



Employment and labour market policies for an ageing workforce and initiatives at the workplace

National overview report: Poland

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Introduction

Even though for some period of time the need for the professional activation of the elderly has been noted in Poland, the problem has remained on the fringes of concern for years. Primarily this has been the result of the attention given to resolving the dilemmas associated with restructuring of the economy, reducing the high level of unemployment,¹ and the urgent need to create new jobs for the demographically prominent young generation to enter the workforce. The problem of elderly unemployment has been made more difficult in recent years by the slowdown in the rate of economic growth (characteristic for the years 2000 - 2002) as well as the employment stagnation which accompanied the subsequent registry of economic growth.

The above obstacles have been additionally accompanied by a public awareness of the relative youthfulness of Polish society, as reflected in its low so-called 'demographic burden' index (the number of persons over 65 vs. the number of persons aged 15 - 64), which in the year 2002 stood at 18 %. This advantageous situation will change in the future, however, a trend already visible by the 1 % increase (to 19 %) of the above-mentioned index in 2003. Demographic predictions for the year 2030 envision a continual rise in the index as a result of the following factors: lowering of the mortality rate and a corollary increase in the average life span; a decline in birth rates, accompanied by a negative natural growth rate in the population; and an increase in emigration, leading to an overall negative migration flow.² The overall effect of these demographic changes will lead to a decline in the share of population aged 18 - 44 (from 39.9 % to 31 %) and an increase in the share aged 45 - 60/65³ (from 24.6 % to 30.2 %).

The first activities aimed at active age management were undertaken in anticipation of the expected demographic changes, as well as in order to implement articulated European strategies (in particular the Lisbon strategy and the European Employment Strategy). The majority of these activities (in particular those at the strategic level and at the level of legal regulation) have been carried out within the context of Poland's general aim of implementing a pro-active labour policy. Such a policy aims to alleviate the frequently encountered antagonism (more supposed than real) between policies aimed at combating youth unemployment and those aimed at combating unemployment among the elderly. As a result of the supposed conflict, one often encounters in Poland the viewpoint that the greatest unemployment problem in Poland is that of youth unemployment, accompanied by the view that there is no need to assist the elderly who occupy positions which could otherwise be occupied by unemployed youth.

This viewpoint fails to take into consideration the fact that most jobs occupied by older workers would not be available to young workers owing to their lack of requisite experience and skills. Older workers, in turn, rarely accept work suited for youth which is usually unsuitable to them both for financial (low pay) as well as professional reasons (scope of duties, physical requirements, level of qualification etc). Thus the idea that the elderly and the youth are engaged in vigorous competition on the labour market borders on the absurd.

¹ Unemployment in Poland is to a large extent of a structural character, as illustrated by the existence of a large difference between the qualifications required by employers and those possessed by employees and the low level of mobility of employees. Beveridge's rule, illustrating the relationship between the number of job vacancies and the number of unemployed in Poland between 1996 - 2003 demonstrates that, since 1998, there has been a continual reduction in job openings and an increase in the number of unemployed. The structural deficiencies in the labour market became particularly visible after 2002, when the number of unfilled job offers reached 3000, while not reducing unemployment. (Poland 2004. Report on the Labour Market and Social Security Benefits. Ministry of Labour and the Economy. Warsaw, 2004)

² Assumptions to the population projection of Poland 2003-2030, Central Statistical Office, <http://www.stat.gov.pl>

³ In Poland the retirement age for women is 60 years, and for men 65.

In addition, employment of the elderly is usually financially advantageous for employers. Government intervention is required, however, to assure that all age groups are treated equally in the employment processes and guard against instances of age discrimination, which negatively affect the entire labour market by discouraging efforts to seek employment by a particular age group.

At the present time the Polish policy known as ‘active ageing’ is based on two prongs: the National Strategy for Employment Growth and Human Resources Development⁴ (at the strategic level), and on a programme of legislative actions designed to promote employment and establish labour market institutions (at the legal level).⁵

Both the aforementioned documents create the programmatic⁶ and institutional bases for all activities undertaken affecting the labour market, but in this report we shall focus on those actions designed to support active ageing. They form a packet of activities aimed at imposing on all public labour market institutions the requirement to offer unemployed persons 50 years and older alternative employment and/or retraining for six months from the time they become unemployed. A complementary package of regulations is aimed at ensuring that the aforementioned group of unemployed persons maintains health care, social benefits, pension and disability benefits etc., and is covered by policies concerning the handicapped, job training etc. In addition to the aforementioned actions, the Polish Labour Code is being continually updated in order to comply with the official policy of ‘equal opportunity’.

The crowning achievement to date of the aforementioned efforts has been the implementation of the operational programme 50 PLUS, aimed at preparing innovative mechanisms and instruments for active age management.

Having said the above, it must be admitted that, to date, the outcomes of the aforementioned activities have been limited in scope and efficiency. This has been in large part due to the limited expectations of all persons involved, rooted the 1990’s era policies of rationalisation and reduction of work forces, using instruments such as: early retirements, pensions due to inability to work (granted on very favourable conditions up to 1997), pre-retirement benefits (between 1997 - 2001) and (from 1997) pre-retirement incentives. While these policies reduced existing social tensions in the short term in the long term they led to increased public debt and increased labour costs.

Further sections of this report present:

- a statistical overview on the situation of older employees in Poland,
- roles and perspectives of public actors with regard to fostering active ageing,
- the main public initiatives for fostering active ageing,
- examples of measures and initiatives implemented at individual (company, organisation) levels.

⁴ National Strategy for Employment Growth and Human Resources Development 2000-2006, Document adopted by The Council of Ministers on 4 January 2000, <http://www.mgip.gov.pl>

⁵ Act of April 20, 2004 of the promotion of employment and labour market institutions (Dz. U. Nr. 99, position 1001, 2004)

⁶ A number of other Polish strategy documents contain elements relating to the programmatic sphere, including among others: Social and Economic Strategy: Entrepreneurship-Development-Work; Social Policy Strategy 2002-2005; Draft of Social Policy Strategy 2007-2013; Draft of National Development Plan 2007-2013; National Strategy for Social Integration; Strategy for lifelong learning up to 2010.

The material presented consists of:

- an inventory of the most important actors involved in the process of defining and implementing active ageing policy, and their role in the development of appropriate legal instruments and strategic policies,
- a presentation of the most important public initiatives devoted to active age management,
- case studies involving four examples of activities undertaken by particular firms/institutions, having regard to whether the activities were undertaken as a result of material distributed in public reports or whether they arose out of the natural course of business practices which encouraged firms to employ various employment mechanisms (flexible employment contracts, active recruitment, mentoring etc.) for older employees.

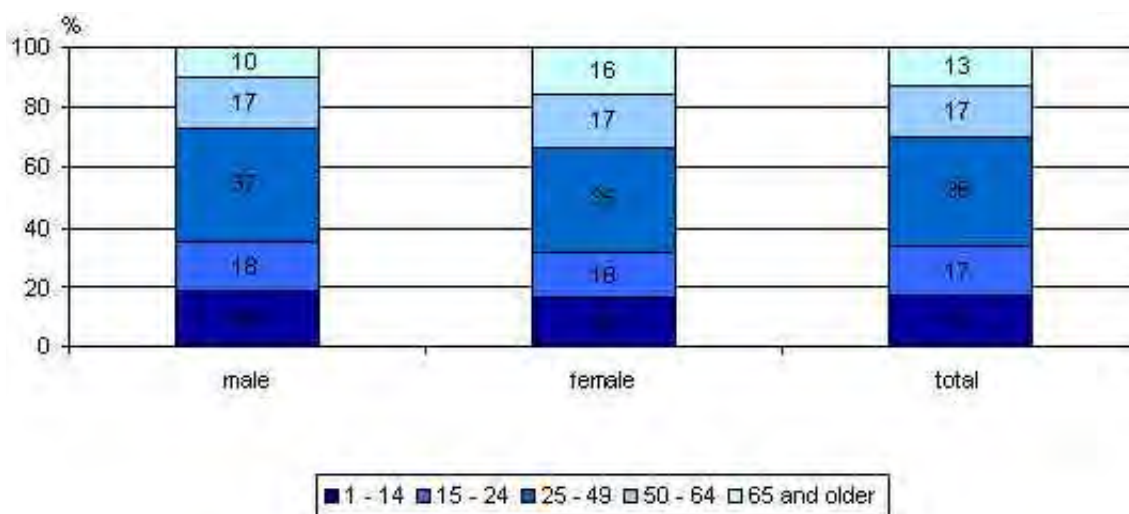
The material presented should not be treated as:

- a complex analysis of the effects of public instruments stimulating professional activation among older workers,
- an evaluation of the effectiveness of the programmes and/or actors involved in the process of defining and implementing the active ageing policy,
- an evaluation of the effectiveness of public initiatives aimed at initiating specific activities at the level of individual firms (i.e., an analysis of the relationship between public initiatives and the intensity of active ageing policy at company level).

