

2017

SLOVAKIA

By Samuel Filadelfi

Socio-economic developments

Industrial relations

Forecasts

Annual Review

of Labour Relations and Social Dialogue

State policies

Tripartite social dialogue



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- Recent figures in the Slovak Republic show GDP growth at the level of 3.1 per cent. Slovakia's balance of payments was in red figures and the inflation rate reached 0.5 per cent. The minimum wage was raised first to the level of €435 in 2017 and as of 1 January 2018 it increased to €480. A significant rise in the level of employment and a fall in unemployment demonstrate the healthy condition of the economy in the Slovak Republic, which has been reflected positively on the falling number of inhabitants endangered by poverty. The gross average monthly wage between 2015 and 2016 rose from €883 to €912 and in Q2 2017 it reached €944. When it comes to income inequality the Slovak population has a relatively equal income compared to other OECD countries. A worse situation can be observed regarding the gender pay gap: when comparing the female vs. male wage ratio, the former earn roughly 77 per cent compared to the latter and the figure has remained unchanged in the recent past.
- In the field of strikes, the most resonating strike was the one in Volkswagen that lasted from 20 June to 25 June 2017 and resulted in the unions achieving a gradual wage increase of 14.12 per cent over the period of three years and a one-off payment of €500. A major reform in the system of collective bargaining was adopted in Act No. 183/2017 Coll. that changes and amends Act No. 2/1991 Coll. on Collective Bargaining, as the so-called representative branch-level collective agreement was established.
- In terms of social policies, changes took place in increasing the pension age, increasing the maternity allowance and the subsistence minimum as well as child benefits. Also, the amount of the maximum assessment base for purposes of social insurance was raised from 5-times to 7-times the average monthly wage. An important change in the system of education was the implementation of the possibility to establish a shared class in Secondary Vocational Schools for several vocational specialisations.

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- [Collective bargaining](#), social dialogue, social security, education & vocational training, employment, wages
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Socio-economic developments

During the monitored period, that is between Q3 2016 and Q2 2017, there has been consistent growth in GDP. The year-on-year GDP increase during this period was relatively stable. During almost all the monitored quarters, it grew by 3.1 per cent year-on-year with the figure in Q4 2016 being the only exception, reaching only 2.9 per cent. Seasonally adjusted GDP grew throughout the whole monitored period. In Q3 2016, it amounted to €18,613.7 million and at the end of the monitored period in Q2 2017 it has already reached €21,195.5 million. Gross domestic product in current prices for 2016 amounted to € 81,154.0 million that exceeds the figure from 2015 by €2,468.4 million.

Information on foreign direct investments (FDI) is published by the National Bank of Slovakia. FDI bring capital to the country and its respective regions in a close connection with new technology and new jobs. To a large degree, the Slovak economy and its growth depend on the influx of foreign direct investments. It is exactly the arrival of new investors and the volume of FDI that serve as indicators of the country's attractiveness and success and are linked to its future positive development. The Slovak Republic enjoys comparative advantages, such as its convenient geographical position, relatively cheap and skilled labour that is characterised by a high level of labour productivity, membership in the EU and the euro zone and political stability. Data on the volume of FDI is published with some delay, therefore the most recent available information is for 2015, when the volume of FDI in the Slovak Republic reached €42,265.45 million and most of it was directed to Bratislava. This represented a year-on-year increase in FDI of €1,296.21 million.

In Q2 2017, the balance of payments in the Slovak Republic resulted in a negative balance on the current account (€ -325.5 million). This represents a significant change against the previous quarter, when the balance was positive reaching € 30.6 million. The balance on the capital account in Q2 2017 amounted to €379.5 million. The financial account showed a negative balance and between Q1 and Q2 2017, it further fell from € -1,027.5 million to € -1,618.0 million.

The state budget in 2017 remained in deficit and as of 31 October 2017 state expenditures exceeded revenue by €752 million. The Slovak Republic was experiencing deflation from 2014 onwards: it was 0.3 per cent in 2015 and 0.5 per cent in 2016.

According to SARIO, the foreign trade balance in 2016 was active, reaching €3,672.1 million (an increase of €352.9 million compared to 2015). The Slovak Republic exported goods with a value of €70,073.9 million. In comparison to 2015, total exports increased by 3.5 per cent. The Slovak Republic is currently posting consistent wage growth: while in Q1 2017, the average monthly nominal wage amounted to €897, in Q2 2017 it was already €944. Also the increase in the minimum wage can be interpreted as a positive development, as its level increased from €405 to €435 against 2016 and as of 1 January 2018, it increased to €480.

