# MINISTRY OF LABOUR, SOCIAL AFFAIRS AND FAMILY OF THE SLOVAK REPUBLIC

## Report

on the Social Situation of the Population of the Slovak Republic for 2016



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#### LIST OF ABBREVIATIONS

a. s. – joint-stock company

**ALMM** – active labour market measures

**ALMP** – active labour market policies

**b.** c. – current prices

**BA** – Region of Bratislava

**BB** – Region of Banská Bystrica

**BSK** – Bratislava self-governing region

COICOP - Classification of Individual Consumption according to Purpose

ČSFR - Czech and Slovak Federal Republic

**p. f.** – pension fund

**SPFMC** – supplementary pension fund management company

**DI** – deinstitutionalisation

**DDP** – demand-driven project

**TIW** – temporary incapacity for work

**PFMC** – pension fund management company

**EA19** – the European Union countries paying in euros in 2016 (*Belgium, Germany, Estonia, Greece, Spain, France, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Austria, Portugal, Finland, Cyprus, Malta, Slovenia, Slovakia*)

**ERDF** – European Regional Development Fund

**EC** – European Commission

ESF - European Social Fund

**ESSPROS** – European System of Integrated Social Protection Statistics

**ESIF** – European Structural and Investment Funds

**EU** – European Union

**EU SILC** – European Union Statistics on Income and Living Conditions

**EU15** – the first 15 member states of the European Union (*Belgium, Denmark, Germany, Ireland, Greece, Spain, France, Italy, Luxembourg, the Netherlands, Austria, Portugal, Finland, Sweden, the United Kingdom*)

**EU28** – 28 member states of the European Union (*Belgium (BE)*, *Bulgaria (BG)*, the Czech Republic (CZ), Denmark (DK), Germany (DE), Estonia (EE), Ireland (IE), Greece (GR), Spain (ES), France (FR), Croatia (HR), Italy (IT), Cyprus (CY), Latvia (LV), Lithuania (LT), Luxembourg (LU), Hungary (HU), Malta (MT), the Netherlands (NL), Austria (AT), Poland (PL), Portugal (PT), Romania (RO), Slovenia (SI), Slovakia (SK), Finland (FI), Sweden (SE), the United Kingdom (GB))

**FOC** – financial on-the-spot control

FO – natural person

**GDP** – gross domestic product

**CHD** – sheltered workshop

CHP – sheltered workplace

**I&AS** – information and advisory services

**ISCP** – Information System on Labour Costs

**ILMG** – Internet Labour Market Guide

ITMS – IT Monitoring System for Structural Funds and the Cohesion Fund

**KE** – Region of Košice

KMC - Coordinating Methodical Centre for gender-based and domestic violence

**HLCA** – higher level collective agreement

**RUR** – registered unemployment rate

MF SR – Ministry of Finance of the Slovak Republic

mil. – million

**bil.** – billion

MoLSAF – Ministry of Labour, Social Affairs and Family of the Slovak Republic; the ministry

**MRCs** – marginalised Roma communities

NACE, SK NACE Rev. 2 – statistical classification of economic activities

NBS - National Bank of Slovakia

**NEET** – young people aged 15 - 24 who do not attend a school, work or participate in a professional training (i.e. not in employment, education or training)

FFC - follow-up financial control

NP – national project

NR - Region of Nitra

**OMC** – Open Method of Coordination

**OP HR** – Operational Programme Human Resources

**PASs** – professional advisory services

**UN** – United Nations

**OZP** – disabled citizen

pp - percentage point

PM - job

**PO** – Region of Prešov

**PP** – monetary contribution

**PPS** – purchasing power standard

**MA** – managing authority

**DAPS** – Department of Advisory and Psychological Services

ROA – registered occupational accident

**RSD MIS** – management information system for managing social benefits

s. c. – constant prices

SK ISCO-08 – statistical classification of occupations, 2012 version

**SOŠ** – secondary vocational school

**SLPC&SG** – social and legal protection of children and social guardianship

Report – Report on the Social Situation of the Population of the Slovak Republic

SFOA – serious fatal occupational accident

**SR** – the Slovak Republic

SŠ – secondary school

**SZČO** – self-employed person

**SO SR** – the Statistical Office of the Slovak Republic

thous. - thousand

TN - Region of Trenčín

**TT** – Region of Trnava

**SBH** – occupational accident with serious bodily harm

**ŤZP** – severely disabled / severe disablement

UoZ – job seeker

COLSAF, Central Office - Central Office of Labour, Social Affairs and Family

local OLSAF – local Office of Labour, Social Affairs and Family

**VPM** – job vacancy

VŠ – university

LFS – Labour Force Survey

WI – work intensity

Coll. - Collection of Laws

**ZA** – Region of Žilina

**ZoZ** – job changer

**ZŠ** – primary school

#### INTRODUCTION

The Report on the Social Situation of the Population of the Slovak Republic (hereinafter simply the Report) for the previous calendar year is prepared annually by the Ministry of Labour, Social Affairs and Family of the Slovak Republic (hereinafter simply MoLSAF or the ministry), and is submitted to the Government of the Slovak Republic (hereinafter simply the Government of the SR), the Economic and Social Council of the Slovak Republic and the Parliamentary Committee on Social Affairs. The aim of the Report is to inform about the state and development of the social situation of the population in Slovakia based on socio-economic indicators acquired from national statistical surveys, the Central Office of Labour, Social Affairs and Family and the Social Insurance Agency administrative data sources.

The first chapter of the Report provides a brief overview of the basic macroeconomic and demographic indicators in Slovakia in 2016.

The second chapter describes the legislative changes in employment services, labour relations and social dialogue in 2016. It focuses on labour market trends from both aggregated and structural perspectives. It monitors individual active labour market policy measures, trends in wages and working conditions in collective bargaining and occupational safety and health. The chapter also includes an analysis of the total labour costs.

The state, main forms and changes in the system of social protection in 2016 are covered by the third chapter. The chapter provides a year-on-year comparison and analysis of individual elements of social insurance, pension saving, state social support system and social assistance. It also provides information on subsidies provided by MoLSAF and the Operational Programme Human Resources supported by the European Social Fund and the European Regional Development Fund. The chapter includes the outputs of the European System of Integrated Social Protection Statistics (ESSPROS), one of the fundamental tools of statistical monitoring of the current state and development of the social protection systems in the European Union (hereinafter also EU) member states.

The fourth chapter contains available data from the evaluation of the poverty and social exclusion indicators. It also provides information on the state of gender equality and equal opportunities in Slovakia in 2016.

The fifth chapter provides a comparison of selected indicators between EU member states in the context of the Europe 2020 strategy which sets out the main targets of EU following the Lisbon Strategy.

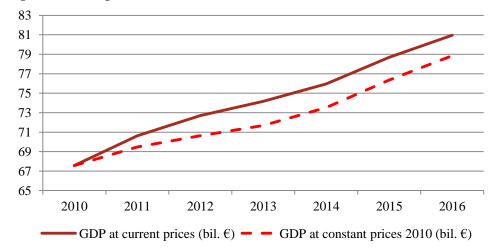
Report on the Social Situation of the Population of the Slovak Republic for 2016

## 1 THE MAIN MACROECONOMIC AND DEMOGRAPHIC INDICATORS IN THE SLOVAK REPUBLIC

#### 1.1 Basic Macroeconomic Characteristics<sup>1</sup>

The year 2016 was characterised by a continuing solid economic growth and markedly positive developments in the labour market. The labour market situation has improved even faster than in the previous year, as shown by the growth of total employment in the economy and decline in unemployment. The improvement of the labour market conditions in the last year was linked to the creation of new jobs in the domestic economy, accompanied by an increase in job vacancies and average monthly wages in both nominal and real terms.

The year-on-year growth of the gross domestic product (GDP) slowed by 0.7 pp, when increased by 3.3 % at constant prices according to the national accounts methodology (ESA 2010) compared to 2015. GDP at current prices rose to € 781.0 billion, an increase of 2.9 % in comparison with 2015.



**Graph 1.1 Development of the Gross Domestic Product at Current and Constant Prices** 

Source: SO SR

On a year-on-year basis, the volume of foreign demand increased by 4.8 % and the volume of domestic demand by 0.9 %. Domestic demand growth slowed by 3.8 pp as a result of the fall in gross capital formation by 4.2 % (of which gross fixed capital formation decreased by 9.3% year on year). On the other hand, the increase in domestic demand was supported by all components of final consumption – final consumption of households increased by 2.9 % (3.0% in 2015), final consumption of non-profit institutions serving households by 1.8% (decline by 0.4% in 2015) and final consumption of public administration by 1.6 % (5.4 % in 2015).

The year-on-year **rate of inflation**, measured by the consumer price index, reached an average value of 0.5% in 2016, which means that deflation, which has been a concomitant phenomenon of the Slovak economy since 2014, further deepened last year. The fall in prices was deeper by 0.2 pp than in 2015.

Consumer prices fell year on year in all months of the last year except for December, mainly due to a fall in regulated prices (-1.2 %). Core inflation in 2016 increased on average to 0.1 % on year on year (in 2015 it reached the historical minimum of 0.0 %). The dynamics of net inflation growth (excluding changes in direct taxes) increased by 0.2 pp to 0.3 % on year on year. The overall level of prices by classification of individual consumption according to purpose (COICOP) was affected mostly by the year-on-year decline in the prices of food and non-alcoholic beverages (by 2.8 %), the prices of housing, water, electricity and other fuels (by 1.4 %) and the prices in transport industry (by

Data source: Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4. štvrťroku 2016 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2016, in Slovak only), Statistical Office of the Slovak Republic 2016, SO SR Slovstat database and Central Office of Labour, Social Affairs and Family

2.4 %). In all other categories, prices have risen. In 2016, there was mainly an average increase in the prices of hotels, cafés and restaurants (by 2.2 %), in recreation and culture (by 1.5 %), education (by 1.4 %), various goods and services (by 1.4 %) and health (by 1.2 %).

In spite of the slowdown in the growth rate of the economy, the labour market situation continued to improve throughout the year 2016; the improvement was even more significant than in 2015. It relates to the growth of total employment determined by both methodologies of the Statistical Office of the Slovak Republic (by the Labour Force Survey as well as statistical reporting), as well as to the decline in the registered unemployment rate and the unemployment rate ascertained by the Statistical Office of the Slovak Republic (hereinafter simply SO SR).

According to the Labour Force Survey conducted by SO SR in Slovak households, total employment in 2016 increased by 2.8 % (68.1 thous. persons) and represented on average 2,492.1 thous, employed (national employment concept<sup>2</sup>); the number of employees also increased (by 2.5 % to 2,107.7 thous.) and the same applies to the number of entrepreneurs (an increase of 5.0% to 381.7 thous.). According to the statistical reporting of SO SR, which is carried out in enterprises in the Slovak Republic, the average number of people employed in the Slovak economy in 2016 increased by 2.5 % (55 thous. persons) to 2,307.0 thous. persons. According to the Labour Force Survey, the dynamics of the total employment growth was related to the increase in the number of workers in the Slovak Republic, as well as the increase in the number of short-term migrants for work abroad (staying up to one year or regularly commuting abroad for work). The number of short-term migrants increased by 7.9 % year on year (by 11.7 thous, persons) and reached 159.7 thous, on average. After deducting short-term migrants for work abroad, the increase in the number of the employed in the Slovak Republic was according to this methodology the same as according to statistical reporting (by 2.5 %). In terms of industry, the growth of the average number of persons employed in the industrial production (by 2.7 %), construction industry (by 9.3 %) and wholesale and retail trade (by 4.3 %) contributed the most to the growth of employment in the domestic economy according to statistical reporting. The rate of growth in employment rates further accelerated in 2016, when employment rate<sup>3</sup> increased by 2.1 pp to 69.8 %.

According to the records of both the Central Office of Labour, Social Affairs and Family and the Statistical Office of the Slovak Republic, **unemployment**<sup>4</sup> decreased on average in 2016. The total average number of registered job seekers declined year on year by 15.1 % to 300,988 persons<sup>5</sup>, of which the number of disposable job seekers decreased by 16.9 % to 257,664 persons<sup>6</sup>. The number of unemployed according to the Labour Force Survey (**LFS**) decreased by 15.4 % to 266.0 thous. persons. The average **registered unemployment rate** decreased to 9.5 % (by 2.0 pp).<sup>7</sup> . **According to the Labour Force Survey, the unemployment rate** decreased to 9.7 % in annual average, yielding a 1.8 pp year-on-year decrease. According to the SO SR data from quarterly statistical reporting, the average **number of job vacancies** in 2016 increased by 3,056 (16.6 %) in comparison with 2015, amounting to 20,054 vacancies.

The **average nominal monthly wages**<sup>8</sup> of employees in the economy for 2016 increased on average by 3.3% to 6.912.00 year on year. Taking into account the development of consumer prices, the real wages increased even more, by 3.8%. Further structural comparison of macroeconomic indicators, as well as the comparison on an international scale are given in the subsequent chapters of the Report.

Current income of households<sup>9</sup> increased in nominal terms by 3.7 % year on year. The largest part of the total of  $\in$  66,778.08 mil. corresponds to remuneration of employees ( $\in$  33,372.16 mil.).

<sup>5</sup> according to the Central Office of Labour, Social Affairs and Family

<sup>&</sup>lt;sup>2</sup> Employment according to the Labour Force Survey is employment of the resident population (commonly referred to as "national" or "residential" employment, the so-called *national employment concept*). It refers to the population with usual residence in the country and also includes short-term migration for work abroad, i.e. people who commute abroad for work or travelled abroad for work or plan to stay abroad for a maximum period of one year.

 $<sup>^{3}</sup>$  according to the Labour Force Survey, in the age group 20 - 64 years

<sup>&</sup>lt;sup>4</sup> according to the Labour Force Survey

<sup>&</sup>lt;sup>6</sup> according to the Central Office of Labour, Social Affairs and Family

<sup>&</sup>lt;sup>7</sup> according to the Central Office of Labour, Social Affairs and Family

<sup>&</sup>lt;sup>8</sup> according to quarterly statistical reporting

<sup>&</sup>lt;sup>9</sup> according to ESA 2010 methodology, quarterly accounts

Gross operating surplus and gross mixed income amounted to € 18,024.19 mil., social benefits<sup>10</sup> to € 11,742.33 mil., other current transfers to € 2,805.15 mil., and property income (received) to € 834.26 mil. The nominal increase in current income of households was affected mostly by remuneration of employees, which increased by 5.3 % year on year, of which gross wages and salaries increased by 6.0 %. The growth was also supported by a year-on-year increase in social benefits (by 3.4 %) and a year-on-year increase in other current transfers (by 7.3 %). None of the components of income of households recorded a year-on-year nominal decline.

Current expenditures of households<sup>11</sup> amounted to  $\in$  19,283.40 mil. and in comparison with 2015, increased in nominal terms by 5.7 %. The growth in current expenditure was related mainly to the increase in net social contributions (by 5.6 %) and current taxes on income, property (by 9.2 %). Other current expenditure transfers increased by 3.6 %; expenditure income on property rose by 2.3 % year on year. After payment of current expenditures, the households were left with gross disposable income of  $\in$  47,494.68 mil., a year-on-year increase of 2.9 %.

