



Slovenia

Trends, Recent Developments, “Feeding in” and “Feeding out”

A Study of National Policies

Martina Trbanc

Faculty of Social Sciences, University of Ljubljana

*Disclaimer: This report does not necessarily reflect
the views of either the European Commission
or the Member States.*

November 2007



On behalf of
European Commission
DG Employment, Social Affairs and Equal Opportunities



Content

Summary	4
1. Short summary of the 2007 Implementation Report on Reform Programme for Achieving the Lisbon Strategy Goals	5
2. Assessment of the Implementation Report from the perspective of social inclusion	6
2.1. The “feeding out” aspects	6
2.1.1 The policy response to EC recommendations and points to watch.....	7
2.1.2 Other key policy initiatives and responses	13
2.2 The “feeding in” aspects	15
2.3 Aspects related to governance	16
3. Short overview of new reforms and changes in relevant key trends in 2007.....	17
References	22

Summary of feeding in and feeding out issues

The main achievements presented in IRNRP are in the areas of economic growth and higher employment. The impacts of economic policies, measures for increasing job flexibility, raising the employment rate and changes in social protection system on most vulnerable groups are not considered. Two examples of that are the neglected consequences of high inflation on people with low incomes, and the neglected social security and in-work poverty issues regarding people performing flexible types of jobs.

The issues of quality of jobs and working conditions are largely overlooked as well as the developments towards intensification of work in organisations. Improving the quality of jobs and modernisation of work places and work organisation should be important part of the employment policy, flexicurity policy as well as part of the active ageing strategy.

Labour market (age) segmentation remains high and is not addressed properly. This is especially critical for integration of young people into employment, as they often perform jobs on fixed-term contracts and other flexible and precarious types of jobs with no social security linked to them. Measures addressing the structural reasons for youth unemployment should be more emphasised (and not only measures for raising the employability of young people).

The flexicurity approach has been adopted. Its main weakness is the insufficient attention paid to social security and potential in-work poverty of persons performing flexible jobs, while the scope of flexible and precarious jobs is increasing. This deepens the segmentation between more stable jobs performed on open-ended contracts and flexible forms of work.

A positive development is the recognition of the importance of life long learning for the inclusion of the most vulnerable into the society. The Government recognised the need to introduce new measures for those with low educational attainment, it also improved access to scholarships and insured more financial resources for scholarships. However, more measures are needed to include older people in education and training.

The main link between IRNRP and NR on Strategies for Social Protection and Social Inclusion is in the area of increasing the activity of recipients of financial social assistance, who are obliged to accept any offered work, including less demanding jobs, temporary, occasional, humanitarian and similar work. Activation is based on conditionality and not on positive, stimulative measures. The aim is to increase the employment rate in population and reduce the number of recipients of financial social assistance and thus contribute to sustainability of public finances.

Within housing policy measures, a new type of rent subsidy was introduced for young families that have no other housing option but to rent an apartment in an open housing market (where rents are high). This subsidy is intended especially for young families with children where at least one of the parents recently graduated from tertiary education and is not yet regularly employed and does not have enough funds to more permanently solve their housing problem, but could not rent a non-profit apartment (which are scarce). As such it can be given as an example of good practice of feeding in, since it is intended as a temporary support to young highly educated parents who have just entered the labour market and are often in a precarious employment situation and with scarce financial resources.

1. Short summary of the 2007 Implementation Report on Reform Programme for Achieving the Lisbon Strategy Goals

As stated in the Summary of the 2007 Implementation Report (IRNRP), it is the second annual overview of realisation of priorities, objectives and measures of the Reform Programme for Achieving the Lisbon Strategy Goals in Slovenia which was adopted in October 2005. The main part of the report is structured according to the five development priorities of the Reform Programme (the same priorities were set out in Slovenia's Development Strategy adopted in June 2005), that is: (i) a competitive economy and faster economic growth, (ii) effective creation, two-way flow, and use of knowledge for economic development and quality jobs, (iii) an efficient and cheaper government, (iv) a modern welfare state and higher employment, (v) integration of measures to achieve sustainable development. As stated in the IRNRP, the development goals are not only economic, but are aimed at an overall increase in population's welfare and quality of living based on the principles of sustainable development.

For each development priority, the implemented and planned policies and measures as well as legislative changes (new and changed legislative acts) and institutional re-arrangements are presented in a comprehensive and structured way. The developments in various areas are also well illustrated with figures and trends, although it is not always clear whether the positive trends (especially economic and employment) are actually the result of the taken measures and policies or they can (at least partially) be attributed to a favourable business cycle and international business situation. Many of the measures, programme documents and legislative acts were taken very recently, so it is at the moment hard to assess their real effects (although in the report they are often presented as already showing the results). From this perspective, one has to agree with the comments of different actors expressed in the (short) public debate around IRNRP in September 2007 that the report is over-optimistic, not critical enough and should also focus on areas where the progress has been weak (see Appendix 3 of the IRNRP).

In Appendix 1 there are responses to the two recommendations and several points to watch given to Slovenia by European Commission at the end of 2006, complemented with extensive additional explanatory notes in Appendix 2.

Regarding the first EC recommendation, that is: further measures aimed at improving the pension reform and promoting active ageing in order to raise the employment rate of elderly, the response announced further modifications of pension legislation (a draft version of amendments to the Pension and Disability Insurance Act has already been prepared but not yet discussed in public), as well as a new active ageing strategy which is in preparation. In the explanatory notes the existing measures for employment of older people are presented. Still largely missing are the motivation and awareness raising activities focused at general public, older workers and at employers on the issues of employment of older people, active ageing and co-existence and solidarity among different generations. As can implicitly be understood from the explanatory notes such activities are envisaged for the future (it is explained that Employment Service of Slovenia has been since 2006 preparing a study that will serve as a base for a strategy for such activities) and will presumably be part of active ageing strategy.

The response to the second EC recommendation (Enhancing employment services to support the move towards more flexible working and contractual arrangements and the already increased conditionality of unemployment benefits, and offering services at an earlier stage of unemployment) states the modernisation of Employment Service of Slovenia (ESS), increased use of ICT in providing the information about new job openings (sms and e-mail messages to the

unemployed), new and renewed services for which additional training of employment counsellors was carried out, renewed information programme that all unemployed persons participate in short after the registration, and cooperation of ESS with private job agencies, based on specially concluded contracts. From explanation in Appendix 2 it can be concluded that ESS is adapting to the accepted activation approach based on the increased conditionality and expected flexibility of the unemployed.

Eight points to watch were given by EC and IRNRP responds to all of them, explaining the measures taken or planned (in preparation) to improve the situation in specific areas. All points to watch require further attention in order to see whether the implemented and planned measures (which are largely based on newly introduced legislative acts) are sufficient and what will be their real effects on the situation in the areas in question. This is especially true for the measures intended to strengthen the link between the education system and the labour market, measures aimed at reducing the labour market segmentation and integration of young people into the labour market, and promotion of environmental technologies and energy efficiency.

