

2018

SLOVAKIA

By Trexima

Socio-economic developments

Industrial relations

Forecasts

Annual Review

of Labour Relations and Social Dialogue

State policies

Tripartite social dialogue



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- Gross domestic product is one of the most important macroeconomic indicators: at present Slovak GDP growth is observed with average year-on-year increases in the respective quarters at 5.75 per cent. The balance of payments has been in red figures as its value on the current account fell to €-455.1 million. Inflation increased by 1.8 percentage point against the previous year. The minimum wage in 2018 increased to €480 and as of 1 January 2019 it will be increased by another €40.
- In the monitored period, the unemployment rate fell to a historical low, while in this context a year-on-year increase in employment of 2.2 per cent was registered. The average monthly wage rose in 2017 (against 2016) from €912 to €954. Within the entire EU, Slovakia ranked among the countries with the lowest level in income inequality last year. In terms of the gender pay gap, wages of women accounted for 77.9 per cent of men's wages.
- A significant change in tripartite negotiations was the accession of a new member to the tripartite – the Association of Industrial Unions¹, which comprises six employers' associations with approximately 125,000 employees. When negotiating branch-level collective bargaining agreements, a new trade union confederation has been allowed to take part in the negotiations: it is Spoločné odbory Slovenska, or SOS (Common Unions of Slovakia) founded by five independent unions. This organisation profiles itself as independent from political parties and movements.
- During 2018, two all-out strikes were announced but neither of them actually took place as both situations ended up with a compromise and agreement on more advantageous conditions. The announced strikes involved the employees in the sector of justice and judiciary as well as the employees of the Trnava-based PSA automotive plant.
- As of 1 May 2018, numerous changes were adopted in the Labour Code as well as in the Act on Employment Services related to wage supplements for overnight working shifts as well as work performed over weekends and holidays. At the same time, there was an effort in the sphere of social affairs to introduce a cap on the maximum pension age at 64, which was advanced to the second Parliamentary reading, in which further comments and amendments should be incorporated, mainly in relation to the possible reduction of the pension age threshold for parents who have raised children.

¹ Despite the name, this is an employers' association not a trade union

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Socio-economic developments

During last year, that is between Q3 2017 and Q2 2018, the development in GDP in current prices was fluctuating. It reached the highest level in Q4 2017 (€22,156 million) and the lowest in Q1 2018 (€20,424.7 million). Year-on-year, GDP rose in the respective quarters by 5.75 per cent. Q2 saw the highest percentage increase, achieving 7.04 per cent year-on-year growth. GDP with seasonal adjustment in stable prices was enjoying a growth tendency throughout the whole monitored period. The economy grew 4 per cent across the monitored period mainly as a result of increased investments (particularly in the automotive sectors) and growing exports, which had a positive impact on the labour.

To a large degree, the Slovak economy and its growth are dependent on the influx of FDI. In 2017, FDI in Slovakia was €5,286.1 million, which is an increase of 22.2 per cent on the previous year. In the first eight months of 2018, the value of FDI reached €3403.1 million and the greatest increase was registered in February 2018 (€916.2 million).

The balance of payments of the Slovak Republic in Q2 2018 ended up in red figures: €-455.1 million. In the previous quarter it was less by €297.1 million. The balance on the capital account in Q2 2018 reached €511.5 million, an increase by 34.8 per cent against the identical period of the previous year. The balance on the financial account was in red figures and between Q1 and Q2 2018 it fell from €-1,012.5 million to €-1,317.4 million.

Average inflation measured by the consumer price index in 2017 reached 1.3 per cent, an annual increase by 1.8 percentage points, while in 2016, deflation of -0.5 per cent was registered. In the first nine months of 2018, inflation reached an average of 2.6 per cent while net inflation cleared of fuels reached an average of 2.1 per cent. Its level was mainly influenced by the development of prices in the services segment of the market as well as foods and fuels.

In the most recent year (2017) the Slovak Republic ended up with a state budget deficit of 1.04 per cent of GDP, which was the lowest deficit of public finance in the history of the country. By the end of October, the state budget

deficit reached €413.7 million, while its value shrank by 45 per cent year-on-year. Still in 2017, Slovakia registered a positive foreign trade balance as total exports were greater than imports by € 3,051.2 million and the average value of both indicators had increased by 7.4 per cent year-on-year.

The average nominal monthly wage in 2017 reached €954. At the moment, Slovakia is registering a continual trend of growth in wages against the identical period of the previous year. While in 2Q 2017 the average wage was at €944, in 2Q 2018 it was €1,004, an increase of 6.4 per cent. The development of minimum wage can be also labelled as positive as its level increased in 2018 to €480 against €435 in 2017. The minimum hourly wage in Slovakia in 2018 was set at €2.759.