Out of the gross disposable income, the households used  $\in$  43,548.81 mil. for final consumption. The remainder,  $\in$  4,641.36 mil., were gross savings. The final consumption of households in 2016 rose nominally by 2.5 % and gross savings by 8.8 %. Gross saving rate (the proportion of gross saving to gross disposable income) increased by 0.6 pp to 9.8 %. In 2016, households spent more money especially on recreation and culture (by 7.1 %), hotels, cafés and restaurants (by 5.0 %) and furniture, furnishings and routine house maintenance (by 4.1 %). Expenditures on food and non-alcoholic beverages grew by 2.7 %, clothing and footwear by 2.9 %, transport by 2.6 % and education by 2.1 %. The expenditures in other areas of consumption increased only slightly. In terms of proportion, the largest part of private consumption was spent on housing, water, electricity, gas and other fuels (25.4 %, the share of total private consumption decreased by 0.3 pp year on year) and food and non-alcoholic beverages (18.6 %, the share grew by 0.1 pp).

During 2016, construction of 21,441 dwellings began, 15,672 dwellings were completed and, as of 31 December, there were 71,581 dwellings under construction. There was a total loss of 1,452 dwellings, 1,296 of which was by clearance. The number of dwellings under construction increased by 8.0 % and the number of completed dwellings by 1.3 % compared to 2015. The number of started dwellings increased by 9.2 % year on year.

The macroeconomic indicators are summarised in Annex to Chapter 1.

#### 1.2 Selected Demographic Indicators

In 2016, a total of 57,557 children were born alive in Slovakia according to data of SO SR, which is 1,955 more than in 2015. The number of deaths decreased to 52,351, which constitutes a year-on-year decrease of 1,475 deaths.

A total of 29,897 couples got married and 9,286 couples divorced. The number of marriages increased by 1,122 year on year and the number of divorces decreased by 500. This development has caused the drop in the divorce rate (31.06 divorces per 100 marriages). The marriage rate continues with the growth of previous years, and the divorce rate continues to decline.

As a result of mortality decline and fertility increase in 2016, the natural population growth increased to 5,206, which represents an increase of 3,430 persons compared to 2015. Via foreign migration, Slovakia gained 3,885 persons, while 7,686 persons immigrated and 3,801 persons emigrated. Migration balance increased by 758 persons year on year. Total population growth increased by 4,188 persons year on year (to 9,091 persons).

As of 31 December 2016, the total population of the Slovak Republic was **5,435,343 persons**. **The share of women** in the total population was **51.2** %.

<sup>&</sup>lt;sup>10</sup> other than social transfers in kind

<sup>&</sup>lt;sup>11</sup> according to ESA 2010 methodology, quarterly accounts

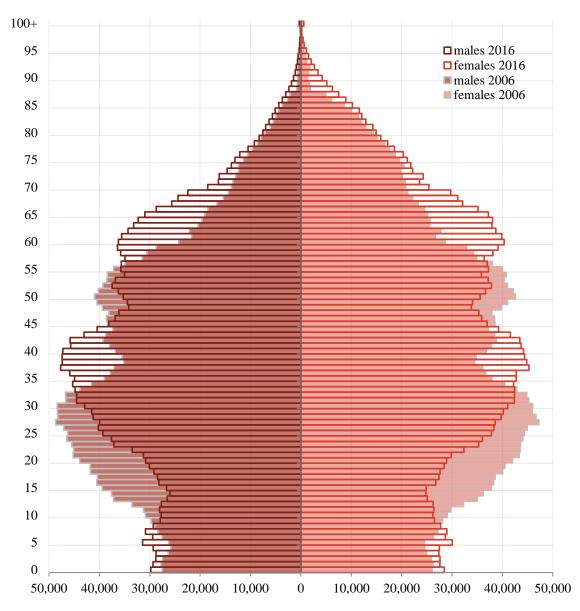
Table 1.1 Population Increase in SR, 2015 and 2016

	Year	Live-births	Deaths	Natural increase	Migration balance	Total increase
ſ	2015	55,602	53,826	1,776	3,127	4,903
ſ	2016	57,557	52,351	5,206	3,885	9,091

Source: SO SR

At the end of 2016, children aged 0 - 14 years reached the number of 840,228, accounting for 15.5% of the total Slovak population. The population of the post-productive age reached the number of 814,659 (15.0 % of the total population) and the population of productive age reached the number of 3,780,456 (69.6 %). Compared to 2006, the total population increased by 0.8 %, while the population of pre-productive age and productive age decreased (by 3.5 % and 2.7 % respectively), the population of post-productive age increased by 27.4 %. The share of the population of post-productive age increased by 3.1 pp compared to 2006 and the share of the population of pre-productive age decreased by 0.7 pp.

Graph 1.2 Age Structure of the Slovak Population, 2006 and 2016



Source: SO SR

#### 2 LABOUR MARKET, WAGES AND WORKING CONDITIONS

#### 2.1 Labour Market

#### 2.1.1 Economic Activity of the Population

According to SO SR data from the Labour Force Survey (SO SR, LFS) in 2016, 60.1 % persons were economically active and 39.9 % economically inactive in the total population aged 15 and over.

■ Employed ■ Unemployed ■ Students, apprentices ■ Pensioners ■ Others Economically inactive population 289.9 thous.; aged 15+ 2,492.1 thous 1,836.1 thous.; 39.9% 1.136.7 thous 54.2% 24.7% Economically 09.6 thous.; active population 8.9% aged 15+ 266.0 thous.; 2,758.1 thous.; 5.8% 60.1%

Graph 2.1 Balance of the Slovak Population Aged 15 and over in 2016

Source: SO SR

According to LFS, the average number of **economically active Slovak population** in 2016 increased by 19.8 thous. persons to 2,758.1 thous. persons (0.7 %) year on year, while the year-on-year growth rate of the number of economically active women (by 1.1 %, i.e. 13.8 thous.) was more considerable than that of men (by 0.4 %, i.e. 6.2 thous.). As a result of this development, the share of economically active women in the total economically active population in 2016 increased by 0.2 pp year on year (from 45.0 % to 45.2 %).

The growth of economically active population was affected mainly by an increase in the number of employed (by 68.1 thous.), while the number of unemployed decreased by 48.3 thous. persons year on year. Out of the total average size of economically active population, 90.4 % were working (88.5 % in 2015) and 9.7 % were unemployed (11.5 % in 2015).

Compared to the previous year, **the number of economically inactive persons** decreased by 16.8 thous. persons and amounted to 1,836.1 thous. persons.

The structure of the economically inactive population aged 15 and over has not changed significantly year on year. The pensioners receiving old-age or disability pension constituted the highest proportion, while in comparison with 2015, their share increased from 60.9 % to 61.9 %. Students and apprentices were the second largest group (22.3 %), while their share in the total number of economically inactive population aged 15 and over dropped by 0.9 pp year on year.

The overall **rate of economic activity** of the population aged 15 and over reached 60.1 % and increased by 0.4 pp year on year. By gender, the level of economic activity increased more for women (by 0.5 pp) than for men (by 0.2 pp).

Table 2.1 Rate of Economic Activity of the Population Aged 15+, by Age and Sex (Annual Average in %)

A ac averr	To	tal	Ma	ıles	Fem	ales
Age group	2015	2016	2015	2016	2015	2016
Total	59.7	60.1	67.9	68.1	52.0	52.5
15 – 19 years	6.3	7.2	7.3	8.8	5.3	5.6
20 – 24 years	51.9	53.0	63.0	65.2	40.4	40.3
25 – 29 years	82.8	83.5	93.9	94.1	71.2	72.5
30 – 34 years	82.7	83.7	95.4	94.9	69.4	71.8
35 – 39 years	87.8	88.4	95.7	95.6	79.5	80.8
40 – 44 years	92.9	91.7	94.3	94.7	91.3	88.6
45 – 49 years	91.5	90.8	92.8	91.4	90.3	90.3
50 – 54 years	87.0	87.8	88.4	89.1	85.6	86.6
55 – 59 years	77.5	78.5	81.5	81.8	73.6	75.3
60 – 64 years	24.5	28.6	32.9	36.9	17.2	21.3
65 years and over	2.6	2.7	4.2	3.8	1.6	2.0

Source: SO SR, LFS

A year-on-year growth in the economic activity rate has been achieved by all 5-year age groups, excluding groups aged 40-49 where the economic activity rate declined. The economic activity rate of women increased in all 5-year age groups, excluding groups aged 20-24 and 40-44, while that of men declined in groups aged 30-39, 45-49 and 65 and over.

The development of the structure of the economically active population divided into 5-year age groups points to the gradual ageing of the workforce in the Slovak Republic. Particularly the number of economically active people over 60 years of age increased year on year. The number of economically active population in groups aged 50-54, 15-19 and in the 5-year groups aged 30-44 also increased compared to 2015. In the other 5-year age groups, there was a year-on-year decline in the number of economically active population.

Table 2.2 Economically Active Population by Age, 2016

	Tota	al	Year-on-year change	
Age group	thous. persons	%	thous. persons	pp
Total	2,758.1	100.0	19.8	X
of which age group:				
15 – 19 years	20.7	0.8	2.3	0.1
20 – 24 years	185.4	6.7	-5.3	-0.2
25 – 29 years	337.1	12.2	-4.0	-0.2
30 – 34 years	365.1	13.2	1.9	0.0
35 – 39 years	404.3	14.7	1.0	-0.1
40 – 44 years	384.1	13.9	9.8	0.3
45 – 49 years	320.4	11.6	-3.6	-0.2
50 – 54 years	323.3	11.7	1.2	0.0
55 – 59 years	293.0	10.6	-1.4	-0.1
60 – 64 years	103.9	3.8	16.5	0.6
65 years and over	20.9	0.8	1.4	0.0

Source: SO SR, LFS

**Youth** (aged 15-24 years) accounted for 7.5 % (206.1 thous.) of the total economically active population in 2016 and, due to an absolute year-on-year decline in their number (3 thous. persons), their share in the total economically active population decreased slightly year on year (by 0.2 pp). In terms of the structure of economically active youth, a year-on-year growth in the number of employed

(by 6.4 thous. persons, relatively by 4.2 %, while the average for SR was 2.7 %) was recorded in 2016, and vice versa, the number of unemployed youth decreased year on year (by 9.5 thous. persons, relatively by 17.2 %).

Older people (aged 55 - 64 years) accounted for 14.4% (396.9 thous.) of the total economically active population in 2016 and, due to an absolute year-on-year increase in their number (by 15.1 thous. persons), their share in the total economically active population in 2016 increased year on year by 0.5 pp. Within the economically active persons in this age group, the number of employed increased (by 15.1 thous. persons) and the number of unemployed remain unchanged.

By education level, the largest share of the population attained secondary specialised education with secondary school-leaving examination, the so-called "maturita" (33.2 %) followed by secondary vocational (apprenticeship) education without maturita (27.7 %). More significant differences in the educational structure of men and women were found in secondary vocational (apprenticeship) education (33.0 % of men vs. 21.2 % of women) and higher education (18.8 % of men vs. 26.8 % of women). (Annex to Chapter 2, Table 1)

Proportional representation of individual regions in the total number of economically active population remains almost unchanged in the long term. The shares of the regions of Banská Bystrica and Košice decreased by 0.3 pp in both cases, while the share of the region of Bratislava increased by 0.4 pp, the shares of the regions of Prešov and Trenčín increased by 0.1 pp and the shares of the other regions remained unchanged. The shares of individual regions in the total economically active population in 2016 ranged from 10.9 % to 14.5 %. The largest part of economically active population lives in the regions of Prešov and Košice (27.9 % of the total economically active population lives in the region of Bratislava (approximately 95 %), and on the other hand, the lowest part lives in the regions of Prešov, Banská Bystrica and Košice (not exceeding 90 %).

Table 2.3 Structure of Economically Active Population by Labour Market Position, Employment and Unemployment Rate in 2016

Degion of	Total eco	nomically acti in thous. pers	ve population sons	Employment	Total
Region of	total	of which employed	of which unemployed	rate aged 20-64 years in %	unemployment rate in %
SR in total	2,758.1	2,492.1	266.0	69.8	9.7
Bratislava	351.1	333.7	17.4	78.7	4.9
Trnava	306.3	280.5	25.9	74.8	8.5
Trenčín	299.3	281.9	17.4	71.4	5.9
Nitra	348.7	318.5	30.2	69.9	8.7
Žilina	346.6	316.7	29.9	69.9	8.6
Banská Bystrica	335.9	292.1	43.8	67.9	13.1
Prešov	400.4	341.3	59.2	65.1	14.8
Košice	369.9	327.6	42.3	64.0	11.5

Source: SO SR, LFS

#### **2.1.2** Development of Employment

Employment can be monitored using several statistical surveys. The surveys differ in concepts of employment, definitions and data collection methodology.

One possibility for monitoring the development of the number of employed or employees are the *statistics* of the Social Insurance Agency. The Social Insurance Agency is a public body which administers social insurance, i.e. sickness insurance, pension insurance (old-age and disability), accident insurance, guarantee insurance, unemployment insurance, and old-age pension savings. Given the mandatory nature of social insurance and pension saving, Social Insurance Agency holds data on all employers and employees, who pay or for whom are paid social security contributions and

compulsory pension saving contributions, including persons working under agreements on work performed outside the employment relationship as well as on self-employed persons. Definitions of an employer, employee and self-employed person are given by Act No. 461/2003 Coll. on Social Insurance, as amended. The Social Insurance Agency statistics do not include data on members of the Police Force, the Slovak Intelligence Service, the National Security Authority, Corps of Prison and Court Guard, Railway Police, Fire Fighting and Rescuing Corps, Mountain Rescue Service, customs officers, professional soldiers of the armed forces and extraordinary service soldiers, since their social security is covered by specific legislation. It also does not cover inhabitants of SR working abroad, or performance of work without the obligation to pay social insurance (e.g. the self-employed with income below the established income of compulsory social security emergence). Developments in the reporting of employees in the statistics of the Social Insurance Agency may be affected by legislative changes in the field of social insurance.

The Statistical Office of the Slovak Republic carries out two more surveys allowing to monitor the development of employment; they differ from each other in the data collection methodology.

The Labour Force Survey carried out in households by the Statistical Office of the Slovak Republic provides internationally comparable data on economic activity, employment, unemployment and other important characteristics of the workforce of the Slovak population. The employed means all persons aged 15 and over who were working for at least one hour for pay or profit (full-time or parttime job, temporary, casual or seasonal job) in the reference week, as well as assisting household members of entrepreneurs; including those working abroad for up to one year, commuting abroad for work, performing work under agreements and paid activation work. The employed also includes persons who were not working in the reference week due to illness, holiday, maternity leave, training, bad weather and strike or dispute, except for persons on long-term unpaid leave from work and persons on parental leave.