Developments in the area of flexicurity are reported upon in the IRNRP, especially in connection to the Amendment to Employment Relationships Act, which was passed in October 2007, after intense year-and-a-half long negotiation between social partners. It actually does not bring any radical changes, but it enables greater internal flexibility of employees (job contract concluded for a broader type of work), expands the possibility of temporary employment, somewhat shortens the notice period for redundant workers, involves the ESS sooner in the process of solving the problems of redundant workers (immediately after giving the notice, the ESS starts cooperating and looking for alternative employment solutions), and stresses the possibility of reassignment of employees who were given notice at another employer. In fact, the way the flexicurity concept is being implemented in Slovenia to a large extent preserves the employment security of permanently employed (on open-ended contracts) persons and increases their internal flexibility and adaptability, while, on the other hand, it increases the possibilities and the scope of temporary employment and different other forms of precarious jobs (including different types of short-contract work, workers employed at private agencies for leasing labour, student jobs, etc.) with practically no security attached to them.

2. Assessment of the Implementation Report from the perspective of social inclusion

2.1. The “feeding out” aspects

The IRNRP makes a link to cohesion policy in terms of strengthening the regional development, development of environmental and transport infrastructure, national development projects (i.e. economic, medical, education, sports, culture, and tourist infrastructure projects, measures for sustainable development), and human resource development projects (some directed to the most poorly developed geographical areas, with high unemployment rates). However, in the concrete policies and measures, the social cohesion dimension is still neglected. The main achievements presented in the IRNRP are in the areas of economic growth and higher employment, and in this context social inclusion is understood primarily as inclusion of the unemployed and financial social assistance recipients in the employment (through activation and increased conditionality in access to social transfers), which also results in more sustainable (in financial terms) social protection system. The impacts of policies in different areas, especially economic measures, measures for increasing job flexibility, for raising the employment rate, changes in social

protection system and eligibility to social transfers on the situation of most vulnerable groups are rarely considered. Some of the largely overlooked or easily dealt with issues are, for example, the consequences of high inflation in 2007 for the poorest segments of population, the consequences of the decrease in the real value of wages for workers in the lowest wage groups, the consequences of increased conditionality in access to unemployment benefit and financial social assistance as well as changed indexation of social transfers and minimum wages for the most vulnerable groups of population, persistently high labour market segmentation, concentration of flexible and precarious jobs among young people, the quality of jobs and working conditions, etc.

2.1.1 The policy response to EC recommendations and points to watch

Regarding the response to the first recommendation of the EC related to improving the pension reform, promoting active ageing and raising employment rate of the elderly, the planned policies and measures are very narrowly focused. Because of the effects of the 1999 pension system reform (gradual, progressive prolonging of retirement age and decline of retirement under special regulations), the employment rate of elderly (55-64 years) is slowly increasing (from 30.7% in 2005 to 32.6% in 2006), but employment policy measures focused at elderly are not very efficient. One of the important reasons for that is the fact that the issue of employment of older people is considered separately, without consideration of the broader context of quality of jobs and working conditions (especially in industrial sector) and work organisation within which older people can be expected (and capable) to work longer.¹ The issue of quality of jobs and working conditions in Slovenian economy, as well as the actual level of technological development in industrial (manufacturing) sector is rather neglected in IRNRP, as quality jobs are only mentioned in connection to stimulation and promotion of R&D, innovation and technology that should consequently lead to more quality jobs. In reality different research data in Slovenia (for example: Cranet survey on HRM practices in big organisations from 2001 and 2004; European Working Conditions Survey from 2005, Stanojević et al., 2006) clearly show increased intensification of work, longer working hours and over-hours, high shares of workers-unfriendly working time flexibility (i.e. work in shifts, work over weekends, 'continuous' working time) and point at the health consequences of working in such conditions for a longer time.² According to the report on The Fourth European Working Conditions Survey, Slovenia has one of the highest values of intensity of work index³ among EU countries, and the intensity of work nearly doubled in the period from 2000 to 2005 (European Foundation, 2007: 58). It is illustrative that in the Fourth European Working Conditions Survey, 45.6% of Slovenian respondents answered that their health or safety were endangered because of the job they perform, compared to an average of 28.6% of respondents from the EU27. 41.4% of Slovenian workers report on a general fatigue related to work, compared to the average of 22.5% of workers from EU27. When asked whether they would be capable of performing the same job at the age of 60, only 33.7% of Slovenian

¹ Within Slovenian economy employment in manufacturing sector is still strong, and most of the manufacturing sector is composed of low or medium technology industries. According to Institute of Macroeconomic Analysis and Development only 6% of Slovenian manufacturing industry is high technology based, while 35% is low technology and the rest is medium-low or medium-high (IMAD, 2007).

² Stanojević et al. (2006) point out that intensification of work, greater utilisation of the employed workforce and time flexibility (in terms of working time, i.e. work in shifts, overhours, weekend work) has been a strategy used by most Slovenian enterprises, especially in the industrial sector to adapt to the competitive pressures of economic environment in specific Slovenian context of high employment security of employees on open-ended contracts. Such strategy was accepted by workers (mostly from the reason of considerably increasing their monthly income when working in shifts, overhours and weekend shifts) and trade unions. It has been relatively successful, but it leads to exhaustion of the workforce and has long-term consequences for workers health situation.

³ The index is composed of two indicators: 'working at a very high speed' and 'working to tight deadlines'.

respondents gave a positive answer, while the average percentage of positive answers in the EU27 was 58.2% (European Foundation, 2007). It is not surprising that in such situation the employment rate of elderly people remains at low level (both because the employers are not interested in employing older workers assuming that they wouldn't be able to keep pace in the intensive work environment, and because older workers themselves often prefer to withdraw from the employment when they fulfil minimum retirement conditions) and that the Unions are opposing any proposal to additionally prolong retirement age or minimum years of service (with the argument of burn out of the older population of workers). It thus seems important that policies for active ageing and raising employment of elderly people do not only focus at measures to stimulate employers to employ elderly people, measures to motivate (or force) elderly people to work longer and at awareness raising actions, but put more efforts into improving the work environment, stimulating changes in work organisation and improving quality of jobs so that people would be capable of working longer.

The second recommendation refers to employment services and their support to the move towards more flexible working and contractual arrangements and the increased conditionality of unemployment benefits, and offering services at an earlier stage of unemployment. It is clear from the response in IRNRP that the ESS has adapted to the changed paradigm of work with the unemployed towards the activation and increased conditionality. It has modernised its services and information provision, including additional electronic services for the unemployed, employers and institutions carrying out employment programmes. A very positive (although not new) emphasis of the work of ESS (in line with the employment policy) is its focus at improving the educational structure of the unemployed by enabling the poorly qualified unemployed and those with education in surplus occupations to participate in different education and re-training programmes – this is the approach that has already been giving good results in terms of gradually improving educational structure of the unemployed. On the other hand, the ESS is exercising more strict control over job-search behaviour of the registered unemployed who are expected to be flexible and willing to accept any offered job (also jobs that are down to two educational levels less demanding than the actual education/qualification of a person; part-time jobs, jobs for a short period, seasonal works, etc.). According to the ESS statistical information⁴, in the period from January to October 2007, nearly 8000 persons were erased from the unemployment register because they were not available for the employment, and about 1900 persons were erased due to refusal of offered job, not active job search, refusal of participation in employment programmes, undeclared work or giving false information. The critical question in this context is whether the ESS is paying enough attention to the motivation and support to the unemployed with different disadvantages and problems, who could easily fall into the group of persons not active enough in job-search and therefore at risk of being deleted from the unemployment register (and thus not eligible any more for the unemployment benefit or for financial social assistance). In the situation of increased conditionality it seems important to strengthen the approach of ESS towards those unemployed persons that are from different reasons less capable of being flexible, are more passive and less motivated for training and job search.

