

2018

## SLOVENIA

By Goran Lukić

**S**ocio-economic developments

**I**ndustrial relations

**F**orecasts

# Annual Review

of Labour Relations and Social Dialogue

**S**tate policies

**T**ripartite social dialogue





# Annual Review 2018

## of Labour Relations and Social Dialogue

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- Slovenia's main economic indicators improved in 2018, with still a good forecast for 2019, while the labour market situation has been continuing to give mixed signals. The number of people in paid employment in October 2018 was visibly higher than in September 2017. However, there is still a clear tendency of "escaping from labour market regulations" either through self-employed "service providers" or persons who work for companies that provide workers on a temporary basis but who are not officially registered as Temporary Agency Workers (TAW). The most outspoken case of using such "bogus" TAW's is the Port of Koper that collaborates with so-called "Port Service Providers". In 2018 a highly disputable "solution" for the (a)buse of the IPS model came in the shape of a three-tier model (directly employed; TAW; service providers).
- The year was heavily defined by collective disputes in the public and private sectors; changes of the Minimum Wage Act; the ongoing problem of poor working conditions of workers at service providers for public institutions; cases of company pressures on trade union officials (Aleš Hoge, Nenad Dakić) and works council representatives (Marjana Mrak); poor working conditions of road transport drivers; the issue of (non)payment of contributions for occupational insurance; the issue of poor working conditions at irregular temporary agency workers agencies (TAW) and the ongoing struggle to employ them directly at the user company (Luka Koper).
- At the level of tripartite social dialogue, the debate among the social partners regarding the minimum wage has substantially intensified, combined with the issue of a labour shortage.
- Trade union actions in 2018 continued to intensify, either through protests (January, February, March, October, December), collective bargaining (example: retail sector), strikes (TIK Kobarid) and strike announcements in the public and private sector. Under the improved economic situation, the debate on a labour shortage of qualified workers in some parts of the public and private sectors (example: hospitality) is intensifying, which leads to intensification of trade union pressure within collective bargaining and consequently to higher wages for some of the workers/occupations. There is still an ongoing problem of the wages of low-wage workers, who are trapped under the minimum wage level, because of the collective bargaining pay model. A wave of protests and announcement of strikes happened in 2018 in the public sector, which resulted in signing several agreements with the government at the end of the year.
- Consequently, one of most pressing agenda items also in 2019 will be the issues of wages and a labour shortage and their interconnection. If the employers will still deliberately ignore that interconnection, it is highly probable that they are going to face even a greater labour shortage and consequently lose their competitiveness on a global trade scale. Given that scenario, the trade unions in 2019 will evidently push for higher wages. In the case of an inadequate response from the employers' side, it is of high probability that labour emigration will intensify – either within the country or out of the country, which will leave employers with a chronic labour deficit and Slovenia with an ever more growing problem of competitiveness in some specific sectors. Whole parts of public sector services are also faced with the same scenario of intensification of labour emigration, which could in a negative case lead to privatisation and contracting out of ever more parts of public services.



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# Socio-economic developments

Slovenia's main economic indicators were still on the improvement track in 2018 while the labour market situation still continues to give mixed signals.

Actual individual consumption per capita in purchasing power standards in Slovenia in 2017 reached 77 per cent of the EU-28 average. Slovenian gross domestic product per capita in purchasing power standards in 2017 was 15 per cent lower than the EU-28 average (Statistical Office of the Republic of Slovenia – SORS, 13 December 2017).

According to the Statistical Office of Slovenia (SORS), GDP increased by 4.8 per cent in the third quarter of 2018 compared to the third quarter of 2017 (SORS, 2018).

The stock of inward FDI in Slovenia amounted to EUR 13.7 billion at the end of 2017, up 5.4 per cent on the end of 2016. There was an inflow of EUR 842.5 million of equity in 2017, the largest factors of which were inward investments in manufacturing and in financial and insurance activities. Foreign Direct Investment in Slovenia increased by EUR 309 million in September 2018. Foreign Direct Investment in Slovenia averaged EUR 45.77 million from 1994 until 2018, reaching an all-time high of EUR 769.80 million in November 2002 and a record low of EUR -223.30 million in December 2014 (Bank of Slovenia, Trading Economics, 2018).

Slovenia recorded a Current Account surplus of EUR 292.20 million in October of 2018. The Current Account in Slovenia averaged EUR 27.53 million from 1994 until 2018, reaching an all-time high of EUR 471.30 million in September 2017 and a record low of EUR -363.70 million in July 2008 (Trading Economics, 2018).

After the conclusion of the regular October 2018 EDP assessment period, the second estimate of the general government deficit and debt in 2017 remains the same as published in September 2018. The government surplus in 2017 was estimated at EUR 28 million or 0.1% of GDP. Within the October EDP report the forecast for 2018 by the Ministry of Finance is also available: the government surplus in 2018 will amount to EUR 235 million or 0.5% of GDP. Government debt at the end of this year is estimated at EUR 32,147 million or 70.3% of GDP (SORS, 19 October 2018).

Average general government revenue growth in the period 2015-2018 is estimated at 4.2 per cent and is exceeding the average expenditure rate for the same period (0.9%) by 3.3 percentage points. However, according to the projections under the case of a no-policy-change scenario, Slovenia will deviate in 2019 from the Medium-Term Objective (MTO) set out in the Constitution, for around 1 per cent of GDP. The government's plan in the mandate 2018-2022 is for gradual fiscal consolidation with respect to the priority areas, aiming to achieve medium-term balance and growth (Draft

Budgetary Plan 2018-2019, no policy change scenario; October 2018).

On its 20 December 2018 session, the government adopted the starting points for the drafting of the proposed rebalancing of the state budget for 2019 and a breakdown of budgetary expenditure. The breakdown is drafted such that it reaches the upper limit of permissible expenditure from the state budget amounting to EUR 10.160 billion, as determined in the amended Decree on the framework for the preparation of the general government budget for the 2018 to 2020 period. That document sets a state budget surplus of 0.3 percent of GDP as a target for 2019 (Government of Republic of Slovenia, 20 December 2018).

In the second quarter of 2018 the general government generated a surplus in the amount of EUR 151 million or 1.3% of GDP. Since the end of the first quarter of 2018, consolidated general government gross debt has decreased to EUR 32,308 million or 72.8 per cent of GDP. The general government surplus was mainly influenced by high revenue. This time its growth was 6.2 per cent and again higher than the growth of expenditures. The first half of this year was characterized by high growth of total tax revenues; in the first quarter its growth was 7.5 per cent and in the second 7.6 per cent. In the second quarter of 2018 the general government collected EUR 183 million more tax revenue than in the same quarter a year before; in the first half of 2018 tax revenue was higher by EUR 345 million.