Situation of older workers in Poland

Poland is characterised by a population that is comparatively younger than that of the EU-25. Nevertheless, 30 % of the inhabitants were aged 50+ in 2004, whereby, in particular, the share of the persons aged 65+ is much higher for women than for men (see Figure 1). Since 1991 both, the number and the share of the older population has been increasing which is mainly due to the 45 - 54 year old population.

Figure 1: *Share of the population of Poland by age class and gender in %, 2004*



Source: Eurostat

As regards the educational attainments of the Polish population, the younger generations on average dispose of a considerably higher level of formal qualification than the older ones. While, for example among the population aged 65+ the share of those having only completed (pre-)primary and basic education amounted to 61 % and as few as 8 % were academics in 2004, only 11 % of the 25 - 49 year old ones left the formal education system after (pre-)primary and basic education and 17 % completed tertiary education. There are clear differences by gender: whereas older women (50+) are worse educated than older men; almost no differences or even higher educational attainments of women can be found in the younger age classes. An analysis over time shows an increasing educational level (i.e. increasing share of inhabitants with completed tertiary education and decreasing share of those with (pre-)primary and basic education). Still, the share of the Polish population having completed tertiary education is considerably lower than on European average while the percentage of persons with (post-)secondary education is much higher, particularly for the 25 - 49 year old ones.

In 2004, 16.3 % of the Polish disabled persons aged 15+ belonged to the economically active population. About four fifths of them were in employment, one fifth was unemployed. The integration of disabled persons into the labour market seems to be better for men than for women and for inhabitants of rural compared to urban areas. The employment rate of disabled decreases with age (e.g. from 23.5 % for the 30 - 34 year old ones to 13.3 % for the 55 - 59 year old ones). (Source: Central Statistical Office of Poland, Labour Force Survey IV quartile 2004) In 2003, about 31 % of the persons receiving pensions covered by the non-agricultural social security system resulted from an inability to work (51 % constituted retirement pay and 18 % family pensions) (Source: Social Insurance Institution of Poland).

The employment rate (i.e. the share of employed persons aged 15 and over in the total population of the same age) of Poland is, in general, lower than on European average (see Table 1). The only exception is - in spite of a lower average exit age from the labour market in Poland than in the EU-25 (58 years vs. EU-25: 61.0 years in 2003) - the generation 65+. The number of employees and the employment rate has been decreasing for the last years, particularly for the 45 - 54 year old women and the men aged 55+, respectively. The highest incidence of older employees can be found in the agriculture sector and the financial intermediation / real estate sector (one fifth of the employees for each of this sector was aged 50+ in 2004). Comparatively few older employees are active in wholesale and retail trade.

Table 1: *Employment rate (i.e. share of employed persons aged 15 and over in the total population of the same age) of Poland and the EU-25 by age class and gender, 2004*

	Male		Female		Total	
	PL	EU25	PL	EU25	PL	EU25
15-24	23.8	39.2	18.3	33.4	21.1	36.4
25-49	76.8	85.9	65.8	69.4	71.3	77.7
50-64	45.1	61.4	31.4	42.8	37.9	51.9
65+	8.0	5.7	3.6	2.2	5.3	3.7
Total	50.6	59.6	38.0	43.6	44.0	51.3

Source: Eurostat

In line with the lower employment rate, Poland is characterised by a considerably higher unemployment rate (i.e. unemployed persons as a percentage of the active population of the same age) than the European average (18.8 % vs. 9 % in 2004) which holds true for all age classes (see Table 2). Thereby, the number of unemployed persons aged 45+ and the share of older persons (50+) among the unemployed has been slightly increasing for the last years (e.g. from 10 % in 2001 to 12 % in 2004) - a tendency that can be found for the EU-25, too (i.e. from 15 % in 2001 to 17 % in 2004). Similarly, also the unemployment rate of the 50 - 64 year old ones has been increasing between 2001 and 2004 (from 11.1 % to 13.5 % for Poland and from 6.3 % to 7.2 % for the EU-25, respectively). In general, the duration of unemployment increases with age.

Table 2: Unemployment rate (i.e. unemployed persons as a percentage of the active population of the same age) of Poland and the EU-25 by age class and gender, 2004

	Male		Female		Total	
	PL	EU25	PL	EU25	PL	EU25
15-24	38.9	18.4	41.5	18.7	40.1	18.5
25-49	16.0	7.5	18.2	9.5	17.0	8.4
50-64	14.7	7.1	11.9	7.3	13.5	7.2

Source: Eurostat

Role of public actors in fostering active ageing in Poland

The foundations of a legal and institutional infrastructure supporting active age management are defined in the law on the promotion of employment and labour market institutions⁷. This act gives concrete form – by delineating institutions and procedures – to the state’s obligations in the field of employment promotion, alleviation of the consequences of unemployment, and stimulating vocational activity. The legislative tasks are performed by labour market institutions, acting in order to ensure full and productive employment, development of human resources, high quality of labour, and the strengthening of integration and social solidarity.

The labour market institutions include the following:

- public institutions providing labour market services;
- Voluntary Work Corps;
- employment agencies;
- training institutions;
- social dialogue institutions;
- local partnership institutions

Public institutions providing labour market services

The public institutions providing labour market services include:

- the office of the appropriate ministry dealing with labour issues which is a leading public actor defining and implementing labour market policy;
- the voivodship (provincial) office in charge of supervising the voivodship and poviats (district) labour offices, as well as the licensing of job brokers and vocational advisers and the realisation of tasks of other institutions involved in the administrative procedures related to unemployment registration and compensation;
- voivodship and poviats labour offices which are organisational institutions of local (voivodship and poviats) government.

⁷ Act of April 20, 2004 of the promotion of employment and labour market institutions (Dz. U. Nr. 99, position 1001, 2004)

The tasks of *voivodship* and *poviat labour offices* include:

- Labour market analysis, labour demand analysis, including the monitoring of deficit and surplus skills; preparation, updating, and dissemination of information concerning professions in the voivodship, local project efficiency evaluation, etc.
- Defining and co-ordinating (in close co-operation with voivodship employment services) regional labour market policy and human resources development through the preparation and implementation of regional action plans for employment (regional action plan), together with the allocation of Labour Fund resources, and programming and performing tasks co-financed by the European Social Fund.
- Initiating and carrying out activities aiming at solving or alleviating problems connected with planned group redundancies owing to a company's situation. In the case of unemployed persons aged 50 or over the voivodship and poviat labour offices should, during the first 6 months from their registration date, propose employment offers, other work bringing income, training, on the job training, intervention work or public work. This solution is based on the assumption that the readiness of unemployed persons to take on employment is highest during the initial phase of unemployment, and just prior to the expiry of the right to unemployment benefits.
- Organisation and co-ordination of vocational consultancy services and professional information centres, and their development in the voivodship.
- Performing tasks resulting from the co-ordination of the social security systems in the area of unemployment benefits.
- Co-ordination of activities in the areas of lifelong learning, job seeking and training for the unemployed, and co-operation with appropriate state educational institutions in the area of harmonising lifelong learning activities with labour market needs.

Voluntary Work Corps

Voluntary Work Corps are public units specialising in activities concerning youth, especially those threatened with social exclusion and the unemployed below 25 years of age.

Employment agencies

Employment agencies are non-public organisational units co-operating with public and non-public labour services in the area of fostering active ageing programmes (searching for job opportunities, vocational training, counselling, etc.), providing services both for employees and employers in:

- Job brokering, both within the country and abroad with foreign employers (job brokering centres)
- Personnel counselling (personnel counselling agencies) concentrating on: employment analysis; defining the qualifications of employees, their potential, and other characteristics essential for performing certain types of work; counselling on sources and methods of candidate selection for given posts; assessing candidates on expected qualifications and potential with the use of psychological tools and methods
- Vocational counselling (vocational counselling agencies) concentrating mainly on assistance in choosing a profession and place of work, delivering vocational information, assisting employers in candidate selection for posts requiring specific psychophysical abilities/characteristics
- Temporary jobs (temporary placement agencies)

The Minister responsible for employment registers employment agencies which are obliged to co-operate with official employment institutions in order to implement labour market policy, and to present to the Minister as well as to the local authorities annual reports concerning their work.

Training institutions

Training institutions include both public and non-public institutions performing outside school education based on a separate law.

