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EU Network of
Independent Experts
on Social Inclusion

Assessment of the implementation of
the European Commission
Recommendation on **active
inclusion**

[A Study of National Policies](#)

Poland

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Assessment of the implementation of the
European Commission Recommendation on
active inclusion

A Study of National Policies

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COUNTRY REPORT – POLAND

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Acronyms and abbreviations

ALMP	Active Labour Market Policies (aktywne polityki rynku pracy)
CIS	Centrum Integracji Społecznej (Centre for Social Inclusion)
EC	European Commission
ESF	European Social Fund (Europejski Fundusz Socjalny, EFS)
FP	Fundusz Pracy (Labour Fund)
GUS	Główny Urząd Statystyczny (Central Statistical Office, CSO)
HCOP	Human Capital Operational Programme (Program Operacyjny Kapitał Ludzki, POKL)
KIS	Klub Integracji Społecznej (Club of Social Inclusion)
KPDZ	Krajowy Plan Działań na rzecz Zatrudnienia (National Action Plan for Employment, NAPE)
KRUS	Kasa Rolniczego Zabezpieczenia Społecznego (Agricultural Social Insurance Fund)
LLL	Life-long learning
LTC	Long-term care
MEN	Ministerstwo Edukacji Narodowej (Ministry of [National] Education)
MoLSP	Ministry of Labour and Social Policy (Ministerstwo Pracy i Polityki Społecznej, MPiPS)
MSFP	Multiannual State Financial Plan (Wieloletni Plan Finansowy Państwa)
M&E	Monitoring and Evaluation
NFZ	Narodowy Fundusz Zdrowia (National Health Fund)
NIK	Najwyższa Izba Kontroli (Supreme Audit Office)
NRP	National Reform Programme (Krajowy Program Reform)
NSR	National Strategy Report on Social Protection and Social Inclusion [2008-2010]
PFRON	Państwowy Fundusz Rehabilitacji Osób Niepełnosprawnych (State Fund for Rehabilitation of the Disabled Persons)
SA	Social Assistance
TBS	Towarzystwa Budownictwa Społecznego (Low-Cost Housing Companies)
ZUS	Zakład Ubezpieczeń Społecznych (Social Insurance Institution)

Summary

After 2008, a single comprehensive strategy covering at once all three strands of active inclusion specified by the EC has not been drafted. Neither satisfactory balancing of the three strands has been achieved. Nevertheless, the improvement of the comprehensive approach is visible: (i) strategic documents quite often integrate more than one strand of active inclusion; (ii) implementation of the three-strand policies has intensified (iii) awareness of the need to develop more comprehensive approach has increased.

Harmonized implementation of active inclusion policies of all strands is rather poor, and there is no sign of improvement in this area. There is no single agency responsible for coordinating programmes, drafting legal acts and monitoring policy implementation. Responsibilities for the strands and segments are spread over various agencies. Ministry of Labour and Social Policy is the most important but still its coordinating role is weak. Involvement of relevant actors in the process of drafting and monitoring of active inclusion has improved but this was noticed already in the past. Participation goes mainly thru public debates, sometimes thru participation in legal consultative/decisive bodies, with a visible role of the Trade Unions (via Tripartite Commission).

In recent years, adequacy of non-contributory income support schemes mostly worsened, contributory schemes have not been threatened so far. Child / family support visibly declined (exception: reformed nursing benefit), social assistance stabilized. While regulations of non-contributory schemes underwent only slight modifications, contributory benefits were substantially reformed (old-age pensions: new early retirement rules, reduction of the second pillar, and gradual increase of the retirement age starting from 2013). Social assistance and child allowance thresholds have not been adjusted for years, but this may change quite soon. At the same time, income support in case of disability would be once again modified.

Labour inclusion policies – (i) ALMP targeted at the unemployed but not necessarily socially excluded, (ii) activation measures aimed at bringing the most vulnerable into the labour market, (iii) policies targeted specifically at the disabled people – have performed in various ways. The design of ALMP has barely changed. Some new instruments were implemented in 2009, so far without visible impacts. The role of ALMP was increasing in 2008-2010, but it declined dramatically in 2011. At the same time, measures aimed at strengthening local initiatives and social economy, targeted at the most excluded were promoted (with a considerable support of ESF) and new institutional arrangements became effective in 2010. Legal changes of activation of the disabled were quite significant (new rules of financing as of 2009) but still only a small – although increasing – number of the disabled people work in the open labour market.

Access to quality services clearly depends on their type. Childcare has visibly improved for children 3-6, less so for the younger ones but recently financing of childcare revealed problems (restrictive rules imposed by local governments, increase of fees). Housing support measures seem ineffective. The stock of municipal dwellings decreases, there is a shortage of social flats and the state programme supporting interest repayments of housing loans will terminate. Inadequate access to public healthcare (mainly: to specialists) makes a real challenge. New legal rules of 2011 have not produced satisfactory results. Additionally, distribution of medicines on prescription resulted in serious social tensions. Under-development of long-term care has not been solved so far but the situation of life-long learning looks more optimistic, given the new strategy just submitted.

After 2008, the government intention to curb down social expenditures was clearly visible (ALMP, pensions). Also, more attention was paid to the expenditure planning, in line with a general consolidation approach to public finance. Financing of programmes/projects supported by ESF was stable and they were monitored and evaluated properly. Monitoring of regular active inclusion policies has slightly improved but its evaluation is still inadequate.

Concluding recommendations concern both the strategy development process – indicating the need for the establishment of coordinating unit and strengthening the role of sectoral strategies, and challenges that regard specific strands – suggesting priority actions such as adjustment of the income thresholds, redesign of the child support, strengthening activation measures targeted at older people and some others.

1. Integrated comprehensive strategies

1.1 Comprehensive policy design

After 2008, a single comprehensive active inclusion strategy covering at once all three policy strands specified by the EC, i.e. adequate income support, inclusive labour markets and accessible quality services, has not been drafted. Neither balancing of the three strands has been achieved. Nevertheless, improvement of the comprehensive approach is visible. It has taken three forms.

First, strategic documents concerning overall development or specific issues quite often integrate more than one strand of active inclusion, usually labour markets and some service provision issues. Second, implementation of the three-strand policies has intensified, although these policies have not been well coordinated or balanced. Some of them have remained under-developed (long-term care, adequate income support with respect to some population groups). Third, awareness of the need to approach specific challenges in a more comprehensive way, say life-long learning or gender equality, has increased, both among policy makers as well as the wide public.

Since 2008, a few government documents approaching issues of active inclusion in a quite integrated way have been submitted. They evolved, in a sense, from the two national strategy reports on social protection and social inclusion covering 2006-2008 and 2008-2010.¹ Both strategies were prepared to support implementation of the Lisbon Strategy tasks, and they followed the National Strategic Framework (Narodowe Strategiczne Ramy Odniesienia).

Given the period covered, National Strategy Report on Social Protection and Social Inclusion 2008-2010 (NSR 2008-2010)² is certainly the most important document influencing recent active inclusion policy design which integrates various strands. Although drafted before EC Recommendations of October 2008, it developed a certain type of a comprehensive approach which may be found in some documents submitted in the next years. Although not fully successful, some important tasks of the NSR, such as improvement of conciliation of work and family life, childcare development, activation programme for older people, have been implemented in practice

In 2009, a comprehensive report called "Poland 2030 – Development Challenges"³ was submitted by the Board of Strategic Advisors to the Prime Minister. This document covers a wide spectrum of social and economic development areas, providing diagnosis and policy recommendations. All three strands of active inclusion issues are thoughtfully discussed there. The impact of "Poland 2030" is important. Its conclusions and recommendations are very often referred to in other strategic papers, including National Reform Programme Europe 2020 and medium-term strategies accompanying the NRP. Unfortunately, the status of "Poland 2030" is not clear. Although it is signed by the Prime Minister it has not been approved by the government as an official strategic document. In fact its implementing power is rather weak.

1 Before 2008, some other comprehensive social policy strategies have been occasionally developed, too. In 2005, for instance, the Strategy of Social Policy 2007-2013 (*Strategia Polityki Społecznej na lata 2007-2013*), accompanying the National Development Plan 2007-2013, was submitted. This strategy, however, paid attention to the specific issues (family support, protecting the disabled persons, situation of immigrants) rather than to the development and coordination of the three strands of active social inclusion.

2 Krajowy Program Zabezpieczenie społeczne i integracja społeczna na lata 2008-2010 first draft was submitted for discussion in August 2008, final version was approved by the Council of Ministers in December 2008.

3 KPRM (2009), *Polska 2030. Wyzwania rozwojowe*, Warsaw. www.kprm.gov.pl and www.polska2030.pl

A large labour market programme "Solidarity across Generations - measures aiming at increasing the economic activity of people over 50" is much more operational document.⁴ It was launched at the end of 2008 but its implementation started in January 2010, with the approval of the so called Implementation Document. "Solidarity 50+" covers all three strands of active inclusion, with a priority given to the inclusive labour markets and high visibility of service provision instruments. Income support is less visible there. Nevertheless, it is a good example of a truly comprehensive and operational approach and is worth presenting in more detail.

The main goal of the programme Solidarity 50+ is to achieve by 2020 the employment rate of people aged 55-64 set in the past by the Lisbon Strategy⁵. Its operational goals and main measures give evidence of its comprehensiveness. They look as follows: improvement of the working conditions and promotion of employment of people over 50; (thru spreading knowledge and promoting the benefits for employing the older people); upgrading skills and qualifications of employees over 50 (mainly thru popularisation of life-long learning and adjusting training offers); reducing labour costs related to the employment of people over 50 (exemption from various contributions); activation of the unemployed or that are over 50; activation of the disabled; expanding opportunities of employment for women (thru development of services allowing to balance the career and the family life); limitation of employees' withdrawal from the labour market thru changes of the social benefit system (thru the change of retirement rules, for instance).

The Solidarity 50+ programme was strongly promoted and is quite known to the public. It is implemented by both government and non-government agencies, sometimes through projects supported by ESF. In terms of the employment indicators, its results are positive. In 2008-2011, the employment rate of people 55-64 increased only by almost 5 pp, from 32% up to 36.9%.⁶ In 2011, the programme has suffered from the introduction of the austerity measures. At that time, it seems, priority was also given to the problems of the young and the programme for the older people started to lose its intensity. It has been, in a sense, revived in 2012 with the approved gradual increase of the retirement age and the need for intensive activation of people 50+.⁷

There are also examples of a semi-comprehensive approach to the active inclusion. Regularly, for instance, the National Action Plan for Employment, NAPE (Krajowy Plan Działań na rzecz Zatrudnienia, KPDZ) is submitted by the Ministry of Labour and Social Policy, following basic labour market regulations of 2004⁸. It always touches upon labour inclusion plus some service provision: usually training/life-long learning, occasionally some other topics (recently, childcare, social housing).

Finally, Human Capital Development Strategy⁹, a document accompanying NRP drafted at the end of 2011 should be mentioned. Once again, it was drafted by the Board of Strategic Advisors to the Prime Minister. This is the most comprehensive document of all available at present, integrating clearly all active inclusion strands, and splitting all measures by the three stages of human life: childhood, adulthood and seniority. It may be expected that its impact will be remarkable.

4 *Solidarność pokoleń – działania dla zwiększenia aktywności zawodowej osób w wieku 50+. It is available on the MoLSP website www.mpips.gov.pl. This programme is scheduled until 2020.*

5 *This paragraph, as well as some other paragraphs of this report, is adopted from previous national reports drafted for the Network of Independent experts.*

6 *CSO data, Wskaźniki monitorujące NSRO, www.stat.gov.pl*

7 *Additional but much smaller activation programme was proposed in January 2012.*

8 *Available at www.mpips.gov.pl. This is the most recent edition of the NAPE covers 2012-2014.*

9 *Available at www.zds.kprm.gov.pl*

1.2 Integrated implementation

Harmonized implementation of active inclusion policy measures of all three strands is rather poor, and there is no sign of improvement in this area. There is no single institution – such as ministry, plenipotentiary or other government body – responsible for coordinating programmes, drafting legal acts and monitoring policy implementation. Coordinating procedures (meetings, circulating and commenting documents, etc.) are not satisfactory either.

At the central level, main responsibility for the implementation of NSR 2008-2010, Solidarity 50+ or NAPes remains with the Ministry of Labour and Social Policy (MoLSP) but the Ministry has been clearly focused on the labour inclusion and income support (social assistance and social insurance). Only recently childcare issues have also been handled by MoLSP. Healthcare entirely belongs to the Ministry of Health, long-term care is split between two branches of the government (social assistance and health), housing (except of social housing and homelessness) is the responsibility of the Ministry of Infrastructure¹⁰, life-long learning – in part of the Ministry of Education. The issues of migrants are also split between ministries, while minorities are handled by the Ministry of Administration and Digitalisation. One may add that social insurance of farmers is assigned to the Ministry of Agriculture and Rural Development, and of the police and armed forces - to the respective sectoral ministries. Furthermore, European funds (ESF) used for co-financing activation projects are administered by the Ministry of Regional Development. Such an arrangement cannot be efficient in the implementation of the comprehensive strategies unless a single coordinating unit is established.

The Prime Minister Office with its Board of Strategic Advisors might look the best suited for the coordinating role. However, it has not performed as a coordinator. The Board carried out mostly strategic tasks with no executive power. It seems that the Ministry of Labour and Social Policy will become a coordinator of tasks related to active inclusion. Recently, MoLSP took over responsibilities related to drafting Human Capital Development Strategy. Social insurance of farmers and other groups is also expected to be moved to this agency in the future.