In the second quarter of 2018 revenue from current taxes on income and wealth increased the most in comparison with the second quarter of 2017. Its growth was 14.1 per cent and has not been this high since the fourth quarter of 2007. Within this category revenue from taxes on individual or household income stand out the most; its growth was 17.0 per cent. Revenue from taxes on production and imports was higher by 4.0 per cent, of which revenue from taxes on products increased by 3.1 per cent. Revenue growth from actual social contributions was 10.5 per cent, the same as in the third quarter of 2017, when the highest growth since 2008 was recorded.

Similarly to revenue, government expenditure was increasing for the sixth consecutive quarter too. In the second quarter of 2018 its growth was 4.5 per cent but still lower than the growth of revenue. This quarter the highest growth was recorded within gross fixed capital formation (12.7%) and expenditure on intermediate consumption (12.1%). Compared to the same quarter of 2017 the general government also increased expenditure on compensation of employees (by 5.2%), subsidies (by 5.0%) and social benefits in cash and in kind (by 4.2%). On the other hand, interest expenditure continued to decrease; mainly due to an active management of the government debt and the exploitation of



favourable conditions on the financial markets. In the second quarter of 2018 this expenditure was lower by 11.0 per cent.

Consolidated general government gross debt decreased compared to the first quarter of 2018 by EUR 688 million and at the end of the second quarter of 2018 amounted to EUR 32,308 million or 72.8% of GDP. Debt in long-term securities decreased the most (SORS, 28 September 2018).

In November 2018 annual inflation stood at 2.0 per cent and monthly at 0.1 per cent. In one year, prices of services and goods increased by 2.7 per cent and 1.7 per cent, respectively. Annual inflation was influenced mostly by higher prices of petroleum products and other energy products. As regards goods, prices of non-durable goods went up by 3.2 per cent, while prices of durable and semi-durable goods went down (by 2.3% and by 0.4%, respectively). In November 2018 the largest upward impact on the annual inflation (0.5 of a percentage point) came from higher prices of petroleum products. 0.4 percentage points (p.p.) was added by higher prices of electricity (by 3.3%), gas (by 6.7%), solid fuels (by 13.1%) and heat energy (by 15.7%) (SORS, 30 November 2018).

Average gross earnings for October 2018 amounted to EUR 1,676.38 and were higher than earnings for September 2018 (in nominal terms by 2.7%, in real terms by 2.4%). Average earnings increased in all activities except in public administration and defence, compulsory social security and in education. (SORS, 17 December 2018).

The number of persons in paid employment in October 2018 was 790,918, which is 23,627 more than in October 2016 (767,291). At the end of November 2018, there were 76,099 registered unemployed people in Slovenia, 6,316 less than in November 2017 (82,415) (SORS, Employment Service of Slovenia- ESS, 2018).

Compared to October 2017, the registered unemployment rate was down from 8.8 per cent to 7.9 per cent (ESS, 2018, 2017). However, there is still a clear general rise in the previous years of the number of persons who work for companies that provide workers on a temporary basis but who are not officially registered as Temporary Agency Workers (TAW).

The minimum wage in December 2017 was €842.79 (Tax Administration of the Republic of Slovenia, 2017).

According to the 2017 Statistics on Income and Living Conditions (SILC), the at-risk-of-poverty rate in Slovenia was 13.3 per cent. This means that in 2016 about 268,000 people in Slovenia were living below the at-risk-of-poverty threshold, which is 12,000 less than in the previous year. The annual at-risk-of-poverty threshold for a one-member household was set at EUR 7,628; the net disposable monthly income of people below the at-risk-of-poverty threshold was thus below EUR 636 per equivalised adult person. The threshold for a four-member family with two adults and two children younger than 14 was set at EUR 1,335 per month and the threshold for a two-member household without children at EUR 954 per month.

Compared to the previous year, the at-risk-of-poverty rate decreased by 0.6 of a percentage point. The at-risk-of-poverty threshold increased by EUR 232 per year. The calculation is based on the income earned in 2016, since 2016 was the income reference year for the 2017 survey. In 2016 the mean disposable household income increased as did the median equivalised disposable household income and also the at-risk-of-poverty threshold (SORS, 14 June 2018).

In 2017, the Gini-coefficient in Slovenia was 23.7 per cent. The average Gini coefficient across the EU-28 was 30.3 per cent (Eurostat, 2018).



# State policies

At its 11 January session the government adopted its points of departure for negotiations on strike demands by public sector trade unions and decided to propose that the Economic and Social Council be briefed on announcements of strikes in the public sector and the assessment of the financial impact of the strike demands at one of its upcoming sessions.

At its 15 February session, the government adopted the draft Social Inclusion of Disabled Persons Act. The act replaces the Social Care of Mentally and Physically Disabled Persons Act from 1983 and rounds out Slovenian legislation in the area of disability care with the objective of allowing disabled persons in the community to live independently (Use of Slovenian Sign Language Act, Equalisation of Opportunities for Persons with Disabilities Act, Personal Assistance Act).

At its 1 March session the government discussed two sets of materials in connection with the procedure being conducted by the European Commission regarding the implementation of its commitment to sell Nova Ljubljanska banka. Minister of Finance Mateja Vraničar Erman presented the government with a report on her most recent discussion with EU Competition Commissioner Margrethe Vestager, which was held on 26 February in Brussels, and the government also approved Slovenia's draft reply to the European Commission's January letter. The government authorised the minister to send the reply to the European Commission by the deadline, which expired on 2 March. In its reply, in accordance with its positions to date, Slovenia responded to all of the main reservations and additional questions set out in the European Commission's January letter, and repeated all of the main reasons for changing the commitments using additional arguments partly stemming from the most recent discussions with the Commission. On this basis, Slovenia expected that the discussions, which will continue after the submission of the reply, will continue to unfold in a productive manner towards a possible agreement on a solution regarding a change to the commitments.

On 14 March Prime Minister Miro Cerar announced that he is stepping down in response to the Supreme Court's decision to annul the September 2017 referendum on the Koper-Divača rail project. Cerar promised he would see to it that the government takes care of the day-to-day business and pressing matters and to preserve peace and stability in Slovenia until a new government is elected.

On 26 July the government amended the Ordinance on the framework for the preparation of the general government budget for the 2018 to 2020 period, in the part relating to the Health Insurance Institute of Slovenia

(ZZZS) in 2018. The amendment to the ordinance will allow an increase in ZZZS expenditures of EUR 35 million this year. The government also reported on the implementation of the state budget in the first half of this year. As at the end of June, the budget had recorded EUR 4.753 billion in revenues and EUR 4.573 billion in expenditure, resulting in the posting of a EUR 180.9 million surplus at the half-year mark.

On 10 August the European Commission adopted a new decision in the matter of the state aid granted to Nova Ljubljanska Banka (NLB) at the end of 2013, setting a new deadline for the privatisation of the bank and adjusting the package of compensatory measures. Slovenia must sell at least 50 per cent plus one share of NLB by the end of 2018 and reduce its holding in NLB to the target of 25 per cent plus one share by the end of 2019.

