The implementation of the programmes, however, was still burdened by considerable difficulties. These were due primarily to mutual mistrust

between participating actors, which lead to an exaggerated bureaucratic surveillance that hindered the effective use of the funds (Dabrowski 2006: 6). As the director of the regional employment bureau for Lesser Poland reported:

The government was worried that the money wouldn't be spent properly and then they'd have to give it all back. So they were unbelievably careful and tried to keep track of every cent. That caused completely absurd situations and slowed up access to the money. It was all incredibly rigid, but not because of some EU rules, the European Commission or bureaucrats – the government itself had set up these strict rules. They wanted to be 'more EU' than the EU itself! (Lesser Poland regional employment office director, interview EI 42, cit. in Trappmann 2008)

The government administration also lacked competence, experience and the willingness to cooperate with those newer institutions that, in their turn, were to offer the new labour-policy services, primarily in the educational sector (Grosse 2006: 160). The new resources also tempted some actors to steer the new labour-policy programmes more towards exploiting the financial opportunities than towards the real needs. The Labour Ministry administration failed to develop its own policy concepts for the labour market and the regions, but only blindly followed the EU's formal requirements: 'More attention is paid to the rapid allocation of EU funds rather than their appropriate ... application to local interests' (Grosse 2006: 156).¹¹

The legal basis for new labour-market policies was the 'Law on Promotion of Employment and Labour-Market Instruments'. It was passed in 2004, replacing the 'Law on Employment' of 1994. Though many of the labour-market policy instruments had already been devised during the 1990s, they remained until now without noticeable effect on the employment market because of insufficient funding. Starting in 2004, not only were ESF funds available; rather, the unemployment insurance was also relieved of financing early retirements, which until then had comprised 42% of the total budget (Ministry of Economy and Labour 2005: 146), and became the responsibility of the Social Insurance Administration, 'ZUS' (Zakład Ubezpieczeń Społecznych). In spite of all this, the share of resources devoted to active labour-market policies remained markedly smaller than that devoted to passive expenditures. This was the result of the dependence of budget resources on the labour-market situation: Precisely when funds were most needed – in times of high unemployment – they were least available, since unemployment benefits were first drawn from the unemployment insurance. Still, by 2005 the income of the unemployment insurance covered expenses for the first time; and no additional subsidies needed to be paid into the unemployment insurance (Bieliński et al. 2008).

The new law also provided for the expansion of the target groups to be addressed by the new programmes. In addition to the long-term unemployed, single parents, individuals under-25-year-olds without work and workers age 50+ would now also be included (cf. Spieser 2006). Thus, there is now a clear shift in the distribution of measures: While up to 2004 mainly immediate employment programmes were promoted, continuing education and training measures have now become the priority, though job placement is still needed for more than half of all unemployed individuals.

The effects of the new labour-policy measures can be assessed only with difficulty, since there have still been almost no studies on the topic. Puhani (1998), Kluve et al. (2005) and Bieliński et al. (2008) are very sceptical about the effectivity of the employment programmes. Like the 'job-creation measures' in the former East Germany in the 1990's, the Polish employment programmes have served as a 'holding pen' for the unemployed and a 'second labour market' – from which most never manage to jump into the first, real labour market. Only 3–7% of participants in employment programmes have ever found a job afterwards. There are two different forms of employment programmes, 'public jobs' (prace publiczne) and 'intervention jobs' (prace interwencyjne) (Art. 51 and Art. 56-57). The 'public jobs' scheme subsidises low-skill jobs for unemployed persons over 50 or under 20 years of age in the public sector. The aim and the result of this is not, however, their re-integration into the first labour market (Kabaj 1996; Puhani 1998; Sztanderska/Piotrowski 1999) but rather simply the (re-)acquisition of their expired unemployment benefit rights. Thus, this scheme

fulfils merely a social assistance function, as explained by labour-market actors in an interview:

The 'Public Jobs' scheme is a welfare-state instrument. People are getting poorer and needier, so to help them in crisis situations we're trying to expand the purely rescuing aspect of these programmes into a stimulating, activating one. (Interview, Cracow Employment Office Director, Interview 13, cit. in Trappmann 2008).