1.3 Vertical policy coordination

Vertical coordination of designing and implementing various policies is rather weak. Given the regulatory framework, each level of the government and each government agency are assigned their specific tasks. Usually, they are clearly separated. Such an arrangement prevents the overlapping of tasks and responsibilities but at the same time it does not open ways for their coordination. In fact, instead of coordination subordination procedures prevail. As a rule, lower levels of the government should provide the higher levels with the information important for setting the budget and they should report about the impact of policy implementation. On the other hand, the central level may commission some tasks to the lower ones. Certainly, vertical contacts are frequent but cooperation is rare.

For instance, according the Act on Social Welfare of 2004 (Art. 16b)¹¹, local (gmina) self-governments are expected to draft strategies on coping with social questions. The regional (voivodship) councils are obliged to draft their strategy of social policy. Tasks of gminas and of voivodships are enumerated separately in respective articles of Chapter 2 of the Act. Some of the gmina's tasks are listed as "commissioned". This regulation mentions also the need for reporting by gminas to the higher level of the

¹⁰ Ministry of Transportation, Construction and Maritime Economy since November 2011

¹¹ Ustawa z dnia 21 marca 2004 o pomocy społecznej, Dz.U. of 2008 No115, item 728, as amended.

governments. Nothing is mentioned about cooperation between various levels of the government or vertical policy coordination.

1.4 Active participation of relevant actors

In recent years, involvement of relevant actors – social partners, local government representatives and sometimes stakeholders – in the process of drafting, implementation and monitoring of the active inclusion measures has improved. But this was already visible before 2008. In this respect, the most spectacular changes were witnessed in Poland, first, at the beginning of the transformation, next, with the EU accession.

At present, two forms of involvement of relevant actors may be tentatively distinguished. One of them consists in the participation of selected social partners in the task forces / consultative bodies formally established for monitoring – and sometimes for drafting – strategies/ programmes. Another one involves simply participation of partners in the public debate, after the strategy/ programme has been drafted. The first procedure is more strict and it pursues clear regulations. It allows for a real impact of social partners on the final shape of the strategy. The format of the second procedure is more loose. It allows for wider participation of various actors although it does not guarantee that their opinions are in fact taken into consideration. Recently, the latter form prevails. It works as follows.

Public debates

Usually, ministerial or inter-ministerial teams for drafting strategies are set. These teams are composed of the government officials – of the central and sometimes of the regional levels – and of experts, exclusively. This has regarded both more comprehensive and rather specialized strategies (for instance: Human Capital Development Strategy or – on the other hand – Strategy for Development of the System of Geriatric Care¹²). In some cases, the position of experts is really strong (Poland 2030 - Development Challenges, The Youth 2011, Strategy for Development of the System of Geriatric Care and some others).

Under this arrangement, involvement of social partners is not spectacular.¹³ At present, representatives of the non-government organizations, including associations of those affected by social exclusion, may participate in the teams' work but only as invited guests. But as a rule, all draft documents are submitted for public discussion, with a certain priority given to selected institutions and organizations. They are usually informed about the drafts and are asked for comments and suggestions. Also, their representatives are invited to participate in conferences and seminars discussing policy issues.

¹² *Strategia rozwoju systemu opieki geriatrycznej i rozwiązań poprawiających jakość opieki nad osobami starszymi w systemie ochrony zdrowia - draft prepared by the Team for Gerontology (Zespół do spraw gerontologii) set by the Minister of Health ordinance of 5th July 2007, turned into the Team for Geriatrics (Zespół do spraw geriatrii) in December 2008. Notice that and an additional Team for the Long-Term Care (Zespół do spraw opieki długoterminowej) was set by the Minister of Health ordinance of 10th August 2011.*

¹³ *It has happened that in the past this involvement was much higher, Compare the process of drafting National Strategy for Social Inclusion of 2004 (Narodowa Strategia Integracji Społecznej dla Polski, NSIS).*

Tripartite Commission and councils

The strongest participation of social partners goes through the Tripartite Commission for Socio-Economic Issues (Komisja Trójstronna do Spraw Społeczno-Gospodarczych)¹⁴, headed by the Minister of Labour and Social Policy and composed of the representatives of employees (Trade Unions), employers (associations) and the government (ministerial officials). The position of social partners is strong, (almost) equal to that of the government. But notice, the whole NGO sector is not represented there.

The Tripartite Commission "constitutes a forum of social dialogue held in order to conciliate the interests of employees, the interests of employers and public welfare". The Commission holds regular meetings and may decide about labour related issues (level of the minimum wage) as well as some about other related to active inclusion, such as pension indexation or social assistance thresholds. It also delegates representatives to some other consultative bodies.

Involvement of social partners in the implementation and monitoring of active inclusion measures goes also through the participation in other councils or commissions, affiliated with the government agencies responsible for a given segment of the policy. In the case of income support, for instance, there is a Council on Social Assistance (Rada Pomocy Społecznej) which consists of up to twenty members; government officials, social partners and representatives of local governments. In the Social Insurance Institution (Zakład Ubezpieczeń Społecznych, ZUS), a quite important role is assigned to its Supervisory Board, consisting of members delegated by social partners acting in the Tripartite Commission and a representative of pensioners' organisation. In the Central Statistical Office, there is a Council on [Public] Statistics (Rada Statystyki). While the impact of social partners through the Tripartite Commission is strong, it does not look spectacular in case of other participatory bodies.

2. Development of measures under three strands

2.1 Adequate income support

In Poland, there are several income support schemes: social assistance (*pomoc społeczna*), family support (*świadczenia rodzinne*), alimony benefit (*świadczenia z funduszu alimentacyjnego*), social pension (*renta socjalna*), and housing allowance (*dodatki mieszkaniowe*). All of them provide benefits which are non-contributory, financed by the state budget out of general taxes (mostly by central budget but in the case of social assistance with some participation of local budgets), and are delivered mostly in cash (exception: social assistance). In principal, all of them are income tested, except of some disability related benefits, including social pension.

Income support is also offered by various contributory benefits, paid for the insured only. This group does not represent income support in a strict sense of the word but it is too important to be neglected. It includes long-term support in the form of old age, disability and survivor pensions (*emerytury, renty inwalidzkie i rodzinne*), and a number of short-term benefits, such as pre-retirement, unemployment, caring, sickness and maternity (*świadczenia przedemerytalne, zasiłki dla bezrobotnych, opiekuńcze, chorobowe, macierzyńskie*). Importantly, benefits of this group are indexed on a regular basis (although rules quite often change) and for some of them (pensions) guaranteed minima apply. The minima are also indexed regularly.

¹⁴ Tasks and competences of the Tripartite Commission are set out by the Act of 6 July 2001 on the Tripartite Commission for Social and Economic Affairs and voivodship social dialogue commissions (Dz.U. No 100, item 1080, as amended)

In recent years, adequacy of income tested non-contributory benefits declined in Poland but contributory benefits have not been threatened so far. This may be seen when looking at their rules and performance. At some point, comparing the benefit rates with a benchmark such as subsistence minimum or, simply, with the average wage (the latter could take form of the replacement rate in the case of pensions) may also be instructive.

Since years, so called "subsistence minimum" and "social minimum" are regularly evaluated for several types of families.¹⁵ Both are based on normative consumption baskets and show minimum incomes necessary for survival or for the full social inclusion. Both are present in the Polish public debate but less so in the income support policies. In 2011, subsistence minimum was evaluated at PLN 394.5–500.7 (or about € 100-125) per capita, per month (the lowest for 2-person pensioner household, the highest for a single employee), and it was PLN 321.6-413.2 (ca. € 80-103) in 2008¹⁶. Only one income-tested support scheme, i.e. social assistance, vaguely refers to the subsistence minimum, assuming that eligibility threshold should consider its level. The law does not set explicitly any relation of the threshold to the minimum but it envisages that the Tripartite Commission may request changing the threshold if it is too low.¹⁷

Instead of the subsistence minimum, the minimum pension level is sometimes referred to in the regulations: for setting the eligibility threshold (housing allowances) or for setting the benefit rate (social pension is a fraction of the minimum pension). Minimum pension is higher than the subsistence minimum. In 2011, since March 1, it was equal to PLN 728.18 / €182 (for the old age, survivor and "full" disability pensions), and to PLN 560.13 (for minimum disability pension, paid in respect of partial incapacity for work). In 2008, these figures were equal to PLN 639.29 / €160 and PLN 499.44 / €125, respectively.¹⁸

Changes in 2008-2012: overview

Over the last five years, most of the non-contributory schemes remained under the legal framework set in the past, with slight (family support: rates and disability related benefits) or no (social assistance) modifications, with a clear intention to keep overall expenditure under control. In some cases, this resulted in inadequate or limited coverage, under-financing or ill-targeting. Examples include shrinking number of beneficiaries of family support schemes (due to unchanged rules and thresholds, although demographic trends are important, too) and some problems in designing proper support for the disabled people.

While regulations of non-contributory schemes have remained almost unchanged, the pension system (employee scheme exclusively) was substantially reformed. The last reform concerning the retirement age has only started. For the near future, reforms are also planned, once again, much more significant in the case of contributory than other schemes. First of all, pensions (of the armed forces and police, and – less likely – of farmers) will be possibly subject to the profound reforms. Most of the current and

¹⁵ It is done by the Institute of Labour and Social Affairs (Instytut Pracy i Spraw Społecznych, IPiSS) following the regulation of the Council of Ministry.

¹⁶ Figures in PLN are from the IPiSS website www.ipiss.com.pl. They are converted into EUR using the exchange rate 4.0 PLN/EUR, and this rate is used in the whole report. But notice that the exchange rate of the Polish zloty fluctuated considerably in the last years, from 1 € = 3.52 zloty (2008) to 4.12 (2011), and amounts expressed in euro were changing accordingly.

¹⁷ See article 9 of the Act on Social Welfare of March 12, 2004 (Ustawa z dnia 21 marca 2004 o pomocy społecznej, Dz.U. of 2008 No115, item 728, as amended)

¹⁸ Minimum pensions and minimum wage rates may be found on the ZUS and on MoLSP websites: www.zus.gov.pl or www.mpips.gov.pl, respectively

past modifications are clearly intended to mitigate growing debt of the public financial sector but some of them (such as changes of the retirement age) carry activation incentives, too.

Below, rules of the main income support schemes, their past and planned modifications, as well as the impact assessment are shortly discussed.

Social assistance

Social assistance (SA) is certainly the most poverty targeted scheme. It is a system of last resort, providing cash and non-cash benefits. Main cash benefits are income-tested and they are granted if at least one of the additional vulnerability conditions is met. These conditions include poverty, orphanhood, homelessness, disability, unemployment, long-lasting illness, domestic violence and alike¹⁹. Benefit period may be unlimited (for permanent benefits – paid only in case of incapability for work due to the old age or disability) or limited (for temporary benefits – paid in case of unemployment, long-term illness), remaining under discretion of a social worker. Non income-tested support may be granted, too, mostly in the form of in-kind benefits or services (meal, fuel, shelter, long-term care). Financing is shared by the state and local budgets, and depends on the type of benefit provided.

Income threshold used for testing eligibility depends on the number of household members of the applicant, and it is higher for one-person households than for those living in other households. Since 2006, the threshold has been kept unchanged, fixed at the level of PLN 477 (about € 120) per month for a single-person household and PLN 351 (€ 88) per capita per month for a larger household. Accordingly, benefit rates (set as a difference between the threshold and applicant's income, max PLN 418, min PLN 20 or 30) have not changed, either.

In 2010, SA threshold became lower than the subsistence minimum for a single person, at that time equal to PLN 472.7 per month. Although there has been a visible pressure of the public opinion to increase the threshold in line with the legislation, and the Tripartite Commission officially requested the revision, the government has not reacted positively. Only recently, this attitude has changed and there is a government proposal to revise at the end of 2012, both, the rule of the SA threshold setting (from in fact discretionary into obligatorily adjusted with inflation, every three year) and the current level of this threshold (less evident, possibly up to PLN 521 for singles and PLN 428 pc per month for larger households).²⁰

Cash benefit granting has never been clearly linked with pro-active measures although some specific activation instruments may be found within the SA. They include social contract (*kontrakt socjalny*) and support for becoming economically independent (*pomoc na ekonomiczne usamodzielnienie się*). The former instrument, which is paid more attention, is a partnership agreement concluded by a social worker and his social welfare client (or family) intended to motivating people and families to become independent. In fact, a person may be deprived of cash benefits if he/she refuses to sign a social contract (or as an unemployed, refuses to take a job offered or to participate in the socially useful work programme). The second activation tool combines cash (allowance, credit) or in-kind benefit (including leasing of work tools) granted with the start-up of small business or other labour activity. But it does not seem that this type of support is really successful despite some recent efforts to strengthen its role.

¹⁹ Altogether, there are 15 conditions enumerated by the law.

²⁰ Draft proposals of changes of 25 May 2011, and also media <http://centrumwiedzyprolex.pl/artykuy/artykuly-ops/352>

Provision of social assistance benefits has shrunk in 2008-2009, and then it stabilized (Table 1 and 2).²¹ In 2009, the total number of social assistance benefit recipients was equal to 2,083 thousand, by over 1% less than in 2008. In 2010, their number was virtually the same, 2,085 thousand. Total expenditure slightly increased each year, by 2% in 2009, and by 1.7% in 2010 (in nominal terms; declining in real terms), reaching PLN 3.6 billion. Provision of social assistance benefits paid in cash increased slightly as well, both in terms of the number of beneficiaries (by 2.8% and 1.7%, respectively) and overall expenditure (by 1.5% and 1.1%, in nominal terms). Changes, however, are very small indicating in fact stabilization.

