
CHAMBERS GLOBAL PRACTICE GUIDES

Employment 2025

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Poland: Law & Practice

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POLAND

Law and Practice

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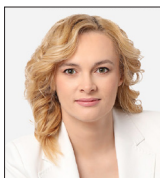
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HRLS Zwolińska & Zwoliński is an employment law firm specialising exclusively in labour and employment matters. The firm provides strategic advice to leading Polish and international employers on their most complex workforce and industrial relations challenges. Drawing on extensive multi-sector expertise, HRLS combines legal knowledge with an in-depth understanding of Poland's regulatory environment and industrial relations landscape. This enables the team to deliver tailored solutions in collective bar-

gaining, trade union negotiations, workforce restructuring, compliance and employment litigation. The firm is also known for supporting clients in projects of nationwide importance, where labour relations carry significant legal and reputational implications. Led by partner Magdalena Zwolińska – recognised as one of Poland's foremost experts in trade union advisory – the firm is uniquely positioned to guide clients through the most sensitive and high-risk labour law challenges.

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1. Employment Terms

1.1 Employee Status

Blue-Collar and White-Collar Employees

Polish labour law does not make any formal distinction between blue-collar and white-collar workers – the provisions of the Labour Code apply to both. In Poland, employee status – understood as employment based on a standard employment contract regulated by the Labour Code – offers the strongest legal protection among various forms of work arrangements. This includes comprehensive rights such as:

- paid leave;
- social security benefits;
- protection against unjust dismissal; and
- regulated working hours.

Civil Law Contracts

In contrast, civil law contracts – such as business-to-business (B2B) contracts or contracts of mandate (*umowa zlecenia*) – do not provide the same level of protection. While they offer greater flexibility and can be more cost-effective – especially from a tax perspective – they lack the security and benefits associated with full employment status. In practice, white-collar professionals in Poland are sometimes engaged under civil law contracts rather than standard employment agreements. This is often due to mutual arrangements that are financially advantageous for both side of the

contract, particularly in terms of lower tax and social security contributions.

1.2 Employment Contracts

Types of Employment Contracts

The most commonly used types of employment contracts in Poland are the following.

Trial period contracts

These are used to assess a new employee's potential for a long-term role. They typically last from one to three months, depending on the length of the contract that is expected to follow.

Fixed-term contracts

These are time-limited agreements that automatically end once the agreed period is over, without requiring a termination notice. Under Polish labour law, such contracts cannot exceed 33 months in total, and an employer can sign a maximum of three fixed-term contracts with the same employee. If the employment exceeds this 33-month limit, or if a fourth contract is concluded, the arrangement is automatically reclassified as an indefinite-term contract, effective from either the day after the 33-month period ends or the day the fourth contract is signed – whichever happens first.

Permanent (indefinite) contracts

These offer the highest level of job stability. In many cases, especially for senior-level employees, the trial period may be skipped altogether, and an indefinite-term contract is offered from the outset.

Formal Requirements of Employment Contracts

Employment contracts must be documented in writing and prepared in Polish, or alternatively in a bilingual version that includes both Polish and a foreign language. If the employment contract was not concluded in written form, the employer must – before allowing the employee to begin work – provide written confirmation of the arrangements regarding the parties to the contract, the type of contract, and its terms and conditions. A written contract requires either a traditional handwritten signature or a qualified electronic signature. It is important to note that not all electronic signatures meet the legal criteria under Polish regulations – for instance, signatures from platforms such as DocuSign may not be considered legally binding in written form. Therefore, only electronic signatures certified by the Polish National Certification Centre should be used.

Every employment contract in Poland must contain the following information:

- identification of both parties, including the employer's registered office address;
- specification of the contract type, whether it is for a trial period, a fixed term or an indefinite period;
- the date on which the contract is signed; and
- details regarding work and pay, such as the employee's job title, place of work, salary, start date, and – if applicable – the length of the trial or fixed-term period.

In accordance with the provisions of the Labour Code, the employer is obliged to inform the employee, in paper or electronic form, about the terms and conditions of employment within no later than seven days from the date of concluding the employment contract. This information should include (among other things):

- details on the applicable daily and weekly working time standards;
- the dates and frequency of salary payments; and

- the applicable notice period for terminating the contract.

1.3 Working Hours

Under Polish labour law, the standard working time must not exceed eight hours per day and 40 hours per week, within a five-day workweek. A common model is the basic working time system, where employees typically work from 9am to 5pm. Some employers adopt flexible working time arrangements, letting employees decide when to start work within a predefined time range – for example, between 8am and 10am.

However, task-based systems are also widely used, especially in creative or project-oriented roles. In such cases, employees are not required to work fixed hours but are expected to complete their tasks, with the flexibility to organise their workday – provided they attend any mandatory scheduled events such as business meetings. In production-related industries, it is also common to use a shift work system, which allows companies to maintain continuous operations throughout the day. This system typically involves rotating shifts (morning, afternoon and night) and is designed to ensure efficiency and full use of machinery or production lines.

