

RESEARCH

**REPORTS**

RECOMMENDATIONS

SŁAWOMIR ADAMCZYK

# COLLECTIVE BARGAINING DEVELOPMENT IN POLAND IN THE CONTEXT OF THE ADEQUATE MINIMUM WAGE DIRECTIVE (ART. 4)

INSTITUTE OF  
PUBLIC AFFAIRS

SŁAWOMIR ADAMCZYK

**COLLECTIVE BARGAINING  
DEVELOPMENT IN POLAND  
IN THE CONTEXT  
OF THE ADEQUATE  
MINIMUM WAGE  
DIRECTIVE (ART. 4)**

INSTITUTE OF PUBLIC AFFAIRS  
Social Policy Programme

This report is one in a series presenting the findings of research carried out in Bulgaria, Czechia, Croatia, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Serbia, Slovakia and Slovenia as part of the project CEE CAW ‘Challenges for Organising and Collective Bargaining in Care, Administration and Waste collection sectors in Central and Eastern European Countries’, which was led by the Institute of Public Affairs (Warsaw). The other partners were the: Bulgarian Academy of Sciences (Sofia), Central European Labour Studies Institute (Bratislava), Lithuanian Centre of Social Sciences (Vilnius), and Centre for Democracy Foundation (Belgrade).



Management at the Institute of Public Affairs:  
Dominik Owczarek, Małgorzata Koziarek

Proofreading: Marcus Bashford

Please refer to this publication as follows:  
Adamczyk, S. (2024). *Collective Bargaining Development in Poland in the Context of the Adequate Minimum Wage Directive (Art. 4)*. Warsaw: Institute of Public Affairs.

Copyright © by Instytut Spraw Publicznych, Warsaw 2024

ISBN: 978-83-7689-489-8

Publisher:  
Fundacja Instytut Spraw Publicznych  
00-031 Warszawa, ul. Szpitalna 5 lok. 22  
tel.: +48 22 55 64 260, fax: +48 22 55 64 262  
e-mail: [isp@isp.org.pl](mailto:isp@isp.org.pl), [www.isp.org.pl](http://www.isp.org.pl)



**Co-funded by  
the European Union**

The report was co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission. Neither the European Union nor the granting authority can be held responsible for them.

## 1. Methodological preface

The report is based on thorough research, primarily using reports and data from professional websites that are considered reliable sources of information. It is also based on knowledge gained through direct interviews with professionals involved in collective bargaining at both the theoretical and practical levels. For this purpose, interviews were conducted with representatives of two trade union headquarters and one cross-industry employers' organisation, as well as a government expert and an independent legal researcher. Wherever the opinion of a representative of a particular environment/entity is explicitly described, it is the result of a direct interview to obtain it. At the same time, the data is anonymised as it is not always the official opinion of the entity represented by the interviewee.

## 2. General characteristics of the labour market and industrial relations system

### 2.1. Labour market performance

For many years since the beginning of the socio-economic transition, the labour market in Poland was characterised by considerable instability due to high unemployment rates, low participation rates, and an increasing number of fixed-term contracts, as well as so-called civil contract employment. However, this situation has changed. Today, the unemployment rate of 3% (April 2024) is among the lowest in the EU and the employment rate was 71.3% in 2022, which is the highest level it has ever been in Poland. Compared to 2004, this represents an increase of nearly 20% (Lewandowski, Magda 2023). However, there is still strong segmentation. Poland is one of the EU countries with the highest rate of temporary employment, which includes work under fixed-term contracts, so-called 'civil law contracts', and temporary agency work (12% in 2021). Another peculiarity of the Polish labour market is the systematic increase in the number of self-employed. It is often a bogus self-employment, forced by their employers under the pretext of higher income if they become self-employed. In 2023, already 20% of economically active people performed their duties within the framework of self-employment (PIE 2024). The labour market is highly fragmented, with the business sector dominated by SMEs, which together employ more than 67% of all workers, with the largest number in micro-enterprises (PARP 2022). The changes in