On the other hand, some measures aimed at the activation of beneficiaries, such as social contracts, expanded although their importance remains marginal. In 2010, the number of social contracts amounted to 76 thousand and was by 6% higher than in 2009.²²

Housing allowance

Housing allowance is designed for low income households which pass the income test and the surface of dwelling test. Income threshold depends on the minimum pension (equals 1.75 or 1.25 of this pension), so it is regularly indexed. The allowance is supposed to cover a part of the housing expenditure but only with respect to the normative space of a dwelling (expressed in sq m per household member)²³. In 2008-2011, many changes were introduced to the housing allowance legislation but they have not been substantial. Interestingly, housing allowance is supervised by the Ministry of Transportation, Construction and Maritime Economy (formerly, Ministry of Infrastructure), being rather detached from the main income support schemes.²⁴

Housing allowance programme is quite widespread, so in this sense it is rather successful. In 2007-2009, as well as in the previous years, housing allowance payments were decreasing, but this trend reversed in 2010 with the increase of the housing costs. In 2007, over 7 million housing allowances were granted to approximately 593 thousand households, and the total amount spent was equal to PLN 1 billion (compare SA expenditure). In 2009, these figures were much lower, 5 million benefits granted, 415 thousand of benefitting households, and PLN 807 million spent. In 2010, however, both the number of benefits and beneficiaries and the total amount spent increased (benefits / beneficiaries: by 2%; expenditures by 7% or up to PLN 866 million).²⁵

Family support

Family support is granted mainly in the form of several income-tested benefits. Child allowance (*zasiłek rodzinny*) is the main benefit paid for a dependent child under 24, and it may be supplied together with various supplements granted in special circumstances such as the birth giving, beginning of the school year, in case of child disability and alike. Besides, two types of nursing benefits related to disability (*zasiłek*

²¹ Data in this paragraph are from CSO (2010 and 2012), *Social assistance – infrastructure, beneficiaries, benefits in (2009 2010)*

²² MoLSP figures of 2011. However, the most recent statistics differ. MPiPS (2011), *Polska 2011. Raport o rynku pracy i zabezpieczeniu społecznym* provides the figure 112.5 thousand for 2010 (p.152) <http://www.mpips.gov.pl/pomoc-spoeczna/raporty-i-statystyki/statystyki-pomocy-spoecznej/>

²³ Act of June 21, 2001 on Housing allowance (Ustawa z 21 czerwca 2001 o dodatkach mieszkaniowych, Dz. U. No. 71, item 734 as amended) www.sejm.gov.pl

²⁴ Reports of the Ministry of Labour and Social Policy do not mention housing allowance at all.

²⁵ Central Statistical Office, Local Data Bank www.stat.gov.pl. The number of beneficiaries are own estimates

pielęgnacyjny & *świadczenie pielęgnacyjne*) and a birth grant (not income-tested) are provided, as well as social contribution in case of withdrawal from the labour market and caring for a dependent disabled²⁶

At present, income tested child allowances (and supplements) are paid according to the old rules, pursuing the Act on Family Benefits of 2003.²⁷ At the end of 2009, however, some changes regarding the nursing benefit and family allowance rates were introduced. In general, they were intended to strengthen the role of family support or at least to stop its decline. Child allowance rates were increased considerably, by as much as 40%²⁸ but they have still remained very low, at the level of PLN 68-98 or € 17-25 a month. However, the end of benefit period was shifted from September to November, allowing for a longer payment of benefits at the previous (lower) levels. At the same time, the rate of nursing benefit (*świadczenie pielęgnacyjne*) – paid to a person who withdraws from the labour market for taking care of a disable family member – was raised by 23%, from PLN 420 up to 520, and since 1st January 2010, income threshold for this benefit has been removed, thus broadening eligibility. The latter change turned out to be inefficient and will possibly be revised (see – planned modifications, below).

Importantly, while the benefit rates were increased income thresholds have been kept at the same levels since 2004 – PLN 504 or PLN 583, if child disability is considered – despite the Trade Unions, NGOs and experts' criticism, the public pressure for its increase,²⁹ and against statutory rules. The latter has been circumvented by regulations setting new thresholds at the old levels³⁰.

Only in 2012, the government intends to increase the income threshold for family allowance and to change the rules of its setting. It will become compulsory to adjust the threshold with inflation every three years (see – proposals for social assistance). On the other hand, the scale of the threshold increase in 2012 is not clear: possibly up to PLN 623 for families raising a child with disabilities.

There is yet another government proposal regarding family income support in case of disability. It consists in the implementation of the new income-tested benefit (*specjalny zasiłek opiekuńczy*) paid in case a person withdraws from the labour market for taking care of a disable family member. At the same time, eligibility for nursing benefits will be limited (to parents and legal guardian, exclusively). Additionally, a birth grant reform is expected, making benefit payment more restrictive through the introduction of the income threshold. Currently, this grant paid as a lump sum (PLN 1000) is universal but the income test is assumed with a pretty high threshold of PLN 1992 per capita per month, somehow related to the income tax brackets.³¹

26 There is also *alimony* benefit paid to a single parent caring for a child who - following a court sentence - should receive *alimony* from a spouse (mainly after a divorce). If the court sentence is not executable – and under a variety of additional strict conditions, including an income test - *alimony* benefit may be granted. It is often treated as the family income support but it remains under separate legislation. See: Ustawa z dnia 7 września 2007 r. o pomocy osobom uprawnionym do alimentów (Dz.U. of 2009, №1 item 7 as amended) www.sejm.gov.pl

27 Ustawa z dnia 28 listopada 2003 r. o świadczeniach rodzinnych (Dz.U. of 2006 № 139, item 992) as amended.

28 From PLN 48 per month up to PLN 68 for a child up to 5, from PLN 64 up to PLN 91 for a child at the age 5 -18, and from PLN 68 to PLN 98 for dependent children 18-24.

29 See parliamentary debates in 2008 - 2009 <http://orka2.sejm.gov.pl/IZ6.nsf/main/65D51036> and <http://orka2.sejm.gov.pl/IZ6.nsf/main/65D51036>, Trade Unions statement <http://www.gazetaprawna.pl/drukowanie/322570> as well as the intervention of Tripartite Committee followed by the government reaction www.premier.gov.pl/rzad/decyzje_rzadu/id:5590/

30 Rozporządzenie Rady Ministrów z dnia 11 sierpnia 2009 r. ..., Dz.U. of 2009, № 129, item 1058

31 In this respect, two draft legislations submitted by the Ministry of Labour and Social Policy may be consulted: of 15th June 2012 (on disability related benefits) and of 12th March 2012 (on the birth grant). Both drafts are revised after public consultations.

Altogether, family support has visibly weakened in recent years (Table 3). In 2008-2010, the total number of beneficiaries diminished continuously: by 11% in 2009, and by additional 4% in 2010, altogether from 2.6 million families in 2008 down to 2.2 million in 2010. The decrease concerned mainly family allowance and supplements. As the current developments show, this is mostly due to the government austerity policy although demographic aspects (lower number of children) may also count. At the same time, birth grant figures barely changed and the provision of nursing allowance and especially of nursing benefit (both disability related) increased substantially. The number of nursing benefits increased by as much 55% in 2009 and by 60% in 2010, and this trend continued in 2011 (notice changes of the rules in 2010, and proposals for 2012). At the same time, the total expenditure remained almost unchanged (PLN 8.2 billion a year).³²

In fact, there is a need for a more substantial revision and improvement of income support that regards children, including more comprehensive approach to designing child support measures. A single strategic document on "Family Policy" should be developed. It should approach not only strict income support questions but also access to services and some aspects of labour activation. In this respect, activities of the presidential Chancellery and strong involvement of NGOs are worth noticing.

Income support in case of disability

Social pension is payable to an adult (a person over 18) who has been recognized as completely incapable of work due to impairment of body functions which occurred before reaching the age of 18 (before 28, if in full education) or in the course of PhD studies. Formerly paid under social assistance, it was removed from this scheme in 2003.³³ The main reason, it seems, is the specific eligibility condition which does not involve income test at all. Social pension is set at the level of 84% of the minimum disability pension for entirely incapable of work. In 2008, total amount of PLN 1442.9 million was paid in respect of social pensions to 238.2 thousand persons.³⁴ In 2011, these figures went up to PLN 1830.1 million and 252.0 thousand, respectively.

One should notice, however, that social pension is taxable and - quite surprisingly - it can be diminished or suspended if a pensioner works and earns an income (more than 30% of the average wage in the calendar quarter) subject to social contribution. This rule is often questioned and might be changed in the future.

Altogether, designing income support for the disabled people is not successful in Poland. This may be seen through frequent changes of benefit types, rules and levels. Benefits related to disability are spread over various schemes: family support, social assistance, social insurance. This is quite understandable because circumstances and reasons for claiming disability related support may be quite different. But instability of rules, emergence and disappearance of certain arrangements (see: nursing benefit, nursing allowance, special caring benefit within family support) give evidence that more thoughtful and comprehensive approach would be needed to provide a solid and adequate income support in case of disability.

32 MPiPS (2009 - 2011), *Informacja o realizacji świadczeń rodzinnych w (2008, 2009, 2010) r.* www.mpips.gov.pl

33 *Ustawa z dnia 27 czerwca 2003 r. o rencie socjalnej (.DZ.U. No. 135, item 1268, as amended)* www.sejm.gov.pl

34 ZUS (2008 and 2011), *Social Insurance in Poland, Information, facts*, www.zus.gov.pl

Old-age pensions

In 2008-2012, major changes were introduced into the pension system (employee scheme exclusively), and they are certainly worth noticing. First, in December 2008, just at the beginning of the economic slow-down, the generous system of early retirement has been replaced by a tighter scheme of bridging pensions, after months of discussions³⁵. Contrary to the old arrangements, the new scheme (designed for people born after 1948, subject to the pension reform of 1999) requires at least 15-year period of employment in special conditions or in a special character, and, additionally, it involves termination of employment. New design improved the balance of public finance by increasing the actual retirement age (from 59.0 in 2008 up to 59.8 in 2011, due to the increase of the female actual retirement age, exclusively: from 56.2 to 59.5³⁶), thus reducing expenditures on pensions.

In 2011, given the threat of a too high government debt another important change of the pension system was enforced, in fact as one of the austerity instruments. The change regarded only employee old-age pension scheme composed of two pillars: (i) operated by Social Insurance Institution, ZUS, and (ii) operated by private Open Pension Funds. At that time, all current benefits were paid on pay-as-you-go basis by ZUS, but ZUS collected only first pillar contributions and suffered from the deficit covered by the state budget. In order to diminish it, the government decided to curb down the second pillar (contribution down from 7.3% to 2.3% of the assessment base, with possible gradual increase in coming years up to 3.8%) and to support the first PAYG pillar (contribution up from 12.22% to 17.22%).³⁷ This has helped diminishing the overall deficit of the pension system and of the public finance.

In 2012, the law on pensions was amended³⁸ assuming an increase and equalization of the statutory retirement age for men and women up to 67 year from the current 65 (men) and 60 (women) was approved. According to this law, the retirement age would be increased gradually, by 1 month every 4 calendar months (that is by 3 months every year), starting from 2013. In 2020, the legal retirement age should equal 67 year for men and 62 for women. For women, the target 67 would be met only in 2040. According to this proposal, this rule would apply to the main but distinct pension schemes which cover (i) workers/employees, and related groups and (ii) farmers. It would not regard the military, police, fire brigades, i.e. groups which are subject to the special pension rules.³⁹ Reforms of their retirement pension systems (concerning the increase of their specific retirement age, too) are currently negotiated as a separate package.

The above proposal was first included in the Prime Minister Exposé of November 2011 but a general idea of increasing the retirement age may also be found in other government documents (NRP as well). Relevant legal acts have been drafted at the beginning of 2012 and submitted for discussion. Strong opposition became visible very soon. The debate has led to the submission of the modified more "soft" government proposal of the retirement age reform, and this one has been finally approved. It

³⁵ Act on Bridging Pensions of December, 19, 2008, effective January 1, 2009.

³⁶ ZUS (2009 and 2012), *Ważniejsze informacje z zakresu ubezpieczeń społecznych 2008 [2011] r*, www.zus.gov.pl

³⁷ *Through the amendment to the law on pensions [Ustawa z dnia 17 grudnia 1998 r o emeryturach i rentach z Funduszu Ubezpieczeń społecznych, Dz.U. of 2009, № 153, item 1227, as amended]*, effective since May 1, 2011.

³⁸ *Ustawa z dnia 11 maja 2012 o zmianie ustawy o emeryturach i rentach z Funduszu Ubezpieczeń Społecznych oraz niektórych innych ustaw, Dz.U. of 2012 item 637.*

³⁹ *In fact, reforms regarding the pension system of the military, policemen (and similar groups) have already been passed - see Dz.U. of 2012 item 664. They concern only the future military/policemen and include: implementation of the specific retirement age, increase of the length of the work record, and the new more restrictive way of setting the pension rate.*

assumes keeping the general rule of the gradual increase of the retirement age but with an option of early retirement (M: at the age of 65, W: at the age of 62) and the partial pension paid until the age of 67. Partial pension should be set at the level of 50% of the hypothetical full pension. The total amount taken should be deducted from the contribution amount collected, lowering the future full pension. Partial pension cannot be taken if it leads to the full benefit below the minimum pension.