The enterprise statistics on employees conducted by the Statistical Office of the Slovak Republic is based on a statistical survey in enterprises (enterprise reporting) and captures all economic activities. According to enterprise reporting, employees are defined as persons who are in employment agreed for an indefinite or definite period of time (irrespective of their nationality) and are in the employ, service, civil service or are members of an employer organisation. Practising students of secondary vocational schools (apprentices), persons on maternity and parental leave and persons working under agreements on work performed outside the employment relationship, private entrepreneurs (and their partners) unless they have an employment contract concluded with the organisation, are excluded from the number of employees. Employed persons are defined as employees and entrepreneurs.

#### 2.1.2.1 Employment according to the Social Insurance Agency Statistics

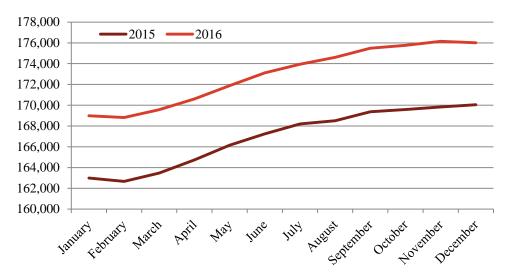
In 2016, the Social Insurance Agency recorded a monthly average of 172,907 employers who had employees in a monthly average of 1,851,229 legal relationships with regular monthly income and 56,395 legal relationships with irregular income. In addition to these legal relationships with regular monthly income and irregular income, employers employed employees under agreements on work performed outside the employment relationship, i.e. work performance agreements, contract works and student holiday (temporary) work agreements, broken down into regular monthly income and irregular income, which reached a monthly average of 434,795 in 2016.

In 2016, the Social Insurance Agency recorded a monthly average of 213,429 self-employed persons with compulsory social insurance scheme.

In 2016, the average monthly number of employers grew by 3.60 % (by 6,009) year on year; the average monthly number of employees in legal relationship with regular monthly income increased by 2.75 % (by 49,495). The average monthly number of employees in legal relationship with irregular income grew by 6.30 % (by 3,343) and the average monthly number of agreements on work performed outside the employment relationship declined by 2.14 % (by 9,530). The average monthly number of self-employed persons decreased by 3.42 % (by 7,568).

Overall, the Social Insurance Agency recorded on average 2,555,848 insurance relationships per month in 2016, which was 35,740 more insurance relationships than in 2015 (by 1.42 %).

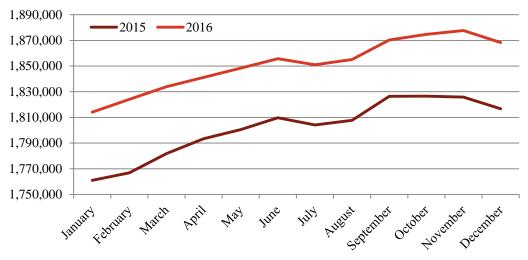
Graph 2.2 Number of Employers Registered in the Social Insurance Agency in 2015 and 2016



Source: Social Insurance Agency

In December 2016, the Social Insurance Agency recorded 176,011 employers, an increase of 5,969 employers in comparison with December 2015 (by 3.51 %).

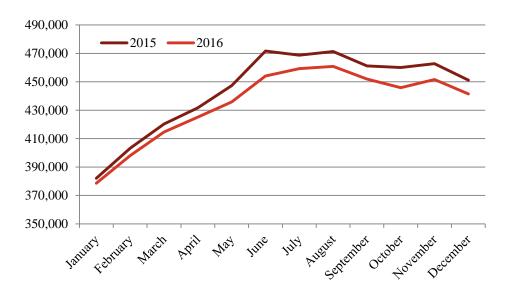
Graph 2.3 Number of Legal Relationships with Regular Monthly Income Registered in the Social Insurance Agency in 2015 and 2016



Source: Social Insurance Agency

In December 2016, the Social Insurance Agency recorded 1,868,384 legal relationships with regular monthly income, an increase of 51,703 legal relationships in comparison with December 2015 (by 2.85 %).

Graph 2.4 Number of Agreements on Work Performed outside the Employment Relationship Registered in the Social Insurance Agency in 2015 and 2016



Source: Social Insurance Agency

January February March April May June July August September October November December

In December 2016, the Social Insurance Agency recorded 441,479 agreements on work performed outside the employment relationship, a decrease of 9,717 agreements in comparison with December 2015 (by 2.15 %).

Graph 2.5 Number of Self-employed Persons Registered in the Social Insurance Agency in 2015 and 2016



Source: Social Insurance Agency

In December 2016, the Social Insurance Agency registered 212,059 self-employed persons, a decrease of 7,332 persons in comparison with December 2015 (by 3.34 %).

#### 2.1.2.2 Employment according to Labour Force Survey<sup>12</sup> by SO SR

The positive trends in the Slovak labour market which started emerging as from the end of 2014 were ongoing in 2016. Year-on-year increases in the number of employed and a decrease in the number of unemployed, or more precisely a decrease in the unemployment rate were recorded in individual quarters of the year 2016. The year-on-year increase in the number of employed in 2016 (by 2.8 %) was faster by 0.2 pp compared to 2015. A more considerable employment growth in 2016 and a fall in the unemployment rate compared to 2015 were recorded despite a moderate slowdown in economic growth (the average GDP growth rate at constant prices in 2016 was 3.3 %, which was slower by 0.5 pp than in 2015).

According to SO SR data, the total average number of employed in SR in 2016 increased year on year by 2.8 %, i.e. 68.1 thous. to 2,492.1 thous. In terms of the overall development of employment, it is positive that the intensity of the year-on-year growth of the number of Slovak citizens working short-term abroad is gradually decreasing, which means that the growth was also supported by a stronger growth of employment in the domestic economy (without working abroad by 56.4 thous, persons, i.e. 2.5 % to 2,332.4 thous, year on year.

*By employment status*, the number of entrepreneurs increased more significantly (by 18.1 thous., i.e. 5.0 %), thus increasing the number of entrepreneurs with employees (by 4.0 thous., i.e. 5.3 %) as well as without employees (by 14.2 thous., i.e. 4.9 %). The number of employees also increased (by 51.1 thous., i.e. 2.5 %). On the other hand, the number of assisting household members declined (after a sharp increase in 2015) by 27 % to 2.7 thous.

**By gender**, the number of employed women increased more intensely (by 3.6 %, i.e. 39.2 thous.) than the number of employed men (by 2.1 %, i.e. 28.9 thous.).

In 2016, the share of employees with *part-time jobs* increased. This job opportunity was used on average by 6.7 % of the total number of employees, which was 0.2 pp more than in 2015. The share was traditionally higher for women (8.7 %) than for men (5.0 %). Compared to 2015, the absolute number of employees with part-time jobs increased by 5.5 %, i.e. 7.4 thous. persons (in 2016, there was a total of 142.1 thous. employees with part-time jobs, of which 55.9 thous. men and 86.2 thous. women).

By age, the number of the employed aged 60 and over increased extremely markedly (by more than 18 % on average). An above-average growth in the number of the employed was also recorded in the youngest age groups (aged 15-24) entering the labour market (by 4.2 % on average). The year-on-year development of the number of the employed by individual 5-year age groups is shown in the table below.

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<sup>&</sup>lt;sup>12</sup> LFS methodology is in accordance with international definitions and recommendations of the International Labour Organization (ILO) and Eurostat, including persons on maternity leave and working abroad for up to 1 year

<sup>&</sup>lt;sup>13</sup> Short-term employment, i.e. persons who worked abroad for up to one year, including commuting to work for an unlimited time period.

Table 2.4 Number of Employed Persons by Age in 2016 (Annual Average)

Indicator	Number of the employed (thous. persons)	Share in SR (in %)	Index 2016/2015
Total	2,492.1	100.0	102.8
of which age group:			
15 – 19 years	11.4	0.5	132.6
20 – 24 years	149.0	6.0	102.6
25 – 29 years	298.6	12.0	99.6
30 – 34 years	331.6	13.3	103.4
35 – 39 years	369.0	14.8	101.1
40 – 44 years	358.3	14.4	106.2
45 – 49 years	296.9	11.9	101.0
50 – 54 years	295.9	11.9	102.6
55 – 59 years	263.3	10.6	99.4
60 – 64 years	98.0	3.9	120.5
65 years and over	20.4	0.8	107.4

Source: SO SR, LFS

The long-term trend of increasing the educational level of employed persons also continued in 2016. Compared to 2015, the largest absolute increases in the number of employed were recorded for persons with university education (by almost 30 thous. persons) and persons with secondary specialised education with secondary school-leaving examination, i.e. maturita (20 thous. persons). The drop in the number of employed was recorded only in the group of employed with secondary vocational (apprenticeship) education without maturita and without education. The most intense increase in employment was achieved by persons with completed secondary general education with maturita. The largest share in the total employment was associated with persons with secondary specialised education with maturita, with secondary vocational (apprenticeship) education without maturita and with university education (almost 85 % in total).

Table 2.5 Employed by Level of Education in 2016 (Annual Average)

Indicator	Number of the employed (thous. persons)	Share in SR (in %)	Index 2016/2015
Total	2,492.1	100.0	102.8
of which education:			
Basic	105.0	4.2	107.8
Secondary vocational			
(apprenticeship) without			
maturita	677.9	27.2	100.9
Secondary vocational			
(apprenticeship) with			
maturita	150.3	6.0	96.5
Secondary general with			
maturita	103.0	4.1	110.9
Secondary specialised			
with maturita	851.6	34.2	102.4
Higher professional	21.0	0.8	101.0
University	583.4	23.4	105.4
Without school education	0.1	0.0	33.3

Source: SO SR, LFS

**By regions**, the number of employed persons grew year on year in all regions (ranging from 0.5 % in the region of Košice to 4.7 % in the region of Bratislava). The most populous regions (Prešov and Košice) and the region of Bratislava have traditionally the largest share in the total number of the employed. (Annex to Chapter 2, Table 3)

Of the total number of employed persons in SR in 2016, 159.7 thous. persons **worked abroad**<sup>14</sup>, accounting for 6.4 % of the total number of employed persons in SR. The number of short-term workers abroad increased by 11.7 thous. (7.9 %) year on year, and the intensity of the year-on-year growth of the number of short-term working Slovak citizens abroad is gradually decreasing. The growth rate of the number of workers abroad slowed by 2.5 pp year on year; despite the fact that the number of workers abroad grew faster than the number of workers in SR. In the long-term, the largest share of people finding a job abroad come from the region of Prešov (more than a quarter of the total number of short-term workers abroad). With regard to the European countries, Slovak citizens worked mainly in the Czech Republic and Austria (these two countries contributed to the short-term migration of Slovak citizens for work abroad with more than 50 %). Among the persons working abroad, the most were employed in construction industry (28.7 %), healthcare and social services (24.2 %) and industrial branches (20.3 %). In terms of age structure, the group of workers aged 25-34 (31.6 % of the total number of short-term working Slovak citizens abroad) prevailed.

Table 2.6 Development of Foreign Labour Migration by Regions in 2016

Region of	Employed abroad (thous. persons)	index 2016/2015	Share in SR (in %)	Share of employed abroad in total employment in SR, or region (in %)
SR in total	159.7	107.9	100.0	6.4
of which:				
Bratislava	7.2	118.0	4.5	2.2
Trnava	6.8	125.9	4.3	2.4
Trenčín	13.0	123.8	8.1	4.6
Nitra	18.4	86.0	11.5	5.8
Žilina	26.5	95.3	16.6	8.4
Banská Bystrica	21.5	109.1	13.5	7.4
Prešov	41.5	109.8	26.0	12.2
Košice	24.9	127.7	15.6	7.6

Source: SO SR, LFS

The employment rate for persons aged 20-64 years increased year on year by 2.1 pp to 69.8 %; the increase was recorded for both sexes (by 1.9 pp to 76.9 % for males and by 2.4 pp to 62.7 % for females). %). It is positive that the year-on-year dynamics of employment growth of the population aged 20-64 was faster in 2016 than in 2015 (an increase of 0.3 pp).

By age, the highest specific employment rate was reached in 5-year age groups from 35 to 54 years (over 80 %). For men, the specific employment rate of 80 % and over was reached in all 5-year age groups from 25 to 54 years; for women, the specific employment rate of 80 % and over was reached in 5-year age groups from 40 to 49 years. (Annex to Chapter 2, Table 2)

Compared to 2015, the specific employment rate increased in all 5-year age groups, ranging from 0.1 pp (group aged over 64) to 4.2 pp (group aged 60-64). A significantly above-average growth was also recorded in groups aged 20-24 years (by 3.0 pp) and 30-34 years (by 2.9 pp).

The specific *employment rate of young people (aged 15-24 years)* reached an average of 25.2 % and was 1.8 pp higher than a year ago. Its level increased year on year for both sexes, more considerably for males (by 3.5 pp to 31.9 %) than for females (by 0.2 pp to 18.2 %).

 $<sup>^{14}</sup>$  Short-term employment, i.e. persons who worked abroad for up to one year, including commuting to work for an unlimited time period.

The specific *employment rate of older people (aged 55-64 years)* reached a level of 49.1 % and was 2.1 pp higher than a year ago. It increased for both sexes, more considerably for females (by 2.5 pp to 43.5 %) than for males (by 1.5 pp to 55.1 %). This was also reflected in a more substantial reduction in the difference between employment rates of males and females in this age group (from 12.6 pp in 2015 to 11.6 % in 2016). More detailed figures are given in Annex to Chapter 2, Table 2.

*By education*, the highest specific employment rate was reached in groups with advanced vocational training (78.7 %) and university education (77.3 %). On the contrary, the lowest specific employment rate was reached by persons without school education (1.0 %) and with basic education (19.8 %). Compared to 2015, the employment rate increased in all educational groups (ranging from 0.8 pp to 8.0 pp) except for the group without education (a decrease of 2.9 pp). (Annex to Chapter 2, Table 2)

Among the individual regions, the highest employment rate of the population aged 20-64 years was reached by the region of Bratislava (78.7 %); it also had the most significant year-on-year dynamics of its growth rate (by 3.5 pp). On the other hand, its lowest level was recorded in the region of Košice (64.0 %); it grew by only 0.7 pp year on year, which was the lowest increase among all regions. This development was reflected in an increase in interregional disparities between the employment rates of the population aged 20-64 years; the difference between the lowest and highest employment rates increased from 12.4 pp in 2015 to 14.7 pp in 2016.

Table 2.7 Employment Rate of the Population Aged 20 – 64 years by Regions (Annual Average in %)

Region of	Employment rate 2015	aged 20 – 64 years 2016	Change 2016/2015 (pp)
SR in total	67.7	69.8	2.1
Bratislava	75.2	78.7	3.5
Trnava	71.7	74.8	3.1
Trenčín	69.0	71.4	2.4
Nitra	67.6	69.9	2.3
Žilina	67.7	69.9	2.2
Banská Bystrica	66.6	67.9	1.3
Prešov	62.8	65.1	2.3
Košice	63.3	64.0	0.7

Source: SO SR, LFS

#### 2.1.2.3 Employment according to Statistical Reporting by SO SR

According to the quarterly statistical reports, the average number of employed persons in the national economy in 2016 amounted to 2,307.0 thous. Compared to 2015, it grew by 2.5 %, which represented an increase of 55.3 thous. persons in absolute terms.