If a training institution organises training for unemployed persons and job seekers it can obtain public financial support for this purpose, provided that it is officially registered as a training institution. Such registration is handled by the voivodship labour office responsible for the region where the training institution is located.

Social dialogue institutions and partnerships on the labour market

Social dialogue institutions dealing with labour market problems include: trade unions, employers' organisations, organisations of the unemployed, NGOs co-operating with public institutions providing labour market services, and Voluntary Work Corps. The main role of these institutions is to lobby for and to create favourable framework conditions for various initiatives aiming at fostering active ageing. These institutions can be entrusted (along with employment agencies and training institutions) with employment promotion tasks and professional activation of the unemployed, job seekers, and those threatened by redundancy.

The key social dialogue institutions include:

- The *Tripartite Commission for Socio-Economic Affairs*, which conducts social dialogue at the national level with representatives of both employees' and employers' organisations⁸.
- The *Voivodship Social Dialogue Commissions*, which should work out solutions and reach agreements with regard to basic problems of a local or regional character. The dialogue conducted by the Voivodship Commissions is expected to relieve social dialogue institutions at the country level.
- The *Tripartite Trade Teams* operate outside the Tripartite Commission for Socio-Economic Affairs and deal with the problems of different trades resulting from the processes of restructuring, privatisation, and transformation of different industries. Previously, they operated without any legal character, but now they have a more formalised form, including internal by-laws and time schedules of work and meetings. Members of the Teams are representatives of trade unions, employers' organisations, and relevant departments which guarantee the implementation of the agreed-upon issues. Representatives of chambers of commerce, economic self-governments and territorial self-governments are also invited to participate in the meetings. In some cases, employers operating in the given sector can also participate in the meetings.

⁸ This Commission is composed of representatives of the government, employers, and employees. Its tasks include the promotion of social dialogue concerning wages and benefits as well as other social and economic issues, as well as carrying out tasks set forth in separate regulations (Act of July 6 2001 concerning the Tri-Partite Commission for Socio-Economic Affairs and the Voivodship Social Dialogue Commissions, Dz. U. of 18 Sept. 2001)

Other social partners include (among others):

- Trade unions (including, among others, NSZZ Solidarność) and trade unions' confederations: National Alliance of Trade Unions (Ogólnopolskie Porozumienie Związków Zawodowych⁹); Trade Unions' Forum (Forum Związków Zawodowych¹⁰)
- Organisations of employers: According to the legal act on employers' organisations they can constitute either federations or confederations which can join international employers' organisations. Employers' organisations are allowed to participate in meetings of the Tripartite Commission for Socio-Economic Affairs and Voivodship Social Dialogue Commissions and to submit proposals for changing or issuing new regulations with regard to the activities of employers' organisations. The most active of such organisations include: Konfederacja Pracodawców Polskich (Confederation of Polish Employers), Polska Konfederacja Pracodawców Prywatnych 'Lewiatan' (Polish Confederation of Private Employers 'Lewiatan'), Związek Rzemiosła Polskiego (Polish Craft Association), and the Business Centre Club.

Employers' organisations and trade unions have the right to provide feedback on the drafts of legal acts in areas within the scope of activities of the particular trade union and/or employers' organisation. The government is obliged to consult with designated employees' and employers' organisations the drafts of all legal acts (with the exception of the state budget). Submission of draft legal acts for consultation to other employees' and employers' organisations is not a legal obligation, but rather a policy conducted by specific governmental units, reflecting the role/position of particular organisations, e.g. at local level or industry level.

The similar tasks are attributed to the local partnership institutions which include, above all: the Supreme Employment Board and the voivodship and poviats employment boards.

The *Supreme Employment Board* is an opinion-counselling body for the Minister responsible for labour issues in the area of labour market policy. Its main tasks are:

- proposing initiatives which would contribute to full and productive employment and human resources development
- giving feedback on the National Action Plan and the regional action plans for fostering employment
- giving feedback on the annual reports of the Labour Fund activities, as well as evaluating its management of funds
- giving feedback on interim reports concerning implementation of the National Action Plan
- giving feedback on policy projects dealing with the topic of employment

⁹ The Ogólnopolskie Porozumienie Związków Zawodowych is a nation-wide inter-union organisation created by nation-wide trade unions and trade union associations.

¹⁰ The Forum Związków Zawodowych is a nationwide inter-union organisation created by nation-wide trade unions and trade union associations. Its aims include securing the social and professional interests of workers, retirees, persons on disability, as well as members of their family, and creation of an active social and professional ethic among such persons.

Voivodship employment boards are opinion-counselling institutions assisting the Marshal of the voivodship in the field of labour market policy. Their tasks include the following:

- giving opinions on the rationality of Labour Fund expenditures
- proposing initiatives which would contribute to full and productive employment in the voivodship
- offering suggestions and opinions on the direction of education and vocational training and employment in the voivodship
- giving feedback on interim reports from voivodship labour offices and presenting to the National Employment Board interim reports and conclusions in the field of employment
- Delegating a representative to the National Employment Board

Poviat employment boards are opinion-counselling institutions to assist the foreman of the voivodship in the field of labour market policy. Their tasks are parallel to those of the voivodship employment board, but at the poviat (district) level.

Action Plans for Employment

As was earlier indicated, the law on promotion of employment and labour market institutions establishes the above-described institutional structure which is responsible for fostering active ageing. Another instrument which permits the support of active ageing is comprised of procedures for creating and implementing specific initiatives on the labour market, including initiatives aimed at workers 50 years or older. These initiatives take the form of Action Plans for Employment, including both, a National Action Plan as well as voivodship and poviat plans.

The National Action Plan for Employment is prepared by the Minister of Labour, and establishes above all:

- Specific aims and activities directed toward the realisation of the priorities set out in national labour market policy, taking into account the European Strategy for Employment
- tasks, programmes and projects eligible for support within the National Action Plan (one such programme is the 50 PLUS programme presented in the further sections of this report)
- the sources, scope, and criteria for financing the aforementioned tasks, programmes, and projects
- a system of monitoring and co-ordination of activities

On the basis of the National Action Plan voivodships and poviats approve separate voivodship and poviat action plans.

Social Debate

Apart from being a topic of many formal documents, studies and reports, the ageing society and the role of the 50+ generation in society is also an issue of ongoing public debate in Poland. The debate primarily centres around aspects such as:

- The social and economic consequences of early retirement. Early retirement used to be a measure designed to reduce unemployment. It seems, however, that the costs of this strategy exceeded its benefits. Moreover, there is no evidence that it actually contributed to the reduction of unemployment. In fact, the social security and pension system even encouraged those who worked or had a chance to find employment to withdraw from the labour market. In Poland, only 16 % of dependent employees are aged 50 to 64, and Poland has an earlier than average exit age from the labour market and a lower employment rate among elderly people (50 - 64 years) compared to the European average (EU-25): 37.9 % vs. 51.9 % in 2004. It should be noted, however, that the employment rate of people older than 65 was slightly higher: 5.3 % vs. 3.7 % in EU-25 in 2004.
- The need for training, qualification and the development of skills. Research shows that the higher the level of qualification the higher are the chances of sustaining employment. This highlights the importance of lifelong learning which is not very developed yet in Poland. In addition, research shows that it is primarily the young (mainly up to 24 years old) who participate in lifelong learning activities. Thus, a stimulation of in-company activities is needed, involving HR managers, working teams, professional personnel advisors, coaches etc. Such a perspective should especially activate people over 50 years old.
- Instruments dealing with work-life balance. The second factor, mobility, refers not only to occupational but also to 'life mobility'. This would also include a more active lifestyle with reference to economic and working activities. In Poland, life and work are treated as two separate spheres. The image of more friendly working places may contribute to overcome this and encourage mobility and flexibility in an employee's relations with a company.
- Flexible working practices. Apart from legal regulations addressing age discrimination, it is vital to introduce flexible working practices that encourage older people to remain employed. For example, contracts providing for part-time work or flexible working time, substitutes etc. may be offered to elderly women, who then could combine the duties associated with formal work with the care of grandchildren.
- A Return to Work programme for older unemployed persons, aimed at assisting the unemployed over 50 to re-enter the labour market. They should be treated as a 'high risk group' and offered a specific set of activating measures (including when appropriate the subsidising of a work place). Nevertheless, it is often noted that after a long period of high unemployment all groups on the labour market can be treated as 'high risk' groups. In addition, the unemployment problem in Poland is of a unique nature: the 'post-war demographic boom-generation' is leaving the labour market, and the 'second demographic boom-generation' is entering the labour market.