Additionally, the government has agreed to introduce measures that would strengthen labour activity of people aged 50+ (health prevention, public campaign) and the others that would ensure the increase of retirement capital of a mother /parent bringing up a child (through the adequate contribution paid by the state budget – at present paid only if a parent is entitled to the caring benefit during this/her parental leave). And in fact, in June 2012 a relevant government programme has been designed.

There are various consequences of the retirement age increase. One of them concerns the impact on the pension level. Simulations show that, under the contribution defined system, each additional year of work would increase the old age pension by 8-10%. Without the increase of the retirement age the average replacement rate would equal to approx. 30 percent, while currently it is close to 50percent.

2.2 Inclusive labour markets

Overall design and major changes

In Poland, labour inclusion policies may be tentatively put into three groups, depending on the target populations: (i) active labour market policies, ALMP, targeted at those who are unemployed but not necessarily socially excluded, (ii) active social inclusion policies aimed at bringing the most vulnerable and socially excluded into the labour market, and combining social inclusion with labour inclusion measures, (iii) activation policies targeted specifically at the disabled people. Such a distinction is quite visible in the Polish legislation and it will be considered in this sub-section.

In recent years, the design of regular active inclusion policies has barely changed. Some new activation instruments were implemented in 2009, so far without visible impacts on the labour inclusions. Altogether, the role of standard ALMP was increasing in 2008-2010, but it declined dramatically in 2011, given limited financing due to the fiscal consolidation. At the same time, measures aimed at strengthening local initiatives, targeted at the socially excluded were promoted, and new institutional arrangements became effective in 2010. But their scope and importance have remained relatively small. Employment support instruments set up within the anti-crisis package – although appreciated by the employers – were not very impressive either. This can be attributed to the rather mild crisis intensity. On the other hand, changes regarding labour activation of the disabled were quite significant (new rules of financing as of 2009) and projects implemented in the framework of Human Capital Operational Programme (HCOP) 2007-2013 were numerous and visible, receiving substantial financing from ESF. The latter targeted specifically the most excluded.

Regular active labour market policies

Active labour market policies pursue the Act on the Promotion of Employment and Labour Market Institutions of 2004⁴⁰. The list of main labour activation measures comprises: trainings courses; intervention and public works; socially useful works;

⁴⁰ Ustawa z dnia 14 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy, Dz.U. N° 99, item 1001 (as amended). All regulations are available on <http://isap.sejm.gov.pl/>

apprenticeships and on-the-job training (*staże i szkolenia zawodowe w miejscu pracy*); business grants for unemployed; subsidized works (jobs subsidies for the employers – rather employment support measures). Since 2009, a new labour activation instrument in the form of individual work plan (*indywidualny plan działania*), intended to make activation process better tailored to the individual needs, is effective. All measures are financed by the Labour Fund and are implemented by labour offices – more generally, by public employment services (*publiczne służby zatrudnienia, PSZ*) - cooperating with NGOs. Additionally since 2009, new institutions called Centres for Labour Activation (*Centra Aktywizacji Zawodowej*) operate at the local levels. Government agencies should also provide counselling for job placement, in the form of career guidance (*poradnictwo zawodowe*), via EURES network, for instance.

Intervention and public works (both subsidized by the Labour Fund although organizationally different) are targeted at the following groups of the unemployed: the young (under the age of 25); the old (above the age of 50); lone parents (bringing up more than one child under 18); the disabled; long-term unemployed; unskilled; women (more specifically, women who have not returned to the labour market after a break resulting from a child birth), and those who after serving a sentence in prison have not entered to the labour market. Other ALMP measures are focused in a different way: socially useful works (organized by social welfare offices) are targeted at the unemployed who are no longer eligible for the unemployment allowance, while others measures are more 'open'.

In 2008-2010, the scope of ALMP expanded but it shrank alarmingly in 2011 (Table 4). In 2011, the number of ALMP participants amounted to 323.3 thousand (12.6% of the total number of registered unemployed), while it reached as many as 804 thousand in 2010 (27%), 697 thousand in 2009 (26%) and 668 thousand in 2008 (24%). Only 110.8 thousand unemployed, or 5.3% of the total number of the registered unemployed⁴¹, took subsidized job. It was by 56.8% less than in 2010.⁴² All other forms of ALMP weakened even more significantly. Participation of the unemployed in training courses reached 53.4 thousand (annual decrease by 70.5%), in public works 22.8 thousand (decrease by 69.5%), in the intervention works 28.3 thousand (decrease by 'only' 34.2%), apprenticeships 109.1 thousand (decrease by 63.4%), business grants 10.0 thousand (or by 65% less than in the previous year). These 2011' decreases go in line with the state budget restrictions that regard Labour Fund expenditures on activation measures. In 2011, expenditure of the Fund on ALMP amounted to PLN 8.8 billion (€ 2.2 billion), compared to 12.8 billion in 2010, over 11 billion in 2009, and around PLN 5.5 billion in 2008.⁴³

Policies mixing labour and social inclusion

Policies mixing labour and social inclusion measures are designed for the extremely excluded population, in need of a comprehensive support. Target groups are limited to the long-term unemployed, drug or alcohol addicts, the disabled, the homeless under special social inclusion programmes, mentally ill, refugees under special integration programmes and some others. They are set by the Act on the Promotion of Employment and Labour Market Institutions of 2004, the Act on Social Employment of

⁴¹ Ratio to the number of registered unemployed at the end of 2011

⁴² At the same time the number of the unemployed who took "regular" job increased by 10%, from 927.2 thousand in 2010 up to 1019.9 thousand people in 2011.

⁴³ 2009-2011: expected state budget execution (source: State budget); 2008: draft budget of the Labour Fund

2003, and the Act on Social Cooperatives of 2006⁴⁴. Relevant measures are implemented by (i) centres for social inclusion (*centra integracji społecznej, CIS*) and clubs of social inclusion (*kluby integracji społecznej, KIS*), (ii) supported works (*zatrudnienie wspierane*), (iii) social-cooperatives (*spółdzielnie socjalne*) and involve both social and labour market inclusion oriented activities, combining vocational and social trainings, providing courses etc. Social co-operatives are more "labour-rooted" for their members can undertake regular economic activities. The government supports establishment of the just listed social and labour inclusion institutions launching special programmes and – in general – promoting development of the social economy.

Main programmes implemented in recent years are addressed to local governments and non-governmental organisations. Two long-term programmes are certainly the most important. "Operational Programme Civic Initiatives Fund for 2009-2013"⁴⁵ is aimed at the development of civic society. It assumes five priorities in this area – such as "Development of social entrepreneurship", "Social integration and activation; Social security" – and the total financing (by the government exclusively) at the minimum level of PLN 60 million (EUR ca. 15 million) per year. Another programme "Active Forms of Counteracting Social Exclusion"⁴⁶ is scheduled for 2011-2015 and is more focused on labour inclusion activities. It is aimed at supporting the development of the centres for social inclusion and social inclusion clubs and it carries three components: (i) strengthening the role of social employment establishments as partners of social assistance centres and labour offices; (ii) strengthening cooperation of social inclusion centres and clubs and other actors by their consolidation into the Platform; (iii) promotion of good practice examples in the area of social inclusion. In 2011, the first component received financing at the level of PLN 1.4 million for 20 projects plus PLN 2 million for 19 local labour activation projects in the field of social housing. The second component is implemented by one project at the cost of only PLN 49 thousand.

Promotion of the social economy is visible thru the regular activities of the special government agencies (ministerial departments, cross-institutional councils⁴⁷), programmes based on specific legislation (Act on Public Benefit Works and Volunteering of 2003, amended in 2010⁴⁸), as well as thru the tasks assumed by relevant strategies (NRP 2011 and 2012, Human Capital Development Strategy).

Results of these policies are rather positive, at least as regards the number of established centres, clubs and cooperatives. In recent years, the number of centres for social integration has been growing although it remains low (59 at the end of 2009, 70 at the end of 2010). At the same time, the number of clubs has stabilized

44 Ustawa z dnia 14 kwietnia 2004 r. o promocji zatrudnienia i instytucjach rynku pracy, (Dz.U. № 99, item 1001), Ustawa z dnia 13 czerwca 2003 r. o zatrudnieniu socjalnym (Dz.U.№ 122, item 1134), Ustawa z dnia 27 kwietnia 2006 r. o spółdzielniach socjalnych (Dz.U. № 94, item 651). All – as amended

45 Program Operacyjny "Fundusz Inicjatyw Obywatelskich", or PO FIO, <http://www.pozytek.gov.pl/files/pozytek/PO%20FIO/PO%20FIO%202009-2013.pdf>. Its predecessor operated as the government programme in 2005-2007.

46 Program „Aktywne formy przeciwdziałania wykluczeniu społecznemu” Edycja 2011-2015 www.mpips.gov.pl

Information on financing in 2011 – see <http://www.mpips.gov.pl/aktualnosci-wszystkie/pomoc-spoeczna/>. Notice that this programme was effective in the past as well.

47 Department of Public Benefit (Departament pożytku publicznego) in MoLSP, Public Benefit Works Council (Rada Działalności Pożytku Publicznego) - see www.pozytek.gov.pl

48 Ustawa z dnia 24 kwietnia 2003 r. o działalności pożytku publicznego i wolontariacie, Dz.U. 2010, Nr 234, item 1536 (consolidated act), as amended. Programmes implemented in 2011 within HCOP include, for instance, Integrated System of Supporting Social Economy (Zintegrowany system wsparcia ekonomii społecznej) – a large project implemented at the central level, scheduled for 2009-2013, a small local one Development of Civil Society (Rozwój Społeczeństwa Obywatelskiego) – a two-year project established in 2011 and run by Zachodniopomorskie Forum Organizacji Socjalnych.

(about 300 in 2007-2010) but that of social cooperatives has increased considerably: from about 40 at the end of 2005, to 220 in 2009 and to ca. 450 at the end of 2011⁴⁹.

Labour activation of the disabled

Although people with disabilities are treated as one of the priority groups in receiving support through KIS, CIS as well as through regular ALMP, they are also covered by specific labour market policies. They pursue the Act on Vocational and Social Rehabilitation of the Disabled of 1997⁵⁰ and include both labour instruments, such as special wage subsidy paid to the employers (rules and rates have been changing), establishment and (co)-financing of sheltered enterprises, co-financing work stations, organizing workshops and trainings, and social inclusion measures, such as support for education (stipends), for medical treatment, for transportation vehicles, removing architectural barriers, and alike. Access to labour activation measures depends on the degree of disability of applicants (should be legally approved). For instance, the rate of the wage subsidy is higher if people with higher disability degree are employed, sheltered employment is not designed for people with low degree of disability, etc.

Labour activation measures were revised at the end of 2008. Modifications became effective in 2009 and they consisted in the adjustment of the Polish rules to the EU regulations (some consolidation of job subsidies, higher rates of these subsidies, larger catalogue of subsidised labour costs, and some others).

All labour and social activation measures for the disabled are financed by the State Fund for Rehabilitation of the Disabled Persons (*Państwowy Fundusz Rehabilitacji Osób Niepełnosprawnych, PFRON*)⁵¹. In 2009-2011, the Fund amounted to PLN 4.3-4.5 billion a year (slightly declining), or approximately 0.3% of GDP, and it is supposed to spent PLN 5 billion in 2012 (Table 5). Its expenditure reflects importance of the measures supporting employment and social inclusion of the disabled, and therefore it is worth studied.

Wage subsidy paid to the employer in respect of the employment of the disabled workers, both in the open and protected market, is the most important instrument. It takes about 50% (2009) to 70% (2012) of the total PFRON expenditure. Transfers to regional (*powiat* and *voivodship*) governments for covering their tasks – establishment and co-financing of work stations for the disabled, organizing workshops, financing medical appliances, etc. – go next. They make 15%-18% of the total. Other measures include: financing social contributions, compensation for lost tax revenues of the local governments (*gminas*), co-financing of the projects implemented through the ESF supported Human Capital Operational Program, establishment and co-financing enterprises in the protected segment of the labour market aimed at activation of people with severe (occasionally - medium) degree of disability, and some others.

Effectiveness of measures designed for labour and social activation of the disabled is debatable. Each year, PFRON supports employment of over 200 thousand disabled (203 thousand at the end of 2008, 267 thousand at the end of 2010)⁵² or about 40%

49 MPiPS (2008) *Polska 2008. Raport o rynku pracy i zabezpieczeniu społecznym* p.131, MPiPS (2010), *Polska 2010. Raport o rynku pracy i zabezpieczeniu społecznym* p.160, MPiPS (2011), *Polska 2011. Raport o rynku pracy i zabezpieczeniu społecznym* p.152 – all available at www.mpips.gov.pl – and Pełny zapis przebiegu posiedzenia Komisji Polityki Społecznej i Rodziny (nr 17) z dnia 15 marca 2012 <http://orka.sejm.gov.pl/zapisy7.nsf/0/454FC769948ADFF4C12579CD002CE6BF/%24File/0034707.pdf>,

50 Ustawa z dnia 27 sierpnia 1997 r. o rehabilitacji zawodowej i społecznej oraz zatrudnianiu osób niepełnosprawnych, Dz.U. 2011, Nr 127, item. 721 (consolidated act), as amended.

51 The Fund is made of the employers' contributions paid in case the share of the disabled workers they employ is too low (exact quotas and are set by the law and depends on the size of the enterprise).