Yet another positive development trend can be seen in the falling level of unemployment, which fell by almost one third year-on-year (by 2.82 percentage point) and thus hit a historical record low in 2017 (5.94 per cent). The most recent data on the unemployment rate is from September 2018, when it was at 5.38 per cent. This is related to the increase in employment, where the rate of employment of persons aged 15-64 in Q2 2018 reached 67.1 per cent and had grown 1.5 percentage points year-on-year.

Statistical findings on the income and standards of living of the Slovak households (EU SILK SR) show that since 2012 the country has witnessed a continual decline in the number of inhabitants in danger of poverty. Still, approximately 650,000 Slovaks were at risk of poverty in 2017, a decline of 3 per cent against 2016. The largest number of people under the poverty line lived in the Prešov region and the smallest was in the Bratislava region (a 5 times smaller number of inhabitants living in poverty). Overall, the share of the population with low incomes has declined from 12.7 per cent in 2016 to 12.4 per cent in 2017.

According to the OECD, the Gini index in the Slovak Republic grew from 0.247 in 2014 to 0.251 in 2015. This figure ranks Slovakia on the 5th position among OECD countries regarding income equality.

State policies

In 2018, several laws were amended in the sphere of social policies and there were also some essential personnel changes in the government of the Slovak Republic. In relation to the murder of the journalist Ján Kuciak and his fiancée at the beginning of the year, a number of demonstrations were organized in the streets – ranking the protests among the biggest the country has seen since the Velvet Revolution in 1989. The murdered journalist's last reporting was covering the links between top Slovak politicians and the Italian mafia.

Immediately after the murder, Marek Mačarič, the Minister of Culture, spontaneously decided to submit his resignation and later Minister of Justice Lucia Žitňanská did the same as they did not want to continue in their positions after the murder of the journalist. As a result of massive public pressure in March 2018, Prime Minister Róbert Fico and the Minister of Interior Róbert Kaliňák both resigned their positions as well as the President of the Police Force, Tibor Gašpar: They were replaced in their offices by new individuals.

After 1 May 2018, numerous changes were adopted to the Labour Code as well as the Act on Employment Services that related to wage supplements for employees working overnight and weekend and holiday shifts. Under the newly-adopted changes, an additional wage supplement for overnight shift was introduced – now increasing from 20 per cent of the minimum hourly wage to 30 per cent, which represents an hourly supplement of €0.83. In case of risky labour, the supplement was increased to 35 per cent of the minimum hourly wage (by €0.97). If an employee works on Saturday, he/she is entitled to a wage supplement of 25 per cent of the minimum hourly wage (€0.69) and on Sunday it is 50 per cent of the minimum hourly wage (€1.38). If work is performed over a holiday, the supplement is even higher and the minimum increase that the employee is entitled to is 100 per cent of his/her average wage. The law also stipulates exceptions where the employees are entitled to an even higher level of supplements in relation to specific types of work they perform.

After 1 May 2018, two institutes of employee compensation were introduced, namely the 13th and 14th salaries, which the employer may pay to the employee (but is not obliged to do so) in June and December respectively. The employer may provide the 13th salary to an employee if the employee has worked in the organization for at least two years and the amount of this salary may not be lower than the average monthly pay of the employee. Should the employee have worked at least two years in the employer's organization as of 31 October, the employer may provide him or her also a 14th salary in the amount of the average monthly pay of the employee, while the conditions of the paid out 13th salary in this year must be complied with.

The amended Act No. 5/2004 on Employment Services introduces the obligation of employers (after 1 May 2018) to specify the amount of base monthly wage when publishing job offers. Upon concluding an employment contract, it is forbidden to agree with the employee on a lower base wage component than when the wage was communicated in the published job offer (Section 41 of the Labour Code). The base wage component represents a fixed salary provided by the employer to the employee depending on the achieved performance or working hours and it cannot be unilaterally changed without preceding agreement with the employee.

As of 25 May, the General Data Protection Regulation of the European Union (known as GDPR) came into effect. By this date, all the subjects processing personal data of EU citizens were obliged to review and unify their information systems and procedures applied in processing of personal data. In the Slovak Republic, GDPR basically replaced the previously applicable Act on Personal Data Protection. The most important obligations stipulated by this legislation include: appointing of a data officer, adjustment of the relevant documentations to comply with GDPR and changes made to the consent made regarding processing of personal data.