On 13 September the new government of Marjan Šarec was formed in its constitutive session. On the proposal of the Prime Minister, Deputy Prime Ministers were appointed. The government also appointed Stojan Tramte as Secretary General of the Government. It set up a Committee on State Government Organization and Public Affairs, a Committee for the Economy and a Government Commission for Administrative Affairs and Appointments. At the same time, it appointed several state secretaries in ministries.

On 11 October the government approved the draft budget plan for 2019, assuming unchanged policies. The draft budget plan for Slovenia sets out the financial framework for all public finances and not just the state budget.

On 22 November the government decided on the wording of the draft amended Republic of Slovenia Budget for 2018 and 2019 Implementation Act. Among other things, it raises next year's funding basis for municipalities to EUR 573.5 million and also sets the annual pensioners' allowance, for which EUR 140 million is being earmarked next year (five classes of payment will be made). The proposed amendments also limit certain expenditures. At the same session, the government also adopted the Plan for the Implementation of Active Employment Policy Measures for 2019. The majority of next year's active employment policy programmes will focus on stimulating the employment and training of those target groups that represent structural problems for the labour market.

On 11 December Slovenia endorsed the Global Compact on Safe, Orderly and Regular Migration at the intergovernmental conference that took place in Marrakesh, Morocco on 10-11 December 2018.

On 14 December the National Assembly passed changes to the Minimum Wage Act, which will gradually increase the minimum wage to EUR 700 net in 2020. Passed with 56 votes in favour and none against, the changes were drafted by the Left ("Levica") the minority government's partner in the opposition, and later partially amended by the coalition partners. Under the changes, the minimum wage will increase from EUR 638 net to EUR 667 next year and ultimately to EUR 700 in 2020. The National Assembly passed the changes without holding a debate.

Moreover, the changes also envisage that bonuses, which are now included in the minimum wage figure, would be excluded as of 1 January 2020. Initially, the Left wanted the latter provision to come into force already on 1 January 2019, but this was postponed by the coalition by a year. The changes also include provisions under which minimum wage will be 20 per cent under the minimum living expenses and will not exceed them by more than 40 per cent.

## Industrial Relations

In 2018 the negative trend of bankruptcy of enterprises in Slovenia persisted with 1,307 bankruptcy procedures started in the year, which is almost the same as in 2017 (1,316) and substantially more than double the number filed in 2012 (595) (AJPEŠ, 2018).

According to data from the Labour Inspectorate (IRSD), there were 14,541 inspections in 2017 (150 less than in 2016) and these found a total of 11,363 violations relating to the labour market, most of them in the area of wages (6,064). In 2014 there were 3,542 violations and in 2008 "only" 843 such violations (IRSD, 2018).

On 4 January the government confirmed an agreement with the Trade Union of Occupational Firefighters. The firefighters and the government agreed to abolish the anomalies in the salaries of firefighters carrying out operational tasks in order to increase the salaries of firefighters by 2 to 3 pay levels and that the ministry will prepare amendments to the Firefighting Act.

On 24 January the employers and trade unions had still failed to reach an agreement on a new level of minimum wage. The employers suggested that this year the minimum wage would increase by 3.5 per cent and for the same amount in 2019. The trade unions did not accept their proposal. The minimum wage was therefore raised this year by 4.7 percent or EUR 25 net, which was published in the Official Gazette on 26 January.

On 24 January around 30,000 employees in several parts of the public sector joined a warning strike, organized jointly by 16 trade unions. Despite the strike, the work did not stop completely, as they took care of all necessary tasks. A few thousand public servants also expressed a demand for higher wages at a rally in Ljubljana. Among the strikers were workers employed at universities, kindergartens, local self-government units, administrative units, social work centers, libraries, theaters, museums, financial, geodetic and veterinary authorities, customs officers, veterinarians and various professions in health care. According to trade union assessments, between 4,000 and 5,000 civil servants from all over Slovenia gathered at the rally in front of the government building.

On 12 February a strike of police officers was held that 9,000 police officers and employees at the interior ministry joined. Approximately 200 of them gathered at a protest rally in front of the government building in the morning. The police unions warned that the government had ruined the relationships achieved by the strike agreement and that the profession of police officers was devalued.

Over the course of two hours on 13 February, several thousand nurses, midwives, nurses, social workers, cooks, and other employees in health and social institutions went on strike. They demanded the elimination of anomalies and higher salaries, the elimination of austerity measures, better working conditions and the improvement of the staff situation, along with higher pay for night, Sunday and holiday work.

On 14 February more than 20,000 striking workers in education were gathered in Ljubljana's Congress Square and according to information from their union Sviz more than 40,000 employees suspended work. "This is the largest gathering of employees in education," said the secretary general of Sviz, Branimir Štrukelj. The main demands of striking employees in education were higher wages by two to three levels, the evaluation of the work done by the teacher, and a higher holiday pay allowance (EUR 1,200) for those who receive the minimum wage.

On 14 March about 40,000 employees in public kindergartens, elementary, music, secondary and higher schools and boarding schools went on strike. Right at noon, nearly 15,000 strikers in eleven cities gathered at protest rallies. The demands were well known: higher salaries, arrangement of classroom payment and higher holiday pay allowance. In the SVIZ, workers were invited to a new rally on 17 April.

On 18 March the main government negotiator, Secretary General of the Government, Lilijana Kozlovič, informed the coordination of strike committees of the group of public-sector trade unions, led by Jakob Počivavšek, that the negotiations could not continue. It would be irresponsible the day before the government started to run

the current business to conclude agreements that would have consequences for public finances, Kozlovič told the trade unions. After the announcement of the day after the resignation of the Prime Minister, Kozlovič informed the trade unions that all the negotiation activities were postponed until further notice, the above-mentioned coordination unions called upon the government to continue with negotiations.

On 22 March the National Assembly approved an amendment to the Agriculture Act, which regulates, inter alia, temporary and occasional work in agriculture. The trade unions pointed out that the amendments substantially reduced the scope of labor rights and violated the Labor Relations Act, which stipulates that work cannot be carried out on the basis of a civil law contract if there are elements of an employment relationship.

On 16 July a new collective agreement in the retail sector was signed, with a validity for the next four years. More than 87,000 employees in shops will have a higher salary next year. These will also be coordinated with the rise in consumer prices. On holidays, all workers will be at home, except for those who work at gas stations, pharmacies and energy. for the next four years. The trade union also made it possible that Sunday work is to be paid more.

On 8 August the Tourist and Catering Chamber of Slovenia and the Catering and Tourism Section at the Slovenian Employers Association reached a social agreement with the Trade Union of Catering and Tourism after several months of harmonization, resulting in a new collective agreement for the industry that was signed on that day. The trade union drew attention weeks before to the fact that they have been working in the industry for three months without a collective agreement. In order to sign the agreement, they were only notified from the employers' side when they started to prepare further activities in the trade union after the unsuccessful conclusion of the negotiations.

