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# Slovenia

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## Outline

CHAPTER I. Adequacy of social security benefits: income and poverty indicators and standards

CHAPTER II. Selection of the Article 65, 66 or 67 under C102/ECSS and determination of the Standard Reference Wage used for calculating the replacement level of benefits

CHAPTER III. Integrated Management of compliance and reporting obligations of Slovenia under social security provisions of the ratified international treaties on social rights

Chapter IV. Concluding observations of the supervisory bodies concerning provisions of the ratified international treaties on social rights and statements of other international bodies reviewing national economic and social policy

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**List of international abbreviations:**

CAS	Committee on the Application of Standards, International Labour Conference
CEACR	Committee of Experts on the Application of Conventions and Recommendations
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CESCR	Committee on Economic, Social and Cultural Rights
COE	Council of Europe
CRC	Convention on the Rights of the Child
CRPD	Convention on the Rights of Persons with Disabilities
ECSR	European Committee of Social Rights
ECSS	European Code of Social Security
ESC	European Social Charter
EU	European Union
EUROSTAT	Statistical Office of the European Union
GC	Governmental Committee of the European Social Charter and European Code of Social Security
ICESCR	International Covenant on Economic, Social and Cultural Rights
ILS	International Labour Standards
IMF	International Monetary Fund
MISSEO	Mutual Information System on Social Protection of the Council of Europe
MISSOC	Mutual Information System on Social Protection
OECD	Organisation for Economic Co-operation and Development
SSI	Social Security Inquiry

*CHAPTER I. Adequacy of social security  
benefits: income and poverty indicators and  
standards*

- [Country profile by Eurostat indicators, National indicators and ILO minimum standards](#)
- [Fig. 1. Income and poverty – single person, 2013](#)
- [Fig. 2. Structure of population in poverty \(Eurostat poverty threshold of 60%\) by the most frequent employment status, 2013](#)
- [Fig. 3. Social benefits in comparison to Eurostat 40% and 50% poverty thresholds, 2014](#)
- [Fig. 4. Income and poverty indicators by type of household, 2012](#)
- [Fig. 5. Comparison of monthly wages and pensions \(40% replacement rate\) to the Eurostat poverty thresholds in 2013-2014, by decile](#)
- [Fig. 6. Test on precarious employment: share of employed population by different job security situation, as % of total employment, 2012](#)
- [Fig. 7. Theoretical Replacement Rates for low and average wage earners, retiring in 2053 at statutory pension age \(67\) with 30 years of contributions between 2013 and 2053](#)
- [Social security and reduction of poverty. Extracts from the 2014 and 2015 Government reports on the European Code of Social Security](#)

## Country profile by Eurostat indicators, National indicators and ILO minimum standards

<b><u>Eurostat</u></b>	<b>EU-Avg 2013</b>	<b>2005</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
At-risk-of-poverty threshold (40%, single person)	€ 462.3	€ 293.3	€ 404.1	€ 395.1	€ 397.0
At-risk-of-poverty threshold (50%, single person)	€ 577.8	€ 366.6	€ 505.1	€ 493.8	€ 496.3
At-risk-of-poverty rate - 50%, before social transfers	19.5%	18.8%	18.5%	18.5%	18.6%
At-risk-of-poverty rate - 50%, after social transfers	10.2%	7.0%	7.4%	8.5%	9.1%
At-risk-of-poverty rate for children under 18 y.o. - 50% thrd	12.4%	6.2%	7.0%	8.3%	10.0%
In-work poverty rate - 50% threshold	5.2%	1.9%	3.2%	3.8%	3.4%
At-risk-of-poverty rate for pensioners - 50% threshold	6.0%	10.0%	8.9%	9.6%	8.0%
Aggregate replacement ratio	55%	42%	47%	46%	45%
Severe material deprivation (% of total population)	9.6%	5.1%	6.6%	6.7%	6.6%
Persistent at-risk-of-poverty rate - 50% threshold	5.2%		2.7%	3.5%	5.4%
Social protection expenditure as % of GDP	25.0%	23.0%	25.4%	25.4%	
Gini coefficient before social transfers	36.1%	30.7%	30.1%	30.6%	31.0%
Gini coefficient after social transfers	30.5%	23.8%	23.7%	24.4%	25.0%

<b><u>National indicators</u></b>		
Basic minimum income	€ 265.2	2013, The Ministry of Labour, Family, Social Affairs and Equal Opportunities
Minimum wage	€ 783.7	2013, The Ministry of Finance
Minimum pension	€ 197.2	2013, The EU's Mutual Information System on Social Protection (MISSOC)
Average wage	€ 997.0	2013, Statistical Office of the Republic of Slovenia
Average pension	€ 687.9	2009, Statistical Office of the Republic of Slovenia

<b><u>Government Report under the ECSS submitted in 2015</u></b>			
Standard benefits amounts to be provided in the detailed report 2016.			
<b>The Office refers to the Technical Note 2014 :</b>			
Reference wage of skilled worker	Article 65-6c: Skilled manual male employee whose earnings are 125% of the average earnings of all protected persons	€ 1789.7	2009
Reference wage of unskilled worker	Article 66-4a: Ordinary male labourer	€ 1193.5	2009
Standard old-age pension	Skilled worker	€ 534.6	2009
Replacement rate Man with wife of pensionable age	For the purpose of the replacement rate calculation, the reference wage of skilled worker is taken as net amount of € 1162.5	46%	2009

Fig. 1. Income and poverty- single person, 2013

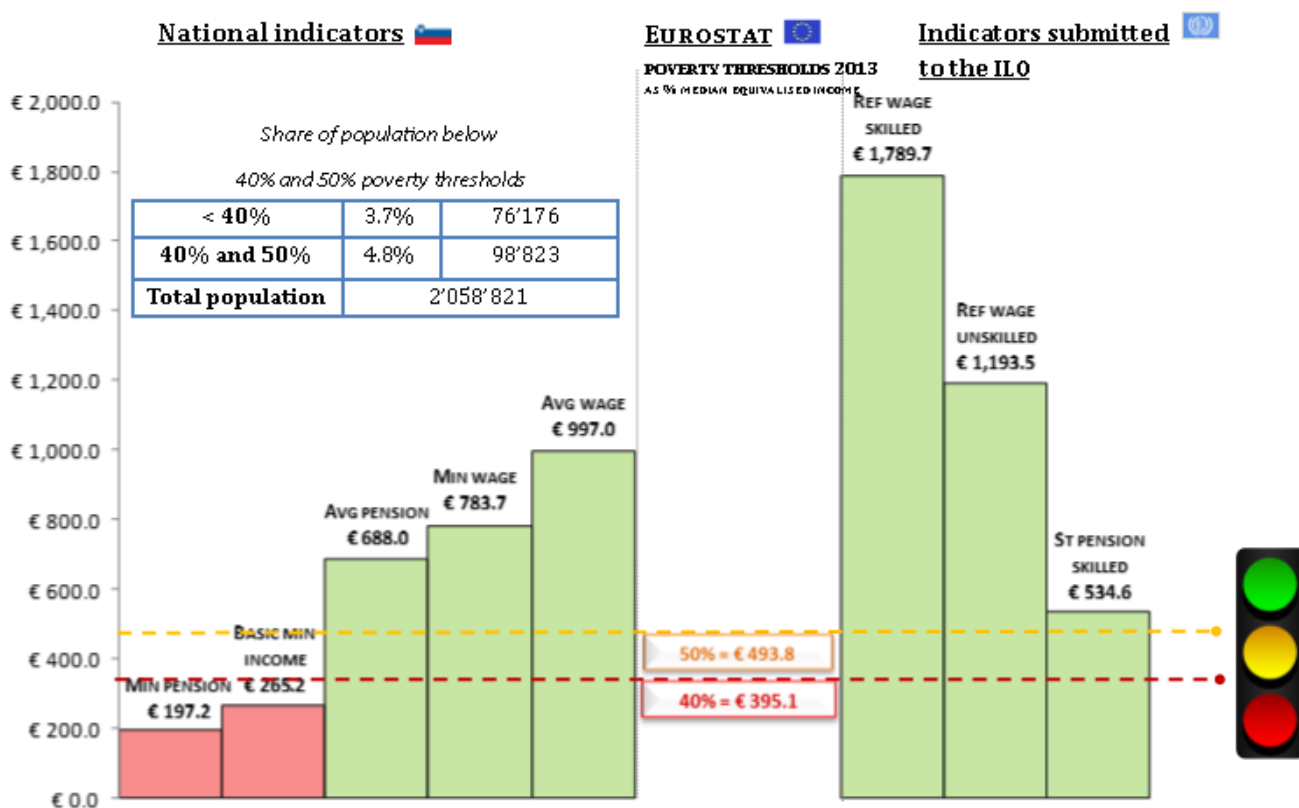
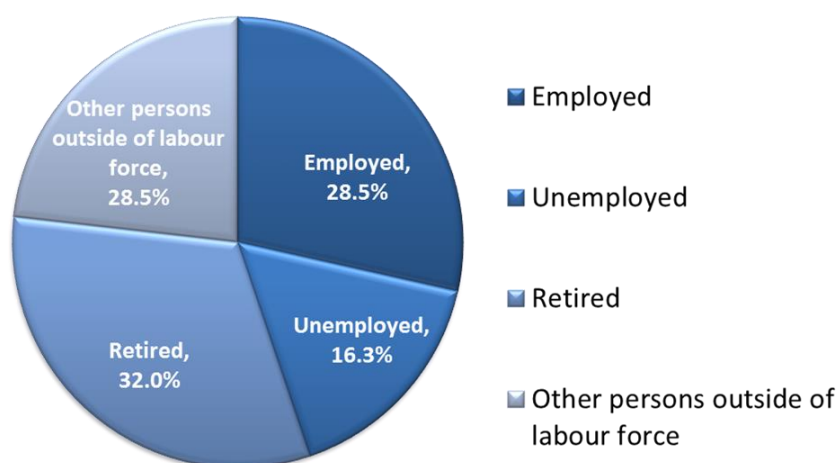
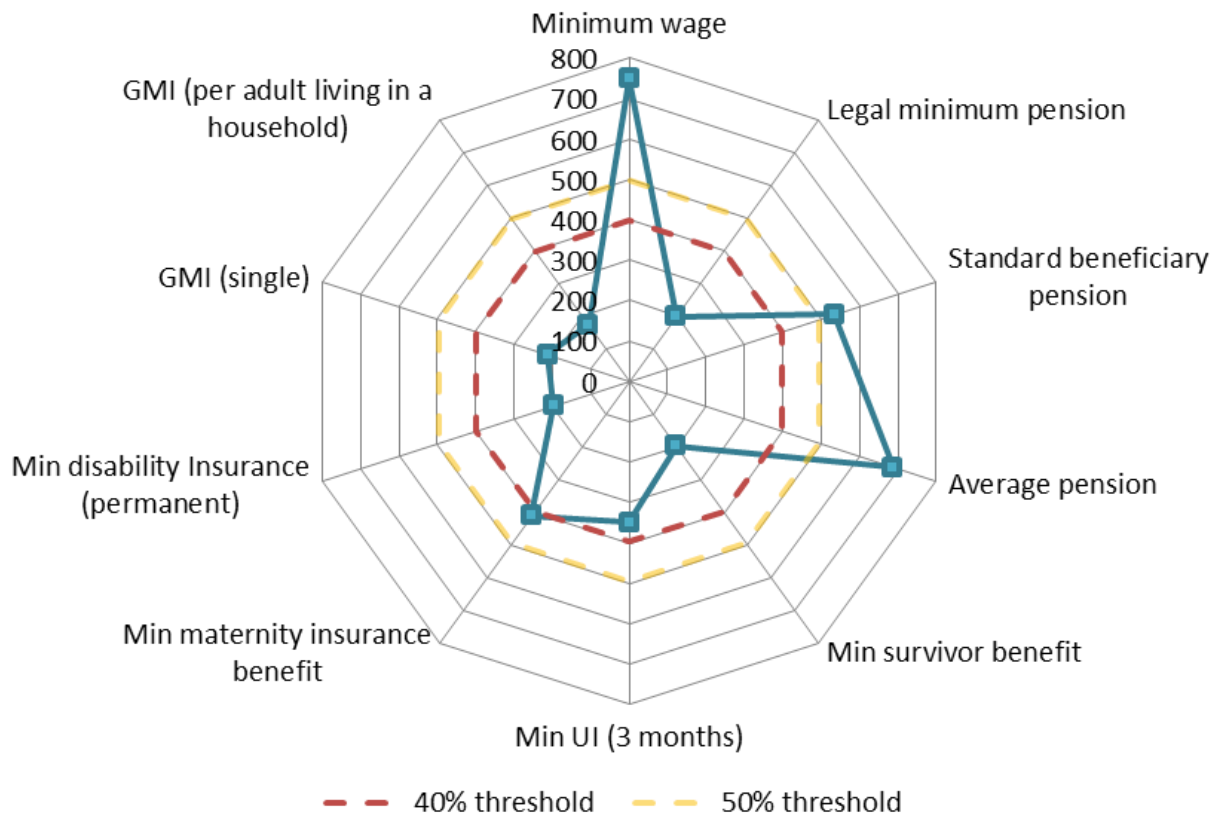


Fig. 2. Structure of population in poverty (Eurostat poverty thresholds of 60%) by the most frequent employment status, 2013

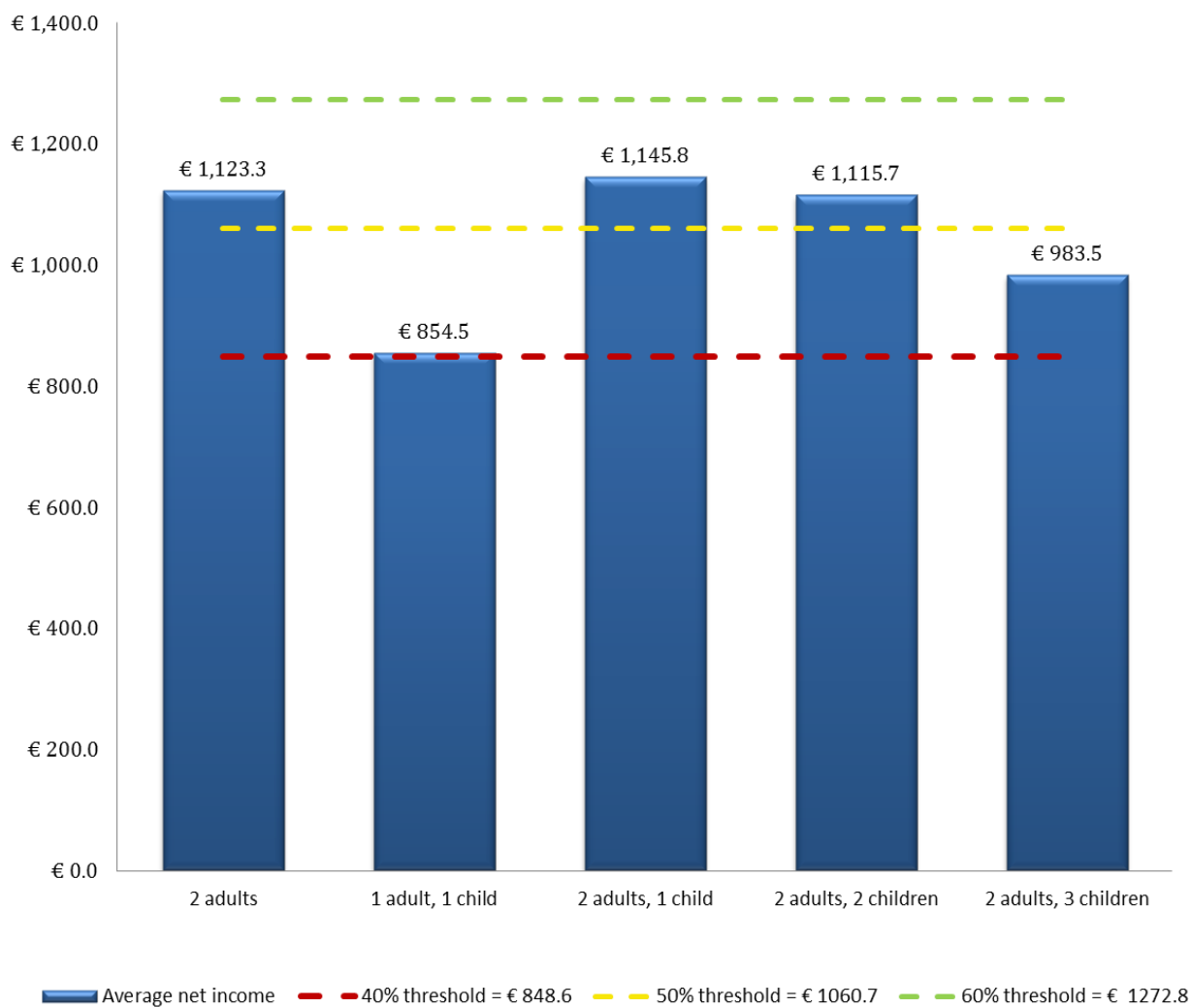


**Fig. 3. Social benefits in comparison to Eurostat 40% and 50% poverty thresholds, 2013**



Benefits/payments	Amount per month	Sources
Minimum wage	€ 748.1	MISSOC, 2014
Legal minimum pension	€ 197.2	MISSOC, 2014
Standard beneficiary pension	€ 534.6	Pension for average case worker, Government Report 2014
Average pension	€ 687.9	Statistical Office, 2009
Survivor benefit	€ 197.2	MISSOC, 2014
Unemployment insurance benefit (UI - 3 months)	€ 350.0	MISSOC, 2014
Maternity insurance benefit	€ 411.5	MISSOC, 2014
Disability Insurance (permanent)	€ 197.2	MISSOC, 2014
GMI (single)	€ 212.7	MISSOC, 2014
GMI (per adult living in a household)	€ 172.7	MISSOC, 2014
At-risk-of-poverty threshold, 40%	€ 397.0	Eurostat, 2014
At-risk-of-poverty threshold, 50%	€ 496.3	Eurostat, 2014

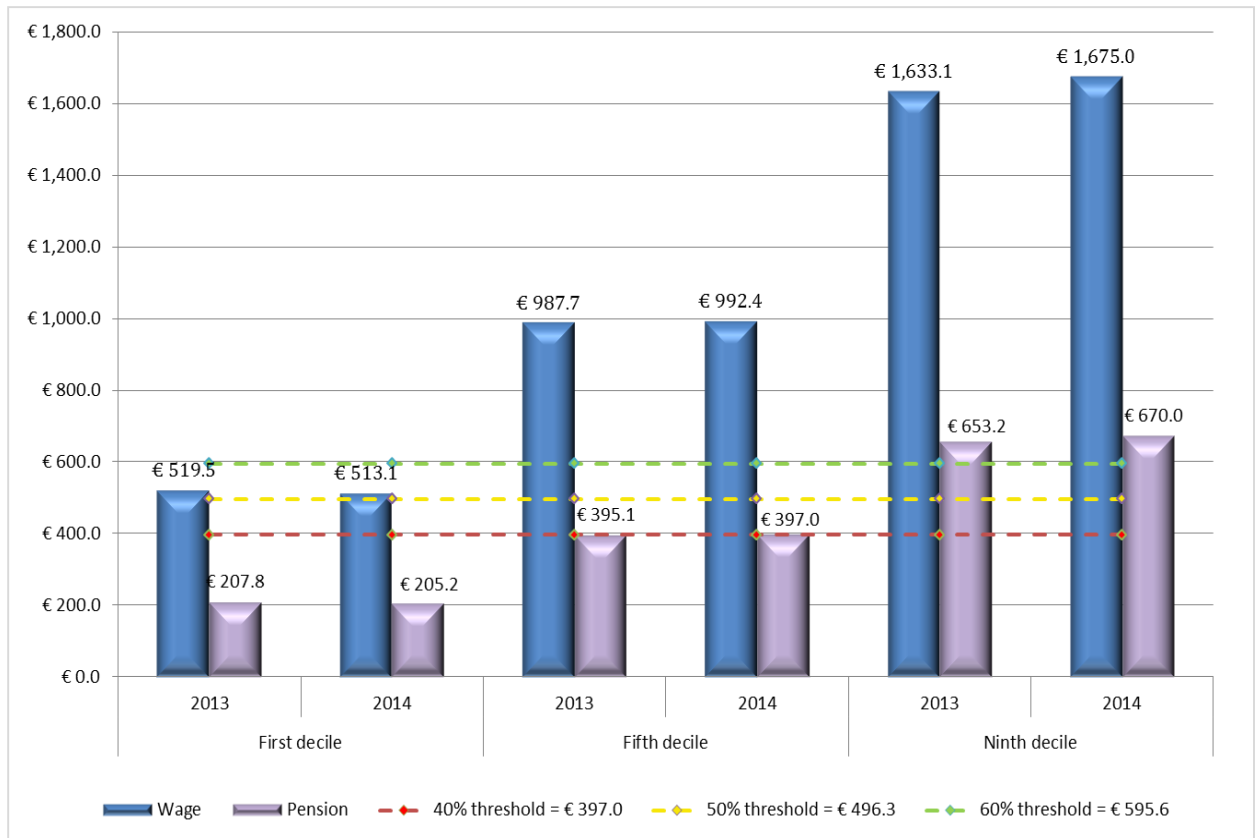
**Fig. 4. Income and poverty indicators by type of household, 2012**



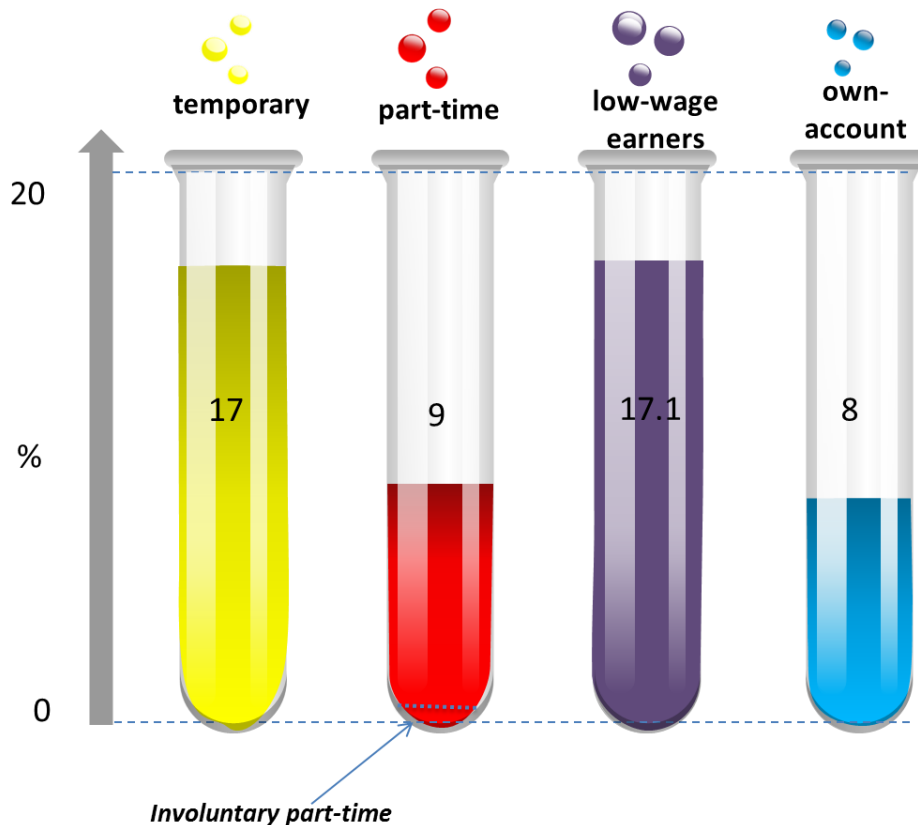
(at-risk-of-poverty thresholds for the household with 2 adults and 2 children)

Household composition:	Average net income	At risk of poverty rate (60% threshold)
2 adults	€ 1123.3	11.4 %
1 adult, 1 child	€ 854.5	25.8 %
2 adults, 1 child	€ 1145.8	10.6 %
2 adults, 2 children	€ 1115.7	9.8 %
2 adults, 3 children	€ 983.5	15.9 %