In 2018 the amount of parental allowance increased only minimally. The increase represented 0.7 per cent year on year and recently the Ministry of Labour, Social Affairs and Family determined the value at €214.70. The actual amount of the allowance may be higher or lower depending on meeting of the conditions stipulated by the legislation.

An amendment of the Act on Social Insurance determined that the pension age will be published in Slovakia five years in advance, i.e. every year the relevant provision of the Ministry of Labour, Social Affairs and Family will be published determining the pension age of the respective year five years in advance. According to the new methodology, the pension age shall be determined in years and months and not years and days as previously. In 2019, the pension age is 62 years and 6 months.

In this year as well the amount of the subsistence minimum was adjusted as of 1 July. The subsistence minimum, or possibly the minimum income level is determined every year by the Ministry of Labour, Social Affairs and Family of the Slovak Republic based on the rise of net monetary income and the rise of the cost of living for low-income households. The amount of subsistence minimum for the first adult person in the household increased to €205.07 per month as of 1 July 2018 and €143.06 for the second adult person in the household, while the subsistence minimum for an unprovided minor or a provided minor was increased to €93.61. This represents a year-on-year increase of 2.8 per cent. On 10 November 2018, municipal elections were held in Slovakia. The election turnout in 2018 reached 48.67 per cent, which is a moderate increase compared to municipal elections in 2014. The largest turnout was registered in the Prešov region (53.18%) and the lowest in the region of Bratislava (43.74%). The elections were held in 2,919 municipalities and mayors were elected in 2,904 of them. Independent candidates acquired 1,232 offices of mayors across the country, with candidates of SMER-SD on the second position with 592 offices and SNS as third with 160 offices. When looking at the members of municipal parliaments, the independent candidates dominated again with 7,301 mandates, followed by SMER-SD with 3,692 mandates and Christian Democrats (KDH) with 2,350 mandates.

Industrial Relations

In the media, the most resonating event in this respect was the announcement of strike by the employees in the Trnava-based PSA automotive plant when full interruption of production was hanging in the air. It was preceded by eight months of negotiations between both stakeholders with participation of an independent mediator. The management was proposing an increase in the base component of the monthly wages of €27 gross, with which the unions disagreed from the outset. After announcing the strike emergency and when the unions were openly getting ready for an all-out strike, PSA proposed to increase the base by €50 for all employees across the board and also a one-time bonus payment of €100. Most employees voted against the strike, so it did not materialize in the end. At the end of the day, the unions (OZ KOVO PCAS) agreed with the management on a wage increase of €50 as of 1 July 2018. Simultaneously a gross one-time supplement was added to the August wage amounting to €250. Also, the company will pay out in two tranches a one-time bonus from the acquired operating profit, with a total amount of €415 per employee. Also, an individual bonus of € 100 will be paid out, out of which, €15 is guaranteed in case the employee did not breach discipline or did not have any unjustified work absence.

In relation to this strike, the Confederation of Trade Unions of the Slovak Republic (KOZ SR) spoke out strictly rejecting the practice of intimidation and manipulation of employees and participants of strike activities by the employers as these actions were aimed at prevention of the constitutional right to go on strike, to which all employees are entitled. When it comes to the results of collective bargaining, the Confederation of Trade Unions commented that these represent a mutual agreement that is aimed at ensuring the best possible working conditions for the employees and adequate wages while simultaneously providing the employees with the right to maintain work-life balance.

KOZ SR also believes that the loosening of the rules for employment of third-country nationals coming to the Slovak labour market will be linked to certain problems. The provision concerns simplification of the conditions for employment of third-country nationals on positions for which it is difficult to find employees in districts with an average rate of registered unemployment under 5 per cent. For KOZ SR, keeping the social and working condition standards is a priority as well as standards in compensation for all employees regardless of their origin. The increasing proportion of foreign employees with a lukewarm attitude to labour legislation and willing to work for lower wages has had a negative impact on collective bargaining or organization of strikes.

On 8 February 2018, the Confederation (KOZ SR) signed the memorandum on entry to the Digital Coalition and presented its own commitments. Improving digital skills and

competence of employees is a vital part of the concept of life-long learning and the future world of work. Jozef Kollár, President of KOZ SR, stated that it is necessary to focus on the questions of what types of professions and jobs will disappear as well as how many will cease to exist and, on the other hand, what types of jobs will originate and what skills will be necessary to adapt to the upcoming changes. Legislation will also have to respond to the changes in labour and employment relations caused by the digital transformation.

