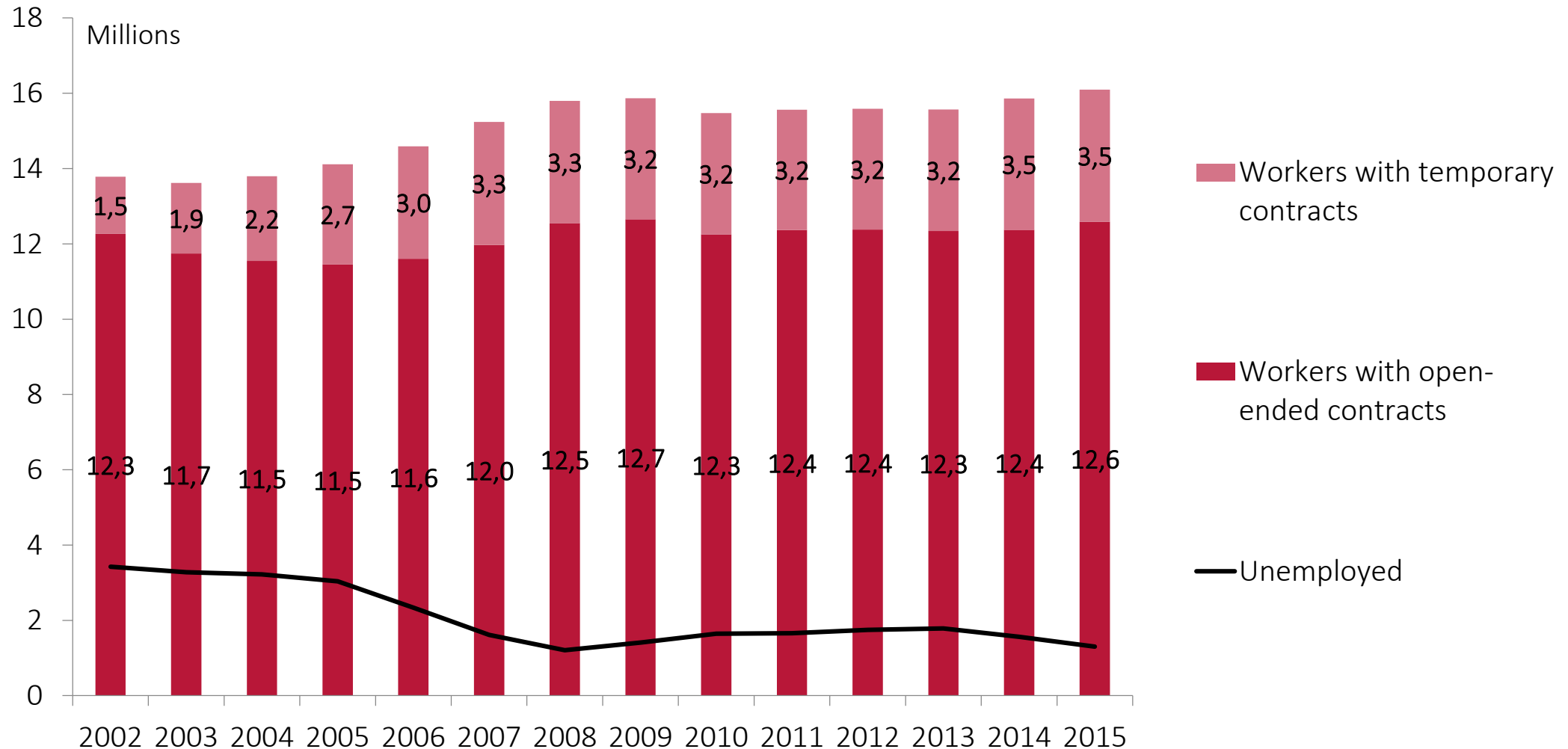


*Risks of precariousness associated with
different types of contracts
in Poland*

I g a M a g d a

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Temporary jobs contributed 86% of the net employment growth in Poland between 2002 to 2015



