



Industrial relations
**Slovakia: Developments
in working life 2017**

*Developments in working life in Europe:
EurWORK annual review 2017*

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Political context affecting working life aspects

There were no relevant changes in the political context in 2017. Only one personal change took place in the government. The Minister of Education, Science and Sport Mr Peter Plavcan, from the political party SNS, [was replaced by Ms Martina Lubyova](#) from the same party on 13 September 2017.

On 4 November, regional [elections in the Higher Territorial Units](#) (VUC) were held. New chairmen of eight VUC and members of their parliaments were elected. Participation in the election was 29.95% that was significantly higher than in the elections four years ago. Most of the 416 newly elected VUC MPs do not represent any political party (independent candidate) 38%, SMER –SD (governing party) 14%, SMK 7% and the others from various coalition parties. Among new chairs of VUC, two represent SMER-SD, two OLANO, one SaS and one KDH parties. One is independent and one represents multi-parties.

Social partners reactions following changes in governments

There was no national election and no new government took office, so no social partners' reactions can be reported upon. Social dialogue played important role in communication of the government with trade unions and employers. The government consulted all relevant policy documents, including legislation, with social partners in tripartite Economic and Social Council. Stable political climate also contributed to stable industrial relations system and employment conditions.

Labour market reforms or major packages of working life regulations

The economy developed quite well. The employment rate has increased and the unemployment decreased to its lowest level in the history of Slovakia - in [Q3 2017 is was 8.0%](#) (LFS). Considering this, there were only partial labour market measures adopted (e.g. better support to labour market mobility, employment of long-term unemployed).

Developments in industrial relations 2017

Changes affecting the national-level actors and institutions of industrial relations and social dialogue in 2017

Representativeness

There were no changes in the way in which representativeness of social partners is regulated or assessed

Actors

There were no relevant changes in the national-level actors of industrial relations. In tripartite social dialogue, trade unions are represented by KOZ SR and employers are represented by AZZZ SR, RUZ SR and ZMOS.

New national level organisation of employers Asociacia priemyselných zväzov - APZ (Association of Industrial Unions), established in 2016, associates all relevant sectoral employer organisations in the industry and covers about 80% of industry - Association of Mechanical Engineering (ZSP SR), Slovak Electromechanical Association (SEA), Association of the Automotive Industry (ZAP), Metallurgy, Extractive Industry and Geology (ZHTPG), Slovak Construction Association (ZSPS) and Association of Electrical Industry (ZEP). In 2017, APZ members employed about 110,000 employees and it made attempts to participate in the national tripartite Economic and Social Council (Hospodárska a sociálna rada -HSR) as the fourth national employer organisation. At the meeting of the tripartite [HSR on 22 May 2017 \(Zaznam\)](#), the application of APZ was, however, not accepted.

Institutions

There were no relevant legislative or institutional changes to the main social dialogue institution - tripartite HSR in the country.

Changes in the social dialogue processes

Social dialogue at the HSR worked well and there were no changes in practice of national-level social dialogue processes.

National social dialogue in 2017 – Scope and Contribution

Main social dialogue topics and outcomes in 2017

| Themes | Description of issue | Code(s)-interaction | Type of Interaction | Code(s)-Outcome | Outcome |
|---|--|---------------------|---|-----------------|--|
| General labour market topics | | | | | |
| Job creation, reduction of unemployment, active labour market policies, labour market participation of different groups | Prolongation of the deadline for reporting the new employees to the Social Insurance Agency by amendments to the act on undeclared work and undeclared employment. | 2 | On 26 June 2017, the tripartite HSR discussed and recommended implementation of the amendments prepared by the Ministry of Labour, Social Affairs and Family (MPSVR SR). | 2 | The amendments were submitted to the Parliament, which adopted the amendments to the Act No. 82/2005 Coll. on 19 October 2017. |
| | Improvement of the labour market mobility by provision of higher allowances to commuting job seekers as well as job seekers migrating for the job. | 2 | On 2 December 2017, the tripartite HSR, discussed the proposal of the amendments to the Act No. 5/2004 on employment services The proposal was submitted by three MPs. | 3 | The proposal will be further discussed and elaborated. |