the labour market transforming it into a ‘worker’s market’ are influenced by two factors: the effects of the previous mass exodus of (often skilled) workers to EU Western countries under freedom of movement and a deepening demographic collapse. The latter will have a major impact on the future of the labour market in Poland. If current demographic trends continue, the workforce will shrink by 2.1 million by 2035, representing 12.6% of the current workforce (PIE 2024a). As a result, labour immigration has become the driving force behind increasing labour supply and economic growth. Between 2014 and 2020, Poland recorded the highest inflow of temporary labour migrants among all OECD countries. In April 2024, foreigners accounted for 4.2% of the total workforce, with a year-on-year increase of 5.8% to 630,900 people (Business Insider 2024). In the opinion of respondents on the side of the social partners, the Polish labour market, despite its apparent stability, is facing serious challenges, related to, inter alia, its segmentation (which also affects the stability of public finances, as the self-employed usually pay relatively lower social insurance contributions than employees) and the difficulty of matching the qualifications of the unemployed with the requirements of entrepreneurs. Trade unionists also point out that the increasing number of collective redundancies (including liquidation of activities) is becoming a more visible problem, which increasingly affects subsidiaries of transnational corporations optimising their operations in light of EU regulatory changes (including the costs of the Green Deal). Furthermore, platform work is spreading more and more widely in Poland but is still not regulated (Mitrus 2024) and there is a lack of ‘hard’ data on its extent. According to estimates, about 330,000 people may be operating in the labour market as (also partial) freelancers. The 2018 report estimates that 4% of labour market participants have done such work at least once in their lives (Owczarek 2018).

## 2.2. Industrial relations at a glance

The strength and quality of industrial relations are determined, among other things, by the scale of organisation on the side of labour and capital. Poland is facing a very confusing situation in this respect. On the labour side, a pluralistic model of the trade union movement has been in place for more than 25 years, characterised by a plurality of actors, based on both an industry-occupational and territorial structure, with the basic form of activity being at the level of a specific workplace. According to data from the Central Statistical Office of Poland (*Główny Urząd Statystyczny*, GUS), in 2022 there were almost

12,000 active trade union organisations (with the largest proportion being workplace organisations), with 1.4 million members, 1.1% less than in 2014. This accounted for almost 13% of those employed in the national economy (GUS 2023). The overwhelming majority of those organisations belonged to the three representative trade union headquarters representing workers on the Social Dialogue Council (*Rada Dialogu Społecznego*, RDS). On the employers' side, there were 353 organisations, of which just over 21% belonged to representative organisations that were members of the RDS.

The above conditions — extensive pluralism combined with the weakness of organising both sides of the dialogue — make the central institution for tripartite dialogue, with the already mentioned Social Dialogue Council, particularly important. RDS has a number of objectives that aim to promote socio-economic development, economic competitiveness, social cohesion and social participation and solidarity in the area of labour relations. One of the main criteria for participation in it (nationwide representativeness) is the affiliation of more than 300,000 employee members (for trade union headquarters) and the affiliation of employers with a total of at least 300,000 employees (for cross-sectoral employer organisations). On the employee side, the members of RDS are NSZZ Solidarność, the All-Poland Trade Union Alliance (*Ogólnopolskie Porozumienie Związków Zawodowych*, OPZZ) and the Trade Union Forum (*Forum Związków Zawodowych*, FZZ). All 3 trade union centres are affiliated with the European Trade Union Confederation (ETUC). On the employers' side, RDS has 7 organisations represented, of which three — the Lewiatan Confederation, Employers of Poland (*Pracodawcy RP*) and the Polish Craft Association (*Związek Rzemiosła Polskiego*) — are affiliated with European employers' organisations. In addition, so-called tripartite sectoral dialogue teams are established in many sectors. In the opinion of both trade unionists and the representative of employers' organisations, tripartite dialogue is in many cases treated marginally by representatives of the government side. A characteristic feature of the Polish industrial relations system is that, as a result of an amendment to the Trade Union Act, from 2019 onwards, not only employees but also persons performing gainful employment with an employer, based on civil law contracts and self-employed persons, may belong to company trade unions if economic subordination is demonstrated. However, this possibility is not used very often, although it could be advisable under the conditions of the labour market segmentation described above.