With respect to the issue of raising the minimum wage for the year, KOZ SR insisted on its request of increasing the minimum wages in line with the European concept of tackling the phenomenon known as the working poor. KOZ SR believes that this problem could be tackled by raising the minimum wage to 60 per cent of the average wage in the economy. With this in mind, KOZ SR submitted a proposal for adjustment of the minimum wage for 201 to € 635 per month.

Successful collective bargaining was held with the state and the municipal authorities, which led to the wording of the branch-level collective bargaining agreements for the state and public authorities for the years 2019 and 2020. At the same time, negotiations were finished in relation to the change in the system of compensation provided to some employees when performing work in the public interest. These so-called “tariff tables” will increase on average by 10 per cent and the scale of the tariff wages starts from the amount of € 520 EUR. From this basic rate, other wage tariffs are calculated by adding percentage increases. The actual number of tariff classes has been reduced from 14 to 11, and wage levels from 12 to 14, and the potential number of years included in the “length of practice in public administration” has been increased to over 40 years from the original 32.

A new trade union confederation was established in Slovakia, with the official name Common Unions of Slovakia (“Spoločné odbory Slovenska” or SOS), which was registered with the Ministry of Interior as of 24 January 2018. This new confederation of unions was established by five union organisations, namely the Moderné odbory AIOS (Modern Unions AIOS), Moderné odbory Volkswagen (Modern Unions Volkswagen), Odborové združenie sestier a pôrodných asistentiek (Unions of Nurses and Midwives), Nový odborový zväz polície (New Association of Police Unions) and Nové školské odbory (New School Unions). Trade unions and associations that are not independent from political parties cannot become members of SOS; neither can those that are in some way personally linked to the employer or any employers’ association.

In October, another all-out strike was threatening, this time by the 4,500 court employees. They were asking for higher wages and stability in the courts. They expected their requirements would be adopted in the form of the Act on State Service in Justice. At the end of the day, the all-out strike was called off and the unions reached social peace with the Justice Minister Gábor Gál (Most-Híd party). As of the new year, they agreed on a wage increases for court employees of 24 per cent. Across the board, the wages in state services increased by 10 per cent, and in the case of justice/court employees (who are also in this category of employees) there was another 14 per cent added to this originally agreed increase.

Tripartite Social Dialogue

By November 2018, six official tripartite negotiations were held at the Economic and Social Council of the Slovak Republic. The first important topic was the reduction of the administrative burden by taking advantage of public administration information systems. Public authorities were given the obligation to obtain and use in their official activity the data that has already been registered in the information systems of any other public administration bodies and simultaneously, natural persons and legal entities were freed from their duty to submit the official statements from public registers most frequently required in the typical day-to-day situations where the citizens are in contact with the authorities. The other issues addressed concerned the streamlining of entry by employers, SMEs (including trade licence holders) into the system of dual education by way of reducing the administrative burden when verifying the employers' ability to provide practical teaching and instruction in the given study subject or teaching subject under the dual education system. KOZ SR, the Association of Employers' Federations of the Slovak Republic (AZZZ SR), and the Republic Union of Employers (RUZ) all presented favourable statements on this topic, while the Union of Cities and Municipalities of Slovakia (ZMOS) did not recommend the proposal for further negotiation with regards to the other legal amendments under preparation that will have negative effect on the municipal budgets.

At the June tripartite negotiation, the proposal for Strategy of Economic Policies of the Slovak Republic by 2030 was presented. The key objective of the strategy is to increase the competitiveness of the Slovak economy with stress on growth of productivity in all production factors using the priority key areas. The stated long-term priorities and objectives will be focused on supporting the creation of a qualified structure of jobs with the goal of elimination of regional differences, creation of an optimum business environment, active approach to improvement of dynamics in research and development as well as innovation and sustainability in relation to the environment.

The Parliament has advanced to the second reading a constitutional proposal for introducing a cap on the pension age at 64 years of age. The proposal of SMER-SD, the coalition party, was supported by 93 MPs out of 145 MPs present in the house. The bill was supported also by some opposition MPs, for example from the Sme Rodina movement as well as ĽSNS party. KOZ SR requested an addition to the wording of the submitted bill so that it would take into account the number of raised children by reducing the stated pension age. MPs from the SMER-SD party also proposed to change the wording so that the "origination of the entitlement for adequate material provisioning in old age must not exceed the age of 64".