Falling unemployment represents yet another positive moment: after a long period of stagnation, unemployment fell under 9 per cent of the economically active population and in Q2 2017, it fell to 8.1 per cent. This is related to the rising level of employment, which achieved the level of 66.1 per cent in Q2 2017. Based on statistical finding of EU SILC, we know that the number of inhabitants below the poverty line has been falling since 2012. While in 2013, 694,170 persons were below the poverty line defined as 60 per cent of the mean income, in 2014 it was 642,872 persons.

According to OECD, the Gini coefficient in the Slovak Republic fell from 0.269 in 2013 to 0.247 in 2014, which puts Slovakia in second place in terms of income equality in OECD countries after Iceland. However, according to the calculations made by TREXIMA Bratislava, the level of the Gini coefficient in 2014 reached 0.331 and in Q2 2017 it fell to 0.317.



State policies

In 2017, there were several changes in the sphere of social policies. The most substantial changes are related to maternity leave. As of 1 January 2017, the maximum maternity allowance was changed to €1260 per month (in a month comprising 31 days) or €1219.30 (in a month comprising 30 days). As of May 2017, the maternity allowance was further increased as the amount of payment started to be calculated as 75 per cent of the assessment base while in the past it had been 70 per cent of the assessment base.

As of May 2017, the amendment to the Act on Child Benefits entered into force, based on which the child benefit was increased by €10 from €203.20 to the current amount of €213.20. The provision of the Ministry of Labour Social Affairs and Family of the Slovak Republic adopted on 16 August 2017 increased the amount of child benefits to €214.70 and this decision enters into force on 1 January 2018.

As of 1 January 2017, the amount of maximum assessment base for the purposes of social insurance grew from 5-times the average monthly wage to 7-times the average monthly wage. The amount corresponding to 7-times the average monthly wage for the year 2015 is €6,181. The amendment to the Act on Social Insurance effective as of 1 January 2017 resulted in an increase of the assessment base by €1,776. This change applies to every person who earns income exceeding €4,290 per month.

The measure applied by the Ministry of Labour Social Affairs and Family from 19 September 2017 on the adjustment of retirement age and reference age for the year 2018 established that the retirement age was increased by 63 days. The official retirement age for calendar year 2018 is 62 years and 139 days and the reference age for calendar year 2018 is 62 while this provision takes effect on 1 January 2018.

As a standard, the subsistence minimum is adjusted as of 1 July of the current calendar year. After three years of stagnation of this parameter, the Ministry of Labour, Social Affairs and Family again decided to increase the value of the subsistence minimum. The amount of the subsistence minimum is set every year by the Ministry of Labour Social Affairs and Family based on data provided by the Statistical Office of the Slovak Republic according to specific coefficients. These coefficients include growth in the cost of living of low-income households and increase in net monetary income per capita. According to the data from the Statistical Office, the coefficient of the increase in the cost of living of low-income households for the decisive period (in this case April 2017/ April 2016) reached 1.007 and the coefficient of growth of net monetary income per capita for Q1 2017 compared to Q1 2016 stood at 1.0498. Therefore, the amount of subsistence minimum for the first adult natural person in the household increased to €199.48 as of 1 July 2017 and for the second adult person in the household to €139.16 and for a dependent child or provisioned minor to reach €91.06.

On 4 November 2017, Slovakia held regional elections, the so-called elections to the administrative bodies (parliaments and presidents) of self-government regions. The system of voting for the presidents of these regions was changed from the previous two-round system into a single-round system. In five regions, opposition parties won and as a result, the ruling Social Democrats (SMER-SD) lost four of six regions previously controlled by the party. The election turnout reached 29.95 per cent. The highest turnout was registered in the Banská Bystrica region (40.29 per cent) while the lowest was in the Trnava region (24.74 per cent). Overall, there were 92 candidates running for the office of regional presidents, of which only eight were women. In total, there were 2,392 men and 509 women running for MPs in the regional parliaments, out of which 416 were elected to the parliaments (58 women). The top position is held by independent candidates (161 regional MPs) followed by the ruling party SMER-SD party with 89 regional MPs, Christian Democrats (KDH) with 46 regional MPs, the Hungarian Coalition Party (SMK) with 33 regional MPs, Ordinary People and Independent Personalities (OLaNO) with 23 regional MPs, Freedom and Solidarity Party (SaS) with 23 regional MPs, Slovak National Party with 15 regional MPs, Most-Híd party with 10 regional MPs, Nova party with seven regional MPs, Zmena zdola with five regional MPs, Šanca and LSNS with two regional MPs and OKS, NF, Doma dobre and ŠKV each with one regional MP. The relatively high election turnout in the region of Banská Bystrica was caused by voter mobilisation aimed at preventing re-election of the (now former) president of the self-government region – Marián Kotleba from LSNS, the extreme right-wing political party.

