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**Annual Review
2011
on Labour Relations and Social Dialogue in South East Europe:
Slovenia
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1. Summary

According to the latest figures from Institute of Macroeconomic Analysis and Development (IMAD), which were published on 12th December 2011, Slovenia's GDP declined in Q3, following a standstill in the first half of the year. In the first three quarters as a whole, it was up 0.8% y-o-y, which is lower than expected in IMAD's Autumn Forecast. In Q3, GDP dropped 0.2% relative to Q2 (seasonally adjusted) and 0.5% compared

with the same quarter last year. According to the available data, GDP fell in only three other EU countries besides Slovenia in the third quarter. Economic activity in Slovenia was otherwise still propelled by export growth, but this moderated y-o-y (5.6%). There were 5.764 legal entities with unpaid liabilities in November 2011 with the average daily unpaid amount of unpaid liabilities of 552.905.845 EUR, which is almost 200 million EUR more than year ago.

The labour market situation worsened in Q3 and the growth of the average gross wage continues to slow. In Q3, the number of employed persons excluding self-employed farmers declined by 0.4% (seasonally adjusted), while registered unemployment grew by 0.5%. The seasonally adjusted registered unemployment rate was thus slightly higher (11.8%). The latest figures from the Employment Service of Slovenia show 111.069 registered unemployed people, with the still rising share of long term unemployed people - from 45,8 % in November 2010 to 47,6 in November 2011.

Slovenian government has continued with its structural reforms programs throughout the 2011, but the policy tactics of the implementation has proven to be a disaster, due to the fact that it has lost both on the referendum on Act on Mini jobs, which took place on 10th April 2011 and on Act on Pension and Invalidity insurance, which took place on 5th June 2011. The results of these referendums were among other things both a direct consequence of governmental ignorance of traditional social dialogue structure. The latest structural move from the government was the implementation of Act on additional Emergency Measures for 2012 on 23rd of December 2011, according to which in the first half of 2012 social transfers other than unemployment benefit, pensions and salaries of public servants will not be coordinated. As of 1st January 2012 the amount of minimum income will not be risen from actual 230, 61 EUR to planned 288, 81 EUR, but it will be risen only to 260 EUR to the 31st June 2011. Government is planning to save 65 million EUR with those actions.

2. Socio-economic developments

In 2010, Slovenian GDP per capita in PPS amounted to 85% of the EU-27 average. In 2009 it amounted to 87% and in 2008 to 91% of the EU-27 average (SORS, 2010). According to the Statistical office of Slovenia (SORS) gross domestic product (GDP) decreased by 0.5% in the third quarter of 2011 compared to the third quarter of 2010. Autumn forecast of economic trends 2011 (IMAD) has projected economic growth of 1.5% this year in Slovenia.

In 2009 Inward FDI stock in Slovenia dropped by 6.6% and outward FDI stock by 3.4%. Inflows were negative in 2009 whereas outflows dropped to 12.7% of the sum recorded in the year before – the first time in Slovenia's history that FDI inflows were negative. In 2010, Slovenia recorded net FDI inflows of EUR 515.9m in 2010 (IMAD development report 2011).

The current account position has remained close to balanced this year. Over the 12 months to September it narrowed to 0.2% of GDP, having stood at 0.6% of GDP a year earlier (Bank of Slovenia, November 2011).

The state budget for the next two years envisages a gradual reduction of the deficit. The deficit is estimated at 4.5% of GDP in 2011 and 3.6% of GDP in 2012. The government has committed itself to cutting the general government deficit to below 3% of GDP by 2013. State budget revenues during the first ten months of the year were down around 3% on last year, while state budget expenditure was up by approximately the same amount.

Year-on-year inflation as measured by the Harmonised Index of Consumer Prices (HICP) in November 2011 was down 0.1 percentage points on the previous month at

2.8%. Inflation remains below the euro area average, which according to Eurostat's preliminary figures stood at 3.0% for the third consecutive month. Year-on-year core inflation as measured by the HICP excluding energy and food prices, which account for around 35% of the basket of prices in the HICP, remained unchanged at 0.8% (Bank of Slovenia, November 2011).

Average monthly gross earnings for October 2011 amounted to EUR 1,510.44. Compared to September 2011 they were 0.2% higher and compared to October 2010 they were 1.5% higher. Average monthly net earnings for October 2011 were 0.1% higher than earnings for September 2011 and 1.6% higher than earnings for October 2010; they amounted to EUR 979.53 (SORS, 15th December 2011).

In 2010, 65.7% of persons in paid employment received below average gross earnings, and 63.3% received below average net earnings (SORS, 27th October 2011).

Minimum wage is currently standing at 748, 10 EUR (Tax Administration of the Republic of Slovenia, 2011)

The number of persons in employment in October 2011 stood at 824.417, which is little bit less than in September 2011 (824.491) (SORS, 16th December 2011).

The registered unemployment rate in Slovenia reached 11.9% in October 2011 (SORS, 16th December 2011). There were 111,069 registered unemployed persons at the end of November 2011, which is 10.1% more than in October 2010. Compared with November 2010, unemployment was up by 7.0% (ESS, December 2011).