Regarding the **sectorial structure**, of the total number of employed persons in SR in 2016, 3.9 % of them worked in agriculture (a year-on-year decrease of 0.3 pp), 22.9 % in industry (a year-on-year increase of 0.3 pp), 6.8 % in construction industry (6.9 % in 2015) and 66.4 % in the services sector (66.3 % in 2015). In the services sector, the largest share in total employment was reached by wholesale and retail trade, repair of motor vehicles (23.8 %), but its share in the total number of employed in the services sector is gradually decreasing (its share in 2015 was 24.3 %).

Compared to 2015, employment fell only in enterprises with 250-499 employees and for sole traders. Other enterprise size classes recorded a year-on-year increase in the number of employees (ranging from 2.0 % to 12.6 %). Small and medium enterprises, including sole traders in 2015 contributed to the overall employment of SR with 69.9 %, which was 0.3 pp more than in 2015.

Number of Employees	Persons	2015 Index 2015/2014	Share in %	Persons	2016 Index 2016/2015	Share in %
0 – 19	330,377	101.4	14.7	353,747	107.1	15.3
20 – 49	216,076	105.4	9.6	229,992	106.4	10.0
50 – 249	385,042	101.4	17.1	395,380	102.7	17.1
250 – 499	160,141	113.6	7.1	143,149	89.4	6.2
500 – 999	138,651	99.0	6.2	156,144	112.6	6.8
1,000 and over	386,845	104.1	17.2	394,557	102.0	17.1
Sole traders* (estimate)	634,500	98.9	28.2	634,000	99.9	27.5
Total	2,251,631	102.1	100.0	2,306,968	102.5	100.0

Table 2.8 Employment by Size Classes of Enterprises in Persons (Annual Average)

Source: SO SR, Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4. štvrťroku 2015 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2016, in Slovak only) \*including employees of sole traders

According to SO SR data, 50,257 employees with disabilities, i.e. 3.7% of the total average registered number of employees in Slovakia, were working in 2016 (data from enterprise reporting, less small organisations with up to 19 employees and an annual production of less than €5 million). Compared to 2015, their number increased by 10.6% (4,829 persons) and their share in total employment by 0.3 pp.

#### 2.1.2.4 Job Vacancies

According to statistical reports, in 2016, a total of 20,054 job vacancies were available in the national economy on average. Compared to 2015, their number increased by 16.6 % (2.9 thous. vacancies) in absolute terms.

By individual sectors, the number of job vacancies grew year on year practically in all sectors (a decrease was recorded only in the sector of public administration and defence; job vacancies in compulsory social security increased by 21.4 %, i.e. 1.6 thous. jobs, in the supply of electricity, gas and steam by 13.6 %, i.e. 81 jobs, and in the health and social care sectors by 5.8 %, i.e. 35 jobs).

**In absolute terms**, job vacancies increased the most in number in industrial production (by 820 jobs).

**By regions**, in 2016, the most job vacancies were in the region of Bratislava (specifically 8,240, representing 41.1 % of the total average number of job vacancies in SR). With the exception of the region of Bratislava, the number of job vacancies was in all regions higher than a year ago.

Table 2.9 Job Vacancies in 2016 by Regions (Annual Average)

D 6	Jo	Index	
Region of	Number	Share in SR (in %)	2016/2015
SR in total	20,054	100.0	116.6
of which:			
Bratislava	8,240	41.1	93.9
Trnava	1,692	8.4	118.5
Trenčín	1,701	8.5	142.1
Nitra	1,563	7.8	137.7
Žilina	1,955	9.7	171.6
Banská Bystrica	1,724	8.6	131.4
Prešov	1,647	8.2	134.4
Košice	1,532	7.6	155.4

Source: SO SR, Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4. štvrťroku 2016 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2016, in Slovak only)

#### 2.1.3 Development of Unemployment

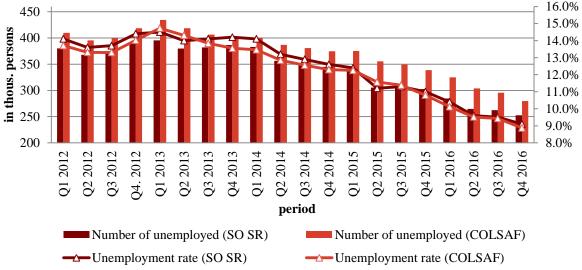
Unemployment, like employment, can be monitored using several conceptually different approaches.

The unemployment monitoring methodology based on registers of offices of labour, social affairs and family differs significantly from the methodology of unemployment monitoring based on the LFS. It describes different populations due to a different definition of an unemployed person, depends on the motivation to register, as well as the legislative conditions of registration. Although not internationally comparable, it provides administrative data reported on a monthly basis and at the lowest administrative-territorial level.

*The Labour Force Survey* carried out by SO SR in households, defines the unemployed in line with the ILO definition as persons aged 15-74 years who simultaneously meet the following three conditions:

- 1. they are not working for pay or profit during the reference week;
- 2. they are actively seeking work during the last four weeks or who found a job to start within 3 months at the latest and
- 3. they are able to start work within the next two weeks following the reference week.

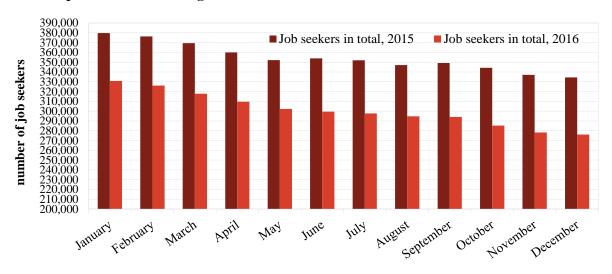
Graph 2.6 Development of Unemployment, Comparison of Data by SO SR and COLSAF



Source: SO SR (LFS), COLSAF

#### 2.1.3.1 Unemployment according to Registers of Offices of Labour, Social Affairs and Family

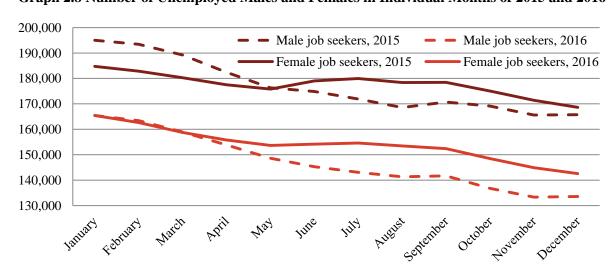
In Slovakia, there were *300,988 registered job seekers on average* in 2016. The development of registered unemployment in individual months was characterised by a positive trend throughout the year. The number of registered unemployed was lower in each month of 2016 than in the same month of the previous year, both for males and females, even decreasing during 2016 on a month-on-month basis. In comparison with 2015, the average monthly number of registered job seekers fell by 53,594 persons, i.e. by 15.11 % (in 2015, there was a monthly average of 354,582 registered job seekers).



Graph 2.7 Number of Registered Job Seekers in Individual Months of 2015 and 2016

Source: COLSAF

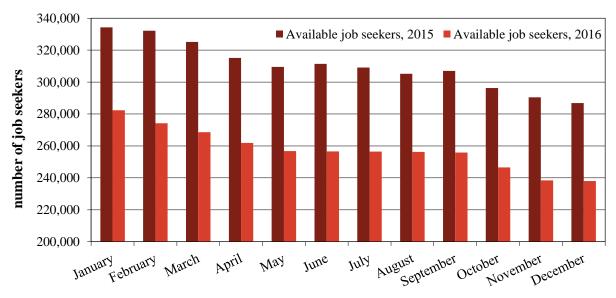
Of the total average number of registered job seekers, 153,896 were women (51.13 %). This represents a decrease of 23,773 persons (13.38 %) compared to 2015 (on average 177,669 women). The greatest share of women in the total number of registered job seekers in 2016 was recorded in the region of Nitra (56.37 %). In other regions, the proportion ranged from 48.17 % (the region of Prešov) to 55.55 % (the region of Trnava).



Graph 2.8 Number of Unemployed Males and Females in Individual Months of 2015 and 2016

Source: COLSAF

Graph 2.9 Number of Available Registered Job Seekers in Individual Months of 2015 and 2016



Source: COLSAF

The average number of available<sup>15</sup> registered job seekers reached 257,664 persons in 2016. This represents a year-on-year decrease of 52,556 persons, i.e. by 16.94 % (in 2015 there were 310,220 available registered job seekers on average).

360,000 ■ average for 2015 ■ average for 2016 340,000 number of job seekers 320,000 300,000 354,582 280,000 310,220 260,000 300.988 240,000 257,664 220,000 Job seekers in total Available job seekers

Graph 2.10 Comparison of Average Number of Job Seekers in 2015 and 2016

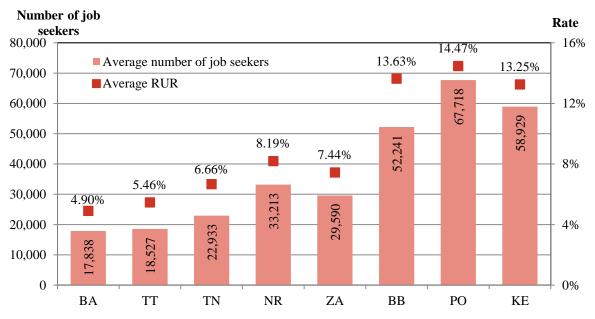
Source: COLSAF

The registered unemployment rate (calculated from the available number of job seekers) in individual quarters declined gradually during the year. It was lower in 2016 than in 2015 in all quarters. The average reached for 2016 was 9.48 % (an average year-on-year decrease of 2.02 pp).

**By regions**, in 2016, the highest average rate of registered unemployment was recorded in the region of Prešov (14.47%) and the lowest in the region of Bratislava (4.90%). In addition to the region of Prešov, the national average registered unemployment rate (9.48%) was also exceeded in the region of Banská Bystrica (with an annual average of 13.63%) and the region of Košice (with an annual average of 13.25%).

<sup>&</sup>lt;sup>15</sup> An available registered job seeker is a job seeker who can take up employment immediately after being offered a vacancy. It is a registered job seeker with no objective obstacles for recruitment.

Graph 2.11 Average Registered Unemployment Rate and Average Number of Registered Job Seekers by Regions in 2016

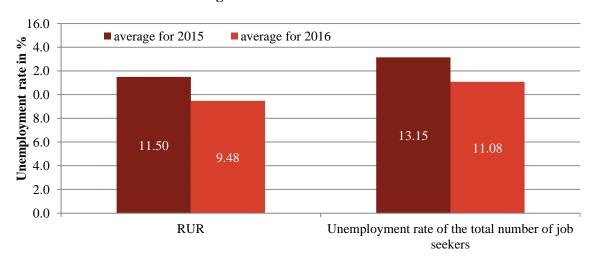


Source: COLSAF

In all regions of Slovakia a year-on-year decline of the average registered unemployment rate was achieved, ranging from 0.95 pp in the region of Bratislava to 2.39 pp in the region of Banská Bystrica. A year-on-year decline of the average registered unemployment rate higher than the national average (2.02 pp) was recorded in five regions: Prešov (by 2.04 pp), Košice (by 2.12 pp), Nitra (by 2.31 pp), Žilina (by 2.34 pp), and Banská Bystrica (by 2.39 pp). A decrease of 0.95 pp was recorded in the region of Bratislava, a decrease of 1.88 pp in the region of Trenčín, and a decrease of 2.02 pp in the region of Trnava. (The graphical representation of the registered unemployment rate is given in Annex to Chapter 2, Graph 1).

The unemployment rate calculated from the total number of registered job seekers reached an average annual level of 11.08 % in 2016, representing a year-on-year decrease of 2.07 pp.

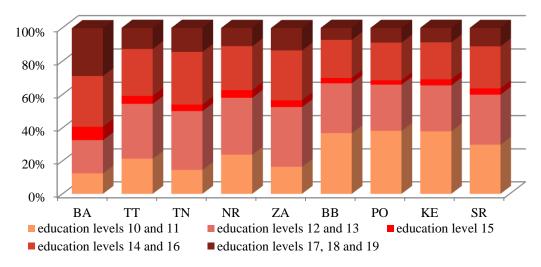
Graph 2.12 Average Registered Unemployment Rate and Unemployment Rate Calculated from Total Number of Registered Job Seekers in SR in 2015 and 2016



Source: COLSAF

The structure of registered job seekers by education <sup>16</sup> in 2016 has not changed in comparison with previous years. The average monthly number of registered job seekers was traditionally the highest among job seekers with secondary vocational education (including lower secondary vocational education, i.e. educational levels 12 and 13), with a number of 90,385 persons and a share of 30.03 %. The second highest number was reached by job seekers only with basic education (level 11) or with incomplete basic education (level 10), with a number of 89,742 persons and a share of 29.81 %. The following group is represented by registered job seekers with secondary specialised education (level 14) with a number of 74,476 persons and a share of 24.74 %. A less numerous group are university-educated registered job seekers (levels 17, 18, and 19) with a number of 33,196 persons and a share of 11.03 %, while most of them had a Master degree (26,511 persons, 8.81 %). The smallest group were the registered job seekers with university education and a PhD. degree, with an average number of 819 persons and a share of 0.27 %. Less numerous were also the groups of registered job seekers with higher professional education (level 16), with a number of 1,463 persons and a share of 0.49 %, and the registered job seekers with secondary general education (level 15), with a number of 11,463 persons and a share of 3.81 %.

Graph 2.13 The Share of Registered Job Seekers by Levels of Education in Regions of Slovakia in 2016



Source: COLSAF

**By regions**, most registered job seekers with basic or incomplete basic education (levels 10, 11) were in three regions. These were the regions of Prešov (38.21 %), Košice (37.94 %), and Banská Bystrica (36.82 %). In the regions of Žilina (35.98 %), Trenčín (35.49 %), Nitra (34.24 %) and Trnava (33.03 %), the biggest group were the registered job seekers with lower secondary vocational and secondary vocational education (levels 12, 13). The largest group (30.48 %) in the number of registered job seekers in the region of Bratislava were persons with secondary specialised and higher professional education (levels 14 and 16). Comparing year on year, there was no significant change in shares of the various educational groups of registered job seekers in the regions.

<sup>16</sup>levels of education

10 Incomplete basic education

11 Basic education

12 Lower secondary vocational

13 Secondary vocational education

14 Secondary specialised education

N/A Not specified

15 Secondary general education

16 Higher professional education

17 University education – Bachelor degree

18 University education – Master degree

19 University education – PhD. degree

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**By age structure**, the largest group of registered job seekers in 2016 were persons aged 15-24 years (44.7 thousand, 14.84 % of all registered job seekers). The second largest group were the registered job seekers aged 55-59 years, with a number of 37.2 thousand persons and a share of 12.36 %, followed by the registered job seekers aged 35-39 years, with a number of 37.2 thousand persons and a share of 12.35 %. Compared to 2015, the share of registered job seekers aged up to 29 decreased at the expense of other age groups mainly thanks to programmes focused on this age group.