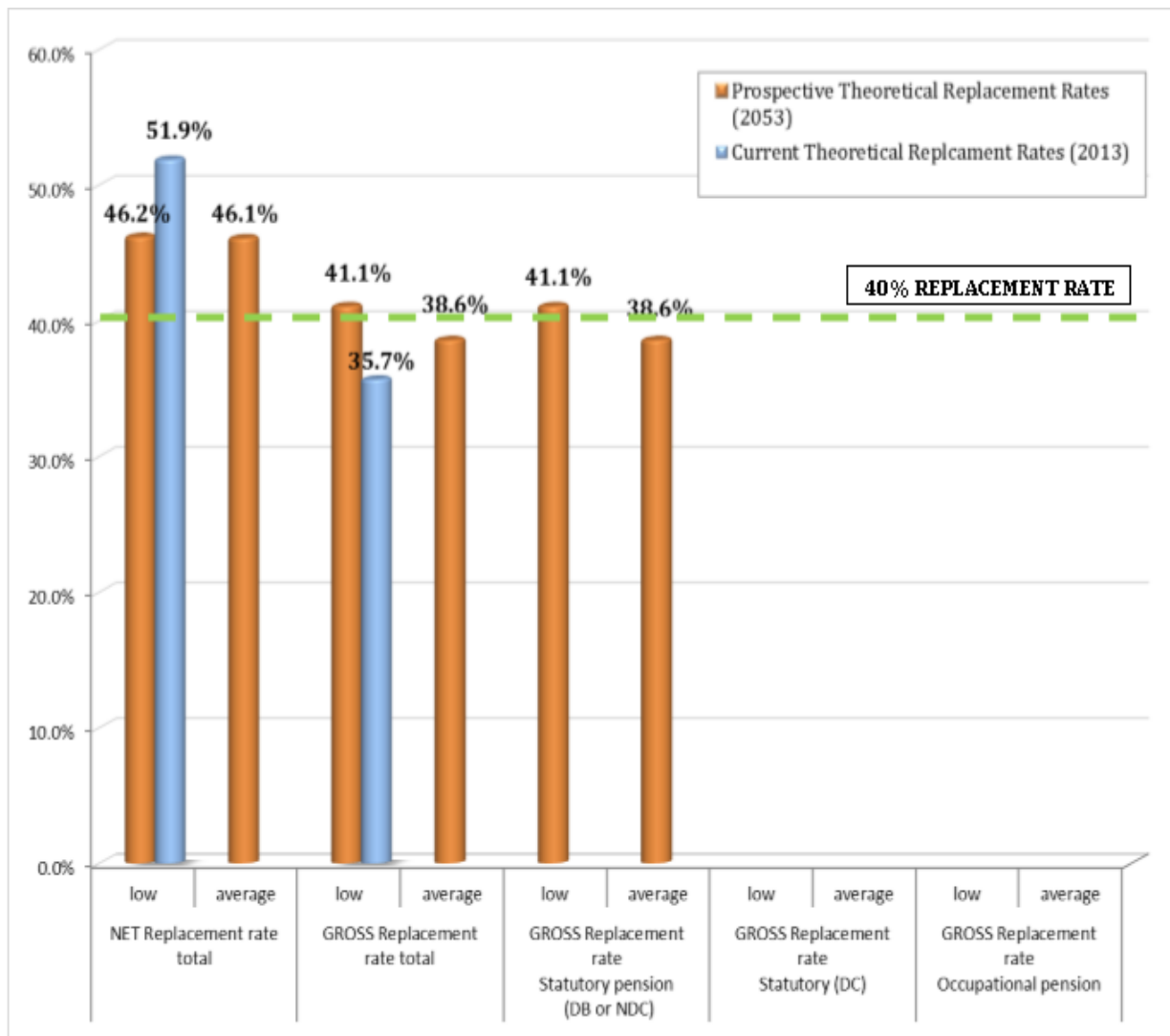
**Fig. 5. Comparison of monthly wages and pensions (40% replacement rate) to the Eurostat thresholds in 2013-2014, by decile**



**Fig. 6. Test on precarious employment: share of employed population by different job security situation, as % of total employment, 2012**



**Fig. 7. Theoretical Replacement Rates for low and average wage earners, retiring in 2053 at statutory pension age (67) with 30 years of contributions between 2013 and 2053**



**Male, 20 years work from age 25 - career break until 10 years prior to SPA - 10 years work.  
10 years of career break in the middle of the career**

	NET Replacement rate total		GROSS Replacement rate total		GROSS Replacement rate Statutory pension (DB or NDC)		GROSS Replacement rate Statutory (DC)		GROSS Replacement rate Occupational pension	
	low	average	low	average	low	average	low	average	low	average
2053	46.2%	46.1%	41.1%	38.6%	41.1%	38.6%	-	-	-	-
2013	51.9%	-	35.7%	-	-	-	-	-	-	-

Source: *The 2015 Pension Adequacy Report: current and future income adequacy in old age in the EU, Volume I*

## **Social security and reduction of poverty.**

### **Extracts from the 2014 Government report on the European Code of Social Security.**

**In the light of these provisions of the Code, the Committee would like the Government to explain in its next report the provisions of the Exercise of Rights to Public Funds Act and the Social Benefits Act governing the assessment of income and property for the purpose of eligibility for social transfers, indicating the substantial amounts disregarded for purposes of means testing, the updated amount of the guaranteed minimum income and the minimum amounts of social security benefits in comparison with the current at-risk-of-poverty rate. Please explain the measures taken by the Government in the context of the fiscal austerity measures to increase the effectiveness of the social security system in preventing the spread of poverty in the country, particularly among persons of small means, and supply the most recent and comprehensive statistics on the dynamics of poverty, including among the active population, pensioners and children.**

Latest statistical data (data are taken from National Social Report for the period from 30 June 2013 to 1 July 2014)

In spite of certain deteriorations, combined welfare indicators in Slovenia continue to show a favourable picture. Given that the results comprise different dimensions and use different sets of indicators, they too may show discrepancies. However, the results show that Slovenia's rankings in various development scales have remained relatively stable in the past few years. In accordance with the Human Development Index for 2013,<sup>1</sup> Slovenia remains a country with very high human development index. With regard to the Better life index,<sup>2</sup> Slovenia ranked 19th among 36 countries in 2013 (compared to 21st place in 2011). The impact of the crisis is strongest felt in the synthesised indicator of Life satisfaction<sup>3</sup>, which showed a sharp downturn in the second half of 2013, however Slovenia still ranks in EU's upper half. In terms of Gender equality index, Slovenia continues to place above the EU average (SI index: 56.0; EU-27 index: 54.0)

The at-risk-of-poverty rate increased during the crisis period; however, Slovenia still ranks among EU members with a low at-risk-of-poverty rate. In 2012, the risk of poverty remained at approximately the same level (13.5%) as in the previous year, with around 271,000 people living below the at-risk-of-poverty threshold. In the period 2009–2012, the at-risk-of-poverty rate in Slovenia rose by 2.2 percentage points, thus exceeding EU average (0.5 percentage points). The number of people living below the at-risk-of-poverty threshold rose by 22% as compared with the preceding year (48,000 people), thus showing the greatest increase among EU countries. Material deprivation also increased in 2012 for the people living below the at-risk-of-poverty threshold, while for those living above the at-risk-of-poverty threshold, material deprivation was lower than in the previous year. Other indicators, such as the GINI coefficient and the S80/S20 ratio show no increase in income inequality in 2012, while income distribution in the entire population has not changed substantially in the long term, as well. Income inequality thus remains one of the lowest in the EU. It should be noted that the at-risk-of-poverty rate and other indicators of income inequality for 2012 were calculated on the basis of incomes in 2011, which was more favourable than the following year.

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<sup>1</sup> 2013 Development Report, Institute of Macroeconomic Analysis and Development. The 2013 index is mostly based on statistics for 2012. Concerning the HDI index (0.892), Slovenia placed 21st among 186 countries, together with Finland (same classification as in the previous year). Among EU countries, it placed 10th. On the other hand, Slovenia ranks 5th among EU countries in terms of HDI when disregarding income.

<sup>2</sup> The index statistics are published by the OECD. The index covers eleven areas which, in total, are demonstrated by 24 wealth indicators. Apart from OECD members, the 2013 classification includes Russia and Brazil.

<sup>3</sup> 2014 Development Report, Institute of Macroeconomic Analysis and Development.

The at-risk-of-poverty rate according to social transfers (ages 65 and above) – 2012	Women	Men
EU-28	21.7% (e)	16.3% (e)
Slovenia	28.4%	14.6%

In 2012, Slovenia departed from the goals of the EU2020 Strategy in the area of poverty and social exclusion, for the third consecutive year. In total, 19.6% of Slovenia's population was at risk of poverty or socially excluded in 2012 (by 0.3 percentage points more than in 2011), which means 392,000 persons. The number of people in severe material deprivation rose from 123,000 to 133,000 in 2012. In the same year, the number of people living in households with very low work intensity fell by 3,000 to 118,000, while the number of people living below the at-risk-of-poverty threshold decreased by 2,000 to 271,000.

**Table 1:** Expenditure on transfers to individual people and households (before amendments to social legislation took effect):

Type of transfer	(Mio EUR)				% growth	
	2011	2012	VI-XII 2011	VI-XII 2012	2012/2011	VI-XII 2012/VI-XII 2011
Transfers to individual people and households - total	6,533.5	6,383.6	3,719.1	3,713.1	-2.3	-0.2
Transfers to individual people and households - pensions not included	2,395.1	2,235.6	1,377.7	1,252.9	-6.7	-9.1
Transfers to unemployed people	243.7	220.9	134.4	125.0	-9.3	-7.0
Family benefits and parental allowances	633.6	581.9	366.1	328.0	-8.2	-10.4
Social security transfers	384.4	334.5	221.3	185.2	-13.0	-16.3
Transfers to war disabled, war veterans and victims of war	79.5	74.0	46.4	41.5	-6.9	-10.5
Pensions	4,138.4	4,148.0	2,341.4	2,460.2	0.2	5.1
Wage compensations	172.5	168.6	99.6	97.0	-2.2	-2.6
Sickness benefits	215.0	223.4	120.7	121.5	3.9	0.6
Grants	121.2	102.2	70.5	55.4	-15.6	-21.4
Other transfers to individual people	545.2	530.0	318.7	299.3	-2.8	-6.1

*Source: Ministry of Finance, consolidated accounts*

**Table 2:** Movement in applications and appropriations for social assistance benefits in cash and extraordinary social assistance benefit in cash:

Month	Applications for financial assistance	Amount of financial assistance	Average financial assistance	Applications for extraordinary financial assistance	Amount of extraordinary financial assistance	Average extraordinary financial assistance	Total applications for financial assistance	Total amounts of financial assistance	Total average financial assistance
1 January 2013	43,452	10,594,755	243.83	3,791	1,159,634	305.89	47,243	11,754,389	248.81
1 February 2013	45,030	11,078,960	246.04	5,452	1,676,601	307.52	50,482	12,755,561	252.68
1 March 2013	45,999	11,312,172	245.92	4,501	1,377,839	306.12	50,500	12,690,011	251.29
1 April 2013	46,799	11,525,659	246.28	4,558	1,394,937	306.04	51,357	12,920,596	251.58
1 May 2013	47,227	11,669,695	247.1	4,311	1,295,257	300.45	51,538	12,964,952	251.56
1 June 2013	47,380	11,720,720	247.38	4,115	1,244,090	302.33	51,495	12,964,810	251.77
1 July 2013	46,612	11,535,135	247.47	3,634	1,090,695	300.14	50,246	12,625,829	251.28
1 August 2013	46,399	11,720,938	252.61	3,907	1,179,038	301.78	50,306	12,899,976	256.43
1 September 2013	46,050	11,629,477	252.54	3,553	1,096,796	308.7	49,603	12,726,274	256.56
1 October 2013	45,909	11,597,780	252.63	4,458	1,351,349	303.13	50,367	12,949,129	257.1
1 November 2013	46,990	11,778,591	250.66	4,760	1,439,082	302.33	51,750	13,217,673	255.41
1 December 2013	47,799	11,966,462	250.35	5,091	1,506,773	295.97	52,890	13,473,235	254.74
TOTAL	555,646	138,130,343	248.59	52,131	15,812,091	303.31	607,777	153,942,434	253.29
Average	46,304	11,510,862	248.59	4,344	1,317,674	303.31	50,648	12,828,536	253.29
1 January 2014	48,237	12,063,337	250.08	5,310	1,661,353	312.87	53,547	13,724,690	256.31

Source MOLFA

Funds intended for alleviating the living conditions of the most deprived were reduced in Slovenia in past years, primarily due to the implementation of austerity measures (Table 1). Due to newly adopted measures in the reference period covered by this report, the funds were subsequently increased, particularly in the area of social financial assistance and extraordinary social financial assistance (Table 2). During the reference period, there was thus an increase in the number of applicants as well as in the number of funds allocated to social transfers. These developments are largely attributable to changes in legislation which further protected some of the most vulnerable social groups, thus increasing social transfers for these groups, as well as due to increased poverty.

#### MEASURES OF THE EXERCISE OF RIGHTS TO PUBLIC FUNDS ACT - CHANGES:

In 2012 Slovenia has adopted a social reform with the aim to reach better fairness, redistribution, and transparency of social benefits (transfers) with the ability to acquire data from 26 existing databases.

The focus of the new social legislation is a comprehensive approach – based on means tested principle, taking into consideration income and assets (converted into income) of whole family with a view to prevent overlapping and commutation of benefits.

In 2013 the evaluation of the reform has been prepared and upon the assessments of the evaluation first changes of the new social system has been adopted. Most of the new measures focus on the most deprived persons – rising entitlements of financial social assistance for single parents and large families and elderly (high poverty rate among elderly). Along with the latter also some administrative changes has been introduced to further simplify the procedures.

On 1 January 2014, the amendments to the Financial Social Assistance Act (Official Gazette of the Republic of Slovenia (*Uradni list RS*), nos. 61/10, 40/11, 14/13 in 99/13; hereinafter referred to as the ZSVarPre) and the Exercise of Rights to Public Funds Act (Official Gazette of the Republic of Slovenia (*Uradni list RS*), nos. 62/10, 40/11, 40/12 - ZUJF, 57/12 - ZPCP-2D, 14/13, 56/13 - ZŠtip-1 in 99/13); hereinafter referred to as the ZUPJS), which have a direct impact on poverty alleviation, entered into force.

With the amendments we wish to improve the material situation of single-parent families, families with school-age children and large families (for more information, see the Investing in Children section), older recipients of social transfers and other vulnerable population categories.

Amendments to the ZUPJS improve, among other things, the conditions for obtaining extraordinary social assistance by introducing extraordinary social assistance to beneficiaries of income support, which will now be eligible to receive extraordinary social assistance also for e.g. roof repairs, heating and utility bills, while only costs incurred due to natural disasters, floods and the like, are currently eligible for such aid.

In case of force majeure or natural disasters, fault-based grounds regarding the misuse or the use of pre-assigned extraordinary social assistance outside the statutory period have been abolished, thus introducing the possibility of being granted this/such assistance whatever the reason.

Furthermore, it introduced the exclusion of fault-based grounds regarding changing the status from a child to a single person, or a child of one family to a member of a new family, therefore introducing the eligibility for this assistance; persons who in an earlier decision on eligibility for extraordinary social assistance to the family as a whole had the status of a child, and when submitting a new application for extraordinary social assistance are no longer part of the nuclear family (with parents), but they are of-age, not full-time students, and are therefore considered a single person or a member of a new family if they create one, could not be eligible to receive extraordinary social assistance, since fault-based grounds were present.

A change regarding income when allocating child benefits, state scholarships and reduced kindergarten fees for persons receiving financial social assistance (up until now only the income of the previous year is taken into account, and according to the proposal, only current income, i.e. periodic income received in the month preceding the filing of the application, will be considered).

Another novelty is the more favourable consideration of occasional income, including student work. Now the average monthly income in the three months before filing the application exceeding the minimum income by 0.28, or 74 EUR is considered, while under the new law, only an income exceeding the minimum income by 0.5, or 132 , is considered.

Also introduced was discretion when granting financial social assistance and income support in relation to considering real estate not lived in by the applicant (more discretion is given to social work centres when considering the foregoing estate, provided that it is possible to conclude that a person owning the estate cannot temporarily gain their livelihood due to circumstances beyond their control, e.g. domestic violence, for which proceedings have been initiated or are pending, in accordance with the regulations governing domestic violence, initiated proceedings of alienation or dissolution of the real estate with a view to obtain means of subsistence, which lasts for no more than 24 months. Now, assets over EUR 13,870 are fully taken into consideration, while, according to the proposal, discretion considering the above conditions up to EUR 50,000 would be possible).

More favourable consideration of changes in periodic income has also been introduced. Up until now, only the loss of the entire income was taken into account, while according to the proposal, the periodic income of a person in the past year will not be considered if the person no longer receives it or if one kind of periodic income (e.g. salary) was replaced with another (e.g. unemployment benefits), so that the new periodic income, and not the one no longer received, will be considered.

We are expanding the circle of the beneficiaries of social assistance and income support by increasing the limit of assets that are not taken into account when granting social assistance and/or income support.

Some of the assets not taken into account are savings:

- for a single person: the amount of three minimum monthly incomes (currently EUR 795.66, previously EUR 500)
- for a family: three minimum family incomes, but not exceeding EUR 2,500 (previously 1,500).

For the permanently unemployable, permanently unable to work or unemployed persons aged over 63 (women) or 65 years (men), or for families with such a person, financial assets of a single person up to EUR 2,500 (previously EUR 795.66) or of a family up to EUR 3,500 (previously three minimum family incomes – e.g. EUR 1,193.50 for two adults) are not considered.

According to the new legislation, only the income of last three months (not over the whole year) is taken into account when paying for social care services and to family assistants. Up until now, for these two rights only the income of the previous year was taken into account, which did not reflect the current material situation of beneficiaries.

On 1 January 2014, amendments to the Exercise of Rights to Public Funds Act, which also apply to the social situation of single-parent families as well as large families and families with schoolchildren, entered into force.

An increase of the child supplement of the financial social assistance was introduced for single-parent families (from 0.1 to 0.2 times the basic amount of the minimum income or from EUR 26.52 to EUR 53.04).

Furthermore, it was introduced that only a part of the childcare allowance will be taken into account in the context of other rights under the above mentioned Act, which will enter into force on 1 September 2014 - e.g. in the context of a kindergarten subsidy (presently, the entire childcare allowance is considered an income, whereas, under the proposal, the allowance for single-parent families and 20% of the childcare allowance or EUR 22.86 for the first child in the first income bracket will not be taken into account).

For families with schoolchildren, state scholarships were introduced for young pupils, equivalent to half of the amount for older pupils and students over the age of 18. Furthermore, a higher amount of childcare allowance was maintained for young pupils, who are not eligible to receive a state scholarship.

For large families, under the amendments of the Act, the savings in the amount of three minimum incomes of the family, but not exceeding EUR 2,500 (currently EUR 1,500) are not considered as an asset in the context of the establishment of the eligibility for financial social assistance. Furthermore, the second adult rebate (weighting) is being raised from 0.5 to 0.6 times the basic amount of the minimum income or from EUR 132.61 to EUR 159.13.

The consideration of only a part of childcare allowance in the context of other rights under the ZUPJS is also being introduced (now the entire childcare allowance is considered as an income, whereas under the proposal from 1 September 2014, the allowance for single-parent families and 20% of the childcare allowance or EUR 22.86 for the first child in the first income bracket will not be taken into account).

At the end of 2013, changes in social legislation in Slovenia resulted in the extension of the eligibility for subsidised school meals as approved at the end of 2012.

There has been also an increase of the amount social assistance from EUR 265,22 to EUR 269,20 as from 1.8.2014.

Since 1 September 2014, a new provision of the amended Exercise of Rights to Public Funds Act (the ZUJPS), which determines that the total amount of child benefit will no longer be counted into the family income, will start to apply. Child benefit excluding any supplement for a single-parent family or any supplement for a child who is not enrolled in a kindergarten will now be counted into the family income. Furthermore, 20% of the child benefit granted to the first child in the first income bracket will be deducted from the income as determined above. It is estimated that these changes, in addition to improving the situation of large families in terms of receiving social benefits in cash, will also have an impact on the classification of families in income brackets with respect to subsidised kindergarten fees and state scholarships.

## **Extracts from the 2015 Government report on the European Code of Social Security.**

**The Committee would ask the Government:**

a. to conduct in its next report a thorough review of the situation explaining the respective roles of the social insurance system and the social assistance and other social transfers in alleviating poverty, complementarities of these means of action and their performance measured not only by the relative at-risk-of-poverty indicators but also by indicators of subsistence level in absolute numbers. In doing so, the Government may wish to refer to the infographs in the above-mentioned "Technical Note", which has been transmitted to the Government, and update the statistical and legal information on which they are based;

b. taking into account the observation that the above-mentioned trend, if continued long enough, may substantially undermine the capacity of the social security system as designed by the Code to prevent poverty, to explain in its next report the direction its social policy is taking in that respect;

c. in the light of the above-mentioned provisions, to demonstrate in its next report that the new means-testing rules are designed in such a way that the rate of social assistance benefits and whatever other means are left to the beneficiary and his family to live on after deduction of the substantial amounts mentioned in point (b) of Article 67, which are disregarded for the purpose of means testing, shall not fall below the current at-risk-of-poverty threshold in Slovenia and shall represent the amount equal at least to 40 per cent of the reference wage of an ordinary adult male labourer calculated in accordance with the requirement of Article 66 of the Code (for example €989 in 2010).

### **GENERAL FORECAST OF ECONOMIC TRENDS (IMAD, APRIL 2015)**

*In 2014, Slovenia recorded the highest economic growth rate since the beginning of the crisis (2.6%),* which was stimulated by the improvement in the international environment, stabilisation of financial markets in the euro area and economic policy measures adopted in the last few years. Exports increased significantly due to higher competitiveness, coupled with stronger foreign demand. Investment also rose markedly; public investment in infrastructure was up due to the accelerated absorption of EU funds, while amid higher activity and more stable lending conditions, positive trends were also observed in private investment. This is primarily related to higher capacity utilisation and less limited access to sources of financing. Improved conditions on the labour market and concurrent increases in salaries and other household incomes led to modest growth in private consumption. Government consumption decreased for the fourth consecutive year, due to ongoing fiscal consolidation.

**The GDP will increase by 2.4% in 2015 (Spring forecast 2015, IMAD), again mainly owing to strong growth in exports and investment activity.** Export growth will remain relatively high due to faster recovery in most of Slovenia's main trading partners, as well as further improvements in competitiveness. In view of the expected further increase in investment and private consumption, domestic consumption will make a larger contribution to economic growth than has been the case in recent years. Public investment related to the absorption of EU funds will again increase this year; private investment in machinery and equipment will also expand thanks to favourable export developments and less limited sources of funding. With further improvement of conditions on the labour market, household disposable income will rise, which will be reflected in stronger growth in private consumption. With fiscal

restrictions still in effect, the decline in government consumption will be similar to that in 2014. In 2016 and 2017, economic growth will hover around 2%, as growth in investment financed by EU funds is expected to slow during the transition to a new financial perspective.

**Table 1: Forecast of economic growth**

Real growth rates, in %	2014	2015	2016	2017
Gross domestic product	2.6	2.4	2.0	2.1
Exports	6.3	5.6	6.2	5.0
Imports	4.1	5.2	4.7	5.2
<i>External balance of goods and services (contribution to growth in percentage points)</i>	1.9	0.7	1.6	0.4
Private consumption	0.3	1.1	1.6	1.8
Government consumption	-0.5	-0.4	-0.4	-0.2
Gross fixed capital formation	4.8	4.8	-2.0	4.0
<i>Change in inventories and valuables (contribution to growth in percentage points)</i>	-0.2	0.2	0.1	0.0

Source: Statistical Office of the Republic of Slovenia; 2015–2017: Spring forecast of economic trends 2015, IMAD (March 2015).

***Labour market conditions improved in 2014, unemployment rate among youth is above the average.*** The employment rate increased in 2014 for the first time since 2008 (by 0.7%). While employment was up in most private-sector activities, the strongest growth was recorded by employment activities (60.3%) involved in labour brokering, which indicates that companies remain cautious about employing new staff. During the year, the number of unemployed steadily decreased as more people found work and fewer became unemployed. The unemployment rate according to the Labour Force Survey slightly decreased in 2014 (from 10.1% in 2013 to 9.7%), while it was 5.3 percentage points above the pre-crisis level. Unemployment among youth, who were hit the hardest on the labour market, increased considerably during the crisis, mainly as a result of strong age segmentation of the labour market in Slovenia. The latter remains a problem despite changes relating to labour market regulation. In the period 2008–2013, the youth unemployment rate doubled, reaching 21.6% in 2013. In 2014 it decreased to 19.0%, largely due to increased employment through labour agencies.

***Amid higher economic activity, employment will continue to increase in 2015–2017, while unemployment will gradually decline.*** In 2015, employment will rise further (by 0.8%), but due to uncertainty about the recovery, a large share of people will still be hired through labour agencies. On average, in 2015 the number of registered unemployed people will fall to 114,300, which is approximately 6,000 less than in 2014. The unemployment rate according to the Labour Force Survey will decrease to 9.2%. In the period 2016–2017, the situation on the labour market will continue to gradually improve; in addition to higher economic activity, the market will be increasingly marked by demographic changes. According to demographic projections, the number of working-age people will decrease by approximately 10,000 per year in the next few years, while the number of people over 65 will rise by a similar figure.

**Table 2: Forecasts for employment and unemployment**

in %	2014	2015	2016	2017
Employment according to SNA, growth	0.7	0.8	0.6	0.7
Number of registered unemployed, annual average, in thousands	120.1	114.3	110.4	102.7
Registered unemployment rate	13.1	12.5	12.0	11.2
Unemployment rate according to the ILO Labour Force Survey	9.7	9.2	8.6	7.9

Source: Statistical Office of the Republic of Slovenia; 2015–2017: Spring forecast of economic trends 2015, IMAD (March 2015).

***After the slowdown in growth at the onset of the crisis and two years of nominal stagnation, average gross salary per employee increased by 1.1% in 2014;*** In the private-sector, the modest growth of salaries from the previous two years slightly accelerated (from approximately 0.5% to 1.4%) along with the increased volume of extraordinary and overtime payments, but did not exceed the growth of productivity. An increase in average salaries was recorded particularly in industry, which points to the existence of a stronger base and the capacity of businesses for further growth. After the decline in the previous two years, the average salary in the public sector also slightly increased (0.9%). This was largely a consequence of the beginning of the payment of withheld promotion raises and the termination of the effect of austerity measures from mid-2013.

