The main aim of this paper is to sketch out the current legal framework within which trade unions operate in Poland. Position of unions, their strength, and their capacity to shape the socio-economic environment depend on many circumstances. We will examine only the body of law referring to the union movement, and explain how regulations passed by the state may influence the way unions develop and consequently shape the entire industrial relations model in Poland. Since the paper is meant for comparative purposes, we will present only an overview of the matter, without detailed characteristic that might detract from the article’s usefulness for such purposes.

1 This paper is based mainly on thesis of prof. Z. Hajn, who as a first Polish scholar questioned an existing in Poland trade union model, presented in Z. Hajn, Związkowe przedstawicielstwo pracowników zakładu pracy w Polsce – ewolucja, stan obecny, przyszłość in Z. Hajn ed., Związkowe przedstawicielstwo pracowników zakładu pracy, Warszawa 2012.

A few historical remarks

To understand the contemporary position of trade unions in Poland, we inevitably have to make a few short historical comments about the ways in which workers in the past were represented vis-à-vis the employer. Before World War II, unions were organized mainly on a single-industry basis, according to trade (for instance unions of miners, train workers, teachers). Their membership included employees from many plants and many companies. Unions were connected with workers from a single enterprise through their own “delegates” and “intermediaries”. Those two categories of representatives were treated as a connection between trade union and employees of the businesses in which they operated. Their competences, rights and duties were regulated solely by a collective agreements or regulations issued by the employer. State’s rules did not cover the issue, which remained at social partners’ discretion.

After 1945, Poland’s Communist government wanted to implement the idea of making trade unions a “transmission belt” between the Communist Party and the people. For that reason, it became necessary to establish smaller sections of trade unions, and place them at the lowest level of enterprises. According to the Article 1(1) of the Act of 6th February 1945 on forming enterprise councils, an enterprise council, labelled “workers’ trade union body”, was established in every enterprise engaging 20 or more employees. Despite the fact that even non-unionized workers could vote, only members of a trade union had the right to be elected to the enterprise council. From 1945 until

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4 Z. Hajn, Związkowe przedstawicielstwo pracowników zakładu pracy w Polsce – ewolucja, stan obecny, przyszłość in Z. Hajn ed., *Związkowe przedstawicielstwo pracowników zakładu pracy*, Warszawa 2012, s. 28. Apart from that, all the workers in the enterprise, including non-trade union members, choose its own „factory delegate”.
7 In smaller enterprises (at east 5 employees) trade union delegate was elected.
1982, enterprise councils were representative bodies of staff and at the same time agencies (delegacies) of trade unions, which usually acted also outside one enterprise\(^8\).

In 1982 (during the martial law), a new Act on trade unions was passed, repealing the old Act on trade unions (1949) as well as the Act on forming enterprise councils (1945). All existing trade unions were liquidated. Government also passed laws according to which new unions could be established only at the plant level\(^9\) (we may call it “enterprise-based trade union”, as opposed to a “multi-enterprise union”) (1982-1983), then national unions associating workers from respective trades (after November 1983) and eventually inter-union federations (after November 1984)\(^10\). It was obvious that the state wanted to control the entire process of forming new unions. The easiest way was to do so was to restore the union movement starting from the very bottom, i.e. from the enterprise level, and going up to the national level. So the process of establishing unions encompassing workers employed in only one enterprise\(^11\) was initiated and intended as a first part of the plan. However, once enterprise unions acquired their position at the enterprise level, they were not interested in transferring it to a union established outside the enterprise. The process slowed down mid-way, and branched out into different directions. That is the main reason why workers were organized mainly at the plant level and in fact were not interested in creating a unitary (based on trade or sector division), upper-union, structure. As a result, a multi-enterprise trade union was rather a federation of enterprise-based trade unions. Eventually, due to certain amendments to the law, after 1989 trade union were in fact obliged to create sections at enterprise level\(^12\).