Overtime Work

Employees who work overtime are entitled to additional compensation, unless they hold managerial positions (where exceptions may apply). Overtime is typically paid at the standard hourly rate plus:

- a 50% premium; or
- a 100% premium for overtime worked on Sundays or at night.

Instead of payment, employers may also offer time off in return for overtime hours. If the employer grants the time off, it is calculated as 1.5 hours off for every one hour of overtime. If the employee requests the time off, it is granted on a 1:1 basis.

Part-Time Employees

Employees working part-time are subject to the same working time regulations as full-time employees. In the case of part-time employment, the employer is required to define in the employment contract

the maximum number of additional working hours, beyond which the employee becomes entitled to over-time compensation.

1.4 Compensation

Minimum Wage

In Poland, the minimum wage is set annually by the government – no later than September 15th of the preceding year. Unlike in recent years, in 2025 the minimum wage has increased only once, starting on 1 January 2025, and has remained unchanged throughout the year. In 2025, the monthly gross minimum wage is PLN4,666, while the gross hourly rate is PLN30.50. Discussions are ongoing as to whether the minimum wage will be increased again in 2026, with proposals expected to be reviewed later in the year during government consultations with social and employer organisations. The government proposes that, starting from 1 January 2026, the minimum wage should be set at PLN4,806 gross, with the minimum hourly rate amounting to PLN31.40 gross.

Bonuses

In practice, many employers implement various motivation systems aimed at encouraging and rewarding employee performance. Common examples include performance bonuses that depend on achieving specific, predefined goals. Additionally, employees may receive special awards for outstanding achievements. Some companies go even further, offering more sophisticated incentive programmes, such as granting company shares to their staff. This approach helps employees feel more involved and personally invested in the company's success, fostering a stronger sense of commitment and teamwork.

13th Month

The 13th salary is most commonly granted in the public sector, particularly for professions such as miners, policemen and teachers. This additional payment serves as a form of financial recognition and motivation, helping to reward employees for their work and encourage retention in these often demanding roles.

1.5 Other Employment Terms

Vacation Pay

Employees are entitled to 20 or 26 days of paid annual leave, depending on their length of service. Vacation

pay generally corresponds to their regular salary. When calculating holiday pay, both fixed salary elements and variable components (such as bonuses) must be included. The detailed rules for calculating this amount are specified in the Ordinance issued by the Minister of Labour and Social Policy.

Leave

In Poland, employees are entitled to various types of paid leave related to significant life events and circumstances – for example, as follows.

- Maternity leave – female employees are entitled to 20 weeks of maternity leave, with full pay covered by social security benefits.
- Parental leave – employees who are parents are entitled to parental leave to care for their child, typically for up to 41 weeks. Both parents may take parental leave simultaneously; however, the total combined duration of their leave must not exceed the overall entitlement.
- Sick leave – employees are entitled to sick leave. For the first 33 days of sickness, employees receive paid sick leave financed by the employer (for employees aged 50 and over, this period is limited to the first 14 days), which amounts to 80% of their average monthly salary. After this period, sickness benefits are typically paid by the Social Insurance Institution.

The EU Work-Life Balance Directive, implemented into the Polish legal system in 2023, introduced additional employee rights and measures aimed at helping working parents better balance their professional and family lives. These include provisions such as leave for reasons of force majeure and other family-related entitlements designed to support employees in managing their work and personal responsibilities.

Employee Liability

Employee liability covers several types, including:

- liability for breaches of work duties;
- material liability related to damages caused to the employer; and
- liability for entrusted property (where the employee is responsible for assets assigned by the employer).

Generally, an employee's financial responsibility for damages to the employer is capped at the equivalent of three months' salary. However, this limitation does not apply if the damage was intentional; in such cases, the employee may be held fully liable. These liability rules are only valid during the period of employment. Additionally, employment contracts cannot include clauses that impose contractual penalties for violations of employee duties during the term of employment. However, such penalties may still be imposed for breaches of obligations that continue after employment ends, such as non-compete clauses or confidentiality agreements.

2. Restrictive Covenants

2.1 Non-Competes

Non-Competes in Employment Contracts

In 2023, amendments to the Polish Labour Code introduced a general ban on exclusivity clauses, meaning that employers cannot prevent employees from taking up additional jobs or professional activities, unless such work is competitive in nature. Restrictions related to competition remain permissible under specific conditions.

To be valid, a non-compete clause must be agreed upon with the employee – either as part of the employment contract or in a separate agreement. It may apply during employment and, where applicable, after the contract ends. For post-termination restrictions, the agreement must define both the duration of the restriction and the compensation due to the employee for compliance.