Eight points to watch are addressed in the IRNRP. Among them:

- Five are mainly economic aimed at creating a better and more efficient business environment and better management of reform policies (Strengthening the role of the Government Office for Growth and the Slovenian Technology Agency; Boosting competition, notably in regulated professions, and the effectiveness of the Competition Protection Office; Strengthening the legal framework for the protection of intellectual

⁴ Available at: http://www.ess.gov.si/slo/Dejavnost/StatisticniPodatki/statisticni_podatki.htm

property; Shortening start-up times for business and reducing related costs; Setting concrete and realistic targets for R&D investment);

- One is addressing the environmental issues (Better promotion of environmental technologies and energy efficiency);
- Two points to watch are in the areas where policies have strong feeding out effects on social inclusion and cohesion (Strengthening the the link between the education system and the labour market; and Reducing the labour market segmentation and integrating young people into the labour market).

In the area of strengthening the link between the educational system and the labour market, the Fund for Human Resource Development and Awarding Scholarships (a public financial fund) established in 2006 and the new Scholarship Act adopted in June 2007 present positive developments. The main intention of the Scholarship Act is to stimulate the increase in the number of company scholarships (and thus contribute to the increase in the number of scholarship recipients), to link the needs of companies and local communities for qualified labour to the sphere of education and training and to regulate national scholarships (they were transferred to social work centres). Namely, in the last 15 years the companies in Slovenia largely withdrew from providing the scholarships (the annual number of company scholarships dropped from nearly 45,000 before 1990 to about 3,000 today) and the state became their main provider (national scholarships and scholarships for talented pupils and students) – which consequently meant that the scholarships had mainly a social function (connected to the financial situation of a claimant), and less the function of early detection of labour needs and of motivation for enrolment to programmes for occupations and professions in high demand. With the new Scholarship Act the regional scholarship schemes are established and companies and local communities are stimulated (also by co-financing by Fund for Human Resource Development and Awarding Scholarships) to provide more company scholarships for occupations and professions in high demand and for those that are important for boosting the local and regional development. It seems to be implicitly assumed that because of the expected increased number of company scholarships (which are higher than national scholarships), there will be less demand for national scholarships. Whether this will really happen remains to be seen, but it is important to monitor the developments and assure that the social function of scholarships (national scholarships) will not be neglected in view of the new emphasis on scholarships as an instrument of linking the educational system and labour market (stimulating enrolment to programmes for occupations and professions in high demand).

Several changes in vocational and technical education (the new Vocational and Technical Education Act was adopted in 2006) also go in the direction of strengthening the link between the educational system and the labour market. Curricula reform is being implemented in the direction of more competence (skills) oriented education, the elements of open curricula are introduced (20% of curricula in vocational and technical programmes are now defined by schools in cooperation with local companies and social partners), and part of the programme (training) has to be implemented in the direct work process at employer's premises or in inter-company education centre. The previous division between the school-based vocational programmes and dual system vocational programmes was abandoned and vocational programmes are now unified. All these changes in vocational and technical education were strongly supported (and partially initiated) by social partners (especially active was Chamber of Crafts).

However, different actions to promote enrolment to programmes for deficit occupations at the secondary vocational level are not very successful, as the interest of young people for enrolment to secondary vocational programmes remains rather low (they prefer technical and general secondary programmes that enable continuation of education at the post-secondary level). The occupations (at secondary qualification level) for which Slovenian employers have most problems finding qualified employees are, for example, a bricklayer, a machine technician, a locksmith, a carpenter, a welder, a cook, a waiter (ESS, 2007a). Besides these, there is a high demand for basic (low-skilled) occupations in construction sector. As pointed out by ESS (2007a) young people are not interested in such occupations, since they are often physically exhausting or performed in difficult working conditions and for low wages.

The demand for such labour is thus mostly filled by immigrant workers, traditionally from the territory of ex-Yugoslavia. Their employment is on temporary basis and is regulated by work permits – and the number of work permits (as well as the need for such labour) is increasing constantly since 2001, with the highest increase in 2006 and 2007 (at the end of September 2007, according to ESS, the total number of valid work permits was 63,861). The highest number of (all types of) work permits is issued to construction sector - about 60% of total work permits in 2006, followed by manufacturing sector (16% of total work permits) and business services (8% of total work permits). In 2006, 89% of foreign citizens employed in Slovenia were from countries of ex-Yugoslavia. While it is clear that Slovenian economy (especially in some sectors) strongly depends on foreign workers (mostly from the territory of ex-Yugoslavia) and that this situation will continue in the future, this issue is largely neglected in the IRNRP, both from the view of their position on the labour market (working conditions, the type of jobs they perform) and even more from the social and integration view (the conditions they live in while working in Slovenia, the rights and possibilities they have). At the moment the Slovenian immigration policy is very short-term oriented, but there is a clear need for a more complex immigration strategy that would embrace the integration issues.

In the area of integration of young people into the labour market some progress has been made in the last year, that also reflects in the decrease of the youth unemployment rate. Besides the already existing and strengthened employment policy programmes (orientation and counselling, programmes of intensive job-search, education and training programmes, etc.) and a strong focus on poorly educated young unemployed persons and their motivation and re-integration to education or training, recently the focus is also on unemployed graduates of tertiary education whose numbers have been increasing since 1999, but have finally decreased somewhat in 2006. In 2006 a new measure for stimulating the employment of young unemployed people was introduced offering the employers who hire an unemployed first-time job seeker (aged under 26 whose education is in excess supply) or a person aged under 28 who has been unemployed for over 24 months a reimbursement of social security contributions for this person. The new measure has been assessed by ESS as contributing effectively to a drop in the number of young persons registered as unemployed for over 6 months. Programmes aimed at young poorly educated unemployed persons can also be assessed as effective (especially from the view of re-integration of those young people back to education and training to achieve a qualification level and improve their employability), as the shares of poorly educated young people among the unemployed have been decreasing.

Not denying the policy achievements made in the area of reducing the unemployment of young people, two issues remain critical and insufficiently addressed in IRNRP from the view of integration of young people into the labour market:

- Gender differences in youth unemployment, and
- The type of jobs young people get and where these jobs place them in the labour market segmentation.

Gender differences in youth unemployment are even higher than in the overall unemployment (in 2006, the unemployment rate of young men was 11.6% and of young women 16.8%). The situation is most severe among highly educated young people: since 2001 the share of women among unemployed young graduates of tertiary education is constantly over 70%. This is usually attributed to the educational choices of young women (i.e. degrees in administration and business studies, social sciences and similar fields for which the demand is not high), but such explanation does not change the fact that no measures have been addressing high unemployment of young women or its consequences.