After the police officer started again strike activities, on 6 November, their colleagues in prisons, judicial officers and court employees, with the exception of judges, were starting with a general strike. They said that they would strike as long as the government failed to meet their demands: the abolition of wage anomalies and austerity measures. Employees in courts and prisons are limited in terms of

striking, they must perform all necessary tasks for the protection of people and property.

On 7 November, it was publicly announced that after several months of negotiations for the regulation of the status of professional firefighters at the Ajdovščina Fire and Rescue Center, the Trade Union for Firefighters nevertheless concluded an agreement with the municipality. Mayor Tadej Beočanin, who listened to the arguments that the current systematization of jobs is an unjust one, decided that they will change it. Therefore, the firefighters decided not to convene a protest meeting the following week.

On 18 November the government's negotiating team reached an agreement with a trade union of teachers and trade unions representing nurses and employees in social care. There will be no strikes in these activities that were announced for the beginning of December. The financial effects of an agreement are supposed to be worth about EUR 300 million.

On 24 December the governmental negotiating team reached an agreement with the police unions and the agreement was also initialled. As is clear from the agreement, the government will immediately provide additional resources to carry out tasks at the border related to migration and the protection of the Schengen area. Regarding the strike demands that the police insisted on, however, it was to establish wage ratios to comparable professions, as was achieved by the strike agreement in 2016, but this relationship was demolished a year later when the government even bettered its jobs with other authorized officials. The new agreement foresees that the government will carry out an analysis of the evaluation of all posts by authorized officials. In the context of this analysis, they will also consider the requirements of police officers for special remuneration for action at all times and about allowances on the ground of banned membership in political parties.





## Tripartite social dialogue

Still one of the most pressing issues of the tripartite social dialogue is the issue of minimum wage.

On 14 December the National Assembly passed changes to the Minimum Wage Act, which will gradually increase the minimum wage to EUR 700 net in 2020. Passed with 56 votes in favour and none against, the changes were drafted by the Left, the minority government's partner in the opposition, and later partially amended by the coalition partners. Under the changes, the minimum wage will increase from EUR 638 net to EUR 667 next year and ultimately to EUR 700 in 2020. The National Assembly passed the changes without holding a debate. Moreover, the changes also envisage that bonuses, which are now included in the minimum wage figure, would be excluded as of 1 January 2020. Initially, the Left wanted the latter provision to come into force already on 1 January 2019 but this was postponed by the coalition by a year. The changes also include provisions under which minimum wage will be 20 per cent under the minimum living expenses and will not exceed them by more than 40 per cent.

On the "ground level" of social dialogue, there are threats from the employer's side that they will go in the way of cancelling of collective agreements, while the trade unions are more and more pushing that the minimum basic wage must be in aligned with the level of the statutory minimum wage. In regard to that the employers still say that there is danger of an aspiration to minimize the difference in salaries, which would greatly reduce the motivation and productivity of employees (see: STA, 20 December 2017).

The issue of the (minimum) wage is greatly interlinked with a labour shortage but it seems that employers are still ignoring that fact; according to the Employment Forecast 1/2018 (ESS) 45.7 per cent of employers face the lack of suitable candidates for employment. In the group of large employers, 68.8 per cent of employers face this type of problem. And according to the same source the lack of suitable personnel most often has

led to: overtime work; transferring work to outsourcing; training of already employed; and rejection of orders. From that perspective, it is no surprise that employers see the solution of the labour shortage in proposals such as that workers from Bosnia and Herzegovina should not be bound to a Slovenian employer for only one year but for five years.

The labour shortage and parallel work pressure is becoming a very pressing issue also in the public sector; Slovenia is facing a great labour shortage in public medical and care personnel, as well as in the case of personnel employed at the Centers for Social Work. Due to the very intense labour immigration – which is also connected with the issue of a labour shortage in the private sector – there is daily pressure on the work of Administrative Units, which are handling the administrative paperwork for employment of foreign workers. And while the labour shortage in the private sector is very much directly connected with the lack of a stimulating wage policy, the additional barrier to the latter in the public sector lies in constitutional and consequently budgetary fiscal restrictions.

## Forecasts

According to the Autumn Forecast of Economic Trends 2018, economic growth is expected to reach 4.4 per cent this year and remain at relatively high levels in the next two (3.7% and 3.4% respectively). Further growth in private and government consumption will contribute more to economic growth than last year. Growth will continue to be underpinned by private sector and government investment, which will increase only slightly less than last year.

Export growth will also remain strong, yet somewhat lower than last year, consistent with more moderate growth in foreign demand. The lower growth rates of investment and exports will thus be the main reasons for lower economic growth than last year (4.9%) and then in the Spring Forecast for this year (5.1%).

In the next two years economic growth will slow further, not only due to the gradually weaker growth in foreign demand, but increasingly as a consequence of demographic factors, i.e. a decrease in the working age population.

Growth is expected for all segments of investment activity, not only in construction (housing and infrastructure investments), but also in investment in machinery and equipment; amid rising demand, this will continue to be boosted by high capacity utilisation and good business performance. The growth of private consumption will strengthen this year under the impact of favourable labour market conditions and moderate optimism among consumers, then fall slightly in the next two, for the most part owing to slower growth in employment. Growth in government consumption is also expected to strengthen somewhat this year amid growth in employment in the general government sector and then ease gradually in the following years. (IMAD, September 2018)

The European Commission Recommendation on the 2018 National Reform Programme of Slovenia consisted of three recommendations in several areas:

1. Ensure that the nominal growth rate of net primary government expenditure does not exceed 3.1 per cent in 2019, corresponding to an annual structural adjustment of 0.65 per cent of GDP. Adopt and implement the Healthcare and Health Insurance Act and the planned reform of long-term care. Ensure the long-term sustainability and adequacy of the pension system, including by increasing the statutory retirement age and by restricting early retirement. Increase the employability of low-skilled and older workers through lifelong learning and activation measures.

2. Develop alternative sources of financing for fast-growing companies. Lower the barriers for market entry through the revision of product-market regulation and limiting the administrative burden. Enhance competition, professionalization and independent oversight in public procurement. Carry out privatisations according to the existing plans.

3. There are again several items in this year's Recommendations that are repeating themselves in perspective to last year's recommendations: reform of long-term care; ensure the long-term sustainability and adequacy of the pension system; increase the employability of low-skilled and older workers through lifelong learning and activation measures; develop alternative sources of financing.

As already mentioned, one of most pressing agenda items (also) in 2019 will be the issues of wages and a labour shortage and the interconnection between them. If the employers still deliberately ignore that interconnection, it is highly probable that they are going to face even greater labour shortages and consequently lose their competitiveness on the global trade scale because they did not enter the global race for work and not just for cheap labour. Given that scenario, the trade unions will in 2019 evidently push for higher wages – also with the argument of “higher global competitiveness”. In the case of an inadequate response from the employers' side, it is likely that labour emigration will intensify – either within the country or out of the country, which will leave employers with a chronic labour deficit and Slovenia with ever more have a growing problem of competitiveness in some specific sectors. Whole parts of public sector services are also faced with the same scenario of intensification of labour emigration, which could in a negative case lead to privatisation and contracting out of ever larger parts of public services.

