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**2013**  
**Annual Review of**  
**Labour Relations and Social Dialogue in South East Europe:**  
**Slovenia**  
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## **1. Executive summary**

Slovenia's main economic indicators worsened in 2013. According to SORS gross domestic product (GDP) decreased by 0.6 % in the third quarter of 2013 compared to the third quarter of 2012. The labour market situation in 2013 in Slovenia is also still far from in recovery. The number of people in waged employment in November 2013 was 701,549, which is approximately 10,000 less than in November 2012 (711,609). In De-

December 2013 there were 124,015 registered unemployed people in Slovenia, which is almost 6,000 more than in December 2012 (118,061).

2013 was a year when several reforms were adopted. First was the reform of labour market legislation (new Labour Market Act), which took effect in April and November 2013. Secondly there were changes in the tax field with rising Value Added Tax, “freezing” of the corporate income tax rate at 17% and the abolishment of automatic harmonisation of tax relieves and net annual tax bases with the growth in consumer prices. Thirdly, with the adoption of so-called fiscal rule and tightening the access to referendum, the constitution of Slovenia was also changed in 2013.

On the level of tripartite social dialogue, there has been a slight improvement in the quality of cooperation within the most important legislation: labour market reform, in the shape of the Labour Inspectorate Act, Prevention of Undeclared Work and Employment Act. However, the fact remains, that the process of privatisations of (partially) state owned companies; capitalisation of the banking system with still over indebted companies; introduction of the “bad bank” (DUTB), and lack of coherent industrial and investment policy, will influence the future of tripartite social dialogue in 2014.

## 2. Socio-economic developments

Slovenian GDP per capita in PPS was rising up to 2008, when it stood at 91% of the EU-28 average. After 2008 its value was in decline for two years. From 2010 on it has remained at 84% of the EU-28 average (Statistical Office of the Republic of Slovenia, SORS, 12 December 2013). According to SORS gross domestic product (GDP) decreased by 0.6 % in the third quarter of 2013 compared to the third quarter of 2012. After falling in 2009, inward FDI stock rose in 2011 for the second year running, but the growth was the result solely of an increase in net claims of foreign parent companies to Slovenian subsidiaries. Inward FDI stock jumped 7.8% in 2011 to EUR 11,676.4 m, the highest level to date. Outward FDI stock dropped further (by 1.4%) and was 5.1% below its 2008 peak (IMAD development report 2013, 10<sup>th</sup> May 2013).

Slovenia recorded a current account surplus of 79.70 Million EUR in November 2013 (as reported by the Bank of Slovenia. From 1996 until 2013, the Slovenia Current Account averaged -21.5 EUR Million reaching an all-time high of 337.3 EUR Million in March of 2013 and a record low of -378.1 EUR Million in July of 2008 (Trading Economics, 2013). The revision of the 2013 budget was adopted in July 2013. The budget for 2014 and 2015, which was adopted by the Government and sent to National assembly in September, is a continuation of the restrictive expenditure policy and introduces additional revenue-increasing measures to enable the achievement of target deficit values, which are 3,2 % for 2014 and 2,5% for 2015 (Economic Partnership Programme, Government of the Republic of Slovenia, 2013).

In the third quarter of 2013 the total revenue of the general government in comparison with the same period a year before in nominal terms increased by 6.0%, while the total expenditure in nominal terms decreased by 0.1%. The total revenue from taxes in the third quarter of 2013 in comparison with the same period a year before increased for the second consecutive quarter in nominal terms by 5.7% and the quarter before by 3.1%. The revenue from social security contributions in the third quarter of 2013 (and for the fifth consecutive quarter in nominal terms) decreased by 1.0% and in the quarter before by 4.5%. In the third quarter the reduction of expenditure continued for intermediate consumption (by 3.3%) and for compensation of employees (by 4.5%), while expenditure for interest increased in nominal terms by 26.7% and after three years of permanent reduction for the first time expenditure for gross fixed capital formation increased by 19.2% (SORS, 30<sup>th</sup> December 2013).

Provisional SORS data shows that consumer prices fell in November 2013 and year-on-year inflation remained low. Price movements were consistent with expectations, and monthly deflation was mainly marked by lower prices of liquid fuels (-0.1 percentage points) and unprocessed food (-0.1 percentage points). Year-on-year inflation remained at the previous month's level in Slovenia (1.3%), while it rose slightly in the euro area (0.9%), according to Eurostat's flash estimate (IMAD, Slovenian Economic Mirror, November 2013).