### 2.3. Collective labour agreements

The possibility of concluding collective agreements was introduced into the Polish Labour Code in 1994. Collective agreements can be concluded at two levels: the company level and the multi-employer level (sometimes referred to as industry level). In the latter case, the party to such a collective agreement is the employers' organisation or the competent minister or local authority. On the employees' side, only trade unions can be parties to the collective agreement, with special rights for unions that have the status of company representativeness, i.e. that organise an appropriate percentage of employees. Collective agreements are registered as company agreements with the Labour Inspectorate and as multi-company agreements with the Ministry of Labour and both constitute a source of law in Poland. However, there is no requirement to place collective agreements in the public domain. In the Polish legal system (Art. 239 of the Labour Code), a collective agreement cannot cover: judges, court assessors and prosecutors; employees of state authorities employed based on appointment and nomination (the number of such persons is small); employees of local governments employed on the basis of election, appointment and nomination (the number is small); and members of the civil service corps. This last exclusion is the most severe and widely criticised in the literature — authors point out that this norm violates ILO conventions binding on Poland.

The collective bargaining system has been in a progressive crisis for many years (Pisarczyk, 2019, 2023; Czarzasty, 2019). That is why, in 2022, NSZZ Solidarność, supported by the other trade union centres, demanded that an independent expert opinion be prepared within the framework of the RDS on the causes of this state of affairs and possible remedial measures. Such an expert report was presented in 2023 and contained conclusions indicating the need for urgent action to revive collective bargaining in Poland (Pisarczyk&Mądrzycki report). As the expert report was presented by the government to the European Commission as a milestone in the implementation of the National Recovery and Resilience Plan (*Krajowy Plan Odbudowy*, KPO) it was used for further action (see following paragraphs).

### 2.4. Opinions on the state of collective bargaining

The importance of company collective bargaining is generally only seen as relevant in larger companies, as it supports existing legislation regarding

specific kinds of work organisation. Further, it is stressed that company agreements mostly only replicate the provisions of existing labour legislation and rarely include innovative elements such as new labour market challenges. Trade unions constantly emphasise the need to develop sectoral collective bargaining, however, in the view of the interviewee from the employers' organisation, this is not needed as it may limit the development of competitiveness within a given sector and, in particular, entrepreneurs do not see it as advisable for their activity. Trade union interviewees stressed also the lack of interest of the public authorities in developing multi-employer collective bargaining in the public sector (understood as an area financed directly from the state or local government budget).

The ruling politicians are strongly distanced from the general idea of promoting sectoral bargaining, which, in the opinion of an interviewed labour law expert, is a major obstacle to the development of collective bargaining coverage.

### 3. Collective bargaining dynamics in recent years

According to the unions, there has been a negative trend in collective bargaining in recent years. Employers are increasingly terminating existing company agreements and proposing instead to introduce only wage regulations that are consulted with the unions (if there is no collective agreement, this type of regulation is required in companies with at least 50 employees). The Labour Inspectorate estimates that most of the 14,000+ company agreements that have ever been signed are no longer "live" agreements that can be renegotiated. Most of the dozen or so sectoral multi-employer agreements concluded after 1994 have either been terminated or the employers' organisations that were party to them have dissolved. In practice, therefore, the sectoral level of collective bargaining has ceased to exist and there are no initiatives to negotiate sectoral agreements.

According to the employers' representative, the reason for such collapse is mainly due to the excessive legal rigidity of collective agreements and the lack of added value for employers compared to the Labour Code regulations. In the opinion of the labour law expert, the state's lack of interest in promoting the regulation of labour relations through collective agreements is also key. As a result, the number of collective agreements in operation is steadily decreasing. According to research by the European Trade Union Institute,



Poland, with a rate of 13%, is currently last in rank in the EU in terms of collective bargaining coverage (ETUI 2024). This is mainly due to the absence of a sectoral level of collective bargaining.

## 4. State of play after the adoption of the directive

### 4.1. Discussions and legal preparations

The impetus for the government's legislative initiative on improving the collective bargaining law was undoubtedly the aforementioned Pisarczyk&Mądrzycki report analysing the collapse of collective bargaining practice in Poland. For this reason, a proposal was prepared to 'take out' the provisions on collective bargaining from the Labour Code and create a separate law regulating all types of collective bargaining. The 'author's' draft of the Ministry of Labour was presented to the social partners for a so-called pre-consultation in June 2023. However, it was not indicated at that time that this was to implement the EU Directive 2022/2041 of 19 October 2022 on Adequate Minimum Wages in the EU (hereafter: directive).