The most extensive discussion and disagreement was stirred up by the proposal on minimum wages for 2019. Increasing of the minimum wage to €520 seemed too high to AZZZ SR and the association was using the arguments of economic development and the values of the relevant indicators. Their proposal for a minimum wage was €502. The unions (KOZ SR) did not agree with the proposed amount as they suggested that minimum wage should be set at €635 and they reasoned that ensuring fulfilling the recommendations by the European Committee of Social Rights that recommends setting the minimum wage at 60 per cent of the average wage in the country. As positive macroeconomic development as well as an increase in prices are anticipated in the upcoming period, the municipalities (ZMOS) agreed with the proposal and another employer association (RÚZ) did not take a particular stance but proposed that a fixed and binding mechanism for adjustment of minimum wage should be established unless agreement of social partners is achieved with regards to the level of the minimum wage. The Association of Industrial Unions (APZ) did not agree with the submitted material and stated that it would only agree with an increase of minimum wages for 2019 at the rate of inflation in 2017 as a maximum (that is 1.3 per cent).

At the same time, the Strategy for Labour Mobility of Foreigners in Slovak Republic was adopted. The objective of this strategy is the creation of an environment where the labour market is not a barrier but a catalyst of sustainable economic growth by providing the economy with quality and highly-skilled human resources enabling Slovakia to compete for high value-added investments.

Forecasts

According to the Committee for Macroeconomic Forecasts, the growth in GDP for 2018 is estimated at 4.1 per cent, which represents a relatively large increment on 2017 when the real GDP growth reached 3.4 per cent. The estimate for 2019 expects GDP to increase by 4.5 per cent. The same source predicts inflation for 2018 to culminate at 2.5 per cent, which is an increase by 0.7 percentage point over the last year's estimate by the National Bank of Slovakia. In 2019, inflation should reach 2.3 per cent and in the

following years, it should rise to 2.4 per cent and 2.5 per cent respectively. The increase in employment (according to the ESA methodology) is expected to be 1 percent in 2018 and the pace of growth is then expected to slow down to 0.7% until 2021. This is in correlation to the declining rate of unemployment, which should fall to 6.4 per cent in 2019 and to 5.6 per cent by 2021. From the perspective of the minimum wage, its level should be increased by another €40 in 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. The law quite precisely defines all relevant terms and procedures that were included in the previous reports in collective bargaining. The Constitution of the Slovak Republic has precedence in this respect – here, collective bargain is also included in Article 37. In the most recent two years, a major change was introduced in the form of amendment of Act No. 183/2017 which changes and amends Act No. 2/1991 on Collective Bargaining. Under this act, the representative branch-level collective bargaining agreement was established that is more precisely defined in the said amendment. It can be briefly summarised that a branch-level collective bargaining agreement can be

regarded as representative within a particular sector of the national economy or its part if it meets the conditions stated in the said amendment. A representative branch-level collective bargaining agreement then becomes binding also for other employers and their employees in the given sector of the economy or the economic division in which it was concluded. The most recent novelty is Act No. 268/2018 amending Act No. 2/1991 on Collective bargaining as amended. This law came into force on 15 October 2018 and its purpose was to make Section 6 more transparent and comprehensible. As a result, for each collective bargaining agreement that does not state the period for which it is concluded, it is automatically assumed that it is concluded for the period of one year.

- System of tripartite social dialogue

The Tripartite system is governed by Act No. 103/2007 on Tripartite Consultancy at the national level and on changes and amendments to some other acts (the Tripartite Act). The tripartite system was introduced in the Slovak Republic only in the 1990s and was initiated as voluntary social dialogue between the government, employers and the unions. The Economic and Social Council of the Slovak Republic serves as a negotiating and consultancy body of the Slovak government and the respective social partners. The act also defines the respective authorised legal representatives – that is the Slovak Republic, which is represented by the government, representative employers' associations and representative unions' federations. A representative employers' association combines employers from various sectors of the economy with operations in at least five regions of the country and employing at least 100,000 employees. The associations of employers (RÚZ, AZZZ SR and APZ) and unions (KOZ SR) and ZMOS (municipalities).

The purpose of the Tripartite Act is to “provide support to efficient social dialogue at a nationwide level between the government, employers and employees by way of their representatives”. The respective authorised representatives of the tripartite dialogue may use the process of the inter-departmental comments procedure to enter into the process of preparation of legislation governing the employment relations, and the social area as well as employment policies. Also, the respective authorised representatives of the tripartite dialogue may influence incomes, the price of labour and the social, hospitalisation and healthcare insurance systems. The authorised representatives of the tripartite dialogue may actively comment on the implementation of legislation in relation to the tax burden of employees, and the development of the system of education and professional training of employees. The Act has not been modified recently.