Average monthly net earnings for October 2013 amounted to 999.99 EUR (gross 1,526.11 EUR); compared to earnings in September 2013 they were 1.7% higher in both nominal and real terms (gross value was 2.1% higher). In the first ten months of this year a person in waged employment earned on average 1,511.56 EUR gross, which is 0.3% less in nominal and 2.2% less in real terms than in the same period last year (SORS, 16<sup>th</sup> December 2013). In 2012, 65.6% of persons in waged employment received below average gross earnings, and 63.3% received below average net earnings (SORS, 28<sup>th</sup> October 2013). The Minimum wage in December 2013 was standing 783.66 EUR (Tax Administration of the Republic of Slovenia, 2013).

The number of persons in employment in November 2013 stood at 798,232, which is less than in November 2012 (805,002) (SORS, 2013, 2014). The registered unemployment rate in Slovenia reached 13 % in November 2013 (ESS, 2013). There were 124,015 registered unemployed persons by the end of December 2013, which is 3.9 % more compared to November 2013. Compared to December 2012, registered unemployment was up by 5 % (ESS, 2013, 2014).

According to the 2012 Survey on Income and Living Conditions (SILC), the at-risk-of-poverty rate in Slovenia was 13.5%. This means that in 2012 13.5% or about 271,000 people in Slovenia were living below the at-risk-of-poverty threshold. Compared to the previous year, the at-risk-of-poverty rate went down by 0.1%. The annual at-risk-of-poverty threshold for a one-member household was set at 7,273 EUR. The disposable net monthly income of people below the at-risk-of-poverty threshold was thus below 606 EUR per equalised adult person (SORS, 16 December 2013). In 2012, the Gini coefficient in Slovenia was 23.7%. The average Gini coefficient across the EU-27 was 30.6% (IMAD, Development report 2013).

### **3. Governmental policies and legislation**

On 12 April 2013, Slovenia's new Employment Relationship Act and the Act on the Amendments to the Labour Market Regulation Act (LMRA) entered into force, introducing labour market reforms developed as the result of long-lasting negotiations among social partners. Some of the most significant changes pertain to the following areas:

- *Temporary agency work*

Agency work shall be costlier and more restrictive. The number of workers employed through an agency and actually working at the user (de facto employer) may as of 12 April 2014 not exceed 25% of the user's overall headcount (exceptions apply).

- *Fixed-term contracts*

The conclusion of fixed-term contracts has become more restrictive: the 2-year fixed-term contract is limited to work on the same working post / for the same nature of work which is being performed by an individual worker. This limitation can no longer be circumvented by employing another worker for the same work which another worker has been performing for the 2-year period. Severance payments should be paid out after the lapse of the fixed-term period (a few exceptions apply). Higher unemployment contributions have been introduced for fixed-term contracts

- (up to the fivefold amount), whereas no contributions shall be paid for the first two years upon conclusion of an indefinite term contract.
- *Simplified procedures for terminations*  
The new labour market reforms remove the obligation to examine whether the worker can be re-employed at another working post, re- or pre-qualified.
  - *Shorter notice periods and lower severance payments*  
Terminations due to business/incapacity reasons now have shorter notice periods: (i) 15 days (for employments up to 1 year), (ii) 30 days (for employments between 1 - 2 years), (iii) 30 days + 2 days (but not exceeding 60 days) for each additional year of employment after 2 years of employment; (iv) 60 days (for employments between 17 – 25 years); (v) 80 days (for employments over 25 years, unless stipulated otherwise under the branch collective agreement, but not less than 60 days). Terminations due to culpability reasons entail a notice period of 15 days. In addition, severance payments have been slightly reduced.
  - *Other*  
The payroll of the worker is now considered a credible document, based on which the worker may directly enforce payments in front of a court (ie. initiate judicial enforcement proceedings). An employer may, under certain conditions, make use of tax relief (reduction of the tax basis up to 45% of the paid salary – gross I), if the employer hires for an indefinite period an individual (i) under the age of 26 or (ii) over the age of 55 who has been registered as unemployed for at least 6 months prior to their employment.

In May 2013 a Constitutional amendment to referendum legislation, which limits the contents on which a referendum can be called to those having no impact on public finances, was implemented; with the words of the government “this has limited the possibilities of slowing down or halting measures and reforms having an impact on public finances.” This act is highly controversial in the perspective to the right of access to democratic tools. At the same time, the National Assembly has adopted an amendment to the Constitution, introducing a fiscal rule within the highest possible legal act, imposing an obligation to plan the annual budget in a manner which enables the attainment of the target of “structural balance by 2017 and the elimination of the excessive deficit of the general government sector by 2015.” The adoption of this new “fiscal rule” is also highly disputable, due to its potential of having a negative effect on the welfare state of Slovenia.

The Government has, in 2013, continued to pursue its policy directed towards the reduction of expenditure on labour costs with effects also expected in 2014 and 2015. In July 2013, basic wages in the public sector were again reduced by 0.5 to 5 per cent on 2012 levels (depending on the amount of the wage). Parallel, some allowances and supplements were also reduced (period of employment, specialisation, supplementary pension insurance and sick leave) and payment of "overdue" promotions for employees in the public sector was postponed (Government of Slovenia, October 2013).