The statutory minimum for such compensation is 25% of the employee's previous salary (including selected bonuses), paid over the period of the restriction. However, in practice – especially for senior or strategic roles – employers often offer higher rates, typically between 50% and 100% of prior earnings.

To maintain flexibility and manage costs, it is recommended that non-compete agreements include provisions allowing the employer to unilaterally release the former employee from the restriction – either by withdrawing from or terminating the clause with prior

notice. This prevents unnecessary compensation payments if the employer no longer sees value in enforcing the restriction.

Non-Competes in Civil Law Contracts

When non-compete clauses are included in civil law contracts (eg, B2B contracts), there is no statutory obligation to provide compensation. However, court rulings vary, and some decisions suggest that the absence of compensation could make such clauses unenforceable if deemed contrary to principles of social fairness.

2.2 Non-Solicits

Non-Solicits in Employment Contracts

Although the issue of non-solicitation is not regulated by the Polish Labour Code, in practice employers conclude relevant agreements with employees containing this clause. The issue of non-solicitation is regulated by the Act of 16 April 1993 on combating unfair competition.

An act of unfair competition in this regard is:

- inducing a person performing work for an entrepreneur, on the basis of an employment relationship or other legal relationship, to fail to perform or improperly perform their employee obligations or other contractual obligations, in order to gain an advantage for themselves or third parties or to harm the entrepreneur; or
- inducing the entrepreneur's customers or other persons to terminate a contract with them or to fail to perform or improperly perform a contract in order to gain an advantage for oneself or third parties or to harm the entrepreneur.

Inducement is behaviour by an employee aimed at achieving a specific result and directed at an individual addressee or addressees. As a rule, therefore, incitement to disregard contracts concluded with the entrepreneur that is addressed to the general public is not considered inducement.

Non-Solicits in Civil Law Contracts

A non-solicitation clause may also be included in civil law contracts – eg, commission contracts or B2B contracts.

3. Data Privacy

3.1 Data Privacy Law and Employment Scope of Personal Data Processed by the Employer

Pursuant to Article 22 paragraph 1 of the Labour Code, the employer shall request the job applicant to provide personal data, including:

- first name(s) and surname;
- date of birth;
- contact details;
- education;
- professional qualifications; and
- employment history.

If the person is hired, the employer shall additionally request the employee to provide personal data, including:

- address of residence;
- personal identification number or type and number of identity document;
- other personal data of the employee, as well as personal data of the employee's children and other members of their immediate family, if the provision of such data is necessary due to the employee's use of parental rights;
- education and employment history, if there was no basis for requesting them at the recruitment stage; and
- bank account number, if the employee has not submitted a request for payment of remuneration in cash.

Information Clause

When collecting personal data from an employee, the employer should fulfil the obligations arising from the General Data Protection Regulation (GDPR), including providing the employee with the information referred to in Article 13 of the GDPR, such as:

- the employer's identity and contact details;
- where applicable, the contact details of the data protection officer;
- the purposes of the processing of personal data and the legal basis for the processing;

- information about the recipients of the personal data; and
- information about the intention to transfer personal data to a third country or international organisation.

In addition to the information referred to in the points above, the employer should also provide (among other things):

- information on the data retention period; and
- information on the employee's rights relating to the processing of personal data, including the right to file a complaint with a supervisory authority for a breach of personal data protection.

4. Foreign Workers

4.1 Limitations on Foreign Workers

The Polish labour market is open to foreigners. As a rule, specific requirements regarding access to the Polish labour market apply to third-country nationals. Third-country nationals are defined as foreigners who do not hold citizenship of any of the following:

- the European Union;
- the European Economic Area; or
- the United Kingdom of Great Britain and Northern Ireland (if the agreement on withdrawal from the European Union applies to them).

From the point of view of an employer who intends to hire a foreigner (a third-country national), it is important to note that in general a foreigner may legally work in Poland if:

- they have the appropriate work permit or a declaration of entrusting work to a foreigner entered in the register of declarations; and
- they are entitled to stay in the territory of the Republic of Poland on the basis of a valid residence permit.

The above is a general rule concerning employment in Poland. There are also exceptions where it is not necessary to obtain a work permit or a declaration of entrusting work.

Details of the formal requirements are set out in **4.2 Registration Requirements for Foreign Workers**.

4.2 Registration Requirements for Foreign Workers

Recently, work has been carried out in Poland regarding changes to the regulations concerning the employment of foreigners. As a result, the Act of 20 March 2025 on the conditions for the admissibility of entrusting work to foreigners on the territory of the Republic of Poland – which regulates this issue – was passed. The Act entered into force on 1 June 2025.

Work Permits

Depending on the form of work that a foreigner will perform in Poland, there are different types of work permits:

- for the purpose of performing work in Poland on the basis of a contract with a Polish entity or, possibly, on the basis of a contract with a temporary employment agency;
- for the purpose of performing functions on the management board of a legal person or a capital company in organisation, or representing a limited partnership or a limited joint-stock partnership – or managing the affairs of such a company or performing the function of a proxy;
- for the purpose of performing work in Poland as part of a posting from a foreign entity; and
- for the purpose of performing seasonal work.