According to the recent study on the transition of young people from school to employment in Slovenia (Kramberger, Pavlin, eds., 2007) the main reasons for youth unemployment (especially for unemployment of young graduates) in Slovenia are structural, as absorption capacity of economy is too small. The highest employment growth over recent years has been recorded in the construction sector, in retail, transport, and similar sectors, where the demand for highly educated labour is relatively low. According to data of ESS, in the first 10 months of 2007, in the structure of demand 32.2% of demand was for low-skilled persons, 53.8% for medium-skilled persons and only 14% for high-skilled (highly educated) persons. According to Kramberger (ibid.: 98) the annual inflow of young graduates of tertiary education to labour market two times exceeds the number of open jobs at this level (counting both new demand and replacements). Beside the overall surplus of supply of young graduates, there are also notable discrepancies between the demand and supply regarding professional areas. In the areas where demand for highly educated labour exists (for example, demand for mechanical engineers, engineers of electronics, computers and informatics, construction engineers and similar) the interest of young people for such studies is relatively low. On the other hand, Slovenia has the highest share of graduates of business and administrative studies among all EU27 countries (35.4% among all graduates in 2004), and the demand for those profiles of graduates is low.⁵ The consequence of limited demand for graduates of tertiary education (especially graduates of business and administrative studies and social sciences) is that young graduates also compete for less demanding jobs, which in turn has consequences for graduates of secondary education who face more severe competition. Obviously, the reality of labour demand does not reflect the strong emphasis of Slovenian development documents (including the IRNRP) on the use of knowledge for economic development and on development of knowledge based economy. The stock of knowledge that young people bring from education remains unexploited. The study (Kramberger, Pavlin, eds., 2007) also examined job-search activities and flexibility of young unemployed persons and pointed out that young people are very active in job search, and are in majority prepared to take less paid, less demanding or short-term jobs. Judging from the perspective of these findings it seems that in the employment policy aimed at youth, more emphasis should be on measures of job-creating for youth and measures for stimulating employers to employ young people, while the programmes intended to increase employability and flexibility of young unemployed people are sufficient (as young people demonstrate a high level of adaptability, flexibility and activity).

⁵ The Ministry of Higher Education, Science and Technology started promotion of the studies in the professional fields for which there is high labour demand (technical and natural science professions), but so far the results are not yet visible.

Important question for full integration of young people into the labour market is what kind of jobs do they get, both in terms of the match at the level of qualification and education, and in terms of employment security. While the first one can have consequences for their further employment perspective (career), the second has several consequences for their economic and social independence and for their possibilities and choices in other life spheres (i.e. housing options, family creation, etc.). The data show that both aspects are problematic. Especially well educated young people often take jobs for which they are overqualified, because this (in the situation of shortage of jobs for highly educated young people) enables them to enter the employment.⁶ This way they compete not only on the market of more demanding jobs but often also on the market of jobs at medium level of qualification. The concentration of flexible and precarious jobs among young people is very high. LFS data show the incidence of having a fixed-term employment contract among young employed people is four times higher than among all employed people. According to ESS more than three quarters of new open jobs are for a fixed-term period. But besides the fixed-term employment (for which the stipulations of employment relations legislation apply) young people very frequently perform other flexible types of work not performed on the basis of employment contract – short-term contractual work, student jobs (through student services) and similar. According to LFS data, the share of those performing other forms of flexible and precarious jobs (not counting the jobs on fixed-term contracts) aged 15-34 years nearly doubled in the period from 2000 to 2006 (in 2000, 7.9% of all persons aged 15-34 years performed other forms of flexible work, while in 2006 the respective share was 14%). It is important to stress that for performing other forms of flexible work the stipulations of employment relations legislation (especially in terms of employee rights) do not apply (or apply in very limited way) and as such other forms of flexible work depend on market not only in terms of duration, but also in terms of working conditions, remuneration and similar.

Labour market segmentation in Slovenia is deep and it has not been properly addressed in policy terms yet. The important division is especially between the internal and external segments – internal segment comprising jobs performed on open-ended employment contracts (with still high employment security, social security linked to employment, clearly defined workers rights and strong Unions), and external segment comprising the jobs performed on fixed-term contracts and various other forms of flexible, precarious jobs (including dependent self-employment) that are less regulated in terms of remuneration and working conditions, more insecure and depend more on the market situation. Young people are over-represented on the external segment and labour market is clearly age segmented. This has not been much problematised in the policy context yet, as it was implicitly assumed that performing flexible and unstable jobs is only an entry step for young people into the employment (a kind of prolonged testing period) and that after fixed-term employment most young people would be offered a more permanent one. But with the increase of the number of jobs that fall in the flexible segment and policies stimulating flexibilisation, the assumption of young people gradually entering the more stable jobs segment might be wrong. Clearly, the issue of age labour market segmentation in Slovenia needs more policy attention.

Some survey findings (for example Survey on Work Orientation from 2005 – CJM, 2005) indicate that young people on average do not show high concern regarding the job stability.⁷ This can

⁶ Although performing less demanding jobs (compared to their level of education) can have consequences for further employment career of young graduates, this can, on the other hand, have some positive effects on the reorganisation and modernisation of jobs and job context in organisations (as young people bring new approaches and ideas to the work process).

⁷ In the Work Orientations Survey 2005 'only' 34.2% of employed persons aged below 30 years worry about the fact that they might lose their job compared to 45.3% of employees aged over 30 years (CJM, 2005). But young

partially be attributed to the fact that young people count on finding new jobs quickly (as they are flexible and active), but it is also the consequence of the already observed fact in Slovenia that young people largely depend on the prolonged support of their origin families (in terms of providing housing and economic security) and on intergenerational solidarity in the informal sector. Such situation puts young people from economically weaker families and those from vulnerable groups who can not count on economic support from their families in much more vulnerable situation on the labour market and in other life spheres.

2.1.2 Other key policy initiatives and responses

Slovenia adopted euro on 1st January 2007. Since then the inflation is higher, and it especially increased after the end of six-month period of double marking of prices. Although the inflation can be empirically linked to effects of adoption of euro, the Government insists that the reasons behind high inflation are mainly the increased prices of raw food on world markets and the behaviour of leading retail trade companies, and not the introduction of euro. As stated in the IRNRP, the Government estimates that this increase of inflation is transitory and counts that the existing economic policies will be successful enough to deal with it (no new measures were introduced). As at the moment the inflation increases month by month (another wave is expected due to the increased fuel prices), it seems that the Government is underestimating the situation. Inflation affects most strongly those with low income and their families because of higher prices on basic goods needed for survival: bread, milk, meat, vegetable and fruit. There is also a significant growth in prices of cloths and shoes. Some of the charity organisations report on growing number of people asking for free clothing and food. There is insufficient attention of the Government paid to the effects of the inflation on people with low income.⁸ At the same time (in the last year) the Government introduced measures to reduce public spending of the state which affects also the social protection system. New restrictive criteria for getting social benefits are important part of the strategy for reduction of public spending and thus making it more sustainable in financial terms. Besides that, the adjustment of social transfers was changed and now the level of social transfers (except in the case of pensions, where it stayed the same) is not any more tied to the wage growth, but is adjusted once a year in line with consumer prices. This is part of the strategy for increasing the difference in real values between social transfers and wages, as making-work-pay strategy and strategy to motivate the unemployed and inactive persons to work. But in the situation of high inflation, the annual adjustment of the value of social transfers according to anticipated rise in consumer prices is insufficient as real value of social transfers decreases quickly, which has severe consequences for the situation of most vulnerable groups. In this respect it can be said that the economic environment does not support social policy. Restrictive criteria for getting social benefits, relatively lower social transfers and at the same time higher prices of basic goods increase vulnerability of the most excluded groups. The assumption that higher economic growth, active employment policy and activation will

people are proactive: twice as many young employees than employees aged over 30 years plan to change their job (look for another job) in the next 12 months (24.1% of young employees).