With a view to improving employment opportunities for young people in Slovenia, employment incentives for employers were introduced. An employer who, during the period of validity of the Act on Emergency Measures in the field of Labour Market and Parental Care (official gazette no. 63/ 2013, 26th July 2013), permanently employs an unemployed person under the age of 30 who has been registered as unemployed for at least one month is fully exempt from paying the employer’s contributions (pension and disability insurance contributions, health insurance contributions, parental protection insurance, and unemployment insurance) for the initial two years of the employment.

The national Assembly passed additional LMRA changes at the end of November 2013 tightening the regulation of temping and recruitment agencies with the aim of prevent-

ing the exploitation of workers. Key changes include a clearer distinction between the activity of recruiting workers for companies and providing services based on temporary contracts. Such agencies will have to register recruitment of workers as their main activity and foreign companies will be required to have fully-fledged subsidiaries in Slovenia while associated companies will be banned from establishing employer (agency) - user (company) relationships. An amendment changing financial conditions for such agencies, introducing a bank guarantee in the amount of EUR 30,000 as the financial requirement for agencies, was adopted at the relevant committee.

#### **4. Industrial relations**

In 2013 the negative trends of bankruptcy procedures heavily intensified. 942 bankruptcy procedures were commenced in 2013, which is almost double the number of 2012 (595) (AJPES, 2014).

According to the data from the Labour Inspectorate (IRSD), there were 16,582 labour Inspectorate inspections in 2012. In these inspections 8,323 total violations of the Act relating to the labour market were found, most of them in the field of payments (3,488). In 2008, for example there were "only" 843 breaches of that kind (IRSD, 2013).

We need to mention the protest rally of the trade union of the chemical, non-metal and rubber industry, which was held on the 11<sup>th</sup> of July 2013 in front of the Slovenian Chamber of Commerce. The protest was held because of the cancellation of the Collective Agreement for Slovenia's Chemical and Rubber Industry from the employers' side on the 26<sup>th</sup> of June 2013. In 2013, employers also cancelled the collective agreement in the building sector, which is a strong sign of employers being more and more aggressive on bipartite level(s) of social dialogue.

Regarding the development of the internal movement of union membership (according to available studies from the Centre for Public Opinion Research) between 1991 and 2008 the overall trade union density rate fell from an 'initial' 66.5% to 26.6% (as measured from February 2008 - this are the most recent data available). 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). In absolute numbers the biggest trade union central (Association of Free Trade Unions of Slovenia – ZSSS) has 170.000 members, according to 2012 data.

Employers' organisations are receiving much lower revenues due to a decline in membership fee payment, which is also connected with the fact that from 2006 the Chamber of Commerce of Slovenia does not have obligatory membership, while the Chamber of Craft and Small Business doesn't have obligatory membership from the end of October 2013 onwards. Voluntary membership is also in place for the Employers Association of Slovenia and the Commerce Chamber of Slovenia. Available public data reveals that the Employers Association of Slovenia has 1,300 members, which are organised into 11 sections. The Chamber of Commerce has approx. 9,000 members and the Chamber of Craft and Small Business has 52,000 members.

#### **5. Tripartite social dialogue**

On the tripartite level, there has been a limited improvement of social dialogue, but only to a certain extent. As already written, on the 12<sup>th</sup> of April 2013, Slovenia's new Employment Relationship Act and the Act on the Amendments to the Labour Market Regulation Act (LMRA) came into force, introducing labour market reforms as the result of long-lasting negotiations among social partners. A further result of social dialogue in

this field was the regulation of temporary working agencies, adopted with additional changes of LMRA in November 2013.

On the 18<sup>th</sup> of December 2013 the Slovenian government adopted changes to the Labour Inspection Act and Prevention of Undeclared Work and Employment Act. Social partners were actively involved in the process of changing these two important acts, which are going in the direction of stronger action against irregular work and the grey economy and improving the effectiveness of regulatory bodies. There are nevertheless still some open questions regarding the changes of Labour Inspection Act.

One of the biggest issues in 2013, which heavily affected the level social dialogue, was the issue of minimum wage. During 2013, there were a few public statements issued from sections of Slovenian management in favour of abolishing the minimum wage in Slovenia, which resulted in strong public reaction from the side of trade unions. The governmental statement in the "Economic Partnership" document from October 2013, (which was sent to European commission) also created further discomfort among trade unions, because it stated "amendments to the Minimum Wage Act are expected; these aim to contribute to a more equitable system and greater competitiveness". At the meeting of the representatives of the Association of Free Trade Unions of Slovenia (ZSSS) with the prime minister of Slovenia, Alenka Bratusek on the 15<sup>th</sup> of October 2013, the prime minister promised, that there will be no unilateral changes to the minimum wage in Slovenia.