Table 2.10 Structure of Registered Job Seekers by Age in Regions of Slovakia in 2016 (in %)

Territory	of which									
(regions of Slovakia)	15-24 y.	25-29 y.	30-34 y.	35-39 y.	40-44 y.	45-49 y.	50-54 y.	55-59 y.	over 60 y.	
Bratislava	11.72	13.22	13.11	14.18	11.76	8.90	10.07	13.08	3.96	
Trnava	14.77	12.15	11.74	12.86	11.62	9.81	10.95	13.17	2.94	
Trenčín	14.51	12.45	11.08	11.65	10.74	10.26	12.06	14.08	3.18	
Nitra	12.49	10.69	11.06	12.72	12.13	10.81	12.19	14.72	3.20	
Žilina	16.05	12.49	10.57	11.01	11.06	10.55	11.70	13.41	3.15	
Banská Bystrica	13.62	11.37	11.61	12.43	12.27	10.93	12.25	13.11	2.42	
Prešov	17.63	13.23	12.10	12.03	11.75	10.49	10.59	10.12	2.05	
Košice	14.52	12.61	12.05	12.65	12.32	10.88	11.51	11.25	2.21	
Slovakia	14.84	12.31	11.70	12.35	11.84	10.53	11.45	12.36	2.63	

Source: COLSAF

In terms of duration of registration as a job seeker in 2016, the average number of job seekers registered for more than 12 months was 152,610, a year-on-year decrease of 36,841 persons (19.45%). The share of job seekers registered for more than 12 months in the total number of registered job seekers declined by 2.73 pp to 50.70%; the average number of job seekers registered for less than 12 months declined by 16,753 persons (10.15%) year on year. The number of job seekers registered for more than 48 months decreased year on year to 67,178 persons and accounted for 22.32% of the total number of registered job seekers. In the group of job seekers registered for less than 48 months, most of the job seekers were in the category of up to 3 months (57,328 persons, a share of 19.05%). The number of registered job seekers decreased year on year in all the groups.

The highest average number of female registered job seekers in 2016 was reported in the group of those registered for more than 48 months (36,509 persons, 23.72 %). The second highest number of female registered job seekers was in the group of registered for up to 3 months (27,633 persons, 17.96 %).

The average duration of registration as a job seeker in 2016 decreased year on year to 12.87 months (it was 16.05 months in 2015).

Table 2.11 Average Number of Registered Job Seekers by Duration of Registration in Months in 2016, by Regions (in Persons)

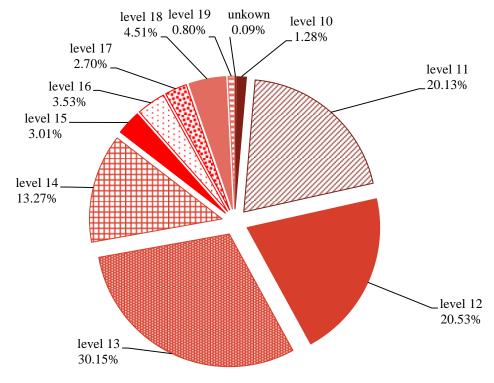
Area (regions of Slovakia)	total	up to 3 months	4-6 months	7-9 months	10-12 months	13-18 months	19-24 months	25-30 months	31-36 months	37-42 months	43-48 months	over 48 months
Bratislava	17,838	4,895	3,578	2,023	1,262	1,569	1,010	748	553	484	393	1,323
Trnava	18,527	5,310	3,603	2,101	1,342	1,618	887	652	490	429	356	1,740
Trenčín	22,933	5,650	4,038	2,345	1,551	1,957	1,204	947	728	680	581	3,254
Nitra	33,213	6,933	5,142	3,170	2,178	2,968	2,021	1,614	1,217	1,082	928	5,962
Žilina	29,590	6,926	5,209	3,129	2,088	2,594	1,519	1,156	919	889	751	4,409
Banská Bystrica	52,241	7,995	6,473	4,331	3,200	4,447	2,924	2,357	1,834	1,706	1,579	15,395
Prešov	67,718	10,665	8,453	5,779	4,413	6,174	3,948	3,033	2,317	2,159	2,067	18,710
Košice	58,929	8,955	7,047	4,840	3,757	5,413	3,612	2,800	2,202	2,028	1,890	16,385
Slovakia	300,988	57,328	43,541	27,718	19,791	26,739	17,124	13,307	10,261	9,455	8,545	67,178

Source: COLSAF

In 2016, a monthly average of 38,170 **job vacancies** was reported at the local Offices of Labour, Social Affairs and Family (hereinafter referred to as local OLSAFs), representing a year-on-year increase of 14,462 vacancies per month. From a regional perspective, the highest average monthly number of reported job vacancies in 2016 was in the region of Bratislava (8,087 vacancies), Trnava (5,558 vacancies) and Žilina (4,965 vacancies). The lowest average monthly number of vacancies was in the region of Košice (2,926 vacancies).

Considering demand structured by education in 2016, the most vacancies required secondary vocational education (11,507 vacancies, 30.15 %) and lower secondary vocational education (7,835 vacancies, 20.53 %). The lowest number of job vacancies was available for registered job seekers with incomplete basic education (489 vacancies, 1.28 %) and university education with a PhD. degree (306 vacancies, 0.80 %).

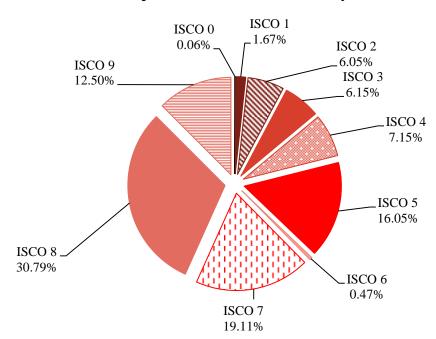
Graph 2.14 Job Vacancies in 2016 by Education Requirements



Source: COLSAF; Levels of education are defined in the footnote 16

By regions, the highest number of job vacancies for job seekers with secondary vocational education was reported in the regions of Bratislava (2,060 vacancies) and Trenčín (1,720 vacancies), the lowest in the region of Košice (924 vacancies). The highest number of vacancies for job seekers with lower secondary vocational education was reported in the regions of Bratislava (1,675 vacancies) and Trnava (1,228 vacancies) and the lowest in the region of Košice (484 vacancies).

According to the SK ISCO-08 classification<sup>17</sup> in 2016 the most job vacancies reported at local OLSAFs were jobs for plant and machine operators and assemblers (11,754 vacancies, 30.79 %), for craft and related trades workers (7,295 vacancies, 19.11 %) and for service and sales workers (6,125 vacancies, 16.05 %). The least vacancies reported were jobs for staff members of the armed forces (24 vacancies, 0.06 %).



Graph 2.15 Job Vacancies in 2016 by SK ISCO-08

Source: COLSAF

By regions, the highest number of job vacancies for plant and machine operators and assemblers was reported in the regions of Trnava (2,541 vacancies) and Bratislava (2,317 vacancies). The highest number of job vacancies for craft and related trades workers was offered in the region of Prešov (1,190 vacancies). The highest number of job vacancies for service and sales workers was offered in the region of Bratislava (1,509 vacancies).

1 Legislators, managers

2 Professionals

- 3 Technicians and associate professionals
- 4 Clerical support workers
- 5 Service and sales workers
- 6 Skilled agricultural, forestry and fishery workers
- 7 Craft and related trades workers
- 8 Plant and machine operators and assemblers
- 9 Elementary occupations
- Armed forces occupations

<sup>&</sup>lt;sup>3</sup> SK ISCO-08

#### Disadvantaged job seekers

A disadvantaged job seeker is defined in Act No. 5/2004 Coll. on Employment Services and on amendments and supplements to certain acts, as amended, as follows:

- a) a citizen below 26 years of age, who has completed his/her systematic vocational preparation in full-time study courses less than two years ago and failed to acquire his/her first regularly paid employment (hereinafter simply the school-leaver);
- b) a citizen over 50 years of age;
- c) a citizen maintained in the register of job seekers for at least 12 consecutive months (hereinafter simply the long-term unemployed citizen);
- d) a citizen with less than secondary vocational education;
- e) a citizen who had no regular paid employment for at least 12 consecutive calendar months before registering as a job seeker;
- f) a third country national who has been granted asylum or has been granted subsidiary protection;
- g) a citizen living as a solitary adult with one or more people dependent on his/her care or caring for at least one child before the end of compulsory education;
- h) a disabled citizen.

These conditions define persons who have difficulties entering the labour market due to their age, duration of their job seeker registration, lack of practice, health, inability to continue the previous job, family reasons or position in society, and, therefore, require intensified care.

Table 2.12 Average Number of Disadvantaged Job Seekers in 2016 by Regions (in Persons)

Disadvantaged job seekers according to Section 8 of Act No. 5/2004 Coll.								
Area	(a)	<b>(b)</b>	(c)	( <b>d</b> )	(e)	<b>(f)</b>	(g)	( <b>h</b> )
region of Bratislava	1,072	4,827	6,090	2,442	10,018	0	41	307
region of Trnava	1,259	5,008	6,181	4,020	10,807	1	44	649
region of Trenčín	1,635	6,714	9,356	3,511	13,271	0	149	1,358
region of Nitra	1,861	9,989	15,800	8,060	20,968	3	361	880
region of Žilina	2,332	8,356	12,248	5,139	18,677	0	74	1,246
region of Banská Bystrica	2,153	14,498	30,255	19,672	36,651	2	338	1,756
region of Prešov	3,795	15,399	38,428	26,967	48,431	1	197	2,791
region of Košice	2,845	14,700	34,346	22,766	42,580	5	392	1,813
Slovakia	16,952	79,493	152,703	92,575	201,403	12	1,595	10,800

Source: COLSAF

In regional terms, the highest number of disadvantaged job seekers in all groups (except for subpar. (f) and (g)) was recorded in the region of Prešov. High numbers of disadvantaged job seekers were recorded also in the regions of Košice and Banská Bystrica. In all regions of Slovakia in 2016, the most numerous groups of disadvantaged job seekers were job seekers with no regular paid employment for 12 months prior to enrolment and the long-term registered citizens.

The largest group of disadvantaged job seekers are citizens who **had no regular paid employment for at least 12 consecutive calendar months** before registering as job seekers, i.e. had no job that lasted at least six consecutive months. In 2016, there were on average 201,403 of them, representing a year-on-year decrease by 40,652 persons, i.e. 16.79 % (in 2015 – 242,055 persons). Their share in the total average number of registered job seekers was 66.91 %, representing a decrease of 1.36 pp in comparison with 2015 (68.27 %).

**The long-term unemployed citizens** are the second most numerous disadvantaged group. In 2016, 152,703 long-term unemployed citizens were registered on average. Their total number decreased by 38,352 persons (20.07 %) compared to 2015.

The share of the long-term unemployed citizens in the total number of registered job seekers in 2016 averaged at 50.73 %, an decrease of 3.15 pp compared to 2015 (53.88 %).

210,000 56% 200,000 54% 190,000 180,000 52% 170,000 50% 160,000 150,000 48% 140,000 46% 130,000 120,000 44% October May June Hill 2015 number of job seekers – long-term unemployed citizens 2016 number of job seekers – long-term unemployed citizens • 2015 share of job seekers – long-term unemployed citizens **□** 2016 share of job seekers – long-term unemployed citizens

Graph 2.16 The Number of the Long-term Unemployed Citizens and Their Share in the Total Number of Registered Job Seekers

Source: COLSAF

In 2016, the average monthly number of job seekers from among **school graduates** reached 16,952. In comparison with 2015 (22,230 job seekers), it decreased by 5,278 persons (23.74 %). Their share in the total average number of job seekers decreased year on year by 0.64 pp from 6.27 % in 2015 to 5.63 % in 2016.

The development in the number of school-leaver job seekers is cyclical and is affected mainly by the inflow of school-leavers into the register in accordance with the schedule of the school year for secondary schools and universities. The inflow of school-leavers generally peaks in September, when, after the holidays of secondary and vocational schools, the school-leavers get recorded at local OLSAF. Another high inflow occurs in June due to the inflow of university graduates. Outflow is more pronounced in September, when some of the school-leavers leave the register to continue their education.

At the end of 2016, the local OLSAFs registered 14,596 unemployed full-time study school-leavers, representing 5.29 % of the total number of registered job seekers (5.80 % in 2015). Compared with the same period of the previous year (19,380 persons), this represented a decline of 4,784 school-leavers (24.69 % relatively).

In terms of educational structure, the largest group at the end of 2016 were school-leavers with secondary specialised education, with a number of 6,794 persons (46.55 % of all registered school-leaver job seekers). A specific group were university graduates with a Master degree, with a number of 3,278 persons and a share of 22.46 % of the total number of registered school-leaver job seekers (Annex to Chapter 2, Table 6).

By the field of study, the largest share (53.85 %) formed the "Social Sciences and Services" graduates, with a number of 7,860 persons. While their number decreased year on year by 2,765 persons, i.e. by 0.98 pp. The second largest group were "Technical Sciences" graduates with a number of 4,709 persons and a share of 32.26 %.

In 2016, the average monthly number of registered job seekers **over 50 years of age** was 79,493. In comparison with 2015 (90,242 persons), this represented a decrease of 10,749 persons (11.91 %). Their share in the total number of registered job seekers was 26.41 %, an increase of 0.96 pp compared to 2015 (25.45 %).

In 2016, there was an average of 10,800 **disabled** registered job seekers and their number decreased year on year by 2,117 persons. The share of disabled job seekers in the total number of registered job seekers in 2016 was 3.59 %, decreasing by 0.05 pp year on year.

The share of job seekers living as solitary adults with one or more persons dependent on their care or caring for at least one child before the end of compulsory education in the total number of registered job seekers in 2016 decreased by 0.03 pp to 0.53 %. In 2016, their number reached an average of 1,595 persons, which was 377 less than in 2015.

Table 2.13 The Share of Selected Disadvantaged Groups of Registered Job Seekers in Total Number of Job Seekers (in %)

Disadvantaged job seekers	2015	2016	year-on-year change (pp)
School-leavers	6.27	5.63	-0.64
Registered job seekers over 50 years of age	25.45	26.41	0.96
Long-term unemployed citizens	53.88	50.73	-3.15
Registered job seekers who had no regular paid employment for at least 12 months before registering	68.27	66.91	-1.36
Disabled registered job seekers	3.64	3.59	-0.05

Source: COLSAF

#### 2.1.3.2 Unemployment according to Labour Force Survey by SO SR

A growth in total employment was accompanied by a decline in unemployment. The average unemployment rate decreased at an even higher pace than in the previous year; by its level in 4Q 2016 (9.1 %), it significantly approached its pre-crisis minimum in 4Q 2008 (8.7 %).

Over the year 2016, the **number of unemployed** in Slovakia decreased by 48.1 thous. persons (by 15.4 %) to 266.0 thous. persons. The year-on-year decline in the number of unemployed persons was greater for females, since the number of unemployed women decreased year on year by 16.0 %, i.e. 25.4 thous. persons. The number of unemployed men in the same period decreased by 14.7 %, i.e. 22.9 thous. persons.

