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The Institute has actively participated in the processes of accession and integration of Poland into the European Union. In the wake of the accession the research activities focused on:
- Problems of adaptation of Polish law to European legal regulations,
- Influence of EU integration on labour market situation and trends,
- Labour market and social policy and the challenges of integration,
- European and Polish standards of social security,
- Social exclusion and reintegration.

Poland’s accession into the European Union on 1st of May 2004 does not mark the end of the ILSS activities and struggles in these research areas. On the contrary, we expect new problems to appear and to be identified and dealt with. If you have any questions regarding activities or research of ILSS, please feel free to contact us. We are eager to undertake any form of international cooperation with institutions and individuals.

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POLISH LABOUR MARKET DYNAMICS: BETWEEN MODERNISATION OR DEPENDENCE?

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THE MASQUERADES OF EVOLUTIONISM

One could say that, as a matter of fact, nothing especially new is going on: [...] in mid-18th century, i.e. at the beginning of the English “industrial revolution”, changes in our civilisation started to occur at an ever faster pace, and after two centuries they have already reached even the most remote parts of our globe and the most isolated communities [...] those who devise those changes, though not always aware of their implications, are but a handful among all mankind, which remains conservative in nature [...] that handful of restless demigods of grand transformation [...] have finally managed to impose upon the entire globe an incessant variability of landscapes and lives [...] (Jedlicki, 1988, p. 8). Two important and apparently very topical thoughts are embedded in the fragment quoted above. The first one is that changes are “devised”, as Jedlicki puts it; thus, they do not follow from some historical necessity, the decrees of Providence, or from invariable and unavoidable laws of social evolution, etc. They are “devised”! This means that, to a greater or lesser extent, the kind of social order that arises from the change is the result of a more or less entangled twist of someone’s decisions and political practice. Limiting that thought to what is of greatest interest for us here, i.e. to the attempts at understanding the dynamics of the labour market and its transformations, the above means that there are no reasons why we should interpret them as manifestations of “historical necessity” or of the operation of the “laws of social development” or the like. The assumptions behind this line of reasoning refer to the rhetoric of classical evolutionism in social science, to a perception of the course of history – and of the developments in the labour market – in terms of inevitable progress. It is worth noting that if we adopt such a point of view, we fundamentally change the manner of thinking what is in fact fairly obvious, namely – as most accurately observed by Piotr Sztompka – that notion would have to mean that changes happen, the simplest solution here would be to refer to some concept of modernisation or neo-modernisation – especially if we were to help in the search for theoretical background for devising and/or justifying strategies to overcome a condition perceived as economic or cultural backwardness.

In more general terms, and already in the stylistics of one of such concepts: if one focused on theendeavour to move from the periphery towards the centre of the modern world. Yet the problem is that stressing modernisation often entails overlooking what is in fact fairly obvious, namely – as most accurately observed by Piotr Sztompka – that [...] both the theory of modernisation and that of convergence may be treated as the last embodiments of the evolutionary orientation [...] regardless of the fact that [...] under the pressure of criticism, the strong evolutionist assumptions have gradually become more liberal, and have been rejected almost entirely in the neo-modernisation and neo-convergence variants [...] (Sztompka, 2005, p. 131). What has not been rejected are the visions of moder-
nity embedded in those concepts, which should be adapted to if one wants modernisation to succeed. In this – and only this – sense, it turns out that – putting aside the Marxist premises behind the first concepts of dependency theory, those associated with the work of Raul Prebisch and the functioning of the UN Economic Commission for Latin America in the 1950s and their later versions, but also with the more up-to-date work of Fernando Cardoso or Thomas Goull – the dependency-theory notion of the necessity to adapt to the rules of the game determined elsewhere is deeply embedded also in the concepts of neo-modernisation, evolutionary as far as their fundamental assumptions are concerned. Incidentally, literature in this field sometimes notes that the concepts of globalisation (relevant here only to the extent in which they serve to substantiate the statement that agreeing to otherwise controversial institutional changes related to the legal framework for the provision of labour is a function of globalisation processes or rules of competition that operate in global markets) reiterate a very similar theoretical paradigm. An in-depth analysis of these issues reveals that [...] the study of modernisation processes usually helps to explain the process in which a country or region transforms from an agrarian to an industrial society, whereas the study of globalisation processes most often aims at demonstrating the influence countries located in the centre exert on other countries, and also at describing the reactions of the latter to that impact [...] within both these theories the reasoning follows a similar pattern: studies that take a country or region as a starting point must eventually arrive at questions about large-scale processes of development; starting with the study of those processes we end up with questions of how individual countries react to global trends [...] (Wang, 2009, pp. 73–74). Obviously, neither neo-modernisation nor globalisation upholds the thesis of the universality of development processes or the progressivist illusions associated thereto. In this regard, Stiglitz has said that [...] globalization today has been oversold [...] (Stiglitz, 2005, p. 229), and this concerns both globalisation understood in terms of describing economic or cultural circumstances, and globalisation seen as a theory of social change or an ideology for the progressive political project (Heid, Mc Grew, 2007, p. 2).

WHAT ANTHROPOLOGISTS CAN TEACH US?

Today we can understand – better than at any other time – that this is all about fairly complex processes, full of local peculiarities that are perhaps perceived more clearly by anthropologists rather than sociologists or economists for that matter. The former argue – as shown in the opening remarks of the new book edited by Tomasz Rakowski – that [...] even the most specific, most subjective social experience remains almost completely mute. That void is filled in almost immediately by external interpretations [...] of what the extent is to which one may accept as obvious the fact that the meanings of experience produced within the society may be incorporated in the circulation of very efficient types of discourse [...] (Rakowski ed., 2011, p. 7). This entails a dramatic question of [...] what forms of knowledge of social experience reach the locations where the more or less direct policies are implemented? (ibid.). That question is accompanied by case studies. One of them shows, for example, how the idea of expanding the national park, proposed as a way of implementing the idea of eco-growth, clashes with local thinking: [...] here we can see a community that derives entirely different meanings from [...] the concept of processing the surroundings [...] which does not as much refer to a certain established vision of the environment, as to a certain practical agricultural activity [...] (ibid. p. 9).

One could quote dozens of such anecdotes, however, dramatic they may be. One of them is William Easterly’s story on how mosquito nets, meant to protect Zambia’s inhabitants from malaria-carrying mosquitoes, are used as fishing nets or wedding veils when distributed free of charge (Easterly, 2006, pp. 13–14). The distinction into planners and searchers, suggested in Easterly’s book, demonstrates the mistakes that tend to be made when the rationality of the cultural or economic centre is superimposed on the rationality of the local worlds. Thus, the problem is not that we fail to perceive the dangers of dependency theory, which tells us to imitate allegedly proven and universal patterns, but that when recognizing those dangers we stick to it anyway, smuggling in the assumptions embedded therein, but in the form of ever new phrases that serve to justify political programmes.

Irrespective of what those programmes offer, they usually have a common core, i.e. the imperative of adaptation. Thus we learn that an essential condition of survival is to adapt to reality, and the variability of the latter is a process that cannot be controlled. As a result we learn, for example, that the only solution for those who try to take root in the labour market is to adapt constantly to its varying expectations. This gives rise to the approving stories of how in one country or another the fact that people change jobs, employers or qualifications many a time in their lives is perceived as something obvious.

We are also being persuaded systematically that even if all that adaptation proved very expensive to the individual and the society, it could not be helped anyway, because the institutional changes in the forms of the provision of labour are only a function of the adaptive effort of companies, which themselves try to adjust the rules of the global economy. Yet those rules themselves result from adapting to variability, or – as some may put it – to the essential unpredictability of global markets. And one could go on with this forever.

One could also suggest a conclusion along the lines proposed by Michael Sandel in a book published recently under the enigmatic title What Money Can’t Buy. Sandel writes: [...] without quite realizing it, without ever deciding to do so, we drifted from having a market economy to being a market society. The difference is this: A market economy is a tool – a valuable and effective tool – for organizing productive activity. A market society is a way of life in which market values seep into every aspect of human endeavour. It’s a place where social relations are made over in the image of the market [...] (Sandel, 2012, pp. 10–11).

In order to somewhat simplify the above, one should say that Sandel’s book shows in a series of case studies how various areas of social life are transformed into markets. To a greater or lesser extent, we are getting accustomed to the institution of the surrogate mother; it is much more difficult to come to terms with the opportunities facing those involved in trade in special rights – irrespective of whether the latter concern pollution quota or, as in Sandel’s analyses, to walruses killing rights. The walrus is under strict protection, controlled by Canadian authorities. The terms of that protection are waived for the Inuit, who have lived on hunting the walrus for centuries. This means that out of respect for the cultural peculiarities of the Inuit, Canadian administration gives them the right to hunt a number of walruses, specified each year. The point is that the right turns into a commodity. The Inuit may sell their rights on to those willing to pay: [...] in the 1990s, Inuit leaders approached the Canadian government with a proposal. Why not allow the Inuit to sell the right to kill some of their walrus quota to big-game hunters? If a certain number of walruses killed would remain the same, the Inuit would collect the hunting fees, serve as guides to the trophy hunters, supervise the kill, and keep the meat and skins as they had always done [...] The scheme would improve the economic well-being of a poor community without exceeding the existing quota. The Canadian [...] selling the right to kill a walrus is like selling the right to procreate or to pollute. Once you have a quota, market logic dictates that allowing tradable permits improves the general welfare. It makes some people better off without making anyone worse off. [...] And yet there is something morally disagreeable about the market in walrus killing [...] (ibid., pp. 82–83).
A STRATEGY OF HELPLESSNESS: THE PARADOX OF THE MARKET SOCIETY

It is fairly easy to generalise this story, as well as many others, perhaps more moving for human moral sensitivity: the market society brings cultural barriers down to a level that is dangerously low; yet the latter still do not allow us to transform various goods into tradable commodities. In the case of labour, those barriers have been practically eliminated. Its commoditisation and rather unsuccessful attempts at de-commoditising it have been discussed extensively (Esping-Andersen, 2010, p. 55ff), and the term “labour market” is no longer just a heuristic metaphor used in economic analyses. It has come to describe one of the segments of the economy. Thus, there are no particular reasons to be surprised that being a commodity, labour is “confected” according to the changes in demand.

It is “confected” in different institutional forms but – in principle – one needs to say that in a Durkheimian sense of the term the phenomenon is normal, inscribed in the logic of functioning in what has come to be a market society. Much has been said about the consequences of that phenomenon (Bednarski, Frieske eds., 2012), and it has been pointed out, among other issues, that it leads to fundamental changes in social structure, i.e. to the creation of a segment of it which, to quote a book by G. Standing (2011), has come to be referred to as the precariat (Polawski, 2012).

It is not impossible that the modern precariat is not a particularly new phenomenon. Careful analysis could reveal that in a number of respects it is similar to the “loose people” of early industrial revolution (Assorobdaj, 1966), the lumpenproletariat of a century later, or the underclass of the last decades of the 20th century. Two interrelated features always characterise this segment of social structure. First, it is seen through the 19th-century cliché of dangerous classes, which captures the notion that those who belong in it are a threat to social order. Second, that threat is related to their unpredictability – just as their existence is unpredictable and thus also in a sense uncertain.

The first of those appears dubious, if only because the modern precariat is largely amorphous and thus there seem to be no circumstances that could give it any particular representation; whether it can become a source of any durable social movement remains an open question. As regards the second issue, one may easily observe that it too has its obvious further consequences which for example affect the demographic dynamism and more specifically procreation decisions or the condition of social security systems (Oczki, 2012). Here, however, we should rather focus on a slightly different issue, i.e. on the question of how those people cope with the uncertainty they live in.

This is not a particularly original question. Very instructive in this respect are the results of the Jena Study on Social Change and Human Development. The studies conducted within that research project (the theoretical assumptions of which were presented, inter alia, in Pinquart, Silbereisen, 2004, pp. 289–298), included such situations when [...] the increase in precarious forms of employment gives rise to growing economic problems and disturbs routine career planning. In a situation of growing uncertainty people face expectations to gain new skills and learn new behaviour [...]. Individuals faced with many such challenges risk excess burden on their personal and social resources and search for some ways to adapt to new circumstances [...] (Tomaski et al., 2010, p. 385).

One of the key results of research carried out apparently in compliance with the rules of modern empirical study was that, in most general terms, [...] those who happen to live in unfavourable circumstances and, at the same time, manage to give up on achieving unattainable goals or, at least, to protect their motivational and emotional potential, are among those who are more satisfied with life [...] One may even claim that strategies of psychological self-defence and the ability to know when to give up on something and when to make an effort are among the most important skills in times of rapid social change [...] (Tomaski et al., 2010, pp. 396–397).

This, unfortunately, is not good news for those whose ideas of modern society centre on the concept of human agency and thus on the conviction that everyone has a causative potential, and also for those who stick to the archaic concept of the self-made man and argue that success in life may be built upon the individual’s own effort. Nor is this good news for those who try to solve all sorts of problems that affect our society, e.g. through various kinds of programmes of occupational activation.

Simply put, it is not impossible that the institutionalisation of the plurality of the forms of the provision of labour and the unpredictability that is related to it translates into inactivity, apathy and withdrawal in many – perhaps too many – cases, which is exactly the opposite of what we would like to expect from the new man of modern times.

Frankly speaking, this observation is not particularly new: it has been pointed out many a time, also in the classic work of sociologists or economic sociologists, that at the roots of capitalism there are internal inconsistencies or paradoxes (in Polish literature this has been pointed out recently by Jacek Kochanowicz; 2010, pp. 10–11). Taking the path shown by Kochanowicz, it is perhaps worth, for example, to re-read the last chapter of Weber’s study on the relationships between Protestant ethics and the “spirit of capitalism”, if only to get convinced that at the turn of the 17th and 18th centuries Protestant theologians were perfectly aware of the issues discussed now by aforementioned modern researchers, as far as the psychological consequences of the instability of employment are concerned.

One of them was Richard Baxter, frequently cited by Weber, who wrote that [...] outside the permanent profession all human activity is only an unstable, occasional preoccupation and such a person spends most of his life as a “odd fellow” [...] (as quoted in: Weber, 1994, p. 154). Weber himself added the following comment to that thought: [...] unstable work to which the day-labourer is forced is sometimes an inevitable yet always unwelcome temporary situation [...] (ibid.) – at least to the extent that work is meant to serve the promotion of virtues fundamental to capitalism. The fact that Weber’s general idea of the relationship between ascetic Calvinism and the rise of capitalism has been contested – to mention just Stanisław Andréski’s work, where the author indicated that the predominance of Calvinism in Scotland did not lead to the rise of capitalism there, and its occurrence in Italy may not be explained by a religious schism (Andréski, 1992, p. 163) – does not alter the original idea. After all, the religious premises behind the mental orientation that is conducive to the accumulation of resources are not the point here. It is not impossible that all the mischief done in today’s labour market – part of modern capitalism – not only means that the latter is becoming more and more detached from its cultural basis, but also that it is no longer what we got used to calling capitalism and what we painfully indulged in towards the end of the last century.

Of course, there is a legion of those who try to characterise post-Fordism, yet only few of them perceive its contradictions. The latter include Richard Sennett, who when writing about the “new economy” points out that one of its key features, i.e. emphasis on economic mechanisms based on competition, has highly destructive consequences. Sennett’s thesis explicated in The Craftsman is as follows: [...] sheer competition can disable good work and depress workers [...] competition has disabled and disheartened workers; the craftsman’s ethos of doing good work for its own sake is unrewarded or invisible (Sennett, 2008, p. 54). On the other hand, Colin Crouch, a thoughtful and appreciated investigator of collective labour relations, writes about “corporation-dominated capitalism”, which is equally detached from the cultural assumptions of capitalism as conceived traditionally as Sennett’s “new economy”: [...] actually existing, as opposed to ideologically pure, neoliberalism is nothing like as devoted to free markets as is claimed. It is, rather, devoted to the dominance of public life by the giant corporation. The confrontation between the market and the state is [...] One may claim that strategies of psychological self-defence and the ability to know when to give up on something and when to make an effort are among the most important skills in times of rapid social change [...] (Crouch, 2011).
LABOUR CONTRACTS OF LIMITED DURATION: COSTS AND BENEFITS

OPENING REMARKS

Fixed-term employment is becoming an increasingly popular form of work, both in Poland and internationally. In our country, in the light of the EU-SILC survey (as declared by the stakeholders) in 2005, over 28% of employed worked in this way, virtually without any gender-related differences. However, other socio-demographic characteristics differentiated this population. Thus, fixed-term work concerned to an above-average extent the following groups: young people (up to 29 years), pensioners, with education no higher than lower secondary, unskilled physical workers, services sector workers and shop assistants, seasonal workers with a short (less than 3 years) period of work, those with experience of unemployment. Generally, we can see that weaker groups on the labour market prevail (Dzierzgowski, Kiersztyn, 2012).

From the formal and legal point of view, fixed-term employment may take various forms (Wratyń, 2003). First of all, it can be employment based work under a temporary contract. However, from the perspective considered here, the most important are contracts entered into for a fixed-term without a clear, immediate cause (such as trial period, the use of a specific task, covering for an absent employee), often even for a long period. Research shows that of key importance here is the ease with which employees can be made redundant, regardless of the end date of the contract. A similar effect is produced by temporary work provided by relevant employment agencies (Spytek-Bandurska, Syzko-Skoczny, 2008), as well as non-employment based work, i.e. civil-law contracts, such as a contract of mandate and contract for specific work. Self-employment may be an option here as well: i.e. formally a contract between two independent economic entities.

All these relationships serve to bypass the labour code and they allow the employer, in varying degrees, to be exempt from many obligations towards the person working for them (leave, working hours, notice, and social security contributions).

As we can see fixed-term employment clearly serves the interests of the employer and the employee may perceive it as discriminatory. However, since such employment occurs on a known scale, it must also bring wider benefits, which in turn probably are also accompanied by relevant costs, in different dimensions. This duality of fixed-term employment is underlined by the fact that it is located in two different theoretical classification systems. On the one hand, fixed-term employment is one of the four dimensions of underemployment, i.e. “poor employ-
ment”, with grossly low wages, part-time work (not at the request of the employee) and the problem of overeducation, i.e. work substantially below the qualifications of the individual (Frieske, 2012). On the other hand, fixed-term work is, in turn, one of the dimensions of labour market flexibility (as an expression of flexibility of employment), with flexibility of working time, wages and labour supply (Kwitkowski, 2002). And the flexibility of the labour market is a positive feature, a way to strengthen the competitiveness of the economy of a country, and therefore also GDP growth and lower unemployment.

Hence this begs the question of where are the benefits of fixed-term employment that make legal forms with this feature of relationship between the work provider and work taker attractive and where are the costs forcing us to classify this phenomenon as underemployment. These issues will be the subject of analysis in this article.

When considering this issue, it should be noted that the costs and benefits of fixed-term work are targeted at two groups of labour market players – employers and workers pursuing their own interests and to the state responsible before the voters. And it is from these perspectives that an analysis on fixed-term work will be made.

**BENEFITS OF FIXED-TERM EMPLOYMENT**

When analyzing a group of employees from the perspective of the benefits of fixed-term employment, it may seem, in the light of the previous considerations, that it will be difficult to find those. The only real benefit could be to gain employment, however uncertain its nature and which is not always accompanied by worker privileges or social insurance, but still employment. These jobs – we may presume – would not exist if the risks and costs of the employer in the case of a fully beneficial job exceeded the benefits for the employer. It is worth noting that finding any job has a different value for different groups of employees. It is the most important thing for the weakest, in low labour market segments, particularly vulnerable to unemployment. This is obvious from the statistics cited earlier, where we can see groups at which fixed-term work is targeted most often. Without a legal space that creates the possibility of such substandard (but still) employment, these people would be either left unemployed or end up in the grey market. Groups identified here are at the same time usually employees also in this market (Bednarski, Frieske, et al., 2008). It is therefore not surprising that in the empirical study those employed for a fixed-term believed any work is better than no work (Bednarski, Frieske, 2012).

It is worth highlighting at this point the subjective judgement of the employers. According to a survey for at least 40% of employees. They see that they have failed to achieve stability in the existing economic environment, but they did not become marginalized. They try to respond flexibly to the challenges of the changing environment, despite the fact that the level of their faith in the transparency of applicable rules varies. Although they accumulate a number of negative characteristics, this is not a typical lower class, especially in the opinion of the younger generation. Their status fluctuates, and variation within the group is high – from unemployment to employment, from badly paid work to better paid, from no qualifications to diplomas. In the literature, this group has even gained a special name – precariat (Poławski, 2012).

In the subjective judgement, many of them do not see anything particularly wrong in their situation. On the contrary, this is seen as something obvious and normal. An unstable world is considered as a natural state, and the real losers are those unemployed or pushed into the grey market.

A key beneficiary of fixed-term work solutions are, however, the employers. We know from surveys conducted that it is the recent expansion of this type of employment that is an attempt of entrepreneurs to adapt to the new unstable conditions of running their business, related to the transition from Fordist to post-Fordist economy. Up to 1970s a mass production of standardised goods in Taylor’s model of work organisation based on technological progress giving rise to constant increase in labour productivity and embedded in oligopolistic market structures allowing to discount economies of scale, used to be what formed the predictable economic space. That is why the state played the role of a stabiliser, to protect domestic companies from competition outside (limited due to the then small number of countries with the appropriate production capabilities) and running a stabilizing Keynesian economic policy of influencing demand. At the same time, strong unions, though attentive to the interests of workers and their wages in particular, guaranteed the employer a transparency in the sphere of labour relations (Czarzasty, 2010).

However, the economy area thus functioning had started to shrink since the 1970s. A post-Fordist economy emerged, whose guiding feature was the instability of economic conditions, caused by globalisation, serviceisation, expansion of the sector of small and medium-sized companies or the knowledge-based economy sector (Gardawski, 2010). Of course, this also produced important benefits in the form of increasing availability of attractive consumer goods made by using the latest technologies, but this rendered economic space substantially less transparent. In this situation, fixed-term work, from the perspective of the employer, means important benefits for them.

Empirical studies carried out among employers indicate the benefits for this group, gained in the conditions of the described unstable relationship with the employed (Bednarski, Frieske, 2012). Of course, what is at stake here is extended time, over that legally expected, of verifying the employee. It is a thing desired by employers, but not the most important one when using temporary employment. It has its temporal limits. A key cause of fixed-term employment is, however, something else – an attempt to shift the uncertainty risk to the worker: i.e. fluctuations of the economy, and therefore of the prices, demand, exchange rates, interest rates, wages, and other economic variables. In their heydays the management would like to maximize production, and therefore employment, but in recession they would like to be able to easily reduce it. This does not only concern economic fluctuations – employers try to adjust employment to contract periods or to EU grants obtained in the case of government offices. Of course, specific strategies by the management depend on many factors – the industry, size of entities, nature of results, but the essence of the employer’s goal remains the same. Empirical studies leave no doubts here.

Ease of termination of contracts is achieved in practice in two ways. The contract may end automatically or it can be easily terminated in case of longer fixed-term job contracts, because the period of notice shrinks to two weeks.

In addition to the aforementioned leading argument, there are other benefits to employers which are pointed at. And thus they gain, by being quickly and easily able to dismiss part of their work force. For example, the employer may “gain” unpaid social security contributions (except for contracts of mandate), the cost of holidays, severance, training in health and safety and other benefits due in the case of employment based contracts. Respondents also pointed out that outsourcing certain tasks (by self-employment) or contracts for specific work entered into with costly specialists allowed them to carry out any infrequent tasks cheaper and those tasks that did not require hiring a full-time employee.

To sum up, significant benefits to the employer have been highlighted and it is the pressure of this group that has led to the spread of fixed-term work and creating an appropriate legal framework for this phenomenon. But this is the domain of the state.

By creating a suitable legal system, the state must therefore identify specific benefits to the public of such forms of employment. Generally, the basis for such a state policy, whose essence was labour market deregulation, and thus minimising the impact of the state mainly in the sphere of collec-
tive labour relations (Wisniewski, 1999), was the highlighted failure of Keynesian macroeconomic policy. The collapse of economic growth and inflationary expectations as a stabilisation, encouraged to change the model of economic policy to more liberal. From the perspective being of interest to us, this means reducing the protection of employment, and above all, an increased facility of layoffs for which – as shown by empirical studies – temporary employment contracts prove most successful. Regulations to facilitate using non-employment based contracts and outsourcing are also at play here.