According to the 2010 Survey on Income and Living Conditions, the at-risk-of-poverty rate in Slovenia was 12.7%. This means that in 2010 254,000 people in Slovenia were living below the threshold. Compared to 2009, in 2010 the at-risk-of-poverty rate increased from 11.3% to 12.7%. The annual at-risk-of-poverty threshold for a one-member household was set at EUR 7,042; the disposable net monthly income of people below the at-risk-of-poverty threshold was thus below EUR 587 per adult person (SORS, 16th September 2011). In 2009, the Gini coefficient in Slovenia was 22.7%. The average Gini coefficient across the EU-25 was 30, 2% (IMAD, Development report 2011).

3. Governmental policies and legislation

According to the document "Key achievements of the Government of the Republic of Slovenia 2008 – 2011" (Government of RS, November 2011) the Government responded to the economic and financial crisis with two packages of anti-crisis measures and structural adjustments within the exit strategy, which required the adoption of 26 new and amended laws, the majority of which were adopted; in 2011, it also set itself some specific priorities to be pursued by the end of its term of office, including 27 measures, many of which were implemented, (some were not owing to the Government's shortened term of office).

When dealing with the EU norms and standards, Slovenia has on 18th and 19th April 2011 submitted to European Commission its 2011 updated Stability Programme covering the period 2010-2014 and its 2011 National Reform Programme (NRP). Starting from 5.6% of GDP in 2010, the Programme plans to bring the general government deficit below the 3% of GDP reference value by 2013, through a broad-based containment of primary expenditure. After correcting the excessive deficit, the programme envisages modest progress towards, but not achievement of, the medium-term objective (MTO) of a balanced budgetary position in structural terms. In line with the consolidation strategy pursued in recent years, the further expenditure savings envisaged in the Stability Programme for the period 2011-2014 mainly affect the public sector wage bill, social transfers (including pensions) and public investment. The government plans to negotiate

with the social partners a revision of the Employment Relationship Act, with a view to aligning rights and obligations under different types of employment contracts. The National reform program envisages intensive investment in training to improve skills and employability. It outlines plans to further improve the transition from education to the labour market, with a focus on providing career guidance services throughout the education system. It plans to modernize the employment service with the objective of better matching the supply of skills to labour market needs (EC, 7th June 2011).

Latest structural move from the government was the Act on additional Emergency Measures for 2012, which was approved on 20th December by the Government of RS. The Act stipulates that payments to individuals and households will not be harmonized in 2012, pensions and other income in 2012 will not be harmonized, that payments of public servants and officials will not be harmonized in 2012, that pay for annual leave of public servants and officials for 2012 will remain 692 euros, promotion of public servants in 2012 will remain restricted, the basic salary of officials will be lowered by 4% (Government of RS, 20th December 2011). The above mentioned act also puts some changes into the social welfare system regarding the level of minimum income. Although the changed Financial social Assistance Act (FSA) predicts rising the basic amount of minimum income from 230, 31 EUR to 288,81 EUR as of 1st January 2012, this move has been postponed and limited to a change to 260 EUR from 1st January 2011.

Regarding the labour market measures, new Employment and Work of Aliens Act was put in action at the end of April 2011. This law broadens the right of migrant workers to so called personal employment permit, The Act on Mini Jobs (AMJ), which was passed in the National Assembly, but was rejected at the referendum on 10th April with a vast majority. The same thing happened with the new Pensions and Invalidity Insurance Act (ZPIZ 2).

The reactions of trade unions on these policy actions were heavily concentrated on two referendums – on Act on Mini jobs (AMJ) and on Pensions and Invalidity Insurance Act (ZPIZ 2). In first case, the trade unions, and specially the Association of Free Trade Unions of Slovenia (ZSSS) formally entered into campaigning against the mini jobs scheme, due to its negative effects, which were already seen in Germany. In the case of ZPIZ 2, the trade unions were formal holders of the campaign against it, due to the fact, that the ZPIZ 2 wasn't harmonised with the needs and situation of (especially blue collar) workers.

On the issue on the Act on additional Emergency Measures for 2012, there was a consensus to back the act among the social partners.

4. Industrial relations

We have to mention at least three industrial actions in 2011. One of them relates to spontaneous picketing, and two of them to the absurd situation, where the employees were trapped in an insolvent company for several months, without any wages, so the bankruptcy of the companies in a sense meant salvation for them.

At the end of July and the beginning of August 2011 we witnessed a strike of crane operators and workers at the subcontractors in the port of Koper due to a conflict on working conditions and wages. The workers at the subcontractors have staged a spontaneous picket line in front of the port. The compromise agreement between these sides was signed on 5th of August. The second case was the case of the company "Karošerije", which started bankruptcy procedure on 9th September 2011. The employees of that company were on strike from 24th May 2011, due to the unpaid wages and other obligations from the employer. The third case was the case of the construction

company “Konstruktor VGR”, which started bankruptcy procedure on 7th November 2011. The employees were striking from 13th July 2011 due to unpaid wages from May 2011 onwards, unpaid social contributions from April 2011 and other obligations from the employer.

2011 is the year of very big number of bankruptcy procedures. According to the data from Agencies of the Republic of Slovenia for Public Legal Records and Related Services there were 638 beginnings of bankruptcy procedures from January to November 2011. In 2010, there were 510 such procedures (AJPES, 2011).