Social Attitudes

Due to the high level of unemployment, especially among young people, the problem of unemployment among the older generation (over 50) has always been underestimated and to some extent still is. The general opinion is that, since there is little work for young people, early retirements should be accepted by society. Moreover, some sociologists emphasise that Polish citizens feel little identity with 'the state'. Therefore, taking advantage of all social security benefits available is very often perceived of as 'clever', not something warranting disapprobation. Additionally, the amount of the unemployment benefit approximates the minimum wage, which reduces motivation to work. On the other hand, a problem very often raised in media shows that for the age group of over 50 minimum wage and other labour costs are too high for the employer, as this age group has mostly low qualifications. Therefore, many people over 50 work illegally, earning less than the minimum wage. Another issue raised in the discussion about the 50+ generation is that, although guaranteed on paper, their equal rights are not enforced. The problem is even worse for the age group of over

60 (e.g. insurance costs grow by half, and banks do not want to grant credit, which prevents elderly people from travelling). However, the new pension system links pension benefits to the number of years worked. This may change the situation when early retirement yielded only benefits.

Public initiatives for fostering active ageing

National Strategy for Employment Growth and Human Resources Development 2000 – 2006

The National Strategy for Employment Growth and Human Resources Development 2000 – 2006 represents the continuation and enrichment of earlier governmental programmes devoted to improving the labour market. It is one part of a six part strategy employed in the preparation of the National Development Plan. This strategy encompassed the years 2000 – 2006, divided into two cycles of reporting outcomes: 2000 – 2002, and 2003 – 2006. The final results which are to be achieved via the implementation of the strategy are to be attained by 2006, one of which is that the employment index, measured in terms of the percentage of employed persons among all persons in the vocationally active age group, should reach 62 – 64 %. This goal is to be achieved by stimulating labour demand while pro-actively regulating the supply of available human resources. In terms of the latter, emphasis is placed on the development of mechanisms encouraging persons to become professionally active and discouraging passivity.

The strategy is of a global and complex nature and is based on the active engagement of all relevant ministries (not only the Ministry of Labour) as well as all affected social partners, stakeholders, and experts in a given field. The strategy was structured taking into account the method recommended by the European Union of distinguishing problem categories and creating pillars of action upon which the overall labour employment strategy would be based. These so-called pillars include:

1. Improving employability by developing the quality of human resources (increasing the qualification potential as one of the elements of shaping the national structural and development policy and improving employability). The most significant directions in that area include, among others:
 - enhancement of lifelong learning by adults;
 - improvement of qualifications of the unemployed through the support of their employability skills;
 - enhancement of the institutional services provided on the labour market through the development of employment services;
 - development of non-public institutions providing labour market services (temporary placement agencies, personnel counselling institutions, non-governmental job placement agencies);
 - development of job placement services focusing on the identification of labour market needs, obtaining information concerning vacancies, and managing the process of filling vacancies;
 - development of a customised approach to clients (in the form of Individual Action Plans);
 - creation of publicly available vocational information and vocational counselling services;
 - creation of effective information flows about the system of education and labour demand forecasts;
 - development of the social welfare system.
2. Developing entrepreneurship

3. Encouraging adaptability on the part of both businesses and their employees, including the promotion of new innovative firms, flexible forms of employment, and encouraging firms to promote the professional development of their employees. The most significant directions in this area include, among others:
 - increasing work flexibility;
 - reducing labour costs;
 - improving laws regulating the employment relationship;
 - reviewing and analysing current legislation with a view to providing particular protection to employment;
 - increasing motivation to take up employment;
 - introducing insurance systems against unemployment;
 - providing a modern social dialogue formula;
 - pursuing a policy of support for training;
 - increasing the geographical mobility of employees.

4. Strengthening equal opportunities policies (this pillar pertains to groups which are disadvantaged on the labour market: disabled persons, women, persons threatened with social exclusion, and persons on social welfare allowances, such as long-term unemployed and others).

The above directions constitute the foundation for the preparation of annual National Activity Plans for Promoting Employment which contain concrete tasks for realisation, and the realisation of which is systematically monitored.

50 PLUS

The 50 PLUS programme of the Ministry of Economic Affairs & Labour aims at fostering the employment (i.e. sustaining employment and re-entering the labour market) of people over 50 years old. Thereby, the programme takes into consideration:

- Lisbon Strategy declarations, pinpointing active age management as one of its priorities
- The necessity to increase productivity and competitiveness of the Polish economy through investment in human capital development
- The need of changing social patterns in order to increase the level of vocational activity
- The need of limitation and discipline in public expenditure

Strategic objective

The strategic objective of the 50 PLUS programme is to increase the employment rate among persons over 50 (while preserving essential mechanisms of social security for persons in difficult situations). The objective is to be achieved by:

- Making a non-discriminatory employment policy popular among employers
- undertaking an active, pro-employment policy with regard to persons receiving or entitled to receive pre-retirement benefits or early retirement, in order to keep this group in vocational activity

- supporting activities for unemployed persons aimed at enabling the unemployed to commence employment, other work yielding profit, and participate in programmes of activity on the labour market
- support for persons who may find themselves in a difficult professional or vocational situation as the result of being terminated for reasons related solely to their employer's activities.

Beneficiaries of the 50 PLUS programme are persons aged 50 and over who are unemployed or threatened with redundancy, as well as persons who are in the process of obtaining additional skills in order to retain their right to a permanent allowance (e.g. pension) which may be threatened by a temporary inability to work. The programme is directed at those persons in the least favourable position on the labour market, including:

- the unemployed registered in labour offices, in particular the long term unemployed
- persons reaching or entitled to pre-retirement allowances or early retirement
- employed persons who are threatened by redundancy
- persons in danger of losing their rights to disability pensions and/or rehabilitation benefits

Main directions of actions

The 50 PLUS programme is a supplement to the public initiatives described above. The activities conducted within this framework involve local projects and regional programmes.

50 PLUS is based on three pillars:

- Activating the unemployed
- Sustaining employment
- Support for persons seeking to re-enter the labour market

Activating the unemployed

The principle of activation is directed to unemployed persons aged 50 and over and stipulates:

- that priority is given to unemployed persons over 50 by the labour offices during the first 6 months of their receipt of unemployment benefits, including: the obligation to offer them employment, other work yielding profit, on the job training, intervention work or public works
- that there be an opportunity to offer individual action plans for the long term unemployed
- that special forms of intervention work be created, lasting longer than in case of other unemployed persons, that is 24 or 48 months, with reimbursement of every second month of remuneration and social security insurance costs. Additionally, the employer may be granted co-financing not higher than triple the average salary in order to equip new work places.
- that public works aimed at the social and professional reintegration of the unemployed of over 50 be prolonged to 12 months.
- the promotion of temporary employment and job rotation. This activity is especially aimed at the unemployed over 50 with high professional skills.

- that entrepreneurship be stimulated by the offer of a lump sum grant to the unemployed to start up their own businesses, not higher than 5 times the average salary
- that programmes be developed for the reimbursement of part of the costs of equipping or up-grading work places for the unemployed over 50 who are directed to work with this particular employer. Reimbursement may not be higher than 3 times the average remuneration.
- that financial allowances be available to the unemployed over 50 who resign from unemployment registration, in the form of an activity supplement paid to enable the unemployed to start full time or part time employment.

Sustaining employment

Activities aimed at the retention of existing employment are directed to workers over 50 who are prone to lose their job. These activities include:

- Standard labour market services (work intermediaries, vocational counselling, service and occupational information, assistance in actively searching for employment)
- Monitoring of group redundancies, obligating employers who plan to make redundant at least 100 employees for over 3 months to discuss with the poviatt labour office the range and form of support to be offered to the employees are about to be made redundant
- The possibility of benefiting from trainings financed by the Labour Fund
- The right to education and re-training benefits, paid by the previous employer, for persons undertaking given forms of training following the termination of their employment.
- Regional programmes for sustaining employment for persons over 50

Support in re-entering the labour market

These are activities directed at persons who are losing their right to unemployment benefits and allowances. These activities are parallel to the ones described above.

Pilot projects

The aim of pilot projects is the preparation of model solutions allowing for greater efficiency of the activities conducted within the 50 PLUS programme. The first 20 projects were chosen through a competition launched in November 2004.

The competition was aimed at the implementation of new innovative activities of local and regional scope, fulfilling the requirements of high efficiency and a meaningful level of employer involvement. In accordance, the innovativeness of the projects should concentrate on:

- making use of individual activity plans, tri-partite agreements and atypical employment contracts
- the creation of a self-assisting support group and the use of active mediation in the workplace
- increasing the qualifications of the project's participants to those envisioned for their future work (for example using job-rotation projects)
- the propagation and implementation of various forms of professional activation and self-employment
- the creation of partnership activities regarding employment at the local and regional levels

It was decided that a single project should involve not less than 50 persons, and not more than 250. Moreover, in each project the poviats labour office must participate as a project partner (to ensure professionalism in recruitment/selection of participants).