An important change was the amendment of the Act on State Service (Act No. 55/2017 Coll.). New principles were added, in particular the principles of professionalism, legality and stability. Next, the act directly stipulates protection of the privacy of state officials. Two new terms have been implemented, that is “redundant state employee” and “graduate”. The act establishes the Council for State Service, which should serve as a coordination and monitoring body independent of political power and also introduces the scope of supervision authority granted to the Office of the Government of the Slovak Republic in relation to compliance with this legislation. The act introduces systemisation of positions in the state administration, which means for example that the respective positions for state officials shall be divided to specify which positions are suitable for fresh graduates. In the field of digitalisation, the act implements the Central Information System for State Service with the register of selection procedures for the respective positions, successful graduates, redundant state employees, vacancies in state administration and state employees.

Industrial Relations

The media intensively covered the strike in the Volkswagen factory in Bratislava, one of the most important employers in the Slovak Republic. The strike lasted from 20 to 25 June 2017. Unionists reached an agreement with the management to gradually increase wages by 14.12 per cent and provided a one-off payment of €500 to their July wage. The new collective bargaining agreement will be valid for more than two years – from 1 June 2017 to 31 August 2019. The collective bargaining agreement contains an increase in tariff wages: (i) 4.7 per cent increase in the tariff-based wages as of 1 June 2017, (ii) 4.7 per cent increase in the tariff-based wages as of 1 January 2018, (iii) 4.1 per cent increase in the tariff-based wages between 1 November 2018 and 31 August 2019. Furthermore, one more day of paid vacation was negotiated, exceeding the legal minimum in 2018 as well as in 2019.

The strike is believed to be very successful and represents a certain milestone. The negotiation on the union side was led by Modern Unions of Volkswagen (MOV - Moderné odbory Volkswagen). Modern Unions were also established in PSA Trnava, the second largest West Slovakian automotive plant. However, the Modern Unions do not act independently; they have become a member of the nascent trade union titled MODERN UNIONS AIOS (MODERNÉ ODBORY AIOS). Besides the automotive industry, this union has also become established in the energy industry with Stredoslovenská energetika - Distribúcia a. s., Žilina becoming one of its partners. Another new and significant employer is Schaeffler Slovensko, s.r.o., which makes this trade union a direct competitor to OZ KOVO (the established Metal Workers' Union).

The Confederation of Trade Unions of the Slovak Republic (KOZ SR) issued a statement on the European Pillar of Social Rights (EPSR) in which it appreciated the initiative. In the context of the initiative by KOZ SR, the government of the Slovak Republic submitted a proposal to work with the Labour Code during the year and to adopt changes improving the social situation of employees with the objective to accelerate convergence with the advanced EU member states. The first proposal deals with the prohibition of social dumping, then follows a more significant increase in minimum wages, an increase in bonuses for night shifts, bonuses for work shifts on Saturday and Sunday, extra bonuses for working during holidays, contribution for travelling/moving because of work, paternal leave and the so-called pre-retirement for the so-called third pension pillar, an early retirement policy that should protect people before reaching retirement age and enable them to retire if they, for example, lose

their job for reasons they did not cause themselves (e.g. coverage of the social insurance payments in case of loss of employment). From the perspective of KOZ SR, the result of a discussion about the EPSR taking 1 1/2 years is insufficient and unsatisfactory. Instead of a social Europe that is getting ready for challenges such as digitalisation, globalisation, and demographic changes and the related initiatives aiming at strengthening of social rights, the European Commission only provided 20 non-committal rights and principles that most member states already guarantee in their constitutions and other legal norms at their respective national levels.

The Confederation of Trade Unions of the Slovak Republic has been pointing out for several years the disproportions in the Act No. 553/2003 Coll. on the Remuneration of Certain Employees at Performing of Work in Public Interest. The main objection of the Confederation is the set-up of the tariff system, where the greatest shortcoming is the large number of tariff categories which fall under the level of the minimum wage. This lacks internal and external fairness in compensation; evaluation of employees fails to meet its purpose and the motivational effect of compensation is thus lost, in particular when looking at low-income positions. At the same time, the system does not facilitate attracting and keeping highly-qualified employees. Meetings of state employees were held during November in the largest cities.

The national project titled Centre of Social Dialogue II represents an important effort. Its objective is to deepen and combine practical experience and skills of persons active in organisational structures of social partners not only in the sphere of collective bargaining but also when shaping social partnerships within the framework of social dialogue at all its levels by way of education as building the professional capacity of social partners. The goal is to establish space for negotiation between social partners while increasing the effectiveness and quality of prepared legislation at the tripartite level and building of professional capacity of the respective social partners. Supporting mechanisms for the development of structures in social dialogues will be established together with space facilitating transfer and mobility of experience, good-practice examples and know-how from abroad to Slovakia.