## Annex - Information About:

- Collective Bargaining System

The Slovene legal system of collective bargaining between trade unions and employers does not have a long tradition. From the time of the socialist social and political order following World War II until the creation of the new independent state and the adoption of the new Constitution in 1991, labour relations had the character of mutual relations between employees. Employment relations in this narrow part of economy were based on labour contracts, only partly regulated by collective agreements concluded between the single socialist trade union organization and the representative organizations of private employers. The range of regulations of working conditions by contracts was very limited by the statute.

The situation changed after the introduction of the new social and political system when the new collective bargaining system was developed based on the

Constitution that was adopted in 1991, following ILO conventions about trade union freedom. The nature of collective agreements has been changing through time so there is a distinction between the collective agreements of the first, second and third generation. The latter are the result of the statutorily-defined frameworks for collective bargaining, which is in fact the codification of already existing practices in this area, with a few additions. The Collective Agreements Act, adopted in 2007, provided social partners with regulation of the procedures of collective bargaining and with legal tools for the prevention and resolution of collective conflicts between the contracting parties.<sup>1</sup> One of the problems of the system of collective bargaining is the short average lifespan of collective agreements (approximately one year) while the scope of content of the collective agreements remains too narrow.

- System of tripartite social dialogue

Social partners in Slovenia participate in the Economic and Social Council (ESC) that was founded in 1994 and represents a framework that has consolidated democratic relationships between the social partners. The ESC is a consultative body whose decisions, which are taken unanimously, are binding for all three partners. The significance of the ESC is reflected also in the position of the National Assembly of RS, according to which all acts and policies that in any way affect the interests of social partners must first be negotiated at the ESC level. Its working procedures are governed by the Rules of Procedure of the Economic and Social Council that date from 1994 and were last amended in December 2016. The ESC was primarily set up to deal with issues related to social agreements and wage policy, social policy, employment issues and working conditions, collective bargaining, prices and taxes, the economic system and economic policy, plus other areas falling within the remit of the social partners. As well as dealing with areas requiring tripartite agreement, the ESC can also examine other matters of an economic and social nature.

In addition to its advisory role, the ESC has a key role in negotiations with social agreements – and, until some years ago, wage policy agreements as well – being adopted under its auspices. So far, five social agreements have been adopted through the ESC, the latest Social Agreement 2015-2016 was agreed in February 2015.

Unfortunately, on 27 November 2015 the Employers' Association of Slovenia, the Chamber of Commerce of Slovenia and the Association of Crafts and Small Business Employers withdrew from the agreement. Before the actual signing of the agreement the same action was taken by the Chamber of Commerce and Industry of Slovenia. Several laws relating to wage policy have been adopted based on the wage policy agreements concluded by the ESC.

In recent year's tripartite social dialogue has come under heavy pressure from the so-called "European Semester" mechanisms (Stability and Convergence Programmes, National Reform Programmes, Country Specific Recommendations). Seemingly, the European Semester instruments mainly ignore the system of tripartite social dialogue based on the fact that all the documents prepared within the European Semester are not sufficiently coordinated within tripartite social dialogue.

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



- Social security systems – coverage and unpaid social contributions

	2016	2017	2018
<b>Compulsory health insurance</b>	No data € 132,551,952 of unpaid employers' contributions at the end of June 2016; (Tax Administration of RS)	No data € 123,621,232 of unpaid employers' contributions at the end of June 2017; (Tax Administration of RS)	No data € 12,070,948 of unpaid employers' contributions at the end of 2017; (Tax Administration of RS, September 2018)
<b>Pension and invalidity insurance</b>	863,463 persons in the pension and invalidity insurance system; 687,282 persons in paid employment at legal entities (September 2016) € 271,543,509 of unpaid employers' contributions at the end of June 2016 (Tax administration of RS, 2016)	928,668 persons in the pension and invalidity insurance system; 710,904 persons in paid employment at legal entities (September 2017) € 250,829,928 of unpaid employers' contributions at the end of June 2017 (Tax administration of RS, 2017)	952,236 persons in the pension and invalidity insurance system; 738,857 persons in paid employment at legal entities (November 2018) € 252,913,653 of unpaid employers' contributions at the end of 2017 (Tax administration of RS, September 2018)
<b>Unemployment insurance</b>	€ 2,237,246 of unpaid employers' contributions at the end of June of 2016 (Tax administration of Republic of Slovenia, 2016).	€ 2,082,625 of unpaid employers' contributions at the end of June of 2017 (Tax administration of Republic of Slovenia, 2017).	€ 1,879,503 of unpaid employers' contributions at the end of 2017 (Tax administration of Republic of Slovenia, September 2018).

Source: Institute for Pension and Disability Insurance of Slovenia 2018, Tax Administration of the Republic of Slovenia, Institute for Health Insurance of Slovenia, 2018

## • Education and vocational training

Preschool education (1-5 years) is an integral part of the overall education system, integrating centre-based childcare and early general pre-school education. These programmes are carried out by public and private pre-school entities; pre-school units can be part of primary schools, privately run pre-schools or individual teachers at a childminders' families. The Ministry of Education and Sport is in charge of the formation of staff, programmes and aids to particular groups of children. The municipalities are the main founders and direct providers of services. Pupils aged 6 enter the 9-year compulsory school program which is divided into first cycle (1-3; age 6-8); second cycle (4-6; age 9-11) and third cycle (7-9; age 12-14). After that they enter post-compulsory education/upper secondary and post-secondary level.

Tertiary education in Slovenia comprises higher vocational college education and higher academic and professional education. Higher vocational colleges that offer two-year vocational education (120 ECTS) at the sub-degree level (short-cycle, ISCED level 5B) provide higher vocational education. Higher vocational colleges issue a diploma, stating the field of education, and a Diploma Supplement

in the Slovene language and in one of the other EU languages. Joint study programs are also possible. Public or private universities and single higher education institutions offer the traditional higher education study programs.<sup>2</sup>

The Vocational Education Act (enacted in 2006) governs upper secondary vocational and technical education and training. According to this act all courses must be evaluated with credit points (1 credit point equals 25 hours of coursework). In December 2013, the National Assembly adopted changes to the Post-Secondary Vocational Education Act, giving it a larger role in the National Agency for Quality in Higher Education (NAKVIS) and has also begun addressing the problem of so-called fictitious enrolments.

