



Warszawa, April 6th, 2011

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Information on the Sejm and Senate's activities in the field of social policy¹

I. Legislative work

Since the commencement of the Sejm and Senate's current term of office (from November 5th, 2007 to March 25th, 2011), 171 bills pertaining to social policy related issues have been submitted to the Sejm, out of which 92 have been passed into law, 10 have been rejected, and the remaining ones are currently dealt with by legislators. The legislative activity of both chambers has mainly been focused on issues related to post-employment and disability and relief pensions, disabled persons, social welfare, the social insurance system, health care services, family benefits, social insurance, and employment.

Fully-funded post-employment pensions

A new law passed by the Parliament was the Act of 21st November, 2008, *on Fully-Funded Post-Employment Pensions* which specified the types of benefits paid out of the amounts accrued in the Open Pension Fund (OPF), the rules for acquiring the right to different types of fully-funded post-employment pension, the rules for and the procedure of awarding fully-funded post-employment pension, and the method of calculating, paying out, and indexing its amount. In accordance with the Act, fully-funded post-employment pensions shall be paid out under the pension insurance system and shall be vested in persons eligible for pension benefits from the Social Insurance Fund. Pensioners are entitled to two types of fully-funded post-employment pension from the amounts accrued in open pension funds: to periodic pension and to lifelong pension. The right to receive periodic fully-funded post-employment benefits expires when the eligible member turns 65, while the lifelong fully-funded post-employment pension is a lifelong annuity payable to members who have turned 65. In order to receive periodic fully-funded post-employment benefits, the insured person must meet the following eligibility requirements: turn 60 and have the appropriate amount of

¹ Material prepared for the meeting of representatives of the European Parliament's Committee on Employment and Social Affairs with members of the Family and Social Policy Committee of the Polish Senate.

money accrued in their individual account. The right to lifelong fully-funded post-employment pension is acquired by the open pension fund member upon their turning 65.

Bridging pensions

In 2008, a new legal regulation was passed, the *Act* – dated 19th December, 2008 – on *Bridging Pensions*. The Act introduced a new type of retirement benefits for persons whose work is performed under special circumstances or is of a special nature: bridging pension. The Act also introduced an additional benefit in the form of compensation for persons who fail to qualify for a bridging pension. In accordance with the Act, the worker eligible for bridging retirement benefits must be born after December 31st, 1948. A female worker may decide on the bridging pension option should she be at least 55 years of age, and a male worker not earlier than upon turning 60.

The Act also provides for a possibility to acquire the right to bridging pension by insured persons born after December 31st, 1948, before they have reached the age as indicated above, should such persons have worked in a mine for at least 15 years (under the stipulation that they meet a certain age requirement), or should they satisfy other conditions as specified in the Act, making them eligible for bridging pension.

The post-employment pension system

In order to reduce the rate of growth in the public debt, in connection with the existence of the fully-funded pension system as part of the public pension system, the *Act on Amending Certain Acts Related to the Operation of the Social Insurance System* was passed on March 25th, 2011. The Act amended a number (20) of acts related to the functioning of the Polish social insurance system.

Pursuant to the amendments, the premium amounts transferred from the Social Insurance Institution (SII), to the Open Pension Fund (OPF), within so called second pillar, have been reduced from 7.3% to 2.3% for the years 2011-2012. The premium amounts transferable to the OPF shall gradually increase – up to 3.5% in 2017. Premiums amounting to 2.3% (of average monthly gross earnings) shall be transferred to the OPF in cash, and their remaining parts shall be recorded in each individual's personal sub-account newly opened within the SII. The amounts accrued in individual sub-accounts maintained under the second pillar shall appreciate at the inflation-adjusted rate of economic growth for the last five years, and they shall be inheritable.

According to the government, the passed amendments will limit the state's borrowing needs by ca. 190 bn PLN by the year 2020.