\(^8\) In fact, before 1980 trade unions were part of the Communist system. See more L. Florek, Problems and Dilemmas of Labour Relations in Poland, Comparative Labour Law and Policy Journal 1991-1992, no 13, pp. 112-114.


\(^11\) To some extent this idea of union structure was confirmed in art. 35 paragraph 1 of Act on Trade Unions 1982 – “enterprise section is a basic cell of each trade union”.

How to establish a trade union in Poland?

The new Act on trade unions (TUA) of 23rd May 1991 (which is still in force\textsuperscript{13}) confirmed and strengthened the model of a union movement based on an enterprise section\textsuperscript{14}.

According to this Act, a union can be established in two ways. The first one maybe called a “statutory procedure”\textsuperscript{15}, and the other one an “internal procedure”\textsuperscript{16}. The former consists in creating a union by passing a founding resolution by at least 10 persons entitled to found a trade union\textsuperscript{17}. Then, the persons who passed the resolution on the founding of a trade union have to adopt the statute and appoint three to seven members of the founding committee. This body is obliged to submit the registration request within 30 days of the founding date. The final step is the registration of the trade union by the court with the National Court Register, which results also in acquiring legal personality by the union. If trade union covers only one employer it is named by the TUA as an “enterprise-based trade union”. In this case a trade union is equivalent to an “enterprise-based trade union”.

Internal procedure is meant for already existing trade unions (rather big trade unions, for instance nationwide trade union – NSZZ Solidarność\textsuperscript{18}). In this case, a trade

\textsuperscript{17} Article 2 paragraph 1 TUA; “The right to found and join trade unions shall be given to the employees regardless of the employment relation basis, members of agricultural production cooperatives, and persons who perform work on the basis of an agency contract if they are not employers. See however case 2888 (Poland). Definitive Report - Report No 363, March 2012, point 1087. http://www.ilo.org/dyn/normlex/en/f?p=1000:50002:0::NO:50002:P50002_COMPLAINT_TEXT_ID:3057194
\textsuperscript{18} http://www.solidarnosc.org.pl/en/main-page.html
union which was earlier established according to the statutory procedure may, in accordance with its own internal regulation (the statute of a trade union), create an internal section which will cover only one employer. Provisions of the TUA recognize the section as an “enterprise-based trade union”. In this situation, the enterprise-based trade union is not equivalent to a trade union, but is a part of the latter. What is more, this internal section may also become a legal person.

**Enterprise-based trade union: an exclusive holder of core union rights.**

As we may see, both procedures aim at establishing an “enterprise-based trade union”, which is a basic organizational union form. The reason for it is that according to the TUA, the only holder of the most important trade union rights is not the union itself but its internal section, i.e. the enterprise-based trade union. Enterprise-based trade union has the exclusive right to conclude collective agreement with a single employer and cannot transfer this competence to a multi-enterprise trade union. This monopoly refers also to other collective arrangements (for example in case of transfer of undertaking). An enterprise-based trade union in agreement with an employer can: 1) decide on how the social benefits fund will be used, including allocation of resources from this fund for particular purposes and types of activities; 2) adopt a position on the individual employee matters within the scope regulated by the provisions of the labour law (i.e. consultation of notice of termination of a contract of employment); 3) adopt a position towards the

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20 Article 15 paragraph 1 TUA. “The trade union and its internal sections referred to in the statute shall acquire legal personality on the day of the registration”.


employer and workers’ self-government authority on matters regarding collective rights and interests of the employees; 4) maintain control over observance of provisions of the labour law within the establishment in particular safety and health rules and regulations; 5) manage activities of the social labour inspection and cooperate with the state labour inspection. In particular, if there are justified reasons to believe that there is threat to health or life of the employees in the enterprise, the union may apply to the employer to conduct necessary examination while informing the competent regional labour inspector thereof (Article 29 TUA). The employer, under the conditions laid down in the agreement, is obliged to make available to the trade union the premises and technical facilities necessary for union activities in the working establishment (Article 33 TUA).