***In 2015, gross salaries will increase by 1.1%; over the entire forecasting period, their growth will result from rises in both the private and the public sectors.*** Along with the strengthening of economic activity, which will be comparable to that of last year, the growth in salaries will also remain similar in 2015. Its increase in the private sector will result from growth in the majority of activities, but a larger spill-over of higher productivity into salaries will be prevented by companies' efforts to maintain their competitive position and the still-high unemployment rate. Growth of the average salary in the public sector will also remain similar to that in 2014 due to the extension of the majority of measures for limiting the growth of salaries in the general government sector. In 2016 and 2017, nominal growth in salaries will increase in both the private and the public sectors.

***Inflation in 2014 was the lowest since independence (0.2%) due to a decrease in raw material prices and despite the weak recovery of domestic demand.*** Last year's price movements were significantly influenced by a decline in global commodity prices (oil prices in particular<sup>4</sup>). This was reflected particularly in the year-by-year decline in energy prices. Food prices were also slightly lower (unprocessed food in particular). In 2015, the movement of prices will continue to be significantly influenced by the negative contribution of prices of energy and, partly, food. Moreover, the average annual decline will also continue to reflect the adjustment of relative prices, as further reduction in unit labour costs will also ease the upward pressure on prices. As domestic demand will remain weak, prices will decrease by 0.2 % this

year. However, in accordance with the recovery of economic activity and rising oil prices, prices are expected to increase gradually in the coming years.

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<sup>4</sup> Last year's oil prices in euros were 37% lower than in the previous year.

## **SOCIAL PROTECTION EXPENDITURE**

Social systems in all European countries have been facing two big pressures during the last six years. The first is represented by the economic crisis and the demands for public finance restrictions (financial consolidation), while the number of people who are in need of assistance due to the economic crisis is increasing. The other large pressure on social protection systems is represented by demographic changes; pensions and other transfers are being provided to the increasing number of older people, while the workforce (i.e. the employed population that contributes funds for social protection) is declining. In times of financial and economic crises, social protection systems (including transfers based on the insurance principle, i.e. on paying contributions, as well as transfers that are entirely dependent on material status of individuals and families) must function as automatic buffers (and alleviate the effects individuals may suffer as a result of crises); it is therefore no surprise that expenditures for social protection systems increased in virtually all the European countries during the last crisis. In recent years, the consequences of the limitation of expenditure have also been felt in certain European countries where social protection funds are not only stagnant but are decreasing despite the fact that people's needs are increasing.

In 2012, Slovenia spent 24.4% of its GDP directly on social protection (transfers to individuals based on statutory risks that may be paid out of insurance or out of social assistance system, which is dependent on material status of individuals or families). Social protection expenditures as a percentage of the GDP increased the most between 2008 and 2009 and also slightly in 2010, while since then they have remained at approximately the same level. A great increase in social protection expenditure as a percentage of the GDP in 2008 and 2009 and partially in 2010 can also be explained by a considerable drop in GDP during this period, while social protection expenditure remained nominally at approximately the same level or increased only slightly (however, it represented a higher percentage of GDP due to its reduction).

The highest share in the structure of social protection expenditure is represented by old-age expenditure (slightly over 40%); its share has been increasing in recent years due to demographic changes or increased retirement (see Table 3.8). The second highest share in the structure of social protection expenditure is represented by the field of sickness, i.e. health care, but it hasn't increased significantly since 2009. Among other fields of social protection, the increase in unemployment expenditure is notable (due to the increase in the number of recipients of unemployment benefit in the observed period), although unemployment expenditure represents only 3% of the total social protection expenditure. Expenditure for financial social assistance is listed under other forms of social exclusion: its share in the structure of social protection expenditure slightly increased in 2009 and 2010, while afterwards, its share in total social protection expenditure remained at the level of (only) 0.6%.

In comparison with other EU countries, social protection expenditure as a percentage of GDP is below the average in Slovenia. In principle, social protection expenditure as a percentage of GDP is higher in countries with more universal social policies or schemes.

**Table 3.8: Direct social protection expenditure (by areas or risks) as a percentage of GDP (% GDP) for the period 2008–2012 (EU: 2010 and 2012). Most recent available data: 2012 for Slovenia 2012 and 2011 for EU**

	SLOVENIA					EU	
	2008	2009	2010	2011	2012	2010	2011
TOTAL <sup>22</sup>	20.9	23.7	24.4	24.6	24.4	28.1	27.8
Sickness/health care	7.0	7.8	7.9	7.8	7.9	8.3	8.2
Disability	1.6	1.8	1.8	1.7	1.6	2.2	2.1
Old age	8.0	9.2	9.6	9.8	9.9	11.1	11.1
Survivors	1.6	1.7	1.7	1.7	1.6	1.7	1.6
Family/children	1.8	2.1	2.2	2.2	2.1	2.3	2.2
Unemployment	0.4	0.6	0.7	0.8	0.7	1.7	1.6
Housing	0.0	0.0	0.0	0.0	0.0	0.6	0.6
Other forms of social exclusion	0.4	0.5	0.6	0.6	0.6	0.4	0.4

Source: Eurostat - Esspros

As regards financing sources for social protection systems, the share of government contributions had been increasing during the crisis, amounting to 34.6% in 2011, while the rest (65.4% or almost two thirds) was covered by social contributions (IMAD, 2014a: 168). The share of social contributions in Slovenia exceeds the average of EU countries by 8.1 percentage points, largely due to the higher share of social contributions paid by insured persons (employees), while the share of social contributions paid by employers was 10% below the EU average (ibid.). Thereby, the largest source of financing for social protection in Slovenia are contributions by insured persons (employees) – 38.2% in 2011, while contributions by employers in 2011 represented 27.2% and government contributions represented 34.6% (ibid.).

#### **SOCIOECONOMIC STATUS – THE ACHIEVEMENT OF POVERTY REDUCTION TARGETS UNDER THE EU 2020 STRATEGY**

Since the beginning of the crisis, Slovenia has been moving away from the poverty reduction target set in the EU 2020 Strategy. However, the at-risk-of-poverty rate (despite the fact that it increased considerably during the crisis) has also been below the EU average since then.

According to the Survey on Income and Living Conditions (SILC), the at-risk-of-poverty rate in Slovenia was 14.5% in 2013. This means that in 2013, 14.5%, or 291,000 people, lived below the poverty line in Slovenia.

The notable increase in 2013 reflects the turbulence of the year 2012 (a reference year for the calculation of household disposable income); namely, social legislation was changed in 2012, which was reflected in improved transfer targeting, and legislation for austerity measures was adopted in the same year, which was reflected in the reduction of salaries the introduction of other austerity measures.

The aim of austerity measures in the field of social security, which had to be adopted by the Government of the Republic of Slovenia during the crisis, was to preserve social security of the most vulnerable population categories and to continue to provide access to social services for all population categories.

Examples:

In June 2012, austerity measures were adopted. They were carefully reconsidered not to affect the most deprived categories of people, which is why most of the austerity measures in the social field were focused on the recipients of transfers with the highest income.

Within family benefits temporary austerity measures affected for most high income earners.

**Child allowance recipients** – by termination of two highest categories (in the scale of 8 categories), furthermore decreasing the amount of child allowance by 10% for 2 middle ranked categories on the scale (5 in 6 categories in the scale), but not changing the amount of the allowance for the lowest 4 groups on the scale.

Furthermore there has been also a change of **large family allowance**. Before austerity measures there has been universal right for the mentioned allowance. Entitlement was granted for all large families (3 or more children). By adopting austerity measures the threshold for entitlement is set at 64% of the average net salary of each family member.

The same limitation was adopted for **child birth allowance** which was beforehand universal right for each family getting a newborn.

Amendments to the ZUPJS (2014) improve, among other things, the conditions for obtaining extraordinary social assistance benefit in cash by making it available to the beneficiaries of income support, which will now be eligible to receive extraordinary social assistance benefit in cash also for e.g. roof repairs, heating and utility bills, while up to now only costs related to natural disasters, floods and the like, have been eligible for such aid.

In case of force majeure or natural disasters, fault-based grounds regarding the misuse or the use of pre-assigned extraordinary social assistance benefit in cash outside the statutory period have been abolished, thus introducing the possibility of being granted such a benefit whatever the reason.

Furthermore, it introduced the exclusion of fault-based grounds regarding changing the status from a child to a single person, or a child of one family to a member of a new family, therefore introducing the eligibility for this benefit; persons who in an earlier decision on eligibility for extraordinary social assistance benefit in cash to the family as a whole had the status of a child, and when submitting a new application for extraordinary social assistance benefit in cash are no longer part of the nuclear family (with parents), but they reached the age of majority, not full-time students, and are therefore considered a single person or a member of a new family if they create one, could not be eligible to receive extraordinary social assistance benefit in cash, since fault-based grounds were still present.

A change regarding income when allocating child benefits, grants and reduced nursery fees for persons receiving social assistance benefit in cash (up until now only the income of the previous year has been taken into account, and according to the proposal, only current income, i.e. periodic income received in the month preceding the filing of the application, will be considered). National social report

Another novelty is the more favourable consideration of occasional income, including student work. Now the average monthly income in the three months before filing the application exceeding the minimum income by 0.28, or EUR 74 is considered, while under the new law, only an income exceeding the minimum income by 0.5, or EUR 132, is considered.

Also introduced was discretion when granting social assistance benefit in cash and income support in relation to considering real estate not lived in by the applicant (more

discretion is given to social work centres when considering the foregoing estate, provided that it is possible to conclude that a person owning the estate cannot temporarily gain their livelihood

due to circumstances beyond their control, e.g. domestic violence, for which proceedings have been initiated or are pending, in accordance with the regulations governing domestic violence, initiated proceedings of alienation or dissolution of the real estate with a view to obtain means of subsistence, which lasts for no more than 24 months. Now, assets over EUR 13,870 are fully taken into consideration, while, according to the proposal, discretion considering the above conditions up to EUR 50,000 would be possible).

More favourable consideration of changes in periodic income has also been introduced. Up until now, only the loss of the entire income was taken into account, while according to the proposal, the periodic income of a person in the past year will not be considered if the person no longer receives it or if one kind of periodic income (e.g. salary) was replaced with another (e.g. unemployment benefits), so that the new periodic income, and not the one no longer received, will be considered.

We are expanding the circle of the beneficiaries of social assistance benefit in cash and income support by increasing the limit of assets that are not taken into account when granting social assistance benefit in cash and/or income support.

The assets not taken into account are savings:

- for a single person: the amount of three minimum monthly incomes (currently EUR 795.66, previously EUR 500)
- for a family: three minimum family incomes, but not exceeding EUR 2,500 (previously 1,500).

For the permanently unemployable, permanently unable to work or unemployed persons aged over 63 (women) or 65 years (men), or for families with such a person, financial assets of a single person up to EUR 2,500 (previously EUR 795.66) or of a family up to EUR 3,500 (previously three minimum family incomes – e.g. EUR 1,193.50 for two adults) are not considered.

According to the new legislation, only the last three months' income (not of the whole year) is taken into account when paying for social assistance benefits in kind and to home care assistants. Up until now, for these two rights only the income of the previous year was taken into account, which did not reflect the current material situation of beneficiaries.

In the recent year, a considerable increase in the number of beneficiaries of financial social assistance has been noticed in Slovenia and is presented in the table below.

**Table 3: Monthly number of recipients and beneficiaries of regular financial social assistance – by period and amount of funds**

Per day	Number of recipients <sup>5</sup>	Number of beneficiaries <sup>6</sup>	Number of benef. – adults.	Number of benef. children	Total amount of funds	Average amount
1. Jul. 2014	50<327	74,034	55,913	18,121	12,558,892.04	249.55
1 Aug. 2014	49,700	73,249	55,227	18,022	12,678,668.26	255.10
1 Sep. 2014	49,300	73,151	54,914	18,237	12,817,485.24	259.99
1 Oct. 2014	49,591	73,828	55,354	18,474	12,961,156.15	261.36
1 Nov. 2014	51,480	76,286	57,454	18,832	13,402,022.59	260.33
1 Dec. 2014	52,302	77,728	58,449	19,279	13,625,827.54	260.52

<sup>5</sup> *Recipients of financial social assistance are applicants who were granted the right for themselves and their family members (household members).*

<sup>6</sup> *Beneficiaries of financial social assistance are recipients of financial social assistance (applicants) and their family members for which the applicants exercise the right (all persons with granted right, including children).*

1 Jan. 2015	52,697	78,632	58,975	19,657	13,815,296.60	262.16
1 Feb. 2015	53,809	80,540	60,314	20,226	14,209,653.54	264.08
1 Mar. 2015	54,286	81,312	60,925	20,387	14,350,442.73	264.35

Source: ICSD2

**Table 4: Monthly number of recipients and beneficiaries of permanent financial social assistance – by period and amount of funds**

Per day	Number of recipients	Number of beneficiaries	Number of beneficiaries – adults	Number of beneficiaries – children	Total amount of funds	Average amount
1 Jul. 2014	348	352	352	0	84,965.80	244.15
1 Aug. 2014	351	355	355	0	87,200.19	248.43
1 Sep. 2014	359	363	363	0	88,736.69	247.18
1 Oct. 2014	370	374	374	0	90,919.26	245.73
1 Nov. 2014	370	374	374	0	90,959.64	245.84
1 Dec. 2014	370	374	374	0	90,713.52	245.17
1 Jan. 2015	378	382	382	0	91,856.49	243.01
1 Feb. 2015	381	385	385	0	92,611.65	243.08
1 Mar. 2015	384	388	388	0	93,369.25	243.15

Source: ICSD2

**Table 5: Monthly number of recipients and beneficiaries of extraordinary financial social assistance – by period and amount of funds**

Per day	Number of recipients	Number of beneficiaries	Number of beneficiaries – adults	Number of beneficiaries – children	Total amount of funds	Average amount
1 Jul. 2014	5,372	11,396	7,148	4,248	1,743,668.10	324.58
1 Aug. 2014	4,776	9,915	6,067	3,848	1,425,788.28	298.53
1 Sep. 2014	4,268	8,623	5,393	3,230	1,275,585.05	298.87
1 Oct. 2014	5,991	11,597	7,668	3,929	1,801,417.43	300.69
1 Nov. 2014	6,026	11,553	7,690	3,863	1,792,557.21	297.47
1 Dec. 2014	6,538	12,662	8,368	4,294	1,916,299.96	293.10
1 Jan. 2015	5,915	11,231	7,489	3,742	1,827,606.18	308.98
1 Feb. 2015	7,899	15,076	9,980	5,096	2,410,157.39	305.12
1 Mar. 2015	6,591	12,586	8,408	4,178	1,944,929.91	295.09

Source: ICSD2

When compared to other countries, the efficiency of social transfer system from the perspective of the reduction of poverty risk is relatively high in Slovenia. Although the data show that the effect of social transfers in the period 2012–2013 was reduced (by 3.7 percentage points), it still remains considerably above the EU average.

If social transfers were excluded from income (family and social benefits), the at-risk-of-poverty rate would be 25.3%, while it would additionally rise (to 42.3%) if pensions were excluded as well. Relative to the previous year, the at-risk-of-poverty rate before social transfers

increased by 0.1 percentage points; combined with the increased at-risk-of-poverty rate this means that the effect of social transfers on the at-risk-of-poverty rate reduction was weaker than in the previous year.

**Table 6: At-risk-of-poverty rate, at-persistent-risk-of-poverty rate, severe material deprivation rate, very low work intensity rate, at-risk-of-social-exclusion rate and number of people at risk of social exclusion – for Slovenia (2008–2013) and EU (2011–2012)**

	Slovenia				EU28			
	2008	2009	2010	2011	2012	2013	2011	2012
At-risk-of-poverty rate (%)	12.3	11.3	12.7	13.6	13.5	14.5	16.9	17.0
At-risk-of-poverty rate before social transfers – pensions not included in transfers (%)	23.0	22.0	24.2	24.2	25.2	25.3	26.3	26.0
Effect of social transfers on poverty reduction (pensions not included in transfers) (%)	46.5	48.6	47.5	43.8	46.4	42.7	35.7	34.4
At-persistent-risk-of-poverty rate (%)	7.7	7.0	6.9	7.5	6.1	7.5	9.6	10.2
Severe material deprivation rate (%)	6.7	6.1	5.9	6.1	6.6	6.7	8.9	9.9
Very low work intensity rate (%)	6.7	5.6	7.0	7.6	7.5	8.0	10.4	10.5
At-risk-of-social-exclusion rate (%)	18.5	17.1	18.3	19.3	19.6	20.4	24.3	24.8
Number of people at risk of social exclusion, in thousands	361	339	366	386	393	410	121,542	124,488

Source: Statistical Office of the Republic of Slovenia, SI-STAT data portal; data source for EU28 and for the indicator of the effect of social transfers on poverty reduction: SPC 2013 report + EUROSTAT data portal.

The trend of an increasing number of beneficiaries of financial social assistance, which has been distinct in the last two years, can be attributed to the effects of long-term severe crisis, in which the number of long-term unemployed also increased dramatically, representing as many of 51.5% of the entire unemployed population in March 2015. It is realistic to expect that the trend of an increasing number of beneficiaries of financial social assistance will subside and reverse only with the increase of employment and not merely with the decrease in the number of the unemployed.

Further on, the increased number of beneficiaries of financial social assistance can also be attributed to a change in social transfer legislation; the changes, which were introduced

during the crisis, were specifically aimed at addressing/improving the social status of the most vulnerable population categories by increasing financial resources as well as indirectly expanding the scope of beneficiaries.

Instead of merely creating the legislative framework of social transfers, which played the role of automatic stabilizer and provided appropriate response to the impacts of severe economic and financial crisis, it will be of high importance in the future to create activation policies with specified exits.

## **PLANNED MEASURES FOR 2015**

In 2015 we intend to increase the **basic amount of minimum income**, which represents the basis for the calculation of the amount of financial social assistance.

As of 1 August 2014, the **basic amount of minimum income** is EUR 269.20. The foreseen increase is based on the revaluated value from 2012. The amount will be EUR 291, by which the amount of financial social assistance will be considerably closer to the minimum costs of living.

**By the end of 2015, Slovenia plans to introduce informative calculation for potential recipients of transfers and benefits.** The new solution will reduce the administrative burden on centres; namely, only one decision will be issued, grouping the recipients of transfers into categories, which will be the basis for determination of recipients' rights. This will enable simpler insight into the extent of rights an individual or a family is entitled to. The system of informative calculations is planned to be fully functional by mid-2016.

In the coming period, **reorganisation of centres for social work** is anticipated. It is intended to strengthen direct work with users/recipients, with the emphasis on active elimination of causes that create the need for social transfers, particularly through an integrated approach to social work practice and active and preventive social activation measures. The aim is also to improve connections between all relevant actors, particularly between the Employment Service, local communities and employers.

The first step toward the reorganisation of centres for social work is the above-mentioned introduction of informative calculation.

Further on, **amendments to the Social Security Act** will be prepared and adopted by September 2015. They will primarily relate to the improvement of the accessibility of social services. Until the act was amended, social services (which represent the initial stage of social integration and activation) were financed without a legal commitment to provide financial resources for the implementation of programmes. By providing the legal basis, social security programmes will obtain a secured continuous source of budgetary funding. In recent years, 130 programmes have been co-financed with over 200,000 users included. The average annual amount appropriated for co-financing by the ministry is EUR 12 million.

Intensive **preparation of documents that will enable efficient absorption of European funds** took place in 2014. During the course of these preparations, three fields that will be supported by European funds were specified. Thus, emphasis will primarily be placed on the activation of recipients of social transfers, an integrated approach to dealing with them and the formation of a system of suitable social activation programmes, the development of integrated community-based long-term care services and related deinstitutionalisation processes.

In 2015, the activities will primarily be focused on projects that enable social inclusion of vulnerable groups. In view of the high increase in the number of beneficiaries of financial

social assistance and the number of long-term unemployed persons, social activation will be primarily focused on creating a system that will include an integrated approach to dealing with social issues, and introduction and implementation of programmes. During the implementation of activation programmes, emphasis will also be placed on 'exits' from activation programmes. These programmes are intended to establish the most suitable solutions for permanent work with the most vulnerable groups being dealt with in social activation programmes.

Certain activities will also be carried out by developing preventive measures, particularly activities related to enhancing financial literacy of vulnerable groups.

In 2015, the ministry will **address the issue of recipients of social transfers whose accounts are subject to enforcement**. Some social transfers (e.g. financial social assistance and supplementary allowance) are exempt from enforcement, however, these funds may be accessed by banks due to service charges accrued from checking account balances or other regular account services. Besides, 1,500 recipients receive financial social assistance in cash through

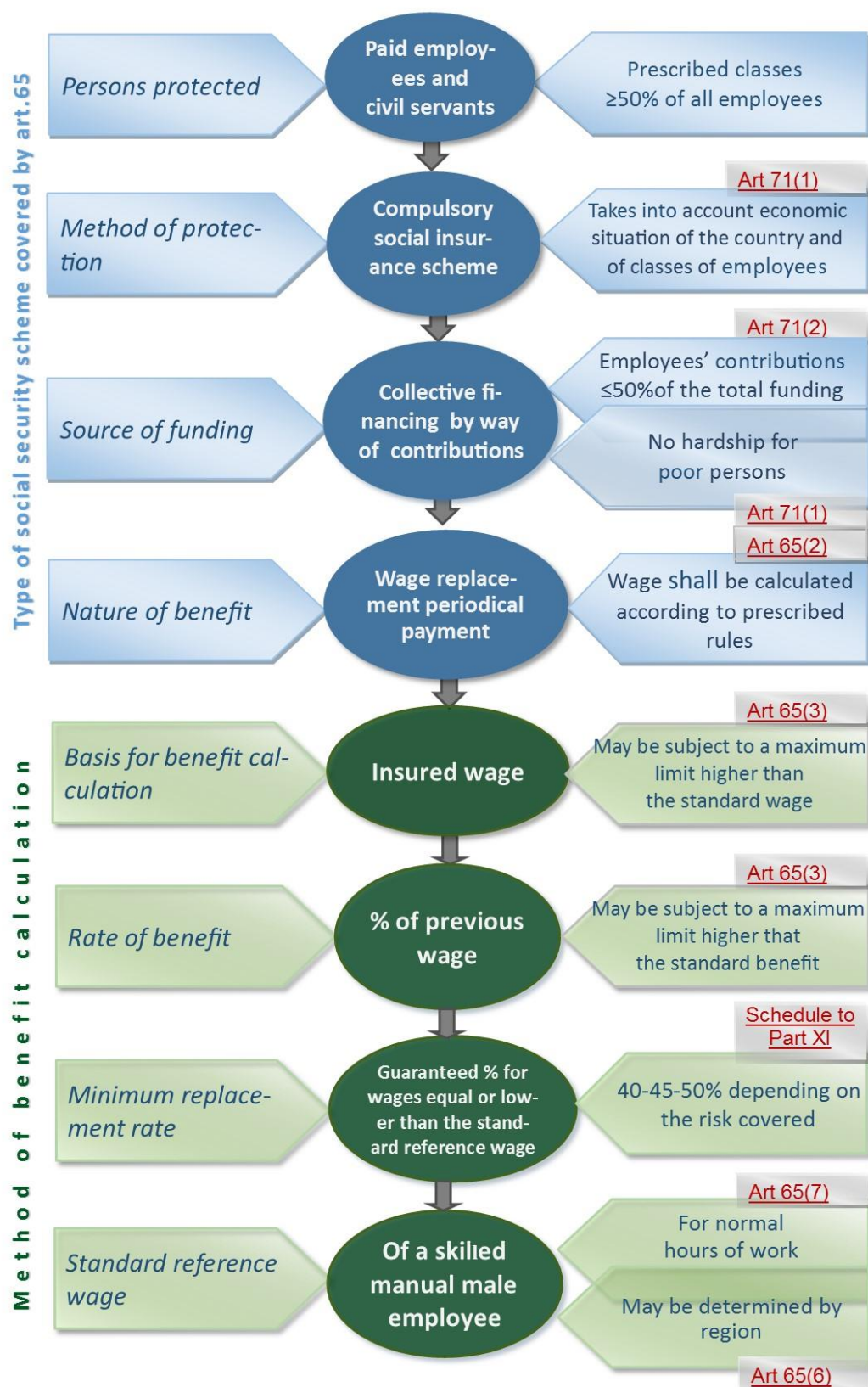
centres for social work. Therefore, we intend to introduce a social account or a social card, which will enable the recipients of financial social assistance and social transfers exempt from enforcement to have them transferred to a special account without additional service charges related to money transfers or the opening of the account.

Introduction of the social activation system and the related preventive programmes will also contribute to greater integration of various types of services from the perspective of social inclusion, health, employment and education.