Co-financing was limited to 7,200 PLN (about 12 unemployment benefits) per person and a co-financing minimum of 15 % of the total value of the project. Twenty projects were selected in the competition for realisation in 2005.

Sources of financing

The programme is financed by the Labour Fund, special funds of the Ministry of Labour and Economic Affairs, and co-financing provided by the organisations and institutions conducting the project. In 2004, 8.2 million PLN were envisioned for the realisation of the 50 PLUS programme, and in 2005 the envisioned expenditures reached 50 million PLN.

Activities timetable

The programme and the pilot project competition were launched in November 2004. An assessment of project's effects is planned for December 2005.

Examples of on-going pilot projects

The character of the projects carried out is illustrated by four examples, set out below.

The first is a project realised by the District Labour Office in Pabianice (Pabianice DLO) in cooperation with other social partners (training institutions, employers etc.). The project aims to propagate self-employment among persons aged 50 and over, as well as to convince employers of the wisdom of hiring older workers. In the Pabianice DLO there are 1,383 registered unemployed persons above 50 years of age, which constitutes 13.8 % of the total number of registered unemployed. Long-term unemployed are prominent among the 50+ age group, making up 48 % of the total group, and in many cases (36 %) they have been unemployed for more than two years. Based on analyses of the local labour market it can be asserted that such persons have few employment opportunities, primarily because of their low skills and qualifications and the lack of willingness on the part of employers to hire older workers. Employers prefer younger, more mobile and better educated workers, a group which makes up 47 % of the overall number of registered unemployed. The project envisions two types of activities aimed at two basic segments of the labour market:

- Employers are offered a lump sum subsidy of eight thousand PLN for the creation of a permanent new workplace for an employee over 50 years of age as well as a refund for the first six months of employment, of part of the costs of the wages and social security benefits of such workers. In order to receive the afore cited benefits an employer must maintain the newly created workplace for workers over 50 years of age for two years.
- Unemployed persons over 50 years of age who wish to start up their own business are offered: (i) professional counselling and assistance; (ii) training in carrying out a business activity; (iii) a lump sum subsidy of the amount of eight thousand PLN for creating their own business; (iv) a refund, during the first six months of operation, of the mandatory social security benefit payment which must be paid, i.e. 650 PLN per month. In order to receive the afore cited benefits the unemployed entrepreneur must maintain the newly created business in operation for at least 12 months.

The promotion of the project began even as it was being prepared, by passing out information concerning its benefits and activities to the unemployed and to employers. Advertisements were also placed in local newspapers. A great deal of interest was expressed in the proposed project, with 101 unemployed over the age of 50 and 62 employers declaring their intention to participate.

Altogether 65 persons have participated in the programme as of September, 2005 (including four persons who replaced persons who resigned from the project). More refunds are planned for employers creating new workplaces until the end of 2005, and the originally planned number of 35 new workplaces for unemployed persons over 50 should be exceeded.

Another interesting project is carried out by District Labour Office in Rzeszów (Rzeszow DLO) in cooperation with other social partners. Based on research carried out by the DLO within the context of a project entitled 'The Identification of Barriers to Employment Faced by the Unemployed'. It was concluded that the majority of unemployed persons 50 years or older lost their jobs as a result of organisational, technological, or economic changes at their workplaces. These persons were still fully professionally active and their jobs were critical to supporting their families. Currently, they have considerable difficulties in finding new employment. The major obstacle is their age as employers prefer younger hires, very often even those without significant professional experience but who are willing to be at the disposition of their employers and wish to constantly improve their professional qualifications. Thus the role of the District Labour Offices should cover two aspects: 1) assisting unemployed persons over 50 years of age in adapting their skills to existing labour market demands, by preparing courses and training programmes; and 2) convincing employers that they should hire older workers.

Unemployed persons over 50 years of age are usually not able to create their own firms, not only because they lack sufficient capital, but also because counselling services and professional assistance are too expensive. Thus, one of the ideas of the project is to create a group of 50 persons (unemployed participants over 50 years of age) who fulfil one or more of the following criteria: have low qualifications; reside with families in which more than one adult is unemployed; are long-term unemployed; receive public aid benefits; live in rural areas; and/or were dismissed as part of mass (group) lay-offs.

The participants in the project have been divided into six sub-groups, each of which attempts to re-enter the labour market using a different path, making use of activation tools such as professional counselling aimed at the development of Individual Plans of Activity, professional training etc. Another important aim of the professional counselling is to help participants build up their self-confidence and self-worth and increase their motivation to seek work and remain in the work force. The professional training provided is aimed at increasing the attractiveness of these unemployed persons on the local labour market by adapting their qualifications to existing needs. This aim is all the more important in as much as the DLO Rzeszów is located in an area where there are few realistic training possibilities for persons over 50 years of age.

The above mentioned sub-groups consist of the following:

- The first group is comprised of ten women who are willing to work as home nurses. They are offered a four month course entitled 'Home nursing for the incurably ill and handicapped.' Following completion of this course it is envisioned that they will work in social aid agencies within the district.
- The second group consists of ten persons interested in starting their own business. These future entrepreneurs are offered a course in 'Business Practices' and given a one-time subsidy to be used for a business start-up. The project originally envisioned paying out the subsidy in five instalments, taking into consideration that a large percentage of potential entrepreneurs resign from starting up their own businesses following verification of their plans, analysis of submitted documents, and the preparation of a business plan. Persons who subsequently resign from running their own business will be offered the services of an employment intermediary in seeking further employment.
- The third group is made up of ten persons willing to work as machine operators in construction and road building and maintenance, or as bricklayers of pavement bricks. They receive specialised training in their respective chosen areas which will enable them to operate machines and lay bricks.

- The fourth group consists of ten persons actively seeking work. They are given training and counselling following the drawing up of an Individual Activity Plan, as well as consultations with employers. It is envisioned that tri-partite contracts will be entered into between the employers, the Labour Office, and the unemployed which will guarantee that they will receive and accept work following the training sessions.
- The fifth group consists of persons who were subject to mass terminations at their places of work. Using the services of an intermediary, the Labour Office will seek to find work for this group of unemployed persons which is similar to that which they performed in their previous jobs. (The project envisioned the creation of a group of at least five persons in this category). The District Labour Office obtained the preliminary consent of a local employer to join the project and hire persons from this category of the unemployed.
- The final group of unemployed comprises five persons with the least qualifications. i.e. unskilled workers. The District Labour Office will attempt to place these persons in jobs as maintenance workers for local governmental authorities. A short training session is envisioned for this group.

The project will last until the end of 2005. Recruitment to date has focused on the most needed persons and those most actively seeking work. Of the participants so far, 40 percent possess only an elementary education, and 50 percent have been unemployed for more than 24 months (a few participants have been unemployed for as long as ten years!). Workshops on the development of Individual Activity Plans as well as a number of group workshops have already been held and persons participating in these workshops have received employment in the form of specially created jobs or public works (for the unskilled group). One of the participants in the entrepreneurial group has already created his own firm, and two others are in the process of preparing documentation in order to receive their subsidies. Unfortunately the difficult situation in the local labour market has discouraged employers from hiring workers in exchange for financed training, thus the participants in the fifth subgroup have been placed under the supervision of an employment intermediary (a worker from the DLO Rzeszów) whom they are supposed to work with in order to find a job. In addition, the company which expressed its willingness to hire workers who suffered dismissal as a result of group layoffs withdrew from the project. As a result persons in this group were shifted to the sixth group, i.e. those persons designated for employment in local governmental units as maintenance workers.

In addition to the measurable results, i.e. enhancing qualifications, finding employment, and starting one's own firm, a major success of the programme has consisted of motivating and activating those exceptionally long-term unemployed who have been out of the labour market for many years. They have gained self-confidence and self-respect and discovered that they can contribute to society and receive something in return. In addition they have learned that there are people who are willing to help them in their efforts to re-enter and remain on the labour market.

Also quite interesting is the project carried out by the Regional Development Agency in Legnica (Arleg). This project offers assistance to 50 unemployed workers in rural areas, and an equal number from urban areas. Its ultimate aim is to find future employment for the project participants as well as to increase their professional and social status.

The project envisions, among other activities, the offering of sessions aimed at assisting the unemployed in the development of an Individual Activity Plan, and the offering of professional training sessions.