It is evident from the above that when a union encompasses many employers (a multi-enterprise trade union) and wants to exercise all trade union rights, it should create its own units – enterprise-based trade unions – which are accommodated to many employers’ or to one employers’ internal structure. The whole idea of a trade union model in Poland is confirmed by the Article 15 TUA, which states that not only trade union but also its internal section referred to in the statute may acquire legal personality on the day of the registration of the union. Polish law created an unprecedented solution, according to which inside one legal person there exists another one. Such a separation of legal entities causes obviously a separation of legal responsibility. Enterprise-based trade union model moulds in its own fashion also the classic private law relations; a trade union as a legal person acts through its agencies but when it comes to multi-enterprise trade unions, most of their collective labour rights can be exercised only through enterprise-based trade unions.

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Some academics strongly criticize the current model of trade union structure. In their opinion, Polish regulations actually forced unions to decentralize its structure, which violates Article 2 and Article 3 of the International Labour Organization Convention No. 87 on Freedom of Association and Protection of the Right to Organize, ratified by Poland. Those provisions state as follows: Article 2. “Workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization”; Article 3(1) “Workers' and employers' organizations shall have the right to draw up their constitutions and rules, to elect their representatives in full freedom, to organize their administration and activities and to formulate their programmes”.

It is then argued that if a trade union cannot represent and defend rights and interest of their members because not having its own internal structure covering one employer, it cannot freely chose the form of own organizational structure (according to the Article 1(1) TUA, a trade union is a self-governing organization). The state is deemed to have deprived the social partner of the flexibility to adapt to changing socio-economic circumstances.

**Incentives to create enterprise-based trade unions**

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Workers themselves are encouraged to create a union with activity limited to one establishment or enterprise (one employer) 27. TUA offers many conveniences and guarantees for trade unionists. One of the main advantages is the protection of the contract of employment. According to the Article 32 TUA, without consent of the board of the enterprise trade union, the employer cannot, firstly, terminate the employment relationship either with or without notice with a trade unionist and secondly, unilaterally change working or pay conditions to the detriment to a trade unionist, unless separate regulations provide so. As for the number of protected representatives, the TUA provisions regulate it in detail. We may present some examples. If 20 employees employed in a company are members of an enterprise-based trade union, 2 trade unionists may be protected. Membership up to 50 members means 5 protected activists. 100 members of enterprise trade unions will guarantee protection against dismissal and notice of termination of work condition to 8 persons, and in case of a union with 200 members, 12 unionists are protected.

Another benefit of creating an enterprise-based trade union for workers is the fact that the board of the enterprise-based trade union may request the release from performing work with the right to remuneration for one employee in a monthly number of hours equal to the number of members employed in the establishment 28. Apart from that, an employee has the right to be released from work with retained right to remuneration for the time required to perform a casual activity resulting from their union function if such an activity cannot be performed during free time.

Support of the staff for union activities


28 For more details see Article 31 paragraph 1 TUA.
Polish law respects the principle of trade unions’ pluralism and does not provide for any limitations of their number in the establishment\textsuperscript{29}. For a long time there was no interdependence between the factual strength of enterprise trade union and their rights. In 2003 Article 25\textsuperscript{1} TUA came into force and eliminated a situation when every union, even a very small one, exercised rights granted to an enterprise-based trade union. According to the new regulation – Article 25\textsuperscript{1} TUA – rights of an enterprise-based trade organization are available only to an organization which has at least 10 members who are employees or persons who work under a cottage work contract with the employer where the organization is active. Every four months, a union presents the information on the total number of members of the organization to the employer (see in more details the Article 25\textsuperscript{1} TUA). Failure to fulfil this obligation results in no recognition of the union by the employer.