In 2017, OZ KOVO organised a petition for earlier retirement. OZ KOVO suggested that implementation of the maximum threshold for retirement at age 64 and also that the law defines the conditions allowing employees to go on the so-called pre-retirement (a form of early retirement) after reaching the minimum age of 59 if meeting all the legal conditions.

In the context of employment of foreign nationals, a protest by employees of FM Slovenská was organised. The reason was the preference given to Serbian agency workers in comparison to Slovak employees as well as a failure to abide by the applicable collective bargaining agreement. The collective bargaining agreement was breached as it includes a clause on preferential filling of positions by internal employees of the company. However, the management failed to offer the newly-created

positions to internal employees and preferred temporary employees from Serbia. These employees work 12-hour shifts 5 days a week, they receive food tickets in the minimum amount (half the amount given to the internal employees). The protesting workers demanded that these Serbian employees also work with the same conditions as the domestic employees; otherwise, there is the risk that cheaper labour will gradually replace the Slovak employees.

Tripartite Social Dialogue

In 2017, 11 official tripartite negotiations took place in the Economic and Social Council of the Slovak Republic. The first important topic was closing of retail shops during official holidays; however, selling is allowed in Slovakia only employees cannot be forced to work during holidays. Other addressed issues were related to branch-level minimum wages. The Ministry of Labour Social Affairs and Family expects that by the end of 2017, the social partners could reach mutual agreement that will be then reflected in preparation of the necessary legislative changes in this field. The tripartite also made comments on the representative collective bargaining agreements whose form appears to be unsuitable for the Federation of Employers' Associations of the Slovak Republic (abbreviated as AZZZ SR), the National Union of Employers (abbreviated as RÚZ) as well as the Confederation of Unions of the Slovak Republic (abbreviated as KOZ SR). Among the topics discussed, paternal leave of 10 days dominated; however, it was marginalised as the facilitation of the mother's return to employment after the maternity leave appeared to be a more important aspect.

Another important point discussed was the obligation to publish the offered salary when advertising vacant positions, where AZZZ SR and KOZ SR adopted different positions: KOZ SR expressed their agreement with the suggestion. Similar disagreement appeared when discussing the mobility of employees from third countries where KOZ SR and the Ministry of Labour Social Affairs and Family expressed their positions that the priority should be to activate the labour available in the Slovak Republic. The representatives of employers commented that the proposal for making the 13th salary official is a political move. Unions (KOZ SR) basically agree with the concept of the 13th salary; however, they would appreciate increasing of the non-taxable part of the tax base. Still, the greatest discussion and disagreement was caused by the proposal to increase the minimum wage for 2018. The increase of the minimum wage to €480 seemed too high to the employers (AZZZ SR) while their arguments included economic development and presenting of relevant indicators. However, the unions (KOZ SR) did not agree with the proposed amount either and presented a

higher proposal (€492) without closer specification. The Union of Cities and Municipalities of Slovakia (ZMOS) agreed with the motion while the other employers' association (RÚZ) failed to adopt an official position, only commenting that it is a shame that the minimum wage is perceived as a political issue and not an economic one.

Also, 2017 saw the organisation of the historically-second Czech and Slovak tripartite meeting. An agreement was reached on the respective points for negotiation. The partners welcomed the founding of the European Pillar of Social Rights and agreed on the demand for the inclusive character of the discussion on the social dimension. The tripartite partners called for negotiation with the representatives of the European Commission to address the issues arising from the proposed Directive on Posting of Workers and from application of the national legislation of some countries directed at limitation of free movement of services and workers in the EU. The partners agreed on the need to carefully prepare for the consequences of digitalisation and the challenges brought by the so-called 4th industrial revolution (Industry 4.0) as well as on the needs for the exchange of information in the future.

Forecasts

From the perspective of the National Bank of Slovakia, the forecast for the Slovak economy after 2017 appears to be quite favourable. The estimated GDP growth for 2018 is as high as 4.2 per cent, representing a substantial increase on 2017 (3.1 per cent). For 2019, the National Bank of Slovakia expects an even further increase to 4.6 per cent. For 2017 inflation should be at 1.2 per cent while in the following years it is expected to grow;

in 2018 it should reach 1.8 per cent and in 2019 it is estimated to slightly increase to 1.9 per cent. Also, the National Bank of Slovakia anticipates an increase in employment – it should be growing throughout the whole analysed period of time; however, the pace is expected to slow down from 1.3 per cent in 2017 to 0.9 per cent in 2019. This is related to the reduction in the unemployment rate which should fall to 7.7 per cent by 2019.