The application for a work permit is submitted by the entity entrusting the work (employer) and addressed to the provincial governor. The application must be submitted via the ICT system (praca.gov.pl). The specific elements of the work permit application may depend on the type of work permit. The scope of information and documents required to be submitted with the application may vary depending on the practice adopted by the office processing the application. Experience also shows that the waiting time for a work permit may vary depending on the location of the office and the number of applications received. In Warsaw, this procedure usually takes several months.

Declaration on Entrusting Work to a Foreigner

A declaration on entrusting work to a foreigner is the basis for entrusting work if the foreigner is a citizen of Armenia, Belarus, Georgia, Moldova or Ukraine and will perform work in the territory of the Republic of Poland on the basis of a contract with a Polish entity entrusting work to a foreigner or, alternatively, on the basis of a contract with a temporary employment agency. It is also necessary to meet the conditions specified in the regulations regarding the type of work entrusted and its duration. In such a case, the employer is not required to obtain a work permit but submits a declaration of entrusting work to a foreigner to the district administrator via an ICT system (praca.gov.pl). If the conditions are met and the employer is able to submit a declaration on entrusting work to a foreigner, it is possible to legalise the foreigner's work more quickly.

Legalisation of Residence

It should be remembered that, in addition to legalising work, it is also necessary for a foreigner to obtain a valid residence title. According to the regulations, the employer requires the foreigner to present a valid document entitling them to stay in the territory of the Republic of Poland before starting work. The foreigner submits the application and documents necessary to obtain a visa in person at the Polish consulate. In practice, the entire procedure related to a foreigner's employment in Poland should generally begin with obtaining a work permit/declaration of entrusting work to a foreigner entered in the register of declarations.

5. New Work

5.1 Mobile Work

In response to the needs that arose in connection with the COVID-19 pandemic, since April 2023, the Polish Labour Code has regulated the rules for remote work.

Features of Remote Work

Work may be performed entirely or partially (eg, two days a week) remotely.

The place of remote work is indicated by the employee (it may be their place of residence) and must be agreed with the employer.

The results of the employee's work are usually communicated by means of remote communication – eg, telephone, email.

Ordered Remote Work

Ordered remote work may be performed on an employer's instructions:

- during the period of a state of emergency, epidemic threat or epidemic, and within three months after their revocation; and
- during the period in which it is temporarily not possible for the employer to provide safe and healthy working conditions at the employee's current workplace due to force majeure – eg, during a natural disaster.

Occasional Remote Work

Remote work may be performed occasionally at the request of an employee in paper or electronic form in an amount not exceeding 24 days in a calendar year.

Agreed Remote Work

The most common basis for remote work is an agreement between an employer and an employee, which may be made either when concluding the employment contract or during the course of employment. An agreement on remote work when concluding an employment contract should be made in writing, while an agreement during the course of employment may be made in paper or electronic form – eg, by email or text message.

Employer's Obligations

In connection with remote work, an employer is generally obliged to:

- define the rules for remote work, as well as the requirements for information security and protection and the procedures related to personal data protection;
- implement occupational health and safety requirements to the extent resulting from the type and conditions of work performed;
- provide the employee with work materials and tools, installation, service, maintenance of work tools, and the training and technical assistance necessary to perform remote work; and

- cover costs directly related to remote work – eg, electricity or internet costs.

It is important to note that, in the case of occasional remote work, the above obligations do not apply, except for those related to occupational health and safety and personal data protection procedures. However, it is recommended to also regulate the rules for performing remote work in the case of occasional remote work.

5.2 Sabbaticals

General Rule

In general, the Polish Labour Code does not regulate sabbatical leave – understood as longer, paid leave for employees to rest, travel, engage in activities outside their usual work, or for personal development.

If employees need a longer break from work, they can take:

- training leave when improving their professional skills; and
- unpaid leave in other cases.

Improving Professional Qualifications

The Polish Labour Code regulates the improvement of professional qualifications by employees. Improving professional qualifications means acquiring or supplementing knowledge and skills by an employee.

Employee Rights

These include:

- the right to training leave or time off from part or all of the working day to attend classes while retaining the right to remuneration – if an employer initiates the improvement of qualifications by an employee or agrees to the improvement of professional qualifications; and
- the right to unpaid leave or exemption from all or part of the working day without the right to remuneration – if an employee improves their professional qualifications on their own initiative.

Unpaid Leave

On the written request of an employee, an employer may grant unpaid leave to such employee. The period

of unpaid leave shall not be included in the period of work on which employees' rights depend.