In 2016, the average unemployment rate reached 9.7 % (a decrease of 1.8 pp compared to 2015). It decreased year on year for both sexes, more considerably for females (by 2.2 pp to 10.7 %) than for males (by 1.5 pp to 8.8 %). As a result, the gender gap in the unemployment rate decreased in 2015 it reached 2.6 pp, in 2016 only 1.9 pp.

The specific **unemployment rate of youth (aged 15-24 years)** decreased by 4.2 pp year on year to 22.3 %, while the decline was more pronounced for males (by 6.0 pp to 19.8 %) than females (by 1.1 pp to 26.4 %).

The specific **unemployment rate of older people (aged 55-64 years)** decreased by 0.4 pp year on year, reaching 9.0 %; it increased for males (by 0.2 pp to 8.4 %) and decreased for females (by 0.9 pp to 9.7 %).

Unemployed **Unemployment rate** Region of Share thous. **Index** Year-on-year % change (pp) in SR (in %) 2016/2015 persons SR in total 100.0 9.7 266.0 84.6 -1.8 of which age group: 15 - 19 years 9.3 94.9 44.1 -9.1 3.5 20 - 24 years 36.4 19.7 -4.2 13.7 0.08 25 - 29 years 11.4 38.5 14.5 93.0 -0.8 30 - 34 years 9.2 33.6 78.9 -2.6 12.6 35 - 39 years 35.4 13.3 92.7 8.8 -0.7 40 - 44 years 25.9 9.7 70.2 6.7 -3.2 45 - 49 years 23.6 8.9 78.9 7.3 -2.0 50 - 54 years 27.4 8.5 -2.0 10.3 81.3 55 - 59 years 29.7 10.1 0.1 11.2 100.7 60 - 64 years 5.9 2.2 96.7 5.7 -1.3 65 years and over 0.5 100.0 2.6 -0.1 0.2

Table 2.14 Unemployment by Age in 2016 (Annual Average)

Source: SO SR, LFS

By the level of education, the highest unemployment rate was reached in the group of persons with basic education (32.1 %), which, as in 2015, more than three times exceeded the overall unemployment rate. However, its level significantly decreased in comparison with the previous year (by 6.4 pp; the overall average decrease of 1.8 pp for Slovakia). On the contrary, the lowest unemployment rate was reached in the group of persons with higher professional education (4.0 %). The unemployment rate lower than the overall average was also recorded in groups with university education (5.7 %) and secondary specialised education with maturita (7.1 %) (Annex to Chapter 2, Table 5).

Higher job creation in all regions and the integration of disadvantaged people into the labour market in 2016 positively reflected in the development of the number of the unemployed and the unemployment rates in all regions. The unemployment rates in regions with the highest (above-average) unemployment rate in the long term (i.e. the regions of Košice, Prešov and Banská Bystrica) continued to decline significantly.

In 2016, the number of the unemployed fell in all *regions*, ranging from 9.8 % in the region of Bratislava to 22.2 % in the region of Trnava. The highest share of the total number of the unemployed was reached in the region of Prešov (more than one fifth of the total number of the unemployed in the Slovak Republic).

The process of reducing disparities in the level of unemployment rate is ongoing. The unemployment rate below the overall average of Slovakia was reached in five regions (Bratislava, Trnava, Trenčín, Nitra, Žilina). The difference between the highest and lowest unemployment rates among the regions fell from 11.1 pp to 9.8 pp year on year.

Table 2.15 Unemployment by Regions in 2016 (Annual Average)

		Unemployed			Unemployment rate			
Region of	thous. persons	Share in SR (in %)	Index 2016/2015	%	Year-on-year change (pp)			
SR in total	266.0	100.0	84.6	9.7	-1.8			
of which:								
Bratislava	17.4	6.5	90.2	5.0	-0.8			
Trnava	25.9	9.7	77.8	8.5	-2.5			
Trenčín	17.4	6.5	82.5	5.8	-1.4			
Nitra	30.2	11.4	80.7	8.7	-2.1			
Žilina	29.9	11.2	84.2	8.6	-1.7			
Banská Bystrica	43.8	16.5	83.9	13.0	-2.3			
Prešov	59.2	22.3	88.8	14.8	-2.1			
Košice	42.3	15.9	86.5	11.4	-1.6			

Source: SO SR, LFS

The trend towards a gradual reduction in the level of long-term unemployment was also ongoing in 2016. According to SO SR data and the Labour Force Survey, an average of 150.7 thous. long-term unemployed (over 12 months) lived in Slovakia in 2016, accounting for 56.7 % of the total number of unemployed in the Slovak Republic. Despite the fact that the share of the long-term unemployed in the total number of the unemployed still slightly exceeds 50 %, it is positive that throughout the year 2016, the number of the long-term unemployed fell more rapidly than the total number of the unemployed (the number of the long-term unemployed decreased by 23 % year on year, and the total number of the unemployed decreased by 15.4 % year on year).

The least educated persons had the largest share in the long-term unemployed. The unemployed who attained only basic or secondary vocational (apprenticeship) education without maturita accounted for around 61 % of the total number of the long-term unemployed, thus representing about 34 % of the total number of the unemployed. At the same time, the aforementioned educational groups of the population are characterised by an above-average share of the long-term unemployed in the total number of the unemployed.

A significantly higher share of the long-term unemployed was recorded in pre-retirement age groups (namely the long-term unemployed in the 55-59 age group accounted for almost 70 % of the total number of the unemployed in 2016).

With regard to the distribution of long-term unemployment by individual regions, the largest share was reported in the region of Prešov, accounting for about 23 % of the total number of the long-term unemployed in Slovakia. A significantly above-average share of the long-term unemployed in the total number of the unemployed (over 60 %) was mainly in the regions of Žilina and Banská Bystrica. Only in two regions (Bratislava and Trenčín) the share of the long-term unemployed accounted for less than 50% in the total number of the unemployed.

Table 2.16 Unemployment by Its Duration in 2016 (Annual Average)

Duration of unemployment	Number of the unemployed (thous. persons)	Share of total number of unemployed (in %)	Index 2016/2015
Total	266.0	100.0	84.6
of which:			
up to 1 month	28.2	10.6	90.7
1 month to 3 months	24.9	9.4	105.1
3 months to 6 months	24.7	9.3	93.2
6 months to 1 year	37.5	14.1	100.5
1 year or over, of which:	150.7	56.7	77.0
1 to 2 years	37.5	14.1	70.1
over 2 years	113.2	42.6	79.6

Source: SO SR, LFS

#### 2.1.4 Active Labour Market Measures

# 2.1.4.1 Evaluation of Legislation Changes in Employment Services in 2015

## **Employment Services Act**

In 2016, the active labour market measures were used in the labour market to motivate employers to create new jobs for job seekers, support the creation of real jobs at local and regional level and promote job retention in small and medium-sized enterprises in order to support a wider group of disadvantaged job seekers.

**Active labour market measures** (hereinafter simply ALMM) in the reporting period were realized principally through the application of Act No. 5/2004 Coll. on Employment Services and on amendments and supplements to certain acts, as amended (hereinafter simply the Employment Services Act), which was amended by:

- Act No. 353/2015 Coll., amending and supplementing Act No. 5/2004 Coll. on Employment Services and on amendments and supplements to certain acts, as amended, which amends and supplements certain acts, with effect from 1 January 2016:
  - extended the definition of an employer for the purposes of the Employment Services Act by a self-employed person who wants to recruit a job seeker for after-graduation practising pursuant to Section 51 in order to ensure the possibility of after-graduation practising also in jobs normally done in the form of self-employment;
  - extended the range of natural persons who, for the purposes of the Employment Services
    Act, are deemed self-employed, by a proxy. It concerns the equalization of a proxy with
    other natural persons who carry out activities under the Commercial Code and are deemed
    self-employed (e.g. executive director, member of the supervisory board, member of the
    board of directors). This made the wording more specific in such a way that the condition for
    a self-employed person not to be an employee has been deleted;
  - extended the period for which a Confirmation of the Possibility of Filling a Vacancy containing a consent to such filling is issued, and extended the period for which a work permit for third-country nationals is granted to a maximum of five years in cases where stipulated by an international treaty by which the Slovak Republic will be bound, or if there is a guarantee of reciprocity between the Slovak Republic and a third country (in a so-called simplified form by exchange of diplomatic notes);
  - extended the grounds for removal of a job seeker from the register of job seekers by the case where the pension entitlement date precedes the date on which the job seeker is registered;
  - extended the range of grounds deemed to be non-cooperation of a job seeker with a local OLSAF without serious reasons in order to ensure the active participation of job seekers in active labour market measures and intensify their interest in meeting conditions mutually agreed between them and the local OLSAF:
  - also enabled education and training for the labour market in training courses and programmes which are not accredited, but provide expertise, skills and abilities needed to carry out work activities in jobs existing in the labour market and are conducted on the basis of an authorisation, certificate or registration under special regulations, such as Act No. 93/2005 Coll. on Driving Schools and on amendments and supplements to certain acts, as amended, Act No. 124/2006 Coll. on Occupational Safety and Health and on amendments and supplements to certain acts, as amended, Act No. 280/2006 Coll. on Compulsory Basic Qualifications and Regular Training of Some Drivers, as amended;
  - amended the title and wording of Section 53a in order to ensure that conditions to promote mobility for work in connection with finding employment are extended to at least six months so as to also take account of a temporary residence permit granted to a citizen in connection with finding employment in a place other than his/her permanent residence. At the same time, the nature of the expenditure has been specified in such a way that the costs of housing related to finding employment shall include the monthly expenses to pay for the services

provided in connection with the use of the dwelling or monthly rental expenses if the place of the new permanent or temporary residence is located at least 70 km away from its original permanent residence. The monthly amount of the allowance is 80 % of the amount of such expenses, but not more than 250.00 euros. An employee who has been a disadvantaged job seeker prior to finding employment also receives the allowance of no more than 125.00 euros for a further maximum of six months. The allowance is provided by a local OLSAF that registered the employee as a job seeker, and the provision of such allowance is tied to monthly proving the duration of employment and the housing costs. The exclusion of the allowance was also introduced and applies if the employee receives an allowance for commuting to work under Section 53 of the Employment Services Act. In order to prevent the misuse of the allowance, a local OLSAF provides the allowance for the same citizen again only after two years from the end of the period of its provision;

- in conjunction with Act No. 374/2014 Coll. on State Receivables and on amendments and supplements to certain acts, as amended by Act No. 87/2015 Coll., reconciled the legal regime for the collection of receivables from the guarantees executed with the collection of other state receivables. It also enabled conclusion of a contract for the collection of state receivables from the guarantees executed even before the lapse of two years from the due date of such amounts receivable because it is necessary to ensure qualified collection of these specific state receivables immediately after a failure to pay such amounts receivable by the due date through a specialised legal entity;
- provided for a uniform procedure for service of documents in accordance with the Act on Administrative Procedure;
- reduced the administrative burden on applicants for allowance under the Employment Services Act by replacing the previous duty to prove fulfilment of the obligations by the applicant with their verification by a local OLSAF which will verify such fulfilment by the applicant for allowance with competent authorities and institutions. Within its competence, a local OLSAF also ascertains whether the applicant for allowance has no financial obligations to the local OLSAF; the applicant for allowance only proves the fact that it is not in bankruptcy, liquidation or receivership and that there are no recorded unsatisfied claims of its employees arising from the employment relationship;
- provided for that the result of the annual settlement of health insurance contributions is not taken into account during the provision of allowances which allows for the total cost of labour, thus responding to the introduction of a deductible item from health insurance;
- specified the requirements for decisions and documents issued under the Act, which were produced electronically using the information system.
- Article VII of Act No. 378/2015 Coll. on Voluntary Military Training and on amendments and supplements to certain acts, amended the Employment Services Act with effect from 2 January 2016, namely it:
  - provided for that a job seeker who undergoes a volunteer military training and receives a financial contribution therefor is not excluded from the register of job seekers;
  - stipulated that a job seeker who is included in the active reserves is not excluded from the register of job seekers and can do regular exercises, perform the tasks of the Slovak Armed Forces, receive the motivation allowance and an aliquot part of the military rank pay;
  - extended serious reasons for when a job seeker does not need to attend a local OLSAF as for
    undergoing a voluntary military training and participation in regular exercises which prepare
    such job seeker for the performance of the extraordinary service in the armed forces and the
    tasks of the armed forces in dealing with extraordinary events;
  - extended the range of serious reasons not deemed to be non-cooperation of a job seeker with a local OLSAF, namely by undergoing a voluntary military training and participation in regular exercises, or performing tasks of the armed forces.
- Article XXXII of Act No. 91/2016 Coll. on Criminal Liability of Legal Entities and on amendments and supplements to certain acts, amended the Employment Services Act. With

effect from 1 July 2016, applicability of the condition for clean record has also been extended to a legal entity acting on behalf of a temporary employment agency and a supported employment agency, and to changes in the related procedural provisions on proving compliance with this condition (criminal record certificate not older than three months).

# 2.1.4.2 ALMM to Support Employability and Employment Growth and Their Implementation in 2016

According to the Employment Services Act, in 2016, these ALMM were offered to the registered job seekers, job changers and employees, to place or retain them in the labour market:

# a) increasing employability of registered job seekers and job changers

- Information and advisory services (Sect. 42)
- Professional advisory services (Sect. 43)
- Work preparation and training of a registered job seeker (Sect. 46)
- Contribution to graduate practice (Sect. 51)
- Contribution to activation programmes in the form of minor services for a municipality or self-governing region (Sect. 52)
- Contribution to activation programmes in the form of voluntary service (Sect. 52a)

### b) support of employment creation and retention

- Employment mediation (Sect. 32)
- Work preparation and training of employees (Sect. 47)
- Contribution to self-employment (Sect. 49)
- Contribution to support the employment of disadvantaged job seekers (Sect. 50)
- Integration of disadvantaged job seekers in a social enterprise (Sect. 50b)
- Contribution to support development of local and regional employment (Sect. 50j)
- Contribution to support job retention (Sect. 50k)
- Contribution to support the job creation in the first regularly paid employment (Sect. 51a)
- Contribution to commuting to work (Sect. 53)
- Contribution to support mobility for work (Sect. 53a)
- Contribution to transport to work (Sect. 53b)
- Contribution to creating new jobs (Sect. 53d)
- Financial support for employment retention in small and medium sized enterprises (Sect. 53e)
- Projects and programmes (Sect. 54)
- Contribution to establishing a sheltered workshop or workplace (Sect. 56)
- Contribution to retaining the employment of a disabled citizen (Sect. 56a)
- Contribution to self-employment of a disabled citizen (Sect. 57)
- Contribution to activities of an assistant at work (Sect. 59)
- Contribution to cover the operating costs of a sheltered workshop or workplace and transportation costs of employees (Sect. 60).

Most of the ALMM were implemented through national projects financed by the European Social Fund and co-financed from the state budget. In 2016, a total of 1,016,233 job seekers, job changers, or employees/jobs were financially supported with a total amount of more than 171 mil. euros. An overview of the application of individual ALMM in 2016 is given in Annex to Chapter 2 (Overview of the Implementation of Active Labour Market Measures and in Table 7).