Regarding the development of internal situation of trade movement unions and according to the available studies from the Centre for Public Opinion Research between 1991 and 2008 the overall trade union density rate from 'initial' 66.5% to 26.6% (as measured from February 2008 - these are the most recent data available to us). The drop of trade union density was significant in the period after the joining the EU – it fell from 43,7% in 2003 to 26.6% in 2008 (Stanojevic, 2009)

Employers' organisations are having much lower revenues due to declining membership fee payment, which is also connected with a fact that from 2006 Chamber of commerce of Slovenia does not have obligatory membership anymore, while Chamber of Craft and Small Business still has obligatory membership. Voluntary membership is also in Employers Association of Slovenia and Commerce Chamber of Slovenia. Last available data reveals that Employers association of Slovenia has 1,417 members; Chamber of commerce of Slovenia 11,532 members; Commerce chamber 6,473 members; Chamber of Craft and Small Business 52,632; Chamber of Agriculture and Forestry has 111,271 members; we must also take into account Association of Craft Employers and Entrepreneurs (Delo, 2010).¹

5. Tripartite social dialogue

On the tripartite level, there has been a continuation of deterioration of the quality of social dialogue. If we remember ourselves on the official government position on social dialogue; on 16th July 2010 the Slovenian government took the position on social dialogue, in which it was said that they will respect the structure of tripartite social dialogue in Slovenia; that the social dialogue has only advisory and not the decision making role, which is the responsibility of the government and National Assembly; that the differences in views or bargaining blockade from the side of one social partner cannot block the decision making process, for which the government has its responsibilities; that the government will pursue the goal of achieving the greatest possible consensus among all social dialogue sides, until the views of social partners could be brought closer and avoid unrealistic and maximalistic demand (Ministry of Labour, Family and Social Affairs, 1st July).² The concrete effect of such unilateral vision of putting tripartite social dialogue as inferior obstacle to “necessary” structural reform has proven politically short sided and strategically naive, because it totally ignored the social capital behind the reformation capability of Slovenian tripartite social dialogue. Essential proof for that was the rejection of AMJ and ZPIZ 2 on the referendums in April and June 2011. As we were already mentioning in the last report, one further proof of putting the social dialogue on the side is a fact, that there weren't any talks about new social agreement for the period 2009 – 2011. So the last signed Social agreement is for the period 2007 – 2009.³

¹ <http://www.delo.si/clanek/123851>; <http://www.delo.si/clanek/132053>

² <http://www.mddsz.gov.si/nc/si/splosno/cns/novica/article/12106/6403/>

³ http://www.mddsz.gov.si/fileadmin/mddsz.gov.si/pageuploads/dokumenti_pdf/social_agreement_07_09.pdf

Due to the fact, that we are still in a situation with no implemented social agreement, the representatives of employers and employees have agreed to start the procedure on basic premises of new social agreement on bilateral level. The negotiations have started in December 2011.

6. Forecasts

According to the autumn forecast of economic trends 2011 (IMAD, September 2011) economic growth is projected to be 1.5% this year, somewhat higher than the spring forecast (0.6%). Economic growth is supposed to be accelerating to 2.0% in 2012 and 2.5% in 2013. Exports will increase by 7.9% this year, 6.3% in 2012 and 6.7% in 2013. This year, the number of employed persons is expected to be 1.5% lower, on average, than in 2010 (according to the statistics of national accounts). Employment growth in public services and in the general government sector is declining this year due to limited public funds for wages. The number of employed persons will still decline during the first quarter of 2011, after which time it is expected to start increasing gradually, but will still be 0.3% lower in the year as a whole than in 2010. The registered unemployed rate is going to grow from 10.7% in 2010 to 11.8% in 2011, 2012, 2013. The ILO unemployment rate will grow from 7.2% in 2010 to 8.0% in 2011, 2012, and 2013. In 2011, the current account deficit will remain at a similar level (-1.0% of GDP) as last year (-0.8% of GDP). In 2012 it's supposed to be -0.5% of GDP and in 2013 1% of GDP. According to the latest, European Commission autumn economic forecast for Slovenia (EC, September, October 2011) real GDP growth is expected to slow to 1.1% in 2011 and 1.0% in 2012, before accelerating back to 1.5% in 2013. ILO unemployment rate is forecast to peak at 8.4% in 2012, with the share of long-term unemployed becoming an increasing concern on account of the persistence of labour market weakness and the existence of skills mismatches. The general government deficit is forecast to broadly stabilize at 5.7% of GDP in 2011.

Regarding the (tripartite) social dialogue, there is a realistic prediction that the strategy of unilateral imposing of structural reforms from the side of government is going to cause further deterioration of the tripartite social dialogue and strong trade union reactions.