| Themes | Description of issue | Code(s)-interaction | Type of Interaction | Code(s)-Outcome | Outcome |
|---|---|---------------------|---|-----------------|--|
| | The new law defines the "social economy" and specifies the definition of social enterprises. Its aim is to allow unemployed better access to the labour market. | 2 | On 11 December 2017, tripartite HSR, discussed the proposal of the new Act on social economy and social enterprises It was submitted by the MPSVR SR. | 3 | Social partners recommended to elaborate the proposed law and to submit it to legislation procedure. It is in legislation procedure. |
| Benefits (unemployment, sickness schemes, minimum income) | Increase of the sum of Assistance in material need for people in need. | 2 | On 6 November 2017, the tripartite HSR consulted proposed amendments to the Act No 417/2013 on assistance in material need and recommended them to further legislative procedure. | 3 | The proposal is in legislation process. |
| Pension reforms | Implementation of the minimum rate of indexation of pensions for the period 2018 - 2021. | 2 | On 26 June 2017, the tripartite HSR discussed and recommended amendments to the Act No 461/2003 on social insurance . | 2 | On 19 October 2017, the Parliament adopted the amendments to the Act No 461/2003 Coll. on social insurance . |

| Themes | Description of issue | Code(s)-interaction | Type of Interaction | Code(s)-Outcome | Outcome |
|--|---|---------------------|--|-----------------|---|
| | Implementation of a new benefit from the Supplementary retirement savings - a pre-retirement allowance that will allow elderly to leave the labour market sooner. | 2 | On 11 December 2017, the tripartite HSR discussed the amendment to the Act No 650/2004 . | 3 | The proposed new benefit will be further discussed with social partners. |
| Working life related themes | | | | | |
| Wage setting systems, including the setting of minimum wages (but excluding the 'regular' annual debates about the determination of the level of the new minimum wage) | Implementation of new wage supplements for the night work and working on Saturday and Sunday and bank holidays. | 2 | On 2 December 2017, tripartite HSR, discussed and recommended the proposal of the amendments to the Act No. 311/2001 on the Labour Code . The proposal was submitted by three MPs. | 2 | The proposal was submitted to the Parliament. It is assumed, the changes in the Labour Code would be effective in May 2018. |
| Working time regulations | Implementation of the ban of retail sales during public holidays. In total, the ban concerns 16 days in the year (increase by 12 days). | 2 | On 9 January 2017, the tripartite HSR discussed and recommended the proposed amendments to the Labour Code. They were submitted by four MPs. | 2 | The Parliament adopted the proposed amendments to the Act No 311/2001 on Labour Code . It is effective since 1 June 2017. |

| Themes | Description of issue | Code(s)-interaction | Type of Interaction | Code(s)-Outcome | Outcome |
|--|---|---------------------|---|-----------------|--|
| Health, safety and well-being at work | The changes in occupational health service in enterprises concerned the scope of employees entitled to the occupational health service, quality of provided service and obligations of employers in examination of the health risk at the workplaces in cooperation with the occupational health service. | 2 | On 26 June 2017, the tripartite HSR discussed and recommended the proposed amendments to the law on public health. They were submitted by the Health Care Ministry. | 2 | The Parliament adopted the proposed amendments to the Act No. 355/2007 on protection, support and development of public health. It is effective since 1 December 2017. |
| Work-life balance related themes, incl. family leaves | The topic “ban of retail sales on bank holidays”, mentioned in "the working time regulation", affects also the work-life balance. | 2 | | 2 | |
| Any other relevant themes/topics addressed in the national level/peak level social dialogue | Implementation of the new rules for the extension of multi-employer collective agreements. | 2 | On 10 April 2017, tripartite HSR, discussed the proposal of the amendments to the Act No. 2/1991 on collective bargaining It was submitted by the MPSVR SR | 2 | On 20 June 2017, the Parliament adopted the amendments to the Act No. 2/10991 on collective bargaining . The law is effective since 1 September 2017. |

No major social dialogue debates were held on the following themes: Skills, training and employability; Taxation and non-wage related labour costs; Terms and conditions of employment, including different forms of contracts.