The acceptance of 'Public Job'-proposed work is mandatory; if it is refused, eligibility for benefits expires (Ministry of Economy and Labour 2005: 202). At the local government level, these programmes were very popular at first, because, with relatively few resources, localities could make infrastructure improvements such as road-building and maintenance, anti-flooding measures, etc. (Sztanderska/Piotrowski 1999). The type of employment in such schemes is, however, often stigmatising for the participants (Kluve/Lehmann/Schmidt 1999). 'Intervention Jobs' programmes, on the other hand, subsidise jobs for unemployed people in private enterprises. Their wages and social security contributions are covered by the local government. Since 2004 there has also been a so-called activation bonus, i.e., when an unemployed person declares readiness to accept a part-time job that is also at low pay, the Employment Office supplements the wage up to the minimum-wage level (Interview 57). The effect of this labour-policy measure, however, has been assessed to be very slight (Bieliński et al. 2008: 14).

In addition, a special programme had been established for the young unemployed – the 'First Job' programme (*pierwza praca*). However, by 2005 the program was already terminated due to cost reasons (Ingham/Ingham 2010).

A further attempt to create jobs for the unemployed was the 'Start-up Loan' programme. In the early 1990's, loans worth up to the amount of 20 average monthly wages were made available to the unemployed or individuals threatened by unemployment as well as to employers who wanted to create a new job for an unemployed person (Sztanderska/Piotrowski 1999). In 2004 the loans were transformed into no-repay start-up grants and were complemented by a start-up consultation service for prospective clients (Ministry of Economic Affairs and Labour 2005).

A further attempt to create employment is the promotion of the so-called social economy. Here, the Polish government also intensively responded to EU incentives. The support structures aim to favour the emergence of a social economy, while the programmes aim to help the idea of a social economy acquire basic legitimacy in neoliberal Poland. Ideologically, the idea of the social economy in Poland is not new – it goes back to the period between the World Wars, when many types of cooperatives were created. In practice, since 2004 unemployed people have been supported to start cooperatives that work in the area of social services or maintenance in local communities. Among the clients for this assistance is a disproportionately high number of people with disabilities (Golinowska 2009). This form of assistance is legitimated by the idea of an 'activating' policy towards those who are 'trapped in a spiral of poverty and unemployment'. As one local NGO worker related, 'Some don't want to work, just watch TV. But others, who would like to initiate something of their own, can't manage a start-up alone; and still others would especially like to launch something together with others.' (Interview, 24.2.2006, cit. in Trappmann 2008).

In summary, it can be maintained that the EU's influence on labour policy in Poland has been met with intense interest in active labour-policy measures. However, the shift from an 'active' to an 'activating' labour policy, on the other hand, is still a very new phenomenon – with the exception of the 'Public Jobs' scheme. Only with the changes to the 'Law on Promotion of Employment and Labour-Market Instruments' in 2009 have the regulations on mandatory job acceptance been made stricter. Now, the right to unemployment benefits is bound to certain requirements. If a job-seeker refuses a job-offer from the Employment Office, their benefit claim is rejected. Also, the payment of gradually declining unemployment benefits is supposed to lead to faster job-finding by the client: In the first three months of unemployment, 717 PLN are paid, which is reduced in the following three months to only 563 PLN.

For their part, the Employment Offices have, since 2009, had to institute job-centres for professional activation, where they offer advice, training, scholarships, internships and professional practice. They have also received more decentralised autonomy, with which they may organise special programmes in order to provide particular groups an advantage on the labour market. Financial support for these programmes has increased. Some unemployed individuals now receive financial aid for their job-search, such as travel costs for job-interviews or continuing training sessions as well as, in some cases, overnight costs for internships and practical training taking place beyond the place of residence. Particularly in the case of support for further training, incentives in the form of supplements to unemployment benefits can be paid. The particularly disadvantaged unemployed may also study for remedial school diplomas (Art. 55). In addition to the above, Employment Offices now offer greater incentives to companies that take on unemployed workers and funding for equipping new workplaces as well as one-time payments of workers' social security contributions (Art. 46 and 47).

Just how much all these new forms of labour policy have helped remedy unemployment is, nevertheless, difficult to assess. The emergence of positive statistics for the labour market seems to have more to do with the extensive emigration of the workforce, the unrestricted early retirement from occupational life, and, above all, the deregulation of employment practices. Also, in reaction to the most recent financial-market crisis, the Polish government has expanded the deregulation of employment relationships. This has empowered employers to shorten work hours and reduce wages. Pro-active elements of the anti-crisis programme such as wage adjustments up to the level of the minimum wage in case of work-time reductions and programmes paid for by the ESF for the re-qualification of employees have been scarcely requested by enterprises. Only 122 companies took advantage of the offer of wage recompensation, while only 15 (re-)qualified a total of only 55 employees. On the one hand, the companies documented a 25% loss in sales turnover; the programmes took effect only in the case of direct need, not as a preventive measure. The unions demanded corrections to the programmes following exchanges with other European unions such as simplifications to bureaucratic procedures; however, these were not carried out (Interview at the Labour Ministry, July 2010).