Poland became „the second Spain” in terms of temporary jobs share . | :



There are two types of temporary contracts in Poland



Fixed-term employment contracts which are easy to terminate:

- Notice period of 2 weeks
- No need to give a justified cause

Civil law contracts with minimal regulation:

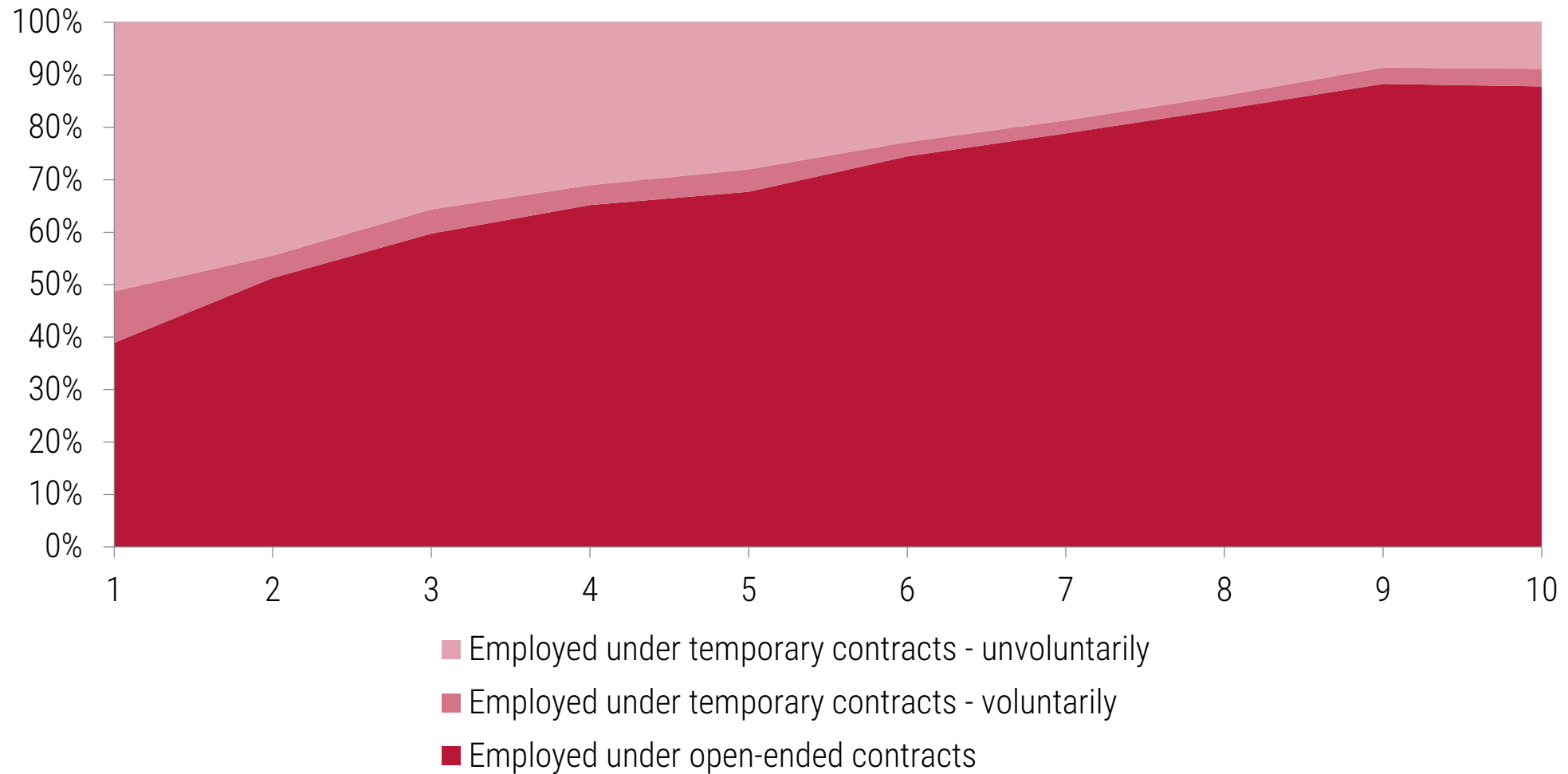
- Very easy to terminate (no notice period, no justified cause, no severance pay)
- Lower tax wedge (social security contributions) than employment contracts
- Minimum wage not binding (until 2016)