5.3 Other New Manifestations

Co-Working

In practice, it is increasingly common to work in a co-working space rented by an employer. This solution is used by employers whose employees mostly work remotely from home and who do not have their own office in a given city. In order to enable team meetings and team integration, employers decide to rent shared spaces where employees meet from time to time.

Polish Regulations

There are no contraindications under Polish law to using this solution. The co-working centre in question should be treated as an "extension" of an employer's office. Therefore, particular attention should be paid to proper definition of the place of work or place of remote work.

6. Collective Relations

6.1 Unions

Trade Unions as Representatives of Employee Rights

A trade union is a voluntary and self-governing organisation of workers, established to represent and defend their rights and professional and social interests.

Labour law provisions grant numerous rights to trade unions. Trade unions not only represent the rights and interests of their members in individual labour law matters but also represent all employees of a given employer in matters of collective rights and interests, regardless of whether a particular employee is a member of a trade union.

Collective Interests

In the case of collective employee rights, trade unions play an important role in negotiating collective labour agreements with the employer, which determine the terms of remuneration and other important working conditions in a given workplace. In addition, the employer should agree with the trade unions on the content of internal regulations, such as the remuneration regulations, work regulations or social benefits

fund regulations. Trade unions also perform a supervisory function, monitoring the employer's compliance with labour law and health and safety regulations. Trade unions may report any irregularities they find to the relevant authorities, primarily the National Labour Inspectorate.

Individual Matters

Trade unions also actively participate in representing employees in their individual cases. The employer should consult the trade union about the termination of the employment contract when dismissing an employee represented by the union. In addition, trade union representatives may represent their members in court proceedings against the employer.

6.2 Employee Representative Bodies

Trade Union

The most common institution that represents the interests of employees before their employer is a trade union. It is established by a resolution adopted by at least ten persons. These persons should adopt the statutes and elect a founding committee consisting of three to seven persons.

A trade union is subject to registration in the National Court Register – the founding committee should submit an application for registration within 30 days of adopting the resolution on the establishment of the union. If this deadline is exceeded, the resolution becomes invalid.

Works Council

Another form of employee representation is a works council, which may be established at employers that conduct business activities and that employ at least 50 employees.

Elections of works council members are organised by the employer at the written request of a group of at least 10% of employees.

The term of office of the works council is four years. The purpose of the council is to provide information on:

- the employer's activities and economic situation, and any anticipated changes in this regard;

- the state, structure and anticipated changes in employment; and
- measures that may cause significant changes in the organisation of work or the basis of employment.

In the matters referred to in the second and third points above, the employer should carry out consultations with the works council.

European Works Councils

European Works Councils may be established in Community-scale companies and groups of companies, meaning an undertaking or group of undertakings that employs at least 1,000 employees in the member states of the EU, including at least 150 employees in at least two member states of the EU.

First, a special negotiating body is set up to negotiate an agreement with the central management body of the company on the establishment of a European Works Council. In particular, the agreement specifies the composition of the European Works Council, its powers and the manner in which it is to be informed or consulted.

In a workplace based in Poland, the members of the special negotiating body, as well as of the European Works Council, are appointed by representative trade union organisations operating in that workplace; in the absence of such organisations, they are elected by the employees in a secret and direct ballot.

The term of office of the European Works Council is four years. The European Works Council is entitled to obtain information and conduct consultations concerning a Community-scale company or group of companies.

6.3 Collective Bargaining Agreements

The Role of Collective Bargaining Agreements

A collective bargaining agreement is a type of agreement that regulates the terms and conditions of remuneration for employees. It may also specify other important terms and conditions of employment, such as working time or the broadly understood organisation of work.

The agreement is a source of labour law, which means that the working conditions resulting from the agreement are directly applicable to the situation of an individual employee. However, the provisions of a collective agreement cannot be less favourable than the provisions of the Labour Code and other laws.

Collective agreements can be divided into two types – ie, company agreements and inter-company agreements. A company agreement is concluded by a specific employer with the trade unions operating at that company. An inter-company agreement may be concluded by an employer organisation body, on behalf of the employers affiliated to that organisation, with the competent body of an inter-company trade union organisation, which is understood to mean a national trade union, an association of trade unions or a national inter-union organisation.

The Conclusion and Registration of Collective Bargaining Agreements

The collective bargaining agreement shall be concluded through negotiations, which should be conducted in good faith. It may be concluded for a definite or indefinite period.

The agreement shall enter into force subject to its entry in the register kept for:

- inter-company agreements – by the minister responsible for labour; and
- company agreements – by the competent district labour inspector.

New Collective Bargaining Agreement Act

The Council of Ministers has adopted the draft of a new collective bargaining agreement act, which will be submitted to parliament. The draft provides (among other things) for:

- the possibility of a mediator participating in negotiations;
- a simpler procedure for registering the agreement (notification to a special register in electronic form); and
- the possibility for judicial review of the compliance of the provisions of the agreement with labour law.