Annex - Information about:

- Collective bargaining system

In the Slovak Republic, collective bargaining is governed by Act No. 2/1991 Coll. on Collective Bargaining as amended. However, collective bargaining is also incorporated in the Constitution of the Slovak Republic, specifically in Article 37. The act quite precisely defines all relevant terms and procedures. A major change in the system was the adoption of Act No. 183/2017 Coll. which changes and amends Act No. 2/1991 Coll. on Collective Bargaining. Under this act, the representative branch-level collective bargaining agreement is a branch-level collective agreement entered into between “an organisation of employers (as the first party), which associates employers with NACE code at the divisional or group level identical to the labelling of the branch industry or its part for which the pertaining branch-level collective bargaining agreement is concluded, who employ a larger number of employees than employers associated in another employers’ organisation, who entered into another branch-level collective bargaining agreement in the same industry or its certain branch with NACE code at the divisional or group level identical to the labelling of the branch industry or its part for which the pertaining branch-level collective bargaining

agreement is concluded and (as the other party) a higher union body of the unions’ organisation which associates unions active in more than 30 per cent of the employers listed in the register of employers in the calendar year preceding the year in which the notification was delivered, who were a party to an enterprise-level collective bargaining agreement or asked for an intermediary with the purpose of entering into such agreement; the above condition that associated unions are a party to an enterprise-level collective bargaining agreement or ask for an intermediary with the purpose of entering into such agreement shall be regarded as complied with if, as of the date of notification, the given trade union organisation has been active for less than 24 months in the employer’s organisation listed in the register of employers or if a joint notification of parties to a branch-level collective bargaining agreement has been delivered.” This means that a branch-level collective bargaining agreement is representative in a specific industry or its part, where it complies with the conditions listed in the above paragraph. A representative branch-level collective bargaining agreement is binding for other employers and their employees in the industry or its part for which it has been concluded.

- System of tripartite social dialogue

The tripartite social system in the Slovak Republic is governed by Act No. 103/2007 Coll. on Tripartite Consultations at the National Level and on Amendments and Supplements to Certain Laws (the Tripartite Act). This tripartite system was established only in the 1990s as this form of social dialogue did not exist during the socialist era and started as voluntary social dialogue between the government, employers and the trade unions. The Economic and Social Council of the Slovak Republic serves as the negotiation platform and consultancy body of the government and the two other partners; it was established by the Tripartite Act and comprises 21 members. The act further defines the respective authorised representatives: the government, representative employers’ associations (must associate several industries or span at least across five Slovak regions and employ at least 100,000 employees) and the representative trade unions (from various

industries with at least 100,000 union members). The purpose of the Tripartite Act is to “support an efficient nationwide social dialogue between the state, employers and employees by way of their representatives as a democratic tool for achieving economic and social development, growth in employment and provision of social peace”. The authorised representatives of tripartite dialogue can enter the process of drafting legislation by way of intradepartmental amendment procedures in relation to labour, social and employment policy legislation. The authorised representatives of tripartite dialogue can also influence issues such as income, cost of labour and the systems of social security, sickness and health insurance. The authorised tripartite representatives can also actively comment on any legislation related to taxes on wages, development of educational system and professional training of employees. The act has not been amended or modified in the past 12 months.

- Social security system

In the Slovak Republic, the law requires all employees to have social insurance; this includes health insurance and social security insurance (that also includes hospitalisation

insurance, retirement insurance, disability insurance, unemployment insurance, guarantee and accident insurance as well as the solidarity reserve fund).

- Education and vocational training

In the sphere of education and vocational training, Act No. 178/2017 Coll. was adopted changing and amending Act No. 245/2008 Coll. on Education and Training (Education Act) and on changes and amendments to some other acts as amended. The new act enables Secondary Vocational Schools (abbreviated in Slovak as SOŠ) to establish joint classes for several vocational specialisations. This was a step to satisfy the requirement of employers who were asking authorities to arrange teaching of specific skills (and the related specialisations in vocational education) lacking in the regions. However, parents and students did not show much interest in these specialisations, even though employers showed willingness to provide the students with professional practice within the framework of dual education. It turned out to be a problem to attract at least eight students per specialisation, also in the case of regions with mixed nationalities where students attend subjects taught in different languages which resulted in undesired splitting of groups. Also, Act No. 182/2017 Coll. was amended resulting in change and amendment of Act No. 597/2003 Coll. on Financing of Elementary and Secondary Schools and Educational Facilities and on changes and amendments to some other acts as