⁸ Inflation has a negative effect on the real value of wages in general. The Unions strongly demand the increase (adjustment) of wages to compensate for the effects of inflation in the otherwise good macro economic situation of strong economic growth and increased productivity. The employers oppose the general wage increase (adjustment) claiming that this could ruin some of the companies that are in a more disadvantageous business situation and that the wage increase should be negotiated at the company level (in successful companies) – which would in fact mean a high probability that the lowest wages would not increase. On the other hand, most economists and the Government are concerned about the possible spiralling effect of the potential general wage increase on inflation.

automatically lead to better well-being of all people does not work in the situation of increased inflation.

The developments in the direction of the flexicurity system are strongly emphasised in the IRNRP and are related to changes in employment legislation. The adopted changes in employment legislation are far from the radical ones initially proposed and advocated for by the employers and for some time (in 2005 and 2006) also by Ministry of Labour, Family and Social Affairs.⁹ They to a large degree preserve high employment security of persons on open-ended contracts (where they introduce internal functional flexibility), while on the other hand they open space for more flexible types of employment with low job security and stability. The positive development in the area of flexicurity is the explicit recognition and connection of labour market flexibility to investments in training and education as well as a recognition of the importance of the area of reconciliation of work and family life for young parents (although this still largely depends on individual employers and concrete organisation of work). However, the way the flexicurity concept is being implemented reinforces the existing labour market segmentation between the segment of jobs performed on open-ended contracts where job security and protection remain high and other flexible types of jobs, with low or no social security connected to them. Thus, the critical part of the flexicurity approach in Slovenia is the insufficient attention paid to social security and potential in-work poverty of persons performing flexible jobs. The problem of in-work poverty is not addressed at all, there is also no provision to ensure decent work that will ensure labour rights to be respected also when flexible jobs are concerned. In this context the fact that financial social assistance recipients are obliged to accept any job and temporary or occasional humanitarian or similar work indicates that activation of social assistance recipients often means pushing them in the segment of flexible, highly insecure and low paid jobs, which do not provide the chance of real integration into employment sphere. Precariousness of labour is increasing which is even more dangerous when there is insufficient attention paid to the monitoring of labour market changes and to the research that would reflect on these changes.

Regional disparities are still insufficiently addressed in the IRNRP, especially regarding access to resources (information, transportation, health and social services etc.).¹⁰ Also regional disparities in unemployment remain high, although the registered unemployment rates and the long-term unemployment rates decreased in most of the regions. In 2006, the highest regional registered unemployment rate was 2.7 times higher than the lowest one. Although the regions with the highest registered unemployment rates recorded the biggest decreases (in percentage points), most of these regions further widened their relative gaps in comparison with the Slovenian average. For example, registered unemployment rates exceeded the national average by 73% in Pomurska region, by 35% in Podravska region, and by about 25% in Zasavska and Savinjska regions. Spodnjeposavska and Koroška regions also have above-average registered unemployment rates. Despite the drop in long-term unemployment rate in Slovenia, long-term unemployment remains a serious problem in several regions, especially those with poor educational structure of the unemployed (Pomurska region, south-east Slovenia, Savinjska region and some other regions).

⁹ The main changes introduced with the Amendment to Employment Relationship Act (adopted in October 2007) include: improving the internal flexibility of employment (job contracts related to broader type of work), expanding the legal basis for the use of flexible forms of employment, clearer and more uniform regulation of giving notice, somewhat shortened and uniformed notice period, regulating the right to severance pay in case the employee continues to be employed by another employer, and additional incentives for the reconciliation of work and family life. Needless to say, the stipulations regarding giving notice and severance pay relate only to employees on open-ended contracts, as employees on fixed-term contracts have no such rights.

¹⁰ This is expected to change with the planed introduction of regions and decentralisation of state administration.

Among positive developments mentioned in the IRNRP the recognition of the importance of life long learning for the inclusion of the most vulnerable into the society has to be emphasised. The Government recognised the need to introduce new measures for those with low educational attainment, it also improved access to state scholarships and insured more financial resources for scholarships (through Fund for Human Resource Development and Awarding Scholarships). Additional attention (and measures) should be focused at older persons who are most under-represented in different forms of life long learning.

Another positive action to be mentioned is in the area of reconciliation of work and private life. 'Family-Friendly Enterprise' action (co-financed by Equal funds) was launched to stimulate the employers to support employees (especially young parents) in ballancing work (career) and family life (i.e. through flexible working time schedules, the right to holidays in the period of school holidays and similar), but also as an awareness raising action among employees on their rights and possibilities. At the moment there are (only) 32 companies that were awarded the 'Family-Friendly Enterprise' certificate, but the action has an important simbolic and awareness raising meaning in the Slovenian context of already explained increased intensification of work and frequent practices of employee-unfriendly working time arrangements.

2.2 The "feeding in" aspects

There are no explicit links with EU Social Protection and Social Inclusion Policy in the IRNRP.

The main link between IRNRP and NR on Strategies for Social Protection and Social Inclusion 2006-2008 is in the area of increasing the activity of recipients of social transfers. Recipients of social transfers are obliged to accept any offered job, including temporary or occasional humanitarian or similar work. This should support two goals, the activation of the unemployed and inactive social transfers recipients and thus increasing the employment rate in population, and, on the other hand, reducing the number of recipients of social transfers and thus contributing to the sustainability of public finances. As already pointed out in this report, the issue of social inclusion is implicitly understood as inclusion of the unemployed and social transfers recipients in employment. It has to be emphasized that the activation is mainly based on restrictions and conditionality and not on positive stimulative measures.

There are no references to child poverty (or any other poverty issue) and to active inclusion of migrants and ethnic minorities in the whole document with the exception of a brief reference to the new Act on Roma Community in Slovenia (adopted in Spring 2007) in the context of preventing discrimination in the labour market.¹¹

In the context of improving the labour market situation (and employability) the issue of education and training of the poorly educated unemployed and surplus workers is emphasised. In the employment context the situation of disabled persons is also mentioned, emphasising the positive results of a quota system for the employment of disabled persons (since 2006 when it was introduced) – in terms of raising numbers of employed disabled people.