Deregulation thus implemented corresponded to the theories in which rigid labour markets do not foster the growth of employment, because they prevent any rapid changes on the labour market in a manner proportionate to changes in the economic environment.

From the perspective of the state, responsible for economic policy, deregulation was to increase the role of the market mechanism and consequently lead to less unemployment and faster economic growth through more flexible economic processes in this area.

Generalization of fixed-term employment will be primarily the result of expectations of employers thus seeking to provide stability to their companies and cut costs and the acceptance for such action on the part of those creating economic law and economic policy, expecting, in this way, to boost the economy and bring about an increase in unemployment. Employees will accept this state of things, as far as it will give them a chance of employment, however poor, but at least one that provides income.

COSTS OF FIXED-TERM EMPLOYMENT

The burden of costs of fixed-term employment falls mainly on the employees. This is in line with the arguments above, where employees expect a greater supply of jobs at the expense of taking over a substantial part of the economic risks. From the perspective of the labour market, this process means a deepening of segmentation processes, which is well described by dual labour market theories (Kryńska, 1996). According to those, there exists a core sector in the economy, corresponding to the general characteristics of the Ford’s sector (oligopolistic firms with capital intensive methods of production, stable demand and protection of the country), and the waterside sectors with opposite characteristics. To these two sectors in turn correspond to separate labour markets – primary and secondary. In the primary market better jobs are offered – stable, well paid, with the prospect of promotion. The secondary one, respectively, offers worse paid jobs without any possibility of promotion and with large fluctuation.

The essence of the problem, however, is not the mere existence of dual labour markets, but their low permeability for employees. Transitioning from secondary to primary market is very difficult. Finding oneself at the beginning of one’s career in the worse segment may largely determine the entire career of an individual. Finding a job in one or another segment is determined by, in addition to objective features (education, early career), the decisions of employers based e.g. on statistical discrimination. Worse still, work in the secondary sector creates a danger of permanent movement between low-quality temporary activities and unemployment.

The consequences of an unstable status of the fixed-term employed are not only income-related. The literature points here in particular at two areas of potential discrimination. One is associated with the availability of mortgage loans, and consequently the real estate market, the second relates to the prospect of a pension.

On the first issue, Polish quantitative and qualitative empirical studies show that lack of stable employment is a barrier to access a loan, which is associated with uncertainty and lack of control over their own lives. Although from the perspective of qualitative research, the impact of fixed-term employment has proved to be limited here, because an important part here is played by income per capita in the family and the professional standing of the other members. This means, however, a dependence of people with an unstable job situation on the status and income of other family members (Teisseyre, 2012). The significance of the problem highlighted in the studies is also illustrated by the fact that especially large companies employing for a fixed-term have made efforts to reassure their employees seeking a mortgage by sending letters to banks explaining that such a contract does not mean imminent redundancy, but is a procedure to achieve a full-time job.

Analyses of legal status (Oczyk, 2012) show that various forms of fixed-term work may mean a threat of poverty in an old age – due to the conditions of defined-contribution pension schemes existing in Poland. This system is highly dependent on the amount and period of paid contributions. And in the case of fixed-term employment there exists a high risk of interruption in work, which in turn causes lower replacement rates. At the same time, the actual pension contributions paid by employees for civil-law contracts and the self-employed are low and as a result do not provide a satisfactory level of pensions. Therefore the effects of fixed-term work may not only be relevant today, but extend far into the future.

As mentioned, the form of employment considered here is primarily beneficial for the employers. However, its abuse for short-term purposes can bring losses to entrepreneurs in the long term. We can see it, above all, from the perspective of the company resources theory (Tkaczyk, 2009), where in addition to physical, financial and organisational resources human resources are crucial, and so is the training and experience of employees. A company, hoping to be competitive, must ensure that these resources are original and unique, so that the product has these features too and is difficult to copy. However, we cannot forget that there is human capital, investments in which can be seen as a guarantee to the employees of stable, well paid employment. Then it makes sense to invest in their special qualifications and incentive schemes will be effective. At the same time, the loss of such workers, recruiting their successors and their training is costly. Stability of employment thus has profound meaning.
This argument does not, however, apply to the entire team, but its core impacting the competitiveness of the company. This is clearly shown by models of a flexible company (Pocztocki, 2007). According to those, the employed can be divided into three groups. The first is highly skilled workers with adaptable qualifications, who are the core of company employment. They receive permanent contracts. The second are peripheral workers with common skills, readily available in the labour market. They are, in turn, employed under flexible forms, e.g. for a fixed term. The third group are the workers required in specific situations. Here, non-employment based contracts or contracts with the self-employed are entered into.

These theoretical concepts are confirmed by empirical research (Bednarski, 2012). Companies’ management, and in particular the HR departments, declare a policy of employment also for employment contracts. Appropriate proportions should be kept here. There is awareness among employers that excessive fixed-term employment causes a variety of issues for the company.

Although conclusions regarding costs and benefits for employers and entrepreneurs of the functioning of liberal regulations, in the case of the area under consideration, are fairly well researched, both theoretically and empirically, in the case of the State such, relative at least, clarity does not exist. Previously described expected benefits in terms of economic growth and reducing unemployment have not been verified empirically in a conclusive manner (Borkowska, 2003; Wiśniewski, 1999; Kwiatkowski, 2002). However, while accepting the claim about the positive impact of flexible forms of employment on macroeconomic variables, we can see significant negative consequences associated with such economic policy of the state.

If we accept the idea presented in the literature that employees are the weaker party compared to the capital, which can take place in particular when labour markets are characterized by failures (e.g. monopsonistic position of the employer), then they should be subject to special legal protection (Bednarski, Wratny, 2010). Deregulation and flexibility in these markets can therefore lead to social conflict and costly tensions giving rise to strikes.

This means a reduction in the level of social capital, whose high levels are beneficial to economic growth. Confidence in social partners, accompanied by proper state arbitration, will lower the transaction costs of the functioning of the economic system (Balczerak-Paradowska et al. eds., 2009).

In this situation, the State faces the need to seek solutions to preserve the necessary flexibility of the labour markets while maintaining a stable social situation. Such a solution seems to be a policy of flexicurity. It involves giving labour market entrepreneurs the right of easy hire and fire and to employ temporary workers and use temporary contracts. In exchange for agreeing to such solutions, employees would receive training and good information about vacancies from the state, as well as income security thanks to allowances and social guarantees schemes (Rutkowski, 2009; Kryńska eds., 2009).

The flexicurity model does, however, involve important issues. On the one hand, it requires high mutual trust on the part of social dialogue players. Employees in particular must believe that upon the approval of more flexible labour law, the State does not withdraw from its promises. Social capital in society is therefore necessary. A key problem, however, is that a policy of flexicurity is very expensive. Here, the state faces a financial issue related to budgetary balance. Thus a solution to the outlined dilemma becomes a barrier.

As we can see, fixed-term employment, as a form of labour market flexibility, also means substantial problems, even for those actors who gain important benefits.

SUMMARY

The problems outlined, in the practical dimension, boil down to seeking answers to the issue of the optimal level of regulation on the labour market, and therefore also regulations in respect of fixed-term employment.

When considering this issue, first and foremost consideration should be given to the fact that not only the market, but also the state is unreliable. It is not as if the State is independent from pressure groups, well informed and knows how to run optimising accounts. Regulatory expectations towards the state must be proportional to its quality. And the theory clearly defines the characteristics of good governance by listing: a democratic state under the rule of law, transparency, accountability, participation, social inclusion and effectiveness and efficiency (Wilkin, 2008).

However, even the best State governed according to the above rules is subject to the pressures of various inter-group social groups, which in specific cases can turn into efficiently operating distribution coalitions (Olson, 1971) “chasing pensions”, where their aim is a political pension obtained at the expense of other social groups, without increasing social welfare (Wilkin, 2005). Total resistance of the state to such pressure is not possible, which also holds true for the regulation of labour markets.

What is more, certain decisions of the state, even when taken in good faith, by their very nature impact on various social groups. A law hindering the fixed-term employment or imposing additional costs on civil-law contracts will remain neutral for employers and employees from the Fordist company sector or employees with a strong market position, forming the core of employment at their companies. However, it will be definitely bad for employers of smaller post-Fordist companies. It is hard to determine the effects of this for employees in these sectors. If the higher legal standard is followed by changes in economic reality, we will be able to view this as beneficial, and if the employed are pushed to the unemployed group or to the grey market, then we will not. This is determined by very specific conditions in local labour markets and product markets.

At the general level, we can therefore formulate two postulates for regulating fixed-term work. Firstly, the lobbying done by employers’ organisations and trade unions should be treated with caution. Even more so because that those who will mainly incur the costs and perhaps gain some benefits (precariat), do not usually create effective pressure groups.

Secondly, legislative solutions must be tailor-made for specific audiences. Attempts at regulations targeted at all groups will cause more damage than it will bring benefits.

Obviously, solutions such as flexicurity would best serve the stability of employers and workers in precarious economic conditions. However, this means the need for sponsorship of this policy by the taxpayers, which does not usually cause satisfaction in voters or politicians as a result.

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STABILIZATION OF "INSTABILITY": CONSEQUENCES OF FIXED-TERM EMPLOYMENT FOR COLLECTIVE LABOUR RELATIONS*

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OPENING REMARKS

What is happening in labour relations is an important aspect of shaping the social order. It is a truism that would be worth reiterating if not for the changes that are taking place in the contemporary world to make those labour relations more flexible (one of the dimensions of these changes involves increasing fixed-term employment), with those changes being read either as a sign of times that is typical for the post-Fordist management model or as a necessity dictated by willingness to face the domestic and international competition or as an indication of capacity of the world of capital and externalisation of business operation costs to the world of labour. Each of the above-mentioned points of view could be attributed to interest groups, among which the most distinct ones seem to be connected with the interest of employers and employees.

Certainly, the advocates of all the above-mentioned points of view have arguments that should be deliberated thoroughly, but the point is not to decide who should be considered right on the basis of one argument or another. Something else appears to be the point is not to decide who should be considered right on the point that each employer is interested in stable employment for as many workers as possible since if an employer earns money by employing each worker, it is logical that an employer will earn more money if they employ more workers (This article, which was said by one of the leaders of popular organizations of employers, took place at the conference on the problems of underemployment in the Centre for Social Dialogue).

It is possible that the logic of the above-mentioned statement — let’s add it is an apparent logic — is convincing for a part of the participants of the discourse about labour relations, although by no means correspond to the known labour market theories or enterprise theories (Bednarski, 2012) and does not match its empirical experience. We do not have to disclose the economic ignorance of the author of that quite astonishing statement, but it has to be stressed that from logical premises a conclusion can be drawn that not only does not fit the empirically perceptible reality, but it also is contrary to common sense if one fails to take into account numerous factors that comprise complex processes of management and conduct of entrepreneurs who attempt to maximise their usefulness.

Although it borders on historical determinism, the opinion that flexibility of the labour market is necessary and well established in the contemporary reality of world economy is not

* This article is a largely abridged and modified version of the text that was published in the book edited by M. Bednarski and K. Frieske under the title Zatrudnienie na czas określony in the Polish language. In this version, the text is presented in English for a broader audience.

Tkaczuk T. (2009), Przeminąć w teorii przedsiębiorstwa, w: L. Lichnik (red.), Nauka o przedsiębiorstwie. Wybrane zagadnienia, Warszawa: Oficyna Wydawnicza SGH.
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deprived of rational arguments and has its empirical evidence. However, we must be aware what such flexibility means: firstly – for labour relations alone, secondly – for other functionally important areas of social life, and third – for the social order or society tout court. The point is not to formulate judgements on the basis of which we will take certain decisions that have impact on collective labour relations, but to be aware of all the advantages and disadvantages of the solutions that seem to be a historical necessity to at least a part of discourse participants, which does not necessarily have to be true.

Sociologists, maybe to a greater degree than the representatives of other fields of science, point to such functions of labour that involve stability of the social order because of that simple circumstance that people define their status through the prism of work, and at the same time they are defined by others in the main social structures (family, neighbourly or community ones, etc.). Work situates individuals in social interactions, frequently giving sense to the life of individuals, although something else appears to be the most important thing from the macroeconomic point of view.

We have been hearing for more or less 20 years that the contemporary socio-economic problems can be effectively solved solely by strengthening the area of labour – which in more pragmatic wording means measures to increase employment indicators and reduction of employment. A new name has been even coined – workfare state – for the model of a state that unlike the traditional welfare state cares for social security of its citizens not by means of supply of social allowances, which are an alternative for income obtained from work, but by means of development of various active labour market policies (welfare to work). Therefore, work is supposed to be a cure for multiple social ailments, but R. Dahrendorf accurately stated: Changes in the nature of work have been profound, and they have affected individual lives as well as social structures. Today, work is no longer the obvious solution to social problems, but a part of the problem itself (Dahrendorf, 1993, p. 227).

The changes that took place in the field of labour convinced even some of researchers to proclaim “the end of work” (Rifkin, 2001), which is supposed to mean that work will be an exceptionally deficit-stricken good, if it is not already. We do not know whether those forecasts will come true or whether they share the fate of other prophecies pertaining for instance to “the end of history” (Fukuyama, 1996), but we know for sure that some types of employment are becoming more and more deficit-affected, i.e. the employment that is protected not only by means of a relevant employment contract, but also a specific configuration of interests in which trade unions play an important role and can negotiate collective labour agreements with an employer to guarantee long-term work stability. Hence, if work is to be a stabiliser of social life, as expected under a number of various social policies, and it is becoming a problem itself and generates uncertainty, then how to reconcile the social order stability requirement with the instability of employment and what consequences for collective labour relationships will be brought by that instability of employment? The further part of the text is focused on attempts to answer the latter question.

**SOME FACTS**

We know for sure that the percentage of persons with fixed-term employment contracts in Poland in 2009 amounted to 27.1% of the total number of employed persons, and in 2010 it increased to 28.2%, and it was clearly the highest among all EU Member States (Eurostat, 2011). We know as well that fixed-term employment was on the increase in particular in the last decade since in 1999 it was below 5% of total employment, which would situate us in 2011 among the EU Member States with the lowest indicators of such employment.

![Figure 1. Fixed-term employment in Poland in 1999–2010](http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tps00073&plugin=0)


![Figure 2. Satisfaction with work career](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-AC-02-001/EN/KS-AC-02-001-EN.PDF)

Source: CBOS: BS/6/2011 – Polacy o swoim szczęściu i pechu oraz zadowoleniu z życia [Poles about their happiness, bad luck and satisfaction with life].
From public opinion polls we know that clearly most Poles (92%) agree with a statement that work gives sense to our lives (CBOS, 2011). From other studies we also know that 59% of Poles are very or rather satisfied with their work career so far, 25% are fairly satisfied, and 11% are not satisfied (CBOS, 2011). However, we do not know what the percentage of satisfied persons among the one employed on the basis of fixed-term contracts is, but we can conclude from the distribution of variables and comparison with the percentage of persons employed on the basis of fixed-term contracts that at least some of them expressed relative satisfaction with their work career. Even if we assume that all persons dissatisfied with their work (11%) are employed on the basis of fixed-term contracts (28.2%), which is highly unlikely, then 60% among them would express their relative satisfaction with their work career anyway.

Thus, the situation is that a significant growth in fixed-term employment in the last decade was accompanied by stabilisation of relative satisfaction with the work career. Admittedly we do not have relevant empirical data that would make it possible to precisely answer the question about what comprises the satisfaction from work captured in opinion polls, but it is known anyway that a particularly appreciated value among the employees is represented by stabilisation of employment, which is one of the more important dimensions of collective labour relationships (Gardawski, 2009). Common-sense intuition would prompt that the increase in flexible forms of employment, which involve uncertainty of employment, should be accompanied by an increase in the number of dissatisfied employees and a decrease of satisfied ones.

Important premises for the reply to the question about why it happens so can be provided by an analysis of collective labour agreements with the involvement of workers who have fixed-term employment contracts. In other words, we

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**Table 1. Persons with fixed-term employment broken down by state and gender**

<table>
<thead>
<tr>
<th>15 years and more</th>
<th>Persons with fixed-term employment (in thousands)</th>
<th>Percentage in total employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010 Q3</td>
<td>2009 Q3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>Men</td>
</tr>
<tr>
<td>EU 27</td>
<td>26 081</td>
<td>14.4</td>
</tr>
<tr>
<td>EA 16</td>
<td>18 988</td>
<td>16.1</td>
</tr>
<tr>
<td>Belgium</td>
<td>319</td>
<td>8.3</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>149</td>
<td>5.5</td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>370</td>
<td>9.2</td>
</tr>
<tr>
<td>Denmark</td>
<td>223</td>
<td>9.0</td>
</tr>
<tr>
<td>Germany</td>
<td>5 104</td>
<td>14.9</td>
</tr>
<tr>
<td>Estonia</td>
<td>22</td>
<td>4.2</td>
</tr>
<tr>
<td>Ireland</td>
<td>154</td>
<td>10.1</td>
</tr>
<tr>
<td>Greece</td>
<td>369</td>
<td>13.0</td>
</tr>
<tr>
<td>Spain</td>
<td>3 950</td>
<td>25.6</td>
</tr>
<tr>
<td>France</td>
<td>3 604</td>
<td>15.7</td>
</tr>
<tr>
<td>Italy</td>
<td>2 198</td>
<td>12.9</td>
</tr>
<tr>
<td>Cyprus</td>
<td>43</td>
<td>13.6</td>
</tr>
<tr>
<td>Latvia</td>
<td>64</td>
<td>7.5</td>
</tr>
<tr>
<td>Lithuania</td>
<td>37</td>
<td>3.1</td>
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<tr>
<td>Luxembourg</td>
<td>18</td>
<td>9.1</td>
</tr>
<tr>
<td>Hungary</td>
<td>348</td>
<td>10.4</td>
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<tr>
<td>Malta</td>
<td>9</td>
<td>6.5</td>
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<tr>
<td>Netherlands</td>
<td>1 326</td>
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<tr>
<td>Austria</td>
<td>364</td>
<td>10.2</td>
</tr>
<tr>
<td>Poland</td>
<td>3 525</td>
<td>28.2</td>
</tr>
<tr>
<td>Portugal</td>
<td>888</td>
<td>23.2</td>
</tr>
<tr>
<td>Rumania</td>
<td>71</td>
<td>1.2</td>
</tr>
<tr>
<td>Slovenia</td>
<td>141</td>
<td>17.8</td>
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<tr>
<td>Slovakia</td>
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<td>8.6</td>
</tr>
<tr>
<td>Finland</td>
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<td>17.1</td>
</tr>
<tr>
<td>Sweden</td>
<td>715</td>
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<td>Iceland</td>
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<tr>
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</tr>
<tr>
<td>Croatia</td>
<td>156</td>
<td>13.1</td>
</tr>
<tr>
<td>Macedonia</td>
<td>74</td>
<td>15.9</td>
</tr>
<tr>
<td>Turkey</td>
<td>1 816</td>
<td>13.0</td>
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</tbody>
</table>

Source: Massarelli et al. (2011, p. 6).
can pose a question whether, and if so which, consequences of the employment status there are for the subjective sense of sustainability of labour relationship, increase employment certainty, prestige or respect that are bestowed upon employees, work promotion opportunities, etc. The empirical material derived from qualitative research (Bednarski, Frieske, 2012) has brought a quite unambiguous, and to a certain degree surprising answer, namely that clearly most respondents employed on the basis of fixed-term contracts did not see any difference between their employment status and those who had open-ended contracts.

However, it should be pointed out that study results were not representative for the entire population of persons employed on the basis of fixed-term contracts since the respondents did not constitute a sample in the statistical sense; the empirical material was collected as a result of purposive sampling, and the interviews were conducted according to qualitative research procedures. Nonetheless, it forms an important basis for the formulation of several heuristic hypotheses concerning the consequences of flexible forms of employment for labour relationships in Poland.

HYPOTHESIS 1 – WHAT COMMON IS NORMAL

1. Already in schools, it was explained to us not to prepare ourselves to practice “a permanent job” in one form and in one profession because in the contemporary times we can retrain a railwayman to work as a prosthetodontist. You have to adjust yourself to the labour market and be ready to change your occupation or even your profession (an employer).

2. Our practice of employing workers applies to all workers, all work posts, irrespective of the traits of a given worker. Actually, we have always used fixed-term contracts; we have started to use them on a broader scale in 2004, i.e. from the time when Poland joined the European Union (an employer).

3. There is an unwritten rule in our company that it applies to all employees that come to work here. We assume that we can learn a given employee very well during a year and then assess whether they fit our enterprise or not (an employer).

The above quotations are only some of numerous utterances of employers and employees that demonstrate that the time of stable employment on the basis of open-ended contracts has come to an end. However, in general, such a situation does not entail negative opinions or rebel instincts in the awareness of employees, although we know from the analyses derived within individual imaginations of what seems to be just and proper, and what affects everyone to the same degree is fair.

There have been clear rules for some time, I am not sure since when, that every new hired employee firstly signs a three-month contracts, and if they prove useful, then a contract for one year, and if there are no objections or any restructuring, then the next contracts is an open-ended contract. It applies to everyone, and it is OK.

The Labour Code does not provide for different in-work benefits between the employees working on the basis of fixed-term and open-ended contracts. Yet, for the sociological description of the reality it is not important what has been written in the regulations defined in the code, but what is empirically perceptible in reality. Here we have to stress that both the employers and the employees did not see any major disparities in the status of employees hired on the basis of a fixed-term contracts or the ones with open-ended contracts. The most often argument is that it is the work itself that is important, and the division into the employees with various employment contracts is of minor importance.

Diversity of formal statuses was underestimated by the respondents of two types, and they used completely different arguments. Some of them referred to common concerns about keeping a job (Well, he showed some interest […] since just like I said […] if he wants to fire me, then he will do it anyway […] because if I have an open-ended contract, then if the employer wants to fire me, he will do that immediately or will dismiss me within three months), the other to hope that if somebody is a good worker, then the contract will be renewed (And here they tell everyone at the very beginning that if they prove useful, they will be hired with an open-ended contract after 15 months. It seems that these are the arrangements issued by a superior authority).

No particular differences in the remuneration or rights were pointed out, although we know from the quantitative research that the former ones are clearly lower in the case...
of persons with fixed-term contracts. The respondents usually attributed those differences to work placement and not the nature of employment.

It appears that the importance of regulations defined in the code for the shape of collective labour relationships, at least with the involvement of people hired on the basis of fixed-term contracts, is limited to a great extent. However, that right, as a regulatory institution of the macro level, is the object of changes that is most desired by social partners and political decision-makers, but it is something else that decides the quality of labour relations at the micro level.

This statement might seem trivial, in particular to those who see the importance of various local contexts for these or other social (institutional) effects of interaction. However, we would venture an opinion that even when disregarding the local context or the role of the institutions of the micro level (the level of local unemployment, easiness in getting a job on the local labour market, personal work experience of employees, etc.), the importance of law as an institution that exerts impact on the form of collective labour relations is secondary in comparison with two other phenomena that were formed at the macro-social level.

The former is relatively easy to perceive and clearly articulated in the utterances of our respondents, and it is represented by the sense of risk of unemployment. The latter one is slightly more difficult to grasp since it is not demonstrated as strongly as the former one, but we can draw a conclusion about it by confronting the results of representative research with the statements of our respondents. The point is to get accustomed to market economy and its consequences and employees’ rationalisation of temporary employment as an important element of their economic awareness and vision of a well managed economy.

**HYPOTHESIS 3 – FEAR OF UNEMPLOYMENT**

It is beyond doubt that a dynamic growth in fixed-term employment in Poland took place in the period of dynamic growth in unemployment, although the decrease in unemployment since 2003 did not prevent further increase in the fixed-term contracts (but maybe, as claimed by some economists, the increase in fixed-term contracts prevented the increase in unemployment). The causal link between the unemployment and fixed-term employment is subject to economical analyses (Gaška, Lewandowski, 2010, p. 112), but for us it much more essential what is the importance of unemployment for the employers as a point of reference when taking a decision to hire personnel.