Annex of data

Collective bargaining system

In Slovenian legal system of collective bargaining between the trade unions and employers and their associations, does not have a long tradition. In the socialist, social and political order after the Second World War, until the creation of the new independent state and the adoption of the new Constitution in 1991, labour relations had the character of *mutual relations* between the employees. In the system of self-management which was based on the so-called social property of the means of production the original power of decision making in the works units was given to the employees. Their assemblies and workers' councils were considered the highest governing bodies at the enterprise level, which appointed the managers and also created the autonomous self-management instruments. Some of them regulated working conditions within the frameworks determined by the Statutes. Such system covered the majority of the work force in Slovenia. Only a small part of the economy was run by private owners, farmers, and craftsmen. The employment relations in this narrow part of economy were based on *labour contracts*. They were partly regulated by the collective agreements concluded between the *unique socialist trade union* organization and the representative organizations of private employers. The range of the regulation of

working conditions by contracts was very limited by the Statute. The situation changed after the introduction of the new social and political system. The Slovenian collective bargaining system has developed on the basis of the Constitution, adopted in 1991, and on the basis of the ILO conventions on the trade union freedom. The nature of the collective agreements has been changing through the time, so there is a distinction between the collective agreements of the first, second, and third generation. The latter is a result of the frameworks for the collective bargaining defined by the statutes, which is in fact the codification of already existing practices in this area with a few novelties. The Law on **Collective Agreements**, adopted in 2007, provided the social partners with the regulation of the **procedure** of collective bargaining and with legal tools for the **prevention and resolution of collective conflicts** between the contracting parties. The statutory contents must be regarded in relation to the other regulations, especially with international law concerning social dialogue, the constitutional principles, and also the general provisions of civil contractual law. The Law does not contain the exhaustive list of different types of collective agreements regardless of the fact that it mentions some of these types. It regulates the possibility to extend the validity of some collective agreements, which may be concluded for an area wider than an enterprise. The power to extend such type of collective agreements is given to the Minister of labour. On the other hand, the Law does not regulate the problem of the possible extension of the collective agreements concluded at the level of the enterprise. For this type of the collective agreements, former statutory regulation of the representative nature of trade unions stays in force, adopted in 1993, which contains the rule that representative trade unions may conclude collective agreements which have “erga omnes” legal effect.⁴

System of tripartite social dialogue

Social partners in Slovenia participate in the Economic and Social Council (ESC), which was founded in 1994 and represents a framework that has consolidated democratic relationships between the social partners. The ESC is a consultative body whose decisions, unanimously taken, are binding for all three partners. The significance of the ESC is reflected also in the position of the National Assembly of RS, according to which all laws and policies that in any way affect the interests of social partners must first be negotiated at the ESC level. Its working procedures are governed by the Rules of Procedure of the Economic and Social Council, which date from 1994 and were last amended in 2007. The ESC was primarily set up to deal with issues related to the social agreement and wage policy, social policy, employment issues and working conditions, collective bargaining, prices and taxes, the economic system and economic policy, plus other areas within the responsibility of the social partners. As well as dealing with areas requiring tripartite agreement, the ESC can also examine other matters of economic and social nature.

In addition to its advisory role, the ESC has a key role in negotiations, with the social agreements - and, until some years ago, wage policy agreements too - being adopted under its auspices. So far, four social agreements have been adopted through the ESC, the latest in October 2007. This agreement, obtained after eighteen months of negotiations, will apply until 2009. Several laws relating to wage policy have been adopted on the basis of the wage policy agreements concluded by the ESC. The most recent agreement of this kind, covering the 2004-2006 periods, was concluded in spring 2004.

The ESC examines the draft legislation covering the entire spectrum of economic and social relations between employers and employees. In this respect, the 1999 agree-

⁴ <http://www.fu.uni-lj.si/personal/tinae/515/collective%20bargaining%20in%20Slovenia.doc>

ment reached between the social partners on the pension system reform and the 2002 law on employment relationships are considered major achievements. Both were later modified and, in 2006, further amendments to the Employment Relationship Law came under discussion between the social partners and the government. After a year of negotiations, consensus was achieved in June 2007. The ESC also examines strategic development papers put forward by the government, amongst them Slovenia's development strategy and the draft economic and social reform package to enhance the competitiveness of the Slovenian economy. It was also consulted on the reform program for the implementation of the Lisbon Strategy and thereafter on the yearly reports on the implementation of the program. In addition, it puts together position papers and opinions on the Budget Memorandum and State Budget and on documents dealing with employment, health and housing policy; it also discusses regulations concerning health and safety at workplace, as well as other matters of topical importance.⁵

Education and vocational training

Pre-primary education (1-5 year) is an integral part of education system. Pre-primary provision integrates centre-based child care and early general pre-school education. The programmes are carried out by public and private pre-school institutions (*vrtni*), pre-school units attached to basic schools (*vrtni pri osnovnih šolah*) and private pre-school teachers as child minders (*vzgojno-varstvene družine*). The Ministry of Education and Sport is in charge of the formation of staff, programmes and aids to particular groups of children. The municipalities are the main founders, founders and direct providers of services.

Pupils at the age of 6 enter the 9-year **compulsory school** which is divided into first cycle (1-3; age 6-8); second cycle (4-6; age 9-11) and third cycle (7-9; age 12-14).

After that children enter **Post-compulsory education/ secondary and post-secondary level**.