The project was inaugurated in March 2005. Already by June Arleg had received 220 applications. Its success in reaching its target audience was owing to a widespread informational and promotional campaign, coordinated with partners such as the DLOs in Legnica, Głogów, and Góra and the 'Green Action' Foundation in Legnica, which carry out recruitment activities for unemployed persons over 50 years of age.

Currently the following training programmes are being carried out within the project:

- Preparation of Individual Activity Plans, allowing each participant to develop their own professional career development path
- Business training courses in: offering security services, conducting business activities; commercial trade
- Computer training
- Sessions aimed at increasing motivation
- Creation of support groups focusing on meetings with employers, access to technical equipment necessary to prepare professions CV's and letters of inquiry, and the creation of a 'Work Club' offering support to those seeking employment

The effects of the project to date include:

- The elaboration of fifty Individual Activity Plans, containing CVs, career development paths, and defining the professional predisposition of individual participants;
- Offering of professional training to fifty persons, designed to enable them to enhance their professional qualifications and obtain practical skills which will increase their chances of obtaining employment, as well as enhancing their professional and social status.

It is envisioned that the further realisation of the project will enable 95 % of participants to enhance their professional skills, a minimum of 60 % to obtain employment, twenty participants to start up their own businesses, and will lead to the establishment of six local support groups.

Another project, prepared by the School of Business in Gorzow Wlk. aims to test various solutions aimed at increasing the employability of the long-term unemployed above 50 years old by increasing their skills and competences. While the project is of a regional scope, it is implemented in such a way as to allow it to be expanded and applied to other regions of the country as well.

The project is directed primarily at persons above the age of 50 years who have been unemployed for 2 years or longer. Each project participant undergoes a 'professional check-up' conducted by a professional consultant and advisor, aimed at establishing the participant's professional profile in order to prepare an individual career plan which takes into account professional opportunities, re-qualification possibilities, further training needs and capabilities, as well as the situation on the labour market. An additional qualification criteria is the applicant's motivation level, which is assessed based on a motivation scale specially devised for the project. In sum the target group of beneficiaries should be comprised of:

- 30 % – persons, primarily women, with higher or secondary education who declare their willingness to act as caretakers for children and the elderly, including handicapped persons
- 40 % – persons interested in specializing in computer science (from the basic Office Programme to specialized training in computer graphics or advanced accounting programmes)
- 30 % – persons wishing to obtain new qualifications or update their present professional qualifications (including 'workplace training').

Another condition for qualifying for the project is the consent of the unemployed person and their agreement to take part in the activities of the Agency for Education and Labour.

Developmental activities within the Agency include the following:

- Training workers in the District Labour Offices to enable them to recognize those persons who qualify for the project in accordance with the established criteria
- Training project animators to enable them to carry out the activities of the Agency for Education and Labour (in the basic principles for conducting group activities, methods for increasing motivation to work, methods for seeking out and contacting potential employers, conducting data bank searches, and searching for work via the Internet)
- Preparation of Professional Profiles and Individual Professional Career Plans. These Profiles should contain a logical arrangement of a candidate's formal qualifications, acquired skills, professional experience, state of health, individual career plan, and a description of their career path to date
- The newly created Agency for Education and Labour operates as a kind of development centre, having the aim of providing a local, organizational, and substantive support pillar to encourage individual initiative in seeking work for persons in particularly disadvantageous social situations. The Agency will enable persons to link together and join in group efforts aimed at aiding the unemployed in the creation of new career plans or the modification of existing and outdated plans. The Agency is based on the concept of voluntary participation of the unemployed seeking work. During meetings in the Agency's premises unemployed persons will be able to: define their particular skills and resources; develop tools for seeking and obtaining employment; increase their interpersonal skills and resources; increase their professional skills by additional training in the behaviours associated with a highly developed informational society; and take advantage of the opportunities which flow from the creation of individual strategies for seeking employment and overcoming obstacles. Activities for the unemployed will be conducted by mentors chosen from among the unemployed, as well as professional career consultants
- Training programmes for the unemployed: professional, computer, and language programmes
- The creation of a data base containing the professional profile of project participants, offers of employment, and addresses for contacting potential employers.

In summary:

- The Agency for Education and Labour will create, from among the long-term unemployed over 50 years of age, self-motivated groups of employment seekers in particular areas and enable the group participants to improve their interpersonal skills and increase their employability
- Training programmes will be created enabling the unemployed to increase their practical skills in those areas which necessarily accompany their future professional work
- In addition to the theoretical aspects of the project (lectures, courses, and training) the project will contain a practical aspect (participants will take part in professional internships and apprenticeships in selected workplaces)
- Throughout the course of the project a data base will be implemented and continually updated, containing data concerning the project participants, their professional profiles, offers of employment, and contact information concerning potential employers. In addition to offering the opportunity for interested persons to access the data contained in the data base, it will enable different groups to exchange information concerning work offers and employer demands.

The project lasted until December, 2005. It is currently estimated that approximately 10 % of project participants have found permanent employment as a result of the project, and following its completion the number of participants finding permanent employment is expected to exceed 35 %.

Future prospects for the 50 PLUS Programme

The 50 PLUS Programme is a new initiative which can lead to the creation of a number of very interesting projects and best practices, promoting the professional activation of older employees.

Of course, like all new initiatives the 50 PLUS Programme is not free of weaknesses, primarily as a result of the poor experience of labour market institutions in the development and implementation of innovative instruments. There have been too few projects to date encompassing containing the following:

- suggesting new tools and methods of dealing with unemployment of persons of over 50
- described in sufficient detail to enable them to be repeated in different locations
- targeted at modern counselling methods (individual action plans) and intermediaries (active job brokering, work intermediaries)
- involving employers directly, e.g. through tripartite arrangements or organising age managements projects
- being sector oriented, i.e. selecting a defined area of the labour market, and specific type of employer or employee
- covering a wide number of partners and geographical areas, reaching beyond the local market and forming co-operation networks

These weaknesses can be overcome in the second edition of the competition which is envisioned in the Programme.

Measures and initiatives implemented at individual company/organisation level

Filter Service

Organisational background

Filter Service company located in Lodz has been operating under its current name since 1992¹¹ as a privately owned company. Since 2002, it operates as a limited liability company. It carries out laboratory research and produces filtration materials and personal respiratory protection devices (filtering respirator classes P1, P2, P3, filters for rubber respirator classes P1, P2, petroleum-derived impurity absorbers, input and output filters for vacuum cleaners, filtration fabrics, and filters for mycelium manufacture).

Filter Service is exporting its products to the markets of the European Union. Among its main clients are: Office of the President of the Republic of Poland, KGHM Polska Miedz S.A., Atlas S.A., Brown Coal Mine 'BELCHATÓW' S.A. etc.

Since the mid-1990s the firm has been seeking solutions for the social problems of handicapped people of the Lodz and Zgierz metropolitan area. Owing to its activities in this area, Filter Service was granted the status of a Protected Labour Factory which gives it certain privileges in terms of obtaining public support, for example tax privileges and exemption

¹¹ The firm was established in 1987, within the confines of the 'Elektrometal' handicrafts co-operative. In October 1992, the company was changed into a civil partnership "Filter-Service".

from the payment of certain administrative charges (registration fees, production fees, environmental protection fees, court fees etc). In exchange for these privileges the firm is required to maintain a fixed percentage of handicapped persons in its workforce, as well as assure them appropriate working conditions, professional health care, and rehabilitation programmes.

Currently Filter Service employs 200 persons. More than 41 % of its staff are persons 46 years of age or older, some of whom are also handicapped persons.

Practice today

There are no trade unions in Filter Service. However, the firm takes care of the corporate culture, which influences the development of the company and its competitiveness in the market. Since the very beginning Filter Service has not been using any human resource policy instruments which would discriminate older people. The basic criteria for recruitment of employees and development of their future carriers was not their age but their qualifications and usefulness in obtaining the company's objectives, which are focused on high quality of products, flexibility and being open on lifelong up-grading of skills. All employees are provided with periodic trainings, which give them the possibility of adjusting skills to the technical and technological changes being introduced into the production system.

Also, Filter Service is making a lot of efforts to develop a friendly work atmosphere. These efforts are additionally supported by the employment of whole families. At first parents are employed and after some time their children join the company. This approach stabilises the crew and fosters development of spontaneous 'support groups' which are important especially in case of older handicapped people.

Similarly, retirement (retirement of women in Poland is at the age of 60, and 65 for men respectively) does not mean the end of contacts with the employee. The case is even the opposite as the company really values their knowledge and experience and therefore is keen on developing conditions for attracting them back to work. Usually, after some period of rest, most of retired people, decide to come back to the company, and provide their work on a part-time basis. Especially because of the fact that the company offers them a good health care and - if necessary - rehabilitation. Their return is also supported by the company's good attitude to adjustment of work places to ergonomic requirements (being a consequence of requirements that should be met by a Protected Labour Factory).