We know for sure that unemployment in Poland is perceived in the social opinion polls as one of the most important social problems, yet its size has considerably changed in the last two decades or the last decade. Whether right or wrong, the insiders-outsiders opposition is clearly present both in the public discourse about a well functioning economy, or more broadly, about a well functioning social order, or in common opinion about the “losers” and “winners” in the process of system transformation.

In other words, the division into the employed and the unemployed seems to be the prevailing ones in the assessment of functioning of the Polish economy and social order, and what happens inside enterprises and what comprises the characteristics of collective labour relationships loses importance. Thus, it is no wonder that employees evaluate their situation mainly through the prism of their opportunities to find any job, and any job appears to be better than no job. We tried to point out that aspect in our studies by asking the respondents e.g. whether “any job is better than no job”. The result was not particularly surprising since clearly most respondents answered that question affirmatively, and frequently added that no job is a disgrace or there is nothing worse than sitting at home. The opinions of respondents were formulated primarily through the prism of income or alternatively absence of income, which coincided with the division into the working and unemployed people.

1. A confirmation that “any job is better than no job” is an accurate statement since it is better to take a temporary job even below somebody’s professional qualifications or education than to have no resources for living and to count on the family or social assistance. We should wait in such a situation and seek for another and better job in the meantime. Without a job people feel worse and unnecessary.

2. I think it is accurate. It might be funny to you, but I think that this proverb proves true when the spectre of a bailiwick emerges. It is better to have an income that is not necessarily as high as wanted than to have none at all. The bills will not be paid themselves; in order to live with dignity, one has to pay them – otherwise one can lose even their place to live.

3. I think that in general it is true. Despite the value of work itself as an activity, it is through a job that you obtain income and because of that, if there is no choice, every job is better than no job. So far, I have had a guaranteed maintenance with my parents, so I was able to search for something interesting and prospective, and this is why I did not take any available job, but if it was otherwise… It is better to have any job than to have no job.

4. Weil, it is all about working. Just like that. It is important. Not to sit at home. I do not have such a job […] that necessarily has to be permanent. In some situations it is like that, not that they do not agree to anything else, only to open-ended ones. I have never thought like that. I am satisfied that I have a job, that I come here every day, the atmosphere is good.

If there were any objections about the accurateness of that trivialised statement that “any job is better than no job”, they were dictated by individual reasonability that formed the strategy for seeking a proper job rather than by a conviction that the situation of an unemployed person can be better than that of a person employed in any form of employment, or they were justified in relatively good financial situation of a respondent.

1. It is for sure a better solution than to sit at home and cry into your beer. However, I know examples of persons who worked on high-rank posts, and when they lost their job, they worked no matter where, just to make ends meet, and in the meantime they were looking for another, better job. In consequence, it was harder for them to find a job on a higher position.

2. I cannot fully agree with that […] although […] I was raised in the conviction that by sitting at home, you do not do anything, but […] you have to take into account that a temporary job can sometimes shatter the opportunities to get a truly cool job […] so you have to think carefully whether any job no matter what is worth it because it can at that moment close the path towards the future.

3. I don’t like that. Not every job is better than no job; there are jobs I would never take up. Admittedly, I have never been in a situation when I had no means of livelihood, so if it was like that, I would probably not say so. I cannot imagine a situation in which I would think so. Probably a head of a family who has to maintain it might say so, but a daughter who, just like me, always has a home and parents to support her is a different story.

The opinions of employees confronted with the opinions of employers leave no doubts that the nature of employment is of no particularly major importance for the characteristics of collective labour relationships. To put it short, if first of all what matters is the fact whether you are employed or not, then the form of employment and any related consequences are secondary.
1. As far as Poland is concerned, it seems to me that the trend to hire employees on the basis of fixed-term contracts will increase because there is no labour market stability in Poland. You know it perfectly well that when applying for a job, currently an employee does not ask about many things, whether they get an open-ended contract or not. They are interested in the employment alone, and the form itself and contract type are of secondary importance. If we organise a recruitment for a post, external recruitment, then we have 20–30 applications for one position, and these are usually people with high qualifications and high education (an employer).

2. As long as there is high unemployment in Poland, there will be more such fixed-term contracts; on the other hand, if the unemployment drops, an employer will want to secure themselves and will offer open-ended contracts to the employees (an employer).

3. The choice of that job [on the basis of a fixed-term contract – author’s note] was determined first of all by lack of job (an employee).

The relation between the unemployment level and fixed-term contracts, as indicated by the representatives of employers, despite being in accordance with common sense, is not obvious at all. We know that as the unemployment dropped in Poland in the second half of the last decade, the percentage of fixed-term employment did not decrease at all, but it increased instead. And there is no certainty that with improving situation on the labour market, putting aside the current events in the domestic and global economy, the percentage of fixed-term employment will decrease.

We can obviously pose a question which conditions have to be met for a change to take place. Surely, in order for any change to happen, there has to be some interest in it by organised interest groups. Admittedly, the trade unions timidly protest against the enlarging of the segment of people employed in the non-standard forms, but it can be clearly seen that the unemployment caused persons define their interests first of all with reference to an alternative, which is unemployment, and they are not interested in changing their status as a result of more organised activities.

All this shows that we have to do with “consent not in the least unlimited”, paraphrasing the known saying, which pertained the economic awareness of employees and was formulated on the basis of the research conducted e.g. by Juliusz Gardawski (Gardawski et al., 1996, 1999, 2001, 2009).

**HYPOTHESIS 4 – “UNLIMITED CONSENT”**

In the research on the economic awareness of employees conducted systematically throughout the entire period of transformation, the authors have formulated a thesis on “limited consent” to economy modernisation processes, and the largest group was formed by “moderate modernisers”, i.e. the ones who accepted, among other things, full independence of enterprises and competition between them, but did not consent to unemployment and the rules that lead to unemployment (Gardawski, 1998). The opinions of “moderate modernisers” were ambivalent, meaning that they accepted the market rules, provided that they did not pose threat to their existential stability defined mainly by certainty of employment.

It is hard to find irrationality in those opinions if we separate for analytical purposes the macro and micro level and the role of an entrepreneur (manufacturer) and a consumer. The representatives of the modernisation current were well aware of the fact that the efficiency of the economy (the macro level) together with its abundance of goods and services available on the market is built by way of competition and streamlining of production processes, but they also knew, particularly after the experience of the first period of transformation changes, that they might be “sacrificed on the altar of the market play”.

Moderately friendly opinions about the market economy can be interpreted as a sui generis compromise between the requirement of a well-functioning economy and the preservation of the consumer potential since participation in the benefits of the market is a function of the position of an individual on the labour market, and the status of an unemployed person causes that we lose the opportunities to use the market abundance. Therefore, the absence of acceptance of unemployment by the working Poles is essentially a defence of the status of a consumer, for whom the market makes sense, provided that they can use its benefits.

Juliusz Gardawski writes that: On the basis of the research on economic awareness one can come to a conclusion that the most effective protective umbrella over the policy of reforms from late 1980s and early 1990s, as well as 1990s was formed by the state of awareness of the working class of that time. It is precisely the wait for a friendly market economy and an ambivalent attitude towards its primary institutions, as well as weariness of economic effects of authoritarian socialism and disappearance of workers’ solidarity that facilitated the reforms (Gardawski, 2009, p. 246). Admittedly, we do not know what the economic views of the persons employed on the basis of fixed-term contracts are and whether they are consistent with one of the categories put forward on the basis of the representative research (“liberals”, “moderate modernisers”, “traditionalists”), but we know that our respondents showed a lot of tolerance (yet rarely understanding) of the rules of fixed-term employment. A conviction prevailed that employers want to check the worker’s skills and their commitment to a new workplace, and there were also many opinions accepting such a practice:

1. Well, I also employed people […] I think that the probationary period is the time to check an employee. It is the most important reason.

2. If an employee is hired for three months, they try very hard to have their contract renewed. As soon as they get a two-year contract, they often stop their efforts and this is an emergency exit for an employer, which has its advantages and disadvantages. If I were an employer, I would respond the same way because it’s no point to offer somebody an open-ended contract and then to suffer because of that. And so an employee knows that they have to try hard for two years or one year and a half, they will be more keen to work.

3. I think that the point is to learn the employees more. To see their qualifications and abilities […]

4. The reasons are multiple, sometimes we do not know whether it is supposed to discipline the workers or to protect against mass redundancies in case of liquidation or limitation of a business. In our case, this practice was brought from Germany and the United States, where the parent companies are seated.

5. In my opinion it is probably an additional verification of an employee, an opportunity to test them in various sections or positions. I cannot see any other justification.

We know that the support for market rules among the Poles decreased in the course of transformations, but we know too that although most working Poles are aware that market economy has its undeletable nuisances, those persons do not lose, or they do not lose to such a degree to withdraw their support for market rules (Gardawski, 2009, p. 246). Our respondents were partially those working Poles – the insiders, who could feel to be the “winners” when confronted with those who failed to find their place on the labour market. In full agreement with the thesis that “moderate modernisers” constituted a real “protective umbrella” for economic reforms, one should ask what strengthened or sustained a moderate sympathy for the market and flexible forms of employment among our respondents.

We think that moderately friendly attitude towards fixed-term employment is also a consequence (apart from unem-
employment as a negative alternative, as indicated above) of a specific coincidence of circumstances that accompany the implementation of an economic reform. A conviction that something is common or normal is not only a result of one's own work experience or experience of persons from the group of people we know, but also a result of impact exercised by normative and ideal structures. Sociologists described that mechanism very well by references to the processes of socialisation and internalisation of specific beliefs that are reflected in almost automated behaviours of people. An important element of those structures is formed by the publicly prevailing conviction that there is a problem solution that has no alternatives even if it involves certain negative consequences for the welfare of citizens. It was like that with the draft economic reform as well, which entered the colloquial vocabulary as the Plan of Balcerowicz.

“A leap in the realm of prosperity”, paraphrasing the title of a popular book by Andrzej Walicki, took place under a limited, yet considerable agreement of the personnel to removal of multiple rights that are incorporated in standard employment contracts and guarantee stability of employment. A myth of a well-arranged society, whose efficiency was empirically confirmed in the post-war period in democratic countries with market economy, was rooted in the awareness of Poles.

Therefore, if there is somewhere, very close to us, an imagined normal world, then the return to normality necessitates the acceptance of specific rules, including the consent to such standards of employee rights that comprise such normality and are hard to oppose. First, that myth was created, subsequently it was strengthened by means of various statements by people belonging to the elite of opinion makers.

Obviously, we do not know how collective labour relationships would be affected by alternative solutions, which are often mythologised as “the third path” or “the golden mean” to reconcile economic efficiency and social security of employees, but that is a different story.

**SUMMARY**

The results of quantitative analyses do not leave any doubts that the situation of workers with fixed-term contracts, measured for instance by the amount of income or frequency of unemployment spells, is much worse than the situation of people with open-ended employment contracts. However, what results from the thoroughly conducted statistical analyses does not translate into subjectively perceived differentiation of statuses that are perceptible under qualitative research.

Firstly, we have to do not only with absence of articulated status differentiation, but simply with acceptance of the current state of affairs as something common and normal (hypothesis 1).

Secondly (hypothesis 2), the labour law does not establish privileges on the basis of the nature of an employment contract, and work experience of the workers with fixed-term contracts unambiguously indicates that their position and relations within the structure of labour relationships in an enterprise do not differ at all from those of people with open-ended contracts.

Third (hypothesis 3), the assessments made by persons employed on the basis of fixed-term contracts are referred to a great extent to the status of the unemployed, who are the actual “losers” of changes made under the transformation.

Fourth (hypothesis 4), the acceptance of the underemployed status results from the commonly shared belief that an efficient economy has to be based on competition, and flexible forms of employment after all represent one of the essential elements thereof.

Fixed-term employment is perceived as an “entry ticket to the world of provisions”, using the Dahrendorf’s metaphor, and since there are inferior ones (the unemployed), the employers do not have any interest in discriminating the people employed on the basis of fixed-term contracts. After all, enterprises have to be flexible in order to face the competition and survive on a market, thus there are no reasons to oppose the current state of affairs. It is a normal condition where both no winners and no loser can be seen since individualised and solely formally diverse statuses in terms of employment contracts lose the importance in the face of common uncertainty of employment.

Paradoxically, instability of employment is stabilised, meaning that such a condition is anticipated (which does not mean it is desired) and accustomed to under an everyday routine of collective life. If we know what is ahead, and it is uncertainty that awaits us, and we agree to such play rules, which generate such an uncertainty, then our behaviours become moderately predictable under individualised strategies on how to cope with the challenges on a labour market (everyone seeks a job, everyone is in a similar situation as mine, etc.). However, we do not know what the consequences of stabilising “the unstable” will be like for other areas of social life (family, social, community life, etc.) and for the society tout court in the foreseeable time perspective.

This question, which is fundamental for sociology, is still open and awaits for in-depth analyses of flexible forms of employment with focus on their importance for the stability of social order. Concentration on labour alone, processes of maximising individual usefulness, exclusive of social functions of work, makes it possible for us to make suboptimal social choices, which resemble “The Tragedy of the Commons” by Garrett Hardin. This is the price we have to pay for the culture of individualism, which penetrates the collective labour relationships to a greater and greater degree – no matter how paradoxical it appears.

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THE SPECTRE OF PRECARITY

Europe is haunted by the spectres of junk contracts and precariousness. The spectres threatening with mass protests and an open, more or less organised conflict – as demonstrated by the “Indignant” movements or ACTA-related events. The spectres were released not only by the consequences of the financial and economic crisis and the dissatisfaction with the anti-crisis policy-making, but also by the negative perception of social inequities and unstable situation on the labour market. The latter seems to be a consequence equally of the crisis and of the changes taking place since 1970s and transforming the Fordist order of employment and industrial relationships (Gardawski, 2009), as well as pressure to deregulate the labour market and make it more flexible with arguments pertaining to the benefits arising from decreased employee turnover costs, reduced employment costs and more effective utilisation of labour force owing to more efficient and simpler reallocation of staff (Kwiatkowski, 2002, pp. 25–27).

The legislation reforms of the EU and individual Member States that have been conducted since 1990s and that promote temporary contracts with simultaneous retention of restrictive rules of employment had negative effects not as much for the labour market participation and unemployment, but rather for the diversification of the labour market and the structure of employment (cf. Frieske, 2003; Gardawski, 2009). It is all about making the labour market more flexible in such a way that not only reduces the standards, stability and predictability of labour, but also makes non-standard forms of employment accumulate in specific segments of the social structure.

Precarious forms of employment are defined (Rodgers, 1989) with reference to certainty with which a job can be retained in a longer perspective, to the degree of control over the labour conditions, to the degree of protection of job and working conditions by relevant regulations and by the possibility of exercising one’s own rights and by the salary amount. Various characteristics and methods to measure precariousness are integrated with a number of additional features such as in-work benefits, autonomy in the performance of tasks at work, compatibility of work with qualifications, physical safety and health conditions or opportunity to reconcile professional activity with family life. The analyses that are oriented towards multidimensionality of precariousness (cf. Munroe de Bustillo et al., 2011) classify Poland in the group of countries with the lowest quality of employment and the highest precarisation of the labour market.

Using a slightly different convention (e.g. with reference to the works by U. Beck), it is pointed to the risk of de-qualification, which is typical for precarious employment, to deterioration of working conditions, loss or limitation of income, representation opportunities, dismissal risk, etc. (cf. Standing, 2011). A thesis about various dimensions of uncertainty on the labour market in certain segments thereof is also empirically justified both in the Polish studies (e.g. Bartkowski, 2010) and in the foreign ones (Lewchuk et al., 2008).

Existing data show, on the one hand, that fixed-term employment (the form of employment should be considered an indicator of stability of the occupational situation here) is typical for employees with relatively low educational attainment and low qualifications and that socio-demographic characteristics of the unemployed persons and the ones employed for a fixed-term are concurrent with each other. In other words, instability of employment applies to a greater degree to the ones that have a relatively worse position on the labour market (Kierszyn, Dzierzgowski, 2012). The discussion about precariat in this respect is a repetition of the threads that already have their tradition and literature of debate about working poor or social marginality. The precarious segment of the labour market is the segment of people who are excluded, function at the verges of the society and are not rooted in the corporate or industrial order of collective labour relations.

Precariat understood this way also represents a category that fills the secondary segment of the labour market in the interpretations that refer to economic concepts of dual labour market (cf. Reich et al., 1973; Kryńska, 2000); a category that features rather not unemployability, but is first of all is related to deficiency of proper attitudes, standards and values that are necessary in order to function on the primary labour market.

On the other hand, however, precariousness does not necessarily involve class divisions; if we pay attention to uncertainty and lack of work safety, it seems to be a universal feature of the post-Fordist order and the contemporary labour relationships. The gradual transition from a social system that guarantees security and stability to a system that is uncertain and changeable, to a system of incomplete employment, to “a society of risk” was touched upon for instance by Beck (2002) or Sennett (2006). Consequently, precarious employment exists in various segments of the social structure, and it occurs in various professional groups, yet to a varying degree. Precariousness in this meaning is also a feature of the world of labour of the “creative class” and relatively well-educated and highly-skilled “knowledge employees”, specialist and independent experts hired on the basis of fixed-term contracts, who share with the workers of the secondary labour market segment not the small salary amount, but rather the instability of income resulting from the temporary nature of employment and relaxed social security guaranteed by relevant regulations for persons hired on the basis of employment contracts. Precarisation in the corporate conditions also covers the categories that are classified in Polish statistics as mental employees and in the English literature as white-collars (por. Ross, 2004).

Therefore, deprivation of work safety and social security is common, although it actually applies more often to the professional groups for which relatively low qualifications that do not require particularly high educational attainment are typical. As far as Poland is concerned and when we regard the indicator of precariousness as the fact of being employed on the basis of a fixed-term employment contract, it is confirmed for instance by the EU-SILC data (Kierszyn, Dzierzgowski, 2012, p. 80, 81). What is more, the number of people employed for a fixed term increases gradually in all categories apart from the persons with higher education (as far as educational background is considered an independent variable) and the group
of managers and specialists (if we consider the divisions between professional groups).

### Table 1. Dynamics of fixed-term employment among hired workers broken down by educational background and professional group affiliation (%)

<table>
<thead>
<tr>
<th>Description</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational attainment</strong></td>
<td></td>
</tr>
<tr>
<td>Primary (including lower-secondary) and incomplete primary education</td>
<td>48.03</td>
</tr>
<tr>
<td>Secondary education (basic vocational and A-level)</td>
<td>29.91</td>
</tr>
<tr>
<td>Higher education (including bachelor’s degree)</td>
<td>17.52</td>
</tr>
<tr>
<td><strong>Professional group</strong></td>
<td></td>
</tr>
<tr>
<td>Managers and specialists</td>
<td>13.42</td>
</tr>
<tr>
<td>Mid-level specialists</td>
<td>18.32</td>
</tr>
<tr>
<td>Upper-level white-collar workers (including the army)</td>
<td>29.02</td>
</tr>
<tr>
<td>Services’ workers and vendors</td>
<td>41.36</td>
</tr>
<tr>
<td>Skilled blue-collar workers</td>
<td>30.65</td>
</tr>
<tr>
<td>Unskilled blue-collar workers</td>
<td>44.45</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>18–24 year old</td>
<td>62.73</td>
</tr>
<tr>
<td>25–29 year old</td>
<td>39.88</td>
</tr>
<tr>
<td>30–34 year old</td>
<td>24.13</td>
</tr>
<tr>
<td>35–39 year old</td>
<td>21.89</td>
</tr>
<tr>
<td>40–44 year old</td>
<td>21.33</td>
</tr>
<tr>
<td>45–49 year old</td>
<td>18.62</td>
</tr>
<tr>
<td>50–54 year old</td>
<td>17.50</td>
</tr>
<tr>
<td>55–64 year old</td>
<td>26.12</td>
</tr>
</tbody>
</table>

Source: Kiersztyn, Dzierzgowski (2012, p. 80, 81).

Instability of employment, and hence of the main element of precariousness, is not equally distributed due to other socio-demographic features and labour market characteristics; the percentage of persons working on the basis of a fixed-term employment contract is higher among the persons employed by relatively small employers, necessarily for seasonal work and among the persons that do not work on managerial positions. The main differentiating variable turns out to be the age – independent of the current educational status or previous professional experience.

The further part of the article is devoted precisely to the importance of age as the main correlate of precariousness. My goal is not only to sketch out the situation of the youth on the labour market and as a separate social category that is affected by the consequences of making the labour market more flexible and by various risks of late modernity to a (hypothetically) greatest degree, but also to indicate the work- and labour-market-related attitudes and orientations of people that are relatively young and hypothetically threatened with precariousness. I will be interested in particular in showing in what sense we can speak of a trap of precariousness that is generated by temporary forms of employment in case of relatively young workers.

The article uses secondary data and material from analyses conducted under the research project entitled Underemployment. economic and social consequences, which was under implementation by the Institute of Labour and Social Studies in 2010 and 2011. The research was conducted by means of individual in-depth interview method in two Voivodeship cities using a sample of 120 persons employed on the basis of a fixed-term contract at varying age – from 20 to 60 year old – with half of the persons under 30, i.e. they grew up after the system transformation and entered the labour market in the last decade.

As far as the age structure is concerned, the population in question was very similar to the total population of persons employed on the basis of fixed-term contract. The EU-SILC data, which can be considered representative for the entire population, indicate that the median age of workers employed on the basis of fixed-term contract amounts to 32.

I used in this text some threads of my own analysis (Polowski 2012), which was published in the book that sums up the mentioned research.

### AGE AND SITUATION ON THE LABOUR MARKET

Unfortunately, as indicated by the recent report of the European Commission Employment and social developments in Europe 2011 (see also: ESOPE, 2005; Garland, 2011), irrespective of whether we analyse flexible forms of employment or the income of households and amount of earnings, the precariousness applies mainly to people who are relatively young and are pushed down to a worse segment of the labour market and are affected by uncertainty and employment- and income-related risk to a greater degree than the previous generations. Whereas the percentage of persons working on the basis of fixed-term employment contracts in the entire EU-27 population currently amounts to 14% (for Poland 27.3%), in the case of persons aged 15–24 it is 42.2% (Poland – 54.6%). The indicators decrease in the older cohorts: for workers aged 25–49, the relevant value equals 12.1% (Poland – 24.8%), at the age of 50–74, it is 7.2% (Poland – 18.9%).

What is more, the indicators of fixed-term employment are correlated with wage penalty (a person who works on the basis of a fixed term contract earns on the average – while working the same – 14.4% less than a person with a full-time job, in Poland it is 27.8%) and this indicator illustrates the transition from non-standard employment to open-ended contract employment (this indicator in the EU equals 34.6 and in Poland 33.9). Youth is not only more frequently affected by various forms of risk connected with unstable employment, but they also are more often affected by poverty. The general situation is also aggravated by high unemployment rates among the youth. The youth unemployment rate in the EU in 2011 amounted to 21.4% and in Poland in late 2011 it equalled 26.5% and was over 2.5-times higher than the value typical for a population of working age (9.9%).

As far as poverty is concerned, those indicators are misleading for the countries whose pupils and students live for a relatively long time with parents (e.g. Italy or Spain). The indicators based on household income per capita happen to be relatively lower and not necessarily consistent with the indicators of the situation of individuals on the labour market. This would mean that some risk dimensions connected with precariousness of younger generations are passed on to the older age cohorts. The problem of “nesting” is experienced also by Poland – the Eurostat data demonstrate that 40.7% of Poles aged 25–34 live with their parents (in the EU it is 27.5%), in the new Member States it is 40.8%, but the problem results not only from youth’s lack of income. The unemployment rate among the Polish “nesters” aged 18–34 is not drastically higher than in the entire age cohort, however over half of them perform work on the basis of a fixed-term contract (Eurostat, 2010).

It is the instability of income, and not only the amount thereof, that seems to be the cause of late gaining independence. Besides independence is also supported – at least to a certain degree and in accordance with what is prompted

Social Policy 2012
by intuition; informal financial transfers between households in Poland are more frequent when the head of the household to which the assistance is transferred is relatively young and when the head of the household that transfers the assistance is relatively older; it is also often when the head of the supported household has relatively lower educational attainment or unstable professional position (Styrc, 2007).