The post-employment pension system reform also assumes that as of 2012, persons additionally saving up for retirement in so-called individual retirement accounts shall be

entitled to a 4% tax credit (calculated as a fixed percentage of the taxable income). What has also been changed is the upper limit of the percentage of stocks in the OPF portfolio. Currently it amounts to 40% of the actively managed funds, by the year 2020 it is expected to increase to the level of 62%, and, finally, to 90%. Beginning with January 1st, 2012, a ban on soliciting the purchase of premiums for OPF shall be in force.

The implementation of the amendments shall result in Poland's fulfilling its obligation towards the European Commission respecting the decrease in the deficit in the public finance sector by 3% in 2012. The provisions of the Act stipulate for its coming into force on May 1st, 2011. The Act is ready for the President to sign it into law.

The maternity leave

In 2008, within the framework of the pro-family policy pursued by the government, the Act of June 26th, 1974, the *Labour Code*, was amended, and more favourable provisions than those previously in force, concerning the rules governing the granting of maternity leaves and their length, came into force as of January 1st, 2009. Following the Labour Code amendment, the maternity leave can be divided into two parts: the ordinary (obligatory) maternity leave, and an additional (optional) maternity leave.

Since January 1st, 2009, the length of maternity leave has been increased, and it has been conditioned by the number of babies born by a woman in a single delivery. The maternity leave following a childbirth is: 20 weeks long should 1 baby be born; 31 weeks long should 2 babies be born; 33 weeks long should 3 babies be born; 35 weeks long should 4 babies be born; 37 weeks long should 5 and more babies be born.

Since January 1st, 2010, female workers have had the right to additional maternity leaves which are granted on a one-time basis and are 1 (or its multiple) week long, upon their having used the basic part of their maternity leaves.

The additional maternity leave shall gradually be extended depending on the number of babies born in one delivery. Should one baby be born in a single delivery, the additional maternity leave shall last for up to 2 weeks in the years 2010 and 2011, and for up to 4 weeks in the years 2012 and 2013. Should more than one baby be born in a single delivery, the additional maternity leave shall last for up to 3 weeks in the years 2010 and 2011, and for up to 6 weeks in the years 2012 and 2013. Finally, i.e. beginning with 2014, additional maternity leaves shall be up to 6 weeks long if one baby is born in a single delivery, and up to 8 weeks long in case more babies are born in a single delivery.

As of January 1st, 2010, a woman entitled to an additional maternity leave may start working part time (but no more than half time).

Should a mother waive her entitlement to maternity leave (after 14 or more weeks following the childbirth), the father may take the remaining leave. The amended Code

introduced a rule according to which, after a mother has taken an 8 week-long maternity leave following the delivery date, the father is entitled to part of her maternity leave – for the period of the mother’s stay in hospital in view of her deteriorated health status and her inability to take care of the child.

Notwithstanding their right to a part of the maternity leave, as of January 1st, 2010, fathers taking care of their babies have been entitled to so-called paternity leaves. This entitlement is introduced gradually, i.e. in the years 2010 and 2011 the leave shall be 1 week long, and beginning with 2012 it shall finally be extended to 2 weeks. A male worker has the right to a paternity leave as long as his baby is under 12 months.

Alimony benefits

Benefits payable from the Alimony Fund are a new form of supporting a child who has been awarded alimony payments from his/her parent (including alimonies awarded under an agreement reached in court), should the alimony enforcement be ineffective. The new provisions came into force on October 1st, 2008, by amendment to the former act of September 7th, 2007, *On aid for alimony receivers*. A benefit from the Alimony Fund has replaced the alimony advance which used to be awarded in similar situations to persons not receiving the alimony payments due to them. By introducing the new provisions, the legislator expanded the group of persons eligible for aid without strictly limiting it to single parents. Also children being in the care of a parent who has contracted a new marriage, who has a common-law partner, or whose current spouse fails to pay the awarded alimony, are entitled to this benefit. The right to benefits from the Alimony Fund is vested not only in Polish citizens, but also by foreign citizens should it result from provisions governing the coordination of the social security systems or from binding bilateral agreements on social security made with the Republic of Poland. There are also foreigners staying in the territory of the Republic of Poland under a settlement permit, under a permit to stay as a long-term resident of European Communities, or under a fixed-term residence permit (i.e. issued to a refugee) who are entitled to the above benefits.