Another very important issue from the perspective of social dialogue is the privatisation procedure of (partially) state owned companies. In June 2013, the Government approved the draft text of the decision, which authorises SOD as the manager of assets owned by the Republic of Slovenia, KAD, Modra zavarovalnica, DSU, d.o.o., and PDP, d.d. to dispose of their investment in 15 companies. This approval is required under Article 38 of the Sovereign Holding Act until strategic documents (classification) are adopted. The proposed decision of the National Assembly means that the latter has agreed to the disposal of assets in the following companies (where the procedure has already begun): Adria Airways, d.d.; Aero, d. d.; Elan, d.o.o.; Fotona, d.d.; Helios, d.d. The proposed decision of the National Assembly means that it has agreed to the disposal of assets in the following companies (where the procedure has not yet commenced): Aerodrom Ljubljana, d.d.; Adria Airways Tehnika, d.d.; Nova KBM, d.d.; Telekom Slovenije, d.d.; Cinkarna Celje, d.d.; Gospodarsko razstavišče, d.o.o.; Paloma, d.d.; Terme Olimia Bazeni, d.d.; Unior, d.d.; Zito, d.d. On the 4<sup>th</sup> of December 2013, ZSSS sent an open letter to the prime minister, in which it asked, what she will do in the case of Helios, where even before the departure of new owner (Ring International) many workers were laid off. So far there has been no answer.

## 6. Forecasts

According to the autumn forecast of economic trends 2013 (IMAD, October 2013), the economic situation is not yet expected to improve towards the end of this year or in 2014. Employment is projected to decline in 2013 amid a further decline in economic activity and a high rate of transitions into inactivity at the beginning of the year.

Being part of European semester, Slovenia is under "recommendations" to further reinforce budgetary discipline and fiscal consolidation. On the other hand, the price of capitalisation of the bank system is estimated to be in the range between 10 and 15 % of GDP. This puts additional pressure within the process of "budgetary discipline", and in the direction of preserving the social welfare systems. Another factor, which will heavily influence the political and social dialogue landscape of Slovenia in 2014 is the case of privatisation of (partially) state owned companies and the introduction of the so-called

“bad bank” (DUTB), whose operations are so far highly non-transparent. The combination of these unpredictable variables, combined with the fact that Slovenia does not have a coherent industrial and/or investment policy, is a very explosive combination with regards to the future of social dialogue in Slovenia for 2014.

## Annex of data

- **Collective bargaining system**

In the Slovene legal system of collective bargaining among trade unions and employers does not have a long tradition. From the time of socialist social and political order following the 2<sup>nd</sup> 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 employees. Employment relations in this narrow part of economy were based on *labour contracts*, only partly regulated by collective agreements concluded between the *single socialist trade union* organization and the representative organizations of private employers. The range of regulations of working conditions by contracts was very limited by the statute. The situation changed after the introduction of the new social and political system, when the new collective bargaining system was developed based on the Constitution was adopted in 1991, following ILO conventions about trade union freedom. The nature of collective agreements has been changing through time, so there is a distinction between the collective agreements of the 1st, 2nd, and 3rd generation. The latter is the result of the statutorily defined frameworks for collective bargaining, which is in fact the codification of already existing practices in this area with a few additions. The *Collective Agreements Act*, adopted in 2007, provided social partners with the regulation of *procedures* of collective bargaining and with legal tools for the *prevention and resolution of collective conflicts* between the contracting parties.<sup>1</sup> One of the problems of the system of collective bargaining is the short average life-span of the collective agreements (approximately one year) whilst their scope of context of coverage of the collective agreements remains to narrow.

- **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, which are taken unanimously, 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 acts 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 social agreements and wage policy, social policy, employment issues and working conditions, collective bargaining, prices and taxes, the economic system and economic policy, plus other areas falling within the remit of the social partners. As well as dealing with areas requiring tripartite agreement, the ESC can also examine other matters of an economic and social nature.

In addition to its advisory role, the ESC has a key role in negotiations, with 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, was applied until 2009. Several laws relating to wage policy have been

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<sup>1</sup> <http://www.fu.uni-lj.si/personal/tinae/515/collecitive%20bargaining%20in%20Slovenia.doc>

adopted based on 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 (Source: Secretariat General of the Government of Republic of Slovenia).<sup>2</sup>

Recently, the tripartite social dialogue came under heavy pressure from so-called “European Semester” mechanisms (Stability and Convergence programs, National Reforms Programmes, Country Specific Recommendations). Apparently, the European Semester instruments mainly ignore the system of tripartite social dialogue, due to the fact, that all the documents, prepared within the European semester, are not sufficiently coordinated within the tripartite social dialogue.