- Social security system

In the Slovak Republic, the law requires all employees to have hospitalisation insurance, mandatory retirement insurance, and unemployment insurance; this obligation arises as of the day of origination of the legal relationship

that entitles the individual to a regular monthly income from dependent activities. The obligation ceases to exist as of the date when this legal relationship is terminated.

- Education and vocational training

The educational system in the Slovak Republic consists of four basic levels: pre-school education (kindergartens), elementary schools, secondary schools and universities. Legislation established the structure of the educational and teaching system and the details of its operation and its individual parts are governed by the Decrees of the Ministry of Education of the Slovak Republic. The sphere of education is mainly regulated by Act No. 245/2008 on Education and Training (Education Act) and Act No. 61/2015 on Vocational Education and Training and on changes and amendment to some other acts. The educational system in the Slovak Republic requires compulsory school attendance with the duration of 10 years.

From the school year 2015/2016 pupils studying at secondary vocational schools may be educated under the system of dual education. The objective is to link the theoretical knowledge acquired through studying

with actual practice. This objective is also supported by the National Project for the Development of Secondary Vocational Training.² In June 2018, the act regulating dual education was amended with the most important changes including the possibility to establish a workplace for practical education by several employers together (in particular by small and medium-sized enterprises) and termination of the upper limit (cap) on the compensation paid out to the students. In the sphere of education and vocational training, Act No.178/2017 was adopted, which enabled secondary vocational schools to open a shared class for several vocational subjects. This was a provision meeting the requirement of the employers who requested specific professions lacking in the regions and the related subjects in vocational training. In 2018, the INDESK project was launched, which is designed to help individuals to develop skills necessary in the business environment. The project also comprises a modular course that can help the participants improve their business skills.

- Employment rate

Employment rate (%)	2015	2016	2017	Q2 2018*
	62.7	64.9	66.2	67.1

Source: Statistical Office of the Slovak Republic.

* The most recent data

- Unemployment rate

Unemployment rate by age groups	2015	2016	2017	Q2 2018*
	10.63	8.76	5.94	5.4

Source: Statistical Office of the Slovak Republic.

* The most recent data

² <http://siov.sk/Clanok.aspx?ArticleID=106>

- Average nominal monthly wage per employee

Average monthly wage (€)	2015	2016	2017	Q2 2018*
	883	912	954	1 004

Source: Statistical Office of the Slovak Republic.

* The most recent data

- Gender pay gap

In 2017, women made €960 on average while men earned €1 233; the data is based on average gross wages. Women therefore earned 77.9 per cent of male wages on average. The smallest gender pay gap can be found in the Prešov region where women earn 86.6 per cent of men's wages, while the average wage of men in the region is €946 and women earn

€819 on average. The largest gender pay gap, on the other hand, can be seen in the Žilina region, where women earn 74.7 per cent of men's wages. The gross average wage of men in the region reached €1,156 EUR and the average gross wage of females was €864. In total, women in Slovakia were earning by almost 1/5 less than men.

- Monthly minimum wage

Monthly minimum wage (€)	2015	2016	2017	2018
	380	405	435	480

Source: National Bank of Slovakia

- Actual weekly working hours

In terms of weekly working hours, according to data by TREXIMA Bratislava, employees working under a full-time agreement worked 36.7 hours per week on average in 2017. Among employees working on part-time arrangements the number of weekly hours were 25.3 hours/week. In comparison

to the previous year, the number of hours declined in both categories. In both cases, the number of actual working hours declined against the previous year. In the first six months of 2018, the number of working hours was at the level of 38.1 per week for full-time employment arrangements.

- Normal work/atypical work

Normal work/atypical work	2015	2016	2017	2Q2018*
Full-time	91.6%	91.4%	91.2%	91.6%
Part-time	8.4%	8.6%	8.8%	8.4%

Source: TREXIMA Bratislava

* The most recent data

- Migration

Migration	2015	2016	2017	Q2 2018*
Incoming per 1 000 inhabitants (‰)	1.291	1.416	1.322	1.237
Outgoing per 1 000 inhabitants (‰)	0.714	0.700	0.637	0.609
Gross migration balance ratio (‰)	0.904	1.674	1.430	0.628
Migration balance (in persons)	3,127	3,885	3,722	853

Source: Statistical Office of the Slovak Republic

* The most recent data

- Human Development Index

HDI	2014	2015	2016	2017
Index	0.845	0.851	0.853	0.855
Ranking	39	40	39	38

Source: Human development report, UNDP

- Gini-coefficient

Gini coefficient	2013	2014	2015
	0,237	0,243	0.251

Source: OECD

- Collective agreement coverage (employees)