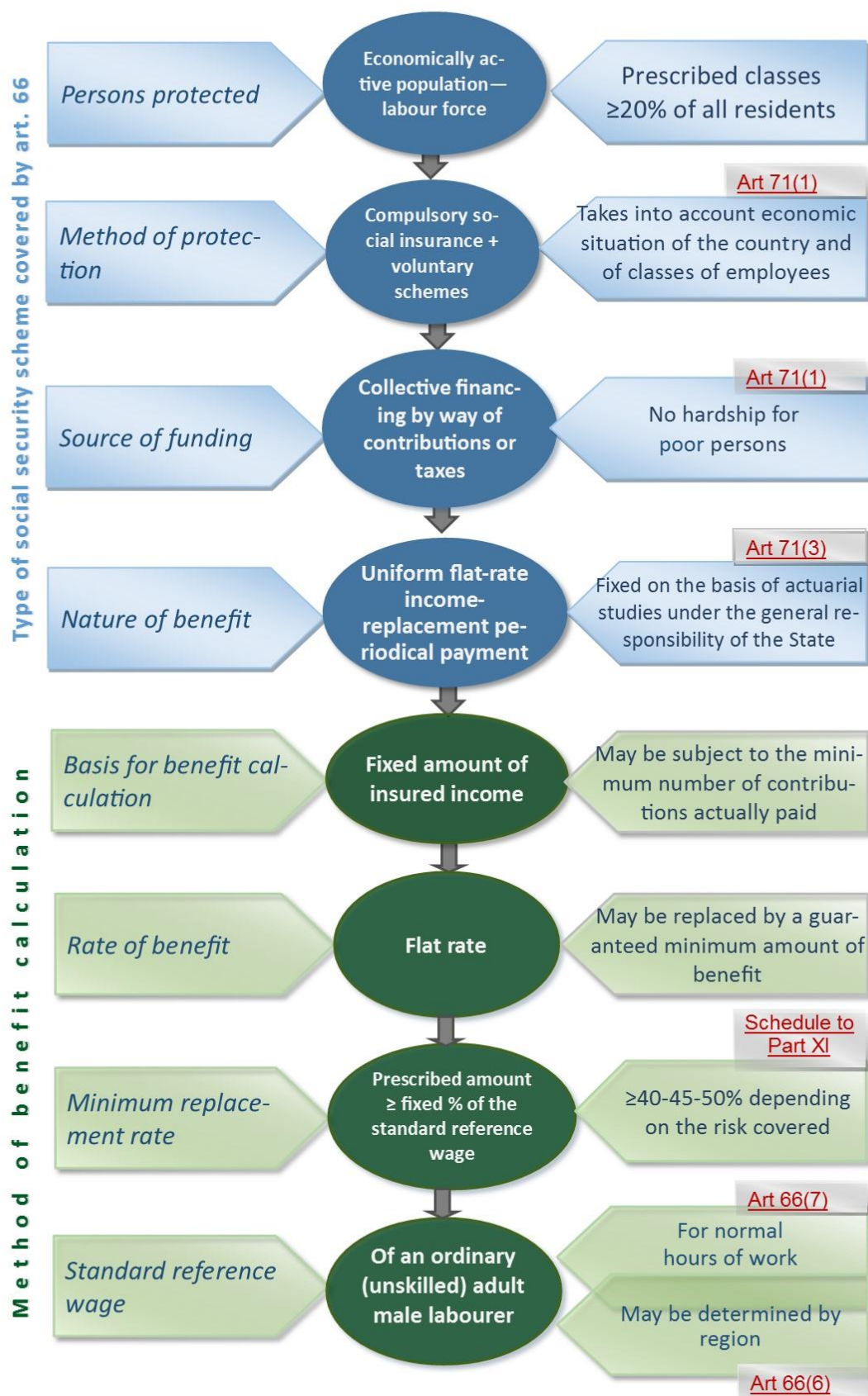
*CHAPTER II. Selection of the Article 65, 66 or 67 under C102/ECSS and determination of the Standard Reference Wage used for calculating the replacement level of benefits*

- [Fig. 1. Article 65: Type of social security schemes and method of benefit calculation](#)
- [Fig. 2. Article 66: Type of social security schemes and method of benefit calculation](#)
- [Fig. 3. Article 67: Type of social security schemes and method of benefit calculation](#)
- [Table 1. Calculation of the reference wage under all options permitted by Articles 65-66 of the ECSS/C102](#)
- [ILO assessment of the options offered by Articles 65-66](#)
- [Fig. 4. Share of employed males by economic activity in total male employment and share of males in paid employment by economic activity in total number of males in paid employment](#)
- [Fig. 5. The average wages of a typical skilled/unskilled manual male employee determined by cross-tabulating of the two classifications](#)
- [Fig.6. Average monthly wages of skilled employees by economic activity](#)
- [Fig.7. Average monthly wages of unskilled employees by economic activity](#)
- [Fig.8. Average monthly wages of employees by economic activity](#)
- [Fig.9. Average monthly wages of male and female skilled and unskilled employees in the 2 sectors \(Manufacturing and Wholesale\) with the highest number of male employees, in comparison to other wage indicators in Slovenia](#)
- [Fig.10. Comparison of the reported reference wage to other wage indicators in Slovenia](#)

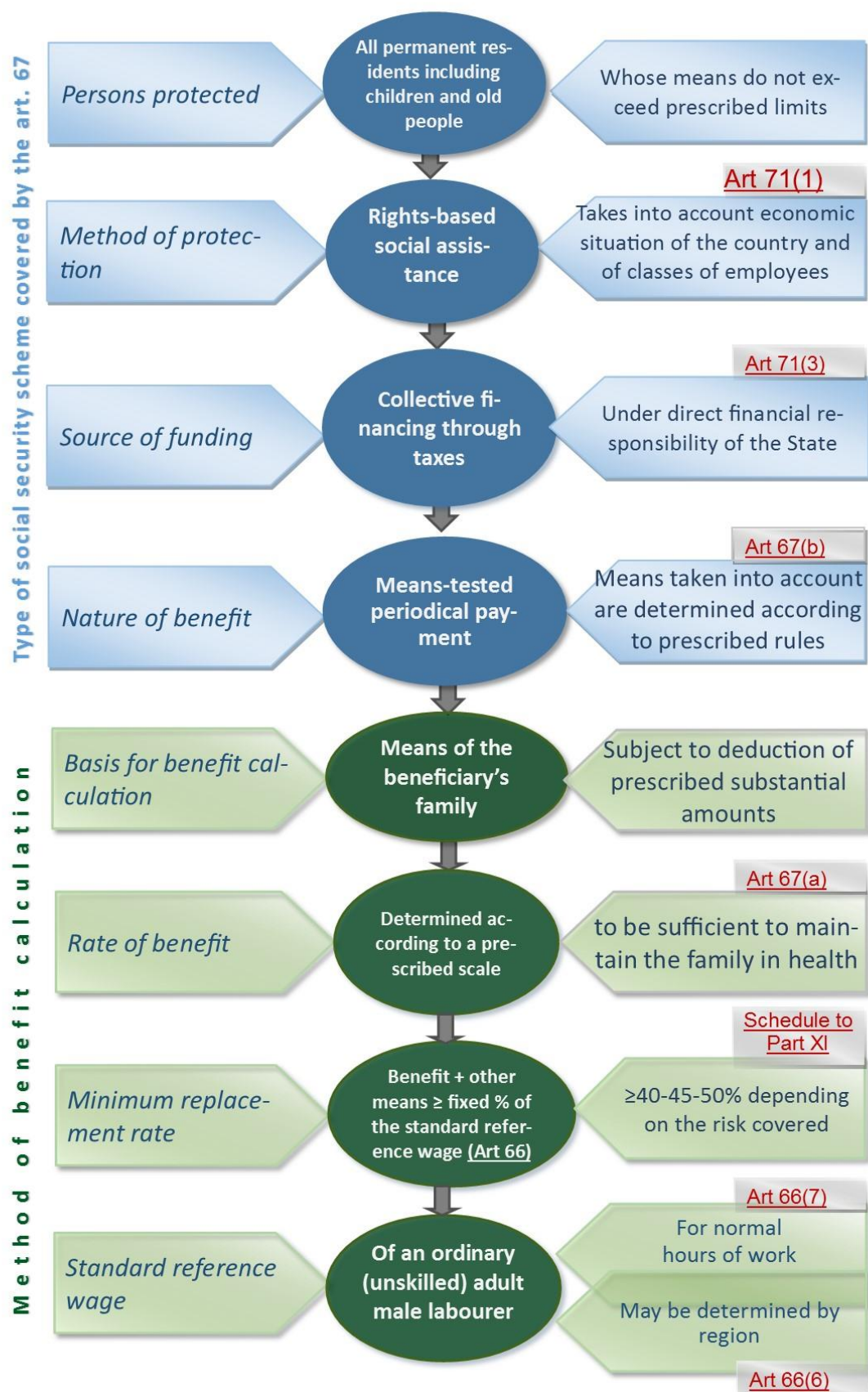
**Fig. 1. Article 65: Type of social security schemes and method of benefit calculation**



**Fig. 2. Article 66: Type of social security schemes and method of benefit calculation**



**Fig. 3. Article 67: Type of social security schemes and method of benefit calculation**



**Table 1. Calculation of the reference wage under all options permitted by articles 65-66 of the ECSS/C102**

Articles in the ECSS/C.102		Comments	Reference wage: amount	
			ILO calculations <sup>7-2010</sup>	Government <sup>8</sup>
Article 65 (para 6): a skilled manual male employee				
Option 1	Art.65 (6)a: a fitter or turner in the manufacture of machinery other than electrical machinery	occupations of fitter and turner can be found among skilled employees of ISCO 08 <sup>9</sup> (group 7)	N/A	
Option 2	Art.65 (6)b: a person deemed typical of skilled labour	a skilled employee of the ISIC rev.4 <sup>10</sup> group with the highest number of male employees: <b>typical skilled male worker in manufacturing</b>	1128 euros <sup>11</sup>	
Option 3	Art.65 (6)c: a person whose earnings are equal to 125 per cent of the average earnings of all the persons protected	in countries where all employees are protected average wage is normally used	1838 euros <sup>12</sup> (full-time and part-time employees)	1799 euros <sup>13</sup> - 2009  Standard beneficiary: a person whose earnings are equal to 125 per cent of the average earnings of all persons protected (Article 65 / paragraph 6 / (c)) – used in all Parts of the report  125 per cent of an average wage (net) <b>STANDARD WAGE (2009):</b> 125 per cent of average wage in 2009 = 1162,50 EUR (net) = 1.798,70 EUR (gross) Net wage: 930 euros, gross wage: 1438.96 euros (2009)
Article 66 (para 4): an ordinary male labourer				
Option 4	Art.66 (4)a: a person deemed typical of unskilled labour in the manufacture of machinery other than electrical machinery	an employee of the ISIC rev.4 Manufacture of machinery (2-digit level of the classification: ISIC Rev.4 Section C. Manufacturing, code 28)	N/A	Gross wage: 1193.49 euros (2008) <sup>14</sup>
Option 5	Art.66 (4)b: a person deemed typical of unskilled labour	an unskilled employee of the ISIC rev.4 group with the highest number of male employees: <b>typical unskilled male worker in manufacturing</b>	989 euros <sup>15</sup>	For the purpose of sub-paragraph b of the paragraph 4 of the article 66 a person employed in processing industry was taken, i.e. economic activity that includes the largest number of active males.

\* Gross wages are used unless stated otherwise

<sup>7</sup> ILO calculations based on EUROSTAT data from Labour Force Survey - LFS-2013 and SES-2010 (see detailed information further)

<sup>8</sup> Reference wage reported by the Government on the application of ECSS and C.102

<sup>9</sup> ISCO 08 – International Standard Classification of Occupations 2008 (detailed explanation to follow)

<http://www.ilo.org/public/english/bureau/stat/isco/isco08/>

<sup>10</sup> ISIC rev.4 - International Standard Industrial Classification of All Economic Activities, Rev.4, 2008

<http://unstats.un.org/unsd/cr/registry/isic-4.asp>

<sup>11</sup> Structure of earnings survey (SES)– Eurostat, 2010 [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en)

<sup>12</sup> Structure of earnings survey (SES) – Eurostat, 2010 [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses\\_monthly&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses_monthly&lang=en)

<sup>13</sup> Report from Slovenia under Article 74 of the European Code of Social Security and its Protocol (1 July 2010-30 June 2011), p.19, 31, 41, 55-58, 76, 84

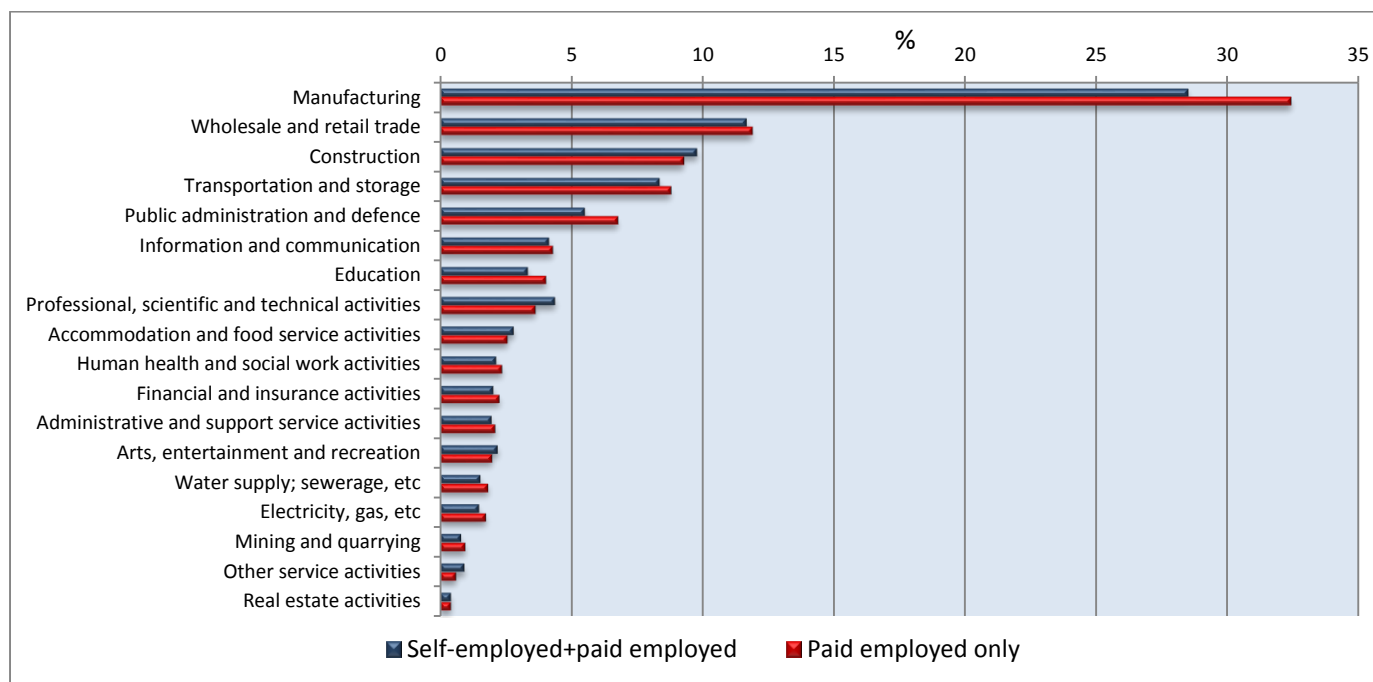
<sup>14</sup> Report from Slovenia under Article 74 of the European Code of Social Security and its Protocol (1 July 2010-30 June 2011), p.69

<sup>15</sup> Structure of earnings survey – Eurostat, 2010 [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en)

## ILO assessment of the options offered by articles 65-66:

### OPTION 2 - a typical manual male employee is found in the sector with the highest number of employed males = Manufacturing

**Fig.4. Share of employed males by economic activity in total male employment and share of males in paid employment by economic activity in total number of males in paid employment (ISIC rev.4, 2013, LFS)**



Source: Eurostat LFS - [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsa\\_egaps&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsa_egaps&lang=en)

**Fig. 5. The average wages of a typical skilled/unskilled manual male employee are determined by cross-tabulating of the two classifications**

- ISCO 08 – International Standard Classification of Occupations (group 7- skilled and 9 – ordinary)
- ISIC rev.4 - International Standard Industrial Classification of All Economic Activities, Rev.4, 2008

		ISCO 08		
ISIC rev.4	ISCO 08	Total	7. Craft and related trades workers	9. Elementary occupations
	Total			
	...			
	C. Manufacturing		skilled	unskilled
	...			

ISCO 08:

#### ISCO 08: Major group 7

Craft and related trades workers apply their specific knowledge and skills to produce or process goods. The tasks call for an understanding of all stages of the production process, the materials and tools used and the nature and purpose of the final product. Most occupations in this group require skills at the second ISCO level.

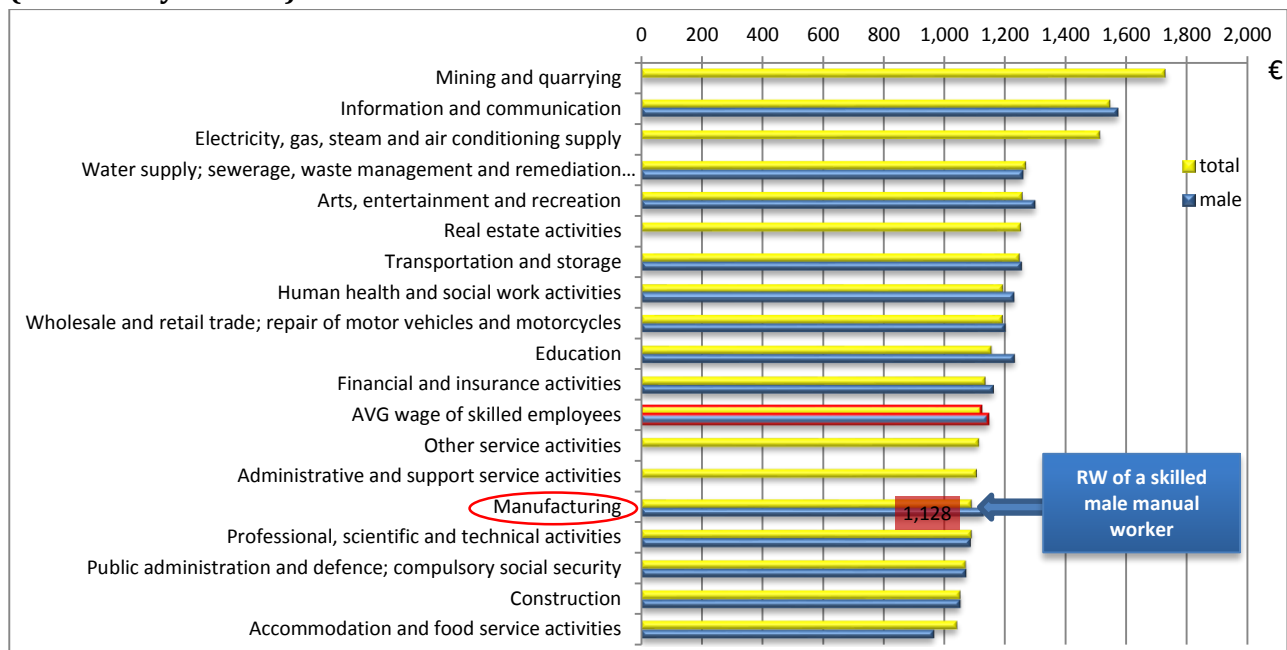
The work is carried out by hand and by hand-powered and other tools.

#### ISCO 08: Major group 9

Elementary occupations involve the performance of simple and routine tasks which may require the use of hand-held tools and considerable physical effort.

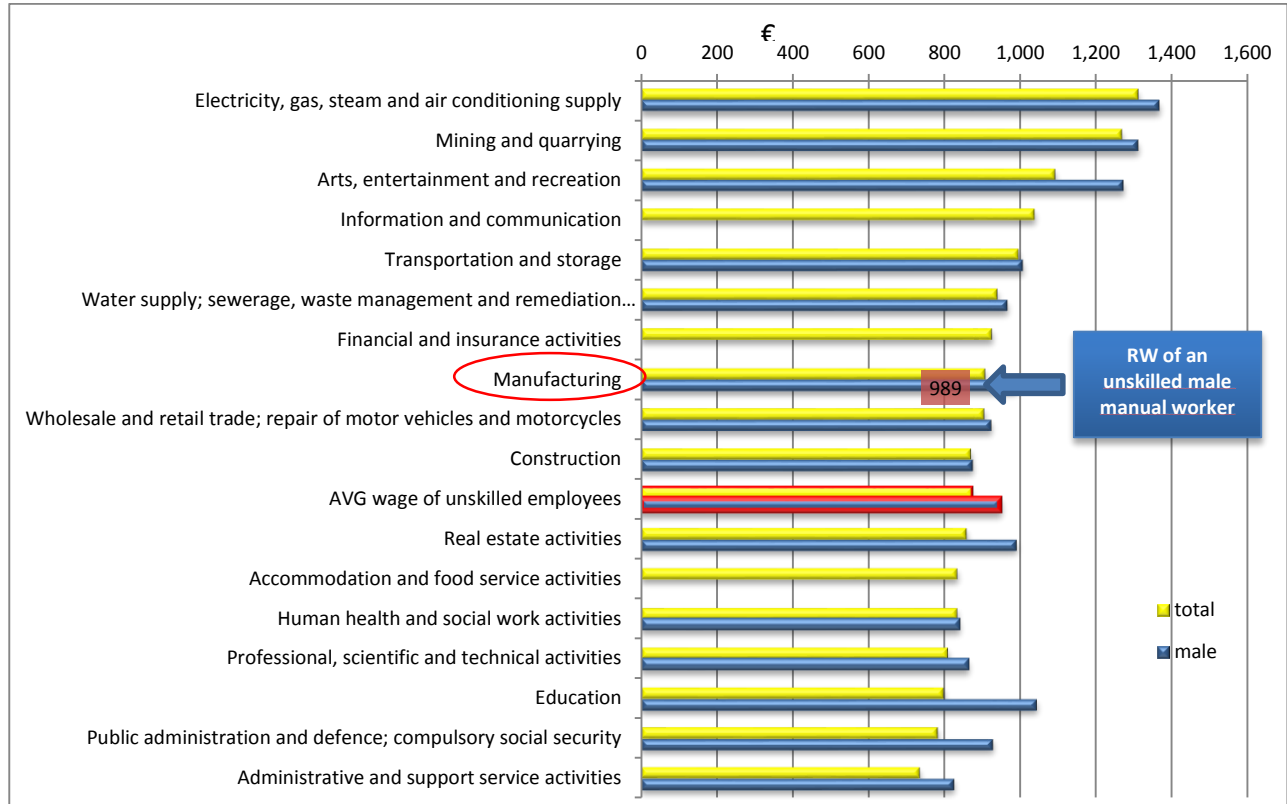
Most occupations in this major group require skills at first level of ISCO (involve physical and manual tasks, require only primary education at most)

**Fig.6. Average monthly wages of skilled employees by economic activity, SES-Eurostat, 2010  
(new survey in 2014)**



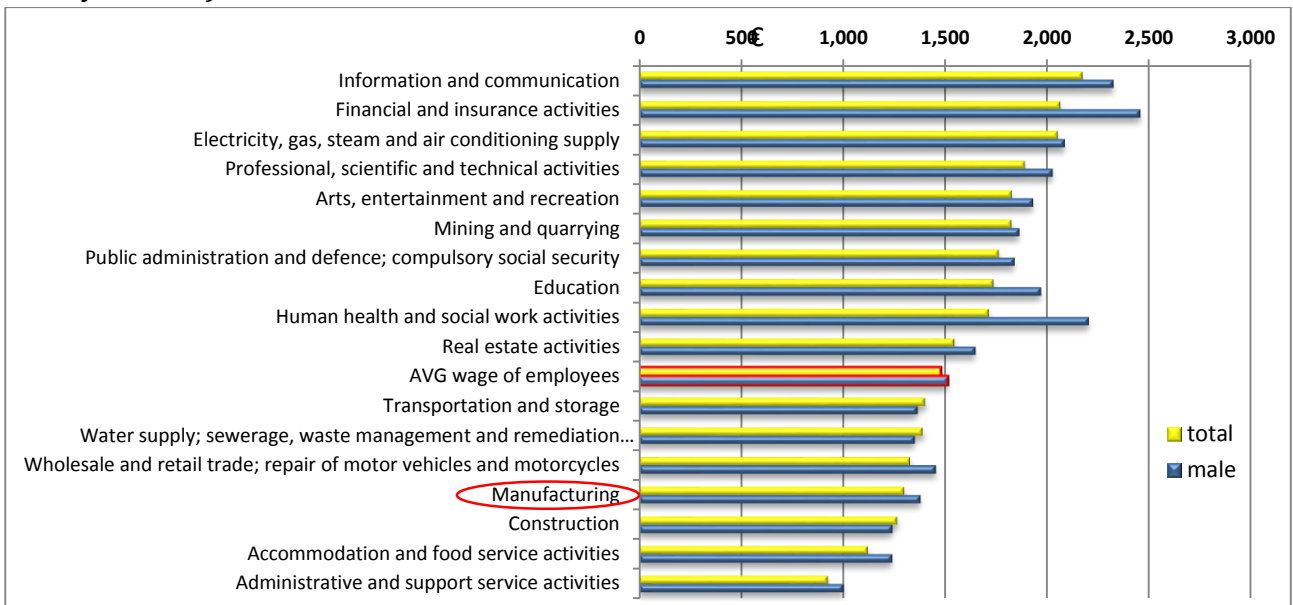
Source: Eurostat SES - [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en)