The problem of “nesting” illustrates the multidimensionality of consequences of lacking stabilisation on the labour market, yet it is not – as it seems – particularly typical for the youth or relatively young adults who currently function on the precariousness-striken labour market. The dependence of income on the age and the simultaneous problem of low income from work was signalled in Poland at the beginning of transformation (e.g. Beskid, 1992). In one of the more important reports on the Polish poverty Understanding poverty in Poland (World Bank, 1995), the myth of a poor pensioner, which was developed in 1970s, has been clearly disproven while indicating the same structure of income that functions to the detriment of young households and workers. The percentage of the poor among the persons aged 15–29 amounted to 23.6% two decades ago and was one of the highest among all the other age categories of adult Poles. On the other hand, the support and transfer of various benefits between generations, first of all from parents to children due to a more stable situation of the former, are the derivative of life stages of individuals and of development of households. The regularities in this regard are not only commonsense, but also well-justified, both theoretically (a reference can be made here for instance to the concept of human capital and economic family models of Beckerian provenance) and empirically. A. Giza (2000), using the data from 1993, demonstrated similar regularities pertaining to the scope and correlates of transfers within families like the previously quoted analyses of the Gdańsk Institute for Market Economics, which were developed a dozen or so years later (Styrc, 2007). Limited independence of the youth and their low income are clearly a phenomenon that does not match the contemporary time, just like the precariousness described with reference to the financial situation. In this respect, Poland is not only currently a country of precarious work, but also was such a country in the past.

WELFARE SITUATION OF PRECARIOUS WORKERS

The above-mentioned conclusions also confirm the qualitative data (Underemployment, economic and social consequences). The paths to becoming independent among the respondents in various ages (selection criterion was constituted by the fact of being employed for a fixed term at a given time) were similar in that they included the stage of “nesting” or more or less intense support from the family at the beginning of their professional career. The main difference between the relatively older and younger persons covered by the research applied to the moment of entering a labour market and education – postponing the time of first employment due to studies and shifting the stress of objectives of transfers from purely welfare-related ones to a supplementation of education was considerably more noticeable among the ones who started an adult life in the period of educational boom. In addition, most respondents treated family support as a natural consequence of a life stage to a certain extent. The support mechanism alone at the beginning of a professional career or during education was also, according to the respondents’ reports, similar both among the (currently) older and the younger people.

1. […] I lived with my parents at that time. We lived at the parents’, in an agricultural farm, so it is obvious that we helped them in return for food, and we could use the money my husband and I earned for our own expenses. These was our first money. (A 57-year-old female worker).

2. […] My first job was a fixed-term job immediately after graduating from studies in 2002. I lived with my parents at that time. The earnings from that job were not enough for independent maintenance, thus the help of my parents (flat and food) was necessary. I devoted the earned money mainly to satisfy my own needs – public transport fees, clothes, books, entertainment, sometimes a short recreational trip. (A 30-year-old secretary with higher education).

3. […] I was renting a flat in Olsztyn and I started to study. Yes, I was receiving small assistance from my parents, simply put, my parents paid for my studies, but I had to maintain myself. (A 27-year-old storehouse manager with higher education).

Anyway, in both categories in question, the transfers were treated as investment and a basis for natural principle of mutuality – without a noticeable connection with the amount of income and the time of gaining it and the assessment of the wealth level of one’s own household and that of the parents:

1. […] It happened in late 1970s/early 1980s; I was still a single, I lived with my parents and helped them in the works in their agricultural farm. However, by taking up a job, I became independent because I had my own resources to maintain myself, and I was able to help my parents and siblings. (A 52-year-old worker, secondary education).

2. […] I lived and anyway I still live with my parents, but I already had the means for maintenance and I rather did not help my parents. (A 36-year-old worker, secondary education).

3. […] I had to return the help provided by both my parents and my sisters for my studies and maintenance. (A 27-year-old administration servant, higher education).

The younger respondents mentioned support from family not only in the context of financing of education, but also in the context of low income from work or poverty connected with low income. Typical is a report of a 35-year-old with higher education, who indicates insufficient income as the reason for “nesting”. […] I got my first job (a graduate’s apprenticeship) in 1999 after graduating in Law and Administration Studies. In that time I lived with my parents, and I still live with them. Although I wanted to have my own place, it is still an unrealised dream because it is not possible for me to achieve it with my low income. My earnings were and are very low, so my parents have enormous impact on my maintenance, in particular a place to live and nutrition.

Standing (2011) wrote about easygoingness typical for precarious workers also in spatial terms; precarious workers are the local nomads with temporary work, short-term rental contracts and chaotic stages of life. “Nesting” is an example and consequence of that chaos, and it is strengthened by the principles underlying the functioning of financial markets. Problems to be granted a loan that arise from the rules for calculating credit-worthiness, which included not only the amount of income, but also stability in a longer period, is perhaps the most important disadvantage of fixed-term contracts that was named by all respondents. The loan problem was addressed accurately by the above-quoted 35-year-old working in a bank department with a net salary of PLN 1,400. […] The benefit of a fixed-term contract consists in a small stabilisation of earnings (they are predictable). Some minor expenses can be planned.
A disadvantage of a fixed-term contract involves absence of opportunities for long-term financial commitments, e.g. to take a loan or to buy something on hire-purchase, etc.

The problem is that a small stabilisation in financial terms does not translate into a stabilisation in life terms. Low earnings make it possible at most to pay the debts to parents (who are often not well-off either), for instance by reducing the burden to their (doubtful) investment in the descendants; however, they are not sufficient to incur new liabilities – not only from bank, but first of all from the people with whom they could start a family. In the context of the collected utterances, our respondents are perfectly aware of the role of such commitments, and their pessimism results from difficulties with exercising responsibility for them.

**FAMILY PLANNING**

The reports of younger respondents more often than the relatively older ones were consistent with the aspect of correlation between the professional and financial situation and family planning with decisions on procreation. The demographic data gathered by the Central Statistical Office (GUS) show that the decision to have the first child is being gradually postponed (as the fertility rates decrease – GUS 2012), in particular in the categories with better education, and the CBOS poll data (2010) indicate for instance that the main reason to decide not to have a child results from low assessment of the financial situation. The general trends are relatively frequently confirmed in the reports of relatively young respondents:

1. […] If I had an open-ended employment contract, I would not be worried so much, I would have a stable situation. In addition, I always wanted to have two children, but I am wondering if it is possible under these conditions. How could my husband and I maintain them? […] my husband and I were considering another child, but only my husband had an open-ended contract job. We are both young and our incomes are not too high. So how can we realistically think of another child in that situation? We have a housing credit to repay, our parents help us a bit in that, but it does not cover our entire spending at all. This whole situation has impact on our life and a bit […] with a sort of […] anxiety we look to the future […]. (A 27-year-old with higher education).

Reports about postponing the decision on procreation and problems with planning of household development at the initial stages of professional career were clearly rarer among the older respondents, but we did not record in their case any reports indicating that exceptionally conscious calculations pertaining to the development of households were undertaken by them. The younger generation clearly calculates and takes the amount of support from family as one of the variables: […] Most of my colleagues still live with their parents, even when they have children; it is probably because one’s own house in a city or in the country is a valuable achievement, and it is better to commute rather than to have an uncertain mortgage loan. Many of them still live outside the voivodeship, but they still do not know whether to come back. This year, I am starting to stabilise my situation, but I think that we still have time. (27-year-old tradeswoman, higher education).

Evaluation of fixed-term employment and perception of negative consequences differs largely between the young and relatively older persons who do not have any reproduction plans due to their age. In addition, the older workers also have a more stable situation because of pre-retirement protection.

When writing about reproduction plans and connection with obstacles of women, and it is often supported by own experience: […] I could not find a job. Employers very often explicitly asked me about my plans […] for the nearest future […] to become pregnant. Although I frankly replied that I do not plan yet to have a child they simply did not believe me. (A 28-year-old female marketing assistant).

A negative assessment concerned both the attitude and practices of employers (it is reasonable, yet reprehensible) and – as indicated for instance by the above-mentioned statements – rather the legal solutions that generate the situation in which security of employment depends on the employer’s calculations. A balance between flexibility of employment and security of workers clearly comes off to the detriment of the latter. Paradoxically, it is also not excluded that the regulations on protection of pregnant women are not infringed in companies, but they reinforce the instability of employment in a given segment of the labour market and the related frustrations of workers: No, unfortunately, it was only a substitution. With no opportunity to stay in that company. A substitution contract did not give me an opportunity to attend any training, any privileges […] that were enjoyed by other employees […] for instance social benefits […]. (A 28-year-old female marketing assistant).

Some of the surveyed women began their professional career with substitution work (necessarily on the basis of a fixed-term employment contract), often still while studying. In their case, the calculation and the hopes for future employment clearly failed; one of the surveyed women (27-year-old) complained e.g. about lack of promotion at substitution work and about her contract not being renewed. In other words, the protection of one group of employees generates to a certain degree the instability of another.
EDUCATION TRAPS

As I pointed out previously in the context of opportunities for financial independence, education is the feature whose connection with the situation of the respondents with the young generation is easy to grasp – clearly many of them were awarded a Master’s or Bachelor’s degree whereas there were relatively few graduates in the older group. Admittedly, sampling was random, but the structure thereof in general outlines corresponded to the structure of the total employed population with fixed-term contracts, and it appears that it allowed to address well the problem of the educational boom generation. The problem of depreciation of academic diplomas and simultaneous mismatch of education and the labour market structure are more and more often touched upon in Poland as well, which results not only from the economic situation, but also from the market orientation of the popularisation of education at the tertiary level, increasing educational aspiration of Poles, dogmatic attitude towards the human capital concept or finally the educational policy, which consists in dismantling of the vocational education (cf. Kabaj, 2012; Poławski, 2010).

The phenomenon referred to as overeducation represents one side of the problems related to non-standard and abortifacient forms of employment addressed under the slogan of precariousness. The problem is that the economy is not able to absorb all credentials, in particular in the time of a crisis-related unbalance, and to offer them conditions that meet their expectations and formal skills at the same time. Overeducation, just like part-time employment, applies first of all to young people who are entering the labour market. The scale of subjective perception, employment that does not match the qualification among persons aged 21–25, described on the basis of survey data, is nearly twice as high (30%) as the one among the persons aged over 25 (18%), and it increased in the entire working population in the last two decades nearly threefold (from 7.5% to 19.1%) (Kiersztyn, 2011).

The overeducation among relatively young respondents is clearly visible; the cases of work in the acquired profession and in accordance with the qualifications are not common among them, and higher education does not necessarily turn out to be good investment, meaning that it not only does not make financial stabilisation easier, but also does not facilitate the entry in a better labour market segment. Unavailability of open-ended employment for the graduates that are entering the labour market is perceived as a condition that is normal in a way, in so far as it results from understandable logics of testing of new employees on the one hand, and it is connected with the economic situation on the other hand: […] [employment – author’s note] for a fixed term obviously is not a rule. A rule, probably accepted today by everyone, that it is admissible because the economy is in the economic crisis. (A 26-year-old, higher education with a Master’s degree, he works as a labourer).

[…] It appears to me that it is becoming a rule. Such a practice results in enterprises outside probationary employment contracts, even in case of people with considerable experience – happen more and more often, and it is hard to tell whether the next one-year employment has features of a contract, or whether it is a sui generis extended probationary period […] It is certainly a convenient way to streamline employment both at the stage of selecting personnel, their in-depth verification with simultaneous limitation of benefits and commitments towards workers. (A 35-year-old, higher education with a Master’s degree, an independent specialist).

The problem does not consist in the acceptance of the form of an employment contract (the salary amount and – to a lesser degree – convenient working hours or promotion opportunities are more important criteria for assessment of employment), but in rejection of (perceived) depreciation of social position. All the more severe depreciation that it means reduction of aspirations and impossibility at the same time to discharge obligations and withdraw the contributed expenditure on education: […] Obviously, one can restrict their professional expectations and ambitions, go to work to put goods on shelves in Tesco, Real or other storehouses with no opportunity for any improvement, but this means surrendering at start, and how can you explain it to the parents who helped you complete your studies? (A 27-year-old, human resources manager).

Acquisition of professional experience by employees who have specialist skills might, however, involve a temporary and acceptable dequalification. Work on a post that does not require the possessed skills or education is perceived as an element of realistic strategy for professional development on a difficult labour market, an opportunity to prove efficient for an employer and a method to build sustainable relationships with an employer. During an internship in a processing plant, I was a technician, currently I have a labourer contract since the technician post was given up and now I am an independent unit, which is a sort of technician that deals with day-to-day matters on an ongoing basis. I get the work where masters, foremen do not have time for something, are not able to do something. Besides, any assisting works with plastering and carrying, hefting anything possible. For sure, I appreciate that it matches my qualifications, but in particular that I still learn something new. There is no monotony in my work, I do not carry out the same thing over and over again, I always learn something new, I learn owing to that company, I acquire new knowledge, which I can use later in another place and I will have experience, so it is a great advantage. (A 26-year-old production worker).

A recipe to enter a better segment of the labour market (even if it is a fixed-term employment contract, which seems not to be advantageous to our respondents for various reasons) is as a matter of fact very simple. It points out the consistency in choosing the jobs that match the properly and thoroughly planned education and gradual building of vocational experience, gradual acquisition of skills in further companies – even if they offer low pay and do not meet your aspirations. It is a different matter that this recipe works in very few cases, and the hopes for promotion usually are not realised. The relationships between study majors with the practised work are usually loose (which is confirmed to a certain extent by the 2010 GUS data: the first job for approximately 40% of graduates does not match the learned profession, or the post does not meet the expectations). Streamlining this state of affairs is directed in two directions. Firstly, young workers often mention the actual absence of employment opportunities (the local labour market is usually defined as unstable, limited, hard, “it does not exist”, etc.), and it is dominated by employers. Secondly, the necessity to change a profession and to refrain are perceived as something natural for the contemporary labour market. Already in schools, it was explained to us not to prepare ourselves to practise “a permanent job” in one form and in one profession because in the contemporary times we can retrain a railwayman to work as a prosthodontist. You have to adjust yourself to the labour market and be ready to change your occupation or even your profession. (A 29-year-old, fitter and maintenance engineer).

The problem is that the awareness of similar regularities does not make it easier to choose study majors and specialisations. Studies that provide the broadest opportunities are more important criteria for assessment of employment, but in rejection of (perceived) depreciation of social position. All the more severe depreciation that it means reduction of aspirations and impossibility at the same time to discharge obligations and withdraw the contributed expenditure on education: […] Obviously, one can restrict their professional expectations and ambitions, go to work to put goods on shelves in Tesco, Real or other storehouses with no opportunity for any improvement, but this means surrendering at start, and how can you explain it to the parents who helped you complete your studies? (A 27-year-old, human resources manager).
ity jobs. On the other hand, the studies with a narrow specialisation assure a profession, but the demand for specialist skills and the number of related jobs are limited. The success of the study strategy and career planning ultimately depends on the supply of jobs. In both cases, the graduates cannot count on a satisfying salary or stable employment at the beginning – the employers offer them short-term contracts or employ them on the basis of probationary employment contracts or internship or hire them to test their actual skills or their ability to learn and their interpersonal skills; [...] I was verified in a half-year internship, and I think they tested more character traits and co-operation rather than education or things like that because my education does not match the performed work. It is because the things I do can be done by anyone with secondary education. I graduated in technology at the local university – yet directly I had no professional education at the internship, and later other things were of major importance instead of it. (A 26-year-old female employee in an HR department).

The situation is being aggravated by the pressure and efforts to start a job during studies. It is usually not connected with the study major or professional career plans for the future. Work experience gained as a kitchen porter, in a bar or call centre, which increases the opportunities for future employment in the same branch at the most. The situations when internship or work placement during studies lead to permanent employment are relatively rare (we recorded such cases – two of them involved young lawyers, and the third one involved a management specialist in a large production company). It turns out that the postulates of further education and enhancement of qualifications for the needs of a specific employer and post are slightly in conflict with the reality. Several respondents mentioned that their employers did not consent to their post-graduate studies that matched the work performed by them – in each case it was a small enterprise or a company with limited promotion structure.

In other words, enhancement of qualifications makes sense, and sometimes it is possible in general in a better segment of a labour market, nonetheless it does not seem to be a way to improve the situation on the labour market. In enterprises that are stable and have a specialist production or services profile, the training – according to the reports of respondents – in fact serves the purpose of enhancing the qualifications and is directly related to the performed tasks. In a worse segment, the training is often not directly connected with the performed tasks, it frequently does not translate into the pay structure or promotion, if any.

THE MATTER OF GENERATION

Various “glass ceilings” and “sticky floors”, risks and methods to get accustomed to them, a response to unrealised promises of prosperity are discussed in the context of characteristic features of a world-view and attitudes of young people who are entering the labour market and the ones who build their position on it and divisions between generations (cf. Beck 2002; Standing, 2009, 2011). We speak here of the Generation Y (or Millennials), which grew up (in Poland in the political system transition time) in uncertainty about the situation on the labour market, structural unemployment and instability of professional future of individuals.

The young generation is attributed with unrealistic expectations from work, individualism, concentration on success, efficiency and proving oneself useful, which entails lack of confidence in general, which results for instance in unwillingness to participate in public life and deficit in civic virtue (cf. Szafraniec, 2007). Also the Polish Generation Y is apparently featured by a relatively higher (than in the generation that was entering the labour market in the time of system transforma-
tial value, and wrap a customized career around customized life they are trying to build.

On the one hand, Tulgan refers to the thesis of a far-reaching individualisation (confused with egoism) of the youth and about the concentration on individual development. On the other hand, however, he signals the ability to calculate individual profits and losses at various stages of a professional career depending on the life goals and individual aspirations that are not bound by work. As a matter of fact, customisation of career and professional life means here an attempt to give meaning and implement what underlies the term of “work-life balance”, departure from the subordination of life to professional career, which was typical for the generation of parents.

Similarly, customisation also applies to participation in public life, the meaning and importance of which is evaluated according to individual life plans and collective loyalties that are built on alternative rules. Lack of confidence in the system and willingness to leave it, based on rational calculations and conscious evaluation of situation from an individual point of view are the reasons why no young people participate in debates on changes to the pension system (Stasiak, 2012).

In other words, Generation Y, which remains in the existing institutional context and under various structural restrictions (threat of precariousness, deficiencies of the education system or increasing risk and uncertainty about employment), customises the adjustment strategies at the same time – also on the labour market and in contacts with employers.

The existence of attitudes that are hypothetically typical to Generation Y can be seen for example in the relations in question that pertain to motivation (as compared with the older generation) towards work-related privileges (if any), and in the opinions about professional aspirations. Relatively young employees concentrate on career planning according to their current education and flexible adjustment to circumstances depending on individual needs, less frequently define the pay as the main criterion for the choice of a job (yet they expect a fair salary that corresponds to the works and their qualifications), they seem more mobile and willing to migrate to work that are in their opinion better. They appear to have a decreased sense of loyalty towards their current employer and colleagues, they have a more demanding attitude (as compared with the older generation) towards work-related privileges (if any), they are more willing to modify family plans and postpone procreation. The biggest advantage of fixed-term employment for them is – paradoxically – the ease of termination thereof for an employee.

Loose interpretation of the previously quoted utterances results in questioning of some of the threads of the analyses and methods of viewing the young generation, which supposedly features consumerist attitude towards the world. K. Szfraniec wrote in Młodzi 2011 [The Young 2011], which has been published recently, that the social position is currently decided not by the type of performed work or income, but lifestyle, which is defined, among other things, by consumerist aspirations; that consumption and consumerism have become the axis for socialisation of the young generation; and that the benefits of a consumerist society can be drawn mainly by those who can afford it (Szfraniec, 2011, p. 223 et seq.) Admittedly, she surrounds her dilation with numerous reservations (pertaining primarily to the participation of young in the culture and management of spare time), however, by generalising, she seems to fail to take into account the internal differentiation of youth and actual life opportunities of various categories thereof.

The problem is that precarious workers can afford consumption at the most, without being able to meet the obligations that are more fundamental and essential for the sustainability of the collective order and the institution thereof. A young precarious worker whose welfare needs are necessarily supported by parents and who cannot afford to take long-term commitments and who – due to problems with stabilisation on the labour market – is not able to build their own position by employment is in a sense a perfect consumer, who devotes the earned money mainly to satisfy their own needs – public transport fees, clothes, books, entertainment, sometimes a short recreational trip.

The precariousness (arising from the previously discussed data) of young workers hired on the basis of a fixed-term contract is questionable. The reports of our respondents were convergent with the characteristics of Standing (2011) in the respect that pertained to various dimensions of security: they had limited opportunities to earn money and to choose their job at various moments of their lives, limited protection against dismissal (although usually and due to the commonly uncertain economic situation, they did not notice major differences in this respect between themselves and the persons employed on the basis employment contracts), limited opportunities to work in the learned profession, income usually assessed as insufficient, etc.

The problem is that in our research we have not come across persons with extremely low or unstable income to a degree that would prevent household budget planning; therefore, perhaps we managed to capture the regularity of a specific part of worse employment. The earnings among the respondents amounted on average to approximately PLN 1,700 – lower than the national average, yet higher than the minimum pay. A small part of them had an income of PLN 700 per month, however the lowest salary was obtained by persons working not only on a temporary basis, but also in part-time employment, and they supplemented their income using other sources. The highest recorded remuneration equaled PLN 4,500 monthly. Relatively high earnings from work concerned the category that was defined by Standing as proficians – in our case it applied to managers and specialists who were hired on the basis of contracts for temporary projects and were relatively young at the same time.

Apparently, the precarious labour market of jobs that are taken for a fixed period is internally differentiated, and better segments, which assure relatively higher income and hence require high qualifications, and worse segments, in which the earnings are lower, just like education requirements, can be isolated within it. On the other hand, instability of fixed-term employment and related problems according to the characteristics of Generation Y are treated as a variable in professional career or family life calculations. Older workers more often try to modify their career or family life calculations. Older workers more often try their luck and accept working conditions, whatever is offered. It is a different matter that in their case, due to obvious reasons, career planning does not always make sense and is a derivative of the life cycle.

The young implement the postulate of lifelong learning, which means that they are involved in continuous education, and their position in terms of employment is changeable. They often change their job, depending on individual calculations of the profitability of the job, in which they disregard only the earnings. Their family status is unclear, and they always care a lot about systematic income.

Customisation clearly functions well, and it should not be regarded as a generation trait, but as an effective way to deal with structural limitations of the labour market.

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**PRECARIAN IN ACADEMIA**

**ATYPICAL EMPLOYMENT OF RESEARCHERS IN THE CONTEXT OF THE SCIENCE AND HIGHER EDUCATION REFORMS**

**INTRODUCTION**

Today, the second academic year of implementing the regulations amending the Poland’s science and higher education system is coming to an end. Already lasting a second term of office (since 2007), “Science Reform”, as this process is referred to in government language, involves a drafting of five acts constituting a legal basis for the activities of science and scientists in our country. These are the following acts: Act on the Principles of Financing Science, Act on the National Centre for Research and Development, Act on the National Science Centre, Act on Research Institutes, Act on the Polish Academy of Sciences1. Higher education reform is based on two consecutive acts2 whose far-reaching amendments entered into force in October 2011. In the official documents by the Ministry of Science and Higher Education, the
primary public institution preparing and implementing reform, we find the following statements:

It is for the community and in close cooperation with it that science reform has been prepared. Owing to this, the reform is a set of modern and coherent regulations that respond to real and modern science needs and facilitate incorporation of the work of our scholars into the global research mainstream.3

Higher education reform, which we are making today thanks to the efforts of all academia, begins a new ground-breaking chapter in the history of Polish universities. Wider than ever before, they open up to the need for a substantial improvement in the quality of Polish diplomas and level of education of the younger generation of Poles, the need for modern management, effective competition in the field of scientific research, but also to the need to strengthen academic ethos and ceaseless concern for the master-student relationship, which must remain at the heart of education.4

Although the claims above can be accused of not being reliable because of their ideological and programmatic nature, this does not alter the fact that they give a view of the general objectives set by the reformers. At manifest function-level (Merton, 2002, s. 131–150), reforms of science and higher education are expected to consolidate the existing regulations, strengthen the position of Polish science worldwide and improve the situation of research workers. In this article I would like to focus on just one aspect of changes to be introduced and discuss it in the broader context of ongoing processes, and then attempt to find the answer to the question of whether and how the new regulations affect the position of researchers as employees. I shall point out right away that I will not limit my discussion to employment whether and how the new regulations affect the position of researchers as employees. I shall point out right away that I will not limit my discussion to employment.