Children eligible for benefits from the Alimony Fund must be under 18. A child over 18 is entitled to alimony payments as long as he/she is a high school or university student and is under the age of 25. There are not age limitations as regards alimony benefits for children having doctors’ opinions ascertaining a considerable degree of disability in them. This aid, like family benefits, is paid by the local authority or by a social welfare centre. A new income criterion has been introduced (the net income must not exceed the amount of 725 PLN per person in family) and the amount of such aid has been increased (up to 500 PLN).

Child care

One of the most crucial bills passed within the scope of social policy was that of February 4th, 2011, *On Early Child Care for Under-3-Year-Olds*. The enactment of the provisions of this Act was, first and foremost, intended to create conditions for development of diversified forms of early child care and to enable the parents or the caretakers to enter the labour market, as well as to improve the birth rate. The Act introduced 4 forms of early child care: infants' nurseries, baby clubs, day child caretakers, and nannies. Infants' nurseries and baby clubs may be established and run by local authorities, natural persons, or business units without legal personality. A day child caretaker is employed by a local authority (*gmina*) under an agreement. Nannies are employed by the parents under service contracts. The provisions of the Act have also specified the rules for organizing early child care for children up to 3, and for the operation of the system, as well as rules governing the conditions under which such services must be provided; the qualifications of the caretakers; rules for funding early child care; supervision over the conditions and the quality of the care provided.

Family violence

In order to effectively counteract family violence, legislative work on amending the act of July 29th, 2005, *on Counteracting Family Violence* has been undertaken. Its priority objective was to lay emphasis on counteracting family violence and on raising public awareness of this issue. The main purpose behind the Act was to create legal mechanisms enabling broadening of assistance provided to victims of family violence, and a possibility to isolate the perpetrators. The most important changes include: ban on corporal punishment of children; doctor's certification received by victims suffering from family violence on a free of charge basis in order to have the causes and the types of bodily injuries resulting from acts of violence determined; order to vacate the living quarters occupied together with the victimized person issued against the perpetrator; obligatory participation in correctional education programs for perpetrators of acts of violence; a restraining order granted by court against the perpetrator preventing them from approaching the victims or from contacting them; scope of competences of social workers broadened by a possibility to take a child away from his/her biological family and settle him/her into the closest relatives' home, into a temporary substitute family or into a 24-hour child care centre, of which the concerned social worker is required to notify the guardianship court immediately.

Disabled persons

In order to help disabled persons with their everyday life problems, the members of the Polish Parliament have undertaken legislative work on amending the Act dated August 27th, 1997, *on Professional and Social Rehabilitation and on Employment of Disabled Persons*.

The amended Act was a basis for enacting provisions which enabled dim-sighted or blind persons to enter public use buildings with their assistance dogs guiding them, without having to meet other conditions which used to be left to the discretion of local governments or determined by the rules issued by owners or administrators of various public buildings before. At present, the only condition which must be met by disabled persons is that of having their guide dogs harnessed and having a document confirming the status of the assistance dog as well as a valid certification of vaccination issued by a vet.

Moreover, on the basis of two drafts of amendments to the Act (as proposed by the government and by the Senate) the rules for funding occupational therapy workshops and sheltered workshops for disabled people have been changed. A rule of co-funding has been set forth: 90% of the funding shall come from the National Disabled Persons Rehabilitation Fund, and at least 10% from the district (*powiat*) government fund. The Act has also ensured that companies employing disabled persons receive financial assistance towards their payroll costs (75%), which was connected with approximating domestic legislation to that of the European Union.