## • Employment rate (Q3)

	2016	2017	2018
<b>Survey employment rate, in %</b>	66,4	70,4	71,9

Source: EUROSTAT, 2018, age: from 15 to 64

## • Persons in paid employment

	2016 M9	2017 M9	2018 M10
<b>Persons in paid employment</b>	738,445	762,510	790,918

Source: SORS, 2018

## • Unemployment rate (ILO methodology)

	2016 M10	2019 M10	2018 M10
<b>Unemployment rate (%)</b>	8.0	6.2	5,2

Source: EUROSTAT, 2018

<sup>2</sup> [http://eacea.ec.europa.eu/education/eurydice/documents/eurybase/national\\_summary\\_sheets/047\\_SI\\_EN.pdf](http://eacea.ec.europa.eu/education/eurydice/documents/eurybase/national_summary_sheets/047_SI_EN.pdf)

- Number of registered unemployed people (Employment Service of Slovenia - ESS)

	2016 M11	2017 M11	2018 M11
<b>Number of registered unemployed people</b>	96,843	82,415	76,099

Source: ESS, 2018

- Average gross monthly salary

	2016 M10	2017 M10	2018 M10
<b>Average gross monthly salary, in €</b>	1,567.99	1,621.46	1,676.38

Source: SORS, 2018

- Average net monthly salary

	2016 M10	2017 M10	2018 M10
<b>Average net monthly salary, in €</b>	1,020.40	1,056.47	1,086.80

Source: SORS, 2018

- Gender pay gap

	2015	2016	2017
<b>Average gross monthly level of earning, men, in €</b>	1,695	1,732	1,769
<b>Average gross monthly level of earning, women, in €</b>	1,594	1,630	1,664

Source: SORS, 2018

According to provisional data of the annual structure of earnings statistics, in 2017 average monthly gross earnings of persons in paid employment in Slovenia (calculated from annual gross earnings) amounted to EUR 1,721, which is 2.1% more than in the previous year. Average monthly gross earnings of men were 2.8% higher than the Slovene average and amounted to EUR 1,769. Average monthly gross earnings of women were 3.3% lower than the average and amounted to EUR 1,664.

In 2017, average monthly gross earnings of women were lower than average monthly gross earnings of men in almost all activities. The exceptions where average monthly gross earnings of women were higher than the average in those activities were: water supply, sewerage, waste management and remediation activities (by 13.0%), construction (by 11.5%), and transportation and storage (by 11.4%). In the mentioned activities most persons in paid employment were men but women mainly had better

paid jobs. The difference between men's and women's average gross earnings was the highest in human health and social work activities and in financial and insurance activities (by 30.2% and 32.4%, respectively).

In 2017, average monthly gross earnings of men and women were the closest in the statistical employment region of Jugovzhodna Slovenia (men's earnings amounted to EUR 1,698 and women's earnings to EUR 1,671). The difference between men's and women's average monthly gross earnings was the highest in the Gorenjska and Posavska statistical regions. In the former men received on average 4.9 per cent and in the latter 4.8 per cent more and women in the former 6.4 per cent and in the latter 5.6 per cent less than the average in those statistical regions. Compared to the previous year, in 2017 average monthly gross earnings increased the most in the Podravska statistical region by 3.4 per cent (by 3.2% for women and by 3.6% for men).



Regarding the level of education, in 2017 persons in paid employment with tertiary education received the highest average monthly gross earnings (EUR 2,356). Men with tertiary education earned more (EUR 2,616) than women with tertiary education (EUR 2,168). Person in paid employment with upper secondary education and those with basic education or less earned on average much less, the former EUR 1,389 (men EUR 1,465 and women EUR 1,266) and the latter EUR 1,134 (men EUR 1,223 and women EUR 1,015).

Average monthly gross earnings of men in 2017 were higher than the average monthly gross earnings of women in both the private and public sectors. In the private sector women earned on average EUR 1,496 and in the public sector EUR 1,855, which was 9.3 per cent (in the private sector) and 12.7 per cent (in the public sector) less than men in these two sectors. Compared to the previous year, in 2017 average monthly earnings increased both for men (in the public sector by 2.6% and in the private sector by 2.0%) and for women (in the public sector by 2.7% and in the private sector by 1.6%).

Source: SORS, 28th of September 2018

- Minimum wage (M12)

	2016 M12	2017 M12	2018 M12
<b>Minimum gross wage (M12), in €</b>	790.73	804.96	842.79

Source: Tax Administration of the Republic of Slovenia, 2018

- Actual weekly working hours

	2016	2017	2018
<b>Actual weekly working hours</b>	40,8	40,9	No data

Source: SORS, 2018

According to provisional data, in the 3rd quarter of 2018 persons in paid employment in Slovenia worked 272.1 million hours, which is 2.2 per cent more than in the same period of 2017. The total number of hours worked increased mainly due to more persons in paid employment.

In spite of the positive growth rate in the total number of hours worked, in the 3rd quarter of 2018 a person in paid employment in Slovenia worked on average fewer hours than in the 3rd quarter of 2017, i.e. a monthly average of 118 hours or 1.4% fewer than in the same period of 2017. The main reasons for this were more annual leave hours used and fewer unpaid overtime hours.

In the 3rd quarter of 2018 the largest number of hours were worked by persons employed in construction; on average 125 hours per month. On the other hand, the lowest monthly average of hours in this period were worked by persons employed in education; on average 105 hours or 13 hours fewer than the national average.

Source: SORS, 5th of December 2018

In the 3rd quarter of 2018 the highest share of hours worked in paid hours were observed in agriculture, forestry and fishing (76.5%) and in construction (76.4%).

As in the previous quarter, also in the 3rd quarter of 2018 the largest increase in the total number of hours worked compared to the same period of 2017 was observed in construction (by 6.8%), followed by the increase in professional, scientific and technical activities (by 4.6%). The main reason for the increase in the total number of hours worked in both activities was more persons in paid employment.

- Regular work / atypical work

	2016 (Q3)	2017 (Q3)	2018 (Q3)
<b>Temporary employees as a percentage of the total number of employees</b>	17.1	19.0	16,0
<b>Part-time employment as a percentage of the total employment</b>	9.2	10.4	9,0

Source: EUROSTAT, 2017

According to the data from Kramberger (2012) the central part of the Slovenian labour market, with full-time employment and permanent contracts, represents 60 per cent of the actual work positions. The other 40 per cent are part of the precarious jobs segment.

According to EUROSTAT data, in the 3rd quarter of 2018 the share of temporary employment in the Slovenian labour market was 16.0 per cent, which is higher than the EU 28 average, which stands at 14.3 per cent (Q2 2018). The biggest problem is the extremely high incidence of temporary employment among young workers. According to the same EUROSTAT data, 69.6 per cent of women aged 15-24 are working on temporary employment status (Q3 2018), which is much higher than the EU 28 average of 43.5 per cent (Q2 2018).

Slovenia has 9.0 per cent of its workforce aged 15-64 in part-time employment, which is lower than the EU 28 average of 19.3 per cent (Q2 2018). But the incidence of part-time employment is very much closer to the EU 28 average among young people between 15 and 24 years old – 29.1 per cent (Q3 2018) as to the EU28 average of 30.0 per cent (Q2 2018).