52 MPiPS (2011), *Polska 2011. Raport o rynku pracy i zabezpieczeniu społecznym*, www.mpips.gov.pl Tab.15

of the total employment of the disabled reported by LFS. But although the number of disabled employed in the open market with the PFRON support is significantly growing (39 thousand in 2008, 69 thousand in 2010) most of the PFRON beneficiaries remain in the protected part of the labour market: 164 thousand in 2008, 198 thousand in 2010. This type of (sheltered) employment is not the best way of social inclusion of the disabled; neither does it improve their material or social conditions in a significant way. Therefore, the government intends to strengthen employment of the disabled in the open labour market. Employment related policies are discussed, for instance, in the National Action Plan for Employment 2012-2014 (NAPE)⁵³. With respect to the disabled, NAPE 2012-2014 assumes development of labour inclusion measures already effective, pursuing the Act on the Vocational and Social Rehabilitation of the Disabled of 1997, as well as implementation/continuation of some specific programmes.

2.3 Access to quality services

Childcare

Current changes regarding childcare provision seem really important. They redesign substantially the actual system. They are based mainly on two laws: Act on child care institutions for children at the age up to 3 years, of February 2011 (effective since March 2011) and Act on providing support for the families and substitute parental care of July 2011 (effective since January 2012).⁵⁴ Legal framework regarding care and education of children aged 3-6 has also been somehow changed, mainly as regards financing of kindergartens by the local government and the forms of care (in general - less restrictions).

The law on care institutions for children up to 3 years old assumes a number of new solutions and measures. The most important include: responsibility for public childcare (legislation, standards, etc) is moved from the Ministry of Health to the Ministry of Labour and Social Policy; new forms of care – such as mini-nurseries, support for nannies – are envisaged; new rules of financing are established etc. So far, the implementation of these new instruments has not been very successful. First, there is no great interest in the new forms of care (say, private nurseries or professional nannies). Second, local governments have increased considerably fees for services of kindergartens. This has led to serious tensions (see media, ministry websites). The government tried to solve this problem and induce price reduction. This, however, has faced some legal barriers.

The law on support for the families and substitute parental care sets clear rules allowing for the development of foster families (in place of institutions). It also strengthens the role of family assistants (assumed by the Act on Social Welfare) and this should lead to their more effective work with dysfunctional families.

New legal solutions regarding childcare are supported by special programmes. In 2011, the following ones operate⁵⁵.

The most important programme accompanying the new laws, called "The Kid" (*Maluch*), was launched by the Ministry of Labour and Social Policy in January 2011. Scheduled for 2011-2013, it is aimed at supporting development of various forms of childcare. The Programme offers financial support for the development – establishment and/or equipment – of local childcare facilities (nurseries, mini-

⁵³ Krajowy Plan Działania na rzecz Zatrudnienia na lata 2012-2014 (KPDZ is the Polish acronym), draft of April 2012 by the Ministry of Labor and Social Policy available at www.mpips.gov.pl. This is the most recent edition of the NAPE submitted regularly for one- or two-year periods, since 2004

⁵⁴ Ustawa z dnia 4 lutego 2011 o opiece nad dziećmi do lat 3 (Dz.U. № 45 item 235), as amended and Ustawa z dnia 2011 r. o wspieraniu rodziny i pieczy zastępczej

⁵⁵ All information are from the Ministry of Labour and Social Policy website www.mpips.gov.pl

nurseries and childcare rooms) for children aged less than 3 years. It assumes co-financing of the establishment of 277 care facilities, adaptation of 1670 premises and equipment of 2540 nurseries/care rooms. The programme will be implemented by projects selected through tenders. It will receive solid financing from the state budget (through MoLSP) at the level of PLN 40 million (approx. € 10 million) in 2011, PLN 60 million (€ 15 million) in 2012, and PLN 90 million (about € 22.5 million) in 2013. Similar to Maluch is the programme aimed at supporting the development of substitute parental care (foster families). It looks smaller and is set only for 2011.

Another one called „Day Care Room – Children – Work” (*„Świetlica – Dzieci – Praca” na rzecz wsparcia dziecka i rodziny w gminie*), scheduled for 2011-2015, was approved by the Ministry of Labour in December 2010. It is aimed at promoting activities of local day care centres for children and youngsters from families which are at risk of social exclusion due to some dysfunctions (alcoholism, drug addiction, domestic violence, others). It operates by projects selected through a tender and is financed by the state budget via MoLSP at the annual (2011) level of PLN 800 thousand (approx. € 200 thousand). In July, 20 projects were selected and they are supposed to last 12 months each. Financing of this programme is not impressive. Its predecessor, called “Day Care Room, Work and Internship – Socio-therapy in *gminas*” (more oriented towards rural areas) which operated in 2006-2010, received the same budgetary transfer in nominal terms. So in real terms, the programme is shrinking.

Housing support

Access to housing and housing facilities is supported thru targeted and universal policies in Poland. The former consider low income households, families with children, the young without own accommodations who face difficulties in receiving and/or paying housing loans, people forced to leave their dwellings (given insecure conditions, extreme overcrowding, evictions, etc), the homeless, immigrants looking for asylum and others. Universal policies involve rules of financing dwellings’ construction (by municipalities, cooperatives and other entities), setting rental contracts, clarifying ownership issues etc. Despite the government intention to revise some regulations or to submit comprehensive strategy of housing support (see: NSR 2008-2010, NRP), no major changes have been introduced in the last years. Some modifications concerned of the government programme of subsidies for credit repayments and they also regarded eviction rules (as of 2012).

As in the past, low income households may benefit from the means-tested housing allowance⁵⁶, a right to municipal dwelling with a strictly controlled rent, and from some advantageous credit rules for purchasing flats provided by Low-Cost Housing Companies (*Towarzystwa Budownictwa Społecznego, TBS*). Families with no own flats receive support for the credit repayment within the programme “Family on its own” (*Rodzina na swoim*). During the crisis, home loan subsidies for laid-off individuals were additionally implemented as an emergency measure set within Stability and Development Plan of 2009.

Effectiveness of these measures is debatable. Emergency housing support for the laid-off turned out to be a failure⁵⁷. The number of municipal dwellings diminished from 1.1 million or 8.9 % of the total housing stock in 2007 down to 1.0 million or 8.0 % of the

⁵⁶ See sub-section 2.1 of this report

⁵⁷ This issue was discussed in detail by the third report submitted at the end of 2010 referring to the information from the bank which administered the loan supporting programme (Bank Gospodarstwa Krajowego) quoted on <http://www.kredyciak.pl/hipoteczne/28-pomoc-w-sp-acie-kredytu-mieszkaniowego-po-utracie-pracy.html> and http://wyborcza.biz/biznes/1,101562,8848479,Drogi_frank_winduje_raty_kredytow.html

total stock in 2009.⁵⁸ Moreover, municipal dwellings are still rather poorly equipped and maintained and they are often occupied by households of a good financial standing. At the same time, the number of TBS owned flats slightly increased (from 67.7 thousand of flats or 0.5 % of the total stock of dwellings to 79.3 thousand or 0.6 % of the stock). But altogether TBS stock remains negligible. In fact, as the recent discussion shows (media, websites), TBS are supposed to be liquidated and replaced by some new institution.

The only measure that proved quite effective is "Family on its own". Launched in 2006, it targets households of a given status (no own house, families with children are preferred), providing state support for interest repayments, under strict limits of price and floor area.⁵⁹ Exact rules were changed over time several times, making the programme in fact more restrictive. Nevertheless, it became more and more popular. In 2009, the number of subsidized loans reached 30.8 thousand or one fifth of the total. Moreover, while the overall number of housing loans declined abruptly (by over 30%), "Family on its own" expanded: more than four times in terms of individuals supported and more than six times in terms of money value of loans. In 2010-2011, this expansion continued. Annual 2010 figures reached 43.2 thousand and PLN 8.1 billion, respectively. In the three quarters of 2011, 41.9 thousand loans were already granted at the total value of PLN 8.5 billion.⁶⁰ The government, however, has radically curbed down "Family on its own", with the amendment of July 2011. The amendment expanded eligibility to the single persons but at the same time it imposed more strict restrictions as regards age of the beneficiaries, surface limits and others. Moreover, it assumed that the programme will end. New applications will be accepted only till the end of 2012⁶¹ and it is hard to say what would replace this housing support programme. Government housing programmes submitted in 2010 are not clear on this issue.⁶²

Social housing and support for the homeless

Policies and programmes targeted at people deprived of regular accommodation are different. Major support offered includes social and protected housing as well as service provision for the homeless. A special treatment is provided for pregnant women, single mothers and women-victims of domestic violence. Specific programmes and measures are derived from three laws: Act on Tenant Protection and on Municipal Housing Stock of June 2001, on Financial Support for Setting up Social and Protected Apartments Night Shelters and Accommodation Centres for the Homeless of December 2006, and Act of on Social Welfare of 2004 (all: as amended).

Act of 2001 sets rules for rent regulation, tenancy contracts and evictions, clarifies obligations of municipalities for financing and administering their stocks of dwellings, including social housing. Social housing is defined as a dwelling of the lowest acceptable standard, of usable floor area at least 5 sq m per resident person (10 sq m – if tenant is a single person). It is devised for the poorest who face extreme housing

⁵⁸ Data in this paragraph are from GUS (2010), *Statistical Yearbook of the Republic of Poland 2010*, Table 16 (221)

⁵⁹ Ustawa z dnia 8 września 2006 r. o finansowym wsparciu rodzin w nabywaniu własnego mieszkania (Dz.U. Nr 183 item 1354, as amended). More information may be found at www.rodzinaswoim.net.pl or on the websites of participating banks

⁶⁰ 2008-2010 data are from <http://www.zbp.pl/site.php?s=MDAwMzE5&a=MTMyODA3NjI=>, 2010-2011 from AMRON-SARFiN reports 4/2010 and 2/2011 available on www.zbp.pl

⁶¹ Information quoted from the report of AMRON-SARFiN N° 3/2011

⁶² Programmes available on the Ministry of Transport, Construction and Infrastructure website www.mi.gov.pl

problems but local authorities often use social dwellings as “emergency flats” (in case of a destruction of a building due to natural disaster, for instance) or for the evicted.

The stock of social housing is small and insufficient, although it has considerably increased in recent years. At the end of 2009, there was over 61 thousand social flats altogether (5.8% of the whole municipal dwelling stock), compared to 57 thousand (4.9% of the municipal stock) in 2007 and almost 50 thousand (4.1%) in 2005.⁶³ Experts estimate that the deficit of social housing reaches 125-130 thousand of flats. At present, the stock of social flats is probably higher but it does not seem that the deficit shrunk.

The homeless (the roofless, houseless and alike) are usually not provided with social housing in Poland. According to the Act on Social Welfare, the homeless should be accommodated in night shelters, hostels, warming-up rooms, etc. Besides, they can use bathrooms and washing facilities, receive basic medical consultations, food and clothing at the distribution stations, etc. Women with children, single mothers and pregnant women, especially if they are victims of domestic violence, may be accommodated in special “homes for pregnant women and mothers with children”. Persons who leave caring or correctional institutions (mainly the young) should be provided with so called protected flat intended to help them in the adaptation to everyday life.

According to MoLSP statistics, there were 201 accommodation facilities for the homeless at the end of 2010, financed by local / *gmina* governments and by others institutions.⁶⁴ They offered over 7.8 thousand places to stay and hosted 21.3 thousand individuals during the year. In 2008 -2010 these figures were higher as regards facilities (2008: 215 shelters, 8.0 thousand places) but they were lower as regards the number of the homeless hosted (2008: 16.6 thousand). In fact, the number of people who found accommodation in 2010 is surprisingly high and possibly it cannot increase further if the number of accommodation facilities does not increase.

Most service provision just listed remains the responsibility of the lowest level of the local government (*gmina*) but it is co-financed by the state budget. Since 2006, this is in part done through the programme “Return of the Homeless to the Community” designed and administered by the MoLSP.⁶⁵ In April 2010, its implementation procedures were changed and it was renamed into “Support for the Return of the Homeless to the Community”. From the very beginning, the programme spent annually PLN 5 million (currently less than € 1.2 million), so funding in real terms declines. Projects aimed at assistance, re-integration and activation of the homeless are financed, in many cases thru individual programmes of getting out of homelessness. It also supports activities of many NGOs working for the homeless: running shelters, distributing food and clothing etc (Caritas, Saint Albert Foundation, Barka Foundation and many others). The beneficiaries are mostly men (about 80% of the total) since the homelessness is predominantly a male problem.

In January 2009, draft of the National Programme for Escaping the Homelessness and the Development of Social Housing for 2009-2015 was submitted by the MoLSP, setting the following priorities: improvement of data collection related to the homelessness; elaboration and implementation of adequate standards of social work with the homeless; re-integration and professional activation of the homeless; and modification of the legal framework for financial support in the field of social housing.

⁶³ GUS (2006, 2008, 2010), *Gospodarka mieszkaniowa w (2005, 2007, 2009) r.*

⁶⁴ All statistics come from the MoLSP reports *Sprawozdanie MPiPS-03-R* available on www.mpips.gov.pl (Dział 6A). Notice that there are also facilities of various types run by NGOs which are not included.

⁶⁵ Consult the website www.mpips.gov.pl

But at the beginning of 2010 information on this draft disappeared from the MoLSP website. It seems that it will not be finalized or implemented.