From the point of view of a social researcher, equally interesting as the situation of the employed is that of people whose scientific work is not governed by the labour code only, but will seek to paint a broad picture of the situation of those working in science or for science and those treating this work as their primary occupation (even if not as their primary source of income). The majority of planned legislative changes have entered into force, which must remain at the heart of education.

REGULATIONS AND STATISTICS

I would like to start this analysis with an outline of the present reality for research workers in mid 2012. Although the majority of planned legislative changes have entered into force already (the remaining ones will take effect over the next two years), we should be aware that these do not concern or will not concern researchers in Polish scientific institutions to the same extent.

We may speak of twofold sources of this state of affairs. Firstly, the changes affect individual age groups of research workers not to the same extent. Most of them affect scholars in the early stages of their career, i.e. before obtaining a postdoctoral degree [doktor habilitowany]. Secondly, in accordance with a legislative custom, the new regulations primarily govern future rather than the already existing states of affairs, therefore also in this regard they will cover to a large extent people just entering the world of science rather than those who already are in it.

Similarly, this article will also focus on young research workers. I do not wish to define age limits rigidly; I do not see a need for it, since I am not going to conduct any analysis which would be quantitative in nature, but also because it is reasonable to break down scholars according to the current stages of their scientific career rather than based on register data only. Nevertheless, it is necessary to stress that, due to the delayed career start compared to other professions, a young research worker will often be older than young workers in general.

The revised regulations govern the employment of research workers in three basic dimensions.

1. How employment relationship starts

It has been clearly defined that entry into an employment relationship with an academic teacher, part-time or more, must be preceded by an open competition for the position. Conditions have been set for such a contest, such as where to publish information about it. However, it should be noted that the lawmaker has made one exception from this general rule. In the case of an employee whose employment relationship expired due to reaching the retirement age (which for those with the academic title of Professor is set at 70 years of age), the employment relationship can be re-established without any competition procedure (Article 118a of the Act on higher education).

2. Type of employment relationship

An academic teacher may be employed under an employment contract or on the basis of appointment. In the light of the revised regulations, it will be possible to employ on the basis of appointment only those with the academic title of Professor and only full-time (Article 118 of the Act on higher education).

3. Duration of employment relationship

All research workers can be employed permanently or for a fixed term (regardless of the type of employment relationship). However, starting from 1 October 2013, persons working as Assistant Lecturer without a PhD degree and persons working as Assistant Professors without a postdoctoral degree [doktor habilitowany] may only be employed for a fixed term of no more than 8 years (Article 120 of the Act on higher education). Minimum duration of employment relationship in fixed-term contracts has not been specified. It is worth noting that these are new regulations which have the rank of a generally applicable law. Other Acts have already allowed the use of such solutions implementing flexible forms of employment under internal university regulations (mainly the statutes). More flexible labour market is a term used by theorists or employers who consider this type of changes as desirable and mutually beneficial (Bednarski, 2012). Employees will usually speak of job insecurity here.

We should also point out to the inequalities which arise as a result of introducing the solutions described above. On the one hand, we will have a person employed permanently (whatever the type of employment relationship), whose job stability is only loosely linked with climbing the career ladder and this is not only about academic title and degrees, but also about all background of scientific excellence that a scholar should have. To sharpen the contrast, let us take for comparison purposes a person with a PhD degree employed for a fixed term (even for the term of a year in an extreme case), who – each time after the end of the contract term – must enter a competition and win it to continue employment in the current position. Naturally, research workers employed permanently are also subject to periodic appraisals, but we can speculate that their level of security will be higher than that of people with temporary contracts.

Of course, we can argue that fixed-term jobs relate exclusively to certain positions and persons with minimum required qualifications to take on those roles – as is the case of Assistant Lecturers with a Master’s degree and Assistant Professors with a PhD degree. If a person with a postdoctoral degree [habilitacja] started work as Assistant Professor, there
are no statutory obstacles to hire them permanently, although such obstacles may be created by lower rank legal acts. In such a situation, we would have to deal with another, in addition to fixed-term work, element of underemployment, which is work below one’s qualifications.

It is customary in the Polish scientific tradition for a person with a PhD to hold the position of Assistant Professor, and the so-called Assistant Professor with postdoctoral degree [doktor habilitowany] is a relatively new phenomenon (there used to exist the position of docent – Associate Professor) and it was usually the case of people with a recent status of independent research worker who are in a way expecting a position to match, in the general perception, a postdoctoral degree, namely that of Professor extraordinarius [profesor nadzwyczajny]. Hiring below one’s qualifications often means employing, especially in the case of young scholars, only for technical or administrative positions rather than research, research & teaching or research & technical posts. There are no systematic data on this, but based on observations of the community and some indirect sources this would seem more and more frequent practice.

Work below qualifications also means lower salaries, which throughout the public administration sector, and therefore also in state research institutions and universities, are subject to relevant regulations and closely related to the position held. Thus we have a third discriminant of underemployment, namely undercut salaries. One element of the science and higher education reform which was introduced last and spread over several years is raising the salaries of research workers. From 2012 to 2015 the salaries of workers employed at universities in all positions will systematically increase, an average total of about 23%.

Today, a salary at the level of the average salary in the country, which according to the Central Statistical Office (GUS) data from April 2012 stood at PLN 3719.81, is guaranteed only to those with an academic title of Full Professor [profesor zwyczajny] and Professor extraordinarius (PLN 4145 and PLN 3865 respectively). Probably, most people with a postdoctoral degree employed as Assistant Professor or Professor extraordinarius can reach income at a similar level by receiving a seniority allowance (5% after 5 years plus 1% per each year above the fifth, but no more than 20% of the basic salary).

An assistant and a lecturer will receive a salary not much higher than the minimum wage in the current year, while the minimum rate for PhD scholarship is exactly equivalent to the net minimum wage (approximately PLN 1100). When referring to minimum salaries for individual positions, I narrowed them down only to scientists working at universities. It should be mentioned that their financial situation is much better than that of scholars hired e.g. at the Polish Academy of Sciences (PAN) institutes, whose basic salaries are much lower, the reason for that being that no teaching duties are assigned to these employees.

I would rather avoid any judgment as to whether scientists earn too much, too little or just enough. It seems to me, however, that showing their salaries against the national average salary and minimum wage justifies the universal view of this group of government employees being under-financed, especially in the context of their skills, the role that they play and social prestige which they invariably enjoy. A counter-argument for this view would be to note that all professional groups, especially government workers, in principle, demand higher wages, and the position of researchers, due to e.g. the fact that they can obtain additional income (expert services, second job, additional income from grants and scholarships, etc.) is among those better ones.

Also, research workers are not novices to employment under civil law contracts. However, we can assign different meaning to this employment in different contexts. For instance, if a scientist is writing a book and the royalty is paid based on a contract for specific work or they provide research services after hours for private entities under a contract of mandate, then in either case these will be appropriate and probably satisfying legal arrangements to both contracting parties. However, day-to-day research work may in some cases be carried out under civil law contracts in lieu of employment contracts. And once again, the negative effects of such an arrangement will to a greater extent affect a PhD candidate or a young PhD holder, for whom such a contract may be the primary source of income than it will affect more senior scholars seeking extra income in this way. Hiring scholars under civil law contracts is often encouraged, if not forced, by the grant funding system, in which it is perfectly legal to enter into civil law contracts with project providers. Such a procedure is also justified by the logic of a grant, whose objective is to produce some specific activities (research, analysis, etc.) in a specific (rather short) period of time.

To complement this description of the situation of research workers in the light of revised regulations on science and higher education, it is necessary to quote some statistics for a fuller picture (GUS, 2011a, 2011b). In Poland every year doctoral degrees are awarded to an average of 5 thousand people (in 2010 – 4815, in 2009 – 5086, 2007 – 5616). However, within the wide R&D sector about 100 thousand people are employed in science and research positions in our country (in 2009 – 98,165), of which about 12 thousand are employed in the private sector. Among 86 thousand researchers working in the public sector, less than 68 thousand hold at least a doctoral degree. The number of R&D sector employees has remained relatively stable over the past few years. In 2009, there was an increase of nearly 1%, but in previous years slight declines also occurred.

Let us suppose now that all those who, in any given year, obtained a doctoral degree seek employment in the R&D sector (this is what they prepared for in the course of their studies which lasted many years), in positions that match their skills. More than 7% of already employed researchers with a PhD would need to be made redundant to make possible hiring recent PhD holders in the public sector without increasing the number of R&D personnel. We can guess that this is not a percentage which will be produced from adding all those effectively taking retirement (rather than just those reaching retirement age and losing their employment) to those who drop out of work in this sector for other reasons. What is more, if we maintain the current size of R&D personnel and the number of year-by-year successful PhDs, and assuming that they would take the place of retiring scholars, this would lead to a situation where PhD holders employed today would have to give way to younger colleagues already after 15 years of service, that is around the age of 45 years.

The above picture is of course already idealized when it assumes that all successful PhD holders will seek employment in the R&D sector. It does not take into account the increase in the number of doctoral students, which may result in a greater number of successful PhDs, nor does it include hypothetical growth in the number of science and research positions, which is also not unlikely. Nevertheless, on the basis of the above data, we can very clearly see the selective nature of the environment in which young scholars end up and that many recent successful PhD holders will not choose to work in the R&D sector. I do not want to judge whether this is good (because science needs only the best) or bad, as in the course of such a competitive selection it may so happen that some sheep might be lost when separated from the goats. This would be a loss for Polish science.

As we can see, careful reading of public data was enough to complete this diagnosis. Diagnosing the situation did not require much insight either. Therefore, it is striking that...
a typical scenario described by myself (completion of a PhD and working outside science) is not in any way included in the current reform, in the light of which each PhD student is treated solely as a prospective research worker.

**ACADEMIC PRECARITAT**

The picture of the situation of young research workers emerging from the above data is inevitably sketchy. Surely, one could add many details to it – individual circumstances, additional characteristics; however, this would go beyond the scope of this article. Some elements of this sketch have been stressed more strongly and I trust that these are sufficiently clear to let us answer the question of whether we can say that there is a group emerging among Polish scholars, that we could refer to as academic precariat.

The one to popularize the term precariat is Guy Standing, Professor of Economics at the University of Bath. The author consistently uses it in his successive publications (2009, 2011) to refer to workers with job insecurity, low wages and a limited package of social benefits. According to his hypothesis, the fact that a group with such characteristics is emerging from among other workers is part of a process leading to the creation of a new social order and class.

He believes that although we still have to deal with class divisions, they do not lend themselves easily to description in traditional terms taken from Marxist theory. Polarization of society progresses along different cracks in the structure than was the case in earlier stratification theories. A full but concise description of these new strata is given by Paweł Poławski in his text (2012, p. 129).

Looking at the community of scientists through Standing's glasses, we can find within it both the precariats, living with a sense of job temporality and insecurity or without jobs at all, and the salariat, i.e. a group with stable jobs and satisfying earnings, but also increasingly more proficians, independent experts, consultants for whom research work is only one of the sources of income and a kind of certificate for their gainful activities at the edges of the field of science or even outside academia.

Although it is primarily young research workers that are vulnerable to precarization, the reasons of which I tried to describe above, precarity is not limited solely to this subgroup nor is it universal, where all young scientists would be precarins. At this point the various habits and mechanisms functioning in different communities or scientific institutions start taking effect. With a fixed-term employment contract, one young PhD holder might live in continuous uncertainty about his life after the contract ends, yet another one will be entirely confident about signing another contract. The institution of open competition can be a tool to fight, e.g. nepotism, but does not constitute an antidote to it. Similarly is the case with scholars reaching retirement age. The picture of the situation of young research workers to the precariat core does not annul the characteristics above which confirm the hypothesis of precarization in research work. In other words, from the sociological point of view, it is interesting that some relevant features of the work of a research worker and that of a security guard in a supermarket allow us to put them in one row. What is even more surprising, these features are partly a consequence of the reforms introduced in favour of improving the quality of research carried out in our country. The basic premise says that introducing such elements as competition (in applying for positions, funds for research, career progression), mobility (in the geographical and institutional dimension), or finally job instability associated with the work in science, contributes to an increased motivation among research workers and better quality of their scientific projects. And to use catchy slogans – through these changes we will catch up with the West.

It holds true that many of the solutions have been taken from Western (mainly American) systems of organising and financing research. However, the fact of their choice and the conviction that they determine the success of scientists who come from other countries and one we can repeat, are pretty commonsensical. Perhaps it is in spite of job instability that scholars from the mythical West are successful.

We would need to ask psychologists whether a claim that uncertainty gives rise to better science is confirmed in empirical studies or not. However, I suspect that here, as in many other cases, the tolerance for uncertainty and sense of threat are an individual matter, and the success that we dream of is the result of number of intertwined factors, which should be sought both in individual biographies and the general culture of a scientific community.

According to Mary Douglas, scholars are a group with a high tolerance for uncertainty compared to the general public (Douglas, 2001). And although the author had uncertainty of scientific theorems in mind, perhaps a similar resistance is exhibited by academics to the lack of social security, which many of them will experience at the beginning of their difficult yet potentially fascinating career. And they will produce good science either in spite of the precarious nature of work or owing to it.

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UNDEREMPLOYMENT IN SOCIAL ENTERPRISES – SOCIAL COOPERATIVES AS A CASE IN POINT

INTRODUCTION

The so-called “active social policy”, widely advocated in the last few years, is grounded in the paradigm of fundamental role of work for both an individual and the stability of collective social order, which is obvious for a sociologist and supported by theoretical and empirical research. Modern communities – as it was pointed out by Dahrendorf (1993) – are communities of labour, founded on ethics of labour and distribution of professional roles; work, on its part is more than the source of living – it is the vehicle for social participation. In consequence, different modern strategies of social integration are, at the same time, employment strategies (compare: Grewiński, Rymsza, 2011), and the inclusion by work principle is implemented by social insurance institutions in structures of workforce state. Also the so-called entities of social

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DEFINITIONS AND MAIN FACTS ABOUT SOCIAL ECONOMY

To answer the question posed at the beginning, one should determine/define what is social economy. Both among practitioners of social sciences and in the ever-growing literature of the subject, there is no common understanding of the term. This may indirectly result from the extensive nature of the term, including many diverse legal forms. In order to find a common denominator for diverse definitions, one could say that the key principle underlying the social economy concept is the primacy for human-oriented action (addressed at members, wards) over maximization of profit (Tittenbrun, 2010, p. 36).

The most popular and frequently used definition of social enterprises is the one formulated by employees of the European Research Network EMES1. A social enterprise is activity oriented at social objectives, of which the profit is assumed to be re-invested in these objectives or in the community, instead of in maximizing profit or increasing the shareholders’ or owners’ income. EMES also determines the social and economic criteria that social economy initiatives should fulfill. As far as economic criteria, these are the following:

- running activity in a relatively stable and regular fashion on the basis of economy instruments,
- independence, sovereignty of institutions with regard to public institutions,
- sustaining economic risk,
- existence of paid staff, however scarce.

Social criteria are:
- clear orientation towards socially useful objective of the initiative,
- bottom-up, civic character of the initiative,
- specific, possibly democratic management system,
- if possible, communitarian character of the initiative,
- limited distribution of profit.

Such authors as Carlo Borzaga and Jacquest Defourny (Wygnański, 2006, p. 15) quote a bit different common features of social economy entities: first of all – such entities serve objectives at a level higher than that of an individual (communitarian or social), which should be more important than generating profit. Second of all – they are independently managed. Third of all – these are entities acting on the basis of democratic decision-making processes. Fourth of all – the primacy of a person and work over gathered capital and its distribution prevails there.

In Polish reality it is most often assumed that social economy includes: foundations, associations, social cooperatives, labour cooperatives, legal persons’ cooperatives, social integration centres, social integration clubs, professional activity institutions, and private health care institutions.2 When analysing underemployment issues in social economy in our country, I will focus only on social cooperatives, which are the closest to typical economic entities, furthermore, at present, due to support from the European Union and the Polish government, (under OP Civic Initiatives’ Fund), their number significantly increased. In 2009, we had 127 social cooperatives in Poland, in 2010 – 287, and on 12 March 2012 – 447 (according to the information of the Ministry of Labour and Social Policy 2012). No data are available as to their activity, though. Results of the research indicate that some cooperatives terminated their activity, though formally they were not crossed out from the register3.

Social cooperative is the first legal form in Poland, which was directly defined in the Act of 27 April 2006 on social cooperatives4 as a social enterprise. So far, interpretation/implementation of the Act have resulted in its thrice amendment (the most significant changes were brought by the amendment of 2009). According to the Act, the scope of a social cooperative activity shall include conducting a joint enterprise based on individual work of its members. A social cooperative acts for social and professional reintegration of its members.

The Act also specifies who may become a member of a cooperative; like the unemployed, the homeless in individual programmes of leaving homelessness, alcohol addicts who completed therapy in a rehab treatment facility, the addicted to drugs or other psychotropic substances who completed therapy at a healthcare facility, the mentally ill, persons released from arrest, refugees in individual integration programmes, people with disabilities.

A social cooperative may be established by at least five people (no more, however, than fifty), and at least half of the founders must belong to the categories above. The rest are persons with specific competences who would be useful at running the activity of the cooperative (a new provision resulting from the fact that representatives of the categories above, usually with little education, failed to manage the independent running of the activity).

The act clearly specifies objectives of social cooperatives: apart from economic activity, they are to serve social and
professional integration of its members. Pursuant to the Act, a social cooperative acts for:

1) social re-integration of its members that shall mean actions for restoring and maintaining the ability to participate in the local community life and to play social roles in the workplace, the place of residence or stay.

2) Professional re-integration of its members that shall mean actions for restoring and maintaining the ability to provide work unaided on the labour market – and such activities are not performed as a part of economic activity.

3) A social cooperative may conduct social and cultural and educational activity for its members and their local environment as well as socially useful activity in the field of public tasks provided for by the Act of 24 April 2003 on Public Benefits and Voluntary Work.¹

Polish law treats social cooperatives in a privileged manner. The founders may receive a one-time grant for the activity from the Labour Fund, use the PF/PRON means, co-funding from the European Union under the Human Capital Operational Programme, means from the Operational Programme Civic Initiatives Fund and apply to the Starost’s Office for refunding contributions for social insurance (as a part of the supported employment formula). Social cooperatives also use tax exemptions (revenue of social cooperative spent on social and professional reintegration of its members are exempt from income tax from legal entities) and court fees (Sienicka, 2011).

The form of these entities resembles in its character existing forms of supported labour, this time, for different categories of excluded persons. Participation in a social cooperative is meant to lead, thorough work, to secondary or primary socialization of individuals, by means of creating support network and building the sense of dignity and value.

VALUE OF WORK IN SOCIAL COOPERATIVES

Do we find the underemployed – persons doing precarious work in line with Standing’s definition, among employees of social cooperatives? I will attempt to answer this question by relating to three accessible data sources on social cooperatives. First of all, I will quote research carried out by the Ogólnopolski Związek Rewizyjny Społecznych Zrzeszeń Społecznych (National Revision Union of Social Cooperatives) commissioned by the Ministry of Labour and Social Policy between June and September 2011, on the sample of 112 social cooperatives (of 287 registered by the end of 2010).² Apart from that, I will use research of Greater Poland’s social cooperatives³ led by Jacek Tittenbrun (Tittenbrun, 2010) and research by the National Institute for Public Affairs at the end of 2010/beginning of 2011, including 37 entities of social economy, including 13 social cooperatives, entitled Social Enterprises: Sustainability Factors. Report from the 1st phase of monitoring of social enterprises (Kazmierczak et al., 2011).

The main conclusion from the above research is that labour conditions (working hours, compliance with education and qualifications, type of labour agreement etc) hardly fulfill expectations of average employee on the open labour market. However, members of social cooperatives, who are by definition excluded or at risk of social exclusion, when accessing to a social cooperative, use the only chance to get back to the labour market or start earning their own living.

The beginning of a cooperative’s operation usually means less demand for its products or services, therefore the employees rarely work full time. The activity of employees may also differ from their qualifications and professional experience. The analysis of co-relation between the economy sectors the cooperative employees worked in between joining its team, and the sector of the cooperative’s activity shows a moderate co-relation between the two variables and, what is interesting, their compliance does not guarantee economic success of the cooperative (Tittenbrun, 2010, p. 63). The si-luation described of lack of continuance in professional deve-lopment of members of social cooperatives, which results in lack of opportuni-ties to work in one’s learnt profession, may result in dequalifi-ca-tion, thus decreasing work security.

It is worth remembering, though, that work in social cooperatives is addressed at people with low employability level, low professional skills, often long-term unemployed, thus automatically at risk of dequalification. The membership in such entities may become a source of new skills for such people, even if the skills are not related to the previous employment. More than a half (56%) of respondents in Tittenbrun’s research from Greater Poland declared, that participation in a cooperative helped them gain new skills. The results indicate rather moderate opportunities for improving qualifications and failure of cooperatives to perform the role that was intended for them, i.e. structures preparing to entry to an open labour market.

If we analyse such activity type, cooperatives deal mostly with service provision. Only 14% declared production as their activity. The main area of activity are services for house and garden (43%), e.g. cleaning, maintenance and conservation of greens, clearing snow from streets, laundry, maintenance of household appliances, florist services, designing houses and gardens. Another area of activity is construction (33%), e.g. maintenance, plumbing, repairs, painting, carpentry, metalworking. Third area is gastronomy – 28% of cooperatives runs bars or restaurants, organises parties, provides catering etc.⁴

In National Catalogue of Social Cooperatives⁵ which presents Polish social cooperatives according to sectors they operate in, areas of activity which are less numerous represented, such as education, furniture, motor industry, Internet and computers, recreation and tourism, health and beauty and production and industry are also represented. The sector structure of cooperatives is related mostly to the fact that their founders choose activity which does not require serious investments or involvement of capital from the start (i.e. investments in equipment)⁶ and, at the same time, related to simple works, not requiring special qualifications – adequate for the aptitude of their members, their education, professional experience. For example, the distribution of educational cooperatives in the Wielkopolskie voivodeship for 22 entities analysed is as follows: individuals with primary and vocational education prevail (in total 54%), those with tertiary education are a small group (8.6%), group with secondary technical education is quite numerous (over 23%) (Tittenbrun, 2010, p. 64).

The distribution represented may indicate that, if these data are projected to the entire territory of Poland, members of social cooperatives do not perform job below their education and qualifications in most cases, as they act in construction, gardening, gastronomy or cleaning areas.

What is the situation in social cooperatives when it comes to the issue of stability of employment? If we consider data from the research carried out by the Ministry of Labour and Social Policy concerning forms of employment of members of social cooperatives, we see, that 55% of contracts between employees and social cooperatives had the form of cooperative contract of employment, which resembles an ordinary contract of employment, thus guaranteeing relative stability of employment. Remaining 45% are contracts for specific work (22%), contracts of mandate (20%) or contracts for home-based work (3%), which are regulated by the Civil Law Code, which makes such contracts easier to terminate.

The structure of employment forms is territorially differentiated; the highest percentage of cooperatives which
employ their workers on the basis of contracts of employment has been observed in the Western region (94.7%), which is probably related to the fact, that the biggest number of entities with the longest operating period were located in this region. Therefore, these were the organisations which had been created before the amendment of the Act of social cooperatives which included also other employment forms, such as contract of mandate and contracts for specific work among the forms of employment (Department of Public Benefit, the Ministry of Labour and Social Policy 2012). The distribution of employment forms proposed in social cooperatives indicates, though, a relatively high level of employment security. At the same time one can suspect, that currently, after the introduction of the opportunity for using civil law contracts, their share will increase, which will decrease the employment security level.