amended. Here, new contributions were implemented into legislation, such as allowance on transportation, allowance on outdoor courses of physical activities, allowance for outdoor education (the so-called School in Nature concept) allowance for textbooks and allowance for education in a special field of interest. Simultaneously, consistent with this amendment “on the basis of an application of a founder of a public school, the (Education) Ministry may allocate from the ministerial chapter in the budget as well as from the chapter of the Interior Ministry funds for personal costs of teacher assistants for pupils with disability”. The Ministry of Education, Science, Research and Sports has published the National Program for Development of Education and Training titled “Learning Slovakia” (Slovak: “Učiace sa Slovensko”) which should form the basic starting point for executing essential school reform. The document was elaborated based on theses for regional schools and universities, which the team of experts submitted for comments procedures in October and November 2016. In September 2017, the authors processed the final version of “Learning Slovakia” as the proposal of the National Program for Development of Education and Training in Slovakia until Year 2027.

- Employment rate

Employment rate (%)	2014	2015	2016	2017 Q2
	61.0	62.7	64.9	66.1

Source: Statistical Office of the Slovak Republic.

* The most recent data

- Unemployment rate

Unemployment rate by age groups	2014	2015	2016	2017 Q2*
General	13.2	11.5	9,7	8.1
15 - 19 years	56.0	53.2	44.1	40.6
20 - 24 years	27.1	23.9	19.7	15.7
25 - 29 years	16.1	12.2	11.4	9.5

Source: Statistical Office of the Slovak Republic.

* The most recent data

- Average monthly wage

Average monthly wage (€)	2014	2015	2016	2017 Q2*
	858	883	912	944

Source: Statistical Office of the Slovak Republic.

* The most recent data

- Gender pay gap

Income difference between males and females in the Slovak Republic has remained stable during the monitored period, fluctuating between 77.0 per cent and 77.7 per cent. In 2014, wages of women represented 77.0 per cent of the wages paid

to men, one year later, the share increased to 77.7 per cent. In Q2 2016 a slight decline to 77.6 per cent was observed which continued to Q2 2017, when the share of wages paid to women reached 77.4 per cent of the male wages.

- Monthly minimum wage

Monthly minimum wage (€)	2014	2015	2016	2017 Q2*
	352	380	405	435

Source: Ministry of Labour, Social Affairs and Family of the Slovak Republic

- Actual weekly working hours

In terms of weekly working hours, based on agreements entered into between employees and employers, no significant changes in the weekly working hours have been observed. Between 2014 and 2015 the overall working time fell negligibly from 37.52 hours per week to 37.50 hours per week. In 2016 it fell further to 37.49 hours per week and this

value remained also in Q2 2017. In full-time agreements, the weekly working hours between 2016 and Q2 2017 fell from 38.37 to 38.35 hours per week. The most significant changes were observed in part-time agreements, where the number of hours grew from 25.79 hours in 2015 to 26.4 hours in Q2 2017.

- Normal work/atypical work

Normal work/atypical work	2014	2015	2016	2017 Q2*
Full-time	92.5%	91.6%	91.4%	91.9%
Part-time	7.5%	8.4%	8.6%	8.1%

Source: TRIXIMA Bratislava

* The most recent data

- Migration

Migration	2014	2015	2016	2017 Q2*
	5 419	5 149	5 357	6 997

Source: Statistical Office of the Slovak Republic

* The most recent data

- Human Development Index

HDI	2012	2013	2014	2015*
Index	0.836	0.839	0.844	0.845
Ranking	36	36	35	40

Source: Human development report

* The most recent data

- Gini-coefficient

Gini coefficient	2014	2015	2016	2017 Q2*
	0.331	0.328	0.322	0.317

Source: TRIXIMA Bratislava

* The most recent data

- Collective agreement coverage

Collective agreement coverage	2014	2015	2016	2017 Q2*
Private sector	49.7%	50.1%	49.0%	47.0%
Public sector	87.2%	87.1%	83.9%	79.2%

Source: TRIXIMA Bratislava

* The most recent data

- Ongoing important collective bargaining agreements

During the monitored period, the following important branch-level collective bargaining agreements were entered into:

- Branch-level collective bargaining agreement for the period from 1 January 2017 – 31 December 2019 between the Association of Trade and Tourism of the Slovak Republic and Unions of Workers in Trade and Tourism
- Branch-level collective bargaining agreement for the woodworking industry in Slovakia for the year 2017 between the Association of Woodworking Companies of the Slovak Republic and the Trade Unions of Wood, Forests, Water (Slovak: Odborový zväz drevo, lesy, voda)
- Branch-level collective bargaining agreement for the period of 1 April 2017 – 31 December 2017 between Slovak Association of Insurance Companies and the Trade Union of Workers in Finance and Insurance
- Branch-level collective bargaining agreement for the years 2017 - 2018 between Trade Union of Workers in Food Industry of the Slovak Republic and Slovak Association of Sugar Mills
- Branch-level collective bargaining agreement for the years 2017 - 2018 between Trade Union of Workers in Food Industry of the Slovak Republic and Slovak Association of Beer and Malt Producers
- Branch-level collective bargaining agreement for the years 2017 - 2019 between Trade Union KOVO and the Association of Glass Industry of the Slovak Republic
- Branch-level collective bargaining agreement in state services for the year 2017
- Branch-level collective bargaining agreement for the employers who compensate employees subject to Act No. 553/2003 Coll. on the Remuneration of Certain Employees at Performing of Work in Public Interest for the year 2017
- Branch-level collective bargaining agreement for the members of the Police Force for the year 2017

• Trade union density

The Annual Report on Working Conditions and Costs of Enterprise Social Policies allows us to take a closer look at the situation from the perspective of the share of unionised employees. In all economic subjects in the private sector with more than 100 employees, where union organisations are active, 49.2% of the total number of employees in Q2 2017 were organised. No major changes were observed in the public sector, still, the trend was rather volatile. While in

2014 the share of employees in organisations where unions were active reached 90,6 %, in 2015 this only applied to 87,3 % and in 2016 this share dropped further to 86,4 %. Similarly, according to an estimate of Ludovit Cziria from the Institute for Labour and Family Research, the overall trade union density in 2007 was about 20 % and decreased to about 12 % in 2015.

• Employers' organizations density

At the moment, two important employers' associations operate in the Slovak Republic: The National Union of Employers (in Slovak as Republikova únia zamestnávateľov) and the Association of Employers' Federations of the Slovak Republic (in Slovak as Asociácia zamestnávateľských zväzov a združení Slovenskej republiky). Most recently, also a third employer stakeholder would like to participate in tripartite negotiations: the Association of Industrial Unions (Asociácia priemyselných zväzov). However, the only employers' organisation that published in its website specific information about the

number of employees and organisations is the National Union of Employers, which claims that its members and member associations are in approximately 1,300 economic subjects with almost 230,000 employees. The Union of Cities and Municipalities of Slovakia (ZMOS) enjoys a special status; although it is not a direct social partner based on the legislation, it cooperates with the Association of Employers' Federations of the Slovak Republic and it equally participates in the negotiations of the Economic and Social Council of the Slovak Republic.

• Workplace representation

Representation of employees is conducted at several levels which are all based on Act No. 311/2001 Coll., the Labour Code. The lowest level in the context of the Slovak Republic is the employee trustee. The Labour Code specifies that an employee trustee can be appointed in an organisation that employs "less than 50 employees but at least three employees", while his/her rights and duties are equal to those of a Works Council. The employer has the duty to enable election of members of a Works Council (the second form of representation) if requested in writing by at least 10 per cent of employees. There are three members of the Works Council in organisations employing 50 to 100 employees and another member is specified for every additional 100 employees up to 500. Between 501 and 1,000 employees another Works Council member is specified and for 1001 and more employees, yet another member is allowed. For each additional 1,000 employees another Works Council member is to be added. The Labour Code defines the rights of the Works Council to negotiate certain very precisely-described requirements as well as the right to receive information and engage in monitoring activity. The third type of representation is trade unions, which constitute a certain type of civic association as provided for in a specific regulation. A trade union is obliged to inform the employer in writing about the initiation of its activity and to provide the employer with a list of members

of the union. The employer is required to allow operation of the trade union in the workplace. Trade unions are at the highest level as only a trade union gives the employees the right to collective bargaining and it is only a trade union that can conclude a collective bargaining agreement with the employer. The section of the legislation related to workers' representation has not been amended or modified in the past 12 months.



- Trade unions

National Trade Union Confederation Mapping	in National Language	in English
Name of the association	Konfederácia odborových zväzov Of the Slovak Republic- KOZ SR	The Confederation of Trade Unions of the Slovak Republic
Founding Year	1990	
Number of Members	16 manufacturing union associations and 10 non-manufacturing union associations	
Membership	International Trade Union Confederation	European Trade Union Confederation
	European Trade Union Confederation and the Trade Union Advisory Committee to the OECD	