Note:

Codes for '*Type of interaction*': **1** - Tripartite debate; **2** - Tripartite negotiation; **3** - Formal consultation of both social partners; **4** - Formal consultation of trade unions; **5** - Formal consultation of employers organisations; **6** - Bipartite debate; **7** - Bipartite formal negotiations; **8** - Lobbying from at least one side; **9** – Type of interaction unknown.

Codes for '*Outcome as per 1.1. 2018*': **1** - Unilateral decision by government; **2** - Legislation passed; **3** - Legislation prepared (in legislative process, not concluded); **4** - Tripartite agreement or joint position reached; **5** - Bipartite agreement reached; **6** - Joint opinion of social partners reached; **7** - Issue not closed, ongoing exchange; **8** - Issue dropped, no concrete outcome, no further exchange; **9** – Outcome unknown, none of these types.

Selected major social dialogue debates

New rules for the extension of collective agreements

As the Constitutional Court stopped the extension of collective agreements in March 2016, the Ministry of Labour, Social Affairs and Family (MPSVR SR) has been working, in cooperation with social partners, on the new rules for the extensions almost one year. The Minister of Labour, Social Affairs and Family submitted the amendments to the Act No. 2/1991 on collective bargaining to the tripartite HSR on 10 April 2017. The extension of multi-employer collective agreements is still possible without an agreement of the employer concerned. But the extension is based on the 'representative collective agreement', which is defined by the law. Since 1 September 2017, only representative collective agreements can be extended.

The extension of collective agreements without the consent of the employer concerned was long-term criticised by the employers and employers represented by the Federation of Employer Associations (AZZZ SR) and the National Union of Employers (RUZ SR) had critical comments to the proposed new rules for the extensions. The Confederation of Trade Unions welcome the new rules, however, it had some complementary proposal to be implemented into the amendments. The Association of Cities and Municipalities (ZMOS) had no comments. Considering this, the meeting of the HSR on 10 April 2017 recommended further bilateral consultations with the employers. After consultations, the government submitted the amendments to the collective bargaining law to the Parliament without next tripartite consultations. The Parliament approved the proposed new rules for the extension of collective agreements on 20 June 2017.

Extension of the ban of retail sales

Previously, retail sales in Slovakia were banned just over four days of public holidays in the calendar year, including the New Year, Easter and Christmas seasons. The amendments to the Labour Code extended the ban of retail sales during the public holidays to 16 days in the year. The proposal to extend the number of days when retail stores should be closed was prepared by four MPs. It was discussed and approved by the meeting of tripartite HSR on 9 January 2017, and subsequently the government approved the bill on 15 March 2017. The bill was adopted by the Parliament without wider discussions gaining the support of majority of MPs on 28 March 2017. New regulation of retail sales is effective from 1 June 2017. Trade unions welcome the extended ban of retail sale. Employers did not have objections to the proposed changes. Presently, discussions are going on regarding further extension of the ban on retail sales also during Sundays.

Unilateral government actions – without social dialogue

The government consulted all relevant policy documents and changes in legislation with social partners at the tripartite HSR. No information is available about relevant unilateral actions of the government without social dialogue in 2017.

Changes affecting the sectoral and company level social dialogue 2017

Changes affecting the sectoral and company level social dialogue in 2017 concerned the extension of multi-employer collective agreements. As was reported in 2016, the extension of multi-employer collective agreements was temporarily stopped by the Constitutional Court. During 2017, the MPSVR SR prepared amendments to the act on collective bargaining to make the extensions operational.

