



Employment Law Newsletter

Q4 2017

Another change in the employment of foreigners

On 11 December 2017, the President signed the Act of 24 November 2017 amending the Act on Foreigners. These amendments transpose the provisions of Directive 2014/66/EU of the European Parliament and of the Council of 15 May 2014 on the conditions of entry and residence of third-country nationals into the framework of an intra-corporate transfer. The Act introduces a new temporary residence permit for the purpose of employing third-country nationals (individuals from countries that are not members of the European Union) in the framework of an intra-corporate transfer. The new permit is intended for managers, specialists, and trainees, employed within the same capital group. The Act also introduces a new intra-EU mobility scheme, allowing transferred foreigners to benefit from short-term and long-term mobility. The Act is expected to come into force 30 days after the date of publication in the Polish Journal of Laws (it has not been published yet).

Significant changes in social security regulations

The Act of 15 December 2017 amending the Act on the Social Security System and certain other acts (awaiting the President's signature) provides for, *inter alia*, the removal of the limit on retirement and pension insurance contributions. Retirement and pension insurance contributions will be deducted from the entire income. This will lead to a substantial increase of public dues applicable to employees with higher salaries. The Act enters into force on 1 January 2019.

New regulations on whistleblowers

The draft bill on the transparency of public life is currently at a consultation (evaluation) stage. In its current wording, the bill provides for the introduction of principles and measures aimed at protecting whistleblowers. A public prosecutor can award the status of a whistleblower to persons or entrepreneurs who report information on suspected offences committed by their employer or other contractor. The employment (or other contractual relationship) of a whistleblower will be subject to extensive protection.

The bill also defines the principles for counteracting corruption which will affect the level of medium entrepreneurs and over. The affected entities will be required to introduce internal anti-corruption policies. A fine of up to PLN 10 million may be imposed if no policies are in place, they are believed to be a sham, or are simply ineffective.

CJEU judgments – redundancy procedure in case of alteration of employment terms

In its judgments of 21 September 2017 (C-149/16 and C-429/16), the Court of Justice of the European Union stated that if an employer unilaterally amends the conditions of pay to the detriment of the employees, which, in the event of an employee's refusal, entails the termination of the contract of employment, is capable of being regarded as

This information was prepared to advise the Firm's Clients of selected important changes in Polish law and does not represent a legal advice on a specific situation of any Client and should not be treated by Clients as such. Should you have any questions concerning the legal matters outlined above as they may apply to your business in Poland, please contact Mr. Roch Palubicki (roch.palubicki@sksgroup.pl) or the partner in charge of your account.



a ‘redundancy’ within the meaning of Article 1 Sec. 1 of Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies. The judgments confirm the (long debated) necessity to apply the redundancy procedure if the employer intends to introduce a unilateral, unfavorable amendment to the terms of remuneration of a group of employees exceeding the thresholds specified in the Law on Principles of Termination of Employment Relations for Reasons not Related to Employees. However, the Court did not address the issue whether such employees are also entitled to severance pay.



Roch Pałubicki
Partner
Tel. +48 61 856 04 14
Fax +48 61 856 05 67
E-mail: roch.palubicki@skslegal.pl



Magda Dudziec
Associate
Tel. +48 22 608 7309
Fax
E-mail: magda.dudziec@skslegal.pl