Life-long learning

Since years, the need for development of life-long learning (LLL) has been indicated in various official documents and it has been widely supported by Human Capital Development Programme (ESF financed). It is mentioned in NSR 2008-2010, in the report "Poland 2030", in current NRPs as well as in the Human Capital Development Strategy. Specific programmes are included every edition of the NAPE, they are developed by the programme Solidarity Across Generations aimed at the activation of people 50+, as well as by the just established Government Programme for Activation of the Elderly, 2012-2013.⁶⁶

The Ministry of Labour and Social Policy is involved in supporting and promoting the idea of lifelong learning, mainly as one of the active labour market measures. In fact, the Act on the Promotion of Employment and Labour Market Institutions regulates organization and financing of training for the unemployed and the job-seekers. The Ministry of Education (*Ministerstwo Edukacji Naukowej, MEN*) treats LLL as a segment of the educational system. Since 2003, the Ministry has been implementing the Strategy for the Development of Continuous Education until 2010.⁶⁷ So far, neither ALMP nor the MEN activities that regard LLL have been successful. The only, it seems, significant success regards achievements of the Universities of the Third Age [*Uniwersytety Trzeciego wieku, UTW*].

Recently, a new strategy of LLL development has been submitted by the Ministry of Education: Life-long Learning Perspective (*Perspektywa uczenia się przez całe życie*)⁶⁸ and it has been quite well received by the experts.

Health and long-term care

Since years, provision of healthcare and long-term care (LTC) remains unsatisfactory and it does not seem it will improve in the near future.

Major problems of the **healthcare** sector are well recognized. For years, under-financing goes together with a questionable organisational structure (problems of ownership and management of hospitals), under-equipment and insufficient number of some specialists (anaesthesiologists, cardiologists, geriatricians, neurologists and many others) due to the organisational and financial deficiencies, medical schools' curricula and/or emigration. All this leads to shortages and poor quality of the public healthcare. In 2012, yet another problem emerged, this time it is related to the rules of financing medicines on prescription, leading to the tensions and protests of doctors and making the access to drugs more difficult than in the past. This however may be temporary.

In the last years, various steps were undertaken to improve healthcare provision. In 2007, so called guaranteed package of medical treatment (*koszyk świadczeń gwarantowanych*) was first published, indicating medical services that should be

66 Rządowy Program na rzecz Aktywności Osób Starszych 2012-2013, draft submitted in June 22, 2012

67 MENiS (2003), *Strategia rozwoju kształcenia ustawicznego do roku 2010*, MENiS Warsaw.. See the Ministry of National Education, MEN (at that time Ministry of Education and Sport, MENiS) website www.men.gov.pl.

68 Draft submitted in 2011, available on the Ministry of Education website www.men.gov.pl . See also information by EURYDICE <https://webgate.ec.europa.eu/fpfis/mwikis/eurydice/index.php/Poland:Overview>

financed entirely out of the public funds (National Health Fund, *Narodowy Fundusz Zdrowia*, NFZ). In 2011, in order to make public hospitals more efficient, the law inducing hospitals to turn their legal status into commercial law companies owned by the local governments (questioned by some experts).⁶⁹ At the same time, four others regulations were approved within so called "healthcare package", namely (i) on the information system in the health sector, (ii) on physicians - on their working hours, internships and competence exams, (iii) on financing medicines and (iv) on patients' rights.⁷⁰ Additionally, the government has opened a debate on the implementation of the additional (private, voluntary) health insurance but it has not resulted in any important changes. In 2012, plans for the digitalization of the documents related to health insurance and medical treatment have also been announced but it is hard to say how successful their implementation will be.

So far, the impact of the 2011 regulations has not been positive. Commercialized hospitals are still falling in debt, waiting lines of patients are long, and shortages remain painful. Some improvement is visible as regards access to the primary care, to some specialists (not so common), and to private service provision (often financed by NFZ). But in general, lack of progress is noticed (oncologic treatment, orthopaedic and geriatric care, reproductive health, and many others).

Overall expenditure on the healthcare is low, although it has slightly increased in recent years. In 2008, public expenditure (current expenses only) amounted to 4.72% of GDP, private to 1.82%. In 2009, these ratios were slightly higher reaching 4.97% and 1.91%, respectively (Table 6). It seems that they could also increase in 2010-2011. In fact, the National Health Fund spends (in nominal terms) each year more: PLN 56.7 billion in 2009, PLN 58.4 billion in 2010, PLN 61.1 billion in 2011, and it assumes spending PLN 63.4 billion in 2012.⁷¹ Private expenditures – both out of pocket and thru private health insurance plans – have increased, too.⁷² Nevertheless, health expenditures remain considerably lower in Poland than in most European countries. All this indicates that although in recent years' service provision might have improved it cannot be fully satisfactory.

Contrary to the healthcare, **long-term care** (LTC) provision has not undergone any visible modifications although for years the need for improvement has been widely discussed. Some steps for drafting a LTC strategy was undertaken in 2007, and in fact such as strategy was drafted by a special team set up by the Ministry of Health⁷³. It does not seem, however, that this document has been widely discussed, completed and approved. At the same time, research projects were numerous and some legislative initiatives may be found as well. One should mention the report on LTC⁷⁴, submitted in 2009 by the Working Group, affiliated to the parliamentary club of the Civic Platform senators, set up for drafting the law on insurance against the risk of LTC. So far, such a draft law has not been submitted.

69 Ustawa z dnia 15 kwietnia 2011 o działalności leczniczej (Dz.U. № 112, item 654)

70 Ustawa z dnia 28 kwietnia 2011 o systemie informacji w ochronie zdrowia (Dz.U. № 113, item, 657), Ustawa z dnia 28 kwietnia 2011 o zawodzie lekarza i lekarza dentystry (Dz.U. № 113, item, 658), Ustawa z dnia 28 kwietnia 2011 o zmianie ustawy o prawach pacjenta i rzeczniku praw pacjenta... (Dz.U. № 113, item, 660) and Ustawa z dnia 12 maja 2011 o refundacji leków.... Dz.U. № 122, item, 696),

71 NFZ (2010 and 2011), Sprawozdanie z działalności Narodowego Funduszu Zdrowia za 2009 [2010] rok, Table VI.2 and final financial plan of NFZ for 2012 – all available on the website www.nfz.gov.pl

72 *Diagnoza Społeczna 2011*, section 4.7 www.diagnoza.com

73 *Strategia rozwoju systemu opieki geriatrycznej i rozwiązań pozwalających poprawić jakość opieki nad osobami starszymi w systemie ochrony zdrowia (Strategy for the development of geriatric care system and of arrangements to improve care for the elderly within the public healthcare system) prepared by the Team for Geriatrics.*

74 *Long-term care in Poland. Description. Diagnosis. Recommendations (Opieka długoterminowa w Polsce. Opis, diagnoza., rekomendacje) of 2009.*

As in the past, long-term care is administered by two branches of the government, health and social security, and this arrangement is debatable. LTC may be granted in the form of in-patient or out-patient service, and in this respect government institutions are widely supported by non-government organisations. In this respect, nothing has changed over the last years. Care is provided almost uniquely by women, both within the public LTC system and – importantly – off this system as well. As in many countries, LTC is often granted by immigrant women but typically it is provided by relatives. In 2010, incentives encouraging intra-family provision of care for the disable and elderly have been reinforced (removal of the income test for the nursing benefit - see section 2.1) and this arrangement led to the rapid increase of the number of nursing benefits paid.

Over the last years, development of LTC was ambiguous. In 2007-2010, the number of residents of LTC facilities established within the health care system increased by over 16%, from about 21,100 up to 24,500⁷⁵. At the same time, the number of LTC beneficiaries receiving in-patient care within the social assistance system increased as well (from 96,700 in 2007 up to 101,200 in 2010)⁷⁶. However, quality of service apparently worsened. The number of residents of the social assistance care homes per one care-giver increased drastically. In the case of doctors, from 372 to 427, nurses – from 12.5 to 13.4, physiotherapists – from 84.6 in 2007 up to 90.0 in 2009⁷⁷. In 2008-2010, provision of the out-patient LTC granted within the social assistance system worsened as well. In 2009, the number of beneficiaries (101.4 thousand) was by 1.2 % lower than in 2008 (102.7 thousand), and 2010 has shown further decline by 2 % (99.4 thousand)⁷⁸.

3. Financial Resources

3.1 Allocating national resources

Financing of the active social inclusion policies and programmes set within the three strands specified by the EC remains incoherent. In other word, there are no specific social budgeting rules allowing it to ensure adequate levels of expenditures and to coordinate spending that regards income support, inclusive labour markets and accessible quality services in a longer perspective. In fact, this is a clear consequence of the lack of effective comprehensive social inclusion strategy.

Social budgeting and its limited role

Yet at the end of 1990s, the Ministry of Labour and Social Policy together with the Gdańsk Institute for Market Economics (*Instytut Badań nad Gospodarką Rynkową, IBnGR*) developed a simulation model of setting medium and long-term social budgets for Poland, following the ILO methodology. The model allowed for predicting and analysing the overall level of social expenditure in a given time perspective, as well as its breakdowns by selected areas, under different scenarios. Its 2003' version was used for the throughout discussion of social spending in the Strategy of Social Policy 2007-2013.⁷⁹ However, this tool of social budgeting has been abandoned. Social

75 GUS (2009, 2010, 2011), *Podstawowe dane z zakresu ochrony zdrowia w 2008 (2009, 2010) r*, www.stat.gov.pl, tables 42, 46 and 64 and own computation.

76 GUS (2008), *Podstawowe dane z zakresu ochrony zdrowia w 2007 r*, www.stat.gov.pl table 6(55) and GUS (2012) *Social assistance – Infrastructure, beneficiaries, benefits in 2010*, www.stat.gov.pl table 56

77 GUS (2011), *Pomoc społeczna w Polsce w latach 2005-2009*, www.stat.gov.pl, table 12. p.61.

78 MoLSP statistics available at www.mpips.gov.pl

79 See chapter V of the Strategy. See also footnote 1 of this report for more information on this strategy

budgets based on the ILO approach cannot be found in the government strategic documents produced after 2008. NSR 2008-2010 refers to a similar type of statistical forecasts of social expenditures, this time made by the EU agencies.⁸⁰ But figures that are displayed in NSR are not paid special attention and they are not further investigated or discussed.

Subsequent strategic documents, such as Poland 2030, NRP or Human Capital Development Strategy, do not display any information on the overall expenditures needed for the implementation of the proposed policies. They refer to the financial issues only occasionally, discussing specific programmes.⁸¹ In fact, such an approach seems to be the general rule. Polish strategies identifies challenges, set priorities and sometimes indicate targets, proposes policies, enumerate agencies for their implementation but they do not approach financial aspects of the strategy implementation.

Current rules of financing and their changes

Rules of the fund allocation for regular social inclusion policies and for specific programmes are somewhat different. Moreover, their development after 2008 looks different as well. While financing of programmes has been rather stable this has not been the case as regards spending on standard social policies.

Social inclusion programmes are often multi-thread and they may entail cross-financing, involving funds of various government units (ministries), contributory funds (such as labour or social insurance funds) and frequently international resources (mainly EU structural funds). Non-public support of programme participants (NGO sector) is also quite common. Many programmes are medium-term and this necessarily requires a longer perspective of funding. In a majority of cases, exact levels and sources of financing are indicated, especially if they assume using international funds. In recent years, such an approach has not changed.

This can be seen through the examination of various active social inclusion programmes implemented recently. For instance, the programme Solidarity 50+ (Solidarity across Generations), launched in 2008 and scheduled up to 2015, assumed total financing at the level of PLN 12 billion (about € 3 billion), of which PLN 9.9 billion from the Human Capital Operational Programme, co-financed by the European Social Fund, and approximately PLN 2.1 billion from national funds (the Labour Fund). National Action Plans for Employment submitted since 2005, (currently scheduled for the three-year period of 2012-2014) also assume exact amounts of expenditures, indicating their levels and sources, both national and international. The same approach regards the programme scheduled for 2011-2013 and aimed at supporting development of institutional childcare called "The Kid". On the other hand, „Day Care Room – Children – Work” as well as successive waves of the programme "Active Forms of Counteracting Social Exclusion" do not fix any clear level of funding relying on the annual state budget (financing goes from the MoLSP reserve)⁸².

Regular policies (social assistance, family, housing and labour related support, as well as social services) are financed according to the ordinary legislation which clearly indicates the source of financing of every benefit: be it central budget, local budgets or extra-budgetary funds based on contributions. Additional funding (fees, some

⁸⁰ See NSR2008-2010, *Statistical Annex for chapters 1 and 2, Tables 21 and 22*

⁸¹ For instance, *Human Capital Development Strategy discusses funds' allocation in the context of the programmes aimed at the improvement of nurseries ("The Kid") and accessibility of kindergartens in rural areas.*

⁸² Chapter 2 provides more information on these programmes, including actual financial figures.

private/NGO funding etc) appears only occasionally. Fund allocation for regular policies is rather short-term. In most cases, especially as regards budgetary financing, it goes on the annual basis. All funds are clearly distributed across various government branches, pursuing respective legal acts, making separate government agencies responsible for planning and spending. Coordination across the main strands enumerated by the EC does not exist. Some changes of this approach have been initiated only recently.

New arrangements of financing that emerged after 2008 go in line with the public finance consolidation reforms⁸³ reflected in respective legislative acts. The key intention of these reforms was to better control and coordinate public spending allowing it to lower the public debt and the state budget deficit. Instruments used influenced fund allocation procedures and – to some extent – the level and structure of the current social expenditures.

Main strategic changes of public financing involved the increase of the role of multi-annual financial planning and of the fund allocation by tasks / functions rather than by budgetary sections. This has made financing of various policies – including active social inclusion policies – more comprehensive than it used to be in the past.