¹¹ The Act on Roma Community in Slovenia aboveall defines special rights to forms of organisation of Roma people at the national and local levels and financing of these organisation forms (Council of Roma Community). In the IRNRP the Act on Roma Community in Slovenia is mentioned in the context of preventing discrimination at the labour market, but it is highly unlikely that the new act could contribute much in this field.

Housing policy is mentioned in the broader context of measures for sustainable development. The activities of National Housing Fund were reinforced by allocating additional finances, that will among other measures provide the acquisition of about 200 new non-profit apartments (which is still insufficient for the existing demand). New Amendments to National Housing Saving Scheme Act were adopted in July 2007 and they broadened the possibilities of housing subsidies for young families. Besides grants for young families to assist them in acquiring their own housing (buying the apartment or building a house), and expanding somewhat the number of apartments in the non-profit sector, new subsidies were introduced to cover part of market rent to young families. Subsidies to cover part of market rent of a housing unit are intended especially for young highly educated parents who have recently entered the labour market and perform temporary jobs, have no savings or other funds to more permanently solve their housing problem and could not get the non-profit housing unit and therefore had to rent apartment on the open housing market, where rents are high. These subsidies can be given as an example of a good practice of feeding in since they support young graduates with children at the beginning of their working life when they often are in precarious employment situation and have scarce financial resources. As stated in the IRNRP the housing policy is important in the context of the national family and demographic policy objectives as well as in the context of its impacts on economy and workforce mobility.

2.3 Aspects related to governance

In the employment policy area the strategic document on Programme of measures of active employment policy for the period 2007- 2013 includes also an implementation plan for 2007-2008 period and a catalogue of concrete employment measures for 2007-2008 – this is an improvement in Slovenian practice where the policy documents are often left on the general (strategic) level, without implementation plans.

Monitoring and impact assessment of policies is mainly limited to monitoring the key indicators and trends and concluding on whether the main policy goals have been achieved on this basis. Evaluation studies on active employment policy measures are occasionally carried out. It can be said that the monitoring of implementation of policies improved somewhat, but the assessment of impacts of different policies is still largely missing. There is no research that would show the impacts of implemented policies (especially economic, employment and social policies) to different groups and reveal their possible side-effects. Two examples can be provided here. The first one is the Slovenian way of implementation of the flexicurity approach on segmented labour market, with no assessment of the consequences that long-term performing of flexible and precarious jobs can have for individuals in terms of income, social situation, access to public and social resources and other. The second example is the missing monitoring of the consequences of activation and increased conditionality of recipients of financial social assistance. How are they activated, what kind of jobs or short-term work do they get, what happens to the persons that are deleted from the unemployment register and those that do not get the unemployment benefit or financial social assistance because they are not active enough – all these questions remain unanswered.

IRNRP stresses the progress in the governance area in two aspects. First, according to the amended Governmental rules of procedures the proposers of regulation acts have to carry out a preliminary impact assessment before submitting the draft regulatory act. Second, according to IRNRP the involvement of stakeholders in the preparation of regulations improved. The Government at the beginning of the year delivered its normative programme to all non-governmental organisations, associations and chambers, which were asked to specify in which

regulations they wished to actively participate. After, the ministries are obliged to involve the stakeholders that have voiced an interest in the preparation of respective regulations. It has to be added that this is often only formal participation and that how much the voice of a certain stakeholder is taken into account depends on its relative (political) strength. Arguments of non-governmental and professional organisations are often not heard or not accepted, but the Unions are taken much more seriously (including the social dialogue performed at the Economic and Social Council that discusses all proposed regulatory acts and documents in the economic, employment and social areas). Also the period of public debate on different policies and legislative proposals is often very short. A good example of that is the recent legislation in the education area (Higher Education Act, Act on Organisation and Financing of Education), where despite strong protests and arguments of experts, professors and students, the legislation was pushed forward without any changes.¹²

The only example of "joined up" policies is in the already mentioned target of activation of recipients of financial social assistance (and the unemployed receiving unemployment benefits) – this is at the same time a target in social policy and in employment (economic) policy. For this purpose the databases of Centres for Social Work and Employment Offices were linked up to ensure efficient implementation of activation and accurate information on claimants of different social transfers.

3. Short overview of changes in relevant key trends and new reforms in 2007

Economic and employment trends in 2007 are generally good (with the exception of relatively high inflation)¹³. Real GDP growth in the first quarter of 2007 was 7.2% (MLFSA, 2007b). In the period from January to August 2007 employment growth was 3.5% and the growth of demand for labour in the same period 6.5%. Sectors with the highest growth of employment are the same as in the recent years: construction sector, business services, transport and storage, catering industry, retail – that is sectors that do not demand a lot of highly educated labour. The unemployment decreased further on, which is evident both from data on registered unemployment and LFS. In the second quarter of 2007 the LFS unemployment rate was 4.6% - 3.6% for men and 5.8% for women (SORS, 2007b). Among registered unemployed persons the relative shares of young persons and first-job seekers decreased in the first seven months of 2007, relative shares of women and poorly educated persons stayed at the same level as in 2006, but the shares of long-term unemployed (more than a year) and even more that of unemployed aged over 40 years increased (ESS, 2007b). In the first seven months of 2007, 51% of all registered unemployed were long-term unemployed (in 2006, 48.8%). The share of persons aged 40+ among the registered unemployed rose to 51.4% (46.3% in 2006). Despite of decrease in the number of registered unemployed persons, the long-term unemployment, unemployment of

¹² Regarding the Act on Organisation and Financing of Education the main problematic issue (opposed to by experts and professionals from schools) was the intended 100% financing of private education (programmes that are publicly verified but are carried out by private schools) from public funds (such programmes are now financed 80% from public funds). The main fear was that this would in reality (in consequence) mean less finances for public education and would therefore jeopardise it. Only recently (after the Act was already in the parliamentary procedure and the parliamentary opposition threatened with a referendum on the issue if the Act is adopted) the Government removed the article on full financing of private education. The other example is Higher Education Act that was also severely questioned by universities, professors and students, but the Government continued with the proceedings without seriously considering any of the counter arguments.

¹³ Annual inflation index for October 2007 (showing price changes in the respective month compared to the same month of the previous year) was 105.1 (SORS, 2007a).

older persons and gender differences in unemployment remain the main problems. The main reason for inflow to unemployment remains the end of fixed-term job contracts. The share of persons that became unemployed due to the expiry of fixed-term job contract among all registered unemployed persons is slowly increasing since 2003 and was 39.9% in the first seven months of 2007 (ESS, 2007b) – which proves that the segment of flexible, unstable jobs in Slovenia is increasing. Among positive trends in unemployment the Ministry of Labour, Family and Social Affairs (MLFSA) stresses the positive effects of Quota system of employment of disabled persons (adopted in 2006). In the first nine months of 2007, 1408 unemployed disabled persons got jobs, which is substantially more than before the enforcement of the Quota system (MLFSA, 2007a).