In practice, as of the summer of 2023, all legislative activity in this area stopped due to a brutal parliamentary election campaign. As a result of the elections, a coalition of centrist-progressive parties took power in Poland in December 2023. In January 2024, it was announced that the implementation of the directive would take place in a dual form, i.e.: (minor) modification of the existing Minimum Wage Act and adoption of the previously mentioned separate Collective Agreements Act. Further comments will be made on the latter. However, it was not until the end of June 2024 that consultations on the new law were officially launched. Discussions with the social partners took place within the Social Dialogue Council, yet did not lead to a consensus. The social partners were positive about the proposal to fundamentally reduce the bureaucratic restrictions on collective bargaining. However, the trade unions were not satisfied with the proposal to introduce the principle of collective agreements being valid only for a limited period of time.

Employers' organisations strongly criticised the proposal to make it compulsory for employers to take the initiative to negotiate a collective agreement once every 2 years (where there is no collective agreement) and especially the possibility of allowing external trade union representatives into the

workplace. A number of comments were made on the draft law and the ministry promised to take these into account and to re-consult the draft. However, to the knowledge of respondents, this will not happen, which means that the draft will go to parliament in a revised version and not be consulted again by the social partners. Due to time constraints, it is already clear that the implementation of the directive concerning Article 4 will not be possible within the indicated timeframe. This also applies to the minimum wage part of the directive.

#### 4.2. Any trade union' activity dedicated to promoting/ familiarising the audience with the directive

Trade unions were already actively supporting the European Trade Union Confederation's campaign for the directive to be adopted as soon as possible. In the programme resolution adopted in October 2023, NSZZ Solidarność states that it will push for appropriate legislation and demand a state policy that favours collective bargaining. The OPZZ has been campaigning since 2020, one of the points of which is to increase collective bargaining coverage. However, when the draft law appeared, which, among other things, aims to implement the directive (Article 4), according to trade union interviewees, doubts arose among lower-level trade union structures about some of the initial proposals, such as the introduction of only fixed-term collective agreements and the issue of company unions representativeness to negotiate collective agreements. Hence, the general approach of trade unions is not unequivocal — they want to expand the general coverage of collective bargaining but not at the expense of liquidation of some current legislative provisions, which they consider favourable to them.

### 5. Action plan

It is interesting to note that the Ministry of Labour sent the first enquiry to the social partners in the RDS, regarding the procedure for preparing the Action Plan indicated in Article 4 of the directive, already in June 2023, i.e. before any legislative work on the implementation of the directive had been undertaken. At that time, the trade unions considered that such a plan should be prepared by the government in cooperation with the social partners. In addition, they reiterated their opinion that the Action Plan should propose concrete legislative changes to promote collective bargaining. The

employers' organisations, on the other hand, considered that they would not enter into any discussion in this area without knowing the target shape of the government's legislative initiative. On 13 March 2024, the trade unions proposed to the employers' organisations to discuss the Action Plan within the RDS. Again, this was met with a negative response and an indication of the need to adopt an implementation law first. However, the draft presented by the government for consultation (see earlier point) did not contain any reference to the Action Plan. After a strong reaction from the trade union, NSZZ Solidarność, the Ministry of Labour promised to amend the draft to meet the requirements of the directive. However, the new draft was not presented to the social partners. During the bilateral debate within the RDS held on 13 September 2024, the employers' organisations again did not express their willingness to discuss the Action Plan bilaterally. The main organisation of these, the Lewiatan Confederation, in a letter addressed to the Ministry of Labour, indicated that it was the government's responsibility to prepare such a plan and present it to the social partners for consultation. According to an interviewee from NSZZ Solidarność, such a plan should include references to at least the following: the development of representativeness of employers' organisations at the national level, based on bargaining capacity; media and educational campaigns, using the support of public authorities (including the promotion of collective bargaining in the mainstream media); the development of a system to allow for the inclusion in collective agreements of provisions on bonuses for employees, the payment of which would be linked to certain positive consequences for employers in the field of social security and tax law; and the development of mechanisms for the promotion of collective agreements through the mechanism of public procurement.

## 6. Summary and conclusions

The Polish labour market, although currently seems to be stabilised, is still characterised by considerable segmentation, resulting from many years of promotion by policymakers of mainly entrepreneurial support strategies. This is also reflected in the shape of the industrial relations system, in which the state has not sought to support autonomous bargaining but to create a system of façade of tripartite relations with a dominant role for the government. In such circumstances, collective bargaining in Poland has been progressively eroded over time, which has led, among other things, to the complete disappearance of sectoral bargaining.