No of TWA employees grew quickly as well ('000s)

. | :



NSE is unequally distributed (wage deciles)



Two types of temporary contracts: FTCs (easier to terminate than PC) and civil law contracts (less regulated across the board)



Benefits and rights of workers	Labour Code contracts		Civil-law contracts	
	Permanent (PC)	Fixed-term (FTC)	Contract of mandate (<i>umowa zlecenie</i>)	Contract to perform specified work (<i>umowa o dzieło</i>)
Social security contributions	Yes			
Paid leave	Yes			
Minimum wage	Yes			
Period of notice	two weeks if tenure in the firm < 6 months one month if tenure in the firm > 6 months but < 3 years three months if tenure in the firm > 3 years			
Justification for terminating contract	Yes			
Severance pay	1 monthly wage if tenure in the firm < 2 years 2 monthly wages if tenure in the firm > 2 years months but < 8 years 3 monthly wages if tenure in the firm > 8 years			

Two types of temporary contracts: FTCs (easier to terminate than PC) and civil law contracts (less regulated across the board)



Benefits and rights of workers	Labour Code contracts		Civil-law contracts	
	Permanent (PC)	Fixed-term (FTC)	Contract of mandate (<i>umowa zlecenie</i>)	Contract to perform specified work (<i>umowa o dzieło</i>)
Social security contributions	Yes	Yes		
Paid leave	Yes	Yes		
Minimum wage	Yes	Yes		
Period of notice	two weeks if tenure in the firm < 6 months one month if tenure in the firm > 6 months but < 3 years three months if tenure in the firm > 3 years	2 weeks regardless of tenure in the firm		
Justification for terminating contract	Yes	No		
Severance pay	1 monthly wage if tenure in the firm < 2 years 2 monthly wages if tenure in the firm > 2 years months but < 8 years 3 monthly wages if tenure in the firm > 8 years	Yes**		

Two types of temporary contracts: FTCs (easier to terminate than PC) and civil law contracts (less regulated across the board)