With the decrease in the absolute number of registered unemployed persons the number of recipients of unemployment benefit or unemployment assistance¹⁴ and the number of unemployed financial social assistance recipients decreased too. The decrease is not only in absolute numbers, but also in relative shares, which indicates that the share of registered unemployed persons not covered by financial benefits has increased. While in 2006 26.4% of registered unemployed persons were receiving the unemployment benefit (or unemployment assistance), 41.4% were receiving financial social assistance and 32.2% were not receiving any financial benefit, in the first nine months of 2007, the share of registered unemployed persons receiving unemployment benefit dropped to 23.9%, the share of registered unemployed receiving financial social assistance dropped to 38.5% and the share of registered unemployed persons not covered by any financial benefit rose to 37.7% (ESS, 2007b).

The number of recipients of financial social assistance decreased notably in 2007. According to the data of MLFSA the decrease was from 52,463 to 43,811 recipients in the period from January to September 2007 (MLFSA, 2007a). This is interpreted by the Ministry as a positive development in terms of reaching the goal of activation of financial social assistance recipients and improving their social situation. However, it is also the consequence of increased conditionality in access to financial transfers.

Social dialogue took on a new pace after the change of Minister of Labour, Family and Social Affairs in November 2006.¹⁵ The new Minister showed more understanding for the arguments of Unions, especially in stressing the need to balance flexibility and security. As a result the long-lasting negotiations on Amendment to Employment Relationship Act were concluded and the new Amendment was adopted in October 2007. Contrary to the first proposals for radical changes in employment legislation at the beginning of negotiations (from the side of employers and the Ministry), the adopted amendment did not bring any major changes for the security of permanently employed people (on open-ended contracts). As already described in the first part of this report, the main changes introduced with the Amendment to Employment Relationship Act include: improving the internal flexibility of employees (job contracts related to broader type of work instead of only to one working place), expanding the legal basis for the use of flexible forms of employment, clearer and more uniform regulation on giving notice to redundant workers, somewhat shortened and uniformed notice period, regulation of the right to severance pay in

¹⁴ With Amendment to Act on Employment and Unemployment Insurance that was adopted in 2006, the unemployment assistance is cancelled and the unemployed persons can only apply for unemployment benefit (the entitlement is linked to previous employment record) at employment offices or for financial social assistance (which is means-tested) at centres for social work.

¹⁵ One of the reasons for his recall was his inflexible and uncompromising attitude towards the unions in the process of negotiation of changes in the employment legislation.

case when the employee continues to be employed by another employer, explicit mentioning of options for reconciliation of work and family life.

Negotiations on a new Social Agreement were also completed and the Social Agreement 2007-2009 was signed at the beginning of October 2007. It contains agreements on common aims of social partners in different areas, such as social dialogue, public finances, tax system, labour market and employment, wage policy, pension system, social security, legal security, social responsibility of enterprises. Social Agreement also foresees the drafting of a new Act on workers participation at company profits. The agreements about the wage policy should be especially mentioned. As a general guideline, the stable and real wage growth taking into account both inflation and productivity is agreed for the private sector. But the Agreement introduces significant changes in the decentralisation of wage formation. The actual wage rises will now be agreed in the sectoral collective agreements, the Collective Agreement on the Wage Adjustment Mechanism, Reimbursement of Work-related Costs and Holiday Allowances, and in company level collective agreements. Wage adjustments will thus become more company specific (dependent on the specific situation of each company) and may diverge from the provisions in collective agreements. The legal right to a minimum wage is preserved in Social Agreement. However, as stipulated in the Act Regulating the Minimum Wages (adopted at the end of 2006), the minimum wages are now being adjusted once per year (in August) by the expected consumer price rise (similarly to the annual adjustment of financial social assistance) and the system does not include a safeguard clause for the event of inflation being higher than projected. Besides, the previous additional adjustment of minimum wages by real GDP growth is abolished, which was motivated by the fact that the minimum wage has been rising faster than other wages, which has caused low-bracket wages to concentrate around the minimum wage.

During the last few months the unions started to demand a general (basic) wage rise (adjustment), justified by relatively high productivity growth (4.5% in 2006) and inflation growth (causing the growth of costs of basic life necessities). The employers, on the other hand, have been arguing that the wage rise could only be negotiated at the company level (depending on the productivity level and specific economic situation of a certain company), as a general wage increase would cause dismissals of workers or even bankruptcies in those companies that are in unfavourable economic situation. This was not acceptable for Unions as it would mean that employees with lowest wages (who are most hit by increasing prices of basic life necessities) would most probably not get an increase at all. On November 17, six biggest trade union confederations (joined by one pensioner association and a national student organisation) organised a general demonstration for higher wages. According to the organisers about 70,000 persons attended the general demonstration in Ljubljana, that demanded higher wages and participation of workers in the profits of companies.¹⁶ After the demonstration the negotiations on wage increase between unions and employers started again.

MLFSA prepared a Supplement to National Report on Strategies for Social Protection and Social Inclusion that was adopted by the Government in September 2007 (MLFSA, 2007b). The aim of the Supplement is two-fold: (i) to report on the implementation of measures in the area of social protection, especially the measures that were introduced in the Strategies (partial evaluation of the Strategies), and (ii) to present other important activities that took place or were initiated after

¹⁶ Demonstrations were aimed at employers, not at the Government (even the Minister of Labour, Family and Social Affairs showed up to support the demands of employees for decent wages). Demonstrations were organised on Saturday, so the work process was not interrupted, and were intended as a massive warning sign to employers. If the negotiations on wage increase will not make any progress, the Unions threaten with a general strike.

the adoption of the Strategies (supplement to the Strategies). The structure of the Supplement mostly follows the structure of the Strategies report. The main developments and points stressed in the Supplement (MLFSA, 2007b) are the following:

- In the area of increasing the activity of recipients of social transfers MLFSA assesses the measures as reaching the set targets (the number of recipients of financial social assistance decreased, the absolute numbers of long-term unemployed and young unemployed decreased, the difference between male and female registered unemployment lowered from 3.9 to 3.4 percentage points in the period June 2006 – June 2007). The achievements are based on legislative changes (Act on Social Protection and Act on Employment and Unemployment Protection – both amended in 2006) that increased conditionality and on strengthened job mediating activities of employment offices.
- In June 2007 a new Act on Scholarships was adopted (it will be in operation only from the beginning of school year 2008/2009 on), that will modify somewhat the existing system of granting scholarships. Around 10,000 new scholarships are foreseen, national scholarships will be higher for 11% and supplement for pupils/students from low-income families will be higher for 22% (for all these additional funds will be allocated from the state budget). Companies will be stimulated to offer company scholarships.
- In November 2006 Program of active employment policy measures for the period 2007-2013 was adopted together with the Implementation plan for years 2007 and 2008. The main challenges identified in the Programme are the following: high share of long-term unemployed persons, structural unemployment as a consequence of poor educational structure of the unemployed and low employment rate of elderly people, relatively high unemployment rate of young people, and trend of rising the unemployment among women. In the Implementation plan for 2007 and 2008 the most emphasized (in terms of allocated finances) are measures of education and training of poorly educated unemployed and redundant workers (this has been the main emphasis of employment policy measures for a longer period) and measures for prevention of social exclusion (measures intended for training and/or work integration of long-term unemployed persons, aged over 50 years, disabled persons, Roma, and recipients of unemployment benefit or financial social assistance – the goal is to gradually increase the annual 'level of activation' to 44% of recipients of financial social assistance by year 2013).
- A draft Act on Claiming the Rights from Public Funds was prepared by MLFSA. The draft Act refers to the conditions and procedures of claiming the rights (from public funds) that are related to the economic situation of individual or family (are means-tested). The main aim of this act is to establish a central evidence on all social transfers from public funds, to set one entry point (centres for social work) that will decide on applications for all transfers related to economic situation of the claimant (uniform way of establishing the economic situation of claimants), and to define the order of precedence and procedure for claiming the rights. Thus, centres for social work will decide upon financial transfers (in the following order: national pension, child allowance, national scholarship, financial social assistance) and upon subventions and payments (in the following order: reduced payment for public childcare, subsidy for school meals of pupils, subsidy for school transfer of pupils, exemption from payment of social-protection services, subvention of rent). The assumption behind the introduction of a central evidence on all means-tested social transfers is that there will be less abuse of the system and that all transfers will be counted in the establishing of economic situation of a claimant (net incomes). In the draft