Outlook: the social question – but without a public discourse

The transformation of the Polish state-socialist economy into a transnational, capitalist market economy has led to the loss of many jobs, temporary structural unemployment and great passivity in many groups of the population. Especially older and younger employees have been affected. It thus appear to be not only a matter of the challenge of the transition from one system to another, but also of the almost compulsive adjustment to the rules of a globalised and, especially, financial market-driven capitalism. The fact that this new system disengages a large portion of the population from prosperity and security has not been considered by the reformers. The notion is still all too dominant in Poland that the country is still at the stage of 'catch-up modernisation', which, when it is reached, will make prosperity possible for all who want it. Here, the traditional, if not euphemistic or simply impertinent, belief in an indomitable entrepreneurial spirit of the Polish is once again revived – the belief that those who really want to be successful will bring it about, regardless of structural conditions. Because neoliberal ideas are behind most of the political reforms, solutions proposed to the serious challenges faced by the social state will likely always follow from the ideological assumption that, since the free-market system is superior to socialism, it should function well enough to overcome them all. The fact that in the free-market economy, in particular in the neoliberal Polish version, people are continually being excluded has been scarcely perceived or discussed in politics. In the public discourse, praise has been concentrated on the relatively good retirement security with on-average high incomes and the possibility of early retirement.

Only after EU accession did Polish labour-market policy try harder to re-integrate the numerous individuals who were co-laterally excluded into the labour market through labour-market policy instruments. Since 2009, Poland has also linked the active instruments to demands on the unemployed, though certainly not in the rhetorical style of Germany's *Fordern und Fördern* (approximately 'rights and responsibilities'). Rather, 'activation' in the Polish context seems to consist only in the modest success of labour-market policy instruments, probably because of the widespread acceptance of the fact that long-term unemployment serves as an official cover status that ensures medical insurance coverage and facilitates illegal work. Problematic about this often ready-made interpretation is that it places causal responsibility on the individual and overlooks the fact that it is often the companies that force employees to work illegally in order to save on social security contributions as well as the fact that this practice is usually not in the interest of or desired by the workers. In this way, immoral company strategies are thrown at the feet of working people. The reason for this is primarily a lack of political willpower. Thus, the main obstacle to a solution to the social question in Poland is identified: the fact that many of the negative effects of globalisation and the introduction of the free-market economy – the 'working poor', 'precarity' etc. – are hardly ever mentioned in the Polish public debate. There has been a chronic lack of effective actors who dare to address the rampant improprieties, poor working conditions and precarious living situations and attempt to remedy them politically. Nevertheless, a first indication of a turn or improvement here is the latest coalition of the three national union confederations. In 2011, they already organised several demonstrations for a higher minimum wage as well as against wage-freezes in the public sector and the more extensive use of temporary and civil-contract employment schemes. The unions demand that a special provision of the government's 'anti-crisis package', which allows limited contracts of up to 24 months' duration to be continually renewed, be abolished and that the pre-crisis provision be restored, which required a permanent contract after three consecutive temporary ones. As part of the same legislative amendment, the unions are also demanding a permanent limit on contract durations of a maximum of 18–24 months with one employer. In the area of the civil- (private- or common-) law and employment contracts with the self-employed, the unions are attempting to also organise this group of persons. This will be necessary for, on the one hand, their recognition as a type of employee and, on the other hand, a change in union law, since unions have until now only been allowed to form among the employees of a workplace with at least ten members, meaning that the self-employed are practically out of the reach of union organising. The unions have lodged a complaint to the ILO, since they see in the currently applied union regulations a violation of the ILO Convention on freedom of assembly and the right to collective agreements (ILO agreements 87 and 98). How probable it is that the claim to representation can be extended to these 'self-employed employees' as well as what protective regulations of the Labour Code can be made to also apply to these employee-like persons (such as regulations on work-time, holiday (vacation) time, maternity leaves, etc.) is still unclear. It is certain only that *Solidarność*, after parliamentary elections in October 2011, plans to propose regulations on the status of employee-like persons (interview, July 2011). The echo following the union proposals is currently still faint (cf. Trappmann 2011). The media take an inimical stance towards the unions; and the current Prime Minister Donald Tusk also openly admits that he finds the unions superfluous. Other societal actors who are ready to challenge the neo-liberal morass have yet to appear on the scene. In Poland – as yet – there are neither the more vociferous NGOs nor young people massing in the streets. Protests on the scale of Spain, Britain and Greece have yet to materialise, but for how long?