Another point of reference is that the use of TAW (temporary agency work) is still getting more and more popular among employers. The number of registered temporary work agencies has fallen to 100 now due to new restrictions in 2014 through the changes in the Labour Market Regulations Act but the number of people employed on or through TAW has soared from 6,801 in September 2013 to 19,005 in November 2017 (SORS), with a slight decline in recent months, to the number of 16,884 in October 2018. (SORS, 2018).

Two additional things that must be mentioned are the falling share of people employed with labour contracts as a percentage of the active population in 2013 and 2014, and the rising combined share of other types of work (self-employment, student work) in the structure of the economically-active population as shown in the table below.

SHARE IN STRUCTURE (%)	2010	2011	2012	2013	2014
<b>Employed</b>	77.7	78.1	79.6	78.7	77.4
<b>Self-employed</b>	12.4	12.6	12.2	11.9	12.7
<b>Student work and other types of work</b>	5.1	5.1	4.1	4.7	4.0

Source: Ministry of Labour Family, Social Affairs and Equal Opportunities, IMAD

- Migration

YEAR	2015	2016	2017
Immigration from abroad	15,420	16,623	18,808

YEAR	2015	2016	2017
Emigration to abroad	14,913	15,572	17,555

Source: SORS, 2018

- Human Development Index (HDI)

	2015	2016	2017
HDI rank	25	24	25
HDI value	0.889	0.894	0.896

Source: UNDP, 2018

- GINI-coefficient (GC)

YEAR	2015	2016	2017
GC, EU 27	31.0	30.8	30.3
GC, Slovenia	24.5	24.4	23.7

Source: EUROSTAT, 2018

- Collective agreement coverage

Figures from the Slovenian national statistical office show that in September 2005 only 4 per cent of employees were covered by individual, rather than collective, agreements and these were senior management rather than 'regular' employees. (Worker Participation, 2017).<sup>3</sup>

<sup>3</sup> <http://www.worker-participation.eu/National-Industrial-Relations/Countries/Slovenia/Collective-Bargaining>



- Ongoing important collective bargaining agreements – 2018

OFFICIAL GAZETTE NO.	DAY OF PUBLISHING	COLLECTIVE AGREEMENT	
2/2018	9 January 2018	Collective agreement for the electrical industry of Slovenia	Extended validity of collective agreement
4/2018	19 January 2018	Collective agreement between workers and small businesses	Extended validity of collective agreement- driving schools
4/2018	19 January 2018	Collective agreement for the paper and paper-manufacturing industry	Increase in basic wages
8/2018	9 February 2018	Collective agreement for agricultural and food industry	Increase in basic wages, food allowances, holiday allowance
24/2018	13 April 2018	Collective agreement for agricultural and food industry	Cooperative's Association of Slovenia is also signing the Collective Agreement
24/2018	13 April 2018	Collective agreement for banking sector	Increase in basic wages; new definitions of working time bonuses; wage supplements; pay of excess unused working hours; work related costs; other material rights; time validity of collective agreement
29/2018	26 April 2018	Collective agreement for the activities of the acquisition and processing of non-metallic mineral ores of Slovenia	Increase in basic wages
29/2018	26 April 2018	Collective agreement for non-economic activities	Trade union of financial accountants of the salary group J is also signing the agreement
30/2018	26 April 2018	Collective agreement for construction sector	Extended validity of collective agreement
33/2018	18 May 2018	Collective agreement for real estate activity	Employers Association of Slovenia is also signing the collective agreement
44/2018	29 June 2018	Collective agreement for agricultural and food industry	Increase in basic wages
52/2018	27 July 2018	Collective agreement for retail sector of Slovenia	Clearly defined (weakly) working time; work on 15 holidays, which are work-free days, not allowed; Sunday work bonus going up from 5.40 EUR/h to 6.05 EUR/h or 100 per cent of basic hourly wage if better for employee; as of 2019 lowest basic wages (I-IV wage level) going up by 5 per cent; from July additional 2 per cent. From 2019 the holiday allowance pay will be in the amount of minimum wage.
51/2018	20 July	Collective agreement for woodworking activity	Increase in basic wages
48/2018		Collective agreement for railway traffic	
56/2018	17 August 2018	Collective agreement of catering and tourism sector of Slovenia	New collective agreement: 4 years validity; clearer rules on working time rules and use of excess working hours
57/2018	24 August 2018	Collective agreement for newspaper information publishing and bookkeeping	Increase in basic wages in publishing and bookkeeping sector
67/2018	19 October	Collective agreement for retail sector of Slovenia	Extended validity of new collective agreement

Source: EUROSTAT, 2017

OFFICIAL GAZETTE NO.	DAY OF PUBLISHING	COLLECTIVE AGREEMENT	
80/2018	7 December 2018	Collective agreement for the activity of health and social care of Slovenia	New definitions of some pay levels; changes in working time regulations; definition of process in defining standards and norms; jubilee awards; severance pay at the retirement – definitions
80/2018	7 December 2018	Collective agreement for non-economic activities	Jubilee awards; severance pay at the retirement - definitions
80/2018	7 December 2018	Collective agreement for employees in nursing care	New definitions of some pay levels; changes in working time regulations; definition of process in defining standards and norms; jubilee awards; severance pay at the retirement – definitions
80/2018	7 December 2018	Collective agreement for public sector	New definition of orientational working posts; changes of some bonuses
80/2018	7 December 2018	Collective agreement for State Administration, Administration of Judicial Bodies and Administration of Self-Governing Local Communities	New definitions of some pay levels
80/2018	7 December 2018	Collective agreements for the activity of education	New definitions of some pay levels; jubilee awards; severance pay at the retirement – definitions; class teacher – additional definitions
80/2018	7 December 2018	Collective agreement for doctors and dentists	Jubilee awards; severance pay at the retirement – definitions
80/2018	7 December 2018	Collective agreement for cultural activities in the Republic of Slovenia	New definitions of some pay levels; jubilee awards; severance pay at the retirement – definitions
80/2018	7 December 2018	Collective agreement for research activity	New definitions of some pay levels; jubilee awards; severance pay at the retirement – definitions
80/2018	7 December 2018	Collective agreement for compulsory social security	New definitions of some pay levels
80/2018	7 December 2018	Collective agreement for the activity of occupational firefighting	New definitions of some pay levels
80/2018	7 December 2018	Collective agreement for the activity of environment and space	New definitions of some pay levels
80/2018	7 December 2018	Collective agreement for agricultural activity	New definitions of some pay levels
80/2018	7 December 2018	Collective agreement for forestry activity	Increase of basic wages

Source: Official Gazette of Slovenia, 2018

## • Trade union density

According to available studies from the Centre for Public Opinion Research between 1991 and 2008 the overall trade union density fell from an 'initial' 66.5 per cent to 26.6 per cent (as measured from February 2008). The drop of trade union density was significant in the period after the joining the EU – it fell from 43.7 per cent in 2003 to 26.6 per cent in 2008 (Stanojević, 2009). In absolute numbers the biggest trade union, ZSSS, has 160,000 members according to

2016 numbers. According to the 2013 data from the Centre for Public Opinion Research, the overall trade union density in Slovenia has fallen to 22 per cent (Stanojević, 2014).