• **Social security system – coverage and unpaid social contributions**

	2009	2010	2011	2012	2013
<b>Compulsory health insurance</b>	No data available  85,336,416 € of unpaid employers' contributions (June 2009, Tax administration of Republic of Slovenia, 2009).	No data available  96,470,843 € of unpaid employers' contributions (June 2010, Tax administration of Republic of Slovenia, 2010).	19,525 persons without compulsory health insurance (September 2011) Slovenia (ZZZS, 2011).  102,980,119 € of unpaid employers' contributions (June 2011, Tax administration of Republic of Slovenia, 2011).	19,045 persons without compulsory health insurance (ZZZS, 2012)  135,463,549 € of unpaid employers' contributions (July 2012; Tax administration of Republic of Slovenia)	No data available  142.427.954 € of unpaid employers' contributions at the end of June 2013; Tax administration of Republic of Slovenia, 2013)
<b>Pension and invalidity insurance</b>	889,793 persons in the pension and invalidity insurance system, 691,785 persons in paid employment at legal entities (October 2009).  175,732.140 € of unpaid employers' contributions (June 2010, Tax administration of Republic of Slovenia, 2010).	881,997 persons in the pension and invalidity insurance system, 686,219 persons in paid employment at legal entities (October 2010).  201,608,417 € of unpaid employers' contributions (June 2010, Tax administration of Republic of Slovenia, 2010).	869,638 persons in the pension and invalidity insurance system, 672,723 persons in paid employment at legal entities (October 2011).  221,982,405 € of unpaid employers' contributions (Tax administration of Republic of Slovenia, June 2011)	848,499 persons in the pension and invalidity insurance system; 657,728 persons in paid employment at legal entities (October 2012)  267,094,969€ of unpaid employers' contributions at the end of July 2011 (Tax administration of Republic of Slovenia, 2012)	833.063 persons in the pension and invalidity insurance system; 649.675 persons in paid employment at legal entities (October 2013)  298.386.400 € of unpaid employers' contributions at the end of June 2013 (Tax administration of Republic of Slovenia, 2013)
<b>Unemployment insurance</b>	542,942 € of unpaid employers' contributions (June 2010, Tax administration of Republic of Slovenia, 2010).	751,603 € of unpaid employers' contributions (June 2010, Tax administration of Republic of Slovenia, 2010).	1,011,534 € of unpaid employers' (Tax administration of Republic of Slovenia, June 2011).	2.210.287 € of unpaid employers' at the end of June of 2012 (Tax administration of Republic of Slovenia, 2013).	2.117.336 € of unpaid employers' at the end of June of 2013 (Tax administration of Republic of Slovenia, 2013).

<sup>2</sup> [http://www.gsv.gov.si/en/economic\\_and\\_social\\_council/](http://www.gsv.gov.si/en/economic_and_social_council/)



Source: Institute for Pension and Disability Insurance of Slovenia 2013, Tax Administration of the Republic of Slovenia, Institute for health insurance of Slovenia, 2013

- **Education and vocational training**

Preschool education (1-5 years) is an integral part of the overall education system, integrating centre-based childcare and early general pre-school education. These programs are carried out by public and private pre-school entities; pre-school units can be part of primary schools, privately run pre-schools or individual teachers at a child minder's families. The Ministry of Education and Sport is in charge of the formation of staff, programs and aids to particular groups of children. The municipalities are the main founders and direct providers of services. Pupils aged 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 they enter post-compulsory education/upper secondary and post-secondary level. Tertiary education in Slovenia comprises higher vocational college education and higher academic and professional education. Higher vocational colleges that offer two-year vocational education (120 ECTS) at the sub-degree level (short-cycle, ISCED level 5B) provide higher vocational education. Higher vocational colleges issue a diploma, stating the field of education, and a Diploma Supplement in the Slovene language and in one of the EU languages. Joint study programs are also possible. Public or private universities and single higher education institutions offer the traditional higher education study programs.<sup>3</sup>

The Vocational Education Act (enacted in 2006) governs upper secondary vocational and technical education and training. According to the new Act all courses must be evaluated with credit points (1 credit point equals to 25 hours of coursework) (Ministry of Education and Sport, 2009).

In December 2013 the National Assembly adopted changes to the Post-Secondary Vocational Education Act, giving it a larger role in the National Agency for quality in higher education (NAKVIS) and is also began addressing the problem of so-called fictitious enrolments.