Since 2010, Multiannual State Financial Plans (MSFPs) are submitted each year, pursuing the Act on Public Finance of 2009.⁸⁴ MSFPs display revenues and expenditures of the state budget for four-year periods, setting also relevant target indicators for each specific function of the state. Annual budgets and fund allocation are constructed given the figures assumed by the Plans, and “standard” budgets set by sections are accompanied by the budgets set by tasks. MSFPs take into account objectives of the medium-term development strategies as well as directions of the social and economic policy of the Council of Ministers. They also consider respective fiscal rules and assume maximum levels of the government deficit, so they are quite restrictive. The first MSFP covered 2010-2013 and it was coherent with the National Development Plan 2007-2015. Currently, Multiannual State Financial Plan 2012-2015 is in force. Its assumptions reflect the recent NRP as well as integrated medium-term strategies.

At the same time, a variety of additional measures intended to curb-down the public spending or to raise revenues have been implemented. On the revenue side, the most spectacular steps influencing funding of the social inclusion policies include:⁸⁵ (i) In 2008, replacement of the early retirement system by more restrictive bridging pensions financed out of a separate contributory fund; (ii) In 2011, moving to the Social Insurance Institution a part of the old-age pension contributions collected by private open pension funds; (iii) Implementation of the health contribution for farmers, so far covered by the state budget – effective only in 2012, with a possible extension;⁸⁶ (iv) Starting from February 2012, the increase by 2 pp the employer part of the contribution rate for invalidity pension, up to the level effective before 2007; (v) Scheduled restrictions of the child tax credit, actually provided within the personal income tax system; Also, old-age pension reforms that would influence public spending in the future should be mentioned here: the increase and gender equalization of the retirement age for the employers, new pension rules for the

⁸³ They are discussed, for instance, in the Convergence Programme (see its updates after 2008).

⁸⁴ Ustawa z dnia 27 sierpnia 2009 o finansach publicznych, Dz.U. No 157, item 1240, article 108. Multiannual State Financial Plans (Wieloletnie Plany Finansowe Państwa) are available on the Ministry of Finance website www.mf.gov.pl

⁸⁵ Some policy measures listed in this paragraph are also discussed in chapter 2 of this report

⁸⁶ The contribution rate is low. It equals PLN 1 per hectare, per month and it regards only farmers whose farm land area is over 6 hectare. See Ustawa z dnia 13 stycznia 2012 r. O składkach na ubezpieczenie zdrowotne rolników za 2012 r,

military, policemen and related groups (draft law), as well as discussed reforms of the pension (and tax) system for farmers. The latter steps face very strong opposition and may prove difficult to be implemented.

There is also a visible government intention to limit or to postpone financing of a number activation measures (the most spectacular case of using resources of the Labour Fund), as well as to move some responsibilities to local governments or to the private sector (for instance, funding of hospitals, financing childcare and – in part – primary education). All this leads to certain tensions between central and local governments, or – in general – between social partners (government agencies, trade unions, individual participants).

Expenditure level

Actual level of consolidated expenditures on all active social inclusion policies is not provided in official materials. Nevertheless, statistical information by strand or by measure, both actual and planned, is available.

In a medium-term perspective, expenditures assumed by the Multiannual State Financial Plans are worth noticing. There are organized by function and five of them relates to active social inclusion, namely, "Social protection and family support", "Labour market", "Healthcare" and – in part – "Education and care" and "Urban planning, construction and housing". Classification used in MSFP does not allow detecting funds allocated for specific strands that fit the EC recommendations nevertheless examination of planned amounts may be instructive.

According the MSFP 2010-2013, for instance, state budget spending on "Social protection and family support" should reach PLN 84.10 billion in 2010 and 284.63 billion (or 348.73 billion overall, including funds etc) in 2011-2013. MSFP 2012-2013 assumes higher level of expenditures on the relevant social protection tasks: PLN 90.29 billion in 2012 and 292.05 billion (382.34 billion overall) in 2013-2015. On the other hand, MSFP 2012-2015 shows lower financial resources for labour market policies than MSFP 2010-2013. For the three years period the state budget should spend PLN 3.67 billion in 2011-2013 but only 3.45 billion in 2012-2015 (overall: 4.68 billion and 4.51 billion, respectively).

In fact, spending on labour market policies financed by the Labour Fund diminished considerably in 2011-2012, and expenditures of PFRON on activation of the disabled diminished in 2009-2011 but they increased in 2012 (Table 5). Financial resources allocated to social assistance were stable in 2008-2011 (Table 3). Family support diminished in 2008-2009, and – after an increase in 2010 – it felt in 2011 (Table 4). At the same time, public expenditures on healthcare was higher in 2008-2010 than in previous years but 2010 was worse than 2009 (Table 6). Public support for childcare increased but visible efforts of local governments to lower fund allocation for institutional care resulted in the increase of fees (2012) and serious tensions.⁸⁷

3.2 Use of EU Structural Funds

EU structural funds are widely used for co-financing active social inclusion programmes. In recent years, financing comes mainly from the European Social Fund allocating resources through the Human Capital Operational Programme set within

⁸⁷ Media reports and discussions

National Strategic Reference Framework 2007-2013.⁸⁸ HCOP assumes ten priorities, all clearly related to the development of human capital through the improvement of education, raising competences, trainings and alike. Almost all priority areas of the Programme relate to the active social inclusion, for instance: (i) Employment and social integration, (iii) High quality of education system, (vi) The labour market open for all, and (vii) Promotion of social integration. Importantly, some of them focus on the development of human resources in the regions, namely priority (viii) and (ix), and there is also one priority area that concern good governance.

HCOP financing thru ESF is substantial. It is clearly envisaged by the main document. "According to NSRF, the total value of financial resources involved in realization of the Operational Programme Human Capital in years 2007–2013 will be equal to 14.6% of all funds assigned to realization of Operational Programmes, which is [11.420 billion] EUR. In this amount, the value of allocation from the European Social Fund (...) will be about [9.707 billion] EUR, and the national input will amount to abt. [1.713 billion] EUR. Level of the national co-financing has been estimated to be on the minimum level, i.e. 15%"⁸⁹.

Until the end of June 2012, actual budget for HCOP projects amounted to PLN 29.291 billion / about €7.323 (all sources combined) or 64% of the total planned, and the number of projects supported reached 33,921.⁹⁰ HCOP projects are targeted, both, at people who can work and at those who cannot (disabled, elderly, uneducated immigrants) with a certain "bias" towards the latter group. Altogether, they ranged from the "miniscule" ones taking only 5,000-6,000 PLN up to the very large multi-period ones taking over PLN 300 million. At that time, the median funding per project was equal to about PLN 300 thousand /€ 75 thousand.

Projects approved in 2007-2008 absorbed less funds (PLN 6.405 billion) than those scheduled for the next two-year periods (PLN 8.047 billion in 2009-2010 and 14.838 billion in 2011-2012). Such an increase, however, has not reflected any new approach resulting from the EC recommendation but it resulted from the pressure to spent ESF funds within the given time limits.

4. Monitoring and evaluation

In recent years, monitoring and evaluation (M&E) of social inclusion policies seem more intensive than in the past. As a rule, M&E accompany projects / programmes co-financed by foreign institutions (EU, World Bank) but more and more purely national programmes are subject to strict monitoring, too. Evaluation, however, is still less common and somewhat under-developed.

Monitoring of the standard social inclusion policies

Monitoring of the standard social inclusion policies is carried out regularly. Government agencies responsible for policy implementation (ministries, social insurance institutions / funds) produce statistics and/or reports – annually and sometimes quarterly or monthly – and make them available to the wide public through the Internet. As a rule, these reports/statistics go by policy areas. Some areas are better monitored (income support by Social Insurance Institution; labour market

⁸⁸ All information about HCOP may be found on www.efs.gov.pl or www.kapitalludzki.gov.pl and through the MoLSP Ministry of Regional Development websites www.mpips.gov.pl, www.mrr.gov.pl. Information about other European Structural Funds in Poland is displayed on www.fundusze-strukturalne.gov.pl and also on www.mrr.gov.pl

⁸⁹ Ministry of Regional Development (2007), *Human Capital Operational Programme*, p.211

⁹⁰ Lista beneficjentów Programu Operacyjnego Kapitał Ludzki 2007-2013 – stan na 1 lipca 2012 r www.esf.gov.pl

measures) than the others (housing support, social services). More comprehensive figures are compiled by the Central Statistical Office. CSO monitors main national programmes, such as National Reform Programme Europe 2020, National Development Strategy or National Strategic Reference Framework, providing statistics related to social inclusion policies. Recently, CSO added to its publication list analytical reports on social assistance and family support and on pensions (unavailable in the past).

Social assistance, child benefits and ALMP are monitored by the Ministry of Labour and Social Policy or its agencies (in the case of labour market). Main reports are published annually and they are all available on the official website. They include the "Report on the labour market and social protection" (*Raport o rynku pracy i zabezpieczeniu społecznym*) and "Information on granting family benefits" (*Informacja o realizacji świadczeń rodzinnych*). Some statistical information on the labour market is also available every month (on registered unemployment, benefits granted, ALMP) or every quarter (LFS based figures), and current social assistance statistics are compiled and displayed on the MoLSP website every six months. The Ministry provides also monitoring reports on the implementation of certain active inclusion measures clearly required by legal acts. They regard, for instance, functioning of the clubs and centres for social inclusion or on the NGO role.⁹¹

In the case of regular active social inclusion policies, evaluation is really rare. There are MoLSP annual reports on the effectiveness of ALMP, published since 2008.⁹² They have some evaluation flavour. Each year, Supreme Audit Office (*Najwyższa Izba Kontroli, NIK*) carries out evaluation of the state budget execution, and rather occasionally – evaluation of selected social inclusion policies. In 2012, for instance, NIK submitted the report on housing policies. In 2010, one of its reports regarded social care homes. A number of other NIK reports related to social policies are available, too.⁹³ Usually, they focus on the financial aspects of policy implementation but they touch upon administrative issues as well. As a rule, they enclose policy recommendations which should be considered by relevant government agencies.

Monitoring and evaluation of social inclusion projects and programmes

Monitoring and evaluation that regards social inclusion projects/programmes financed or co-financed by foreign funds is better developed. In this case, M&E is assumed as a rule and sometimes special evaluation projects are implemented. Examples are numerous and quite spectacular.

For instance, monitoring and evaluation of the human capital development (focused on educational aspects, including participation in LLL) has taken a form of a large research projectscheduled for 2010-2014. The project is co-financed by ESF within the framework of HCOP and involves government and non-government partners.⁹⁴

M&E of the Social Integration Programme (*Program Intergracji Społecznej*), developed in the framework of the large Post-Accession Rural Support Project (*Poakcesyjny Program Wsparcia Obszarów Wiejskich*), scheduled for 2006-2010 and financed by the World Bank loan was really comprehensive. Its results were presented to the

91 See MPiPS (2012), *Informacja o funkcjonowaniu centrów i klubów integracji społecznej dla Sejmu i Senatu Rzeczypospolitej Polskiej* and MPiPS (2011), *Sprawozdanie o funkcjonowaniu ustawy o działalności pożytku publicznego i wolontariacie za 2009*.

92 MPiPS (2012), *Efektywność podstawowych form aktywizacji zawodowej realizowanych w ramach programów na rzecz promocji zatrudnienia, łagodzenia skutków bezrobocia i aktywizacji zawodowej w 2011 r is the latest report available*.

93 See the website of NIK www.nik.gov.pl

94 Study on Human Capital in Poland (*Bilans Kapitału Ludzkiego*), see www.bkl.parp.gov.pl

stakeholders and experts as well as to the wide audience (websites, seminars) in 2011.⁹⁵

5. Recommendations

Development of the comprehensive active inclusion strategy

In order to begin and support the process of developing integrated comprehensive active inclusion strategy, the following priority actions may be recommended.

1. Establishment of a coordinating unit. At present, such a unit does not operate. It may take various forms, for instance: (i) Task force gathering representatives of social partners, experts and stakeholders; (ii) A more solid administrative unit affiliated to the Prime Minister or settled within the structure of one of the ministries; (iii) There is also an option to equip one of the existing government agencies with necessary instruments and prerogatives. Whatever the arrangement is chosen, coordinating unit should necessarily consider wide participation of various actors.
2. Operationalization and development of the Human Capital Development Strategy. This strategy covers most aspects of active social inclusion questions. Therefore it may prove workable to use it as a base for drafting comprehensive social inclusion strategy, by amending and developing some of its parts.
3. Development of sectoral strategies / programmes. This may be seen as a supporting stage of drafting a single strategy of active social inclusion. Examples of well-developed segmental strategies, such as "Solidarity across generations", are encouraging. They might eventually be integrated into one comprehensive strategy, or become its alternative.

Priority actions per strand

Recommendations that regard priority actions for each of the three strands may look as follows.

Adequate income support

1. Revision of thresholds used for the income test. They remain unchanged for years and they should be adjusted as soon as possible.
2. Revision of the child support design. There are several rules that should be considered for revision: (i) very low benefit rate, (ii) questionable design of support in case of disability, (iii) targeting rules.

Inclusive labour markets

1. Improvement of activation measures targeted at the disabled people. It should involve strengthening the education system, job support and the revision of income support for the disabled (invalidity pensions and nursing benefits), leading necessarily to higher participation in the open labour market.
2. Strengthening activation measures targeted at the older people. This is especially important, given the increase of the retirement age that will begin in a few

⁹⁵ PPWOW (2011) Wyniki monitoringu i ewaluacji programu integracji społecznej (PPWOW) – 2007/2011, www.mpips.gov.pl PPWOW was implemented jointly by the Ministry of Labour and Social Policy, Agricultural Social Insurance Fund (Kasa Rolniczego Ubezpieczenia Społecznego, KRUS) and local governments of 500 gminas.

months. Possibly, the appropriate mix of measures should combine awareness campaign, health promotion as well as instruments allowing for conciliation of work and family life.

