

POLICY BRIEF ON THE GENDER EQUALITY, WORK AND OLD AGE

1/Title of the project, measure or legal act

Act of 20 April 2004 on the promotion of employment and labour market institutions

2/Title of the policy brief: gender equality, work and old age

Madrid Action Plan, Commitment 5: Adaptation of labour market to economic and social consequences related to the aging of the society.

3/Start and end date of project

Specific solutions related to employees aged 50 and more were introduced in 2004, whereas solutions related to employees aged 45 and more were introduced by way of an amendment to the Act on the promotion of employment and labour market institutions passed on 19 December 2008.

4/Goal and brief explanation

There are no legal regulations related only to the issues of functioning of older people on the labour market, this issue has been raised in the act on the promotion of employment and labour market institutions.

The act classifies the unemployed aged 50 and more as "persons in a specific situation on the labour market" to whom, apart from typical protective and intervention measures, additional instruments of the labour market are applied:

- within 6 months from registration, the district labour office should submit an offer of employment, other gainful employment, participation in vocational courses in the workplace or employment as part of intervention works or public works,
- in case of intervention works, a period of performing work may amount to 24 months (younger unemployed persons – 12 months), the starosta reimburses costs of remunerations and social security contributions incurred by the employer. In case costs of remunerations and social security contributions are reimbursed every other month, the period of performing work for an unemployed person aged 50+ may be prolonged to 4 years,
- after 6 months from the date of registration at the district labour office, the unemployed may apply for granting them a right to a pre-retirement allowance provided that they meet requirements entitling them to receive this allowance, specified in separate regulations,
- in case of the unemployed with at least a 20-year period entitling them to receive the unemployment benefit, this benefit is paid for 12 months (the basic period of payment of the benefit – 6 months),

As for employees aged 45 and more, registering at labour offices, they may:

- participate in trainings organized by labour offices, financed with the Labour Fund resources, ordered by the labour office for groups of participants and individually indicated persons, after justifying the purposefulness of this training, financing medical and specialized examinations with the Labour Fund resources provided that examinations are necessary during classification for trainings,
- participate in postgraduate studies financed with the Labour Fund resources, after justifying their purposefulness,
- make use of loans for financing the costs of a training taken for maintenance of employment,

- receive, from the Labour Fund, reimbursement of costs of exams allowing to obtain certificates, confirmations, specific occupational qualifications or occupational titles as well as costs of obtaining licences necessary for performance of a given job,
- participate in special programmes initiated and implemented by the starosta in agreement with employers (as part of a special programme, intervention measures are undertaken with respect to a selected group of beneficiaries in a difficult situation on the labour market, the intervention is temporary, costs may be co-financed with the Labour Fund resources).

Trainings for older employees aged 45 and more use the preferential support – the employer receives co-financing up to 80% of training costs, no more than 300% of an average remuneration, in case of other persons, co-financing amounts up to 50% of training costs and up to an amount of an average remuneration.

The unemployed aged 50 years and more being participants in trainings organized by labour offices are granted higher allowances than the younger unemployed (an allowance for persons aged 50 and more amounts to 120% of the unemployment benefit, while in case of younger persons it amounts to 100%). Since 2010, amounts of allowances are not going to be differentiated.

Employers are exempt from an obligation to pay contributions to the Labour Fund for older employees (women who are 55 years and men who are 60 years). For a period of 12 months, employers are exempt from an obligation to pay contributions to the Labour Fund and Employment Fund Contribution in case of employing the unemployed aged 50 and more.

5/Degree of implementation

The implementation of the act's provisions started together with its entering into force (1 May 2004 and as regards an amendment passed on 19 December 2008 – 1 February 2009).

6/Explanation of why it is a good practice example

The presented solutions are additional instruments of the labour market policy, with a universal scope of application, aiming at maintenance or restoration of the occupational activity of older employees by improving the occupational qualifications, labour skills and encouraging employers to employ older persons and maintain them in employment.

As the population's demographic structure is changing (Polish society is aging, by 2035 the number of both children and persons under 44 years of age is going to decrease while the number of people of 45 and more as well as of retired persons is going to increase), persons aged 50 and more are necessary on the labour market. Their early withdrawal from the labour market leads to the loss of essential human capital resources which they collected. Benefits for persons withdrawing from the labour market burden all employed persons, especially young ones. Higher expenses on transfers addressed to older persons limit the opportunities of increasing the support from the State budget for other social groups, especially children and young people. The period of the occupational activity has a direct influence on the amount of pensions – in the new pension system not only collected retirement savings count but also the length of employment.

7/Link to website or contact for further information

http://psz.praca.gov.pl/main.php?do=ShowPage&nPID=867685&pT=details&sP=CONTENT_objectID,873075