Another important amendment to the Act consisted in enabling employers who do not meet the conditions governing sheltered employment to employ disabled persons without first having to seek a positive initial opinion from the National Labour Inspectorate. A workplace may be adapted by such an employer to make it disabled-friendly in the course of employment and not before its commencement.

Compensation for the families of victims of mass struggles for freedom

The concern for justice which must be done to Polish citizens who in the years 1956-1989 fought against the communist totalitarian regime and were killed as a result of actions taken by the army, by the then state police (*milicja obywatelska*) and by other bodies of the then security system, resulted in passing the bill which determined the rules for awarding compensations to families of the victims. The Act provides for pecuniary compensation payable to family members of the victims of the protests: in June 1956 in Poznań; in October 1957 in Warsaw; in December 1970 at the Polish Coast (in Elbląg, Gdańsk, Gdynia and Szczecin); in June 1976 in Radom; under the martial law from December 13th, 1981, to July 22nd, 1983; and during the repressions that followed the manifestations and strikes in the years 1983-1989.

The compensation consists in one-time pecuniary awards payable to each family member in the amount of 50,000 PLN. Pecuniary compensation shall be awarded at a request from a family member filed within 10 years of the date of July 15th, 2009. Eligible persons include: spouses, children (biological and adopted), parents, and adopters. The right to such

compensation is non-transferable. The amounts paid by way of such compensation shall not be taxable.

Mitigation of the consequences of economic crisis

The key element of the anti-crisis activity of the government was passing the bill of July 1st, 2009, *on the Mitigation of the Consequences of the Economic Crisis for Employees and Entrepreneurs*. The priority objective of the Act is, first of all, to protect workplaces. This form of support is available to entrepreneurs who find themselves in temporary financial problems, and to all entrepreneurs irrespective of their financial standing – within the scope of the regulations concerning the organization of the working time and the rules for employing workers under labour agreements concluded for a specified period of time.

Within the scope of the labour law, the Act introduces a number of new solutions which enable: extension of the working time settlement period up to a maximum of 12 months; introduction of an individualized work schedule allowing for different times to start and finish work; employment under labour agreements concluded for a specified time up to a maximum of 24 months. An employee who gives his/her consent to the proposed downtime shall be entitled, for a maximum of 6 months, to an allowance or scholarship and to remuneration in the total amount equal to that of a minimum salary.

The Act also provides for a possibility to award benefits financed from the Guaranteed Employee Benefits Fund, to provide financial assistance towards the costs of training and of postgraduate courses of study pursued by employees, and to award employee scholarship allowances financed from the Labour Fund. Entrepreneurs must meet a number of conditions in order to receive the above assistance, including: meet their tax, social insurance and health insurance obligations on a timely basis, which also refers to their obligations towards the Guaranteed Employee Benefits Fund; report a drop by at least 25% in their business turnover over a period of 3 consecutive months; develop their corporate remedial action programme aimed to improve the status of the business; ensure that they have no grounds to declare bankruptcy.

The assistance provided for in the Act shall be in force till the end of 2011.

Moreover, amendments have been done to a vast number of acts with a view to approximate their provisions to the EU legislation, or as a result of systemic needs or for practical reasons.

II. Activities of the Family and Social Policy Committee of the Senate

In the period covered by this document the Family and Social Policy Committee dealt during its meetings with the following issues:

- long-term care system, social insurance against the risk of post-employment dependency: due to the demographic situation in Poland and to the weakness of the geriatric care system an urgent need for commencing work on a law on insurance against the risk of post-employment dependency and for developing a market for long-term care services has been referred to;
- rehabilitation, therapy, vocational preparation and employment of disabled persons: it has been postulated for legislative initiatives aimed at creating a cohesive system based on the equalization of opportunities for disabled persons and on supporting their participation; it has been pointed to a need for passing the so-called anti-discrimination act, for integrating the existing 5 systems of disability certification into a single uniform system, for preparing a bill on the sign language; for a statutory establishment of personal assistants to disabled persons, as well as for new solutions respecting the funding of the Occupational Therapy Workshops;
- operation of the National Disabled Persons Rehabilitation Fund (NDPRF); status of the government representative for disabled persons: the proposed change for NDPRF to lose its legal personality, its self-regulatory character, and to become an ordinary public earmarked fund as of the year 2012 was met with criticism; it has been decided in favour of maintaining the legal personality of the Fund and its separate nature, and in favour of making the government representative for disabled persons directly subordinated to the Polish Prime Minister;
- new rules for shaping the social policy: attention has been called to the need for cooperation with NGOs implementing projects aimed at employment support and conducive to social integration; it has also been pointed to the need for developing a new model to combat social exclusion and prevent its consequences, especially in rural communities;
- pro-family policy: what has received a positive assessment are the government's actions intended to support families and increase the chances of parents to remain in the labour market while upbringing their children or to re-enter the labour market, as well as those enabling the financing of corporate nursery and child day care facilities from the occupational benefits funds, and releasing the parents coming back to work after their child care or maternity leaves from an obligation to pay contributions to the Guaranteed Employee Benefits Fund; it has been pointed to the need to broaden the government program of family support policies; declaration has been made to support a public debate on the national strategy for strengthening Polish families;
- facilitation of adoption procedures: it has been postulated for closing public orphanages, fastening the adoption process, and, first and foremost, for supporting families, in particular dysfunctional ones; the Polish child care system in its part

responsible for children staying out of their biological families has been assessed as still not meeting the standards met by family-based forms of child care;

- civic society, the principle of subsidiarity, public benefit organizations: the need for a NGOs funding reform, for a better access to both the EU and domestic funds, and for using the Civic Initiatives Fund has been ascertained; it has been postulated for restoring the importance of indirect instruments such as donation write-offs or direct ones such as public initiatives of money collection, and for developing regulations removing the VAT burden on donations, including food donations, or on SMS messages;
- freedom of association: the act on associations, passed over 20 years ago, restrains the freedom to act and the overall activity of numerous milieus which affects the noticeable crisis of the civic society; there is a need to start working on a new act on associations.

III. Debates

Within the Sejm's current term of office, 6 debates connected with the broadly understood social policy have been held. The debates pertained to: the increase in unemployment in Poland and the limitation of funds appropriated for active forms of combating unemployment; actions taken by the government, intended to lower the level of unemployment; situation in the labour market; progress achieved in completing the old age pension reform; social and economic consequences of the increase in household maintenance costs and the costs of electricity supply, petrol and food; failure to increase the salaries / wages of the personnel of state-owned health care centres.

IV. Conferences

During the Senate's current term of office, a number of conferences on social policies have been held. They were organized on the initiative of the Family and Social Policy Committee in cooperation with social and local government organizations as well as foundations and associations active in that sphere. The Committee, together with the Working Community of Associations of Social Organizations organized a conference "Social Status and Social Activity of Elderly People in Poland devoted to the methods to promote an active life model among the elderly population. The experiences gained in the course of work on the project "Senior Task Force" implemented by Polish non-governmental organizations in the years 2007-2008 were presented at the conference.

Numerous crucial social issues have been touched upon, including that of protecting children against addictions.

The contemporary challenges of social policies were discussed at the seminar “New Rules for Shaping Social Policies”. A number of conferences were related to health problems. The following issues were touched upon: the future of local government owned hospitals, the impact of prevention on the public health, prospects and future chances of preventive vaccinations in Poland. Plenty of attention was given to the problems of elderly and disabled persons. On the initiative of the Parliamentary Group for Elderly Persons, a conference “Senior-Friendly Local Government” was organized. Another conference dealt with the social status and activity of elderly persons in Poland.

Problems of elderly persons were discussed at two other conferences: “Personal Assistant’s Services in the Disabled Persons Support System” organized together with the Foundation for Assistance to Muscular Atrophy Patients, and “Disabled Travellers” organized together with the Human Rights and the Rule of Law Committee of the Senate and with the Motor Transport Institute.