- Employers' organizations density

Available public data indicates that the Employers Association of Slovenia has 1,400 members that are organised in 11 sections.<sup>4</sup> The Chamber of Commerce and Industry has around 6.400 members<sup>5</sup> and the

Chamber of Crafts and Small Businesses has about 30,000 members.<sup>6</sup> The Chamber of Commerce of Slovenia has about 5,700 members.<sup>7</sup>

- Workplace representation

Both a trade union in the workplace and a Works Council provide workplace level representation in Slovenia. Both have information and consultation rights, although the Works Council's rights are more extensive and the union can only undertake collective bargaining. Employees at the workplace are represented both through their local union structures and, in workplaces with more than 20 employees, with a Works Council. In practice, council members are frequently trade union activists, although the extent of trade union involvement varies from industry to industry. The Works Council legislation dates from 1993 and draws heavily on the experiences in Germany and neighbouring Austria. Figures from 2004 suggest that around two-thirds of larger companies have Works Councils. However, difficulties continue in their operations.

In particular, where there are differences with the employer, it can take a long time to get issues to arbitration. The unions themselves set the numbers and structures of trade union representatives at the workplace. The arrangements for Works Councils, however, are set out in legislation. Employees can set up a Works Council in any company with more than 20 employees. Works Councils in Slovenia are set up on a company rather than a plant basis. In companies with 20 or fewer employees, there is the right to set up a workers' trustee. The right to set up a Works Council was extended to businesses that are not companies – such as sole traders – by the 2007 Workers' Participation Act. However, in these cases the lowest threshold is 50 employees.

*The size of the Works Council varies according to the number of employees as follows:*

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

There are then extra two members for each additional 1,000 employees. The Works Council, which is composed entirely of employees, should elect a chair and a deputy chair and it can set up specialist committees to cover issues of particular interest to certain groups of workers. These can be broad groups like women or younger workers, but they can also cover particular parts of the company's business. They can also draw in employees other than the elected members of the Works Council (Worker Participation, 2010).

<sup>4</sup> <http://www.zds.si/si/zds/predstavitev/>

<sup>5</sup> Taken from the members register

<sup>6</sup> <http://www.delo.si/gospodarstvo/podjetja/trideset-tisoc-clanov-vidi-prednosti-ozs.html>

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



- Trade unions

Trade Union confederation / association	Number of members	Member of international trade union organisations
<b>Zveza svobodnih sindikatov Slovenije - ZSSS</b> (Association of Free Trade Unions of Slovenia)	160,000 (2016)	European Trade Union confederation - ETUC
<b>Konfederacija sindikatov javnega sektorja - KSJS</b> (Confederation of Public Sector Trade Unions)	73,421	
<b>Konfederacija sindikatov Slovenije PERGAM</b> (Confederation of Trade Unions of Slovenia PERGAM)	19,000 (2008)	UNI global unions IndustriaAll
<b>Konfederacija sindikatov 90 Slovenije – KS 90</b> (Confederation of Trade Unions 90 Slovenia)	No data available	No data available
<b>NEODVISNOST, Konfederacija novih sindikatov Slovenije</b> (Neodvisnost, Confederation of New Trade Unions of Slovenia)	19,000 (2008)	No data available
<b>Slovenska zveza sindikatov ALTERNATIVA</b> (Slovenian Association of Trade Unions Alternativa)	3,100 (2008)	No data available
<b>Zveza delavskih sindikatov Slovenije – SOLIDARNOST</b> (Association of Workers Trade Unions of Slovenia Solidarnost)	3,100 (2008)	No data available
<b>Zveza reprezentativnih sindikatov Slovenije</b> (Association of Representative Trade Unions of Slovenia)	No data available	No data available

Source: internal data, EUROFOUND

Within the scope of its powers arising from the Representativeness of Trade Unions Act (Official Journal of RS, No. 13/1993) and based on the evidence of meeting the conditions stipulated by the legislation, the Ministry of Labour, Family and Social Affairs issues decisions on trade union representativeness for trade union associations or confederations and for independent trade union representatives within their industry, sector, occupation, municipality or broader local community. Currently, the list of representative trade unions comprises 49 representative trade union confederations, associations and autonomous trade unions. Eight of these trade union associations are representative at the national level (see respective table). Overall, there were 2,759 registered trade unions in Slovenia in 2017 (AJ PES, 2018).

Two of the biggest trade unions are Sindikat kovinske in elektro in industrije (Trade Union of Metal and Electrical Industry – SKEI), which is a member of ZSSS and Sindikat vzgoje in izobraževanja (Trade Union of Education – SVIZ), which is a member of KSJS. SKEI has approximately 27,500 members (2016) and is a member of international trade union organization IndustriAll. SVIZ has 39,127 members (2017) and is a member of international trade union organization Education International.

- Employer's organizations

Employer's organisation	Number of members	Member of international employer's organisations
<b>Združenje delodajalcev Slovenije - ZDS</b> (Employers Association of Slovenia)	1,400	BUSINESS EUROPE
<b>Gospodarska zbornica Slovenije - GZS</b> (Chamber of Commerce and Industry of Slovenia)	ca. 7,500 <sup>8</sup>	A.I.E.C.E. (Association d'Institutes Economiques de Conjoncutre Economique) EUROCHAMBRE I.C.C (International Chamber of Commerce)
<b>Obrtno podjetniška zbornica Slovenije - OZS</b> (Chamber of Crafts and Small Businesses of Slovenia)	30,000	No data available
<b>Trgovinska zbornica - TZS</b> (Chamber of Commerce of Slovenia)	ca. 5,700 <sup>9</sup>	Section of direct sales is a member of FEDSA - Federation of European Direct Selling Associations  Section of Slovenian franchise companies is a member of EFF - The European Franchise Federation
<b>Združenje delodajalcev obrti in podjetništva - ZDOPS</b> (Association of Crafts and Small Business Employers)	No data	European Economic and Social Council - EESC (representative)

Source: Websites of employers' organisations

<sup>8</sup> Full register of its members available at: <http://www.gzs.si/slo/57043>

<sup>9</sup> Full register of its members available at: [http://www.tzslo.si/pic/pdf/objava\\_clanov-2013.pdf](http://www.tzslo.si/pic/pdf/objava_clanov-2013.pdf)



# Annual Review 2018

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### **About the Author**

Goran Lukic was an employee of the Association of Free Trade Unions of Slovenia until 31 December 2015.

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Friedrich-Ebert-Stiftung | Regional Project on Labour Relations and Social Dialogue

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### **Responsible:**

Matthias Weber

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