

Initiatives of the social partners for the improvement of labour market access for disadvantaged groups

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1. Policy framework

Slovenia encountered the questions of social cohesion and social integration, listed in the Lisbon strategy, already in the transition period to the EU. At that period the government took some measures for more effective inclusion of most vulnerable groups in the labour market. The new Pension and Disability Insurance Act (1999) should adapt the pension system to the prevailing demographic trends in drafting measures for providing the financial sustainability of pensions. Several development programmes and action plans were drafted (National Action Plan on Social Inclusion 2004-2006; Active Employment Policy Programme for 2003; Joint Memorandum on Social Inclusion (JIM); Action plan for Lifelong Learning 2004, etc. Many successful pilot projects within Phare programme for development of vocational education and training were introduced.

Social dialogue in Slovenia is tripartite and takes place between the major employer groups, organised in Association of Employers of Slovenia, Association of Employers for Craft Activities, Chamber of Industry, Chamber of Commerce and Chamber of small Business and Crafts on one side, trade unions (7 Trade Union Federations or Confederations) and the government. The interest groups meet in the Economic and Social Council of the Republic of Slovenia (ESS) on tripartite basis. ESS deals with several social and economic areas, labour market and employment policy, the pension system, social security, the tax system, etc. ESS is enabled to take initiatives for adopting or amending legislation and to give opinion on measures from its responsibility to the government.

With becoming part of the European Union in 2005 Slovenia joined the EU consultation process for an active inclusion of the disadvantaged groups to the labour market. The Social partners in Slovenia were involved in the designing of active labour market national policy and new labour market legislation debate. They supported solutions for better integration of disadvantaged people but did not agree with many proposals for reduction of already existing social rights.

Government and Social partners in late July 2007 installed the new Social Agreement for the period 2007-2009 as a framework for implementing the key measures necessary to achieve the mutually agreed development goals. The purpose of the agreement is to promote the well-being of every individual, which shall be measured with indicators of human development, health, social risk, social cohesion, inclusion and confidence.

2. Main elements of the policy

Slovenia aims at achieving national objectives within the framework of the common European policies and strategies. The general strategic approach in Slovenia is based on the orientations and contents, defined in the Development Strategy of Slovenia (DS, 2005). One of the key priorities is related to social protection and social inclusion. It follows the feeding-in and the feeding-out concept and reveals a strong correlation between social protection, economic growth and employment. The social partners are involved in OMC process mainly through participation of their representatives in the working groups. Contrary to Austria, in Slovenia a network of social partnership to combat social exclusion does not exist. Most initiatives, how to strengthen social cohesion, are governmental measures for reaching the planned national (and EU) goals.

2.1 Employment

Social partners in Slovenia took part in the debate how to ensure greater flexibility on the labour market. Employers demanded more flexible contracts while the trade unions strived for employment protection and more active inclusion of employees. Finally, a compromise had been attained in amended new Employment Relationship Act (2007). The argumentation of trade unions of Slovenia was partly based on EAPN position paper from 2006 on flexicurity (Will flexicurity meet the needs of people experiencing poverty and social exclusion?).

In Slovenia, the goals, objectives and target groups are laid down in National Action Plan for Social Inclusion (2004-2006). Aiming to achieve the planned goals in employment the new Employment and Insurance Act against Unemployment Act was amended (2006). As stated in the National report on strategies for social protection and social inclusion 2006-2008, the goal of reducing the number of long term unemployment was achieved (-14% between July 2006 and July 2007). The goal to reduce the number of unemployed young persons (by 500) has also been achieved. New Scholarship Act which came into force in July 2007 offers opportunity to get 10.000 additional scholarships for young people from the most socially vulnerable families.

The Programme of measures on the Active Employment Policy (AEP) for the period 2007-2013 was adopted in 2007. One of its objectives is the maintenance and development of work skills of people with disabilities, to increase their work and social inclusion and encourage development of new jobs. The other measure is to help with the employment of hard-to-employ people. The measure is intended to maintain and develop the work skills of the unemployed, increase work and social inclusion and encourage the development of new jobs.

In Slovenia we have so called »quota system«, a system which is regulated by national legislation that obliges all the companies to hire a compulsory quota of disabled people. This quota varies. Companies with more than 20 workers have to employ from 2% to 6% of disabled persons according to the activity sector. The companies that do not hire the compulsory quota of disabled persons must pay a penalty which nourishes a national fund. This fund is destined for the promotion and support of work inclusion of disabled people: for example, the fund finances expenditure for adapting the work environment to the needs of disabled workers.

The employers who promote employment and preserve jobs for the disabled are entitled to use subsidies. The emphasis is given to measures for raising the employment rate of elderly people

(55-64 years), which is among the lowest in the EU. A promotion project of new employment of the elderly was launched in the second half of 2005.

The project included 575 people and aimed to raise new ways for older people, adapting working environment etc.

Payments were made to those people who were included in the project, funding was provided 75% by European Social Fund. The Chamber of Craft and the Chamber of Industry participated in the promotion.

The Employment Service of the Republic of Slovenia offers for various vulnerable groups of people who are unemployed or whose employment is threatened programmes for the reconciliation of companies and employees already during the work introduction phase:

- various types of supported educational programmes: psycho-social programmes, learning enterprise, learning workshops, job rotation, learning centre, information centres etc (young people, 45+, women, people with long-term unemployment, people with low qualification etc.)
- Types of employment for disabled are companies employing the disabled, supported employment, sheltered employment and employment centres.