- **Employment rate (Q3)**

	2009	2010	2011	2012	2013
<b>Employment rate, in %</b>	68,3	66,3	65,1	64,2	64,5

Source: EUROSTAT, 2013 Age: from 15 to 64

### Persons in employment

	2009 M12	2010 M12	2011 M12	2012 M12	2013 (M11)
<b>Persons in employment</b>	752,444	730,552	723,042	699,898	701,549

Source: SORS, 2013

- **Unemployment rate (ILO methodology)**

	2009 M12	2010 M12	2011 M12	2012 M12	2013 M13
<b>Unemployment rate (%)</b>	6,3	7,9	8,6	10,0	10,1

Source: EUROSTAT, 2014

<sup>3</sup>[http://eacea.ec.europa.eu/education/eurydice/documents/eurybase/national\\_summary\\_sheets/047\\_SI\\_EN.pdf](http://eacea.ec.europa.eu/education/eurydice/documents/eurybase/national_summary_sheets/047_SI_EN.pdf)

### Number of registered unemployed people (ESS)

	2009 M12	2010 M12	2011 M12	2012 M12	2013 M12
<b>Number of registered unemployed people</b>	96.672	110.021	112.754	118.061	124.015

Source: ESS, 2014

- **Average gross monthly salary**

	2009 M12	2010 M12	2011 M12	2012 M12	2013 (M11)
<b>Average gross monthly salary, in €</b>	1488,19	1534,04	1546,09	1534,54	1617,19

Source: SORS, 2014

- **Average net monthly salary**

	2009 M12	2010 M12	2011 M12	2012 M12	2013 (M11)
<b>Average net monthly salary, in €</b>	957,14	988,96	999,33	1000,21	1044,89

Source: SORS, 2014

- **Gender pay gap**

	2009	2010	2011	2012	2013
<b>Average gross monthly level of earning, men, in €</b>	1,499	1,574	1,616	1,639	No data available
<b>Average gross monthly level of earning, women, in €</b>	1,454	1,519	1,542	1,555	No data available

Source: SORS, 2013

According to the provisional data concerning annual structure of earnings statistics, obtained from the existing administrative sources, in 2012 the average annual gross earnings of men calculated at a monthly level amounted to 1.639 EUR, while the average annual gross earnings of women calculated at monthly level amounted to 1.555 EUR. Because these are average values, it is necessary to point out that the reason for these differences lies within different educational, occupational and age structures. The difference between men's and women's earnings expressed in percentage points was again highest in the Health and Social services sectors, where women had on average 26.5% lower earnings. The difference was slightly smaller in the financial and insurance field, where, on average, women had 24.9% lower earnings than men; the reason being the different share of men and women in these jobs and their different occupations. In the field of Human Health and Social Work more than four fifths of the persons in paid employment were women and less than one fifth were men, while in the financial and insurance industries almost two thirds of the persons in paid employment were women and a little more than a third men. Women in lower paid jobs decreased their average earnings and increased the difference between men and women's earnings.

The difference between men's and women's earnings was the lowest in the real estate sector, with a difference in favour of men of only by 6.1% or 98 EUR. The difference was by about 0.4 of a percentage point higher in public administration and defence and compulsory social security sectors (by 6.5% or 121 EUR).

The difference between men's and women's earnings was the lowest in the electricity, gas, steam and air conditioning supply industries: 2.9% or 65 EUR in favour of men.

The difference was by about 4 percentage points higher in public administration, defence and compulsory social security sectors (by 6.9% or 132 EUR).

In 2012 women had higher gross earnings than men again in construction (by 18.4%), in transportation and storage (by 16.1%) and in water supply, sewerage, waste management and remediation sectors (by 14.8%). The reason for the difference in these sectors was also the different shares of men and women, because in all three, women were in the minority and mainly did better paid work (SORS, 25<sup>th</sup> September 2013).

- **Minimum wage (M12)**

	2009 M12	2010 M12	2011 M12	2012 M12	2013 M12
<b>Minimum gross wage (M12)</b>	597,43	734,15	748,10	763,06	783,66

Source: Tax Administration of the Republic of Slovenia, 2013

- **Actual weekly working hours**

	2009 Q3	2010 Q3	2011 Q3	2012 Q3	2013 Q3
<b>Actual weekly working hours</b>	31,3	31,6	31,4	32,7	32

Source: SORS, 2013

According to provisional data, persons in employment in Slovenia in the 3rd quarter of 2013 worked 240 million hours, which is 0.8% more than in the same period of the previous year. After the start of the economic crisis this is only the second increase in the total number of hours worked; the first increase was recorded in the first quarter of 2012 (by 0.9%). The total number of hours worked in the period from January to September 2013 was 1.7% lower than in the same period of 2012.