Trade unions demanded that Article 25\textsuperscript{1} TUA should be proclaimed unconstitutional. According to trade unions, regulation was supposed to be in contradiction of Article 2 ILO 87 Convention and of Article 31(3)\textsuperscript{30} and Article 59(1)\textsuperscript{31} of the Polish Constitution. However, the Constitutional Tribunal expressed the opposite opinion\textsuperscript{32}. Firstly, it noted that Article 2 ILO 87 Convention does not regulate in any aspect whatsoever relations between employers and unions and, consequently may not grant to unions any rights in relation with employer. Secondly, the State, when construing relations between unions and employers, have to take into consideration justified interest of both parties, especially it has to balance between protection of


\textsuperscript{30} Article 22 “Any limitation upon the exercise of constitutional freedoms and rights may be imposed only by statute, and only when necessary in a democratic state for the protection of its security or public order, or to protect the natural environment, health or public morals, or the freedoms and rights of other persons. Such limitations shall not violate the essence of freedoms and rights”.

\textsuperscript{31} Article 59 paragraph 1 “The freedom of association in trade unions, socio-occupational organizations of farmers, and in employers' organizations shall be ensured”. Paragraph 4 “The scope of freedom of association in trade unions and in employers' organizations may only be subject to such statutory limitations as are permissible in accordance with international agreements to which the Republic of Poland is a party”.

workers’ rights and ensuring effective functioning of an enterprise. Thirdly, Article 25\(^1\) TUA did not circumscribe the right to establish unions and to organize their activities, however it limits scope of unions benefiting from rights acquired vis-à-vis an employer. This limit is not extensive and does not go beyond what is necessary in protecting justified interests of employers (see Article 22 of the Polish Constitution\(^{33}\)). At the same time, the Tribunal addressed the situation of small employers (with fewer than 10 employees) and directly stated that workers of those may associate in an inter-enterprise trade union organization\(^{34}\). So workers employed by small employer are not deprived of a possibility to associate. An inter-enterprise trade union is another particular type of a trade union activity (the Article 34 TUA). It plays the role of an enterprise-based trade unions for employees engaged by several employers (for example if we have two small employers, each employing 7 workers, then 10 of them can establish an inter-enterprise trade union which operates within those two employers). The difference between an inter-enterprise trade union and an enterprise-based trade union is that the former unionizes workers from two or more employers. Threshold of 10 members (the conditions set out in Article 25\(^1\) TUA) is met when in total the union has 10 members\(^{35}\).

According to the Article 7(1) TUA, trade unions represent rights and collective interests of all employees regardless of their trade union membership. Therefore, a union may act in the name of all employees with no (real) support of the majority of the staff. If in a company only one enterprise trade union is active, it represents all workers of this enterprise no matter how many workers belongs to this union (still it has to be at least 10 – Article 25\(^1\) 1 TUA). If more than one trade union organization is operating within the enterprise, they may set up a joint union representation or at least present join opinion. If enterprise-based trade unions cannot agree with each other (which is not infrequent), the

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\(^{33}\) Article 20 “Limitations upon the freedom of economic activity may be imposed only by means of statute and only for important public reasons”.


\(^{35}\) In fact Inter-establishment trade unions act only in group of employers economically connected (Konzern, holding).
employer cooperates only with the representative trade union. According to the Labour Code, a representative enterprise-based trade union is the one which covers at least 10% of the employees employed at the employer or 7% if a union is a part of a multi-enterprise trade union (more detailed see Articles 241\textsuperscript{252} Labour Code\textsuperscript{36}). If none of the unions meets this requirement, the organization uniting the highest number of employees in the company is deemed representative.

**An enterprise versus an employer.**

The term “enterprise”, which is used by Polish legislation (especially in the Labour Code and the TUA) might be seen as misleading, because it suggests that the trade union section refers to an economic entity as an organized grouping of resources. In fact, an enterprise-based trade union pertains to the employer. For a long time, the Polish labour law regulations used a term “work enterprise” in a sense tantamount to an employer. Nowadays an employer is a party to the individual contract of employment and an enterprise is a group of material and immaterial resources through which employer acts. After a change of Labour Code in 1996 not all labour law provisions were adjusted to this modification. One of the examples is the TUA.