Filter Service also appreciates the social competences of its retired employees, especially of those of medium and upper level. Although the company does not develop any special programmes, they maintain a daily contact by involving them in everyday works, employing them as mentors, teachers, and people stabilising social relations within the company. This kind of initiatives bring into those peoples' life new energy, support their difficult decisions on retirement, and strengthen their loyalty towards the company.

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ZEMAT

Organisational background

ZEMAT is a privately owned company established in 1957 in Lodz. It implements the latest technological solutions aiming at delivering simplified and economical packaging processes of consumer goods. Currently ZEMAT is a manufacturing leader of a wide range of machines, from prototype custom made machines according to customer's demands and production specifications through simple machinery like impulse welders and cutters, to advanced vacuum formers and automated production lines. With its machines ZEMAT targets not only small and medium sized companies but also large industrial customers. Among its customers are such prestigious names as: ABB, Philips, Thales, Weidmann, Reckitt Benckiser, Nowy Styl, Sancro, Atlas, Anwil, and others.

In 2004 ZEMAT has teamed up with IMAKOR, Inc., an international sales and marketing company established in Poland in 1992 that became the exclusive worldwide distributor of ZEMAT brand of machines. Over the last few years, the company has developed trade services (import of foils from the USA, and its wholesale).

ZEMAT currently employs about 60 full-time workers. More than 60 % of them are persons 50 years or older. ZEMAT also co-operates with a large number of local suppliers and sub-contractors, contributing to job security on the local labour market. There are no trade unions in ZEMAT. However, the firm implemented a lot of practices to enable effective social dialogue (management meeting with staff, contact through direct managers, face-to face contact).

Practice today

One of the main fields of interest of ZEMAT is an individualised production, responding to the order of the particular client. This requires high technological and production-related qualifications, which enable the development of prototypes, atypical machines, adjusted to the specific needs of the particular customer.

This is the reason why the company, from the very beginning, has been paying much attention to stabilisation of the staff members, believing that its main asset is in a dedicated professional engineering staff. Long-term, experienced employees, their knowledge and professionalism are a guarantee for the quality and reliability of ZEMAT. This type of long-term employees, working in the company for a dozen of years, are the main part of the staff. Most of them are 50 years or older. They form a crew of over 40, well qualified, production employees (ironworkers, turners etc.), who are linked with the company, almost from the very beginning of their professional career. Many of them obtained journeyman's and master's authorisation within the company (vocational up-grading) and continue their work up to date. Moreover, their experience and qualifications are used for the preparation of young staff. It is the more important, that over the last years the company has more and more serious difficulties with recruiting well qualified employees on the labour market. According to ZEMAT, the labour market of ironworkers, turners etc. is deteriorating. As a result there is less and less young people, prepared by vocational schools for craft occupations, and companies that need this kind of employees very often have to train them on their own. In this context, long-term staff of ZEMAT appear to be excellent teachers, mentors, and tutors who prepare and develop qualifications of young employees.

Older employees are also a great support in periods of unexpected increase of orders. In those periods ZEMAT is very willing to use the wide experience and high qualifications of its previous employees that are currently retired. Trying to maintain good relations and contacts with this group of persons, the company offers them more flexible terms of employment. This approach provides retired people not only with new financial possibilities, but also gives them the feeling of personal satisfaction and the joy of co-operating with previous colleagues. On the other hand, this assures a well qualified staff to the company, in times of intensive orders from customers, which can be easily mobilised by phone and is ready to work when the company needs them. This type of employees can adjust easily and quickly to the new

requirements, they work effectively from the beginning, and bring in knowledge and qualifications that is not possessed by external workers.

A wide selection of products meeting the requirements of individual customers results in the fact that ZEMAT is strongly interested in developing and introducing new and advanced technological solutions providing modern, more effective packaging machinery as well as High Frequency (HF/RF) rotary welders, RF generators and hydraulic presses, etc. for the packaging industry (for some kind of machines ZEMAT is the only Polish manufacturer). To achieve this, ZEMAT

- has lately signed a technology and idea exchange agreement with American EXAND Corporation to further advance R&D and marketing activities,
- is developing their construction unit intensively.

Currently this unit has eight employees (a few years ago there were only four). So far, this are mainly relatively young people, which are recruited from technical schools. They are led by a 50 years old employee, who also acts as mentor and tutor, as in the case of the construction unit experience and memory capability have a key importance for success. ZEMAT hopes that these employees will have relations with the company for a longer time, will improve their qualifications within the company (also through the possibility of co-operating with production workers with long term practical experience) and acquire new knowledge in the field. The firm's long-term development strategy envisions that these employees will constitute a locomotive core for the 'natural' restructurisation of the firm as more and more productive employees reach retirement age and the firm's production patterns change, and in particular that they will contribute to enhancement of its R & D and machine construction capabilities.

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Academy of Management

Organisational background

The Academy of Management in Lodz is a non-public academic institution established in January 1995 by the Association of Polish Educators. It offers BA and MA studies, post-graduate courses, as well as specialised training courses based on daily, evening, weekend, and extramural programmes. At present five faculties are in existence: Management and Marketing, International Relations, Finance and Banking, Computer Studies, and English Philology. Currently there are approximately 9 thousand students enrolled in the Academy.

In addition to its teaching activities, the Academy undertakes research activities spanning a wide range of topics, both in the field of basic research as well as related to economic practice. The results have been presented in a number of publications. The Academy organises numerous scientific conferences and symposiums in co-operation with economic organisations in Poland and abroad.

The Academy is presently seeking to obtain accreditation to offer PhDs in economics. In order to achieve this accreditation, the Academy has to fulfil the very demanding eligibility criteria developed by the Ministry of Education.

Practice today

As a relatively young institution, the Academy does not have the opportunity to recruit its staff from among its own graduates. In particular this concerns teachers with the title of Professor and those with the degree of doctor habilitus. As a result it must actively seek and recruit outside scholars.

The competition between public and private universities, together with the differing levels of job security and stability and the differing prospects for future scientific development, create problems for private universities seeking professionally active scholars. For this reason they frequently seek retired professors who as a result of their retirement have limited teaching opportunities in their public universities of origin, but who are permitted to continue their teaching careers and fulfil their professional aspirations in private universities. Other factors involved in this common practice include:

- restricted access to qualified professors on the part of private universities,
- the private university's need to meet accreditation requirements in order to grant the degrees of licentiate, magister, and doctor,
- the increased pressure on private university graduates to possess the high levels of knowledge which only experienced scholars can provide.

There are also other legal and financial incentives encouraging retired professors to undertake work in private universities, including:

- the legal incapacity of retired professors who have completed 70 years of age to have full time teaching positions in public universities, irrespective of the educational needs and market,
- the low level of retirement benefits, forcing retired professors to supplement their income.

The increasing interest in higher education since the 1990s has brought about a correspondingly higher demand for academic staff in universities. Given the long period of time necessary to educate and train academic instructors, the private universities willingly employed older, experienced staff, offering them part-time work in the event they were still employed in public universities, and full time positions in the case of retirees.

These opportunities are made possible by the fact that the law concerning public universities does not prohibit teaching staff from working simultaneously in several universities, and the internal regulations of non-public universities usually do not require professors to retire at the age of 70.

An important factor encouraging older, retired professors to re-undertake full time work is the high level of compensation. Since the mid-1990s the Polish pension system has contained the limitation that retirement benefits cannot exceed 2.5 times the basic economic mean which in practice has meant that retirement benefits rarely reach the level of 1.3 times the average mean salary. This level of payment is simply insufficient to satisfy the needs of the most highly qualified professors, who are thus forced to seek supplementary income.

In the case of the Academy of Management, all of the above listed factors are brought into play. In order to realise its mission and achieve its goals, older professors are indispensable and the Academy willingly employs them. The mission of the Academy of Management is to offer modern education of the highest quality in the area of economics and other sciences, teaching students how to develop and master other skills necessary in their professional work. This objective is realised via the participation of carefully selected academic and didactic staff who are experienced scholars whose

work and position is recognised both, in Poland and abroad. Their experience in both didactic and scientific work guarantees a high level of education as well as staff development. In the various chairs and departments of the Academy the staff updates their work and modernises the syllabi used so that, together with the realisation of minimal curricular requirements, students will be optimally adjusted to the changing economy. The main emphasis in the didactic process is placed on specialised subjects and foreign languages, computer literacy (using the opportunities of the Internet, in practical accounting and business applications) and the practical application of academic theory in real world economics.