<i>Splošno srednje izobraževanje – Gimnazija</i> (general secondary education)	15-18 years of age (four years)
<i>Srednje tehniško in strokovno izobraževanje</i> (technical secondary education)	15-18 years of age (four years)
<i>Poklicno izobraževanje</i> (short and medium length vocational secondary education)	15-17 years of age
<i>Maturitetni tečaj</i> (preparatory classes for the matura examination, classified as ISCED level 4)	19 or more (one year)
<i>Poklicni tečaji</i> (vocational courses, classified as ISCED level 4)	19-20 years of age (one year)

Tertiary education in Slovenia comprises higher vocational college education and higher academic and professional education. Higher vocational education is provided by higher vocational colleges (*višje strokovne šole*) that offer two-year vocational education (120 ECTS) at the sub-degree level (short-cycle, ISCED level 5B). Higher vocational colleges issue a diploma, stating the field of education, and a Diploma Supplement in the Slovenian language and in one of the EU languages. Joint study programmes are also possible. The traditional higher education study programmes are offered by public or private universities and single higher education institutions (*samostojni visokošolski zavodi*).⁶

⁵ Secretariat General of the Government of Republic of Slovenia, source: http://www.gsv.gov.si/en/economic_and_social_council/

⁶ Eurydice, source:

http://eacea.ec.europa.eu/education/eurydice/documents/eurybase/national_summary_sheets/047_SI_EN.pdf

Secondary vocational and technical education and training are governed by the Law on Vocational Education (enacted in 2006). It is divided into 20 broad technical/vocational fields within which several courses are available. Courses differ in their length (including number of credit points), admission criteria, options for the continuation of education, level of vocational standards for the specific profession and levels of qualification. According to the new Law all courses must be evaluated with credit points (1 credit point equals to 25 hours of coursework). Young people and adults can acquire vocational qualifications through alternative means outside the formal school system, by participating in the certified national vocational qualification scheme. Adults, who have acquired a secondary vocational qualification and have at least 3 years of work experience, may acquire a secondary technical education by taking a master craftsman, foreman or managerial examination with the competent association.

The objectives of vocational and technical education and training are to develop key competences, skills and vocational qualifications at an internationally comparable level and to provide knowledge and skills for employment, further education and lifelong learning. All courses include general education for continuous personal development, environmental studies and personal health care. Every vocational or technical course must also contain subjects aimed at: the development of communication skills; the development of knowledge and awareness, learning about national integrity, national identity, one's own cultural tradition as well as other cultures and civilizations, the development of talents and training for artistic expression and perception of arts. Courses must be provided at an internationally comparable level and must enable participants' involvement in the European labour market. (Ministry of Education and Sport, 2009)

Social security system – coverage and unpaid social contributions

Compulsory health insurance	On 30 th September 2011 there were 19.525 persons, who didn't have compulsory health insurance more than two months. On the same day there were 11.752 persons who didn't have the compulsory health insurance over one year (Health Insurance Service of Slovenia (ZZZS, 2011). There was 102,980.119 € of altogether unpaid employers' contributions for health insurance at the end of June 2011 (Tax administration of Republic of Slovenia, 2011).
Pension and invalidity insurance	There were 869.146 persons in the pension and invalidity insurance, among them 672.235 persons in paid employment at legal entities (Pension and Invalidity Insurance Institute, September 2011). There was 221.982.405 € of unpaid employers' contributions for pension and invalidity insurance at the end of June 2011 (Tax administration of Republic of Slovenia, 2011)
Unemployment insurance	There was 1.011.534 € of unpaid employers' contributions for unemployment insurance at the end of June 2011 (Tax administration of Republic of Slovenia, 2011).

Employment rate

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
62,6	62,9	62,2	62,8	63,8	63,4	62,6	65,3	66,0	66,6	67,8	68,6	67,5	66,2

Source: EUROSTAT, 2011

Persons in employment

	2011 M01	2011 M02	2011 M03	2011 M04	2011 M05	2011 M06	2011 M07	2011 M08	2011 M09	2011 M10
Persons in employment	820866	821669	823104	826880	829034	829210	824162	823037	824491	824417

Source: SORS, 2011

Average monthly salary

	Gross earnings	Net earnings
	Monthly earnings [EUR]	Monthly earnings [EUR]
2011M01	1496,35	971,83
2011M02	1493,54	969,92
2011M03	1523,98	987,03
2011M04	1504,65	975,98
2011M05	1515,63	982,99
2011M06	1520,92	985,95
2011M07	1500,16	974,91
2011M08	1524,15	988,45
2011M09	1506,87	978,20
2011M10	1510,44	979,53

Source: SORS, 2011

Gender pay gap

According to the provisional data of annual structure of earnings statistics, obtained exclusively from the existing administrative sources, in 2010 the average annual gross earnings of men calculated at monthly level amounted to EUR 1,574, while the average annual gross earnings of women calculated at monthly level amounted to EUR 1,519. Because these are average values, it is necessary to point out that the reason for differences is also in different educational, occupational and age structure. The median, which separates the population in two halves, was EUR 1,257, which means that half of the persons in paid employment had average monthly gross earnings lower than this value. The difference between men's and women's earnings in percentage was the highest in human health and social work activities, where women had on average 28.8% lower earnings. The difference was slightly smaller in financial and insurance activities, where on average women had 27.6% lower earnings than men.