It is easy to imagine that an employer may possess more than one enterprise (undertaking, establishment). In this situation we may pose a question about the possible number of enterprise-based trade unions operating within the employer. Can an employer have as many enterprise-based trade unions as enterprises he owns? To answer that question we have to present some general ideas about the legal definition of the employer, which stems from the Article 3\textsuperscript{1} of the Polish Labour Code – “an employer is an organizational unit, even if it has no legal personality, or an individual, provided it employs employees”. In the Polish Labour Law, differently than in most European countries, we have management theory of the employer, which means that as an

\textsuperscript{36} See English translation of Polish Labour Code (only excerpts) www.paiz.gov.pl/files?id_plik=7317
employer can be qualified an entity which has no legal personality and consequently cannot have a legal title to the undertaking. In order to be an employer, two requirements have to be met: an entity must represent an organized structure and have the power to employ workers on its own behalf. For example, if a mining company (a joint stock company) has 3 agencies (branches), which are not legal persons, and if this company gave in its own statute the power to employ workers directly to the branches, then those branches are employers, and not the joint stock company itself. Notice that these branches cannot be a party to other private law contract, because they have no legal personality. In short, as a result of the application of the management theory of employer in the above-described case, branches of a mining company can be treated as employers.

It is interesting to consider certain other scenarios. For example, in one of the branches of the above-mentioned company workers established an enterprise-based trade union, which is for obvious reasons active only in this branch, and unionizes workers employed by this employer (branch). Because the union covers the whole enterprise (to be more precisely, the whole employer), this union is to be treated as an enterprise-based trade union within the meaning of the TUA. But when the union starts to be uncomfortable for the mining company, who is not an employer from the formal point of view, board of directors of the mining company may change the company’s statute and decided that from a specific moment onwards, not those three branches are employers for their workers, but the joint stock company itself. Management theory of the employer makes this type of result possible. In this situation, the enterprise-based trade union no longer covers the whole employer (mining company i.e. all three branches), and therefore it is not an enterprise-based trade union in the meaning of TUA. This example demonstrates that application of the Polish law theory of employer connected with a way of understanding of enterprise-based trade union makes it relatively easy for employers to use manipulation, with the objective of reducing the role of trade unions.

Effects of the Polish model on industrial relations

The current union model influences substantially the entire industrial relations system. Collective bargaining and trade disputes are concentrated mainly at the plant level, with an atrophy of multi-enterprise relations (based on trade system). Another consequence is that the negotiated conditions of work pertain only to the interests and situation of workers in one employer, irrespective of situation of other workers from the same sector or trade. What is more, duality of labour market occurs. There are segments of trade where employers have an active union and are bound by a collective agreement, where others are free from such “burdens”. In the former case, the employers pursue a discharge from these duties, which eventually results in stagnation of collective bargaining at the plant level.

The position of enterprise trade unionists is generally speaking not equal to that of their own employer when they sit at the table to negotiate the conditions of work. A multi-enterprise trade union (especially unionized on trade or sector model) has more bargaining power.

According to some academics, unions at company level make it easier to institute trade disputes and afterwards strike. From the Polish perspective, it is apparent that many trade disputes stem from local conflicts between employer and the enterprise-based trade union which often attempts to take over management of the company.

The principle of trade unions’ pluralism and the enterprise-based trade union model raise problem of excessive concentration of unions at plant level, which inevitably causes competition between them. Enterprise unions defend exactly the same scope of workers’ interest (according to Article 7(1) TUA “trade unions shall represent rights and collective interests of all employees regardless of their trade union membership”).

Apart from inconveniences stemming from placing a union at company level, there are certain advantages to this model too. A trade union is directly connected with workers whose interest it defends. A union knows better the individual situation of employees and economic position of the employer. To some extent, even employers prefer having an enterprise-based trade union instead of trade union acting outside the company. In the opinions of some labour law researchers, the current model is fully accepted by both social partners who have never suggested a need for a change in this respect. Weakening the enterprise union structures would inevitably lead to weakening the whole union movement.

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