In order to realise such a mission and programme, the Academy requires experienced professionals, hence its ready willingness to employ older professors.

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Ship Design and Research Centre

Organisational background

The Ship Design and Research Centre in Gdansk (CTO) was established in 1971 as a state owned company. It got a status of the research and development unit in 2002 on the basis of a decision of the State Committee of Scientific Research. In 2004 the CTO was transformed into the joint stock company owned by the Ministry of Treasure.

The essential mission of the CTO is to initiate and to support the shipbuilding industry by the research-development, design and information activities both in the ship design and ship building process. The intellectual, research and design resources of CTO are also employed for the other branches of economy, for the shipping in particular.

CTO's research laboratories are available also for students and research staff of technical universities and this is CTO's contribution to improvement of education quality and development of science. The number of employees is concluded as 210 people including 89 people working as R&D personnel.

Practice today

The CTO conducts scientific researches in the field of designing specific discipline of ships' construction. In the field of management the specificity is related to significant changes in the situation of global market of ships production. The changes of situation in the industry of ship production cause strong variations in the field of research and designing ships. In order to adjust to these variations, CTO maintains regular contacts with a significant number of its previous, experienced constructors of various specialisations, by commissioning them work.

This refers mainly to: designing ship propellers, optimisation of the shape of hull, design works relating to anticorrosion protection, works related to building and testing ship models as well as application of advanced numerical tools. All this kind of works require high qualified and experienced staff. They cover the areas requiring special competences and knowledge. On this kind of works, CTO employs every year at average 10 retired employees.

Apart from designing and construction works this older, retired employees support CTO in analysis of demand for different type of ships and preparing feasibility studies as well as they support the whole process by their through-life expertise and knowledge.

A good opportunity for employing this older people by CTO is given by EC projects where most appropriate competences are required; therefore they are treated as in-house experts.

In 2005, there were realised 15 projects within the 5th Framework Programme and 7 projects financed by the 6th Framework Programme. The system of implementing the projects allows for employment of experts on the commission job basis, both due to the rules of financing the research as well as a short term (often several months) time for realisation of tasks.

This commissioned works realised by them are linked with the function of mentor (they receive additional payments for realisation of this tasks) to the young engineers – constructors and scientists, which supplement their knowledge on particular disciplines of ships' designing.

The procedure of the selection of the older people to be as in-house experts are mainly based on the special requirement and needs from one side and appropriate competences of the required people being stored in the personal files. Mostly the in-house experts are employed on the basis of temporary contract where the tasks are specified and on which conditions. The contracts are more or less task or goal-oriented, therefore the working time is flexible.

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Conclusions

Poland at present is a relatively young society, but demographic prognoses envision its continual ageing in the future (the share of persons aged 50 – 64 in the general population is expected to increase from 17 % in 2004 to 21.4 % in 2030),¹² leading to significant changes in the age structure of Poland's population. If we further take into account the need to adapt to the provisions of the Lisbon Strategy and the European Employment Strategy, the present trend toward budget deficit reductions and a reduction in public expenditures, as well as the need to reverse the rising trend in labour costs, we can obtain an overall picture of the factors leading to another trend observable in recent years – an increased mobilisation of resources aimed at creating a legal, institutional, and programmatic framework for a complex strategy (constructed within an active labour market policy) for the implementation of an active ageing policy. The main pillars for such a strategy include:

- The National Strategy for Employment Growth and Human Resources Development 2000 – 2006 (strategic document)
- The Law on promotion of employment and labour market institutions (the foundations of a legal and institutional infrastructure supporting active age management),

¹² Population prognoses. Selected Charts. Material prepared by the Central Statistical Office

- The already reformed system of pension and disability benefits. The new pension system is based on different assumptions than the previous one. The amount of pension benefits before 1999 was calculated based on one's average salary on the date of retirement and had very weak linkage with the individual financial contribution and the number of years worked by a person taking retirement pension benefits. Thus it encouraged people to retire early, as their further employment efforts did not increase their future pension. The new pension system in Poland (introduced in 1999) is based on three pillars. The first pillar is the mandatory part of a person's pension contribution, payable to ZUS, the recently reformed Polish social security institution which operates under a government guarantee of solvency. The second pillar is also a mandatory part of pension contributions but the contributions are channelled into open retirement investment funds which are managed by both, Polish and foreign financial institutions specialising in stock market investments. The third pillar consists of voluntary employee premiums payable to the accounts of commercial insurance institutions (individually or as part of a company pension plan). Savings in the third pillar will yield future payments of an additional (company or private) retirement pension, the amount of which will depend on how long and how much the pensioner has contributed to the company (or individual) pension plan.
- The continuation and/or initiation of reforms and reform programmes aimed at rationalising the national budget in areas such as health care, disability payments, the educational system, etc.

There are a number of reasons why programmes such as those listed above should also be implemented at the local level. The 50 PLUS Programme is designed to assist in this effort. It develops activities and programmes which either are or could be undertaken in order to reduce the scale and effects of termination of older workers' employment contracts. Perhaps more importantly, the programme encourages the development and implementation of new initiatives and new forms of activities which could serve as models for future solutions to systemic problems.

The following observations concerning the programme to date can be made:

- Public initiatives much more frequently address the needs of unemployed persons over 50 (reintegration) than the needs of older persons who are still employed. One could risk stating that the instruments employed in the active ageing policy are more frequently of a re-active than pro-active character (the latter of which would include instruments aimed at maximal retention of an older worker at his or her place of employment).
- Pro-active instruments have been used so far primarily in motivating programmes designed to encourage workers to take early retirement (for example pension reform aimed at making the scale of pension payments dependent on the capital then available, which is usually related to one's length of employment; placement of legislative restrictions on the amount of money one can earn in retirement age, etc.) rather than as part of systems designed to motivate individual firms to maintain and/or recruit older workers (for example reducing the non-compensation costs, or offering firms the opportunity to deduct the costs of retraining or additional training programmes as business costs etc.).

The increased mobilisation seen in terms of official public initiatives is not accompanied by a correspondingly intense increase in societal initiatives. This assertion may be illustrated by the fact that, for example, in Poland's recent Parliamentary and Presidential elections no political party included an active ageing policy in its party platform. It is also reflected in the fact that obstacles continue to exist to the activation of older workers' professional careers, including both employers' behaviour - failing to see the benefits resulting from the employment of elderly persons - and the passive behaviour of people aged 50+ in the area of improving their qualifications, re-training, looking for job opportunities etc.

One may thus speak of a certain lack of dialogue on the issue of elderly unemployment between the official public and private social spheres of society (including the activities undertaken by particular firms and organisations), which reduces the effectiveness of activities undertaken within the framework of the 50 PLUS Programme.

In terms of the actions undertaken at the level of firms and organisations, one may state that:

- Most activities which encourage the employment of older workers result from the concrete needs of firms (business driven activities) and not from the effects of public initiatives (public policy driven activities). These business needs include human capital as a source of competitive advantage, labour, shortages of particular skills or capacities, and need for open access to expertise. The instruments used include: full, part time and temporary employment contracts, research contracts, lack of discrimination in recruitment, periodic training, re-employment of retired workers (former employees) on a part time basis, assuring them health care and rehabilitation, appropriate workplace design, mentoring and on-the-job training.
- Middle-sized firms are the most involved in terms of the employment of elderly employees, even though one cannot speak of a formalized strategy on their part with regard thereto. The majority of the instruments they use are derived from general corporate culture (attention to the development of a stable work force, appreciation of social competences of older employees, caring about the harmonious coexistence of different generations etc.).
- Large firms, especially international firms, appear to be indifferent about the idea of an active ageing policy. On the other hand the smallest firms (in particular micro-enterprises) usually hire older employees in a natural fashion, particularly if they are owners, co-owners, family members etc. actively engaged in the firm's activities. Taking into account the limited human resources available to such firms, each worker is 'worth his or her weight in gold', and in addition each worker performs a number of functions and thus more experienced workers increase the efficiency of the firm.

It should be kept in mind, however, that the above conclusions are based on the limited experiences observed in a search for firms employing active age management instruments. Their validity requires further research and verification.

In general one can conclude that Poland is characterised by a top down approach to the issue of an active ageing policy, not a bottom up approach (however, there are some correlations between public initiatives and activities at the company level). Future actions should thus be aimed at increasing the significance of the bottom up approach. Such actions might include:

- Actions aiming at changing the attitude of employees and employers,
- Broadening of educational opportunities in the area of lifelong learning,
- Dissemination of good practices in the area of innovative instruments fostering active age management,
- Financial instruments supporting active age management.

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