Collective agreement coverage (employees)	2015	2016	2017	2018Q2*
Private sector	50.1%	49.0%	47.0%	46.3%
Public sector	87.1%	83.9%	79.2%	81.4%

Source: Annual report on working conditions and costs of corporate social policies; data for companies with 100 and more employees

+ representative sample of smaller companies

* The most recent data

- Collective agreement coverage (employers)³

Collective agreement coverage (employees)	2015	2016	2017	2018Q2*
Private sector	22.2%	20.7%	18.4%	16.4%
Public sector	76.2%	70.9%	65.8%	68.6%

Source: Annual report on working conditions and costs of corporate social policies; data for companies with 100 and more employees

+ representative sample of smaller companies

* The most recent data

- Ongoing important collective bargaining agreements

From the perspective of collective bargaining agreements, the most important binding document is the branch-level collective bargaining agreement agreed for the respective sectors in the economy on a nationwide or regional scale. Representatives of employers are obliged to submit the branch-level collective bargaining agreement to the ministry. During 2018, the following branch-level collective bargaining agreements (or their amendments) have been implemented:

In the transport sector, Appendix No. 14 was adopted to

the to the branch-level collective bargaining agreement from 29 April 2002 in force and effect until 31 December 2020 entered into between the Integrated Trade Union representing the employees of transport enterprises of the Slovak Republic and the Association of Employers in Municipal Public Transport representing employers of the Slovak transport sector, under which the minimum wage tariffs were increased. At the same time, the employers committed themselves to increase the monthly wages in 2018 by 2 per cent against the wages from 2017.

³ In the statistical findings, the sample mainly comprises enterprises with more than 20 employees, which results in the reported share of employees covered by collective bargaining agreements higher than the actual real figures. Therefore, statistical data was added also representing the economic subjects that are covered by the collective bargaining agreements. The sample is being continually improved which allows achieving of higher precision in time and for the future it is expected that an additional computation coefficient will be created allowing application of the data for the whole of the Slovak Republic.

In the construction industry, Appendix No. 6 was adopted to the branch-level collective bargaining agreement for the years 2012-2018 entered into between the Integrated Trade Unions and the Association of Construction Enterprises of Slovakia. Just like in the previous appendix, this one also increased wage tariffs in the sector and the employers' representatives committed to increase the tariffs by at least 2 per cent compared to wages from 2017. In the appendix, labels of the respective industries were added pursuant to Section 4 (3) of Act No. 2/1991 on Collective Bargaining as amended, which were expressed using the codes of statistical classification of economic activities (SK NACE Rev. 2).

In the electronics sector, OZ KOVO, one of the most important and influential trade unions, signed a branch-level collective agreement for the years 2018-2022, between OZ KOVO and the Association of Electronics Industry of Slovakia. OZ KOVO was also active in the machinery industry, where a branch-level collective agreement was realised and concluded for the years 2018-2019 between these trade unions and the Association of Machinery Industry of the Slovak Republic.

In the energy sector, Appendix No. 2 was signed to the branch-level collective bargaining agreement for the years 2017-2019 entered into between the Energy and Chemical Trade Unions and the Association of Employers in the Slovak Energy Sector; in this case, the industries from the SK NACE Rev. 2 statistical classification were also identified as falling under the energy sector.

• Trade union density

The annual report on working conditions and costs of corporate social policies collects information about the number of unionised employees. However, the report only used selected statistical data collection, where employers with more than 20 are predominantly represented, therefore the proportion of unionised employees is higher than the real figures. Based on the above, a two-step analysis will be performed – based on the number of employees in the companies where trade unions are active and based on the proportion of economic subjects where trade unions are active. The share of employees in the business sector in companies where trade unions are represented declined

On 1 May 2018, Appendix No. 1 was signed to the branch-level collective bargaining agreement for 2017-2019 entered into between OZ KOVO and the Association of Glass-Making Industry of the Slovak Republic, which contributed to increasing of wages in the respective tariff levels.

In the healthcare sector, an important Appendix No. 10 was signed to the branch-level collective bargaining agreement entered into based on the decision of the arbitration judge from 14 March 2012. Employees received one more week of paid vacation. As of 1 May 2019, they will receive a wage bonus for working on Saturdays amounting to at least 100 per cent of average pay. Other benefits were related to increasing of qualifications and provision of meals in the workplace.