# 2.2 Wages and Working Conditions

# **Evaluation of Legislation Changes in Wages and Working Conditions in 2016**

#### Minimum wage

• On 7 October 2015 with effect **from 1 January 2016**, the Government of the Slovak Republic approved, in accordance with the empowering provision of Act No. 663/2007 Coll. on Minimum Wage as amended, Government Ordinance No. 279/2015 Coll., establishing the minimum wage for 2016 in the amount of € 405.00 per month for an employee who is paid a monthly salary and € 2.328 per each hour worked by an employee. The increase of the amount of the minimum wage for 2016 compared to the minimum wage in 2015 (€ 380.00), established by Government Ordinance No. 297/2014 Coll., amounted to 6.58 %.<sup>18</sup>

#### **Labour Code**

- As of 1 January 2016, **Act No. 440/2015 Coll.** on Sports and on amendments and supplements to certain acts comes into force and effect; it provides for that the Labour Code shall apply to professional athletes in doing sports under a professional sports contract only if stipulated by a special regulation.
- As of 2 January 2016, Act No. 378/2015 Coll. on Voluntary Military Training and on amendments and supplements to certain acts comes into force and effect; it extended the grounds for prohibition of dismissal pursuant to Section 64(1) of the Labour Code by the period during which the employee is released for the purpose of undergoing a voluntary military training, doing regular exercises or performing the tasks of the Slovak Armed Forces under a special regulation. In Section 138b of the Labour Code, the amendment established a new barrier to work on the part of the employee, a barrier to work due to undergoing a voluntary military training.
- As of 18 June 2016, **Act No. 351/2015 Coll.** on Cross-border Cooperation in Posting Employees to Perform Work when Providing Services and on amendments and supplements to certain acts comes into force and effect; this Act amends and supplements Act No. 311/2001 Coll., the Labour Code, as amended. The amendment:
  - altered the definition of posting provided for in Section 5(2) of the Labour Code by specifying the term of the posting employer as the employer established in another member state of the European Union or in a state which is a party to the Agreement on the European Economic Area providing the service on a cross-border basis. The posting concerns cross-border (transnational) provision of services;
  - introduced in accordance with Art. 1(3) of Directive 96/71/EC three forms of employee posting:
    - provision of a service for the recipient of the service (who is not a user employer);
    - posting to the employer (part of the employer) in group ownership; and
    - cross-border temporary assignment;

- defined, in accordance with the terminology used in laws of the Slovak Republic, the concept of group ownership used in Directive 96/71/EC as the relationship between the controlling and the controlled employer, as well as the relationships between the controlled employers (Section 66a of the Commercial Code);
- provided for the definition of a posting employer (a guest or home employer). So far the Labour Code has primarily set forth only the rights of the posted employee, but the

On 12 October 2016 the Government of the Slovak Republic approved Government Ordinance No. 280/2016 Coll., setting the minimum wage for 2017 to be € 435.00 per month for an employee who is paid a monthly salary and € 2.500 per each hour worked for by an employee, thus increasing the amount of the minimum wage by 7.41 % year on year.

- obligations specifically related to posting are also imposed on posting employers, and for this reason, it was necessary to define this concept as well;
- supplemented Section 5 of the Labour Code by new paragraphs 8 to 10, which set forth the right of the guest employee to propose a motion to a competent labour inspectorate or court if he/she thinks that his/her rights or legitimate interests have been affected by non-compliance with the conditions of posting to the Slovak Republic;
- established the joint responsibility of the service provider in the territory of the Slovak Republic for its direct subcontractor who is the employer of the posted employee, namely for compliance with the posting rules concerning the minimum wage, minimum wage claims and overtime pay when posting an employee to the Slovak Republic;
- imposed an obligation on the service provider to pay the guest employee a due wage or a part thereof in the unpaid amount within 15 days of receipt of the guest employee's request and notify the guest employer of the same, as well as an obligation on the guest employer to render the service provider data necessary to verify whether the guest employer has paid the due wage (to the extent as specified in Section 5(2)(c) of the Labour Code), and if not, data necessary to ensure that the service provider makes such payment instead of the guest employer.

#### **Reimbursement of Travel Costs**

- With regard to reimbursement of travel costs, Measure of the Ministry of Labour, Social Affairs and Family of the Slovak Republic No. 309/2016 Coll. on Food Allowance was adopted on 9 November 2016. MoLSAF Measure No. 309/2016 Coll. increased the amounts of food allowance for domestic business trips
  - for a 5- to 12-hour business trip from  $\in$  4.20 to  $\in$  4.50,
  - for a 12- to 18-hour business trip from  $\mathbf{\epsilon}$  **6.30** to  $\mathbf{\epsilon}$  **6.70**,
  - for a business trip longer than 18 hours from € 9.80 to € 10.30.

The employee is legally entitled to the increased amounts of food allowance **as of 1 December 2016**. The increase in the amount of food allowance in the time zone of 5- to 12-hour business trip **had a direct influence on the increase in**:

- the maximum limit of the amount of the employer's contribution to the meals of employees (canteen and meal vouchers) specified in Section 152(3) of the Labour Code by 55 % of the food allowance provided for a 5- to 12-hour business trip under a special regulation, namely from € 2.31 to € 2.48 per one main course;
- the minimum limit of the amount of a luncheon voucher specified in Section 152(4) of the Labour Code by 75 % of the food allowance provided for a 5- to 12-hour business trip under a special regulation, namely from € 3.15 to € 3.38 for which the employee is to buy one main course.

# **2.2.1** Wages

In 2016, the average nominal monthly wage of employees in the national economy<sup>19</sup> according to SO SR data reached the value of € 912.00, which represents a year-on-year increase by € 29.00 (3.3 %). The growth of the nominal wage was 0.4 pp faster than in 2015. Average real monthly wages of employees in the national economy in 2016 increased by 3.8 % year on year (3.2 % in 2015).

110.0 108.0 108.0 previous year = 100106.0 104.3 104.1 103.3 102.9 t03.0 103 104.0 102.4 104.2 103.8 102.0 103.2 102.2 100.0 101.0 98.8 98.0 98.4 96.0 2015 2016 2006 2008 2009 2010 2012 2013 2007 2014 2011 average nominal monthly wage average real monthly wage

Graph 2.17 Development of the Average Monthly Wage since 2006 (in %)

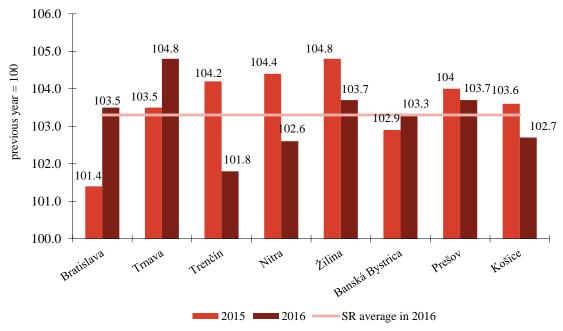
Source: SO SR

As in previous years, 2016 saw significant regional differences in the wage developments. In the respective regions, the average nominal monthly wages ranged from € 708 (the region of Prešov) to € 1,161 (the region of Bratislava), with a difference of € 453. In the region of Prešov, the average nominal monthly wage was 61.0 % (60.9 % in 2015) of the average nominal monthly wage in the region of Bratislava. The average nominal monthly wage was higher than the national average only in the region of Bratislava.

In all regions, the average nominal wages of employees in 2016 were higher than in 2015; their year-on-year growth was below the Slovak average only in three regions (Košice, Nitra, and Trenčín). The average nominal monthly wages in the regions of Bratislava, Trnava, and Banská Bystrica increased faster in 2016 compared to 2015.

<sup>&</sup>lt;sup>19</sup> According to quarterly statistical statements; less entrepreneurs' incomes; data are adjusted by statistical estimate of nonregistered wages; indices are calculated from comparable data.

Graph 2.18 Growth of Average Nominal Monthly Wages in 2015 and 2016 by Regions (in %)



Source: SO SR

By economic activities, the highest average nominal monthly wage was paid to employees in financial and insurance activities ( $\in$  1,747) and information and communication ( $\in$  1,739). The nominal monthly wage was above the national average also in the sectors of public administration and defence, compulsory social security, professional scientific and technical activities, and industry. The lowest average nominal monthly wages were paid to employees in accommodation and food service activities ( $\in$  554). However, the difference between the highest and lowest paid sectors reduced year on year from  $\in$  1,218 in 2015 to  $\in$  1,193 in 2016.

Compared to 2015, the average nominal monthly wage only decreased in the sector of information and communication. In the other sectors, it was higher than in 2015; the highest relative increase was mainly recorded in the sectors of agriculture, forestry and fishing, mining and quarrying, public administration and defence, compulsory social security and arts, entertainment and recreation.

Table 2.17 Average Monthly Nominal Wage and Its Growth in 2015 and 2016 by Economic Activities

	201	15	2016		
Economic activities (SK NACE rev. 2)	average wage in €	index 2015/2014	average wage in €	index 2016/2015	
A Agriculture, forestry and fishing	670	97.7	718	107.2	
B,C,D,E Industry in total	965	103.2	998	103.4	
B Mining and quarrying	1,041	104.9	1,113	106.9	
C Manufacturing	945	103.4	978	103.5	
D Electricity, gas, steam and air-condition supply	1,531	100.7	1,626	106.2	
E Water supply; sewerage, waste management and remediation activities	893	103.1	916	102.6	
F Construction	632	105.2	651	103.0	
G Wholesale and retail trade; repair of motor vehicles and motorcycles	814	101.9	830	102.0	
H Transportation and storage	863	105.0	904	104.8	
I Accommodation and food service activities	533	104.3	554	103.9	
J Information and communication	1,751	105.5	1,739	99.3	
K Financial and insurance activities	1,686	101.8	1,747	103.6	
L Real estate activities	893	101.0	910	101.9	
M Professional, scientific and technical activities	983	93.5	990	100.7	
N Administrative and support service activities	862	97.2	885	102.7	
O Public administration and defence; compulsory social security	1,083	103.5	1,155	106.6	
P Education	794	104.2	830	104.5	
Q Health and social work activities	858	102.3	908	105.8	
R Arts, entertainment and recreation	653	103.3	695	106.4	
S Other service activities	593	104.8	598	100.8	
Economy in total	883	102.9	912	103.3	

Source: SO SR

Both the average nominal monthly wage and the average real monthly wage increased year on year in all **size classes of enterprises** (the increase in real wage ranged between 1.7 % and 5.5 %, the increase in nominal wage ranged from 1.2 % to 5.0 %), except for enterprises with less than 20 employees (compared to 2015, real wage decreased by 0.5 % and nominal wage decreased by 1.0 %). By size classes of enterprises, the highest average nominal monthly wage was earned by employees in enterprises employing 1,000 or more employees; the lowest average nominal monthly wage was paid to employees in enterprises with up to 19 employees and businesses of sole traders. The average nominal monthly wage below the national average was earned by employees in small enterprises with up to 49 employees, including employees in businesses of sole traders.

	0	•	8 .		-	
Number of Employees	2015 (in €)	Indices 2 nominal wage	015/2014 real wage	2016 (in €)	Indices 20: nominal wage	16/2015 real wage
0 – 19	709	103.2	103.5	702	99.0	99.5
20 – 49	829	102.6	102.9	866	104.5	105.0
50 – 249	942	102.6	102.9	983	104.4	104.9
250 – 499	1,004	102.2	102.5	1,040	103.6	104.1
500 – 999	1,053	102.9	103.2	1,106	105.0	105.5
1,000 and over	1,134	102.7	103.0	1,183	104.3	104.8
Sole traders (estimate) <sup>1</sup>	601	101.0	101.3	608	101.2	101.7
Total	883	102.9	103.2	912	103 3	103.8

Table 2.18 Average Monthly Nominal Wage by Size Classes of Enterprises

Source: SO SR, Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4.štvrťroku 2015 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2013, in Slovak only), Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4.štvrťroku 2016 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2014, in Slovak only)

#### 2.2.1.1 Average Monthly Gross Wages in Business and Non-business Sectors

The quarterly and annual statistical statements from enterprises provide the basic data on the number of employees and total wages, but they do not provide data with a more structured breakdown (e.g. by classification of occupation, age, work experience, education, gender) that is necessary for monitoring of labour costs. Therefore, the Information System on Labour Costs (ISCP), under the responsibility of MoLSAF, is also a part of the wage statistics and includes a regular longitudinal quarterly survey of average hourly and monthly earnings of employees in a detailed breakdown<sup>20</sup>. Due to different data sources, the average wages from the ISCP are somewhat different from the average wages according to the SO SR data acquired using statistical statements.

According to the results of a nationwide survey from ISCP, the average gross monthly wage in the national economy in 2016 was  $\in$  1,034 ( $\in$  1,072 in the business sector and  $\in$  909 in the non-business sector). (The median monthly gross wage in 2016 was  $\in$  807, of which  $\in$  809 in the business sector and  $\in$  803 in the non-business sector.)

The highest average gross monthly wages in 2016, taking into account the *level of education*, were earned by employees with university education with a PhD. degree, namely € 1,529 representing 148 % of the average gross monthly wage in the national economy. The wages of employees with university education with a PhD. degree in the business sector averaged € 2,251 and € 1 351 in the non-business sector (Annex to Chapter 2, Table 9).

By classification of occupation, the highest average gross monthly wages ( $\in$  2,245) were earned by legislators and managers ( $\in$  2,410 in the business sector and  $\in$  1,623 in the non-business sector) (Annex to Chapter 2, Table 10).

In terms of age, the highest average gross monthly wages ( $\in$  1,143) were earned by employees aged 35-39 years (in the business sector, it was  $\in$  1,202, earned by employees aged 35-39 years – and  $\in$  969 in the non-business sector, earned by the employees aged 60 years and over (Annex to Chapter 2, Table 11).

**By regions**, the highest average gross monthly wages ( $\in$  1,369) were earned by employees in the region of Bratislava ( $\in$  1,439 in the business sector and  $\in$  1,057 in the non-business sector) (Annex to Chapter 2, Table 12).

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<sup>&</sup>lt;sup>1</sup> wages of sole traders' employees

<sup>&</sup>lt;sup>20</sup> Regular monitoring and evaluation of the level of average income and the structure of wages in the detailed breakdown by specific occupations arises from Council Regulation (EC) No 530/1999 concerning structural statistics on earnings and on labour costs and Commission Regulation (EC) No 72/2002 as regards quality evaluation of structural statistics on earnings.

By type of ownership, the highest average gross monthly wages ( $\in$  1,288) were paid to employees of foreign-owned companies ( $\in$  1,289 in the business sector to employees of foreign-owned companies and  $\in$  1,059 in the non-business sector to employees of state-owned organisations).

The lowest average gross monthly wage in 2016 by the level of education was earned by the employees with basic education ( $\in$  670). Wages of employees with basic education reached  $\in$  718 in the business sector and  $\in$  498 in the non-business sector.