Access to social services

1. The issue of the long-term care should be approached. Years of discussions, seminars, reports and suggestions have not been turned into proposals of legal acts. They should be necessarily developed in the near future.

Actions at EU level

At the EU level, some redesign of the rules of ESF might be considered.

First, there are participants' suggestions that spending within HCOP should go beyond strict development of human capital (trainings, education, etc.), but it should also cover selected capital expenditures (say, on equipment). It seems that these suggestions should be carefully examined. Second, there is a need to ensure that long-term results of the projects supported by ESF are in fact visible. At present, the impact of the projects often disappears after their termination and this should necessarily be changed.

Tables with national statistics

Table 1. Social assistance benefit recipients, 2008-2011

thousand

	2008	2009	2010	2009	2010 ^e	2011 ^e
				First half	First half	First half
Total number of beneficiaries ^a	2 163.0	2 137.6	2 009.2	1 633.9	1 561.7	1508.86
<i>Of which ^b:</i>						
Permanent benefit	182.6	184.3	189.1	165.0	170.7	173.9
Temporary benefit	444.7	459.6	464.4	331.2	353.7	337.8
<i>Granted due to:</i>						
<i>Unemployment</i>	329.8	352.9	369.9	251.5	282.9	275.7
<i>Long-term illness</i>	53.7	51.4	45.2	31.9	28.5	25.4
<i>Disability</i>	57.8	55.7	49.6	38.3	35.7	31.2
<i>Problems in receiving other SS benefits</i>	2.3	2.1	1.8	1.1	1.1	0.9
Earmarked benefit (in cash or in kind) ^c	967.3	995.9	1 015.2	623.9	664.6	663.1
Shelter	11.6	14.0	14.2	10.0	10.0	10.6
Meal	959.7	896.1	865.3	729.9	703.5	680.7
<i>of which: for children</i>	856.1	792.9	759.0	651.3	624.5	599.6
Clothing	14.3	10.9	10.2	5.6	5.0	3.1
Care service ^d	102.7	101.4	99.5	86.7	83.3	83.8

Note:

^a "Total" include claimants who were assigned a benefit financed by central or local (*gmina*) governments (the sum of two items). Residents of nursing or care homes administered and (co-)financed by the social assistance at the higher level of local government (*powiat*) are not included

^b A recipient may be granted more than one type of benefit

^c The sum of seven types of benefit (all earmarked benefits plus some other financial support)

^d The sum of two types of benefits, both in the form of services granted at home. Additionally, in-patient long-term care is also provided

^e Data reporting for 2010 and 2011 differs from the previous years (this regards permanent benefits and benefits paid to non-Polish citizens)

Source:

MPiPS (2009 - 2012), *Sprawozdania roczne (półroczne) z udzielonych świadczeń pomocy społecznej - pieniężnej, w naturze i w usługach*, Dział 2A and 2B and own computation

Table 2. Expenditure on social assistance benefits, 2008-2011

PLN, million

	2008	2009	2010 ^e	2009 First half	2010 ^e First half	2011 ^e First half
Total	2 869 986	2 926 371	2 988 966	1 381 789	1 448 715	1 441 724
Benefit financed by the central budget ^a	1 321 847	1 303 159	1 318 084	640 663	674 014	680 006
Benefit granted by the local (<i>gmina</i>) budgets ^b	1 548 139	1 623 212	1 670 882	741 126	774 701	766 452
Of which:						
Permanent benefit	605 128	622 214	648 296	308 060	322 905	331 154
Temporary benefit	647 866	645 403	636 858	321 964	339 916	331 052
<i>Granted due to:</i>						
<i>Unemployment</i>	<i>510 407</i>	<i>512 332</i>	<i>529 070</i>	<i>258 888</i>	<i>284 969</i>	<i>282 281</i>
<i>Long-term illness</i>	<i>51 229</i>	<i>46 551</i>	<i>38 683</i>	<i>23 139</i>	<i>19 420</i>	<i>17 376</i>
<i>Disability</i>	<i>51 079</i>	<i>46 487</i>	<i>37 449</i>	<i>22 939</i>	<i>19 546</i>	<i>17 079</i>
<i>Problems in receiving other SS benefits</i>	<i>2 524</i>	<i>2 204</i>	<i>1 554</i>	<i>1 020</i>	<i>802</i>	<i>645</i>
Earmarked benefit (in cash or in kind) ^c	777 264	784 882	799 338	304 272	320 086	
Shelter	24 159	30 326	35 599	14 960	17 318	18 946
Meal	413 138	416 477	425 162	226 082	233 831	239 938
<i>of which: for children</i>	<i>335 889</i>	<i>331 141</i>	<i>335 950</i>	<i>187 496</i>	<i>192 150</i>	<i>194 913</i>
Clothing	3 238	2 345	2 679	805	1 822	319
Care service ^d	399 194	424 724	441 033	205 646	212 839	217 084

Note:

^a Commissioned to the local (*gmina*) governments (for permanent benefits and some care) plus subsidy for co-financing temporary benefits

^b Own (*gmina*) tasks, including partial financing of temporary benefits

^c The sum of seven items (all earmarked benefits plus some other financial support)

^d The sum of expenditures on two types of benefits

^e Data reporting for 2010 and 2011 differs from the previous years (this regards permanent benefits and benefits paid to non-Polish citizens)

Source:

MPiPS (2009 - 2012), *Sprawozdania roczne (półroczne) z udzielonych świadczeń pomocy społecznej - pieniężnej, w naturze i w usługach*, Dział 2A and 2B and own computation

Table 3. Family support, 2008 - 2011

	2008	2009	2010	2011
Recipients of family benefits (families, thousand)				
Total number of recipients	2 590.5	2 304.4	2 219.0	2 174.6
<i>Of which:</i> Recipients of means-tested benefits	1 944.0	1 712.4	1 540.7	1 417.2
Average number of benefits ^a (per month, thousand)				
Family allowance	3 768.3	3 314.9	3 303.3	2 767.7
Nursing allowance (<i>zasilek pielęgnacyjny</i>)	771.3	836.0	873.0	898.1
Nursing benefit (<i>świadczenie pielęgnacyjne</i>)	69.9	67.9	108.4	168.4
Birth grant ^b	412.5	413.9	413.3	412.4
Expenditures on family benefits (PLN, thousand)				
Family allowance	2 746.2	2 553.2	3 091.0	2 842.9
Supplements to family allowance ^c	2 419.5	2 246.5	2 056.6	1 876.4
Nursing allowance	1 416.1	1 534.8	1 602.8	1 648.9
Nursing benefit	336.5	349.5	667.1	1 030.8
Birth grant	412.4	413.8	412.8	397.9
SI and health contributions	74.6	75.0	128.8	187.9
Allowances paid at the local level (by <i>gmina</i>)	15.7	15.9	16.5	11.8
Total expenditure (incl costs and other spending)	8 189.3	8 261.0	8 162.0	8 178.0

Note:

^a Selected benefits. Supplements to family allowance and a few minor benefits are not displayed

^c Various supplements to family allowance are also provided: in case of birth giving (lump sum), at the beginning of the school year, for single parents, for multi-children families, for education and rehabilitation of the disable child, for children studying away from home and during childcare leave.

^b Number of benefits per year

Source:

MPiPS (2010-2012), *Informacja o realizacji świadczeń rodzinnych w 2009 [2010, 2011] r.*

Table 4. Labour market policies, 2008 - 2011

	2008	2009	2010	2011
REGISTERED UNEMPLOYMENT (eop)				
Total (thousand)	1 474	1 893	1 955	1 983
Unemployment rate (%)	9.5	12.1	12.4	12.5
ENTITLEMENT TO UNEMPLOYMENT BENEFIT (eop)				
Eligible as % of the total	18.4	20.1	16.7	16.5
PARTICIPANTS OF ALMP or related measures¹ (thousand)				
Training courses (<i>szkolenia</i>)	168.4	166.1	181.2	53.4
Apprenticeships (<i>staże</i>)	169.9	255.6	298.3	109.1
On the job trainings (<i>przyg. zawod. w m.pracy</i>)	79.4	7.1	1.1	0.3
Socially useful works ²	63.8	65.8	67.6	49.7
Intervention works ³	46.0	40.3	43.0	28.3
Public works ³	44.5	54.0	74.6	22.8
Business grants for unemployed ³	51.9	63.9	76.9	26.9
Job subsidies for employers ³	28.0	28.4	44.6	22.6
TOTAL participants of ALMP				
Thousand of registered unemployed	668.1	697.4	804.6	323.3
% of the out-flow of the registered unemployed	24.3	26.2	27.0	12.6
Unemployed covered by individual work plan ⁴	x	na	638.7	638.3

Note:

¹ In fact, unemployed removed from the register due to the participation in ALMP

² Works performed by the unemployed (not eligible for unemployment benefit) in social assistance centres, charities and alike. Referred to by local government agency.

³ Subsidized works, supported by the Labour Fund or by PFRON through wage or contribution subsidies and some other forms

⁴ Implemented by the amendment of 2008. Individual work plans could continue, break or finalize (over 200 th were finalized)

Source:

PSZ (2012) *Statystyki strukturalne styczeń 2012*, Aneks tab. a, <http://www.psz.praca.gov.pl/main.php?do=ShowPage&nPID=867997&pT=details&sP=CONTENT,objectID,867970>

Job subsidies for employers (*wyposażenie i doposażenie stanowiska pracy*) in 2010: MPiPS (2011), *Efektywność podstawowych form aktywizacji zawodowej... w 2010 r.* p.6

Job subsidies for employers (*wyposażenie i doposażenie stanowiska pracy*) in 2011: computed from the information in MPiPS (2012), *Rynek pracy w Polsce w 2011 roku*, p.18.

TOTAL number of participants: MPiPS (2009, 2011, 2012) *Rynek pracy w Polsce w [2008, 2009, 2011]*, pp. 13, 18, 18.

www.mpips.gov.pl

Table 5. Revenues and expenditures of labour market related funds, 2008 - 2011

PLN million

		2008	2009	2010		2011		2012
				Budget	Budget exec.*	Budget	Budget exec.*	Budget
LABOUR FUND (FP)	Revenues, of which:	9 109.7	10 326.4	9 179.5	10 294.9	10 271.2	10 271.2	10 670.8
	SB subsidy (incl. EU funds)	189.3 ^a	664.4	581.5	1 040.2	330.0a	330.0a	387.5
	Expenditures	5 755.7	11 245.0	12 338.7	13 138.7	8 720.6	8 894.7	8 862.9
STATE FUND FOR REHABILITATION OF THE DISABLED PERSONS (PFRON)	Revenues, of which:	4 673.1	4 558.1	4 276.0	4 175.1	4 201.7	4 165.4	5 059.0
	SB subsidy (incl. EU funds)	891.6	740.2	788.1	774.0b	770.8c	755.1	786.0
	Expenditures	4 825.0	4 611.6	4 517.1	4 340.4	4 294.5	4 257.2	5 032.5
GUARANTEED EMPLOYEE BENEFITS FUND (FGSP)	Revenues	439.8	1 476.7	378.4	545.6	550.0	773.3	459.4
	Expenditures	153.8	802.7	698.5	219.1	1201.7	282.8	252.6

Note: Polish acronyms in parentheses. SB - State budget * Estimated budget execution ^a EU funds ^b Of which 35.0 million EU funds ^c Of which EU funds 31.8 million ^d EU funds

Source: NIK (2010), Analiza wykonania budżetu państwa i założeń polityki pieniężnej w 2009 roku, June 2010; *Projekty ustaw budżetowych 2010, 2011, 2012*; *Ustawa budżetowa 2011 and 2 012*

Table 6. Healthcare expenditures 2007 - 2010

% of GDP

	2007	2008	2009	2010
Public expenditures (current)	4.25	4.73	4.82	4.70
State budget	0.41	0.42	0.15	0.13
Local budgets	0.08	0.08	0.22	0.25
Health funds*	3.76	4.23	4.44	4.31
Private expenditures (current)	1.77	1.82	1.91	1.81
Household expenditures	1.56	1.57	1.64	1.54
Other expenditure	0.22	0.25	0.27	0.27
Total expenditure (current)	6.02	6.55	6.72	6.50
Investment expenditure	0.30	0.46	0.49	0.47
Total expenditure on healthcare	6.33	7.01	7.21	6.98

Note: In fact, National Health Fund (*Narodowy Fundusz Zdrowia, NFZ*)

Source: GUS (2010, 2012), *Narodowy Rachunek Zdrowia za 2008 [2010] rok. Notatka informacyjna*, Table 1

Summary tables

Table 1

To what extent has an integrated comprehensive active inclusion strategy been developed in your Member State?												
	Comprehensive policy design			Integrated implementation			Vertical policy coordination			Active participation of relevant actors		
	Yes	Somewhat	No	Yes	Somewhat	No	Yes	Somewhat	No	Yes	Somewhat	No
For those who can work	V					V		V			V	
For those who cannot work			V			V			?		V	

Table 2

To what extent have active inclusion policies/measures been strengthened, stayed much the same or weakened since 2008 in your Member State?									
	Adequate income support			Inclusive labour markets			Access to quality services		
	Strengthened	The same	Weakened	Strengthened	The same	Weakened	Strengthened	The same	Weakened
For those who can work		V				V (2011!)	V (childcare)	V (health)	
For those who cannot work			V		V			V? (health LTC)	V? (health LTC)