On the initiative of trade unions, some tentative steps have been taken to improve this state of affairs. The advent of Directive 2022/2041 is an important factor of influence as it obliges state authorities to take measures to promote collective bargaining.

In the author's view, the low capacity on the part of both trade unions and employers' organisations, with the latter's perceived reluctance to engage in collective bargaining, means the state has a key role to play in creating the conditions to encourage collective agreements, as an essential element of a modern labour market on the eve of its profound transformation. However, this requires action well beyond the legal changes proposed so far. In particular, this concerns the obvious need to recreate the sectoral collective bargaining system.

However, key questions arise here to which the author does not know the answers, namely what impact such far-reaching state interference may have on the (still fragile) autonomy of the social partners and whether the Polish state will have the will to be so active, given that any governments to date with different ideologies (post-communist, neo-liberal or statist-populist) have not shown any activity in this field.

## References

Bussines Insider (2024) W tych branżach w Polsce pracują obcokrajowcy, <https://businessinsider.com.pl/praca/w-tych-branzach-w-polsce-pracuja-obcokrajowcy/5flmbn7>

Czarzasty, J. (2019) Collective bargaining in Poland: a near-death experience (in:) Collective bargaining in Europe: Towards an endgame, ETUI: Brussels.

Ekspertyza (2022) Mądrzycki, B., Pisarczyk, Ł. Ekspertyza na temat aktualnej sytuacji oraz perspektyw rozwoju układów zbiorowych w Polsce. <https://www.gov.pl/web/dialog/krajowy-plan-odbudowy>

ETUI (2024) Benchmarking Working Europe. The Ongoing Quest for Social Europe, ETUI: Brussels.

GUS (2023) Partnerzy dialogu społecznego — organizacje pracodawców i związki zawodowe w 2022 r.

Lewandowski, P., Magda, I. (2023) The labor market in Poland, 2000–2021, IZA World of Labor

Mitrus, L. (2024) Polska regulacja pracy platformowej de lege ferenda z perspektywy prawa Unii Europejskiej, *Acta Universitatis Lodzianis, Folia Iuridica* 107

Owczarek, D. (2018) *Nowe formy pracy w Polsce*, ISP: Warszawa

PARP (2022) Raport o stanie sektora małych i średnich przedsiębiorstw w Polsce [https://www.parp.gov.pl/storage/publications/pdf/Raport-o-stanie-sektora-malych-i-rednich-przedsiębiorstw\\_13\\_10\\_2022.pdf](https://www.parp.gov.pl/storage/publications/pdf/Raport-o-stanie-sektora-malych-i-rednich-przedsiębiorstw_13_10_2022.pdf)

PIE (2024) Samozatrudnienie najbardziej popularne wśród absolwentów kierunków medycznych, <https://pie.net.pl/numer-35-2024-29-sierpnia-2024/>

PIE (2024a) Konsekwencje zmian demograficznych dla podaży rynku pracy w Polsce, <https://pie.net.pl/przy-obecnym-trendach-demograficznych-do-2035-r-zatrudnienie-w-polsce-moze-spasc-o-ponad-12-proc/>

Pisarczyk, Ł. (2019) The Crisis of the Collective Bargaining System in Poland, *International Journal of Comparative Labour Law and Industrial Relations*, 35(1), 57–78.

Pisarczyk, Ł. (2023) Towards rebuilding collective bargaining? Poland in the face of contemporary challenges and changing European social policy, *Industrial Relations Journal*, 54(2), 186–200.

## About the Author

Sławomir Adamczyk is a specialist in behavioural geography (collective social aspect) and European integration. By interest, he is a researcher and practitioner of transnational industrial relations, including trade union collective bargaining coordination. He is engaged in a critical analysis of the so-called Europeanisation of industrial relations. Daily he heads the Branch and Consultation Office of the NSZZ “Solidarność” trade union and is the representative of Polish trade unions in the EU Social Dialogue Committee and the European Trade Union Confederation’s Collective Bargaining and Wages Coordination Committee. He participated in the work of the Expert Group to the European Commission on the implementation of the Adequate Minimum Wage Directive and he is author of a number of publications on the future of the world of work in the context of trade unionism.