The aim of the draft is to popularise collective agreements among employers and employees.

7. Termination

7.1 Grounds for Termination

The Obligation to Specify the Reason for Termination of the Contract

The regulations require the employer to specify the reason for termination by notice of a fixed-term employment contract and an indefinite-term contract, as well as the reason for termination of an employment contract without notice. The employer should indicate the reason for dismissal to the employee in writing. The dismissal should be justified at the time of submitting a statement of termination to the employee.

Only in the case of a probationary contract may the employer terminate such a contract without indicating the reason in the notice of termination.

However, the reasons justifying the termination notice or termination without notice of any employment contract, including a probationary contract, cannot be (for example):

- the employee's request to change the type of employment contract (this request does not apply to probationary contracts);
- the employee's simultaneous employment with another employer;
- the employee's request for information about the terms and conditions of employment; and
- the exercise of rights related to participation in mandatory training.

If the employee believes that the reason for terminating the probationary contract was one of the reasons indicated in the last three points above, they may submit a request to the employer to indicate the reason for terminating the contract.

Dismissal for Reasons Not Related to the Employee

The reasons for terminating an employment contract can be divided into those related to the employee and those not related to the employee.

As regards employers that employ at least 20 employees, a dismissal is considered a so-called collective dismissal if, within a period not exceeding 30 days, the dismissal covers:

- 10 employees, where the employer employs fewer than 100 employees;
- 10% of employees, if the employer employs at least 100 but fewer than 300 employees; or
- 30 employees, if the employer employs at least 300 or more employees.

In such cases, the employer should inform the trade unions operating at the company, as well as the local employment office, of its intention to carry out such redundancies. The employer should then consult with the trade unions on the redundancies, or, in the absence of trade unions, with employee representatives selected in accordance with the procedure adopted by the employer. The employer should conclude an agreement with the trade unions regulating the detailed rules for collective redundancies. In the absence of an agreement with the trade unions, as well as in the case of employers where there are no trade unions, regulations on collective redundancies should be issued.

In the event of collective redundancies, employees are entitled to additional severance pay amounting to between one and three months' salary, depending on their length of service with the employer.

7.2 Notice Periods

Types of Notice Periods

The provisions of the Labour Code provide for different notice periods depending on the type of employment contract or the employee's length of service with the employer.

In the case of a probationary contract, the notice period is:

- three working days, if the trial period does not exceed two weeks;
- one week, if the probationary period is longer than two weeks; and
- two weeks, if the probationary period is three months.

In the case of a fixed-term contract and an indefinite contract, the notice period depends on the employee's length of service with the employer, and is as follows:

- two weeks, if the employee has been employed for less than six months;
- one month, if the employee has been employed for at least six months; and
- three months, if the employee has been employed for at least three years.

If the termination of a fixed-term or indefinite contract is due to the employer's bankruptcy or liquidation, or for other reasons not related to the employees, the employer may shorten the three-month notice period to a maximum of one month.

Obligation to Consult on the Termination of the Contract

When the termination of a fixed-term or indefinite contract concerns an employee represented by a trade union, the employer is obliged to notify the trade union in writing of the reason for the termination of the contract. The trade union may submit its opinion within five days, but it is not binding on the employer.

With regard to employees covered by special employment protection (such as activists designated by a trade union resolution or employees who are municipal councillors), the employer should obtain the consent of the relevant entity or authority to terminate the contract with the employee. Termination of the contract despite the lack of consent may result in the labour court awarding compensation to the employee or reinstating them to their job.

During the notice period, the employee retains all rights arising from the employment relationship. However, the employer may release the employee from the obligation to perform work during the notice period, while retaining the right to remuneration. In addition to remuneration, an employee may be entitled to severance pay if the dismissal is for reasons not related to the employee.

7.3 Dismissal for (Serious) Cause Termination of the Contract Without Notice

In exceptional cases, the employer has the right to terminate the employment contract without notice. In such a case, the employment relationship is terminated immediately – ie, on the day when the employer effectively submits a statement of termination to the employee.

Termination of the employment contract without notice due to the employee's fault may take place in the event of:

- a serious breach by the employee of their basic employment obligations;
- the employee committing a crime during the term of the employment contract which makes it impossible to continue employing them in their position, if the crime is obvious or has been established by a final judgment; and
- the employee's loss of the qualifications necessary to perform the work in their position.

Termination of the contract without notice should take place within one month of the employer becoming aware of the circumstances justifying disciplinary termination. Exceeding this deadline may result in the court awarding compensation to the employee or deciding to reinstate them to their job.

The employer is required to notify the trade union representing the employee of the reason for the termination. The organisation has three days to provide the employer with its opinion, which is not binding on the employer.

Immediate termination of the contract may also occur in situations not attributable to the employee, such as long-term illness or other justified absence.