Act there is also a proposal that the amount of financial social assistance would be higher for active (activated) claimants than for the passive ones. On the other hand the new draft Act preserves the scale system that causes that a person with income slightly over the threshold is not entitled to transfer(s) and thus can end up having lower income than a person that is entitled for transfer(s) and had income before the transfer(s) just slightly under the threshold.

- In the area of ensuring housing for vulnerable groups the MLFSA reports on positive trends in the increasing number of available facilities and in quality of facilities for different vulnerable groups.
- In March 2007 the Act on Roma Community was adopted.¹⁷ It is a general act, stipulating the organisation of Roma community on national and local levels¹⁸ and the commitment of national and local institutions and bodies to support implementation of special rights of Roma community, especially in the areas of housing and living conditions, education, employment and perserving the Roma language and culture. Act on Roma Community in Slovenia determines that an implementation programme (a programme of concrete measures for improving the situation of Roma people in different areas) should be prepared by the Government in cooperation with local communities and Council of Roma Community.¹⁹
- In June 2007 the amendments to housing legislation were adopted (Amendments to Act on national housing saving scheme and subventions to young families for first solving of the housing problem) enabling some new subsidies to young families (i.e. partial subsidies to market rent of apartments for young families).
- In the area of measures to fight discrimination and for integration of immigrants to society, the MLFSA stresses different projects and actions, such as a preventive project of the Office of Human Rights Ombudsman titled 'Face the discrimination'; and an action carried out by Office for Equal Opportunities and Employment Service of Slovenia that was titled 'You don't have to tell the employer – You can tell us!' and in which cases of sexual and other types of workplace harassment were registered.

Two other new documents (not yet mentioned in the Supplement to National Report on Strategies for Social Protection and Social Inclusion) are currently in the public discussion. The first one is Act on Prevention Of Domestic Violence, and the other is Strategy on Migrations.

¹⁷ Not mentioned in the Supplement to National Report on Strategies for Social Protection and Social Inclusion is the escalation of intolerance against Roma people in Slovenian society in the last year, triggered by the events around a Roma family that was moved from their home because of the demands of the local population. The situation with the family that was moved is not settled yet, as the attempts to find another permanent location for their home have been met by fierce opposition from the locals everywhere.

¹⁸ At the national level the Act envisages the establishment of Council of Roma Community in Slovenia – that was actually established in June 2007. At the local levels the Act envisages constitution of special working bodies within municipality councils for the purpose of monitoring the situation of local Roma community. Also an (elected) representative of local Roma community should become a member of municipality (or city) council.

¹⁹ The Act on Roma Community in Slovenia is presented as based on the principle of positive discrimination. However, it has to be added that without the evidence of actual implementation of the Act and without concrete measures (implementation plan), especially those at the local levels, it will remain just a declaratory act.

References

CJM (2005): Sumarnik podatkov SJM – Stališča do dela 2005 (Summary review of Public Opinion Survey – Work Orientation 2005). Ljubljana, FDV, CJM.

European Foundation for the Improvement of Living and Working Conditions (2007): Fourth European Working Conditions Survey. Accessible at: <http://www.eurofound.europa.eu/pubdocs/2006/98/en/2/ef0698en.pdf> /30.10.2007/.

ESS- Employment Service of Slovenia (2007a): Napoved zaposlovanja za leto 2007; Rezultati ankete LPZAP (Announcement of employment for year 2007; Results of LPZAP Survey). Ljubljana, ESS.

ESS – Employment Service of Slovenia (2007b): Annual data on registered unemployment. Accessible at: <http://www.ess.gov.si/slo/Dejavnost/StatisticniPodatki/Kazalci/kazalci.htm> /30.10.2007/.

IMAD (2007): Slovenian Economic Mirror. No.10, Vol. XIII, October 2007. Accessible at: <http://www.umar.gov.si/arhiv/og1007/ang/aeo1007.php> /30.10.2007/.

Kramberger, A. and Pavlin, S., eds. (2007): Zaposljivost v Sloveniji – analiza prehoda iz šol v zaposlitve: stanje, napovedi, primerjave (Employability in Slovenia – analysis of transition from school to employment: situation, forecasts, comparisons). Ljubljana, Založba FDV, zbirka Profesija.

MLFSA – Ministry of Labour, Family and Social Affairs (2007a): Information on work of the Ministry in the current year. Accessible at: <http://www.mddsz.gov.si/si/splosno/novice/novica/period/1196253895///browse/2/article/1945/5604/?cHash=7a442dd131> /10.11.2007/.

MLFSA – Ministry of labour, Family and Social Affairs (2007b): Dopolnilo nacionalnega poročila o strategijah socialne zaščite in socialnega vključevanja za obdobje 2006-2008 (Supplement to National Report on Strategies for Social Protection and Social Inclusion 2006-2008). Accessible at: http://www.mddsz.gov.si/fileadmin/mddsz.gov.si/pageuploads/dokumenti_pdf/nap_soc_zascita_dop_sep07.pdf /30.10.2007/.

Stanojević, M., Rojec, M. and Trbanc, M. (2006): Multinacionalna podjetja in (ne)flexibilnost zaposlovanja v Sloveniji (Multinational companies and (un)flexibility of employment in Slovenia). Družboslovne razprave, Year XXII (2006), No. 53, pp. 7-31.

AFTU - Association of Free Trade Unions (2007): Information on Workers Demonstrations. Accessible at: http://www.zsss.si/index.php?option=com_content&task=view&id=355&Itemid /15.11.2007/.

SORS – Statistical Office of Republic of Slovenia (2007a), accessible at: <http://www.stat.si/eng/indikatorji.asp?ID=1> /10.11.2007/.

SORS – Statistical Office of Republic of Slovenia (2007b), accessible at:
http://www.stat.si/eng/novica_prikazi.aspx?id=1087 /30.9.2007/.