The difference between men's and women's earnings was the lowest in electricity, gas, steam and air conditioning supply, by 5.5% or EUR 118 in favour of men. The difference was by about 2 percentage points higher in public administration and defence, compulsory social security (by 7.4% or 141 EUR) and in real estate activities (by 7.5% or EUR 118) also in favour of men. In 2010 women had higher gross earnings than men again in construction (by 22.9%), in water supply, sewerage, waste management and remediation activities (by 15.1%) and in transportation and storage (by 11.1%). (SORS, 29th September 2011)

Average monthly gross earnings by sections of activity and sex, Slovenia, 2010 - PROVISIONAL DATA

Section of activity		Total	Men	Women	Ratio w/m
		EUR			%
Total		1549	1574	1519	96,5
A	Agriculture, forestry and fishing	1269	1309	1179	90,1
B	Mining and quarrying	1941	1969	1727	87,7
C	Manufacturing	1357	1425	1220	85,6
D	Electricity, gas, steam and air conditioning supply	2121	2142	2024	94,5
E	Water supply, sewerage, waste management and remediation activities	1481	1437	1654	115,1
F	Construction	1185	1160	1426	122,9
G	Wholesale and retail trade, repair of motor vehicles and motorcycles	1381	1492	1272	85,3
H	Transportation and storage	1403	1373	1525	111,1
I	Accommodation and food service activities	1087	1157	1040	89,9
J	Information and communication	2161	2270	1945	85,7
K	Financial and insurance activities	2228	2713	1965	72,4
L	Real estate activities	1514	1567	1449	92,5
M	Professional, scientific and technical activities	1851	1952	1724	88,3
N	Administrative and support service activities	1061	1111	993	89,4
O	Public administration and defence, compulsory social security	1835	1906	1765	92,6
P	Education	1846	2121	1773	83,6
Q	Human health and social work activities	1806	2361	1681	71,2
R	Arts, entertainment and recreation	1817	1895	1733	91,5
S	Other service activities	1335	1600	1214	75,9

Source: SORS, 2011

Monthly minimum wage

2011	Gross minimum wage
January	748,10 EUR
February	748,10 EUR
March	748,10 EUR
April	748,10 EUR
May	748,10 EUR
June	748,10 EUR
July	748,10 EUR
August	748,10 EUR
September	748,10 EUR
October	748,10 EUR

Source: Tax Administration of the Republic of Slovenia

Actual weekly working hours

According to our labour legislation, full time work is 40 hours weekly. According to the EUROFOUND data an average number of actual weekly hours of work in main job for

full-time employees in Slovenia was 40,2 hours in 2010 (EUROFOUND, Working time developments 2010, 28th July 2011)

According to provisional data from SORS (28th September 2011), in the second quarter of 2011 persons in employment worked 1.6% less hours than in the same quarter of 2010 and 1.5% more hours compared to the first three months in the current year. The first half of 2011 resulted in 580 million hours worked, which is 1.4% less than in the same period of 2010 or 8.1% less than in the first half of 2008.

Data for the second quarter of 2011 over the same quarter of 2010 again indicate the greatest drop in the total number of hours worked in construction (by 14.8%). Compared to the second quarter of 2008 the total number of hours worked in construction decreased by more than one fifth (by 23.5%). On the other hand, in the second quarter of 2011 the total number of hours worked increased the most in water supply, sewerage, waste management and remediation activities (by 4.0%).

In the second quarter of 2011 a person in employment worked on average 137 hours per month, which is one hour more than in the first quarter of 2011. Compared to the same period last year, a person in employment in the second quarter of 2011 worked the same number of hours and 2 hours less compared to the same quarter of 2008. In the period from April to June of 2011, most hours, namely on average 141 per month, were worked by a person employed in water supply, sewerage, waste management and remediation activities and in human health and social work activities (SORS, 28th September 2011).

Normal work / atypical work

According to the data from Kramberger central part of the Slovenian labour market with full time employment with permanent contracts stands for 60% actual posts. Other 40% are part of precarious jobs segment.

According to the EUROSTAT data, in 2nd quarter 2010 the share of temporary employment in Slovenian labour market was 17.5%, which is higher than EU27 average, which stands at 14,2%. The biggest problem is the extremely high incidence of temporary employment among young people. According to the same EUROSTAT data, 80% of women aged 15 – 24 are working on temporary employment, which is almost twice as higher share than the EU27 average with 42.5%.

Slovenia has 9.1 % of total workforce on part time employment, which is lower than the EU27 average of 18.8%. But the incidence of part time employment is again very high among young people between 15 and 24 year old – 40.1%, which is considerably higher than the EU27 average of that age group at 30.3%.

Another point of reference is that use of TAW (temporary agency work) is getting more and more popular among the employers. According to the Performance of Commercial Companies in 2010 (IMAD, 2011) net profit of such companies has risen for almost 100 % in 2010 regarding the 2009 numbers. Number of people employed in such temporary workers agencies has risen for almost 20 % in same period (IMAD, 2011).