In the context of forms of employment, it is worthwhile to pay attention to stability and sustainability of the organisations themselves. Accessible data suggest that ca. 1/3 registered social cooperatives do not operate anymore, but formally they were not formally liquidated or crossed out from the register, due to time-consuming and complex procedure. When we consider results of the research by the Ministry of Labour and Social Policy on financial results of entities analysed, it turns out that positive balance was achieved by 23%, 27% neither gained nor lost, and as many as 50% incurred losses.

Furthermore, the Ministry’s report indicates, that the majority of cooperatives did not revenue in the accounting year, and if the revenue from the open market are at a low level, and even if they did, the revenue did not come from market activity (Department of Public Benefit, the Ministry of Labour and Social Policy 2012). Unsatisfactory financial result is a risk factor for future operation of such entities, and fails to provide predictable and adequate remuneration to their members – not guaranteeing described by Standing “income security”.

Cooperatives themselves indicate problems in running activity – difficulties in getting commissions on the commercial market and tasks commissioned by public administration (20%), and financial problems (16%) and strong competition (9%). The presented data show that the economic condition of social cooperatives is not very good – they have problems with sustaining themselves and contract award on the open market. In the debate on this issue voices are heard, that probably the idea of cooperatives requiring active responsibility of persons at risk of social exclusion for themselves and an economic entity which employs them is unreal, even more so, if we take into account the fact, that some of them are barely starting their road to independence. Furthermore, even if democratic management formally gives representative security to members of a cooperative, it transpires from the research that in many cases they are unable to use their rights or abstain from taking responsibility for the enterprise.

Gaps in professional knowledge (for instance on marketing, accounting) of cooperative members from socially marginalised groups were intended to be bridged by introducing more specialists into the structures, which was made possible by amendments to the Act (no more than half the members of a cooperative may belong to the group of specialists). The specialists are expected to assist representatives of excluded groups in running economic activity, mentor them in new roles and help perform new tasks. Unfortunately, the survey by the Institute of Social Affairs has also demonstrated cases of the abuse of knowledge and competence by specialists with regard to ordinary members of a cooperative – arbitrary enforcing decisions without statutory consultations instead of shared decision-making processes. The pathology described distorts the idea of a cooperative, which involves, as the name suggests, cooperation and shared responsibility.

Factors and phenomena described above make this type of social initiatives encounter difficulties in sustaining themselves on the market when grants from labour offices or the European Union end. In addition, media reveal and publicise abuses consisting of wrong use of funds for the establishment and development of social cooperatives and inapt or even dishonest actions of cooperators (Lisowska, 2012). The research of the Ministry of Labour and Social Policy indicates, that the unemployed (83%) and the disabled (38%) prevail among the founders of social cooperatives. It may point to certain facade quality of these entities, which consists in a fact, that they are created by persons whose professional skills (em-
ployability level) is not too low. The existence of such cases “facilitates” differentiation of persons formally belonging to the ca-tegory of the “unemployed” with respect to the human capital (Kazmierczak et al., 2011, p. 48). Furthermore, in the empirical data collected by the Institute of Social Affairs prac-tices were noted on purposeful registering as unemployed of persons who would like to use the formula of social coopera-tive, even though they fail to meet criteria of disadvantaged persons.

To conclude, many social cooperatives relatively quickly suspend their activity, as they turn out to be failed and not thought over, thus rendering work of the employees uncer-tain and temporary. Lack of possibility to provide susta-inable operation, and, what follows, stability of employment and adequate income is a major prerequisite to define a job in social cooperatives as underemployment, despite many noble objectives accompanying the Act / is symptomatic of preca-su-nality of employment of at least some cooperation members, regardless of noble assumptions that laid foundations for the Act and system of support for cooperatives.

Undoubtedly employees of social cooperatives are a spe-cial category, as it includes representatives of excluded groups or at risk of exclusion, often long-term unemployed, with- out special qualification sought by employers. Membership in a cooperative provides them with an opportunity to leave un-employment, a path to independence by getting new skills, learning to work and take responsibility for themselves and the enterprise.

However, in reality the first of these functions is fulfilled by cooperatives to a moderate extent, the second even less so – due to lack of readiness for democratic management of mem-bers themselves. In the present form, social cooperatives are unable – at least in most cases – to play the role of an incu-bator for future contract workers of open labour market – also due to the characteristics of members and their attitudes.

SAFE HAVEN OR INCUBATOR OF ACQUIRED HELPLESSNESS?

At the end, I would also like to point out the issue of percep-tion members of cooperative have of their entities and the role cooperatives play in preparing members to independent life. Members and employees of social cooperatives, mostly with low education and at risk of social exclusion, were directed to a cooperative for social and professional reintegration, to enter the official, open labour market with new skills – according to the assumptions of the Act. However, it turns out that members of cooperatives are reluctantly considering leaving the coop-erative and looking for employment at the open labour market, nor are they eager to start self-employment. The research on cooperatives run in the Greater Poland, mentioned above, pro-vided us with significant knowledge on readiness of its mem-bers to undertake new challenges outside of the cooperative – in 90% they are not interested in self-employment opportuni-ties, in 70% they are not interested in work in another company or institution. At this point, we should consider whether social cooperative meet its statutory tasks.

On the one hand a social cooperative is a place where ex-cluded persons can get new qualifications and skills enabling full return to social and professional life, therefore, it is sup-posed to be one stage in becoming independent in life. As I have already mentioned, more than a half (56%) respond-ents indeed declare that they gained new qualifications in a social cooperative, which is indicative of a moderate success in this field. This improvement of the ownership of own labour fails to perform its task as – against intentions of the legis-la-tor – cooperative members do not intend to leave the system to undertake economic activity of their own or employ themselves in another enterprise.

It should be pointed out at this occasion, that too long a stay in a cooperative can lead to stigmatization of its members. There is a risk of occurrence of a social conviction that a cooperative is a place whichathers people with problems, where they are supported and no initiative is demanded from them – thus leading to learnt helplessness. Perhaps in the case of such enti-ties is essential to determine the allowable (maximum) period of employment and the desired (minimum) level of activation of the employees/ Perhaps for such entities the specifying the maximum employment period and necessary minimum level of activation of employed persons is of key importance. Lack of mechanisms which would force members to leave a social enterprise may indeed result in actual preservation of employ-ment in such an entity. An example may be enterprises (estab-lishment activity – Zakłady Aktywności Zawodowej) where the rate of persons leaving them and entering open labour market is shaped at the level of 3%.1 It seems, at the same time, that members of cooperatives do not want to leave it simply because they feel good there. The same research indicates that the fac-tors that in most cases contribute to satisfaction level of the members are: the sense of community and the relationships at work.

It is worthwhile in this context to ask a question, whether social cooperatives should be a caretaking instrument (as speciﬁed in the Act) or rather a stable entity of economic sys-tem? Do we intended them to be temporary arrangements or sustainable entities providing stable employment? Opinions on this issue are divided. Further decision-making will depend on legislators.

1 http://www.uko.pl
2 Ibid. and official EMES website: http://www.emes.net/index.php ?id=2
3 Research carried out in Greater Poland prove that such situation con-cerns over 1/3 of cooperatives. Compare: Kobieńska (2010, p. 84).
4 Dz.U. of 2006, no 94, item 651.
5 Dz.U. no 96, item 573, as amended.
6 Details on the quantity of financing for the development of social economy entities under the HC OP and OP CIF can be found in an e-publication “National Development Programme for Social Economy”, project June 2012, available at: http://www.ozrss.pl/pliki/projekt_kpres.pdf
7 The research by the Ministry of Labour and Social Policy and OZRSS is the only such research on social cooperatives, however, it has its weaknesses and methodology failures. The research has been based only on entities registered at the National Courts Register by the end of 2010. while the last two years witnessed a dynamic growth in new social cooperatives. We do not know, how many co-operatives out of 447 registered in the OZRSS catalogue still operate. It transpires from practice, that many in confrontation with market reality suspended or terminated activity.
8 Investigation of 22 social cooperatives from the Greater Poland voivodeship, under which 82 interviews with cooperatives’ members were carried out.
9 http://www.ozrss.pl 2012 [accessed at 12.05.2012];
11 Social cooperatives lack funding when they launch activity, as the founders are rarely well-off, and banks are reluctant to credit such entities.
12 The Wsies region includes cooperatives from voivodeships: Dolnośląskie, Lubuskie, Opolskie, and Wielkopolskie.

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INTRODUCTION

Total war of everyone with everyone else – this is a perfect summary of conflicts arising in the franchise system of Żabka Polska S.A. Each systemic weakness shall be ruthlessly used and each mistake severely punished – unless one finds a scapegoat to pay for the defeat. Franchise holders play this role for the company, or... become experts at rule-stretching. In response, the company increases control and becomes even more restrictive toward franchise holders.

Cashiers (mostly women) often fall victim to this war. They are responsible for the most important and difficult part of trade – direct sales, and are criticised and judged by franchise holders. Only reluctantly do the former terminate contracts with the company, because they know another job will be difficult to find. They would rather, for indefinite period, and costs related to that employment... impossible.

Consequences of constant power struggles within the system. The company attempts to eliminate a problem, but the solutions it implements turn against the system. A vicious circle – to a certain extent, dishonorable toward franchise holders, i.e. are neither independent economic entities, cooperation with the company would achieve quite different a form. Franchise holders would decide on issues they manipulate on today. Practice I have described below results from the very fact that managers of Żabka shops have the status of franchise holders, i.e. are neither independent economic entities, nor hired employees, albeit they have qualities of both types.

Malpractice is therefore woven into the very tissue of the system. Franchise holder’s status is internally contradictory, since it combines responsibility and involvement of an economic entity with obedience and subordination of an employee. From the franchise holder’s perspective, avoiding traps resulting from these contradictions is very difficult, in some cases – impossible.

The company seems to use the franchise holder’s status in a way similar to the way other companies replace employment contract with civil law agreements. Shops could indeed be run by managers employed by the company, in such a case relationships between the managers and the company would have been much more transparent than those between the company and franchise holders. Franchise system is similar to flexible employment due to the privileged position of the employer (or quasi-employer in this case – Żabka Polska SA) and subordinated one of workers. In theory, flexible forms of employment have a potential for emancipation, but the main reason for their use is the want to avoid the form of employment the most difficult for employer, i.e. employment contract for indefinite period, and costs related to that employment form. In this respect, franchise system makes part of the flexible labour market trends.

For some franchise holders the status of an economic entity is desirable, as they identify it with being a “businessman/woman” therefore a well-off, independent person who can decide about their work. Other franchise holders understand that a status of an economic entity is meant to attract other...
ers and know that it is not equivalent to social promotion, but a means to burden franchise holders with costs of shop running, which cannot be transferred to employees. Regardless of attitude, franchise holders adapt quickly to cooperation conditions.

This short paper is not meant to reveal the mystery of Żabka and its expansion. The task, with general analysis of the franchise system, will be performed in another text. I will try to describe, however, how franchise holders, in three main fields: cooperation with the company, management of personnel and (not) paying taxes, neutralise rigorous cooperation conditions and attempt to overcome contradictions inherent in their status, as well as the dissemination of the franchise model in the Polish economy.

CHARACTERISTICS OF A FRANCHISE HOLDER

Let us consider the status of a franchise holder. "Franchise holder" is only a name used by the company. Civil code provisions on franchise holders do not apply to franchise holders of Żabka Polska SA. It is worth mentioning that in case of agents it is hard to talk about real running a shop, because their decision-making powers are limited. Therefore “running a shop” is used by me as a theoretical shortcut.

Formally speaking, a franchise holder is an economic entity which signed a cooperation agreement with Żabka Polska SA. The company and a one-person firm are contractors. Żabka Polska SA controls franchise holders, but the latter are controlled also by other economic entities working for the company: the so-called sales partners and heads of macro-regions – macro-regionists. In the company’s terminology, Poland is divided into macro regions, managed by macro-regionists, and districts – the latter are located within particular macro regions and supervised by sales partners.

While discussing the franchise system of Żabka Polska SA, one should not mistake economic entity with an entrepreneur. An entrepreneur is characterised by ownership of means of production, his/her inherent quality is also freedom of economic activity. Let us check, to what extent a franchise holder who is an economic entity complies with these general characteristics.

Neither Żabka shop, nor the majority of equipment and goods, belong to the franchise holder – the latter is financially responsible for those, but is not the owner. The company headquarters is responsible for introducing improvements. It employs IT specialists, marketing specialists etc. The role of franchise holders is limited to executing orders of the Headquarters and taking care of sales increase. A franchise holder – an economic entity, takes decisions in a very limited scope. Without the company’s permission it cannot even undertake other economic activity. Let us consider the provisions of the cooperation agreement, which state, that a franchise holder, in particular: cannot be involved, without the Headquarters’ consent in writing, in any form of economic activity other than commercial or service activity in Żabka.

Therefore, we are in a situation in which an economic entity asks another economic entity for a permission to run economic activity. It seems that it is not a typical provision in agreements between contractors. It makes revenue of franchise holders depend solely on Żabka Polska SA.

The characteristics so far would indicate that what we are dealing with here are “ordinary” self-employed persons. Franchise holders are, though, in a much worse situation than the self-employed, because a status of a franchise holder combines qualities of employees – strict subordination to the company and lack of independence – with burdens of actual economic entity, i.e. paying taxes for sold commodities, main-
taining certain costs of running the shop and employing personnel.

Żabka Polska SA makes franchise holders responsible for certain tasks. The latter vouch that the shop will be open 7 days a week, from 6.00 to 23.00. The shops offer an opportunity to purchase goods, but also use the range of services offered by the company. Żabka Polska SA does not specify the entity which is to perform the said task, however, franchise system is designed in such a way, as to make franchise holders depend on low-paid work or even unpaid work. Training materials for franchise holders specify that: The bottom line for functioning of Żabka shops (family shops) would be that ideally only family members and students work in the shop. This will highly limit costs of operation and increase profitability. (...) It is unacceptable that franchise holder’s income be <0. If a franchise holder’s income is negative, it means that costs of operation are higher than the revenue and should be decreased in the upcoming months.

A franchise holder should commission work to such persons who do not demand high financial remuneration: family and students. Family character of the enterprise means that family members of a franchise holder work in a shop for free. Ideally they are so motivated, wealthy and have so much free time that they may work with the franchise holder for free, without remuneration, in a shop open daily for many hours. In practice, their help is not enough. Thus franchise holders become employers; they must remember, though, that a shop – as it is indicated by the company – may operate only if labour costs are low.

Another reason franchise holders cannot be considered self-employed is a fact, that to some extent they indeed resemble economic entities. The offer of Żabka shops can be divided into two parts. Ca. 80% goods are provided by Żabka Polska SA. The Company sells the products to the franchise holder, specifies their type and price, and the retail price. It also determines the profit margin of the franchise holder. The margin depends on products, but is no higher than 10%, much less in case of many goods. Let us consider that it oscillates between 6 and 8% (in retail trade margins amount to at least 20-25%). A franchise holder also sells so-called own or regional products: fruits and vegetables, bread, some dairy products, selected frozen products and small goods, press. The goods which are also obligatory are purchased by the franchise holder at suppliers indicated by the company, and imposed margins on the goods.

Understandably, franchise holders pay taxes for the sold regional goods, but their duties towards tax offices include also paying taxes for products purchased from the company. Compared to franchise holders’ revenue, taxes are very high – Żabka shops are rather expensive, with wide range of goods offered, and tax offices are not interested in mutual settlements between franchise holders and the company and in real income of franchise holders. To put it otherwise, franchise holders pay taxes for big revenue, while their income is relatively low. Franchise holders settle with tax offices on the basis of invoices, official statements are not enquiring why in such a case the franchise holder settle their revenue with the company and why they earn only on the profit margin.

It seems that Żabka Polska SA uses the status of franchise holders to defend itself from losses and unsuccessful economic decisions. A construction of agency system forces improvement only on a limited scale, which makes company ill-motivated with respect to eliminating mistakes. For instance, in additional agreement annexed to the Cooperation agreement in a part entitled “Restrictions of the ownership” it is written that commodities delivered by Żabka Polska SA are subject to restricted ownership. Therefore, as long as the delivered goods are of full value they belong to the company. If
franchise holders sell goods, they retain the profit margin and pay Żabka Polska SA the equivalent of the price for which the product was purchased. The commodity is a problem when it cannot be sold, as it is broken, expired or stolen. In such cases franchise holders also pay the company for the product, but incur a loss.

Żabka Polska SA acts as a powerful platform of shops, which conquers the market due to the large number of outlets and same range of products sold. The company, acting as a huge warehouse, can promote certain goods, transferring in part the risk onto the franchise holders. If goods are not purchased, finally franchise holders have to pay for them, even if payment will be postponed and the cost of expired, broken and stolen products will be revealed at the stock-taking. The company is free to test different solutions, cost of wrong decisions will be distributed between the company and franchise holders – at least in theory, and many franchise holders are unable to pay off their liabilities toward the company.

STRIVE TO SURVIVE

When it turns out that shops do not generate the income franchise holders expected – despite the fact that revenue is often high – persons running Żabka shops try to cut on costs or increase sales. One of the holders’ strategies requires means which significantly diverge from the permitted and suggested solutions.

It seems that strategies of franchise holders are useful in a short-term perspective only. What can be saved by franchise holders will probably appear as a debt toward either tax office or Żabka Polska SA. Franchise holders’ strategies also result in serious, long-term changes, albeit different from what would persons running shops expect. Whenever the company notices practices of franchise holders which are detrimental to the company, it tries to introduce a systemic solution to block them. Sometimes those preventive measures are insignificant, but often to a large extent they shape cooperation forms. While franchise holders do not have a say in determining the status of economic entities, which is a prerequisite for accessing to the agency system, for several years of the network’s existence they contributed to a certain way to making cooperation conditions more restrictive.

Let us consider a few examples, without going into too many details of cooperation principles between franchise holders and the company. When the network was founded in 1998, the system was different from what is seen today – it was completely decentralised, therefore, franchise-holder friendly. Franchise holders sold goods they had bought in warehouses indicated by Elektromis SA company, the then owner of the network. Elektromis SA guaranteed payments, which is why, when franchise holders did not pay for goods after the accorded deadline, the company regulated liabilities. Franchise holders were free to decide about quantities of ordered commodities, and profit margins constituted their revenues. After a while it turned out that some persons do not abide by the rules of cooperation. Suppliers pre-selected by the company would contact Elektromis, requesting to settle liabilities of certain franchise holders towards the suppliers. It turned out that franchise holders created a situation in their relations with suppliers where due to lack of payment for goods purchased by franchise holders, warehouses refused supplies to shops delaying payments. According to Grzegorz Kurzyca, there were situations when franchise holders, while not settling payments to suppliers, proposed services of a different supplier, due to for instance better trade conditions, which was aimed solely at opening a new purchase limit with a new supplier. (…) As a result of the granted guarantee, Elektromis SA, by paying liabilities not settled by franchise holders, encumbered significant loss. Elektromis SA introduced in response a central system of supplies. At present all franchise holders purchase 80% of their offer at a Centre of Logistics of Żabka Polska SA, which is the main warehouse of the company. It seems that dishonest franchise holders contributed to the appearance of a new formula for supplies, but all in all shop managers lost on the system change. The company franchise holders signed cooperation agreement with, Elektromis SA (later Żabka Polska SA), in time started to earn on agency in sales of goods. Prices in ordinary warehouses are much lower than those in the Centre of Logistics (that is why franchise holders sometimes cheat on the company: buy goods in local warehouses and sell it in “their” shops). Furthermore, franchise holders, while making purchase in a warehouse of Żabka Polska SA, cannot decide on the quantity of a given product, as is the case of independent purchase at their selected suppliers. My respondents often related that they would like to order smaller quantities of goods which do not sell well, but still they receive packages of, for example, 20 pieces. Thus the company rationalises supplies, but when a shop with a moderate turnover receives too much of a product which is not too popular, probability that the product will expire and the franchise holder will encumber a loss, increases.

One may risk saying, that franchise holders themselves forced the company to introduce such a solution. While cooperation conditions between the company and the franchise holder are non-negotiable, and the company enforces regulations on franchise holders, sometimes it is a reaction to dishonest practices of the franchise holders.

Another illustration of the thesis may be a following example. The main responsibility of the franchise holder is a daily payment of takings. All persons managing Żabka shops settle with Żabka on a daily basis: after subtracting their profit margin, they pay to the company account all takings from the previous day and the commodities supplied by the company. However, franchise holders pay to the company not 100% of takings, but from 100.5% to even 102.5%. The additional sum is collateral for Żabka Polska SA for a situation, when a franchise holder at the moment of finishing economic activity has significant debts toward the company and is unable to pay them off quickly.

In an ideal situation franchise holder’s debt toward the company is identical to the value of goods belonging to Żabka Polska SA the franchise holder has in stock. Theoretically speaking, if a franchise holder sold all goods provided by the company and sent money to it, they would not have any financial liabilities left. In practice, however, such a situation does not happen, as always a part of supplied goods will expire, be destroyed or stolen. The “surplus” amount paid with the takings is supposed to function as collateral for Żabka Polska SA in a situation, when a franchise holder sustains big losses and, at the moment cooperation ends, cannot settle with the company at once.

Such principles were not in place from the beginning, though. Żabka Polska SA improved system of settlements and only after a while introduced rules which to the maximum extent protected its own interest. In the Justification quoted above, we read that in the past the payment deadline was much longer. Company contractors could use monies from sales for much longer time. Abuses of certain franchise holders made company demand in response daily payment of takings in at least 80%, and, in time, increased this limit to over 100%. Today the company receives money almost immediately after sales. The sum for the ongoing management for a franchise holder is decreasing: they have less money for pur-
purchase of regional goods or payment of remunerations. Less ready money hinders to a large extent running of the shop and requires much more discipline and savings. It seems that contractors of the company mobilised it to introduce the new settlement form. Even if the numbers of dishonest persons or those who fail to observe payment deadlines are a margin to all franchise holders, the response to lack of subordination concerned all franchise holders.

Let us consider yet another situation. Franchise holders sometimes believe that they may rely on the offer of the company and, at the same time, disregard its burdensome rules. They soon find out they are wrong. Generally speaking, according to the company’s principles, franchise holders should aim at high sales level and support themselves from the profit margin. However, it is not always possible; therefore the company introduced a system of additional payments. Such additional payments may be compared to prostheses. It facilitates operation of low-turnover shops, but does not change the main reason, for which shops need additional cash – wrong location resulting in low sales. The company wants the number and recognisability of shops; therefore, at times it supports shops with low income or low profitability. Franchise holders of such establishments, to receive additional payments, need to achieve low turnover rates – the amount of supplement depends on turnover, therefore even persons, who incur monthly losses, do not receive such support if the turnover they achieve is higher than the threshold set by the company.

Żabka Polska SA may also consider that a given franchise holder hires too many staff members and, as long as they do not dismiss some of them, they will not receive additional payment – these are situations described by respondents. Such additional payments do not solve the problem of low sales, but alleviate it in a short-term. A franchise holder receives money from the additional payment – its amount varies usually from 200 to 2000 PLN – but they have to cover costs of expired, stolen or damaged goods, which will be revealed at stock-taking. Some franchise holders do not intend to increase sales, but maximally limit costs and live off additional payments. Here is how the partner commented on the franchise holders’ idea:

**Respondent:** There were persons...who, I don’t know, just signed the agreement to have a job, yes. Any job. And, as I have already mentioned, they wanted to use the additional payment. Only, they were not taking into account the fact that products are not subject to return and losses pertaining from this fact will be their losses.

**JJ:** Were there franchise holders of whom you thought they are not fit to run a shop?

**Respondent:** Yes. For many reasons (...).

**JJ:** What kind of persons, in your opinion, were unfit for the job?

**Respondent:** There were persons...who, I don’t know, just signed the agreement to have a job, yes. Any job. And, as I have already mentioned, they wanted to use the additional payment. Only, they were not taking into account the fact that products are not subject to return and losses pertaining from this fact will be their losses.

**JJ:** But, did they intend to run the shop the best they could or did they count for additional payments from the start?