**Fig.7. Average monthly wages of unskilled employees by economic activity, SES-Eurostat, 2010 (new survey in 2014)**



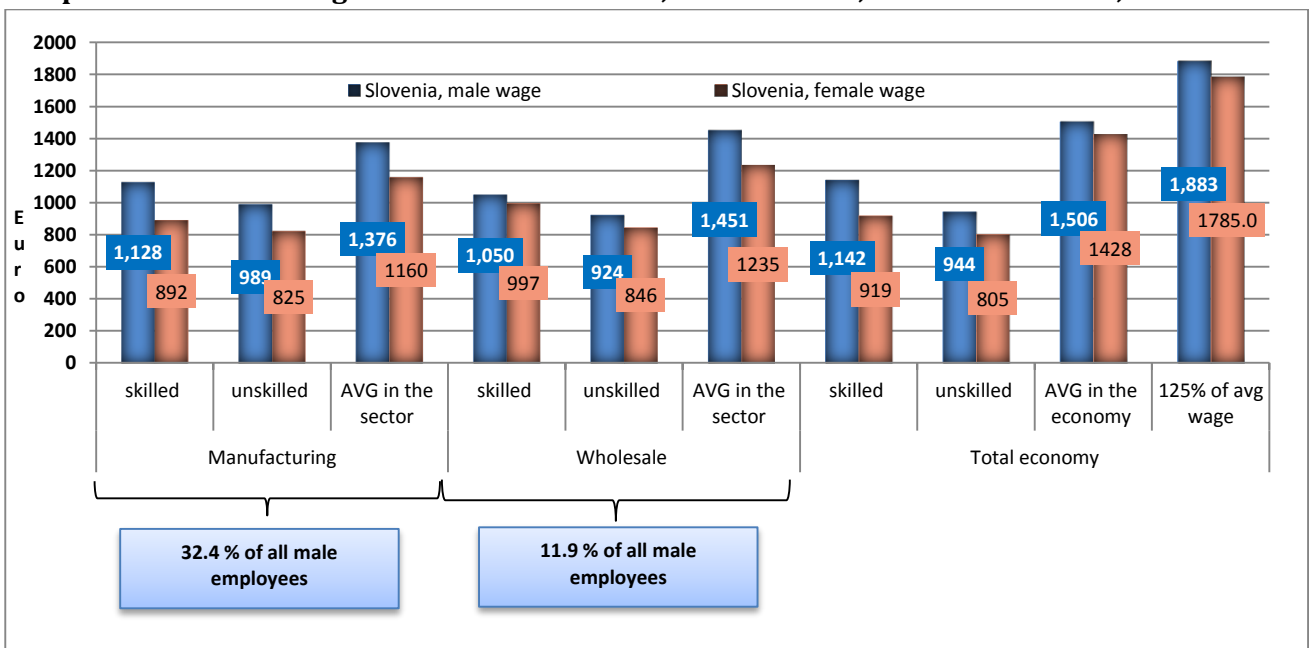
Source: Eurostat SES - [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en)

**Fig.8. Average monthly wages of employees by economic activity, SES-Eurostat, 2010 (new survey in 2014)**



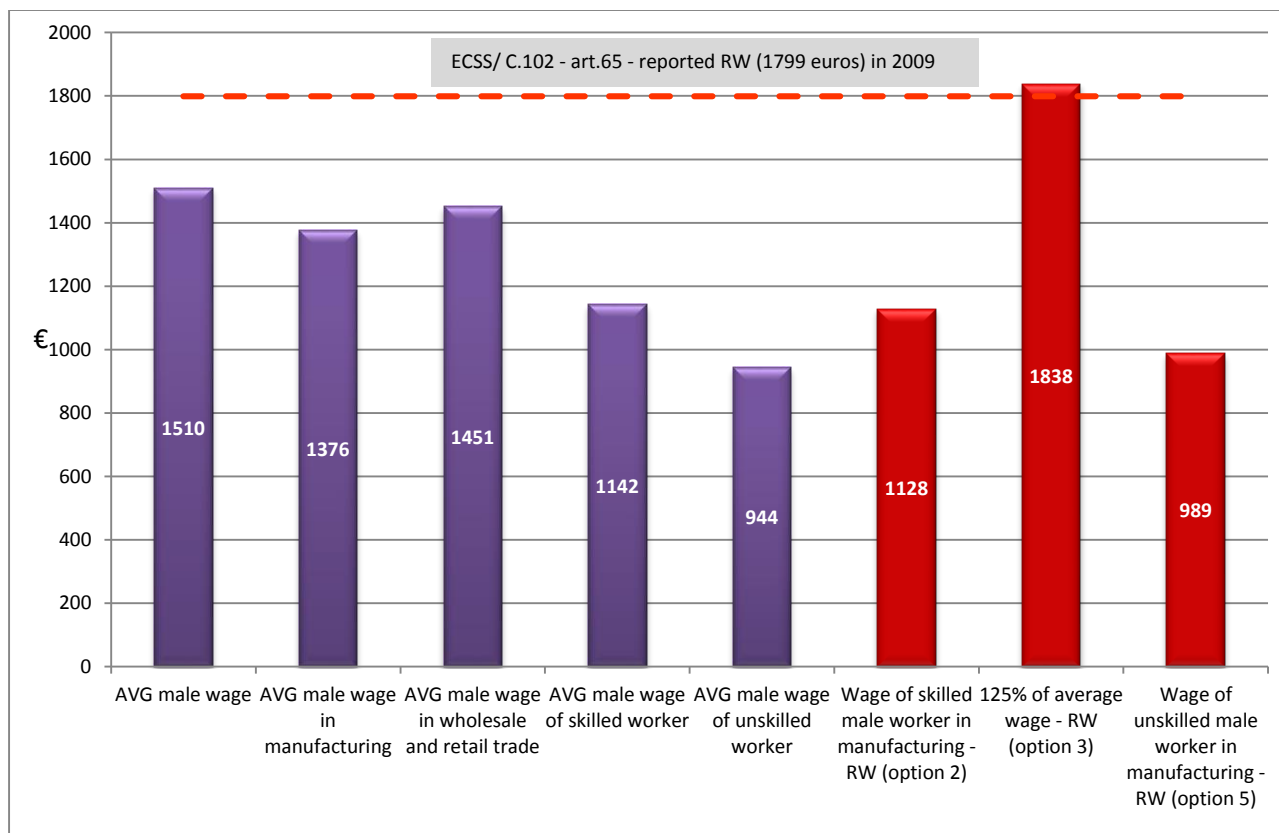
Source: Eurostat SES - [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en)

**Fig.9. Average monthly wages of male and female skilled and unskilled employees in the 2 sectors (Manufacturing and Wholesale) with the highest number of male employees, in comparison to other wage indicators in Slovenia, SES -Eurostat, 2010 and EU-SILC, 2010**



Source: Eurostat SES - [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en) and [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses\\_monthly&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses_monthly&lang=en) – 125% of average wage (include both full-time and part-time employees)

**Fig.10. Comparison of the reported reference wage to other wage indicators in the Slovenia, 2010**



Source: Eurostat SES - [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses10\\_48&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses10_48&lang=en) and [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn\\_ses\\_monthly&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_ses_monthly&lang=en) – 125% of average wage (include both full-time and part-time employees)



*CHAPTER III. Integrated Management of compliance and reporting obligations of Slovenia under social security provisions of the ratified international treaties on social rights*

- [Table 1. Up-to-date social security standards in force](#)
- [Table 2. Pending comments of the supervisory bodies](#)
- [Table 3. Up-to-date standards on which reports are due in 2016](#)
- [Table 4. Up-to-date standards on which reports are due in 2017](#)
- [Next detailed report of Slovenia under Article 74 of the ECSS. \(Extract from CEACR 2015 Conclusions\)](#)
- [Coordination of reporting between the ECSS and C102. Form for the annual report on the European Code of Social Security](#)
- [Fig. 1. Time management of the 5 years reporting cycle \(2011-2016/17\) on international and European social security standards](#)
- [Fig. 2. Time management for reporting on social security standards in 2016](#)

Table 1. Up-to-date social security standards in force

Social Human Rights International treaties	Right to health		Right to work		Right to just conditions of work	Right of the family and children to protection	Right of mothers to protection	Rights of persons with disabilities		Right to an adequate standard of living	Financing & Organization
	<i>Right to Social Security Art.9</i>										
ICECSR	Art.12		Art.6		Art.7§b	Art.10§1§3	Art.10§2			Art.7§a§ii, 11§1	Art.2§1, 4, 5
					CRPD	CRC	CEDAW	CRPD			
UN Conventions											
	Art.11		Art.1§1§3	Art.23	Art.3, 15§2	Art. 16, 27§1b,c	Art.8§1	Art.15§1§3		Art.4§1, 13§2§3, 14, 30	
ESC Revised	Art.13§1									Art.13§1	
	<i>Right to Social Security Art.12§1§2§3</i>										
Protocol	<i>II</i>	<i>III</i>	<i>IV</i>	<i>V</i>	<i>VI</i>	<i>VII</i>	<i>VIII</i>	<i>IX</i>	<i>X</i>	<i>Schedule to XI</i>	
ECSS	<i>Medical care Part II</i>	<i>Sickness benefit Part III</i>	<i>Unemployment benefit Part IV</i>	<i>Old-age benefit Part V</i>	<i>Employment injury benefit Part VI</i>	<i>Family benefit Part VII</i>	<i>Maternity benefit Part VIII</i>	<i>Invalidity benefit Part IX</i>	<i>Survivor's benefit Part X</i>	<i>Level of benefits Part XI</i>	<i>Financing &amp; Organization Part XII</i>
C102	Part II	Part III	Part IV	Part V	Part VI	Part VII	Part VIII	Part IX	Part X	Part XI	Part XIII
ILO Conventions					C121					C121 Art.19-21	C121 Art.22-26
				C128 Part III				C128 Part II	C128 Part IV	C128 Part V	C128 Part VI
	C130 Part II	C130 Part III								C130 Part III	C130 Part IV
			C168				C183 Art.6,7			C168 Art.15,16	C168 Part VIII

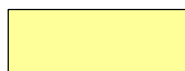


Social Security Standards in force for Slovenia



Social Security Standards not in force

<div>Social Human Rights</div> <div>International treaties</div>	Right to health		Right to work		Right to just conditions of work	Right of the family and children to protection	Right of mothers to protection	Rights of persons with disabilities		Right to an adequate standard of living	Financing & Organization
ICECSR	Right to Social Security Art.9										
	Art.12		Art.6		Art.7§b	Art.10§1§3	Art.10§2			Art.7§a§ii Art.11§1	Art.2§1 Art. 4, 5
UN Conventions					CRPD	CRC	CEDAW	CRPD			
ESC Revised	Art.11		Art.1§1§3	Art.23	Art.3	Art.16, 27§1b,c	Art.8§1	Art.15§3		Art.4§1, 13§2§3, 14,30	
	Art.13§1				🔴 Art.15§2			🔴 Art.15§1		Art.13§1	
	🔴 Right to Social Security Art.12§1										
	Art.12§2§3										
Protocol	II	III	IV	V	VI	VII	VIII	IX	X	Schedule to XI	
ECSS	Medical care Part II	Sickness benefit Part III	Unemployment benefit Part IV	Old-age benefit Part V	Employment injury benefit Part VI	Family benefit Part VII	Maternity benefit Part VIII	Invalidity benefit Part IX	Survivor's benefit Part X	Level of benefits Part XI	Financing& Organization Part XII
C102	Part II	Part III	Part IV	Part V	Part VI	Part VII	Part VIII	Part IX	Part X	Part XI	Part XIII
ILO Conventions					C121					C121 Art.19-21	C121 Art.22-26
				C128 Part III				C128 Part II	C128 Part IV	C128 Part V	C128 Part VI
	C130 Part II	C130 Part III								C130 Part III	C130 Part IV
			C168				C183 Art.6,7			C168 Art.15,16	C168 Part VIII



Pending comments of the supervisory bodies



critical comments or non-compliance

**Table 2. Pending comments of the supervisory bodies**

Table 3. Up-to-date standards on which reports are due in 2016

<div>Social Human Rights</div> <div>International treaties</div>	Right to health		Right to work		Right to just conditions of work	Right of the family and children to protection	Right of mothers to protection	Rights of persons with disabilities		Right to an adequate standard of living	Financing & Organization
ICECSR	Right to Social Security Art.9										
	Art.12		Art.6		Art.7§b	Art.10§1§3	Art.10§2			Art.7§a§ii, 11§1	Art.2§1, 4, 5
UN Conventions					CRPD	CRC	CEDAW	CRPD			
ESC Revised	Art.11		Art.1§1§3	Art.23	Art.3	Art.16, 27§1b,c	Art.8§1	Art.15§1§3		Art.4§1	
	Art.13§1				Art.13§2§3, 14, 30						
					Art.13§1						
	Right to Social Security Art.12§1§2§3										
Protocol	II	III	IV	V	VI	VII	VIII	IX	X	Schedule to XI	
ECSS	Medical care Part II	Sickness benefit Part III	Unemployment benefit Part IV	Old-age benefit Part V	Employment injury benefit Part VI	Family benefit Part VII	Maternity benefit Part VIII	Invalidity benefit Part IX	Survivor's benefit Part X	Level of benefits Part XI	Financing& Organization Part XII
C102	Part II	Part III	Part IV	Part V	Part VI	Part VII	Part VIII	Part IX	Part X	Part XI	Part XIII
ILO Conventions					C121					C121 Art.19-21	C121 Art.22-26
				C128 Part III				C128 Part II	C128 Part IV	C128 Part V	C128 Part VI
	C130 Part II	C130 Part III								C130 Part III	C130 Part IV
			C168				C183 Art.6,7			C168 Art.15,16	C168 Part VIII



Report in 2016

<div>Social Human Rights</div> <div>International treaties</div>	Right to health		Right to work		Right to just conditions of work	Right of the family and children to protection	Right of mothers to protection	Rights of persons with disabilities		Right to an adequate standard of living	Financing & Organization
ICECSR	Right to Social Security Art.9										
	Art.12		Art.6		Art.7§b	Art.10§1§3	Art.10§2			Art.7§a§ii, 11§1	Art.2§1, 4, 5
UN Conventions					CRPD	CRC	CEDAW	CRPD			
ESC Revised	Art.11		Art.1§1§3	Art.23	Art.3, 15§2	Art. 16, 27§1b,c	Art.8§1	Art.15§1§3		Art.4§1	
	Art.13§1									Art.13§2§3, 14, 30	
										Art.13§1	
	Right to Social Security Art.12§1§2§3										
Protocol	II	III	IV	V	VI	VII	VIII	IX	X	Schedule to XI	
ECSS	Medical care Part II	Sickness benefit Part III	Unemployment benefit Part IV	Old-age benefit Part V	Employment injury benefit Part VI	Family benefit Part VII	Maternity benefit Part VIII	Invalidity benefit Part IX	Survivor's benefit Part X	Level of benefits Part XI	Financing& Organization Part XII
C102	Part II	Part III	Part IV	Part V	Part VI	Part VII	Part VIII	Part IX	Part X	Part XI	Part XIII
ILO Conventions					C121					C121 Art.19-21	C121 Art.22-26
				C128 Part III				C128 Part II	C128 Part IV	C128 Part V	C128 Part VI
	C130 Part II	C130 Part III								C130 Part III	C130 Part IV
			C168				C183 Art.6,7			C168 Art.15,16	C168 Part VIII



Report in 2017

**Table 4. Up-to-date standards on which reports are due in 2017**

## **Next detailed report of Slovenia under Article 74 of the ECSS**

*(Extract from CEACR 2015 Conclusions)*

In accordance with the reporting cycle on the Code, in July–August 2016, the Government shall submit a detailed report covering the period from 1 July 2011 to 30 June 2016. In accordance with the five-year reporting cycle on Convention No. 102, in June–August 2016 the Government shall also submit a detailed report on the Convention for the period from 1 June 2011 to 31 May 2016. The Committee draws the Government's attention to the alignment of the reporting procedures under the Code and Convention No. 102 and the similarity of the Report Forms on both instruments, the objective of which is to reduce administrative workload and avoid duplication of reports. For this purpose, the Report Form on the Code expressly stipulates that, if a Government is bound by similar obligations as a result of having ratified the ILO Convention No. 102, "it may communicate to the Council of Europe copies of the reports it submits to the International Labour Office on the implementation of this Convention". The Committee points out that this simplified procedure can be used next year to report on all accepted parts of the Code except Part VII.

Furthermore, by 31 October 2016, the Government will also have to report on the application of the accepted provisions of the European Social Charter belonging to the thematic group "Health, social security and social protection", which includes the right to protection of health (Article 11), the right to social security (Article 12), the right to social and medical assistance (Article 13), the right to benefit from social welfare services (Article 14), the right of elderly persons to social protection (Article 23), the right to protection against poverty and social exclusion (Article 30). The Committee observes that these Articles of the Charter are directly related to many provisions of the Code and Convention No. 102, which form a single legal space of international social security law. Taking into account that the reference period for the report on the Charter (1 January 2012 to 31 December 2015) falls inside the abovementioned periods for detailed reports on the Code and Convention No. 102, the Government is invited to coordinate the fulfilment of its reporting under these instruments in order to improve the quality and consistency of the information provided. Such coordination could be extended further to include future reporting on the social security provisions of the United Nations human rights treaties, including the International Covenant on Economic, Social and Cultural Rights, for which the report is due in November 2019.

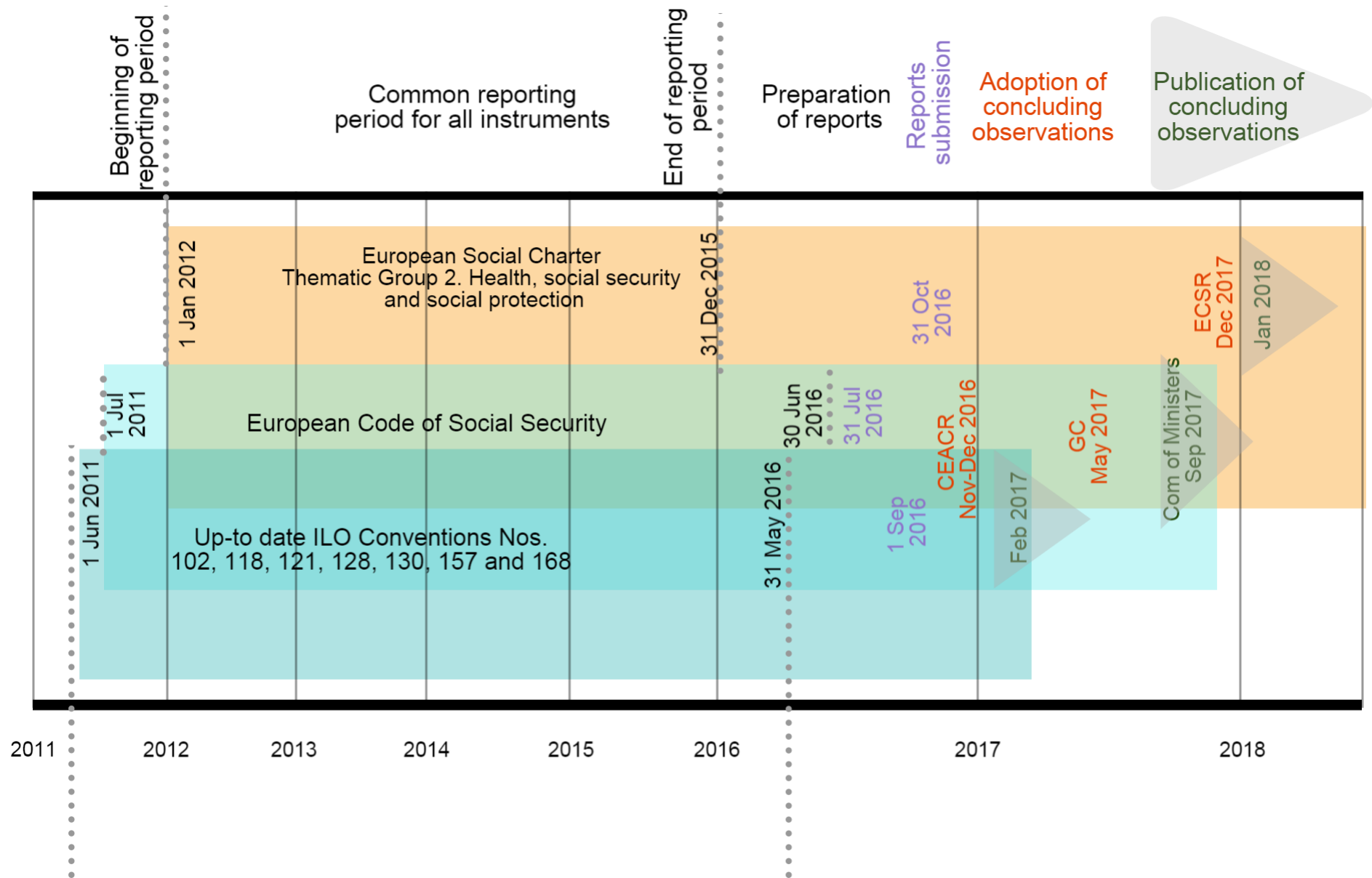
With regard to coordination of compliance obligations, the Committee recalls that, in formulating its country conclusions on the application of the Code, it takes account of the relevant observations made by other supervisory bodies, such as the European Committee of Social Rights and the United Nations Committee on Economic, Social and Cultural Rights. To facilitate the integrated management of the country's obligations under the social security provisions of the main European and international treaties on social rights, the Committee refers the Government to the coordination tables and reporting timelines presented in the ILO technical note, together with the compilation of the related comments made by their supervisory bodies. The Committee hopes that such a holistic vision will help the Government to apply the rights-based approach to its fiscal consolidation policy and complement it by the legal consolidation of all international obligations binding Slovenia to the full respect of social security rights.

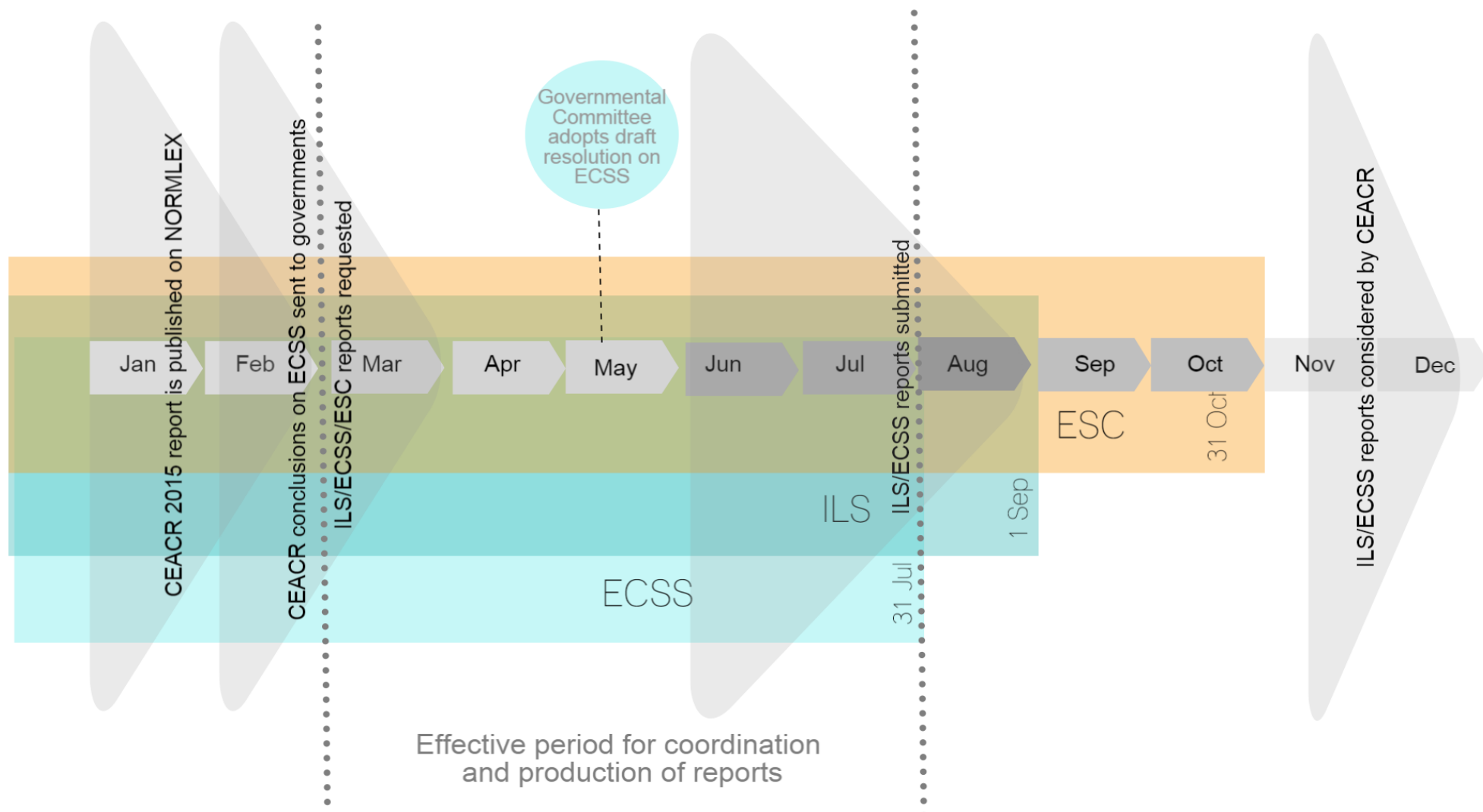
**Coordination of reporting between the ECSS and C102**  
**Form for the annual report on the European Code of Social Security (as modified**  
**by the Protocol additional thereto)**

If a Government is bound by similar obligations as a result of having ratified the Social Security (Minimum Standards) Convention adopted by the 1952 General Conference of the International Labour Organisation, it may communicate of the Council of Europe copies of the reports it submit to the International Labour Office on the implementation of this Convention.