The [amendments to the act No. 2/1991 on collective bargaining](#) introduced first time the term 'representative multi-employer collective agreement'. It is a collective agreement, which covers more employees in the sector defined by NACE, than another multi-employer collective agreement concluded by other employer organisation in the defined sector. Contracting trade unions should be present at least in 30% of companies active in the defined sector. Only representative collective agreements can be extended. Such agreement is compulsory for other employers active in the defined sector by NACE.

Contracting parties can notify the MPSVR SR about the conclusion of multi-employer collective agreement. The MPSVR SR proves whether the collective agreement to be extended is representative. Representatives of trade unions and employers can express their comments in the tripartite group of experts established for this purpose. If the collective agreement is representative, the extension is implemented by a legal notice (not a decision, as previously) of the MPSVR SR. New rules for the extensions are effective from 1 September 2017 but according to the available information, no extension of collective agreements was implemented in 2017.

Innovation in collective bargaining

No information is available about relevant innovations in collective bargaining.

Collective labour disputes in 2017

There were no changes in the regulation of collective labour disputes in 2017.

2017 was a rather peaceful year in the country. Only the strike of Modern Trade Unions Volkswagen (MOV) can be considered of national significance. The MOV demanded, among others, a [16% increase of the wage tariffs in the new collective agreement](#) for 2017 and argued with very good economic performance of VW Slovakia in 2016. The management insisted on its offer - 4% increase in each of the following three years. Because conciliation and further negotiations failed, the [MOV announced](#) that employees supporting the unions will go on strike on 20 June 2017 at 06.00. While the last negotiations on 19 June failed, the employees in VW Slovakia really went on strike, as announced. About 8,500 employees joined the strike, and the car production was seriously harmed. On 25 June, a compromising [collective agreement valid from 1 June 2017 to 31 August 2019 was concluded](#), and the strike ended at 06.00 on 26 June 2017. In total, the wage tariffs will step-by-step increase by 14.1% - on the dates 1 June 2017, 1 January 2018 and 1 November 2018. Employees will also obtain a lump-sum of €500 in June 2017 and one more day paid holiday in 2018-2019. Strike in VW Slovakia was one of the most relevant strikes in Slovakia since railway workers' strike in January 2005.

Working time 2017

Changes in the regulation of working-time concerned the retail sales. The amendments to the [Labour Code](#), which ban retail sales during public holidays (in total 16 days in a year) in Slovakia, entered into effect on 1 June 2017. There were no other relevant changes in the working time in 2017.

Health and well-being at work 2017

Physical working environment

In health and well-being at work, there were only partial changes. Among them, amendments to some orders of the government are worth to be mentioned. They concerned for instance,

safety operation of some technical equipment, like elevators and low-pressure tanks. Changes increased the safety and health at workplaces as well as in dwelling spaces.

Since 1 December 2017, amendments to the [Act No. 355/2007](#) on the protection, support and development of public health entered into effect. The amendments improved the execution of the occupational health service in enterprises. Main changes concerned a wider group of employees entitled to the occupational health service, the guarantee of higher quality of provided service and the specification of obligations of employers in the examination of health risks at the workplaces in cooperation with the occupational health service.

Psychosocial working environment

In the area of psychosocial working environment, there were no relevant developments.

Employment status 2017

| Type of contracts | Changes made during 2017. |
|---------------------------------|--|
| 'Standard' employment contracts | No major changes |
| Self-employed | No major changes – changes concerned only modest reduction in taxation burden. |
| Fixed term contracts | No major changes |
| Temporary agency workers | No major changes – relevant changes were implemented in 2016 |
| Posted workers | No major changes – debates concerning the new EU Directive continued |
| Seasonal workers | No major changes |
| Zero hour contracts | No information is available about such contracts |

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