**Respondent:** They hoped for additional payments from the start. They calculated thus: all work illegally, I will have additional payments, and will live off it comfortably, because I will always buy something. Only they miscalculated...they could not measure it from the other side, that the company will give the products, as I’ve mentioned, here the amount was very, very significant.

The solutions franchise holders used to use to increase income illegally or against the cooperation principles, already disappeared, therefore, if somebody accedes to the system today, they will not be able to cheat on the company (albeit earning at the cost of personnel is still possible). However, many principles of the franchise system were shaped by the cheating franchise holders.

They set the standards for the franchise holder – company relationships. One might risk saying that “better franchise holders” who work at company, adapt themselves to the conditions indirectly created by the less reliable ones. Those who set much store to their work, as many present franchise holders, feel forced to disregard the law, or for the whole period of running the shop they think their job is not sufficiently remunerated. Running in-depth, extensive research which could enable verifying the hypothesis formulated above, would be very difficult. Therefore, I base my findings on research intuition and opinion of certain respondents: And, a while ago, there were more drinkers among the franchise holders, in the first years...As I was saying, franchise holders were different, nowadays they are usually very decent, and want to work and work well. Earlier, many franchise holders were just some freaks.

Another respondent revealed that even convicted/sentenced persons became franchise holders, since the company had problems with recruitment. Franchise holders like to repeat information about lack of candidates for their post, but it seems that they try to convince themselves thus that due to this fact the company will finally treat better the already working franchise holders. Such a conclusion is unsubstantiated, though. On the contrary: since situation on the labour market decreases, the company is not motivated to improve cooperation conditions, and still persons with more and better qualifications who cannot find other work will become franchise holders.

**PERSONNEL**

Sometimes franchise holders treat employment of cashiers as a confirmation of their independent trader status. However, Żabka Polska SA, directly or via partners, macro-regionists or so-called secret customers, i.e. controllers investigating quality of sales, evaluates cashiers, and punishes franchise holders for their mistakes. Also in this area, franchise holders have small autonomy. Still, their power over cashiers is often exercised inefficiently, or used only to decrease their own losses.

The entire franchise system is based on cashiers. Franchise holders, sales partners, macro-regionists and company headquarters alike live off their work. All in all, the income in the franchise system depends on the quantity of pro-ducts sold by cashiers. It should be pointed out, that cashiers in Żabka shops do not only scan products and collect cash: they should talk to customers, encourage them to buy more products, lay products on shelves, and hang advertisements, clean. They perform many tasks, of which the most important is contact with customers and winning their sympathy.

Unfortunately, franchise holders often try to hire staff at the lowest cost possible or even transfer certain costs on cashiers. A franchise holder who employed staff, without having means to do so, intended to transfer certain own costs onto the employees, yes. “You are here, and you are responsible for this shelf, and if something expires, you are to blame.” It was a standard shift of responsibility. Of: “you are late, and points are taken from me for that, this is the sum of....., so I take away the money from you for that.” (...when ...) a franchise holder was closing business, from the employees remuneration, having presented a remuneration list to sign, finally paid 20 zloty for a month’s work. She said stocktaking was made and there were such losses, she divided it by the number of employees and the sum was the result of it.

Very often cashiers are hired illegally or part-time, while in fact they work full time. Other examples of breaking labour
law are not paying for overtime, hiring on the basis of civil law contracts instead of a contract of employment.

Methods of franchise holders sometimes turn to be a double-edge sword. This is confirmed by an excerpt from a certain interview: *The loss is that we do not have a cost, because we cannot demonstrate a remuneration of a person who is not registered with us, right? And this is an example, for me it was 1000 zloty, because a girl was paid 1000 zloty net, but I had 1000 zloty to tax. That, theoretically, the money was for me, as my revenue. And I share my revenue with her in secret, right. And, all in all, this is donkey work, so to speak.*

"Donkey work" could be associated with large number of ideas used by franchise holders. While they helped solve a pressing problem, they resulted in another, of which the consequences could be revealed after a while. The quotation above illustrates the following problem: even if the franchise holder makes savings on hiring a salesperson illegally, they will have to pay higher taxes. Savings are, therefore, superficial.

It seems that the logic of minimising labour costs, which "created" franchise holders, is easily transferred to lower levels of franchise system. Franchise holders usually accept the paradigm of low labour cost with regard to cashiers, even though they fall victim to this paradigm themselves – they should be ordinary employees, not franchise holders who additionally participate in supporting the shop. Shop managers call "demanding" those cashiers, who complain about working conditions or are not as effective, as franchise holders would expect. According to many franchise holders, salesperson should work hard and be scrupulous for very low remuneration (the national minimum in case of contract for employment or low rates of civil law contracts, which are also used by franchise holders) and maintain costs of operation of a shop.

Franchise holders are not aware of the perversity of their requirements. They use the rhetoric which is used with regard to themselves by Żabka Polska SA and economic entities working for the company. The company requires franchise holders to work effectively and constantly improve sales results; at the lowest possible cost, to contribute to a good financial standing of a shop which is not their property. The company requires from the franchise holder such involvement as on the part of an entrepreneur, who is aware that they work for their own success. Franchise holders on their part expect the same sacrifices from ill-paid cashiers.

Cheating on personnel is a low-risk enterprise. Franchise holders feel much safer when abusing cashiers, even more so, since the company does not investigate forms of employment, than when violating principles of cooperation with Żabka Polska SA, which may terminate cooperation immediately.

Some cashiers are dishonest towards franchise holders. Franchise holders condemn especially small theft; however, these are of secondary importance compared to negative cooperation principles they are subjected to. Cashiers use the same rationale as franchise holders do: it would be hard for them to find better employment in commerce, for higher remuneration and on better conditions, therefore, they try to adapt to the current employment. Small theft among the personnel is certainly irritating for franchise holder, seems, though, a small price to pay for an opportunity to use cheap labour force.

**TAXES**

Third area for abuse concerns taxes. Franchise holders postpone the necessity of paying taxes, thus generating costs: they purchase more goods or lease cars. These solutions delay payment of taxes and are not illegal. Franchise holders use as well an illegal procedure, i.e. buy invoices.

It transpires from the responses that the company recommended by Żabka Polska SA to franchise holders as accounting office which knows the specificity of the network, takes part in selling invoices. It is hard to treat these suppositions in a way other than a hypothesis, although one must take into consideration the consistency of respondents’ opinions about this fact. There are no reasons to suspect that diffr-ent respondents, independent from one another, lied about the accounting office many franchise holders use. From the company’s perspective – and that is still a hypothesis – cooperation with such an accounting office is useful, as it prolongs the presence of franchise holders in the network.

One of the most serious burdens of franchise holders which may contribute to their final defeat are high taxes. When franchise holders buy illegal invoices, they create inexistent costs, therefore, delay the moment of paying taxes. Surely, sooner or later they will have to pay it, but it will be franchise holders’ problem, not one of Żabka Polska SA. The company may want franchise holders not to resign too soon of running a shop, and sales of invoices via the accounting office, in the light of my hypothesis, is an efficient means to achieve this goal.

**FRANCHISE SYSTEMS IN POLAND**

The characteristics of a franchise system is first off all basing activity on franchise holders’ work – agents which share qualities of an employer and an employee at the same time, second of all – ownership of means of production by the domineering company. At least four companies are active in Poland in the franchise system. Apart from Żabka Polska SA, these are Kolporter Saloniki Handlowe – a company owning newsagent shops Kolporter, of which at least a part is run on the basis of the franchise system, the HDS company which owns Inmedio and Relay network, meaning stores combining newsagent shops/stores and bookstores and coffee shops. Certain fuel stations of Orlen and Bliska networks are also run in a franchise system. Orlen is in part a state-owned company; therefore it is disquieting that it uses franchise system, where employees of fuel stations are employed not by the company, but by particular franchise holders running fuel stations. It creates, as any franchise system, a situation which is comfortable for a domineering company and a very disadvantageous situation for franchise holders and their employees.

It should be borne in mind, that in the light of the law, one-person companies of franchise holders or companies (consortia) they signed agreements with are equal contractors; therefore in case of any conflict civil litigation is the only solution, as in the case of civil law agreements. Certainly, equality of contractors is a complete illusion. Regional Prosecutor’s Office in Cracow was of the opinion that dissatisfied franchise holders should have understood their subordinate position with regard to a well-off company. A state institution, therefore, does not indicate that the state is supposed to protect franchise holders and reduce their subordinate status compared to the company, but instead urges franchise holders to accept their subordination as natural and understandable. Thus the Prosecutor’s Office legitimizes the law of the stronger, which lets the wealthier of the parties to subjugate the weaker entity.

Franchise holders do not have stable jobs, but work on the basis of a cooperation agreement, thus experience lack of certainty (the company may easily terminate the agreement), and their income is often very low, therefore, they might be classified as precariat. This category, albeit a popular and meaningful
in itself, is too general to be used for analysis. It does not highlight the most important quality of a franchise holder, i.e. the fact of combining responsibility of an entrepreneur with being disciplined as an employee. However, its use toward franchise holders has its uses. It points out that many formal economic entities are in fact quasi-employees, who, in addition, are funding the shops where they work. Conditions on the labour market in Poland, if we consider franchise holders and similar occupations, may be even more difficult than we suppose.

SUMMARY

For all my damned life, I will eat noodle, now I have my own business, sounds proud, right, I’ve got a shop, a business, and still eat the fucking noodle! Thus did a respondent deconstruct the status of an entrepreneur, who acceded to the franchise system as she would rather work in a micro-enterprise of her own than for an employer, and terminate the contract with the company feeling she was treated as a slave. In a franchise holder’s status certain elements characteristic for an economic entity indeed occur, but only such which are in the best interest of the company. A franchise holder is quite independent, but only in 20% of their economic activity (this is the share of stock they have a say on). All the goods, however, are taxed. They do not have rights of employees, even though they are controlled by the company as scrupulously as employers do their employees.

There are many incidents indicative of the fact that mutually exclusive cooperation conditions result in malpractice on the part of franchise holder, and certainly determine particular forms of this malpractice. Franchise holders try to survive in the franchise system, but methods of limiting their costs are counter-productive. First managers of Żabka shops cheated on the company, therefore the company treated following contractors more and more strictly, reaching a critical point — one might venture to say, that some shops cannot sustain themselves if they abide by the law and cooperation conditions.

The franchise system of Żabka Polska SA is a vehicle powered by growing distrust which gradually increases franchise holders’ scope of responsibility and limits their decision-making powers. It is also a manifestation of a wider phenomenon — imposing labour costs on the workers. The fact that franchise systems in Poland exist without obstacles proves that the state attaches high range to cooperation agreements, and completely ignores its results and similarities between the status of franchise holders and employees. Justification of the Regional Prosecutors’ Office in Cracow may be in fact limited to a claim that while cooperation is indeed disadvantageous to franchise holders, since they signed the agreement, they do not have the right to complain. Institutions give priority to the obligation of fulfilling contract provisions (regardless of their rigorous character and subjugation of the weaker to the stronger) over social order and believe that a one-person economic entity cooperating with a big company is not entitled to any protection whatsoever.

NOTE ON METHODOLOGY

In the article I used excerpts from interviews – I quoted five respondents, one man and four women, and training materials prospective franchise holders receive at an obligatory training. My findings were also based upon the Justification for the Decision about discontinuance/termination of investigation, issued by the Department for Economic Crime of the Prosecutor’s Office in Cracow in December 2008. Training materials for franchise holders and the text of the Justification were received from the respondents.

Interviews were carried out in the period from January 2010 to August 2011. I carried out in total 31 interviews with persons involved with Żabka Polska SA. Respondents were mostly former or actual franchise holders and partners, but there was also a person, who investigated processes in Żabka Polska SA as an expert for a while, and investigated the operations of Żabka Polska SA and an acquaintance of a certain franchise holder, who observed her colleague’s work in the franchise system and encouraged her to terminate cooperation with the company. Three persons of the investigated had experience as sales partners.

The interviews were noted or recorded with the permission of respondents. One interview was carried out by phone, the remaining ones – face to face. The shortest one lasted 5 minutes, the longest – several hours. There were 15 persons in the sample which still were cooperating with Żabka Polska SA when interviews were carried out and 14 persons which terminated cooperation. Among the respondents were both persons who had run the shop for several months, and franchise holders with almost 10 years of experience. Some respondents had earlier experience with running business, other were former cashiers in Żabka shops. The respondents worked in 10 cities from 8 voivodeships. There were only two small towns and two cities of ca. 100 000 inhabitants in the sample. The remaining cities were over 200 000.

I talked with 5 males and 26 females. The gender distribution in the sample is not a coincidence. It reflects the fact that Żabka shops are run mostly by women. The difference in attitude of both genders was clearly noticeable at the interviews. All women were more or less open about advantages and disadvantages of their cooperation with the company and about other franchise holders. Men, on the other hand, were much more defiant. One of the respondents took away my notes from me at the interview, crossed over the number of years he cooperated with Żabka Polska SA and put in other dates saying, that it would look better that way. It transpired from the respondent’s looks and our earlier conversations that his data differed significantly from the ones he gave me during the interview.

I contacted franchise holders in two ways. First of all, I reached franchise holders who were dissatisfied with the cooperation with the company — the majority of which, albeit not all, at the moment of the interview, were no longer involved with Żabka Polska SA. In some instances, one contacted person provided contact data to others. Thus, with a “snowball effect” I reached following respondents. Second of all, in randomly selected Żabka shops I asked franchise holders whether they would agree for an interview.

Many persons refused. Working franchise holders claimed they had no time to spare. Another reason for refusals was the fact that I did not have a document signed by the management of Żabka Polska SA, which would entitle me to carry out interviews with franchise holders (some of them demanded that I procure such a document). One of the men who managed a shop said that I endeavoured to describe a difficult and painful subject, on which he would rather not comment. Often franchise holders were not available, and personnel were unable to say, when they would be present. Former franchise holders explained, that inte-
Franchise system forces people to employ as few workers as possible, which is a critical franchise holders. In this group, there were also persons who were surprisingly uncompromising in their negative assessment of the franchise system and the franchise holder’s place in the hierarchy.

The respondents would sometimes agree with the company’s policy in some cases, and could be critical toward their counterparts. They claimed that in certain cases the company is hard to blame, since it reacts to the franchise holders’ behaviour.

Numerous circumstances which could influence the results of my research need to be taken into account. Certain interviews were carried out in shops and franchise holders could spare no more than 15 minutes for conversation. Limited time and the fact that franchise holders often worked during the interview, which took place only when there were no customers in the shop influenced the openness of their reflections. There was also a risk that certain persons, especially among the respondents who terminated their contracts with the company, exaggerated their experience with Żabka Polska SA, but I do not think that it largely influenced the quality of the research, mainly because I could compare the results with documents specifying conditions of cooperation agreement. Still, cooperation may be evaluated in a reliable way only after it ends, e.g., taxes grow as revenue does, perhaps proving that running Żabka shops always ends up in a bankruptcy of the company, did not decide to stop it due to the fear of long-term unemployment.

Regardless whether the working franchise holder assesses cooperation positively, or is critical towards it, the cooperation agreement is as such unfavourable to them. Moreover, in certain circumstances: particularly good location, minimum losses, high share of regional products in the offer, low employment and protection of franchise holders from partners and franchise holders have affairs, cooperation agreement with Żabka Polska SA may be good for a franchise holder, but even coincidence of such circumstances fails to change general shape of cooperation agreement. Still, cooperation may be evaluated in a reliable way only after it ends, e.g., taxes grow as revenue does, perhaps at the moment of termination of the agreement, it turns out, that they are so high they consume a franchise holder’s earnings from the last months, or even years. Only when cooperation ends and one knows that the debt of a franchise holder toward the company, tax office and, possibly, Social Insurance Institution (ZUS), can the final assessment be fully reliable.

Also, Justification for the Decision of Prosecutors’ Office in Cracow, quoted in the paper, needs to be elaborated on. I criticise it for being oppressive toward franchise holders and using symbolic violence, however, as regards facts in the case, its usefulness cannot be underestimated. The Justification is made on the basis of testimony of employees of Żabka Polska SA such as its main debt collector, and there are no reasons for doubting the truthfulness of their accounts.

**FORMAL AND INFORMAL SOCIAL SUPPORT NETWORKS AMONG FIXED-TERM EMPLOYEES**

**INTRODUCTION**

An increase in the frequency of emergence of non-standard forms of employment in Poland encourage to pose a question about the impact of the situation on the labour market and family life. The issue of reconciliation of labour market participation with family care duties arouses the interest of not only the researchers, but also social activists, politicians, reformers and the public opinion. What is pointed out is the existence of a structural conflict – a mismatch of the existing institutional solutions and work taken both by men and women – and the cultural conflict that results from the fact that women and men combine the social roles attributed to them by their culture on the labour market and in their families (see Liebhover, Corijn, 1999).

The impact of flexible forms of employment on the functioning of a family, and in particular on the amount of time spent together, fertility rates, satisfaction of social needs, is not evaluated unambiguously. In the opinion of some academics, flexible forms of employment foster co-existence of family life and professional career (e.g., Balcerzak-Paradowska, 2004). Exceptional benefits should be derived from them by women: part-time work might have a positive influence on fertility rates because it helps women to share the time devoted to the work and to childcare (d’Addio, d’Ercole, 2005, p. 66). Hence, untypical forms of employment are supposed to accelerate cultural changes to lead to women’s emancipation and their entry on the labour market.

The above-mentioned optimistic beliefs are not shared by other academics – according to them, popularisation of flexible forms of employment becomes a source of uncertainty and lack of stabilisation in life (e.g., Frieske, 2012, s. 16–35). As a consequence of restricting a number of benefits to which fixed-term employees are entitled, the employment has ceased to be a guarantee of social security. It has exerted influence on the functioning of a family. Labour market segmentation disturbed the well-being of the basic social cell.
The researchers who are sceptical about the impact of flexible forms of employment on the wellbeing of families put a particular focus of the disadvantaged situation of women; it is indicated that their labour market activity is not a sign of cultural emancipation, but compensation of insufficient total income of households. In other words, women take a job not in the least to gain more independence and autonomy from family-based commitments, but to make an additional contribution to the household budget. This means that women are in a situation of double dependence on the work and intra-household tasks (Esping-Andersen, 2009). The labour market is an unsure ticket to freedom and increased emancipation.

Flexible employment rarely happens to be a perfect guarantee of economic independence (Mueller, Wyss, 2003). Further, the researchers emphasise that the discussed forms of employment do not have a direct impact on the situation of women – what is crucial is the absence of appropriate institutional solutions to make it possible to reconcile work and family responsibilities, in particular absence of public forms of care that would relieve women of additional duties.

The labour market has become an unstable basis of a family’s social security (see Kierszyn, 2012). If the state does not offer any alternative sources of protection, one can assume that the social needs will be satisfied in an informal way, within family, neighbours or local ties. In this context, some researchers speak of the phenomenon of familiisation or incomplete defamilisation (Esping-Andersen, 2010), which consists in family’s absorption of social risk and satisfaction of care needs within a household or a network of households.

The present article considers the relations between the phenomenon of underemployment in Poland, which is understood as employment on the basis of fixed-term contracts, and selected forms of familiisation. One area was taken into account with a particular focus – namely childcare.

**RESEARCH PROBLEM AND LITERATURE**

In light of the available literature, care behaviours in the family are perceived through the prism of women’s entry on the labour market and changes in their social roles. In 1987, Paul Kingston and Steven Nock wrote that increase in the percentage of two-earner families would change the area of research both on a family and the labour market. Women’s employment gave rise to the dilemma of allocation of time between work and family-related duties. In this context, the researchers use an economic model of a family. Three possible forms that can be assumed by the economic model of a family are distinguished. Firstly, “the male breadwinner model” – a man as family’s provider while the woman works at home. The second option entails a woman working part-time, and insufficient earnings of a man are compensated this way. Equal distribution of professional and care work. The researchers are trying to find efficient forms that can be assumed by the economic model of a family. Three possible solutions to make it possible to reconcile work and family responsibilities, in particular absence of public forms of care that would relieve women of additional duties.

Despite unfavourable circumstances and increase in unemployment, it is the women who get on better with job-seeking as compared to men. What is important, women of breeding age of 25–44, unlike the opposite gender, did not change their professional activity. It should be pointed out that the recent years brought a concentration of employment of women primarily in the public sector – in 1992 the women’s employment rate in that sector amounted to 46.2%, and in 2005 it was 56.2%. On the basis of empirical data, one can claim that the public sector is more women-friendly: the persons employed in that sector more often had a day-off, which is an important premise for reconciliation of work and family care (Kotowska, Sztanderska, 2007, p. 38).

Further studies confirm that women enjoyed higher freedom in the flexible arrangement of their working conditions. However, it cannot be excluded that women search for a job in the branches that give them increased flexibility precisely to subordinate work to duties to be performed in a household (Matysiak, 2007, p. 352).

**RESEARCH ON TIME BUDGET**

From the point of view of the issues in question, it is an important matter how the time is distributed between professional and care work. The researchers are trying to find out which features of households and household members shape the structure of time allocation. The literature on that subject demonstrates that the economic situation of families (measured by means of average income per capita in a household) is of no major importance for the division of time between work, childcare and work at home (Bobrowicz, 2007, p. 125). The empirical data also suggest that the older the persons living in a household are, the less time they devote to care and work altogether. A growth in time that is devoted to care functions is observed in families that have children (notably the ones aged 03, but also if the youngest child is aged below 14) and use private or institutional external forms of care.

The latter dependency shows that availability of external forms of care is not an alternative for the involvement of families in the care, but it makes it possible to increase activity in various areas at the same time: in a household and on the labour market (Mueller, Wyss, 2003). It turns out that the duration of time earmarked for all activities altogether might increase, with the time devoted to care remaining unchanged. Similar conclusions are drawn by other researchers, who pointed out that despite increase in time load for work and reduction of the average household size, the total time spent by parents with their children has fallen to a great extent; this dependency applies to the same degree to work of men and women (Blanchet al., 2006)

Less positive conclusions pertaining to the influence exerted by work on the functioning of a family arise from the research on the synchronisation of work time of spouses (Nowak, 2010, p. 14–19). The higher the synchronisation coefficient, i.e. the indicator of time spent by both spouses on joint activities, the less time is devoted jointly to a family by both spouses (Lesnard, 2005). However, the analyses, which were conducted among the employees of Swiss Railways, on the impact of flexible forms of employment on the patterns of spending spare time suggest that shift work or weekend work causes a desynchronisation that represents an obstacle in the reconciliation of professional, family-based and social roles (Mueller, Wyss, 2003). In consequence, flexible forms of employment are able to indirectly exert negative impact on the functioning of a family through high desynchronisation indicators.

Provided that flexible employment assures high freedom in defining the work time, it can be an opportunity for...
reconciliation of work and performance of care functions. However, empirical data indicate that part-time employment in Poland, unlike in most Western European countries, does not favour the reconciliation of work and care since it is a correlate of low qualifications and poor position on the labour market (Matysiak, 2007, p. 359).

Research on social support networks

The studies on informal networks of support (Sukalski, 2002; Warzywoda-Kruszyńska, Grotowska-Leder, 2003; Styrc, 2007) clearly indicate that the direction of financial support transfer runs from households with older persons to households with younger persons. In addition, provision of financial support under informal networks is promoted by good financial situation (available income from work or pension) and education. In terms of involvement in care services provided to other families, the highest activity is demonstrated by households that are headed by a person aged 45–64 and are burdened with double (or sometimes triple) commitments towards children and grandchildren, as well as elderly parents. The factors that are conducive to receiving financial support and care services under informal networks include: low age of the household head, presence of children or elderly persons, professional activity of household members and access to internal care resources (Styrc, 2007, p. 342–343).

The analyses conducted by Marta Styrc prove that involvement in work is strongly connected with the use of informal networks of social support. On the other hand, other studies indicate that access to informal sources of assistance goes hand in hand with commercial or public forms of care (e.g. Bianchi et al., 2006).