Council of Europe, Strasbourg 1967

**Fig. 1. Time management of the 5 years reporting cycle (2011-2016/17) on international and European social security standards**





**Fig. 2. Time management for reporting on social security standards in 2016**



*Chapter IV. Concluding observations of the supervisory bodies concerning provisions of the ratified international treaties on social rights and statements of other international bodies reviewing national economic and social policy*

- [Table 1. International treaties on social rights ratified by Slovenia](#)
- [Table 2. Monitoring Mechanisms of State Party Compliance and Reporting Obligations](#)

1. **United Nations**

- [International Covenant on Economic, Social and Cultural Rights](#)
- [Convention on the Rights of the Child](#)
- [Convention on the Elimination of All Forms of Discrimination against Women](#)
- [Convention on the Right of Persons with Disabilities](#)

2. **Council of Europe**

- [European Social Charter](#)
- [European Code of Social Security](#)

3. **International Labour Organization**

- [Social Security \(Minimum Standards\) Convention, 1952 \(No.102\)](#)
- [Employment Injury Benefits Convention, 1964 \(No.121\)](#)

4. **EU Country-Specific Recommendations: 2015**

**Table 1. In force international treaties on social rights ratified by Slovenia**

<b>Body</b>	<b>International Treaty</b>	<b>Entry into force for Slovenia</b>	<b>Next report due on</b>
<b>United Nations</b>	<b>ICESCR</b>	<b>6 Jul 1992</b>	<b>30 Nov 2019</b>
	<b>Convention on the Rights of the Child</b>	<b>6 Jul 1992</b>	<b>24 Jun 2018</b>
	<b>Convention on the Elimination of All Forms of Discrimination against Women</b>	<b>6 Jul 1992</b>	<b>Submitted 19 May 2014, tbc in 2015</b>
	<b>Convention on the Rights of People with Disabilities</b>	<b>24 Apr 2008</b>	<b>Submitted 5 Aug 2014</b>
<b>Council of Europe</b>	<b>European Code of Social Security</b>	<b>27 Feb 2005</b>	<b>1 Jul - 31 Aug 2016</b>
	<b>European Social Charter (Revised)</b>	<b>7 May 1999</b>	<b>31 Oct 2015</b>
<b>International Labour Organization</b>	<b>Convention 102</b>	<b>29 May 1992</b>	<b>1 Jun - 1 Sep 2016</b>
	<b>Convention 103</b>	<b>29 May 1992</b>	<b>Automatic Denunciation by C183</b>
	<b>Convention 121</b>	<b>29 May 1992</b>	<b>1 Jun - 1 Sep 2016</b>
	<b>Convention 128</b>		
	<b>Convention 130</b>		
	<b>Convention 168</b>		
	<b>Convention 183</b>	<b>1 Mar 2010</b>	<b>1 Jun - 1 Sep 2018</b>
<b>European Union</b>	<b>Country-Specific Recommendation of 14 July 2015</b>		

**Table 2. Monitoring Mechanisms of State Party Compliance and Reporting Obligations**

<b>Instrument</b>	<b>Supervisory body</b>	<b>Reporting cycle</b>	<b>Comments of body</b>
International Covenant on Economic, Social and Cultural Rights <b>(ICESCR)</b>	Committee on Economic, Social and Cultural Rights <b>(CESCR)</b>	Periodic reports – every 5 years; initial report – within one year after the entry into force (Art.17)	Concluding observations of the CESCR
Convention on the Rights of the Child	Committee on the Rights of the Child <b>(CRC)</b>	Periodic reports – every 5 years; initial report – within two years after the entry into force (Art.44)	Concluding observations of the CRC
Convention on the Elimination of All Forms of Discrimination against Women	Committee on the Elimination of Discrimination against Women <b>(CEDAW)</b>	Periodic reports – every 4 years; initial report – within one year after the entry into force (Art.18)	Concluding observations of the CEDAW
Convention on the Rights of People with Disabilities	Committee on the Rights of Persons with Disabilities <b>(CRPD)</b>	Periodic reports – every 4 years; initial report – within two years after the entry into force (Art.35)	Concluding observations of the CRPD
European Code of Social Security <b>(ECSS)</b>	ILO Committee of Experts on the Application of Conventions and Recommendations <b>(CEACR)</b> ; European Committee on Social Rights <b>(ECSR)</b> ; Governmental Committee <b>(GC)</b> of the ESC and the ECSS; Committee of Ministers of the Council of Europe.	Full reports – every five years in conjunction with the ILO Convention 102; Periodic reports every year (Art.74).	Conclusions of the CEACR; Report and recommendations of the GC; Resolutions of the Committee of Ministers.
European Social Charter/ Revised European Social Charter <b>(ESC)</b>	European Committee on Social Rights <b>(ECSR)</b> ; GC of the ESC and the ECSS; Committee of Ministers of the Council of Europe.	Normal reports – annually on one of four thematic groups; simplified reports – every two years in case of acceptance of the collective complaints procedure.	Conclusions (national reports) and decisions (collective complaints) of the ECSR; Report and recommendations of the GC; Resolutions of the Committee of Ministers.
ILO Conventions (C102, C121, C128, C130, C168, C183)	Committee of Experts on the Application of Conventions and Recommendations <b>(CEACR)</b> ; Conference Committee on the Application of Standards <b>(CAS)</b> .	Periodic reports every 5 years; detailed initial report after one year following the entry into force.	Observations and direct requests of the CEACR; Conclusions of the CAS.

## 1. United Nations

### **International Covenant on Economic, Social and Cultural Rights – Concluding observations 2014**

(the numeration of comments is kept in accordance to the original)

[\*UN Office of the High Commissioner for Human Rights website link, Treaty bodies database\*](#)

#### **Maximum available resources**

The Committee is concerned that austerity measures taken by the State party, such as the Fiscal Balance Act (2012), have impacted negatively on the fulfilment and enjoyment of economic, social and cultural rights. The Committee is also concerned at the process of adopting the austerity measures aimed solely at cutting expenses without carrying out the necessary reflection on the adverse impact such cuts may have on the enjoyment of the Covenant's rights (art. 2, para. 1).

**Taking into account the letter sent by the Committee's Chairperson to all States parties in 2012 on austerity measures, the Committee recommends that the State party ensure that all the austerity measures adopted reflect the minimum core content of all the Covenant rights, and that they are temporary, necessary and proportionate, and not discriminatory. While taking note of the information provided by the State party's delegation that such measures are temporary in nature, the Committee urges the State party to repeal the measures as soon as possible, and no later than when economic growth has reached 2.5 per cent in the State party, as indicated during the dialogue.**

#### **Unemployment**

The Committee reiterates its previous concern about the high levels of unemployment in the State party particularly affecting youth, persons with disabilities and persons belonging to ethnic minorities, as well as concerning the continuous job insecurity faced by short-term contract workers (arts. 6 and 7).

**The Committee, in the light of its general comment No. 18 (2005) on the right to work, recommends that the State party:**

- (a) Pay particular attention to groups especially vulnerable to unemployment, and to that end, consider adopting both temporary special measures and long-term comprehensive strategies to prevent their unemployment;**
- (b) With respect to employment for persons with disabilities, consider raising the employment quota in public administration and information services; and ensure that all such quotas are met by employers;**
- (c) Take effective measures aimed at reducing employers' recourse to short-term contracts, with a view to increasing job stability, particularly among the youth.**

#### **Social security**

The Committee is concerned that some social security benefits are calculated on the basis of a minimum income in the State party that is far below the actual minimum cost of living. The Committee is further concerned that measures taken to address the economic crisis in the State party have resulted in reducing coverage and the amount of health care, pension and unemployment benefits. Such measures also introduced stricter eligibility conditions for social assistance benefit, disproportionately affecting marginalized groups and individuals, including unemployed persons, persons with disability, and older persons (arts. 2 and 9).

**Recalling its general comment No. 19 (2008) on the right to social security, the Committee recommends that the State party:**

**(a) Revise the eligibility conditions and rates for social security benefits, including social assistance, while taking into account the actual cost of living in the State party, and paying particular attention to unemployed persons, persons with disability, and older persons;**

**(b) Ratify International Labour Organization Convention No. 118 (1962) concerning Equality of Treatment (Social Security).**

#### **Standard of living**

The Committee is concerned about the increasing risk of poverty in the State party, faced by especially disadvantaged and marginalized groups such as older persons, including pensioners, women, persons with disabilities, Roma, single-parent families and families with only one employed parent. The Committee is also concerned at regional disparities in poverty levels, with the eastern and south-eastern regions being most affected by poverty (art. 11).

**While drawing attention to its statement on poverty and the International Covenant on Economic, Social and Cultural Rights (2001), the Committee recommends that the State party address the increasing risk of poverty faced in particular by members of disadvantaged and marginalized groups, and effectively implement a social protection strategy with the aim of better addressing the regional disparities in poverty levels that affect the equal enjoyment of the Covenant's rights.**

#### **Health insurance system**

The Committee is concerned that the Fiscal Balance Act has had a negative impact on the State party's health insurance system. It has resulted inter alia in limiting health-care coverage; in additional health payments; in restricting employment in the health sector despite increasing needs; and in reduced compensation during temporary absence from work. The Committee is also concerned that individuals who do not possess citizenship or residence status in the State party are excluded from the basic health insurance (arts. 9 and 12).

**The Committee urges the State party to reform its health insurance system with a view to increasing the proportion of essential rights and services covered by the basic health insurance, and ensuring that all residents in the State party have access to basic health insurance without discrimination.**

#### **Access to health services**

The Committee is concerned that regional disparities in access to health-care services persist, particularly the inadequate numbers of primary health-care experts in some of the remote rural areas, and that measures taken to that end were not comprehensive (arts. 2, para. 2, and 12).

**While the Committee takes note of the information provided by the State party's delegation that some measures are anticipated to reduce regional disparities in access to health services, including the development of a new health strategy, it urges the State party to step up its efforts to provide equal access to quality health-care services to all persons in the State party and report on those efforts in its next periodic report.**

## **Convention on the Rights of the Child – Concluding observations 2013**

[UN OHCHR website link, Treaty bodies database](#)

#### **Allocation of resources**

The Committee appreciates the considerable allocation of resources for health, education and social services. The Committee is however concerned that the 2012 Fiscal Balance Act has had an adverse impact on the enjoyment of child rights under the Convention. The Committee is also concerned about the absence of a child right's perspective in the budgeting process, as well as mechanisms for the identification, tracking and protection of strategic budget lines to ensure children's rights.

The Committee recommends that the State party secure resources for children, particularly during a time of financial crisis, with a view to ensuring the full implementation of the Convention at all times. In the light of the Committee's recommendations during its Day of General Discussion in 2007 on "Resources for the Rights of the Child – Responsibility of States", the Committee recommends that the State party establish a budgeting process which adequately takes into account child rights and areas of need and priorities. In so doing, the State party should allocate earmarked resources for children in vulnerable situations, as well as establish specific indicators and a tracking system. In addition, the Committee recommends that the State party establish a mechanism to monitor and evaluate the efficacy, adequacy and equitability of the distribution of resources allocated for the implementation of the Convention.

## **Convention on the Elimination of All Forms of Discrimination against Women – Concluding observations 2015**

[UN OHCHR website link, Treaty bodies database](#)

### **Employment**

29. The Committee welcomes the initiatives by the State party to increase the employability of registered long-term unemployed women and to promote their entrepreneurship and self-employment. It notes the relatively low gender wage gap in the State party (3.2 per cent) and the efforts to better reconcile work and family life and encourage shared parental responsibilities, including by instituting special forms of part-time work for mothers and fathers with children up to a certain age, introducing fully paid paternity leave and providing affordable high-quality childcare facilities. The Committee also notes the measures taken to include Roma women in active employment programmes implemented by the Employment Service. The Committee is, however, concerned about:

- (a) The disproportionately high unemployment rate among women, in particular young and highly educated women, and the low percentage of female entrepreneurs compared with male entrepreneurs;
- (b) The occupational segregation in the labour market, in particular in human sciences, health, social work and education, where women are overrepresented, and in the mining, quarrying and construction industries, where they are underrepresented;
- (c) The significant wage gap in traditionally female-dominated sectors, such as human health and social work activities (25.1 per cent) or financial and insurances activities (24.8 per cent), and the limited access by women to skilled and better-paid jobs;
- (d) The unequal division of household tasks between women and men, with women continuing to perform a larger share of domestic work, even when working full-time;
- (e) The excessive use of consecutive short-term employment contracts for, in particular, younger female workers, which undermines their job security in case of pregnancy;
- (f) The persistent marginalization and exclusion of Roma women and women belonging to other disadvantaged and marginalized groups from the formal labour market.

### **30. The Committee recommends that the State party:**

**(a) Adopt measures, including temporary special measures in line with article 4 (1) of the Convention and the Committee's general recommendation No. 25, aimed at achieving substantive equality of women and men in the labour market, especially for young women with higher education, and establish special training programmes and counselling for different groups of unemployed women, including by promoting women's entrepreneurship;**

- (b) Adopt and implement policies, with time-bound targets and indicators, to reverse cultural patterns and transform traditional gender stereotypes and norms of sex-appropriate roles in society transmitted through schooling and parenting, in order to eliminate occupational segregation and achieve substantive equality of women and men in the labour market, including in traditionally male fields, through intensified technical and vocational training for women in those areas;
- (c) Address the gender pay gap, taking into consideration the recommendations of the study conducted by the Association of Free Trade Unions of Slovenia and the Women's Lobby of Slovenia, entitled "Equal pay for equal work and the gender pay gap", in cooperation with those organizations, and improve access by women to skilled and better-paid jobs, including through the diversification of fields of study and vocational training for women and men and boys and girls;
- (d) Strengthen awareness-raising and education initiatives for both women and men on the sharing of domestic and family responsibilities and provide incentives for active participation by men in such tasks; and increase the use of paternity leave by fathers and ensure that employers fulfil the legal obligation to make such leave available by introducing compulsory paternity leave;
- (e) Closely monitor the working conditions of women on short-term contracts, including through labour inspections, and the reintegration in the labour market of women returning to work following periods of child-rearing;
- (f) Increase access to formal employment and entrepreneurship opportunities for women, including Roma women and women belonging to other disadvantaged and marginalized groups, and improve their possibilities to combine work and family life, including by expanding the number of childcare facilities;
- (g) Implement existing legislation to ensure that women have access to effective mechanisms to complain about employment discrimination and guarantee the enforcement of adequate sanctions for employers engaging in discriminatory practices.

## **Convention on the Right of Persons with Disabilities – Concluding observations 2014**

No concluding observations available yet.

## **2. Council of Europe**

### **European Social Charter**

*[Official website of the European Social Charter. link to conclusions](#)*

#### **Article 1 – Right to work – Conclusions 2012**

##### **Paragraph 1 - Policy of full employment**

###### **Employment situation**

The employment rate decreased slightly from 67.8% in 2007 to 66.2% in 2010 (but was still higher than the EU-27 average of 64.1%). While the unemployment rate remained below the EU-27 average, it increased from its precrisis levels of 4.9% in 2007 to 7.3% in 2010. The youth unemployment rate was 14.7% in 2010, up from 10.1% in 2007. The long-term unemployment rate (as a percentage of all unemployed persons) slightly decreased from 45.7% in 2007 to 43.3% in 2010 (but remained above the EU-27 average of 39.9%). The employment rate for older workers (aged between 55 and 64) was very low (35% compared to the EU-27 average of 46.3% in 2010).

The Committee notes that the labour market situation in Slovenia slightly deteriorated during the reference period as a result of the economic crisis, as shown particularly by the increase in the unemployment rate. The first signs of recovery started to be seen in 2010, but were still not reflected in employment growth.

###### **Employment policy**

The Committee notes from Eurostat that the activation rate in Slovenia, that is, the number of beneficiaries of active measures as a percentage of the unemployed, was 35.1% in 2009. This was above the EU-27 average, which that year stood at 28.9%. According to Eurostat, public expenditure on active labour market policies in Slovenia amounted to 0.33% of GDP in 2009, which is below the average of the EU-27 countries (where the average public spending on active labour market measures as a % of GDP that year was 0.78%). The Committee notes that the level of spending on active measures has slightly increased since the last report (0.2% in 2005). The Committee notes the employment programmes, including those on public works, which have been adopted to support employment of Roma people. In 2010, there were 1,100 unemployed Roma which participated in active measures.

###### **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 1§1 of the Charter.

##### **Paragraph 3 - Free placement services**

The report indicates the number of vacancies notified by employers to the ESS for the different years of the reference period. In 2010 there were 176,613 vacancies posted by employers (compared to 242,927 in 2007). The placement rate, measured as a percentage of the total vacancies notified to employment services, was 59.6% in 2010 (compared to 65.9% in 2007). The report also indicates that in 2010 placements made by the ESS as a share of the total hirings in the labour market represented 54.7%. As regards staffing of employment services, the report mentions there were 1,045 persons employed at the EES in 2011. The Committee asks what proportion of staff are involved in placement activities, and what is the ratio of placement staff to registered jobseekers. Finally, the report describes the professions in which it is easy to

obtain a job, as well as those where it is more difficult, which leads to a discrepancy between supply and demand in the labour market. The Committee asks if any measures have been taken to overcome these “mismatches”.

### **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 1§3 of the Charter.

## **Article 3 - Right to safe and healthy working conditions – Conclusions 2013**

### **Paragraph 1 - Safety and health regulations**

The Committee notes the existence of an occupational health and safety policy, the objective of which is to foster and preserve a culture of prevention in respect of occupational health and safety, and which is regularly reviewed. It asks that the next report provide updated information on the implementation of the National Programme, given its status under Section 4 of Act No. 43/2011, and of the Programme of Activities in practice. It also asks for information on the activities of the National Network.

The Committee reiterates its request for information of public authorities in training (qualified professionals), in the design of training modules (how to work, how to minimise risks for oneself or others) and certification schemes, in research (scientific and technical knowledge) on health and safety, as well as in other activities (analysis of sectoral risks, elaborate standards, issue guidelines, publications, seminars, training). It asks in particular for information on the expert institution to be appointed under Section 63 of Act No. 43/2011, and on the respective functions of the Institute for Public Health; the Clinical Institute of Occupational, Traffic and Sports Medicine at the University of Ljubljana Medical Centre; the Association of Safety Engineers; and the Occupational Health and Safety Chamber.

The Committee asks that the next report provide information on the joint activities set out in Section 15 of Act No. 43/2011 and on the consultation of the works council or the health and safety representative in practice.

### **Conclusion**

Pending receipt of the requested information, the Committee concludes that the situation in Slovenia is in conformity with Article 3§1 of the Charter.

### **Paragraph 2 - Safety and health regulations**

#### **Risks covered by the regulations**

The Committee asks that the next report provide full information on any amendments to the legislation and regulations adopted during the reference period which specifically cover the risks listed in the general introduction to Conclusions XIV-2 in particular the draft legislation and regulations on work in agriculture and forestry mentioned above.

### **Conclusion**

Pending receipt of the requested information, the Committee concludes that the situation in Slovenia is in conformity with Article 3§2 of the Charter.

### **Paragraph 3 - Enforcement of safety and health regulations**

The Committee takes note of the information contained in the report submitted by Slovenia.

## **Occupational accidents and diseases**

The Committee previously examined the situation of occupational accidents and diseases in Slovenia (Conclusions 2003, 2007 and 2009) and concluded that it was not in conformity on the grounds that the number of fatal occupational accidents was too high (Conclusions 2007 and 2009).

The report indicates a decrease back to previous levels in the number of occupational accidents (from 17 155 in 2008 to 15 027 in 2010) and in the number of fatal accidents (from 27 in 2008 to 22 in 2010). Sectors of activity with high accident rates are manufacturing, construction, waste management, and public administration and defence.

EUROSTAT data confirms a decrease in the number of accidents at work (more than three day's absence excluding commuting accidents) (from 16 005 in 2008 to 11 508 in 2010) and in the corresponding incidence rate per 100 000 workers (from 2 419.27 in 2008 to 1 884.97 in 2010). This rate rests now slightly above the average observed in the EU-15 and the EU-27 (2 269.42 in 2008 and 1 582.71 in 2010). This data also confirms a decrease in the number of fatal accidents (from 23 in 2008 to 14 in 2010) and in the corresponding incidence rate (from 3.36 in 2008 to 2.25 in 2010). This rate also rests slightly above the average incidence rate observed in the EU-15 and the EU- 27 (from 2.27 in 2008 to 1.87 in 2010).

The report provides no information on cases of occupational disease. According to the Labour Inspectorate's Annual Report for 2009 (Annual Report 2009) (p. 53), there is a lack of detection, recognition and reporting of cases of occupational disease.

The Committee takes note of this information. It recalls that States Party have a duty to provide precise information on developments in respect of occupational accidents and that, in assessing respect for the right enshrined in Article 3§3 of the Charter, the number and frequency of occupational accidents and their trends are a decisive factor.<sup>3</sup> It asks that the next report explain the disparity between the number of fatal accidents indicated in the report (27 in 2008 and 22 in 2010) and by EUROSTAT (23 in 2008 and 14 in 2010), and reiterates its request for statistic figures on occupational diseases.

The Committee notes that under Sections 41 and 59 of Act No. 43/2011 of 1 June 2011 on health and safety at work, employers and independent workers are liable to report immediately any fatal occupational accident, any accident inducing an absence of more than three working days, and any established occupational disease to the Labour Inspectorate. In view of the persistent under-reporting, confirmed by the Annual Report 2009 (p. 18), the Committee asks that the next report provide information on the enforcement of these obligations in practice, in particular on the procedure to investigate occupational accidents; how many non-fatal accidents are investigated by the Labour Inspectorate; whether steps are taken to counter potential arrangements between employers and workers; and how many sanctions are imposed under Section 76 of Act No. 43/2011 for failure to meet reporting obligations.

The Committee also asks for information on steps taken to reduce the high level of fatal accidents.

## **Conclusion**

Pending receipt of the information requested, the Committee defers its conclusion.

The Committee considers that the absence of the information required amounts to a breach of the reporting obligation entered into by Slovenia under the Charter. The Government consequently has an obligation to provide the requested information in the next report on this provision.

#### **Paragraph 4 - Occupational health services**

The Committee determines, in accordance with the labour force published by the Statistical Office, that the proportion of occupational physicians per 1 000 workers was 0.14 in 2008 and 2010. It recalls that in accepting Article 3§4 of the Charter, States Party undertake to ensure that all workers have access to occupational health services in all branches of economic activity and in all business enterprises.<sup>6</sup> Recalling that the report must provide full, updated information on changes that have taken place in the relevant legislation and regulations during the reference period, the Committee asks reiterates its request for information on strategies (e.g. under the Labour Inspectorate Strategy for 2008-2012) or incentives to foster access, especially for workers from small and medium-sized enterprises, to occupational health services. It also asks that the next report provide information on the amendments to Act No. 9/92 which were passed during the reference period; the rate of enterprises which have in-house occupational health and safety services or which share those with other enterprises; and consequences in case employers, in particular employers from small and medium-sized enterprises, do not comply with legal obligations to have preliminary and periodic medical examinations conducted.

#### **Conclusion**

Pending receipt of the information requested, the Committee defers its conclusion.

#### **Article 4 - Right to a fair remuneration – Conclusions 2014**

##### **Paragraph 1 - Decent remuneration**

According to EUROSTAT figures for 2012, the average annual wage (table "earn\_nt\_net") of single workers without children (100% of an average worker) was €17 538 (or €1 461.50 per month) gross and €11 707.47 (or €975.62 per month) net. The gross monthly minimum wage (table "earn\_mw\_cur-1") was €763.06. That wage as a proportion of average monthly earnings was 50.00% (table "earn\_mw\_avgr2").

The Committee notes from the report and the information available that the minimum wage is 50% of the gross average wage. It requests that the next report state whether the minimum wage in force is gross or net of social contributions and tax deductions. It also notes that pay levels vary considerably from region to region and that they are very low or even lower than the minimum wage in some sectors (textile, leather and furniture industries; construction; catering; security and investigation services; building and garden maintenance services; and personal services). It therefore requests that the next report provide explanations on this issue as well as on the alleged existence of a lower minimum wage in the textile and leather sectors. It also asks for information on measures designed to ensure that minimum wages are applied in low pay sectors and regions. The Committee notes from the information provided by the Institute of Macroeconomic Analysis and Development (Slovenian Economic Mirror, September 2013, Vol. XIX No. 9, Ljubljana: IMAD 2013, p. 15) that austerity measures have been stepped up through an agreement on measures relating to salaries and other labour costs in the public sector designed to rebalance public finances. It asks for information on wages in the public sector governed by the Public Sector Pay System Act of 27 September 2007 (No. 95/07), which was amended during the reference period.

#### **Conclusion**

Pending receipt of the information requested, the Committee defers its conclusion.

## **Article 8 - Right of employed women to protection of maternity – Conclusions 2015**

### **Paragraph 1 - Maternity leave**

The Committee takes note of the information contained in the report submitted by Slovenia.

#### **Right to maternity leave**

The Committee notes from the report that the same regime applies to women employed in the private as in the public sector. In particular, the Parental Protection and Family Benefits Act, as amended in 2006 and 2008, provides for a total of 105 consecutive days of maternity leave, starting 28 days before the expected date of birth. Unused days of prenatal maternity leave may not be used after the child's birth, unless the birth was premature.

The Committee previously asked (Conclusions 2011) whether the postnatal leave was compulsory or not, for at least six weeks. The report insists on the obligation for employers to enable their employees to take maternity leave, but does not confirm that there is an unrelinquishable period of compulsory postnatal leave. On the contrary, the Committee notes from the official website of the Ministry of Labour, Family, Social Affairs and Equal Opportunities that the law allows an underage mother with the status of apprentice, pupil or student to renounce to part of her maternity leave, in favour of another person taking care of the child. The mother's maternity leave can furthermore be forfeited to another person if she abandons the child or if she is deemed by a competent physician to be permanently or temporarily incapable of independent life and work. The Committee asks the next report to clarify whether there are other cases where the mother can renounce to part of her postnatal maternity leave.