7.4 Termination Agreements Possibility to Conclude a Termination Agreement

One of the permissible ways to terminate an employment relationship is to conclude a termination agreement.

The provisions of the Labour Code do not regulate this method of terminating an employment contract.

The parties are free to determine the date of termination of the contract, which may fall on the date of conclusion of the agreement or after a certain period of time. In the agreement, in addition to the standard remuneration resulting from the performance of work, the employer may grant the employee additional cash benefits. This is a fairly common practice aimed at amicably terminating the employment relationship and avoiding potential legal proceedings between the employer and the employee.

In the termination agreement, the parties may decide that, until the date of termination of the contract, the employee will be exempt from the obligation to perform work, while retaining the right to remuneration. In addition, the parties may regulate a number of other issues, such as the date and manner of returning company equipment, settlement of business expenses, or maintaining the confidentiality of information related to the employer.

The termination agreement must comply with mandatory provisions of labour law. The most important regulation in this regard is the prohibition on an employee waiving remuneration for work already performed.

An important difference between a termination agreement and a termination notice is that there is no requirement to indicate the reason for the termination in the agreement, and the employee cannot appeal against the termination agreement to the labour court. However, the general rules on the declarations of will, resulting from the Civil Code, apply to termination agreements. Therefore, if the agreement was concluded under the influence of an error or threat on the part of the employer, the employee may revoke the effects of their declaration of will – in such a case, the termination agreement will be considered not to have been concluded.

7.5 Protected Categories of Employee Employees Protected Against Dismissal

The employer may not terminate the employment contract of an employee who is less than four years away from reaching retirement age. In addition, the employee is protected from dismissal during leave and other justified absences from work if the period allowing

the employer to terminate the employment contract without notice has not yet been reached.

The cases of protection against dismissal described above do not apply in the event of the employer's bankruptcy or liquidation. The employer may also terminate the employment contract without notice due to the employee's fault.

In addition, the Labour Code provides broad protection of the employment relationship for pregnant employees and employees exercising parental rights. During pregnancy, as well as from the date of the employee's request for maternity leave, paternity leave or parental leave (for example), the employer may not:

- make preparations to terminate – by or without notice – the employment relationship; and
- terminate the employment relationship.

The employee is entitled to protection until the end of the relevant leave.

During this period, the employer may terminate the employment contract without notice due to the employee's fault, if the trade union representing the employee has agreed to the termination. Moreover, the contract may be terminated by notice only in the event of the employer's bankruptcy or liquidation.

In addition, the law provides for special employment protection for certain groups of employees. For example, an employer may not terminate the employment contract of a trade union activist who is covered by employment protection on the basis of a resolution of that union without its consent. Similarly, an employer may not terminate the employment contract of a member of the works council without the consent of that council. A violation by the employer of the requirement to obtain the consent of the relevant entity may result in the labour court awarding compensation to the employee or reinstating them to their job.

Furthermore, if an employee under special protection appeals to the court against the termination with or without notice, they may request that the court grant security by ordering the continued employment of the employee by the employer until the proceedings have

become final. As a rule, the court is obliged to grant such security. In this way, employees under special protection are guaranteed employment for the duration of the proceedings, which may last up to several years.

8. Disputes

8.1 Wrongful Dismissal

Wrongful Termination of Employment Contracts

Pursuant to the Polish Labour Code, an employee may appeal against a termination of an employment contract to a labour court within 21 days of a date of delivery of a letter terminating the employment contract.

The labour court may decide that the termination of a fixed-term employment contract or an indefinite employment contract is unjustified (if the reason for termination cannot constitute grounds for termination of the employment contract, is untrue or is vague) or violates the provisions on the termination of employment contracts (the employer violated formal requirements – eg, the obligation to submit a written notice). Depending on the employee's claim, it is possible to:

- declare the termination ineffective or reinstate the employee to work under the previous terms and conditions; and
- award compensation.

If termination of a probationary employment contract was in violation of the provisions on the termination of such contracts, the employee is only entitled to compensation.

Wrongful Termination of Employment Contract Without Notice

Pursuant to the Labour Code, an employee has the right to file a claim with a labour court within 21 days of receiving notice of termination of an employment contract, without notice, demanding reinstatement or compensation.

The court will grant the employee's request for reinstatement or compensation if the employee's employment contract was terminated without notice in viola-

tion of the provisions on termination of employment contracts in this manner.

Remuneration for Period of Unemployment

If an employee demands reinstatement instead of compensation, they may also claim remuneration for the period of unemployment.

Amount of Compensation

In general, the amount of compensation depends on the length of an employee's notice period. This applies both to compensation awarded in connection with an appeal against dismissal and in the event of termination of the employment contract without notice.