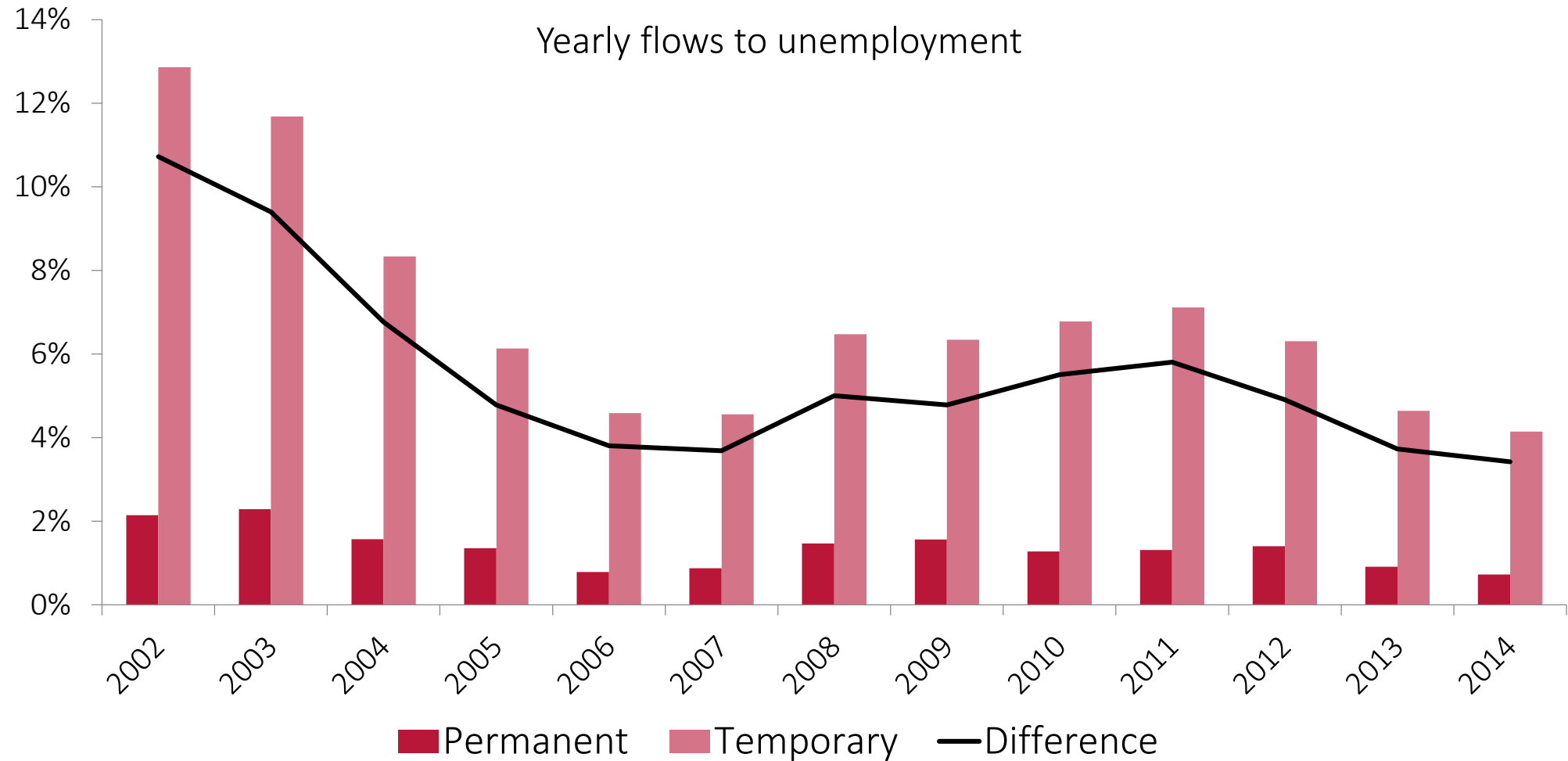
Benefits and rights of workers	Labour Code contracts		Civil-law contracts	
	Permanent (PC)	Fixed-term (FTC)	Contract of mandate (<i>umowa zlecenie</i>)	Contract to perform specified work (<i>umowa o dzieło</i>)
Social security contributions	Yes	Yes	Yes, but can be relatively low	No
Paid leave	Yes	Yes	Upon agreement	Upon agreement
Minimum wage	Yes	Yes	Yes, since 2016	No
Period of notice	two weeks if tenure in the firm < 6 months one month if tenure in the firm > 6 months but < 3 years three months if tenure in the firm > 3 years	2 weeks regardless of tenure in the firm	Upon agreement	Upon agreement
Justification for terminating contract	Yes	No	No	No
Severance pay	1 monthly wage if tenure in the firm < 2 years 2 monthly wages if tenure in the firm > 2 years months but < 8 years 3 monthly wages if tenure in the firm > 8 years	Yes**	Upon agreement	No