The Committee recalls its case law, according to which national law may permit women to opt for a maternity leave shorter than 14 weeks but in all cases there must be a compulsory period of postnatal leave of no less than six weeks which may not be waived by the woman concerned. Where compulsory leave is less than six weeks, there must be adequate legal safeguards fully protecting the right of employed women to choose freely when to return to work after childbirth – in particular, an adequate level of protection for women having recently given birth who wish to take the full maternity leave period. In the light thereof, the Committee asked what legal safeguards exist to avoid any undue pressure on employees to shorten their maternity leave: for example, whether there is legislation against discrimination at work based on gender and family responsibilities; whether there is an agreement with social partners on the question of postnatal leave that protects the free choice of women, and whether collective agreements offer additional protection. In addition, it asked for information on the general legal framework surrounding maternity (for instance, whether there is a parental leave system whereby either parents can take paid leave at the end of the maternity leave).

In response to these questions, the report points out that the Employment Relationships Act adopted in 2013 (Uradni list RS, no. 21/13; ZDR-1) prohibits discrimination of workers on grounds of pregnancy, maternity and parental leave and provides for sanctions against employers who would commit such discrimination. Furthermore, in addition to maternity leave, the Parental Protection and Family Benefits Act provides for paternity leave (90 days, of which 15 days are paid) and childcare leave of 260 days, which can be taken by either parent after the maternity leave. In exceptional cases (multiple births, premature babies, children in need of special care) the length of the leave can be extended. A part of the leave, not exceeding 75 days, can be postponed but must be taken before the child is eight years old. Childcare benefits are paid for the whole duration of the leave, at 90% of the average basis calculated during the past 12 months (until 30 May 2012, it used to be 100%), with a maximum of two monthly average wages and a minimum corresponding to 55% of the minimum wage.

In the light of this information, the Committee considers that the guarantees offered are of an adequate level to avoid pressure on women to waive their rights connected to maternity leave. It asks nevertheless the next report to provide any relevant statistical data on the average length of maternity leave and the proportion of women taking less than 6 weeks postnatal leave.

### **Right to maternity benefits**

In order to be entitled to maternity or paternity benefit, the worker must have been insured prior to the commencement of leave, or at least 12 months in the preceding three years. The Committee previously noted that Maternity benefits are based on the average income basis on which the contributions for parental protection have been calculated in the past twelve months before submitting the application for maternity leave (Section 41 of the Parental Protection and Family Benefits Act). Maternity benefits for full absence from work amount to 100% of that income basis, with a maximum of two monthly average wages and a minimum corresponding to 55% of the minimum wage. The same framework applies to women employed in the public as in the private sector.

The Committee refers to its Statement of Interpretation on Article 8§1 (Conclusions 2015) and asks whether the minimum rate of maternity benefits corresponds at least to the poverty threshold, defined as 50% of the median equivalised income, calculated on the basis of the Eurostat at-risk-of-poverty threshold value.

### **Conclusion**

Pending receipt of the requested information, the Committee concludes that the situation in Slovenia is in conformity with Article 8§1 of the Charter.

## **Article 11 Right to protection of health – Conclusions 2013**

### **Paragraph 1 - Removal of the causes of ill-health**

#### **Right of access to health care**

The Committee notes from another source that Slovenia has a comprehensive universal health care system, which assures coverage for health care services for every citizen, to the amount defined by the Health Care and Health Insurance Act and other regulations. There are no differences in benefits between different social groups of society. However, a very small group of people (approximately 30 000) who do not have citizenship or residence in Slovenia are not covered by compulsory health insurance. Free access to health care services at the primary level is assured to all citizens. However, access is limited at the secondary and tertiary levels, whereby patients are only guaranteed care on the basis of a referral issued by their personal physician. The Committee invites the Government to submit comments on the latter.

### **Conclusion**

Pending receipt of the information requested, the Committee defers its conclusion.

### **Paragraph 2 - Advisory and educational facilities**

#### **Counselling and screening**

As regards counselling and screening for women and children, medical checks for children at school and screening for the population at large, the Committee refers to its previous conclusion, where it found the situation to be in conformity with the Charter (Conclusions 2009). It asks the next report to provide updated information on these matters.

## **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 11§2 of the Charter.

### **Paragraph 3 - Prevention of diseases and accidents**

The Committee therefore asks the next report to also include updated information on the measures taken for the reduction of other environmental risks, in particular in the field of air quality, water management, waste management, noise, ionising radiation, asbestos and food safety. It also wishes to receive information on the levels of air pollution, contamination of drinking water and food intoxication during the reference period, namely whether trends in such levels increased or decreased.

The Committee asks to be kept informed of any measures envisaged to reduce the high prevalence in the use of illicit drugs.

In its previous conclusion, the Committee noted that the Contagious Diseases Centre was the epidemiological monitoring body. Likewise, that there was a compulsory vaccination programme for children, and that vaccination coverage rates were high (Conclusions 2009). As the current report does not address the latter, the Committee asks the next report to include updated information on these matters.

## **Conclusion**

Pending receipt of the information requested, the Committee concludes that the situation in Slovenia is in conformity with Article 11§3 of the Charter.

## **Article 12 Right to social security – Conclusions 2013**

### **Paragraph 1 - Existence of a social security system**

#### **Risks covered, financing of benefits and personal coverage**

The Committee would like to specify that in case of income replacement benefits (unemployment, old age and sickness) it asks what is the total share of the insured out of the total active population (i.e. total number of all employed and unemployed persons). It requests that the next report provide this information.

#### **Adequacy of the benefits**

The Committee notes that 50% of the Eurostat medial equivalised income stood at € 500 in 2011. In its previous conclusion the Committee held that the minimum levels of sickness, unemployment, old age, invalidity and survivor's benefits were manifestly inadequate.

#### **Sickness benefit**

According to the report, sickness benefit cannot be lower than the guaranteed wage, or exceed the wage which the insured person would receive if he or she worked, or the base according to which he or she is insured during absence from work. The Committee further notes from MISSOC that sickness benefit may not be less than the amount of the Statutory Reference Amount (zajamčena plača SRA), which, according to the report is the same as the guaranteed wage. Since August 2006 the SRA amounts to €237,73 per month (net). The Committee thus notes that the minimum level of sickness benefit amounted to €237,73 in 2011. The Committee holds that this amount is manifestly inadequate.

### **Unemployment benefit**

In its previous conclusion the Committee held that the minimum level of unemployment benefit was manifestly inadequate. As regards the minimum level of benefit, according to the report it was raised to € 350 by the Labour Market Regulation Act (Nos 80/2010). In this respect, however, the Committee notes that this amount still falls below 40% of the Eurostat median equivalised income and therefore, it is not adequate. The Committee further notes that the duration of unemployment benefit is 3 months for the contributions period of 1 to 5 years, 6 months for 5-15 years and 9 months for 15-25 years. The Committee holds that the duration of three months is too short and therefore the situation is not in conformity with the Charter.

### **Old-age benefit**

In its previous conclusion the Committee held that the minimum level of old age benefit was manifestly inadequate.

According to the report, the minimum pension must ensure that the social minimum which is not only a living minimum for survival but is a certain standard of living. A pension in Slovenia ensures an income higher than is afforded by financial social assistance. In 2011 pension calculated from the minimum pension base amounted to € 438 for 40 years of qualifying service and to € 192 for 15 years of qualifying service. The latter is the guaranteed pension for all insured persons, irrespective of the extent of insurance. As financial assistance amounted to € 229, it follows, according to the report, that the pension for a qualifying period of 40 years was considerably higher than financial social assistance. The report states that pensions are not high but they are in an adequate ratio to financial social assistance and salaries. The Committee further notes from MISSOC that an insured person entitled to Old-age Pension (starostna pokojnina) is guaranteed the minimum pension in the amount of 35% of the minimum Pension Rating Basis (pokojninska osnova) (€ 192.91 as of January 2011) per month. The minimum Pension Rating Basis is determined by the Pension and Disability Insurance Institute (Zavod za pokojninsko in invalidsko zavarovanje).

The Committee considers that during the reference period the minimum level of pension benefit fell below 40% of the median equivalised income. Therefore, the situation is not in conformity with the Charter.

### **Conclusion**

The Committee concludes that the situation in Slovenia is not in conformity with Article 12§1 of the Charter on the grounds that:

- the minimum levels of sickness and unemployment benefits are manifestly inadequate;
- the duration of unemployment benefit is too short;
- the minimum level of pension benefit is manifestly inadequate.

### **Paragraph 2 - Maintenance of a social security system at a satisfactory level at least equal to that necessary for the ratification of the European Code of Social Security**

Slovenia has ratified the European Code of Social Security and its Protocol on 26 February 2004 and has accepted parts I-VIII and X, XI, XII, XIII and XIV of the Code. The Committee notes from Resolution CM/ResCSS(2012)14 on the application of the European Code of Social Security and its Protocol by Slovenia (period from 1 July 2010 to 30 June 2011) of the Committee of Ministers that the law and practice in Slovenia continue to give full effect to the parts of the Code which have been accepted and that they also ensure the application of Parts IV and VI, subject to bringing the grounds for suspension of benefits in line with Article 68 of the Code.

## **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 12§2 of the Charter.

### **Paragraph 3 - Development of the social security system**

According to the report, the Labour Market Regulation Act adopted in the reference period specifies state measures in the labour market in the field of unemployment and active employment policy and the functioning of unemployment insurance system. The main objectives are, among others, to increase the security of persons who have lost their jobs and the efficiency of implementing active employment policy measures.

The Committee also takes note of the introduction of the Financial Social Assistance Acts (Official Gazette of the Republic of Slovenia, Nos 61/2010, 40/2011, 14/2013) which led to changes in the field of financial social assistance and social benefits which have been so far associated with pensions (minimum pension supplement) or age (state pension). Minimum pension supplement and state pension have thus been shifted from the pension insurance system to the social transfer system.

The Committee asks the next report to indicate how this reform has affected the minimum level of the pension benefit and the personal coverage of old-age pension. The Committee takes note of the Pension and Disability Insurance Act which entered into force in 2012 and wishes to be informed about its implementation.

## **Conclusion**

Pending receipt of the information requested, the Committee concludes that the situation in Slovenia is in conformity with Article 12§3 of the Charter.

## **Article 13 - Right to social and medical assistance – Conclusions 2013**

### **Paragraph 2 - Non-discrimination in the exercise of social and political rights**

The Committee previously noted (Conclusions 2002 and 2006) that under Article 14 of the Constitution “everyone shall be guaranteed equal human rights and fundamental freedoms irrespective of nationality, race, sex, language, religion, political or other conviction, material standing, birth, education, social status, disability or any other personal circumstance. All are equal before the law”. Furthermore, Act No. 50 of 30 April 2004 guarantees equal treatment without discrimination on grounds of state of health, social status or other personal circumstances in all social affairs including employment, participation in the activities of trade unions or other associations, education, social security and access to and supply of goods and services. The Committee also noted the Government’s assertion that no enactment contains any provision whose application reduces the political or social rights of persons receiving assistance. The report indicates that there have been no changes to this situation, which the Committee has considered to be in conformity with the Charter.

## **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 13§2 of the Charter.

### **Paragraph 3 - Prevention, abolition or alleviation of need**

Replying to the question raised in the previous conclusion, the report indicates that the funding is appropriate to ensure assistance to a satisfactory degree. The expenses for social preventive assistance increased from €699 536 in 2008 to €769 627 in 2011; those related to first social

aid increased in the same period from €2 159 198 to €2 375 542, while the overall expenses for social services increased from €294 299 576 to €377 262 668. The services provided are free of charge to the user and available to anyone in need. According to the report, the service of guidance, care and employment under special conditions is also free, while a small participation can be required for the institutional care of the elderly and home assistance, however, anybody lacking sufficient means to cover the costs is entitled to exemption from payment of social security services. The number of users of first social aid services rose from 27 618 in 2008 to 38 045 in 2011. The report also indicates that these services are available to foreign nationals with a permanent residence permit, but people without permanent residence can nevertheless be entitled to individual services in specific instances and under the conditions laid down by the law.

### **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 13§3 of the Charter.

## **Article 14 - Right to benefit from social services – Conclusions 2013**

### **Paragraph 1 - Promotion or provision of social services**

The report indicates that social services continue to be regulated by the Social Assistance Act. This Act covers the following types of social services: social preventive, first social aid, personal assistance, family assistance for the home and at home, institutional care, and guidance and care and employment under special conditions. The State ensures a network of public services for all the above-mentioned services, except for family assistance at home, which is provided by municipalities. Moreover, the services that are considered as public services by the law, may be provided by public social welfare institutions or other legal entities, or natural persons who are awarded a concession.

### **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 14§1 of the Charter.

### **Paragraph 2 - Public participation in the establishment and maintenance of social services**

The Committee wishes to know whether and how the Government ensures that services managed by the private sector are effective and are accessible on an equal footing to all, without discrimination at least on grounds of race, ethnic origin, religion, disability, age, sexual orientation and political opinion.

### **Conclusion**

Pending receipt the information requested, the Committee concludes that the situation in Slovenia is in conformity with Article 14§2 of the Charter.

## **Article 15 - Right of persons with disabilities to independence, social integration and participation in the life of the community – Conclusions 2012**

### **Paragraph 1 - Education and training for persons with disabilities**

According to the report, there were only 321 students in secondary vocational and technical education in the school years 2006/2007. There is no more up-to-date data. The report provides also other statistics that are partly outdated, partly irrelevant and partly unclear.

The Committee observes that the report again does not to address or properly answer its previous questions (Conclusions 2007 and 2008) on vocational training of persons with disabilities. In particular: how many persons receive training through mainstream structures, how many through specialised structures, how many requests are made for admission to mainstream and specialist provision.

In the absence of this information, the Committee already on two occasions deferred its conclusion and underlined that if replies to all questions were not included in the next report, there would be nothing to show that the situation in Slovenia is in compliance with Article 15§1 of the Revised Charter in this respect. Consequently, it has not been established that the situation is in conformity with the Charter.

### **Conclusion**

The Committee concludes that the situation in Slovenia is not in conformity with Article 15§1 of the Charter on the ground that it has not been established that the right of persons with disabilities, in particular with intellectual disabilities, to mainstream education and training is effectively guaranteed.

### **Paragraph 2 - Employment of persons with disabilities**

According to the report, sheltered employment (sheltered company, employment centre) applies only when a person with disabilities cannot be employed in the open labour market, despite numerous support measures. Such employment is governed by regular employment relationship). The number of shelter companies decreased by 10% since 2006, and the emphasis is placed now on supporting employment in the open labour market.

The Committee notes from the report that between 2006 and 2010 the number of employed persons with disabilities increased by 9%. However, according to ANED, the increase is mostly due to the fact that the Act encouraged creation of more employment centres, which still provide special employment, and there are not many cases of supported employment in regular companies.

The Committee notes from ANED that the Vocational Rehabilitation and Employment of Persons with Disabilities Act does not include persons who have the "invalid status" according to the Social Care of Mentally and Physically Disabled persons Act. They are not entitled to any services or benefits provided therein. The Committee requests for comments on this.

### **Conclusion**

The Committee concludes that the situation in Slovenia is not in conformity with Article 15§2 of the Charter on the ground that it has not been established that persons with disabilities are guaranteed an effective equal access to employment.

### **Paragraph 3 - Integration and participation of persons with disabilities in the life of the community**

The Committee would like the next report to clarify which form of assistance is actually guaranteed by the State, whether the State covers fully or partially its costs and what are the eligibility criteria. The Committee would also like to receive more up-to-date statistics concerning the number of people benefiting from such help. The Committee also notes from the report and other sources that a draft Personal Assistance Act has been prepared but still not

adopted, and is supposed to provide a right to personal assistance to all persons with disabilities. The Committee wishes to be informed of developments in this matter.

### **Conclusion**

Pending receipt of the information requested, the Committee concludes that the situation in Slovenia is in conformity with Article 15§3 of the Charter.

## **Article 16 - Right of the family to social, legal and economic protection – Conclusions 2015**

### **Economic protection of families**

#### **Family benefits**

According to Eurostat data, the monthly median equivalised income in 2013 was €988.

According to MISSOC, the amount of benefit varies according to the income in percentage of the net national average wage of the previous year and is paid up to the age of 18. In January 2015, the monthly amount of family benefit was on average €69 for the first child, €78 for the second child and €87 for the third child. If the child lives in a single-parent family then the Child Benefit (otroški dodatek) is increased by 30%.

Thus, child benefit represents a percentage of that income as follows: 7% for the first child; 7.8% for the second child; 8.8% for the third and each subsequent child. The Committee considers that, in order to comply with Article 16, child allowances must constitute an adequate income supplement, which is the case when they represent a significant percentage of the monthly median equivalised income. On the basis of the figures indicated, the Committee considers that the amount of benefits is compatible with the Charter.

#### **Equal treatment of foreign nationals and stateless persons with regard to family benefits**

In its previous conclusion (Conclusions 2011) the Committee concluded that the situation was not in conformity with the Charter on the ground that equal treatment of nationals of other States Parties to the 1961 Charter or the Charter in the payment of family benefits was not ensured because the length of residence requirement was excessive.

The Committee notes that according to the Aliens Act adopted in 2011 the qualifying criteria for permanent residence is of five years of continuous legal residence. It however notes that certain rights to benefits from public funds such as child benefit are not subject to a permanent residence permit. On the basis of this information, the Committee asks the next report to confirm that foreign nationals are treated equally, without any length of residence requirement, with regard to child benefit.

The Committee asks the next report to indicate whether stateless persons and refugees are treated equally with regard to child benefit.

### **Conclusion**

Pending receipt of the information requested, the Committee concludes that the situation in Slovenia is in conformity with Article 16 of the Charter.

## **Article 23 - Right of the elderly to social protection – Conclusions 2013**

## **Legislative framework**

The Committee asks for information on the legal framework related to assisted decision making for the elderly, and, in particular, whether there are safeguards to prevent the arbitrary deprivation of autonomous decision making by elderly persons. In this respect, the Committee refers to its statement of interpretation in the General Introduction.

## **Adequate resources**

In its previous conclusion (Conclusions 2009) the Committee found that the level of contributory and state social pensions was manifestly inadequate. The Committee now notes from the report and MISSOC that an insured person entitled to an old-age pension (starostna pokojnina) is guaranteed the minimum pension in the amount of € 192.91 as of January 2011. Supplementary Allowance (varstveni dodatek) to old-age pension (starostna pokojnina) is granted to residents with insufficient means of subsistence (means-tested) and is assessed on a basis of the difference between the pension and the rating basis (€ 449.75 since January 2011). Financial Social Assistance (denarna socialna pomoč) is linked to the Basic Minimum Income (osnovni minimalni dohodek) of € 230.61. The monthly amount of Financial Social Assistance is defined as the difference between the corresponding thresholds and the total income of the family (family members). A single person is entitled to 100% of the Basic Minimum Income, that is € 230.61 (in 2011).

## **Housing**

According to the report, the accommodation of the majority of elderly persons needs renovation and adjustments or is otherwise inadequate. Depending on an individual's needs and wishes, the following options are available to improve their accommodation conditions: adaptation and adjustment of their own housing unit, market exchange of a housing unit, sale in exchange for periodic payments and/or institutional care (in a care home, sheltered housing, community accommodation, etc.) The draft of the Long-term Care Act, which is expected to be adopted in 2014, provides for special financial assistance for the adjustment of a housing unit to meet the needs of the elderly. The Committee wishes to be informed of the developments in this matter.

## **Conclusion**

Pending receipt of the information requested, the Committee defers its conclusion.

## **Article 27 - Right of workers with family responsibilities to equal opportunity and treatment – Conclusions 2015**

### **Paragraph 1 - Participation in working life**

#### **Conditions of employment, social security**

According to Article 182 of the Employment Relationships Act (ZDR-1) the employer must enable workers to reconcile their family and employment responsibilities more easily.

The aforementioned Act envisages the following options: home working, teleworking, a different distribution of working time, in accordance with other regulations (e.g. the Parental Protection and Family Benefits Act).

Article 148 of the aforementioned Act further stipulates that if a worker proposes a different distribution of working time during his or her employment relationship for the purposes of reconciling his or her professional and family life, the employer must communicate his or her reasoned decision in writing, taking into consideration the needs of the working process.

The employer must ensure the employee working part-time due to parenthood the right to a salary on the basis of actual working hours, while the payment of social security contributions for the difference between actual working hours and full-time work are ensured on the basis of a proportional share of the minimum wage. The State also pays employer and employee contributions for compulsory pension and disability insurance, insurance against unemployment, parental protection insurance, and contributions for health insurance covering disease or injury outside work, rights to health services and travel expense reimbursement. The Committee considers that the situation is in conformity with the Charter on this point.

### **Child day care services and other childcare arrangements**

According to the report, at the end of the reference period (school year 2013/2014) preschool education was provided by 960 preschool institutions and their units. The majority of preschool institutions are public (93%). The Committee notes that in 2013/2014 the share of children in preschool institutions stood at 75,6%.

With reference to the Committee's question about the inadequate number of places in preschool institutions, mainly in the capital, the report states that owing to an increase in the population of children (due to the higher birth rate) and the State's endeavours to have more children enrolled in preschool education, the Preschool Institutions Act (Uradni list RS, no. 36/10) was amended and a new provision was inserted which makes it possible to set up two units in a building that was not built for this particular purpose but has an operating permit. It has enabled municipalities to resolve the space shortage quickly and at relatively low cost.

If the number of children whose parents wish to enrol them in preschool persists at a high level, municipalities can grant a concession to a private preschool. The granting of a concession entails that the private preschool provides a public service and offers a programme identical to that of a public preschool.

### **Conclusion**

The Committee concludes that the situation in Slovenia is in conformity with Article 27§1 of the Charter.

## **Article 30 - Right to be protected against poverty and social exclusion – Conclusions 2013**

### **Measuring poverty and social exclusion**

According to the poverty and social exclusion indicators under the EU 2020 Strategy, the number of people in Slovenia at-risk-of-poverty and/or social exclusion is below the EU average; however, Slovenia has recorded an increase in this number since 2009. There were 339,000 persons (or 17.1% of the population) faced with this risk in 2009; in 2010 the number increased to 366,000 (18.3%), and in 2011 to 386,000 persons (19.3% of population). The at-risk-of-poverty rate increased in all social groups that were vulnerable to poverty even before (such as households without active persons, especially those with dependent children, one-parent households, unemployed persons, elderly women, tenants).

The Committee also notes from another source that, the statistics of the at-risk-of-poverty rates covering various socio-economic categories of people and households show that people living in jobless households with dependent children are the worst off (as high as 74.5% in 2011). Considering the household type, one-member (40.0% in 2011) and single-parent households (30.8%) and couples with three or more children (18.2%) were the worst off. With regard to the most frequent activity status, the unemployed (44.6%) and retired women (22.3%) were the worst off. The risk-of-poverty rate was high for all women over 64 years of age (27.8%) and tenants (29.8% in 2011).

The Committee asks to receive detailed and up-dated figures on poverty and social exclusion in the next report.

### **Approach to combating poverty and social exclusion**

The Committee again asks for more detailed information in the next report about the measures taken in favour of other categories of vulnerable people, such as mentally ill persons, substance addicts and homeless persons. The Committee recalls that information on funding allocated for the realization of measures to combat poverty and social exclusion is necessary in order to assess the situation properly. The Committee therefore asks the next report to contain quantified indicators of the resources deployed and the results achieved for the various measures concerned. It underlines that in the absence of the requested information there will be nothing to show that the situation is in conformity with the Charter. Finally, the Committee recalls that rights relating to civic and citizens' participation, such as the right to vote, constitute a necessary dimension in achieving social integration and inclusion and they are thus covered by Article 30. It asks that the next report contain information in this respect.

### **Monitoring and assessment**

According to the report, the monitoring of measures taken to reduce poverty and social exclusion, thus achieving the aforementioned national aims, occurs within the framework of the so-called European semester, a cycle of economic and fiscal policy coordination within the EU. The report states that no other mechanisms exist at the national level, except for the regular monitoring of the number of recipients of social transfers, and the number of users of social services. The Committee recalls that the Governments must show how they monitor and evaluate poverty reduction measures as well as provide information on the results of such monitoring and evaluation (including on any changes/adaptations undertaken in consequence). The Committee asks to receive full and up-dated information on monitoring and assessment in the next report.

### **Conclusion**

Pending receipt of the information requested, the Committee concludes that the situation in Slovenia is in conformity with Article 30 of the Charter.