For the improve awareness-raising and attitudes in the companies towards this target group the goal is to find systematic solutions and strengthen public-private partnership and social dialogue in order to establish innovative and comprehensive model of employing vulnerable groups and enable them for a better access to the labour market. It will also facilitate lifelong learning and adaptability of vulnerable groups of employees.

2.2 Inclusion of elderly people to the labour market

The Ministry of Labour, Family and Social Affairs in 2007 proposed amendments to Pension and Disability Insurance Act. The changes should encourage active persons to remain employed after they have fulfilled the retirement criteria. The trade unions blocked the debate for a new pension system by treat with a general strike. They protested in first line against the bonuses and penalties for those, who would retire earlier. In fact the consequence of the reform on pension system would in long term cause a pension decrease for less paid workers.

2.3 Health care

The government also proposed, according to the development priority in Development Strategy the amendments in Health care and Health Insurance Act. The changes might improve access to quality services for all insurance holders and especially for the most vulnerable groups. On the other hand the Ministry of health conferred plenty of new concessions to private holders for performing the health care financed by public fund. The funding of public institutions was cut and decreased, what in the first line jeopardized prevention activities and rehabilitation. Social partners involved in the debate supported better access and long term care services for disabled. Trade unions protested against reduction of rights and standards and voted against demolition of

public health care system. Trade unions actively supported a civil initiative "Keep the public health care system". More than 70,000 people signed the petition against the decomposition of public health care system.

Health care and Health insurance Act guarantees special rights for certain groups of disabled, like the use of special group rehabilitation programs. The social partners supported creation of possibilities for maximum independent life of the disabled (housing capacities, etc.), as one of preconditions to stay employed. The trade unions are of the opinion that the health care problems stem from lack of general practitioners. Closer dialogue with non governmental organizations on regional and local level should be established and their activities for the promotion of health for vulnerable groups (the youth, disabled, elderly) in local environments shall be a priority.

One initiative of trade unions in 2008 for raising the minimal wage, due to high inflation rate in Slovenia in 2007 tried to protect the living conditions of employed who earns minimal wages (ca 20,000). The employers and consequently the government accepted the minimal wage rise only partly (from 538 EUR to 566 EUR, what means ca 41% of the average salary). The very low fixed minimal wage will cause pressure on wages and have negative consequences later on pensions.

2.4 Youth and employment

The youth unemployment in Slovenia is still relatively high. Several initiatives were taken for better integration of younger people into the working process. The Vocational Education and training Act was amended to ensure training during the schooling and strengthen the links between schools and the companies. But still the dropout rates in VET are very high and many students leave the school without finishing the education. If they don't enter a job they will belong to the group of social excluded persons. A network of Vocational information and guidance centres was established in last 5 years. The purpose of VIGC is to offer accurate and sufficient information to young people first deciding on a career, as well as to adults (unemployed or employed) changing their careers, seeking new employment or wanting to continue education, in order to help them make their own decisions. It is also of help to vocational guidance counsellors, employment advisors who need information to improve the results of their work, and all other interested parties.

The social partners are involved in the project »Information and counselling for youngsters« which was started from National Institute for Vocational Education. At the regional level 6 counselling points were established, where young drop outs may define their future development, attitudes for work and training. In the counselling process professional counsellors help the youngsters with information on training opportunities, work placements and job offers. In the whole process, in average 30 hours pro individual 826 youngsters were included.

To tackle the high unemployment rate of graduates who finished higher education Slovene Student Organisation launched 2007 an action for drafting the Employment strategy for youngsters.

3. Austrian experience

The initiatives of Austrian social partners for an active inclusion of the people furthest from the labour market could contribute to find good solutions for solving problems of social exclusion in Slovenia. Slovenia does not have a similar corporate structure for a social partnership like Austria has. The membership in the employers organisations is free (except compulsory membership in the Chamber of Craft and small Businesses of Slovenia), and they were traditionally devoted to present and defend the interests of employers. The employer organisations are focused on collective bargaining and wage policy and they offer help in business services to their members.

The trade unions experienced a big fragmentation. Their membership dropped considerably (45-50%), but they still remain the strongest representative of employees and partner in social dialogue. Most of the trade unions do not have necessary resources, whether on expertise or funding for concrete actions in social inclusion. Therefore their strength is set in bargaining and public debate on legislation and governmental solutions. The intention of establishing a partner fund for joint funding of joint employment projects as an addition to public funding for promoting employment and further consolidation of multi-level social partnership remained only an idea.

Three internet based information platforms (work and age, work and disability and work and health), which give information and help disadvantage groups and employers would be transferable also to Slovenia. There is possibility to analyze the Austrian experience and discuss the initiative in the Economic and social committee.

Slovenia succeeded in the past to establish a relatively good functioning system of social protection and social care for vulnerable groups. Many measures for social inclusion of people far from the labour market were put into practice, many thanks to the initiatives of social partners. Finally the figures on employment, unemployment rates of younger persons and disabled place Slovenia in the midst in European comparison. With a mutual effort of Slovenian government and social partners the indicators on social inclusion, set down in national documents will be reached soon in the future.

References

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- [Employment and Insurance against Unemployment Act](#) (Official consolidated text; unofficial translation)
- [Act on the Prevention of Illegal Work and Employment](#) (the act has been changed in November 2006; unofficial translation)
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