- Trade Union Federations by number of individual members

Name	Number of basic organizations
Unlisted	2927
Trade Union of Workers of Mines, Geology and Oil Industry	16
Trade Union METAL	336
Energy and Chemistry Trade Union	75
Integrated Trade Union	81
Association of Unionists in Energy Industry of the Slovak Republic	12
Slovak Trade Union of Public Administration and Culture	278
Trade Union of Workers in Finance and Insurance	24
Slovak Trade Union of Employees in Defence Sector	4
Trade Union of Judiciary in Slovakia	36
Trade Union of Prison and Judicial Guards	3
Trade Union of Mass Media	3
Trade Union of Workers in Agriculture in Slovakia	35
Trade Union of Wood, Forests and Water	91
Trade Union of Food Industry of the Slovak Republic	33
Slovak Trade Union of Workers in Printing	3
Trade Union of Trade and Tourism Workers	37
Slovak Trade Union of Health and Social Services	127
Trade Union of Workers of Education and Science in Slovakia	458
Trade Union of Workers in Slovak Academy of Sciences	26
The Trade Union Association of Railwaymen	12
Slovak Trade Union of Posts and Telecommunications	3
Independent Trade Union	61

Source: Annual Report on Working Conditions and Costs of Enterprise Social Policies for companies with 100 employees and more
+ representative sample of smaller companies

- Trade Union Federations by branches

At the national level, all unions are associated in the Confederation of Trade Unions of the Slovak Republic (KOZ SR).

Name of union		International affiliations
in Slovak	in English	
Odborový zväz prac. baní, geológie a naftového priem.	Trade Union of Workers in Mines, Geology and Oil Industry	n/a
Odborový zväz KOVO	Trade Union METAL	IndustriAll Europe, EPSU, PSI
Energeticko-Chemický odborový zväz	Energy and Chemistry Trade Union	IndustriAll Europe, EPSU, Industrial Global Union
Integrovaný odborový zväz	Integrated Trade Union	IndustriAll Europe, EFBWW
Združenie odborárov energetiky SR	Association of Unionists in Energy Industry of the Slovak Republic	n/a
Slovenský odborový zväz verejnej správy a kultúry	Slovak Trade Union of Public Administration and Culture	EUROFEDOP
Odborový zväz prac. peňažníctva a poisťovníctva	Trade Union of Workers in Finance and Insurance	n/a
Slovenský odborový zväz zamestnancov obrany	Slovak Trade Union of Employees in Defence Sector	n/a
Odborový zväz prac. poľnohospodárstva na Slovensku	Trade Union of Workers in Agriculture in Slovakia	EFFAT
Odborový zväz DREVO, LESY, VODA	Trade Union of Wood, Forests and Water	EPSU, PSI
Odborový zväz potravináro in the Slovak Republic	Trade Union of Food Industry of the Slovak Republic	EFFAT, IUF
Slovenský odborový zväz pracovníkov polygrafie	Slovak Trade Union of Workers in Printing	n/a
Odborový zväz prac. obchodu a cestovného ruchu	Trade Union of Trade and Tourism Workers	UNI EUROPE, UNI, EFFAT, IUF
Slovenský odborový zväz zdravotníctva a sociálnych služieb	Slovak Trade Union of Health and Social Services	EUROFEDOP
Odborový zväz prac. školstva a vedy na Slovensku	Trade Union of Workers in Education and Science in Slovakia	ETUCE
Plynárenský odborový zväz	Gas Industry Trade Union	n/a
Odborové združenie železničiarov	The Trade Union Association of Railwaymen	ETF, USIC
Slovenský odborový zväz pôšt a telekomunikácií	Slovak Trade Union of Posts and Telecommunications	EUROFEDOP
Odborový zväz hasičov	Trade Union of Firefighters	n/a
Odborový zväz väzenskej a justičnej stráže	Trade Union of Prison and Judicial Guards	n/a
Odborový zväz polície in the Slovak Republic	Police Unions in the Slovak Republic	n/a
Odborový zväz pracovníkov SAV	Trade Union of Workers in Slovak Academy of Sciences	n/a

Source: Websites of trade unions

- Employers' Organisations

Employer Association Mapping	in National Language	in English
Name of the association	Republiková únia zamestnávateľov	National Union of Employers
Founding Year	2004	
Number of Members	27 employers' organizations and 24 individual members	
Membership	Business Europe, PSLO Network	IOE
	ECOSOC	BIAC (OECD)

Employer Association Mapping	in National Language	in English
Name of the association	Asociácia zamestnávateľských zväzov a združení Slovenskej republiky	Federation of Employers' Associations of the Slovak Republic
Founding Year	1991	
Number of Members	29 employers' associations	
Membership	ICIE	ICIE

Employer Association Mapping	in National Language	in English
Name of the association	Asociácia priemyselných zväzov	Association of Industrial Unions
Founding Year	2014	
Number of Members	6 employers' associations	



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