Motion Requesting Security for a Claim

Pursuant to the Polish Code of Civil Procedure, employees who are subject to special protection against termination of employment with or without notice, and who are seeking recognition of the termination of employment as ineffective or reinstatement to work, at any stage of the proceedings, may request security by ordering the employer to continue their employment until the proceedings are legally concluded. This means that a specially protected trade union activist may "return" to work for the duration of the proceedings in the labour court.

8.2 Anti-Discrimination

Non-Discrimination

According to the Polish Labour Code, employees shall be treated equally as regards:

- the establishment and termination of employment relationships;
- the conditions of employment; and
- promotion and access to training in order to raise occupational qualifications.

This is particularly regardless of:

- sex;
- age;
- disability;
- race;
- religion;
- nationality;
- political views;

- trade union membership;
- ethnic origin;
- religious convictions;
- sexual orientation; and
- the fact of being employed for a definite or an indefinite period, or on a full-time or part-time basis.

It is assumed that the list of grounds for discrimination is open-ended. In practice, this means that an employer may discriminate on grounds not listed in the Labour Code if they treat an employee unequally by taking into account a particularly harmful and unacceptable criterion.

Claims

A person against whom an employer has violated the principle of equal treatment in employment is entitled to compensation in an amount not lower than the minimum wage. Claims may be brought not only by employees but also by persons who have been refused employment or whose employment relationship has been terminated – ie, persons who have not acquired or have lost their employee status.

Burden of Proof

In cases where an allegation of discrimination is raised, the general rule is changed, and the burden of proof is reversed. As a result, an employer may dismiss an allegation of discrimination if they can demonstrate that they were guided by objective and justified considerations when making certain decisions – ie, that the decision, criterion or action they applied is not prohibited by law, and that the purpose of differentiating between employees and job applicants is based on criteria accepted by law.

8.3 Digitalisation

The level of digitalisation of Polish courts is low; moreover, Polish law does not contain specific provisions dedicated solely to the digitalisation of employment disputes. Instead, the general rules applicable to virtual proceedings in other branches of law also govern labour cases. In response to the challenges posed by the COVID-19 pandemic, Polish courts implemented the option of holding hearings remotely, including witness testimonies via video link. Although initially introduced as a temporary solution, remote hearings have

since become a permanent feature of judicial practice and are now widely used in employment litigation.

9. Dispute Resolution

9.1 Litigation

Labour Courts

In Poland, there are specialised employment forums known as labour courts (*sądy pracy*) that handle employment-related disputes. These labour courts are part of the ordinary court system but have dedicated labour law departments. They address individual claims such as unfair dismissal, overdue wage disputes, working conditions, discrimination, mobbing and workplace accidents.

Cases typically start in the district labour court and can be appealed to higher courts, including the regional labour court and, in limited cases, the Supreme Court.

Class Actions

Poland does not have a widely developed system for employment-related class actions, as found in some other jurisdictions. Employment disputes are mainly resolved through individual claims at labour courts. The available legal framework emphasises individual employee claims rather than collective class action lawsuits.

Representation

In both first and second-instance proceedings in employment-related cases, parties have the option to represent themselves. Employees may also be represented by individuals such as trade union officials and labour inspectors. However, this type of representation is rarely used in practice. In most cases, both employees and employers choose to be represented by legal professionals, advocates or attorneys-at-law. Legal representation becomes mandatory only in cassation proceedings (*skarga kasacyjna*) before the Supreme Court.

9.2 Alternative Dispute Resolution

Arbitration

While arbitration is legally possible, it is less common than labour court proceedings for individual employment claims. Arbitration is more frequently utilised

for disputes involving companies or collective agreements where parties have negotiated arbitration clauses.

Mediation

Notwithstanding the foregoing, mediation is an effective and increasingly used method for resolving employment disputes. Mediation in labour disputes is a voluntary (at every stage of the mediation) and confidential process facilitated by a neutral third party (mediator) who helps the parties reach a mutually beneficial agreement. The key principles of mediation include voluntary participation, confidentiality, impartiality of the mediator, and a focus on flexible, creative solutions.

9.3 Costs

Court Fees for Employees

Starting from 29 September 2023, individuals bringing employment-related claims in Poland no longer need to pay court fees, regardless of the claim's amount.

Previously, a fee was required for claims exceeding PLN50,000, calculated as 5% of the claim's value. This change – removing all court fees for employment disputes – has contributed to a noticeable rise in the number of such cases being filed.

Attorney's Fees

In Poland, the party that prevails in labour court proceedings – whether an employee or an employer – may be entitled to reimbursement of legal costs, as determined by the court. Typically, the losing party is required to cover the winning party's statutory court fees, fixed legal representation costs, and any reasonable, documented expenses associated with the case.

It is important to note that attorney's fees are awarded based on statutory rates set by law, rather than the actual costs incurred. As a result, the compensation granted often represents only a portion of the true legal expenses. In rare and exceptional cases, the court may grant reimbursement exceeding these statutory limits, but such outcomes are uncommon.

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