In the 3rd quarter of 2013 in most sectors more hours were worked than in the same period of the previous year. The largest increase was observed in administrative and support service sectors (by 4.0%), followed by information and communication sectors (by 3.6%). Five sectors recorded a decline in hours worked, namely mining and quarrying (by 6.6%), construction (by 2.3%), financial and insurance (by 2.0%), real estate (by 1.0%) and public administration, defense, compulsory social security (by 0.4%).

In the 3rd quarter of 2013, a person in employment worked a monthly average of 117 hours, which is 3 hours more than in the same period of 2012. In the period from July to September 2013, persons employed in agriculture, forestry and fishing – with a monthly average of 134 hours did the largest amount of work. In contrast, the lowest monthly average of hours worked was recorded by persons employed in education, i.e. on average 100 hours per month (SORS, 27<sup>th</sup> December 2013).

- **Regular work / atypical work**

	2009 Q4	2010 Q4	2011 Q4	2012 Q4	2013 (Q3)
<b>Temporary employees as a percentage of the total number of employees</b>	17.0	16.5	19.2	16.5	17,9
<b>Part-time employment as a percentage of the total employment</b>	9.8	9.9	9.7	9.3	9,7

Source: EUROSTAT, 2014

According to the data from Kramberger (2012) the central part of the Slovenian labour market with full time employment and permanent contracts represents 60% actual work places. Other 40% are part of precarious jobs segment.

According to the EUROSTAT data, in the 4<sup>th</sup> quarter of 2013 the share of temporary employment in the Slovenian labour market was 17,9%, which is higher than EU28 average, which stands at 14,2% (Q3 2013). The biggest problem is the extremely high incidence of temporary employment among young workers. According to the same EUROSTAT data, 92% of women aged 15 – 24 are working on temporary employment (Q3 2013) status, which is more than twice the EU27 average of 44.3% (Q3 2013).

Slovenia has 9.7% of workforce, aged 15-64 in part time employment, which is lower than the EU28 average of 19,2% (Q3 2013). But the incidence of part time employment is, as mentioned, very high among young people between 15 and 24 year old – 38,9% (Q3 2013), which is considerably higher than the EU28 average of that age group at 30.6% (Q3 2013).

Another point of reference is the use of TAW (temporary agency work) is getting more and more popular among employers. Despite the new legal regulation imposed on TAW in 2010, the number of TAW positions as of the 11<sup>th</sup> of November was 213 214. We will have to wait to see the first effects on the new set of regulations on the use of TAW, imposed through the changes of LMRA.

- **Migration**

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Immigration from abroad	9134	9279	10171	15041	20016	29193	30693	30296	15416	14083	15022

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Emigration to abroad	5867	8269	8605	13749	14943	12109	18788	15937	12024	14378

Source: SORS, 2013

- **Human Development Index (HDI)**

	2009	2010	2011	2012	2013
HDI rank	29	29	21	21	No data
HDI value	0,876	0,828	0,884	0,892	No data

Source: UNDP, 2013

- **GINNI- coefficient (GC)**

Year	2009	2010	2011	2012
GC, EU27	30,4	30,4	30,7	30,6
GC, Slovenia	22,7	23,8	23,8	23,7

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 were senior management rather than 'regular' employees. (Worker participation, 2010)<sup>4</sup>

<sup>4</sup> <http://www.worker-participation.eu/National-Industrial-Relations/Countries/Slovenia/Collective-Bargaining>

- **Ongoing important collective bargaining agreements - 2013**

Official Gazette No.	Day of publishing	Collective agreement	
4 / 2013	18 <sup>th</sup> January 2013	Annex to the collective agreement for communal activities in Slovenia	Extension of validity until 31.12. 2013
30 / 2013	12 <sup>th</sup> April 2013	Annex to the collective agreement for wood activities in Slovenia	Increase in minimum basic wages
32 / 2013	19 <sup>th</sup> April 2013	Attachment to the collective agreement for electricity activities in Slovenia	Increase in minimum basic wages, change in holiday pay and travel expenses, determination of certain settings of minimum wages
47 / 2013	31 <sup>st</sup> May 2013	Changes of the Tariffs Annex to the collective agreement in trade sector in Slovenia	Increase in minimum basic wages, change in holiday pay
51 / 2013	14 <sup>th</sup> June 2013	Attachment to the collective agreement for metal industry in Slovenia	Increase in minimum basic wages, change in holiday pay and travel expenses,
55 / 2013	28 <sup>th</sup> June 2013	Collective agreement for the Slovenia's Industry of Extraction and Processing of Non-metallic Minerals	New collective agreement
59 / 2013	12 <sup>th</sup> July 2013	Changes of the Tariffs Annex to the collective agreement for metal materials and foundries	Increase in minimum basic wages, change in holiday pay and travel expenses
75 / 2013	9 <sup>th</sup> September 2013	Cancellation of the collective agreement for building sector	Cancellation of the collective agreement for building sector from the employers side with three months' notice period
92 / 2013	8 <sup>th</sup> November 2013	Collective agreement for trade and entrepreneurship	New collective agreement
110 / 2012	27 <sup>th</sup> December 2013	Collective Agreement on tourism and hospitality	New collective agreement
111 / 2013	27 <sup>th</sup> December 2013	Annex no. 2 to the collective agreement for communal activities in Slovenia	Extension of validity until 31.12. 2014