Job quality of temporary and permanent workers

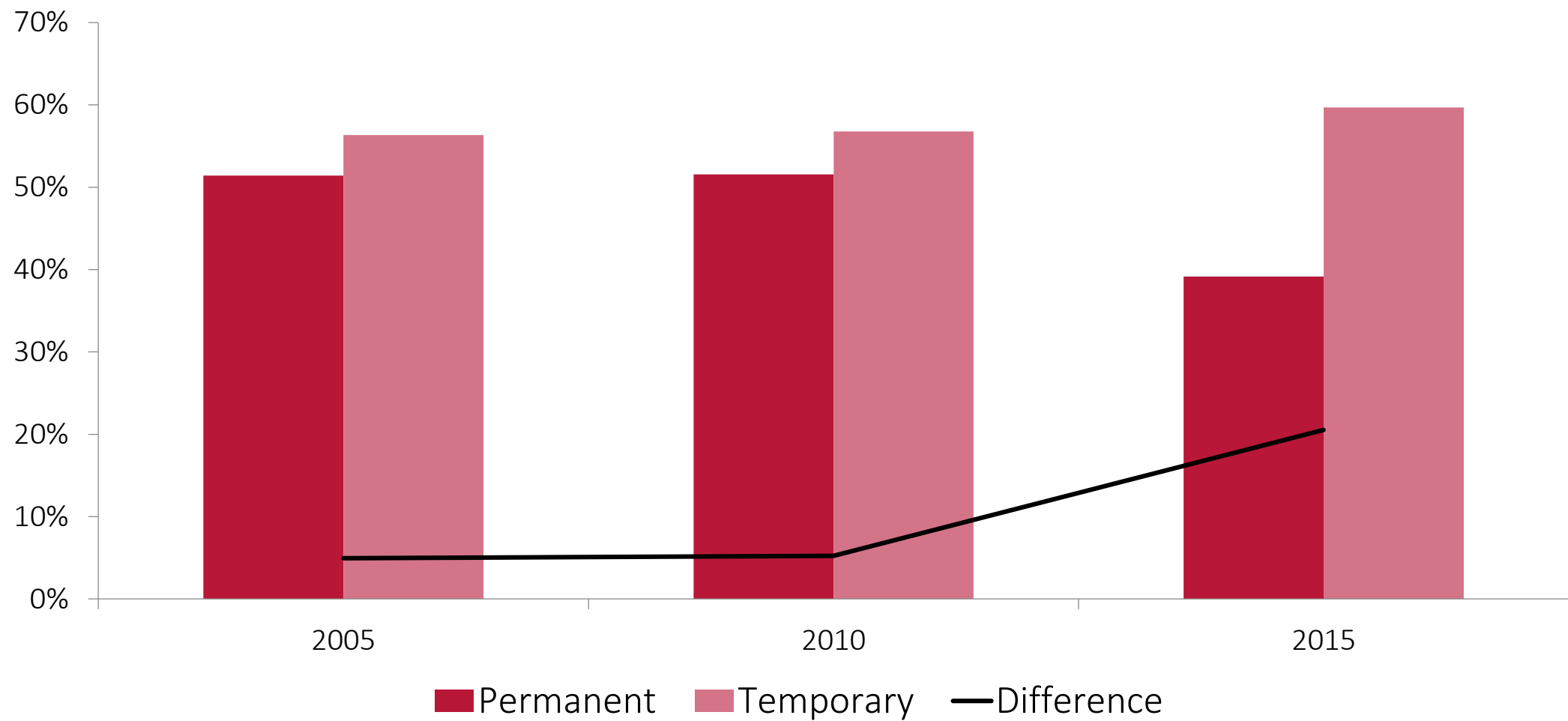


- Temporary workers were more likely to have low job quality in all dimensions except training
 - Lower earnings
 - Higher risk of job loss
 - Worse quality of scheduling at work
 - Higher job strain at work
 - Higher incidence of long working hours
 - But higher training participation (though overall it's all)

Job insecurity – the gap in flows to unemployment shrank but remained substantial



The gap in the incidence of job strain widened



Summing up



- Temporary jobs associated with higher risk of precariousness and labour market risk, and lower overall job quality
- Fixed term employment contracts do not differ much with respect to social security and employment protection compared to permanent job contracts,
- ...but civil law contracts offer a much lower degree of social protection

based on:

Lewandowski et al. (2017) Temporary Employment Boom in Poland: A Job Quality Quantity Trade-off?;

Lewandowski & Magda (2016) Temporary employment, unemployment and employment protection legislation in Poland

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