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Annex

Table 1: Distribution of expenditures for active and passive labour-market policy (LMP) measures, per cent of GDP

	1995	2000	2004	2005	2006	2007
Placement and related services				0.07	0.09	0.10
Further education and training				0.10	0.10	0.10
Employment incentives				0.04	0.05	0.07
Direct job creation				0.03	0.02	0.02
Supported employment				0.16	0.16	0.17
Startup incentives				0.04	0.04	0.05
Unemployment benefits				0.3	0.26	0.19
Early retirement				0.55	0.45	0.33
Total expenditure LMP				1.28	1.16	1.01
Total expenditure active LMP	0.4	0.23		0.42	0.45	0.50
Total expenditure passive LMP				0.86	0.71	0.51

Source: OECD Employment Outlook 2009: 208; Ministry of Labour and Social Policy 2008: 164, Author presentation

Table 2: Overview of atypical employment relationships

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total employed (thousands)	16 281	16 138	15 749	14 195	13 766	13 606	13 773	14 075	14 530	15 174	15 783	
Employment rate, 55-64 years	32.1	31.9	28.4	27.4	26.1	26.9	26.2	27.2	28.1	29.7	31.6	
Employment rate	59.0	57.6	55.0	53.4	51.5	51.2	51.7	52.8	54.5	57.0	59.2	59.3
Unemployment rate	10.2	13.4	16.1	18.3	20.0	19.7	19.0	17.8	13.9	9.6	7.1	
Self-employed	35.1	35.6	36.2	28.1	28.2	27.3	26.8	25.8	24.5	23.5	23.2	
Employed on limited-term contracts	4.7	4.6	5.8	11.7	15.4	19.4	22.7	25.7	27.3	28.2	27.0	
Part-time employed	10.4	10.5	10.5	10.3	10.8	10.5	10.8	10.8	9.8	9.2	8.5	8.4
Long-term unemployed (share of employable people)	4.7	5.8	7.4	9.2	10.9	11.0	10.3	10.3	7.8	4.9	2.4	2.5
Youth unemployed (share of employable youth, 15-24 years)	22.5	30.1	35.1	39.5	42.5	41.9	39.6	36.9	29.8	21.7	17.3	

Source: Eurostat, Author calculation

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- ¹ Information from the temporary agency ‘Work Service’, http://workservice.com/index.php/grupa_work_service/aktualnosci/boom_na_prace_tymczasowa [accessed 12.5.2010].
- ² http://workservice.com/index.php/grupa_work_service/aktualnosci/boom_na_prace_tymczasowa [accessed 12.5.2010].
- ³ An expression coined by Minister of Finance Balcerowicz during the first Solidarność-led government, when radical reforms had to be effected so rapidly that citizens had no opportunity to question them.
- ⁴ By comparison, in the EU15 the averages are 0.55 and 1.41% of GDP and, in Germany, 0.62 and 2.35% of GDP (Rovelli and Bruno 2008).
- ⁵ Welfare-state benefits were a ‘worker’s privilege rather than a citizen’s right’ (Wagener 2002: 155). Even the child-raising allowance was paid out per child [directly] to the workers. Non-working parents had no claim to this benefit (Krzywdzinski 2008: 157).
- ⁶ Estimates put the share of this ‘inflated’ workforce at about 25% (Rutkowski 1990, cit. in Brown 2007).
- ⁷ For social-welfare recompensation purposes, an adjustment of a person’s unemployment benefit according to years of work is supposed to be applied: Those who have worked more than 20 years receive 20% more than the average unemployment benefit; and those who have not yet worked five years receive 20% less.
- ⁸ In the 1990’s in Poland, an income of 35% of the national average income was considered poverty (international parameters were not used at the time) (Golinowska et al. 2003: 61).
- ⁹ The Phare Programme was meant to make accession-candidate countries familiar with the procedures surrounding EU structural funds but brought little in the way of substantive effects. The resources were available only for EU-formulated purposes, which were not always what the regions needed most. Besides, the procedures were too bureaucratic, so that a lot of the resources went unused. (Grosse 2006: 153, Interview EI19 Trappmann 2008).
- ¹⁰ www.funduszstrukturalne.gov.pl www.funduszstrukturalne.gov.pl EU-accession has meant a great financial step forward. While during the 13 years of pre-accession a total of 6 billion Euros were made available (Guz-Vetter 2004), after accession during the 2004-06 period, this rose to 12.8 billion Euros, making Poland the country receiving the highest sum of aid from the ESF.
- ¹¹ For the new period 2007-2013, an improvement is hoped for, so that the regions can develop their own regional aid programmes. (Dabrowski 2006).