Source: ZSSS, 2013

- **Trade unions density**

According to available studies from the Centre for Public Opinion Research between 1991 and 2008 the overall trade union density rate from reduced from an 'initial' 66.5% to 26.6% (as measured from February 2008 - most recent data available). 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). In absolute numbers the biggest trade union; the Association of Free Trade Unions of Slovenia – ZSSS has 170,000 members, according to 2012 numbers.

- **Employers' organizations density**

Available public data reveals that Employers association of Slovenia has 1,300 members, which are organised in 11 sections. The Chamber of Commerce has around 9.000 members and the Chamber of Craft and Small Business has 52.000 members.

- **Workplace representation**

Both the union in the workplace and the works council provides workplace level representation in Slovenia. 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, 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 continues 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 unions themselves set the numbers and structures of trade union representatives at the workplace. 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 the 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**

Trade Union confederation / association	Number of members	Member of international trade union organisations
Zveza svobodnih sindikatov Slovenije - ZSSS (Association of Free trade unions of Slovenia)	170,000 (2012)	European Trade Union confederation - ETUC
Konfederacija sindikatov javnega sektorja - KSJS (Confederation of public sector trade unions)	73.421	/
Konfederacija sindikatov Slovenije PERGAM (Confederation of trade unions of Slovenia PERGAM)	19,000 (2008)	UNI global unions
Konfederacija sindikatov 90 Slovenije – KS 90 (Confederation of trade unions 90 Slovenia)	No data available	No data available
NEODVISNOST, Konfederacija novih sindikatov Slovenije (Neodvisnost, confederation of new trade unions of Slovenia)	19,000 (2008)	No data available

Slovenska zveza sindikatov ALTERNATIVA (Slovenian association of trade unions Alternativa)	3,100 (2008)	No data available
Zveza delavskih sindikatov Slovenije – SOLIDARNOST (Association of workers trade unions of Slovenia Solidarnost)	3,100 (2008)	No data available
Zveza reprezentativnih sindikatov Slovenije (Association of representative trade unions of Slovenia)	No data available	No data available

Source: internal data, EUROFOUND

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. Currently, the list of representative trade unions comprises 45 representative trade union confederations, associations and autonomous trade unions. Eight of these trade union associations are representative at the national level (table, page 15). Overall, there were 2.892 registered trade unions in Slovenia in 2013 (AJPES, 2013).

Two of the biggest trade unions are Sindikat kovinske in elektro in industrije (Trade union of metal and electrical industry – SKEI), which is a member of ZSSS and Sindikat vzgoje in izobraževanja (Trade union of Education – SVIZ), which is a member of KSJS. SKEI has approx. 32.000 members and is a member of International trade union organization IndustriAll. SVIZ has 39.127 members and is a member of international trade union organization Education international.

- **Employer's organizations**

Employer's organisation	Number of members	Member of international employer's organisations
Združenje delodajalcev Slovenije - ZDS (Employers association of Slovenia)	1,300	BUSINESS EUROPE
Gospodarska zbornica Slovenije - GZS (Chamber of commerce and industry of Slovenia)	ca. 9.000 <sup>5</sup>	A.I.E.C.E. (Association d'Institutes Economiques de Conjoncutre Economique) EUROCHAMBRE I.C.C (International Chamber of Commerce)
Obrtno podjetniška zbornica Slovenije - OZS (Chamber of craft and small business of Slovenia)	52.000 <sup>6</sup>	No data available
Trgovinska zbornica - TZS (Chamber of commerce of Slovenia)	ca. 5.800 <sup>7</sup>	Section of direct sale is a member of FEDSA - Federation of European Direct Selling Associations  Section of Slovenian franchise companies is a member of EFF -The European Franchise Federation
Združenje delodajalcev obrti in podjetništva - ZDOPS (Association of Craft and Small Business Employers)	No data available	European Economic and Social Council - EESC (representative)

Source: websites of employers' organisations

<sup>5</sup> Full register of its members available at: <http://www.gzs.si/slo/57043>

<sup>6</sup> Basic informations available at: <http://www.ozs.si/Ozbornici/Predstavitev.aspx>

<sup>7</sup> Full register of its members available at: [http://www.tzslo.si/pic/pdf/objava\\_clanov-2013.pdf](http://www.tzslo.si/pic/pdf/objava_clanov-2013.pdf)