Changes on the labour market

The studies devoted to the issues related to reconciliation of work and care responsibilities in a family do not differ in the matter of quality of employment. Since 2000 the percentage of persons employed on the basis of fixed-term contracts has been on the increase in Poland – it will not be an exaggeration to state that the problem of unemployment was replaced in numerous segments of the social structure by the issue of underemployment. In light of the data indicating a deep segmentation of the labour market, it seems reasonable to ask a question about the relations between the forms of care and the type of employment that generates a different level of life stabilisation. It can be assumed that a completely different role is played by informal networks of support in household whose members have access to low-quality jobs that do not assure stable income whereas another role is played by households that enjoy a source of relatively stable income from work.

It should be pointed out that men more often than women enter into fixed-term contracts with employers in Poland (Dzierzgowski, 2012). The population of fixed-term employees is so large that it must not be treated homogenously. The literature on that subject indicates that the variables that differentiate that group to the highest degree includes education and the type of performed work. A fixed-term contract will only slightly worsen the conditions of employment of managers, who often are not willing to become bound to a single employer and prefer fixed-term contracts; on the other hand, the situation of employers is much worse when a fixed-term contract is a labour cost reduction strategy of an employer. (Bednarski, 2012, p. 58–62).

As a result of quantitative analyses conducted on the basis of data derived from EU-SILC, Anna Kierszyn (2012, p. 93–117) demonstrates that the situation of employees with fixed-term contracts in Poland means stabilisation on a precarious labour market. In the area of underemployment, fixed-term contracts are very often interlaced with unemployment spells. The correlate of temporary employment is constituted by salaries that are lower by a dozen or so percent and the problem of “working poor”. On the other hand, fixed-term employment in case of all household members means increased probability of financial exclusion (ibidem, p. 111–116). Nonetheless, it is not possible to prove that work on the basis of a fixed-term contract exercises an unambiguous influence on the opportunities of being awarded a mortgage loan, although it is the primary and more frequently named weakness of that form of employment (Teisseyre, 2012). In light of the conducted analyses, the situation of households is mitigated by living with a person who obtains income from permanent employment.

HYPOTHESES

In the light of the data on relations between work (in particular professional activity of women) and care duties, as well as the data on the correlates of the problem of underemployment in Poland, a prudent hypothesis can be formulated that the role of informal networks of social support increases in the segments of social structure in which work on the basis of fixed-term contracts is the prevailing form of employment.

The simplest explanation of this correlation would be, firstly, on average lower income of household in the area of underemployment. Therefore, the persons taking up a job on the basis of a fixed-term contract are not able to afford to pay for commercial care services and should take advantage of family support to a greater degree. Secondly, a variable that clarifies the predicted relation between familisation and the problem of underemployment is the access to in-work benefits, which are enjoyed only by the persons employed on the basis of permanent contracts. Third, the processes of intensifying the social functions of a family are promoted, as an intervening variable, by the state, which gave up measures in the field of family policy in the time of socio-economic transformation in Poland (Balcerzak-Paradowska, 1999, p. 41–49; Ingloń, 2010, p. 13–17).

However, one should not forget that poverty of households results in poor access to informal support networks. The research conducted by sociologists from the University of Łódź shows that it is important to have a potential source of assistance in the informal networks of social support, and hence a life in a poor environment limits the opportunities to receive assistance (Warzywoda-Kruszyńska, Grotowska-Leder, 2003). In addition, it is important that the principle of reciprocity, which forms a basis for the functioning of informal communities, does not function well in poor environments.

With reference to the above-mentioned arguments, one should consider a competitive hypothesis: the use of informal transfers of support depends on the access to resourceful sources of assistance (cf. Styrc, 2007). This would mean that households that obtained on average lower income from fixed-term employment would benefit from care under informal sources of support to a lesser degree since the networks to which they have access are less resourceful.

EMPIRICAL MATERIAL

The two above-mentioned hypotheses have been verified on the basis of data obtained from the Polish edition of the European panel-based European Union Statistics on Income and Living Conditions (EU-SILC), which was conducted in Q2 of 2008.
For the purposes of this analysis, it includes, as an indicator of the problem of underemployment, a variable form of employment, which assumes two values: fixed-term employment and permanent employment with the respondent assessing themselves what is the nature of their work. The situation of household holds is clearly better when one person obtains income from work on the basis of an open-ended contract. Therefore, an additional variable was constructed dominant employment type in a household, and it assumes two values: household with income solely from fixed-term employment and household with at least one person with permanent employment.

The analysis also uses two variables to measure the amount of informal transfers between household. It covers both the amount of regularly received and paid financial transfers. The variables apply solely to transfers that come from or are intended for other persons or household. However, no public benefits were taken into consideration.

Furthermore, the variable: childcare provided by grandparents, members of other households (other parents), other relatives, friends or neighbours (hereinafter referred to as informal care) served as measurement of the strength of informal support networks.

Two further variables were also used: institutional childcare and private childcare, which were treated as a suitable indicator of defamilisation, i.e. relieving the burden of families and their surrounding of care duties by means of public of private forms of care. All three variables are constant and measure the number of hours of care per week.

The variable institutional childcare covers all forms of organised private or public care. This means that in case of that form of care, there are no direct relations between parents and wardens, there is always an institution present between them that takes care of a child, e.g. a kindergarten, a crèche, family kindergartens, etc.

In case of private childcare, parents perform the role of employers of caregivers. The difference between informal and private childcare is that a warden does not receive any pay for their work in the former case. The three variables in question covered a population of children aged up to 12.

The conducted analysis verified the relation between three above-mentioned variables and the variable form of employment and many other ones, which describe the demographic features of adults, their position on the labour market and structure of households. The set of the following variables was used: age, education, place of residence, work time, household income equivalent, professional group, size of the employer’s enterprise, occupied management position, material deprivation, threat of poverty. Because most of the above-mentioned variables referred to a population of adults, the value of three variables: informal care, private care and institutional care were assigned to other household members aged over 16 whereas children were not taken into account in the observed population.

A sample of 33,801 persons was limited to hired employees since a number of variables such as: form of employment, professional group, size of the employer’s enterprise, occupied management position covered solely that population. As a result of using a filtering variable, the sample size equalled 11,615.

RESULTS OF QUANTITATIVE ANALYSIS

Impact of work on the basis of fixed-term contracts on informal social transfers

The first stage of the analysis was to verify which factors shape the flow of social transfers between households. Because the variables: financial transfers received on a regular basis and financial transfers paid on a regular basis very often amounted to “0” (11,037 and 11,114 observations respectively), those values were treated as “data not available”. Otherwise, the analysis would be distorted. It turns out that the form of employment differentiates the amount of assistance that is transferred, but not the assistance that is received in informal networks of social support. The amounts paid among workers employed on the basis of fixed-term contracts on average do not exceed PLN 500 as compared to the population of employees with permanent contracts.

High values of standard deviation indicate a high diversity in the populations under research. Anyway, this conclusion is similar to the findings made by the researchers of the problem of underemployment in Poland. It should be reiterated that fixed-term contract workers do not form a uniform group, but on average are in worse financial situation than permanent employees (Kiersztyn, 2012). Transfer amounts among the persons that receive financial support differ only slightly in the populations distinguished due to the type of employment contract, nonetheless a high value of standard deviation results in the necessity to reject the hypothesis of relations between the form of employment and the amount of received assistance.

Table 1. Transfers received and paid by a household on a regular basis broken down by form of employment (average values in PLN)

<table>
<thead>
<tr>
<th>Specification</th>
<th>Transfers paid on a regular basis</th>
<th>Transfers received on a regular basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work on the basis of an open-ended contract</td>
<td>Average 1,487.34 1,253.10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quantity 387 339</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Standard deviation 1,414.14 1,162.72</td>
<td></td>
</tr>
<tr>
<td>Work on the basis of a fixed-term contract</td>
<td>Average 965.04 1,467.27</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quantity 113 239</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Standard deviation 760.75 1,359.04</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Average 1,369.30 1,341.66</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quantity 500 578</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Standard deviation 1,313.26 1,250.97</td>
<td></td>
</tr>
</tbody>
</table>

Source: EU-SILC, own calculations.

Similar relations between the form of employment and the amount of transfers in informal networks of social support can be seen if we assume work on the basis of an open-ended contract of at least one household member as predictor variable.

If the constant variables: financial transfers received on a regular basis and financial transfers paid on a regular basis were converted into variables that assume two values: receives assistance and does not receive assistance and provides assistance and does not provide assistance, it would turn out that only slight differences can be seen between the group of workers employed on the basis of fixed-term contracts and those employed on the basis of open-ended contracts (Table 2 and 3). This means that the form of employment does not have impact on the participation in informal networks by the provider and beneficiary of assistance. Use of the variable dominant employment type in a household changes the results to an insignificant degree.

The next analysis step verified whether the form of employment differentiates the access to institutional, private and informal childcare of children aged up to 12 years old. To that end, the average durations earmarked for childcare in the communities distinguished due to the form of employment of household members were compared. Three variables: institutional care, private care and informal care assumed the
The results presented in Table 4 suggest that the time earmarked for childcare in household with at least one person employed on the basis of an open-ended contract does not differ to a great degree from the average values for the entire population irrespective of the form of care assumed as the basis for analysis.

<table>
<thead>
<tr>
<th>Specification</th>
<th>Institutional care</th>
<th>Private care</th>
<th>Informal care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work on the basis of an open-ended contract</td>
<td>Average 7.03</td>
<td>3.77</td>
<td>5.38</td>
</tr>
<tr>
<td>Population</td>
<td>349</td>
<td>390</td>
<td>390</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>6.76</td>
<td>11.26</td>
<td>12.96</td>
</tr>
<tr>
<td>Work on the basis of a fixed-term contract in case of all household members</td>
<td>Average 6.81</td>
<td>2.93</td>
<td>4.23</td>
</tr>
<tr>
<td>Population</td>
<td>73</td>
<td>82</td>
<td>82</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>6.79</td>
<td>9.459</td>
<td>11.58</td>
</tr>
<tr>
<td>Total</td>
<td>Average 6.99</td>
<td>3.62</td>
<td>5.18</td>
</tr>
<tr>
<td>Population</td>
<td>422</td>
<td>472</td>
<td>472</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>6.75</td>
<td>10.97</td>
<td>12.72</td>
</tr>
</tbody>
</table>

Afterwards, it was verified whether the form of employment has impact on various forms of care. To that end, a nominal variable: form of care was devised, so that it could assume as many values as there were possible combinations of various forms of care. Table 5 does not include two values of that variable – institutional + private care and institutional + informal care – because of the very small number of observations in such groups, which does not have any importance for the analysis results.

When comparing the households in which all working persons are employed on the basis of a fixed-term contract with the households in which at least one permanent employee, it can be seen that the former ones slightly more often use institutional care and less frequently private care. These results should be perceived with care because of very few observations in particular sub-groups.

<table>
<thead>
<tr>
<th>Specification</th>
<th>Institutional care</th>
<th>Private care</th>
<th>Informal care</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least one person working on the basis of an open-ended contract</td>
<td>Population 172</td>
<td>23</td>
<td>51</td>
<td>251</td>
</tr>
<tr>
<td>%</td>
<td>68.5</td>
<td>9.2</td>
<td>20.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Employment on the basis of a fixed-term contract in case of all household members</td>
<td>Population 35</td>
<td>2</td>
<td>8</td>
<td>46</td>
</tr>
<tr>
<td>%</td>
<td>76.1</td>
<td>4.3</td>
<td>17.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>Population 207</td>
<td>25</td>
<td>59</td>
<td>297</td>
</tr>
<tr>
<td>%</td>
<td>69.7</td>
<td>8.4</td>
<td>19.9</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: same as in Table 1.

To sum it up, in light of the data derived from the Polish edition of the EU-SILC research, it can be said that there is a connection between the form of employment and the amount of transfers paid under informal networks of support. Furthermore, work on the basis of a fixed-term contract involves rather the use of institutional care and to a lesser degree the use of private care services. However, it should be pointed out that the identified relationships are unsure due to the small population of observations and high value of standard deviation. On the other hand, we should clearly reject the hypothesis about any relations between the form of employment and the access to informal networks of social support, as well as relations between the form of employment and the number of hours earmarked for institutional, private or informal care. At this point, a question should be asked: Which other variables clarify families’ various care strategies?
Other clarifying variables

The amount of transfers between households is explained to the largest extent by the educational attainment. Persons with higher education on average provide twice as assistance as the persons with primary education. Interestingly enough, education differentiates the population under research in terms of received transfers only to a small degree. Nonetheless, the presented results should be treated with care since the number of observations was not high, and the values of standard deviation, just like in the case of analyses presented above, was quite high.

It is also confirmed by the findings of other researchers (Styrc, 2007; Szukalski, 2002) indicating that financial transfers between household are usually made as transfers between generations. Elderly persons on average provide the highest support whereas the young generation is the beneficiary thereof. Even in this case, the certainty of results is weakened by high values of standard deviation.

Table 6. Transfers received and paid by a household on a regular basis broken down by education (average values in PLN)

<table>
<thead>
<tr>
<th>Educational attainment</th>
<th>Transfers paid on a regular basis</th>
<th>Transfers received on a regular basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary (including lower-secondary) and incomplete primary education and with no education</td>
<td>Average 851.21 Population 22 Standard deviation 602.68</td>
<td>1,107.29 58 803.09</td>
</tr>
<tr>
<td>Secondary education (basic vocational and A-level)</td>
<td>Average 1,214.11 Population 289 Standard deviation 1,172.68</td>
<td>1,309.42 383 1,155.30</td>
</tr>
<tr>
<td>Higher education (including bachelor’s degree)</td>
<td>Average 1,660.91 Population 190 Standard deviation 1,505.90</td>
<td>1,531.00 137 1,599.26</td>
</tr>
<tr>
<td>Total</td>
<td>Average 1,367.62 Population 501 Standard deviation 1,312.48</td>
<td>1,341.66 578 1,250.97</td>
</tr>
</tbody>
</table>

Source: same as in Table 1.

The analysis identified slightly larger financial transfers under informal networks of support among the employees that have management positions.

In light of the data derived from the Polish edition of the EU-SILC study, it cannot be concluded that there are major discrepancies in the amount of received and paid financial support under informal networks in populations distinguished due to various other features of respondents, such as: performance of part-time work, size of the employer’s enterprise, occupied management position, and due to a number of household features, such as: equivalent income, the number of persons that comprise a household, risk of poverty and material deprivation (calculated as the occurrence of three of nine poverty rates defined by Eurostat).

The analyses using two variables consisting of two values: receives assistance or does not receive assistance and provides assistance or does not provide assistance confirm that participation in informal networks of support is determined first of all by age, but the age differentiates the participation in networks more on the side of a provider than a beneficiary. It turns out that education exerts influence to a small degree on the amount of financial transfers, but not on the participation itself. Financial assistance is slightly more often provided among managers and high-rank specialists than in other professional groups – 7.8% of respondents from that professional group in relation to 2.4% unskilled blue-collar workers. Participation in informal networks of social support, but only on the side of a provider, is differentiated also in terms of the size of a household: 9.5% of one-person households provide support whereas nearly 2% of households consisting of at least five persons share with other households on a regular basis.

Table 7. Transfers received and paid by a household on a regular basis broken down by the age (average values in PLN)

<table>
<thead>
<tr>
<th>Age</th>
<th>Transfers paid on a regular basis</th>
<th>Transfers received on a regular basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>16–25 year old</td>
<td>Average 936.70 Population 42 Standard deviation 903.94</td>
<td>1,546.44 112 1,282.52</td>
</tr>
<tr>
<td>26–35 year old</td>
<td>Average 1,061.92 Population 80 Standard deviation 853.19</td>
<td>1,384.47 187 1,549.02</td>
</tr>
<tr>
<td>36–45 year old</td>
<td>Average 1,406.51 Population 108 Standard deviation 1,349.39</td>
<td>1,337.23 155 1,095.83</td>
</tr>
<tr>
<td>46–59 year old</td>
<td>Average 1,468.60 Population 241 Standard deviation 1,337.75</td>
<td>1,118.06 115 804.30</td>
</tr>
<tr>
<td>60–84 year old</td>
<td>Average 1,850.92 Population 30 Standard deviation 2,044.01</td>
<td>836.92 9 538.40</td>
</tr>
<tr>
<td>Total</td>
<td>Average 1,367.62 Population 501 Standard deviation 1,312.48</td>
<td>1,341.66 578 1,250.97</td>
</tr>
</tbody>
</table>

Source: same as in Table 1.

Table 8. Transfers received and paid by a household on a regular basis broken down by a professional group (average values in PLN)

<table>
<thead>
<tr>
<th>Professional group</th>
<th>Transfers paid on a regular basis</th>
<th>Transfers received on a regular basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers and specialists</td>
<td>Average 1,696.17 Population 190 Standard deviation 1,666.51</td>
<td>1,601.07 135 1,723.46</td>
</tr>
<tr>
<td>Mid-level specialists</td>
<td>Average 1,255.33 Population 74 Standard deviation 1,192.42</td>
<td>1,617.16 62 1,263.91</td>
</tr>
<tr>
<td>Lower-level white-collar workers (including the army)</td>
<td>Average 1,270.45 Population 42 Standard deviation 1,087.20</td>
<td>1,530.79 59 1,126.43</td>
</tr>
<tr>
<td>Services’ workers and vendors</td>
<td>Average 1,357.14 Population 40 Standard deviation 1,042.64</td>
<td>1,251.08 96 1,087.60</td>
</tr>
<tr>
<td>Skilled blue-collar workers</td>
<td>Average 1,033.67 Population 123 Standard deviation 859.38</td>
<td>1,102.92 134 927.40</td>
</tr>
<tr>
<td>Unskilled blue-collar workers</td>
<td>Average 1,100.77 Population 32 Standard deviation 667.39</td>
<td>1,096.26 82 921.49</td>
</tr>
<tr>
<td>Total</td>
<td>Average 1,367.62 Population 501 Standard deviation 1,312.48</td>
<td>1,341.66 578 1,250.97</td>
</tr>
</tbody>
</table>

Source: same as in Table 1.
The primary hypothesis of this study predicted that the problem of underemployment is one of the premises for growth in the importance of informal networks of social support. According to the competitive hypothesis, informal networks of social support function less efficiently among workers that obtain their income from the work on the basis of fixed-term contracts. The quantitative empirical data derived from the Polish edition of the EU-SILC research indicated that permanent employment entails that higher social transfers are made to other households – it seems that this relation should be explained by the fact that on average the financial situation of those families is better and they have increased stabilisation. In addition, empirical data suggest that irrespective of the form of contract from which a household obtains its income, the amounts of received transfers, which usually are transfers between generations, are at a similar level.

A hypothesis that taking up a fixed-term job is conducive to taking advantage of family-related forms of support should be rejected. The type of contract does not differentiate the care strategy – the access to institutional, private and family-based sources of childcare. It can be assumed that in the conducted analyses there was no apparent direct impact of the form of employment on the access to sources of assistance since the populations distinguished on the basis of the type of employment contract are very diverse in terms of care behaviours, which was indicated by high values of standard deviation. The results presented in the article suggest that irrespective of what is the subject of studies on the population of people employed on the basis of fixed-term contracts, they should be differentiated by education and earnings.

The empirical data demonstrate that participation in informal networks of support is strongly determined by educational attainment and assured financial situation. The threat of poverty restricts the access to family-related sources of assistance. It can be said that it happens because poverty weakens the impact of the principle of reciprocity, which confirms the other competitive hypothesis of this study. If we assume that fixed-term employment is correlated with a worse welfare situation, it cannot be excluded that there is a direct relation between the form of employment and care behaviours. It seems that if work on the basis of a fixed-term contract involves low income, then family, neighbourly or friendly ties play a less important role in satisfying the social needs. It inclines the formulation of a quite surprising conclu-
sion that the level of defamilisation is the highest in the lowest segments of social structure.

However, it should be pointed out that it is a quite grim picture of Polish defamilisation, which, unlike in the Scandinavian countries, is not a promise of emancipation of an individuals and their freedom from family ties, but a sign of insufficient resources, maybe a sign of lacking social capital needed to participate in informal networks of support.

We could contemplate whether it is correct to formulate assumptions that transformations on the labour market may force specific childcare behaviours in families. According to the classical thought, macroeconomic changes penetrate the functioning of families (see Tyszka, 1999), and the family sub-system adjusts itself to the requirements of the social system. However, it seems that care behaviours are formed by a combination of numerous factors, a result of relations between the state, the market and the family (Esping-Andersen, 1999) and internal transformations of that basic social cell.

Manuel Castells (2001, p. 136) emphasises that the process of changes in a family is a mixture of, among other things, economy and labour market transformations, technological discoveries in the field of biology, pharmacology and medicine (which made it possible to exercise control over fertility), increase in the impact of feminist movements and diffusion of ideas.

In other words, the model of care behaviours in a family is so complex that one should not expect a direct influence of the form of employment on the method of satisfying caring needs. What is more, it can be concluded that families’ care behaviour patterns feature a relative sustainability, they are long-term processes and, at least so far, have not changed under the influence of labour market segmentation.

1 The data from 2010 show that 28.2% were employed for fixed term (Eurostat, 2011), and in 2007 the percentage was 27% (Eurostat 1998–2009). Since 2000, the percentage of persons with part-time employment has not changed considerably (it has oscillated between 8–12% of the number of the employed).
2 This article identifies a family as a household, it is defined as a community that lives in a common place of residence and takes joint economic decisions.
3 While in 1975, women spent on average 8.8 hours per week with their children, in 2000 it was 12.9 hours. In case of men, the average time amounted to 2.7 hours and 6.5 hours respectively.
4 According to Eurostat data, 27.4% of workers in 2011 were employed on the basis of temporary contracts whereas in 2000 the percentage of employees with fixed-term contracts in the total population of employees amounted to 5.9%.
5 28.7% of men and 27.6% of women were employed on the basis of fixed-term contracts in 2010 (Eurostat, 2011).

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The Institute of Labour and Social Studies – ILSS (Instytut Pracy i Spraw Socjalnych) based in Warsaw, Poland, is a scientific research institute. The Institute has been operating for forty years serving not only government administration and policy makers, but also taking active part in academic research works, tutoring and supervising series of publications, especially those valuable in the teaching process. The Institute’s basic research works are accompanied by applied studies, and the requirements of current and strategic social and economic policies. The main forms of activities are: Research activities as: statutory research, State Committee for Scientific Research grants, International projects, seminars, conferences.

International co-operation as: international research projects, bilateral research projects, data base development; Expert reports and consulting as: assignments commissioned by various institutions, activities of public services; Education as: post-graduate studies, phd studies. The research activities of the Institute cover the labour and social policy questions in an interdisciplinary manner. The research directions are adjusted to the current needs of the national socio-economic policy, and comprise such areas as: economy, law, political sciences, sociology, pedagogic sciences. The research covers the topics crucial to currently pursued socio-economic policy and directions of change processes, such as:

- Labour problems (labour market policy, migration for work, human resources management, working time, remuneration and motivation systems, occupational science, labour law).
- Collective labour relations (social partners, collective disputes, employee participation, collective bargaining, collective agreements, collective labour law).
- Social policy (state social policy, social security, social institutions and instruments, family problems and family policy, poverty, social exclusion and counteracting measures).

Institute research findings are used by the central and local government administration as well as by business entities. The publishing house of the Institute prepares numerous publications (for Polish and international markets) that are useful in the teaching process. The seminars and conferences organized by ILSS are forums for exchanging experiences, ideas, expertise and knowledge on a national and international level. The researchers employed in the Institute are recognized scientists, both in Poland and abroad. Their expertise and experience encourages foreign partners to undertake international research projects with ILSS. As a leader of labour and social studies in Poland, ILSS took part in numerous EU funded research activities under 6th & 7th FP, PHARE, Leonardo da Vinci, etc.

The Institute has actively participated in the processes of accession and integration of Poland into the European Union. In the wake of the accession the research activities focused on:

- Problems of adaptation of Polish law to European legal regulations,
- Influence of EU integration on labour market situation and trends,
- Labour market and social policy and the challenges of integration,
- European and Polish standards of social security,
- Social exclusion and reintegration.

Poland’s accession into the European Union on 1st of May 2004 does not mark the end of the ILSS activities and struggles in these research areas. On the contrary, we expect new problems to appear and to be identified and dealt with. If you have any questions regarding activities or research of ILSS, please feel free to contact us. We are eager to undertake any form of international cooperation with institutions and individuals.