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EMPLOYMENT CONTROL IN POLAND

Summary: Overemployment in Poland, resulting in labor productivity difficulties and greater income-generated inflationary pressures, has been caused by a deliberate underestimation by planners of the number of people entering the labor market and the size of the rural-urban migration, the underfulfillment of, and overexpenditures in, investments, errors in the consumer goods production profile, and the failure of agriculture to reach planned production levels. The Council of Ministers has set employment reduction targets to be reached by the end of 1969. These are to be enforced by economic methods and administrative measures, the latter being largely exercised by the regional national committee presidia through their employment departments. The employment control program will result in higher unemployment.

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Fearing the effects of increases in employment, above the limits set in the 1969 Plan guidelines, on labor productivity and particularly on income-generated inflationary pressures, the Polish Council of Ministers has taken a number of steps to stem the growth in employment.

According to Zygmunt Dudzinski, Deputy Chairman of the Labor and Wages Committee, "methods of appropriately developed analyses and appraisals based both on report material and the results of systematic controls and inspections,... economic methods for influencing both an increase in labor productivity and a correct division of manpower, and... new

methods" of control will be employed. (x) He also added that "one should not underrate administrative measures" in controlling excessive employment by economic units.

In addition to the official concern about labor productivity and the unplanned expansion of wage income, Polish officials have also expressed fears about the effects of rising non-agricultural employment on the supply of labor in the agricultural sector. As a result of these anxieties, employment limits have been set and are to be met by the end of 1969, even though this may result in an increase of unemployment. At the same time, the Polish economy still has to find employment for some 50,000 recent graduates, some of whom have received training in occupations for which there are limited job opportunities. The official drive against so-called "hooliganism" or active dissidents makes the need to find positions for these young people all the more pressing. This will mean that a retraining program will be necessary for those graduates from vocational schools for whose field there is an oversupply of workers, particularly those from economic, gastronomic, clothing, and household management schools. The most likely direction of retraining for these difficult-to-employ young people will be to prepare them for jobs opening in the construction, metallurgical and transport industries. Some of those who have difficulty in finding employment may also merely be sent to other regions where their type of worker may still be in short supply. If the lower employment targets are to be attained by the end of this year, the effect of the program stressing the need to find employment for young people will result, no doubt, in greater unemployment of older workers.

One set of the administrative controls instituted by the Council of Ministers will be implemented by the regional authorities, in particular, the national council presidia, through their employment departments. A resolution adopted by the Council of Ministers, according to Dudzinski, "is designed to increase the role of these departments and to make them into real co-ordinators of both the entire division of manpower and of the employment policy within their regions." They are to "become the spokesman for the public interest, by opposing both enterprise managements' often partisan attitudes and tendencies toward an excessive employment increase."

(x) Deputy Chairman of the Labor and Wage Committee Zygmunt Dudzinski as interviewed by Wanda Tychner and Jerzy Wysokinski, "Current Employment Problems," Trybuna Ludu, 30 August 1969, pp. 1 and 4.

Accordingly, the regional employment departments' controlling functions are to be strengthened. Through them, the regional national council will carry out the restrictive employment policy set by the Council of Ministers. The national council presidia already "have been instructed to evaluate the implementation of the employment policy guidelines in their regions, the steps taken to implement their policy, and the relevant suggestions concerning the organizational and cadre consolidation of employment departments in accordance with the new tasks."

The administrative mechanism for the control of excessive employment has been strengthened so that it can deal with an employment problem which has largely been aggravated by an initial and deliberate underestimate by planners of the number entering the non-agricultural labor force and the size of the rural-urban migration for the entire current five-year-plan period, a breakdown in the fulfillment of the investment plan and unplanned increases in the cost of investments, the production of unwanted consumer goods at the expense of those in short supply, and the failure of the agricultural sector to reach planned production levels, largely due to poor weather conditions. The latter factor has resulted in the need for a greater control of consumer purchasing power because of the shortages in a number of food items. The economic policy of centrally-induced unemployment is but one of the facets of Poland's program to control income-generated inflationary pressures.

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