Unemployment rate (ILO methodology)

2011 M01	2011 M02	2011 M03	2011 M04	2011 M05	2011 M06	2011 M07	2011 M08	2011 M09	2011 M10
8,1	8,1	8,2	8,0	7,9	7,9	7,9	7,8	7,9	7,8

Source: EUROSTAT

Data for January- March 2011 are from August News release. Data from April to October 2011 are from November News release.

Number of registered unemployed people (ESS)

2011 M01	2011 M02	2011 M03	2011 M04	2011 M05	2011 M06	2011 M07	2011 M08	2011 M09	2011 M10	2011 M11
115.132	115.608	113.948	111.561	108.634	107.081	107.562	106.996	107.049	110.905	111.069

Source: ESS, 2011

Migration

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Immigration from abroad	6185	7803	9134	9279	10171	15041	20016	29193	30693	30296	15416

Source: SORS

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Emigration to abroad	3570	4811	7269	5867	8269	8605	13749	14943	12109	18788	15937

Source: SORS, 2011

According to latest data, at the beginning of 2010 15.1% of persons in employment in Slovenia were born abroad, which was 0.5 of a percentage point more than at the beginning of 2009 and 2.6 percentage points more than the share of foreign-born population in Slovenia at the beginning of 2010.

OECD analyses show that immigrants are generally more vulnerable during an economic crisis than the domestic population, the reasons being that they tend to be over-represented in less skilled occupations and in sectors which are more sensitive to the business cycles and have less secure contractual arrangements, with more temporary and part-time jobs.

At the beginning of 2010 most of the foreign-born persons in employment in Slovenia were employed in construction (27.8%), followed by manufacturing (21.5%). While by occupation most of them were performing elementary occupations (25.1%) and were craft and related trades workers (24.8%).

On 1 January 2010 the share of registered unemployed persons among foreign-born labour force and among labour force born in Slovenia was the same (10.5%). Compared to 1 January 2009, among foreign-born labour force the share of registered unemployed persons went up by almost 3 percentage points and among labour force born in Slovenia by 3.3 percentage points.

At the beginning of 2010 among registered unemployed persons born in Slovenia 66.4% were unemployed less than a year, while among foreign-born registered unemployed person the share was 61% (SORS, 15th December 2010).

Human Development Index (HDI)

	HDI rank	HDI value	Life expect- ancy at birth (years)	Mean years of schooling (years)	Expected years of schooling (years)	GNI per capita	GNI per capita minus HDI rank	Inequality adjusted HDI value
SLO	21	0,884	79,3	11,6	16,9	24.914	3	0,837

Source: UNDP, 2011 : <http://hdrstats.undp.org/en/countries/profiles/SVN.html>

Gini coefficient (GC)

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
GC, EU27						30,6	30,2	30,6	30,7	30,4	30,4
GC, Slovenia	22	22	22	22	...	23,8	23,7	23,2	23,4	22,7	23,8

Source: EUROSTAT

Collective agreement coverage

Figures from the Slovenian national statistical office show that in September 2005 only 4% of employees were covered by individual rather than collective agreements, and these are senior management rather than normal employees. (Worker participation, 2010)⁷

Ongoing important collective bargaining agreements - 2010

Official Gazette No.	Day of publishing	Collective agreement	
3/2011	14 th January .2011	Annex No. 2 to the Collective agreement for road passenger transport	Extension of validity until 31.12. 2011
3/2011	14 th January 2011	Interpretation of the CA for employees in health care, adopted at the 22 nd meeting of 23 rd December 2010	
5/2011	24 th January 2011	Collective agreement for banking sector in Slovenia	
14/2011	4 th March 2011	Tariffs Annex to the Collective agreement in utilities	The increase in basic wages, holiday pay, food.
22/2011	25 th March 2011	Annex no. 3 to Salary Annex of the Timber collective agreement	The increase in the minimum basic wage
24/2011	1 st April 2011	Collective agreement for insurance sector in Slovenia	
25/2011	4 th April 2011	Collective agreement for pulp, paper and paper manufacturing sector	
26/2011	8 th April 2011	Explanation of Collective agreement of trade sector	
30/2011	22 nd April 2011	Changes in collective agreements and tariff annex to the collective agreement for trade sector in Slovenia	The increase in the minimum basic wage, holiday foods, holiday pay
36/2011	15 th May 2011	Collective Agreement on Agriculture and Food Industry Slovenia	
37/2011	20 th May	collective Agreement on the amount of holiday	holiday allowance

⁷ <http://www.worker-participation.eu/National-Industrial-Relations/Countries/Slovenia/Collective-Bargaining>