## European Code of Social Security

### Resolution CM/ResCSS(2015)16 on the application of the European Code of Social Security by Slovenia

(Period from 1 July 2013 to 30 June 2014)

(Adopted by the Committee of Ministers on 10 September 2015 at the 1234th meeting of the Ministers' Deputies)

[Link to adopted by the Committee of Ministers resolutions](#)

#### The Committee of Ministers notes:

I. concerning Part IV (Unemployment benefit), Article 24(1), in conjunction with Article 68, that in its Resolution [CM/ResCSS\(2014\)16](#), the Committee of Ministers observed that indents 7, 8 and 11 of paragraph 2 of section 63 of the Labour Market Regulation Act (ZUTD) enable the Employment Service of Slovenia (ESS) to refuse unemployment benefit on grounds of non-exhaustion of legal remedies for safeguarding employment, which go beyond what is permitted by Article 68 of the Code. In reply, the government indicates that compliance of the aforementioned legal provision with Article 68 of the Code will be duly examined at the next revision of the ZUTD in accordance with the Committee of Ministers comments. In the meantime, the ESS was requested to provide information on the number of cases decided under these provisions of section 63(2) of the ZUTD. The government adds that amending the provisions of the ZUTD is a time-consuming and difficult process, as every change must be agreed upon by the government, unions and employers;

II. concerning Part VI (Employment injury benefit), Article 36(2), in conjunction with Article 68, that in its Resolution [CM/ResCSS\(2014\)16](#), the Committee of Ministers has pointed out that the requirement of the Pension and Disability Insurance Act (ZPIZ-2) that a disabled person who has remaining working capacity performs appropriate work or registers with the Employment Service, under the threat of seeing his partial disability pension being reduced by 30 per cent, is contrary to Part VI of the Code, which guarantees benefits at a prescribed level without regard to the residual earning capacity and the employment status of the person concerned. In reply, the government states that, according to section 86 of the ZPIZ-2, the partial disability pension has been reclassified as partial wage compensation, emphasising that disability pension and partial benefit are two different rights in the disability insurance system that are mutually exclusive and cannot overlap. The partial benefit is given to an insured person who works on a part-time basis for no less than four hours daily or 20 hours weekly and is assessed as the percentage of the disability pension corresponding to the reduction in full-time work of 50 per cent or more. The Committee of Ministers observes from this explanation that the partial benefit is provided by the disability insurance system for the contingency of the permanent partial loss of earning capacity covered by Article 32(c) of the Code and calculated in accordance with Article 36(2) of the Code. The Committee of Ministers also notes that the report mentions no other pension or benefit within the disability insurance system which would give effect to the provisions of Part VI of the Code without imposing conditions either with respect to performing part-time work or attaining a certain age, both of which are not permitted by Part VI of the Code;

III. concerning social security and the reduction of poverty:

a. the Committee of Ministers thanks the government for detailed information on the recent changes made in the Exercise of Rights to Public Funds Act and the Social Benefits Act and the statistics concerning measures taken to increase the effectiveness of the social security system in preventing the spread of poverty in the country, particularly among some of the most vulnerable social groups – single parents, large families and elderly persons. The Committee of Ministers notes from the government's explanations that, in the context of the fiscal consolidation measures, the approach chosen in fighting poverty and social exclusion consists in the substantial reduction of the volume of social transfers to individuals and households, with the biggest cuts affecting social security transfers (-13 per cent in one year 2011-12). As a result, the number of people living below the at-risk-of-poverty threshold rose by 22 per cent in one year (48,000 people) showing the greatest increase among EU countries. The government indicates that, in 2012, Slovenia departed from the goals of the EU 2020 Strategy in the area of poverty and social exclusion for the third consecutive year. In 2013, according to Eurostat data, the population living below the at-risk-of-poverty rate (60 per cent of median equivalised income) further increased from 13.5 per cent in 2012 to 14.5 per cent in 2013 and the share of those living below persistent at-risk-of-poverty rate – from 6.1 per cent to 7.5 per cent in one year. The Committee of Ministers is concerned that the old-age pension of the standard beneficiary (man with wife of pensionable age), which, according to the previous reports on the Code, in 2009 represented 46 per cent of the reference wage of the skilled manual male worker, would not attain now the at-risk-of-poverty threshold for a single person. The average net income of a household with two children (€1,115.70 in 2012), which represents a standard beneficiary for many Parts of the Code, is also below the at-risk-of-poverty threshold for this type of household. According to the national statistics, the amounts of the minimum pension (€197.20 in 2012) and of the basic minimum income in the country (€265.20 in 2013) are much below the lower at-risk-of-poverty threshold of 40 per cent of median equivalised income (€404 in 2012);

The Committee of Ministers observes that these figures point to the fact that the system of social security in Slovenia, composed both of social insurance and social assistance benefits, is not effective enough to stop the expansion of poverty and therefore may not fulfil the objectives of the Code;

b. the government's report indicates that reduction of social security spending led to the increase in the number of people in severe material deprivation from 123,000 to 133,000 persons in 2012 and to the corresponding increase in the applicants for financial assistance from 47,243 to 53,547 persons in 2013, which in turn led to the increase of social transfers in the form of social assistance and extraordinary social assistance in cash. The Committee of Ministers observes that, judging by these figures, the government's social policy may be caught in the vicious circle of decreasing social insurance benefits and increasing means-tested social assistance benefits where, with each new round of cuts, more people may be moved from social insurance benefits onto social assistance, while the government's policy passes from systemic prevention of poverty to case-by-case alleviation of extraordinary situations of those falling in abject poverty;

c. the report states that these developments are largely attributable to the new social legislation which increasingly focuses on a means-tested social assistance principle, taking into consideration income and assets (converted into income) of the whole family with a view to prevent overlapping and commutation of benefits. The periodic income of a person in the past year will not be considered if the person no longer receives it or if one kind of periodic income (for example salary) was replaced with another (for example unemployment benefits), so that

the new periodic income, and not the one no longer received, will be considered. The limit of assets (real estate, savings) to be disregarded when granting social assistance will be raised from €13,870 to €50,000. The savings not taken into account include: for a single person, the amount of three minimum monthly incomes (currently €795.66, previously €500); and for a family, three minimum family incomes, but not exceeding €2,500 (previously €1,500). With regard to these new rules, Article 67 of the Code stipulates that, in subjecting the means of the family of the beneficiary to the income and assets test, the competent authority shall not take into account certain defined substantial amounts, which shall be deducted from these means; the benefits provided by social assistance or social transfers, taken together with any other means left after deduction of the said substantial amounts, shall be sufficient to maintain the family of the beneficiary in health and decency;

IV. concerning Part XI (Standards to be complied with by periodical payments), Article 65, Determination of the reference wage used for calculating the replacement level of benefits, that the reference wage used in the government reports on the Code is determined as 125 per cent of the average wage, according to option (c) in paragraph 6 of Article 65;

Finds that law and practice in Slovenia continue to give full effect to Parts II, III, V, VII, VIII and X of the Code and that they also ensure the application of Parts IV and VI, subject to bringing the grounds for suspension of benefits in line with Article 68 of the Code;

**Decides to invite the Government of Slovenia:**

I. concerning Part IV (Unemployment benefit), Article 24(1), in conjunction with Article 68, to duly inform the social partners of the findings in [CM/ResCSS\(2014\)16](#) on this issue and to include their position, as well as the information received from the Employment Service of Slovenia (ESS), in its next report;

II. concerning Part VI (Employment injury benefit), Article 36(2), in conjunction with Article 68, to specify in its next report how its national law and practice ensure protection in case of employment injury resulting in permanent partial loss of earning capacity or corresponding loss of faculty guaranteed by Part VI of the Code;

III. concerning social security and reduction of poverty:

a. to conduct in its next report a thorough review of the situation explaining the respective roles of the social insurance system and the social assistance and other social transfers in alleviating poverty, complementarities of these means of action and their performance measured not only by the relative at-risk-of-poverty indicators but also by indicators of subsistence level in absolute numbers. In doing so, the government may wish to refer to the infographs in the above-mentioned “Technical note”, which has been transmitted to the government, and update the statistical and legal information on which they are based;

b. taking into account the observation that the above-mentioned trend, if continued long enough, may substantially undermine the capacity of the social security system as designed by the Code to prevent poverty, to explain in its next report the direction its social policy is taking in that respect;

c. in the light of the above-mentioned provisions, to demonstrate in its next report that the new means-testing rules are designed in such a way that the rate of social assistance benefits and whatever other means are left to the beneficiary and his family to live on after deduction of the substantial amounts mentioned in point (b) of Article 67, which are disregarded for the purpose

of means testing, shall not fall below the current at-risk-of-poverty threshold in Slovenia and shall represent the amount equal at least to 40 per cent of the reference wage of an ordinary adult male labourer calculated in accordance with the requirement of Article 66 of the Code (for example €989 in 2010);

IV. concerning Part XI (Standards to be complied with by periodical payments), Article 65 of the Code, Determination of the reference wage used for calculating the replacement level of benefits, to indicate the precise source of the data used and to update, in its next report, the statistics used in the above-mentioned “Technical note” which sets out and calculates for Slovenia all the options allowed by the Code for determining the reference wage on the same time basis (2010) for which complete and comparable Eurostat data are available.

## **CEACR 2015 Conclusions on the application of the European Code of Social Security and its Protocol by Slovenia**

As a result of its examination, the Committee finds that law and practice in Slovenia continue to give full effect to Parts II, III, V, VII, VIII and X of the Code and that they also ensure the application of Parts IV and VI, subject to bringing the grounds for suspension of benefits in line with *Article 68* of the Code.

*Part IV (Unemployment benefit), Article 24(1), in conjunction with Article 68.* In its previous conclusions, the Committee observed that indents seven, eight and 11 of paragraph 2 of section 63 of the Labour Market Regulation Act (ZUTD) enable the Employment Service of Slovenia (ESS) to refuse unemployment benefit on grounds of non-exhaustion of legal remedies for safeguarding employment, while *Article 68* of the Code which authorizes suspension of benefits only if unemployment has been caused by the wilful misconduct of the person concerned (f) or where a person has failed to make use of the employment services placed at his disposal (h). The Committee notes the Government has duly examined that compliance of indent seven of paragraph 2, of section 63 of the ZUTD which enables the ESS to refuse unemployment benefit on grounds of non-exhaustion of legal remedies for safeguarding employment was duly examined and has found that there have been no cases of denying the unemployment benefit on this ground. The Government considers therefore that this provision could be repealed on the occasion of the next amendment to the ZUTD.

The eighth and eleventh indents of section 63(2) of the ZUTD allow the unemployment benefit to be denied when the worker fails to claim an arbitration award or a judicial protection in case his or her dismissal is contrary to the provisions giving special protection against dismissal of certain categories of workers such as older workers, workers’ representatives, parents, disabled persons and workers on sick leave. The Government indicates that repealing this provision would have a negative impact on the employment of older workers, which in Slovenia have the lowest employment rate in the European Union, mainly due to mass early retirements, relatively low average age at retirement, structural unemployment and the fact that the unemployment benefit is at a level very close to that of the minimum wage. The Government emphasizes that these provisions of the ZUTD were coordinated with all social partners, including on the occasion of the 2013 reform when the provisions referred to were left unchanged. The Committee observes that while preserving or improving the employment rate of older workers poses numerous challenges to many European countries, none of them has chosen to deal with them by imposing a punitive measure on the older workers, for a wrongdoing of their employer, denying them the right to unemployment benefit until they seize

the tribunals hoping to be reinstated in their positions or awarded the unemployment benefit. ***The Committee therefore advises the Government to consider the situation of older workers dismissed by their employer in breach of the national legislation and deprived by the Employment Service of Slovenia of their unemployment benefit in breach of the international law not in terms of aggregate statistics of their employment rate, but in terms of social and humanitarian protection against hardship caused by unemployment, which the Code obliges the Government to alleviate. The Committee expects the Government to indicate concrete measures taken to bring section 63(2) of the ZUTD in conformity with Article 68 of the Code.***

*Part VI (Employment injury benefit), Articles 32(c) and 36(2), in conjunction with Article 68.* The Committee recalls that the requirement of the Pension and Disability Insurance Act (ZPIZ-2) that a disabled person who has remaining working capacity (disability categories II and III) performs appropriate work or registers with the ESS, under the threat of seeing his partial disability pension being reduced by 30 per cent, is contrary to Part VI of the Code, which guarantees benefits at a prescribed level without regard to the residual earning capacity and the employment status of the person concerned. Moreover, the requirements on persons who have remaining working capacity to perform work or register with the ESS correspond to a “workfare” approach, which is conceptually opposed to the basic philosophy of the Code. The Committee notes that the report does not mention any other pension or benefit within the disability insurance system which would give effect to the provisions of Part VI of the Code without imposing conditions either with respect to performing part-time work or attaining a certain age, both of which are not permitted by Part VI of the Code. ***In this situation, the Committee asks the Government to indicate the measures taken or contemplated to provide partial disability pension in case of employment injury without requiring the beneficiaries to undertake part-time employment making use of their residual working capacity.***

*Articles 36 (total loss of earning capacity likely to be permanent, or corresponding loss of faculty) (in conjunction with Article 65). Level of benefit.* The Committee recalls the replacement rate of employment injury benefits, according to the Government’s reports on Conventions Nos 102 and No. 121, were respectively 41.56 per cent for 2010 and 43.09 per cent for 2009, which is considerably lower than the rate of 50 per cent required by the Code (or 60 per cent in the case of Convention No. 121). However, these reports compared the net benefit to the gross wage, both supplemented by family allowances. ***The Committee invites the Government to make the calculations on the basis of either net amounts or gross amounts in its next detailed reports on the application of the Code and Conventions Nos 102 and 121.*** The Committee recalls in this respect that, where the benefit is not subject to taxes and social contributions, it could be compared to previous net earnings for the purposes of calculating the replacement rate.

*Part XI (Standards to be complied with by periodical payments), Article 65 of the Code. Determination of the reference wage used for calculating the replacement level of benefits.* The Committee notes that the reference wage used in the Government’s reports on the Code is determined as 125 per cent of the average wage, according to Article 65(6)(c). ***The Committee would like the Government to indicate the precise source of the data used and to update the statistics used in the ILO technical note.***

*Article 65(10). Adjustment of benefits to the cost of living.* The report indicates that, according to Article 65 of the Act concerning Implementation of the Republic of Slovenia Budget for 2014 and 2015, the indexation of pensions and other benefits was temporarily suspended until 31 December 2015. ***The Committee asks the Government to include in its next detailed***

***report aggregate statistics on the adjustment of benefits for the period 2011–16 requested in the Report Form on the Code under Title VI of Article 65, as well as to explain its future policy of maintaining the purchasing power of the long-term benefits in payment and giving the pensioners a fair share of the growth of the national economy.***

*Adequacy of social security benefits.* With reference to its previous comments related to the role of social security and in particular of the guaranteed minimum benefits in the reduction of poverty, the Committee notes the extensive information supplied in the report. The Committee also notes that, in 2014 and 2013, both the United Nations Committee on Economic, Social and Cultural Rights and the European Committee on Social Rights expressed concern regarding the adverse impact of the austerity measures taken by Slovenia, such as the Fiscal Balance Act (2012), on the fulfilment and enjoyment of social security rights and the manifestly inadequate level of the minimum sickness and old-age benefits. In view of the variety of ways in which social security and statutory social assistance are used to prevent or reduce poverty and the complexity of indicators used to assess the adequacy of benefits, the Committee requested the ILO to summarize the relevant information in the country technical notes attached to its conclusions. ***The Committee invites the Government to update and supplement the statistical information in the 2015 technical note in its next detailed report, which shall also include for the same time basis (see Article 65(4) of the Code) updated statistics on social security coverage, amount of the reference wage and calculations of the replacement rate of benefits.*** The Committee will examine the question of the adequacy of social security benefits under accepted Parts of the Code on the basis of this comprehensive information.

*Article 74. Next detailed report on the Code.* (See above under Chapter III)

### 3. ILO Conventions

#### **Social Security (Minimum Standards) Convention, 1952 (No. 102) - Slovenia (*Ratification: 1992*)**

**Direct Request (CEACR) - adopted 2011, published 101st ILC session (2012) - due in 2016**

[Link to pending comments by the ILO supervisory bodies, NORMLEX](#)

**Part III (Sickness benefit), Article 18, in conjunction with Article 69 of the Convention.** The Government's report states that, according to section 35 of the Health Care and Health Insurance Act, payment of the sickness benefit is withheld, inter alia, if without due cause an insured person does not report that he/she is ill to the employer or personal doctor within three days of the start of the illness. ***Please explain how this rule is applied in practice and what will happen if the person concerned reports his/her illness on the fourth day.***

**Part IV (Unemployment benefit), Article 24(1), in conjunction with Article 69.** The report states that, in accordance with section 63 of the Labour Market Regulation Act which has entered into force on 1 January 2011, the rights to unemployment cash benefit shall not be exercised by an insured person who became unemployed through his/her own fault or volition, including cases where the employment contract was terminated:

- -due to the employer's ordinary termination submitted to the worker on fault based grounds (culpability);
- -due to the employer's ordinary termination for reasons which are explicitly determined as unsubstantiated for termination by the law regulating employment relationships, with the worker not requesting arbitration or judicial protection to safeguard his/her rights;
- -due to the employer's ordinary termination contrary to the provisions of the law regulating employment relationships which determine special protection of workers from termination, with the worker not requesting arbitration or judicial protection to safeguard his/her rights;
- -due to the cessation of the position (office) or nomination of the holder of a public or other position in legislative, executive or judicial bodies in the Republic of Slovenia or in self-government bodies, with the worker failing to enforce his/her right to return to work pursuant to regulations enabling this.

***The Committee would like the Government to assess the compatibility of these grounds for refusal of unemployment benefit with Article 69 (e) and (f) of the Convention, which authorizes suspension of the benefit only when unemployment has been caused by a criminal offence or wilful misconduct of the person concerned.***

**Part VI (Employment injury benefit), Article 36, in conjunction with Article 69.** According to section 93 of the Pension and Disability Insurance Act (PDIA), an insured person afflicted with disability of category III, if he/she is no longer capable of working full-time or without occupational rehabilitation, or an insured person with disability of category II who has reached age of 50 years and has remaining working capacity, is entitled to part-time work and to partial disability pension. Partial disability pension is assessed as the percentage corresponding to the

shortening of full working time of the disability pension the insured person would be entitled to on the day of occurrence of disability. Partial disability pension may be increased by 40 per cent, if the insured person has lost the job against his will and without his fault, or reduced by 30 per cent, if the insured person has terminated his employment of his own will or through his own fault. Considering that these grounds for the reduction of the employment injury pension in case of partial incapacity are not foreseen by the Convention, ***the Committee asks the Government to specify whether partial disability pension provided under section 93 of the PDIA is given in addition to the disability pension paid to the insured persons with disability of category II or III.***

**Part XIII (Common provisions), Article 69.** According to section 15(1)(22) of the Health Care and Health Insurance Act (HCHIA), persons covered by the compulsory health insurance include detainees who were not otherwise ensured before the detention or whose insurance is suspended during the period of detention, sentenced persons serving the sentence of imprisonment in penal institutions and correction homes, minors undergoing re-education in a juvenile correction facility, persons in protective detention in health institutes in connection with psychiatric disorders and persons sentenced to compulsory psychiatric treatment for alcoholism and drug dependence. The report indicates that these persons are insured against employment injury and occupational diseases if they are actually included in work. Section 23 of the HCHIA however stipulates that these persons are not entitled to sickness benefit during temporary absence from work even if they work in public utility units. This may mean that they are also not entitled to the employment injury benefit in case of temporary incapacity for work resulting from a morbid condition. ***Taking into account that withholding the entitlement to benefits in such cases might be contrary to the Convention, the Committee would like the Government to explain in detail the insurance status, contribution requirements and benefits to which are entitled the abovementioned categories of insured persons and their family members under each of the accepted Parts of the Convention. Please explain also how Article 69(b) of the Convention is applied in their respect.***

**Article 71(2).** According to the calculations given in the report, the total of the insurance contributions borne by the employees protected amounts to 35.6 per cent of the total of the financial resources allocated to the protection of employees and their wives and children. ***As the report refers also to the insurance contributions borne by the self-employed and farmers, the Government should specify whether these sums were included into the above calculation.***

## **Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121) - Slovenia (Ratification: 1992)**

**Direct Request (CEACR) - adopted 2012, published 102nd ILC session (2013)  
- due in 2016**

[Link to pending comments by the ILO supervisory bodies, NORMLEX](#)

Articles 13 (temporary incapacity benefit), 14 (permanent incapacity benefit) and 18 (survivors' benefit) of the Convention (in conjunction with Article 19). With reference to its previous comments, the Committee notes the statistical information provided by the Government in its report in 2011 under Convention No. 102 and, in 2012, for the present Convention, relating to the method of calculation of benefits provided in the event of

employment injury resulting in temporary incapacity for work, permanent loss of earnings capacity or the loss of the family breadwinner (survivors' benefit). The Committee notes that, to assess the replacement rate obtained in relation to benefits in the event of total loss of earnings capacity resulting from employment injury, the Government's report indicates a ratio, respectively, of 41.56 per cent for 2010 and 43.09 per cent for 2009, which is lower than the rate of 60 per cent required by the Convention. The Committee nevertheless observes that, to achieve this result, the Government's report compares the *net* benefit, supplemented by family allowances, with the *gross* wage, also supplemented by family allowances. ***The Committee invites the Government to make the calculations on the basis of either net amounts or gross amounts. The Committee recalls in this respect that, when the benefit paid is not subject to social contributions, it should be compared to previous net earnings for the purposes of calculating the replacement rate.***

**Article 19(10). Minimum amount of periodical payments.** The Committee would be grateful if the Government would indicate whether, in accordance with this provision of the Convention, a minimum amount has been prescribed for periodical payments and if it would specify this minimum amount for each category of benefits provided for by the Convention.

**Article 22. Reasons for the suspension or reduction of benefits.** Under the terms of Article 93 of the Pension and Invalidity Insurance Act (PDIA), an insured person afflicted with invalidity of category III shall be, if she or he is no longer capable of working full-time or without occupational rehabilitation, or an insured person afflicted with invalidity of category II who has reached the age of 50 years and has residual capacity to work, is entitled to combine part-time work and a partial invalidity pension. This pension may be increased by 40 per cent if the insured person has lost his job through no fault of his own and not of his own will, or it may be reduced by 30 per cent if the insured person has terminated his employment at his own will and through his own fault. ***As these reasons for reducing employment injury benefit for partial invalidity are not envisaged in the Convention, the Committee requests the Government to indicate whether the partial invalidity pension envisaged under Article 93 of the PDIA is provided in addition to the invalidity pension received by insured persons in the event of invalidity of category II or III.***

**Article 8. List of occupational diseases.** The Committee notes that the Government's report does not contain information relating to the issue of the planned review of the list of occupational diseases of 1983 with a view to its harmonization with European law. ***The Committee once again requests the Government to provide the necessary information in this respect and hopes that the new list will also be in compliance with the list of occupational diseases contained in Schedule I to the Convention, in particular with regard to the list of types of work involving exposure to the risks concerned mentioned in items 1–12 and 15 of Schedule I, and that the Government will supply a copy when it has been adopted.***

## 4. EU Country-Specific Recommendations: 2015

(the numeration of comments is kept in accordance to the original)

The European Union has set up a yearly cycle of economic policy coordination called the European Semester in 2010. Under the European Semester, the European Commission was given a mandate by Member States to check whether they take action on reform commitments they have made at EU level. The European Semester starts when the Commission adopts its Annual Growth Survey which sets out EU priorities to boost job creation and growth for the next year.

Each year, the Commission undertakes a detailed analysis of EU Member States' plans of budgetary, macroeconomic and structural reforms and provides them with the country-specific recommendations basing its decision on the submitted by each country National Reform Programme and Stability Programme. These recommendations provide tailor-made policy advice to Member States in areas deemed as priorities for the next 12-18 months. The European Council endorses the recommendations after the discussion.

Where recommendations are not acted on within the given time-frame, policy warnings can be issued. There is also the option of enforcement through incentives and sanctions in the case of excessive macroeconomic and budgetary imbalances.

### ***COUNCIL RECOMMENDATION of 14 July 2015 on the 2015 National Reform Programme of Slovenia and delivering a Council opinion on the 2015 Stability Programme of Slovenia***

[Official Website of the European Commission](#)

(9) Slovenia has taken action to alleviate pressures on the medium-term sustainability of the pension system but key parameters still need to be adjusted to ensure its sustainability beyond 2020. The 2013 pension reform has had a positive impact and the legal act establishing a demographic fund is expected to be adopted until the end of 2015. However, ensuring the long-term sustainability of pensions will require further reform. No progress has been made as regards the long-term care reform. At the end of 2013, the Government adopted a blueprint for long-term care reform but the adoption of the legislation implementing the reform has been postponed to the end of 2015 in order to allow prior decisions on health insurance reform including the question of sources to finance overall healthcare and long-term care. Age related expenditure on long-term care can be contained by targeting benefits to those most in need and by refocusing care provision from institutional to home care.

(10) A Social Agreement was concluded in January 2015 providing that public sector wage growth will lag behind private sector wage growth. The composition and indexation of minimum wages are not covered by this Agreement. While still relatively high compared to the average wage, recent growth of the minimum wage has been limited. An evaluation of the 2013 labour market reform shows that labour market restrictions have 18.8.2015 C 272/7 Official Journal of the European Union EN

decreased, but structural problems persist as regards the long-term unemployment and low employment rates of low-skilled and older workers. Slovenia has undertaken some action to address the skills mismatch and numerous other measures are planned until 2020.

HEREBY RECOMMENDS that Slovenia take action within the period 2015-2016 to:

1. Ensure a durable correction of the excessive deficit in 2015, and achieve a fiscal adjustment of 0.6 % of GDP towards the medium-term budgetary objective in 2016. Adopt the Fiscal Rule Act and revise the Public Finance Act. Advance long-term reform of the pension system. By end of 2015, adopt a healthcare and long-term care reform.
2. Review, in consultation with the social partners and in accordance with national practices, the mechanism for setting the minimum wage, and in particular the role of allowances, in light of the impact on in-work poverty, job creation and competitiveness. Increase the employability of low skilled and older workers. Take measures to address long-term unemployment and provide adequate incentives to extend working lives.