KOZ SR coordinates branch-level collective bargaining negotiations for state and public sector employees. For the year 2018, two branch-level collective bargaining agreements were negotiated – the branch-level collective bargaining agreement in state services for the year 2018 and the branch-level collective bargaining agreement for employers who compensate some of their employees pursuant to the Act No. 553/2003 on the Remuneration of Certain Employees at Performing of Work in the Public Interest for the year 2018.

from 51.5 per cent to 49.2 per cent between 2015 and 2017 and in Q2 2018 the figure was at 48.9 per cent. The proportion of employees in the non-business sector increased from 87.3 per cent to 87.7 per cent and in Q2 2018 it stood at 87.4 per cent. The share of economic subjects in the business sector where a trade union is active declined from 22.5 per cent to 19.4 per cent between 2015 and 2017 and in Q2 2018 it stood at 18.7 per cent. The share of economic subjects in the non-business sector in the same category rose from 77.1 per cent to 746 per cent and in Q2 2018 it represented 75.3 per cent.

• Employers' organizations density

The estimated percentage share of employees working in an organisation which is a member of any type of employers' association that participates in collective bargaining, based on the data from the employers and the

calculations of the Institute for Research of Labour and Family, was at 33 per cent in 2013 and rose to 35 per cent by 2016 from the total number of employees in the Slovak economy.

- Workplace representation

All levels of employee representation are supported by the legislation, namely Act. No. 311/2001, the Labour Code. The lowest level of employee representation in the Slovak legislation is the employee delegate, who is selected from amongst employees' ranks. The employee delegate is involved in the enterprise level of collective bargaining and in terms of size, this category of official operates in

organisations with 3 to 49 employees. In organisations with more than 50 employees, where a trade union is established, the employee council is involved in the enterprise level of collective bargaining; the council also consists of employees. The third level, however, that does not enter into enterprise-level collective bargaining, is a trade union organisation that has its own employees – union officials and staff.

- 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	231,000 (2016), associates 26 union federations	
Membership	International Trade Union Confederation	European Trade Union Confederation
	European Trade Union Confederation and the Trade Union Advisory Committee to the OECD	

Source: Living and working in Slovakia, Eurofound, Dublin, 2018

National Trade Union Confederation Mapping	in National Language	in English
Name of the association	Nezavislé kresťanské odborní Slovenska	Independent Christian Trade Unions of Slovakia
Founding Year	1993	
Number of Members	Approx. 5,000 (2016), 3 trade unions	
Membership	European Centre for Workers' Questions	World Organisation of Workers
	The European Federation of Public Service Employees	

Source: Living and working in Slovakia, Eurofound, Dublin, 2018

National Trade Union Confederation Mapping	in National Language	in English
Name of the association	Všeobecný slobodný odborový zväz	General Free Trade Union Association
Founding Year	1997	
Number of Members	Approx. 2,000 (2016)	
Membership		

Source: Living and working in Slovakia, Eurofound, Dublin, 2018

- 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 potravinárov 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 v SR	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

The Independent Christian Trade Unions of Slovakia associates three unions: Union of Employee in Education and Science (NKOS), Trade Union NKOS KOVO – METAL and Trade Union for Transport.

This year, a new trade union confederation was established, its name is Spoločné odbory Slovenska (SOS) – Common Unions of Slovakia. Its founding members are: Modern Unions AIOS, Modern Unions Volkswagen, Unions of Nurses and Midwives, New Police Unions and New School Unions.

- Trade Union Federations by the number of individual affiliates

Trade union	Number of individual affiliates
Trade Union of Workers of Mines, Geology and Oil Industry	16
Trade Union Metal	271
Energy and Chemical Trade Union	64
Integrated Trade Union	71
SR Energy Association of Trade Unionists	4
Trade Union Workers in Finance and Insurance	12
Trade Union Workers in Agriculture in Slovakia	22
Trade Union for Wood, Forests, Water	38
Trade Union of Food industry of the Slovak Republic	21
Trade Union of Trade and Tourism Workers	30
Slovak Trade Union of Health and Social Services	26
Gas industry Trade Union	5
The Trade Union Association of Railwaymen	8
Slovak Trade Union of Posts and Telecommunications	3
independent Trade Union	21

Source: Annual report on working conditions and costs of corporate social policies; data for companies with 100 and more employees + representative sample of smaller

- 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	33 employers' organizations and 27 individual members	
Membership	Business Europe, PSLO Network	
	OC	OECD

Source: The National Union of Employers

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

Source: Federation of Employers' Associations of the Slovak Republic

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	

Source: Association of Industrial Unions

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The Author

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