	2011	allowance in the year 2011 for catering and tourism activities of Slovenia	
48/2011	24 th June 2011	Collective agreement in pulp, paper and paper manufacturing on the extension of the application of labor standards under the collective agreement of pulp, paper and paper manufacturing	
55/2011	8 th July 2011	Annex No. 9 to tariffs annex on Collective Agreement of informative newspaper, publishing and book trading activities	
57/2011	15 th July 2011	Annex on trade sector	Food, travel expenses
58/2011	22 nd July 2011	Annex. No. 1 to the Collective agreement between workers and small business firms	Extent and territorial application
59/2011	25 th July 2011	Interpretation of Collective agreement in the public sector	
62/2011	5 th August 2011	Tariffs annex 2011 to the Collective Agreement of construction activities	Holiday allowance /pay for annual leave
62/2011	5 th August 2011	Annex to the tariffs annex of Collective agreement on utilities	Publication of basic wages
70/2011	5 th September 2011	Annex to the collective agreement for casting of metallic materials in Slovenia	Holiday allowance /pay for annual leave
74/2011	23 rd September 2011	Annex to the tariffs annex of Collective agreement on utilities	Publication of basic wages
79/2011	7 th October 2011	Annex to the collective agreement for education in the Republic of Slovenia	
84/2011	21 st October 2011	Annex no. 6 to the Collective agreement for the metal industry	
84/2011	21 st October 2011	Annex no. 7 to the Collective agreement for the electric industry in Slovenia	The minimum basic salary, pay for annual leave
84/2011	21 st October 2011	Annex No.2 to the collective agreement for casting of metallic materials in Slovenia	The minimum basic salary, basic salary, pay for annual leave
100/2011	9 th December 2011	Changes and additions to the collective agreement for trade and business	

Trade unions density

According to the available studies from the Center for public opinion research between 1991 and 2008 the overall trade union density rate from 'initial' 66.5% to 26.6% (as measured from February 2008 - these are the most recent data available to us). The drop of trade union density was significant in the period after the joining the EU – it fell from 43, 7% in 2003 to 26.6% in 2008 (Stanojević, 2009).

Employers' organizations density

Last available data reveals that Employers association of Slovenia has 1,417 members; Chamber of commerce of Slovenia 11,532 members; Commerce chamber 6,473 members; Chamber of Craft and Small Business 52,632; Chamber of Agriculture and Forestry has 111,271 members; we must also take into account Association of Craft Employers and Entrepreneurs.

Workplace representation

Workplace level representation in Slovenia is provided by both the union in the workplace and the works council. Both have information and consultation rights, although the works council's are more extensive, while only the union can undertake collective bargaining.

Employees at the workplace are represented both through their local union structures and, in workplaces with more than 20 employees, a works council. In practice works council members are frequently trade union activists, although the extent of trade union involvement varies from industry to industry.

The works council legislation dates from 1993 and draws heavily on the experiences in Germany and neighbouring Austria. Figures from 2004 suggest that around two-thirds of larger companies have works councils. However, there continue to be difficulties in their operations. In particular, where there are differences with the employer, it can take a long time to get issues to arbitration.

The numbers and structures of trade union representatives at the workplace are set by the unions themselves. The arrangements for works councils, however, are set out in legislation.

Employees can set up a works council in any company with more than 20 employees. (Works councils in Slovenia are set up on a company rather than a plant basis.) In companies with 20 or fewer employees there is a right to set up a workers' trustee. (The right to set up a works council was extended to businesses which are not companies – such as sole traders – by the 2007 Workers' Participation Act. However, in these cases the lowest threshold is 50 employees.)

The size of the works council varies according to the number of employees as follows:

Number of employees	Number of works council members
21-50	3
51-100	5
101-200	7
201-400	9
401-600	11
601-1,000	13

There are then an extra two members for every further 1,000 employees.

The works council, which is a body composed entirely of employees, should elect a chair and a deputy chair and it can set up specialist committees to cover issues of particular interest to certain groups of workers. These can be broad groups like women or younger workers, but they can also cover particular parts of the company's business. They can also draw in employees other than the elected members of the works council (Worker participation, 2010)

Trade unions

Within the scope of its powers arising from the Representativeness of Trade Unions Act (Official Journal of RS, No.13/1993), and based on the evidence of meeting the conditions stipulated by the legislation, the Ministry of Labour, Family and Social Affairs issues decisions on trade union representativeness for trade union associations or confederations and for independent trade union representatives within their industry, sector, occupation, municipality or broader local community. Presently, the list of representative trade unions comprises 39 trade unions. Seven of these trade union associations are representative at the national level: ZSSS (Association of Free Trade Unions of Slovenia), Pergam, KNSS (New Trade Union Confederation of Slovenia), K-90, Alternativa (Alternative), Solidarnost (Solidarity), Confederation of Public Sector Trade Unions (KSJS)

According to the number from EUROFOUND (2008) ZSSS has 192,200 members; KSJS has 73,725 members; KNSS has 19,000 members; Pergam has 19,000 members; K 90 has 14,000 members; Solidarnost has 3,100 members; Alternativa has 3,100 members.

According to the research paper from Stanojević (2009) there are only two bigger trade union confederations. ZSSS has around 200,000 members, KSJS has cca.70,000 and from other confederation only two have number of members little big bigger than 10,000 (Stanojević, 2010).

ZSSS is the only trade union confederation in Slovenia that is member of European Trade Union Confederation (ETUC).

Employer's organizations

Last available data reveals that the Employers Association of Slovenia has 1,417 members; Chamber of commerce of Slovenia 11,532 members; Commerce chamber 6,473 members; Chamber of Craft and Small Business 52,632; Chamber of Agriculture and Forestry has 111,271 members; we must also take into account Association of Craft Employers and Entrepreneurs (Delo, 2010).

Employers' Association is the only employers' organisation that is member of BUSINESS EUROPE.