By classification of occupation, the lowest average gross monthly wages ( $\in$  568) were earned by employees in elementary occupations ( $\in$  616 in the business sector and  $\in$  477 in the non-business sector).

**By age**, the lowest average gross monthly wages ( $\in$  591) were earned by employees aged up to 20 years ( $\in$  593 in the business sector and  $\in$  556 in the non-business sector).

By type of ownership, the lowest average gross monthly wages ( $\in$  795) were earned by employees in companies owned by associations, political parties and churches ( $\in$  799 by business sector employees of companies with cooperative ownership,  $\in$  739 by non-business sector employees of companies owned by associations, political parties and churches).

**By regions**, the lowest average gross monthly wages ( $\in$  820) were earned by employees in the region of Prešov ( $\in$  808 in the business sector and  $\in$  849 in the non-business sector).

An analysis of the **proportion of the components of total average gross monthly wage** in 2016 ( $\in$  1,034) concludes that the biggest proportion was formed by basic wage (67 %). Another important component of average gross monthly wage constituted payments for days not worked, which accounted for 12 % of total wage and the third largest component consisted of bonuses and allowances (12 %). (Annex to Chapter 2, Table 13).

**Considering gender**, the average gross monthly wage in 2016 earned by men was € 1,157 (€ 1,180 in the business sector and € 988 in the non-business sector), while the average gross monthly wage in 2016 earned by women reached € 903 (€ 915 in the business sector and € 880 in the non-business sector). The average gross monthly earnings of women thus accounted for 78.0 % of the average gross monthly wage of men, while in the previous year it was 77.7 %.

The average gross wage for **full-time employment** was  $\in$  1,069 ( $\in$  1,103 in the business sector and  $\in$  952 in the non-business sector). Women working full-time earned an average of  $\in$  941 per month ( $\in$  952 in the business sector and  $\in$  922 in the non-business sector), while men working full-time earned an average of  $\in$  1,184 per month ( $\in$  1,203 in the business sector and  $\in$  1,034 in the non-business sector).

By level of education in 2016, the highest average monthly wages ( $\in$  1,433) were earned by women working full-time who attained university education with a PhD. degree ( $\in$  1,782 in the business sector and  $\in$  1,355 in the non-business sector). As for men, the highest average wages ( $\in$  1,861) were earned by men working full-time who attained university education with a Master degree (men who attained university education with a PhD. degree earned  $\in$  2,709 in the business sector and  $\in$  1,545 in the non-business sector). The lowest average monthly wages were earned by both men and women with basic education. The biggest differences in wages between private and public sectors with the same level of education were recorded in the category of men with university education with a PhD. degree, where the difference was  $\in$  1,164. The difference in the group of women in the same category was  $\in$  427 (Annex to Chapter 2, Table 15).

Considering the *main classes of SK ISCO-08*, men and women working full-time earned, in both business and non-business sectors, the most on average in Class 1 – Legislators and managers ( $\in$  2,584 for men,  $\in$  1,787 for women) and the least in Class 9 – Elementary occupations ( $\in$  671 for men,  $\in$  538 for women) (Annex to Chapter 2, Table 16).

The average hourly earnings for labour purposes (Section 134 of the Labour Code) is ensured only in the business sector. Average hourly earnings data by individual criteria are given in Annex to Chapter 2, Tables 17-21.

In line with the above-mentioned results of comparison of earnings of both business and non-business sector employees, a more favourable result in the long term was recorded in the business sector. The biggest wage differences between men and women working full-time were recorded in managerial occupations. Men in the business sector earn by  $\ensuremath{\in} 724$  more, and women by  $\ensuremath{\in} 458$  more than in the public (non-business) sector.

Of the total number of employees (1,155,753) in the ISCP sample in 2016, regardless of working hours, 65.96 % of employees earned a wage below the national average (€ 1,034). From the number of employees working full-time, 1.68 % of employees earned a minimum wage.

#### 2.2.2 Total Labour Costs

According to SO SR data (at the time of the processing of the report, the data for 2015 are available), the annual **total labour costs grew** year on year **by 2.5** % to  $\in$  16,121 per employee.

Within the total labour costs in 2015, the direct costs amounted to 72.97 % and the indirect costs to 27.14 %, from which the subsidies received by the employer are deducted (-0.11 %).

Table 2.19 Dynamics of Yearly Labour Costs per Employee in SR (in €)

Type of cost	2011	2012	2013	2014	2015
Total labour costs of which:	14,064	14,554	15,018	15,721	16,121
- direct costs	10,242	10,633	10,902	11,438	11,764
- indirect costs	3,835	3,936	4,132	4,305	4,375

Source: SO SR, Total labour costs survey

In 2015, the employer spent an average of  $\in$  1,343 per month per employee, which was  $\in$  33 more than in the previous year. The annual growth rate of the average monthly labour costs in 2015 slowed down by 2.2 pp compared to 2014.

**Direct labour costs** grew year on year by 2.8 %. In 2015, in this group of expense items, the biggest share was represented by wages, which accounted for 63.63 %, and wage compensation, which accounted for 8.68 %, of which 6.78 % were payments for holidays. In the group of direct labour costs, wages increased year on year by 2.6 %, of which basic wages and salaries by 2.5 % and bonuses and allowances paid regularly by 1.8 %. Out of the amount of  $\in$  855 paid for wages,  $\in$  660 were the basic wages and salaries,  $\in$  115 were bonuses and allowances paid regularly, and  $\in$  45 were paid for remuneration and additional payments. Payments for days not worked increased by 5.0 % to  $\in$  117, bonuses based on profit after taxation increased by 3.6 %, and bonuses for being on call to work outside the workplace decreased by 3.7 %.

In 2015, **indirect costs** were  $\in$  365, compared with the previous year, their growth slowed down by 2.6 pp. Compulsory social security contributions increased by 2.3 % to  $\in$  328, non-compulsory social security contributions grew by 5.6 % to  $\in$  7. Amongst other indirect cost items, social benefits fell by 6.5 % (to  $\in$  12) of which canteen and meal vouchers by 8.9 %. Other payments to the social fund decreased by 5.4 %. Employers' imputed social contributions fell by 5.8 % to  $\in$  10, of which payments to employees leaving the enterprise decreased by 19.8 % and compensation for income upon temporary incapacity to work increased by 20.8 %. Vocational training costs paid by the employer decreased by 11.3 % to  $\in$  4. Other indirect labour costs paid by the employer increased by 0.7 %, of which the recruitment costs increased by 19.8 %.

Table 2.20 Structure of Monthly Labour Costs in SR in 2015

Labour costs items	Share %	€	Index 2015/2014
1. – 16. TOTAL LABOUR COSTS	100.00	1,343	102.5
1. – 7. DIRECT COSTS	72.97	980	102.8
1. Wages	63.63	855	102.6
2. payments for days not worked	8.68	117	105.0
3. Payments to employees' savings schemes	0.01	0	169.4
4. Bonuses for being on call (to work outside the workplace)	0.16	2	96.3
5. Bonuses based on profit after taxation	0.33	4	103.6
6. Other direct costs for employees	0.15	2	88.0
7. Wages and salaries of apprentices	0.00	0	80.3
8. – 15. INDIRECT COSTS	27.14	365	101.6
8. Statutory social security contributions	24.44	328	102.3
9. Supplementary social security contributions	0.54	7	105.6
10. Social benefits	0.72	10	94.2
11. Employer's social contributions for apprentices	0.00	0	88.9
12. Social advantages	0.93	12	93.5
13. Vocational training costs paid by the employer	0.32	4	88.7
14. Taxes paid by the employer	0.01	0	196.0
15. Other expenditures paid by the employer	0.19	3	100.7
16. SUBSIDIES	-0.11	-1	80.8

Source: SO SR, Total labour costs survey

The long-term trend of increasing differentiation in labour costs between **economic activities** continued in the reference year. The highest year-on-year growth of labour costs was recorded in the following categories by economic activity: construction industry (by 8.4 %), mining and quarrying (by 6.6 %), accommodation and food service activities (by 6.0 %), arts, entertainment, recreation (by 5.7 %), and information and communication (by 4.9 %). Compared with the previous year, there was a drop in labour costs in the case of two kinds of economic activities: administrative services (by 2.2 %), and agriculture, forestry and fishing (by 0.4 %). In terms of development dynamics of monthly labour costs in comparison with the previous year, the development accelerated in construction industry, other activities, accommodation and food service activities, arts, entertainment and recreation, mining and quarrying, water supply, waste management, information and communication, industrial production, and transport and storage. In the cases of other economic activities, there was a slowdown in the development of monthly labour costs. The largest slowdown was observed in the categories of financial and insurance activities (by 6.3 pp) and administrative services (by 8.3 pp).

Nearly a third of economic activities spent an above-average expenditure per employee. The economic activity with the highest labour cost per employee was information and communication ( $\in$  2,486), which exceeded the average national level by 85 %. It was followed by financial and insurance activities ( $\in$  2,469), electricity, gas, steam and air-condition supply ( $\in$  2,301), professional, scientific and technical activities ( $\in$  1,690), mining and quarrying ( $\in$  1,572), and manufacturing ( $\in$  1,392). The rest of economic activities reached values below the national average. The least money per employee was spent in accommodation and food service activities ( $\in$  804), other service activities ( $\in$  956), administrative and support service activities ( $\in$  961), arts, entertainment and recreation ( $\in$  1,043), and agriculture, forestry and fishing ( $\in$  1,083) (Annex to Chapter 2, Table 22).

Considering the size of organisations, the most money per employee was spent by organisations with 1,000 or more employees ( $\in$  1,643). Above-average levels were recorded in organisations with 500-999 employees ( $\in$  1,474), 250-499 employees ( $\in$  1,422), and 100-249 employees ( $\in$  1,372). The lowest labour costs were recorded in small enterprises with 1-9 employees ( $\in$  1,086) and the organisations that employ 10-19 people ( $\in$  1,154).

Regional differences in labour costs decreased year on year by 4.7 %. Monthly labour costs in different regions ranged from  $\in$  1,066 (in the region of Prešov) to  $\in$  1,727 (the region of Bratislava), with an above-average level reached only in the region of Bratislava. Compared to 2014, monthly labour costs increased in all regions. As for the dynamics of labour costs, compared with the previous year, their growth accelerated in the region of Žilina and remained unchanged in the region of Prešov. In other regions, a slowdown in the development of monthly labour costs was observed.

**Table 2.21 Monthly Labour Costs per Employee in 2015 by Regions (in €)** 

Labour costs items	BA	TT	TN	NR	ZA	BB	PO	KE
1. – 16. TOTAL LABOUR COSTS	1,727	1,242	1,235	1,154	1,230	1,147	1,066	1,286
1. – 7. DIRECT COSTS	1,264	899	902	844	896	834	781	933
1. Wages	1,108	785	784	734	781	727	676	809
2. payments for days not worked	143	108	109	105	107	100	98	115
3. Payments to employees' savings schemes	0	0	0	0	0	0	0	0
4. Bonuses for being on call to work	3	2	1	2	3	2	2	2
5. Bonuses based on profit after taxation	6	3	6	2	2	4	4	5
6. Other direct costs for employees	4	1	1	1	2	1	1	1
7. Wages and salaries of apprentices	0	0	0	0	0	0	0	0
8. – 15. INDIRECT COSTS	466	343	334	310	336	313	285	354
8. Statutory social security contributions	417	308	301	283	303	284	261	318
9. Supplementary social security contributions	10	7	5	5	6	6	5	8
10. Social benefits	12	10	11	7	9	9	7	8
11. Employer's social contributions for apprentices	0	0	0	-	0	0	0	0
12. Social advantages	16	12	11	11	11	11	9	13
13. Vocational training costs paid by the employer	7	4	3	3	4	2	2	4
14. Taxes paid by the employer	0	0	1	0	0	0	0	0
15. Other expenditures paid by the employer	4	2	2	1	3	2	1	4
16. SUBSIDIES	-3	-0	-1	-0	-2	-1	-1	-1

Source: SO SR, Total labour costs survey

# 2.2.3 Collective Bargaining

Pursuant to Act No. 2/1991 Coll. on Collective Bargaining, as amended (hereinafter simply the Collective Bargaining Act), there was no extension of the binding effect of higher level collective agreements (hereinafter simply HLCAs) to other employers in 2016 due to the fact that the Constitutional Court of the Slovak Republic suspended the effect of the provisions of Sections 7 and 7a of the Collective Bargaining Act by virtue of Decision No. 186/2016.

In 2016, 20 HLCAs and 8 amendments to HLCAs were deposited with MoLSAF. Of twenty HLCAs concluded, eleven were concluded in the private sector and nine were concluded in the public sector. All eight amendments to HLCAs were concluded in the private sector.

Compared to the previous year, the number of concluded HLCAs slightly decreased by 2 HLCAs, and concluded amendments to HLCAs decreased by 5 amendments. This situation is partly influenced by the fact that in recent years contracting parties conclude HLCAs for shorter periods. In 2015, some HLCAs were concluded for 2-3 years, or the validity of some of the HLCAs was extended via amendments to the HLCAs, and due to their longer validity it was not necessary to conclude HLCAs in some branches in 2016. The lower number of HLCAs deposited with MoLSAF was also caused by the situation that in the public sector, where HLCAs may be concluded for only one year under the Collective Bargaining Act, no amendments to HLCAs were agreed compared to the previous year.

In 2016, MoLSAF registered a total of 17 disputes concerning conclusion of collective agreements or amendments to collective agreements, which is three more than in 2015. Two disputes were settled in the proceedings before an arbitrator, one of which was over fulfilment of the obligations under a collective agreement and another dispute concerned designation of a trade union competent to conclude a collective agreement with a mediator. Out of the total of 15 disputes settled before a mediator, one dispute was over fulfilment of obligations under a collective agreement, and 14 disputes concerned conclusion of a collective agreement or an amendment to a collective agreement. 11 disputes were settled successfully before a mediator and the collective agreement was concluded; 4 disputes settled before a mediator were unsuccessful; in the case of 1 dispute, contracting parties reached an agreement before a mediator entered the dispute.

All of the disputes concerned conclusion of collective agreements in the private sector. There were no disputes on collective agreement conclusion in the public sector.

# 2.2.4 Occupational Safety and Health

#### **Legislation changes**

In 2016, Regulation of the Government of the Slovak Republic No. 1/2016 Coll. on Making the Pressure Equipment Available on the Market became effective in the field of occupational safety and health.

# Occupational accidents

In 2016, 9,343 registered occupational accidents (hereinafter simply ROAs) were reported from organisations within the authority of labour inspectorates, of which 40 serious fatal occupational accidents (hereinafter simply SFOAs) and 103 occupational accidents with serious bodily harm (hereinafter simply SBHs). Compared to 2015, the number of SFOAs decreased by 15 cases (27.27 %) and the number of SBHs decreased by 51 cases (33.12 %). In 2016, there were also reported other ROAs totalling 9,200, representing an increase of 328 cases (3.70 %).

Industrial Tools, equipment, pollutants, hot hand-operated substances and machines and objects, fire and instruments explosives Boilers, vessels and 9.1% 2.3% lines (pipes) under Electricity pressure 0.2% 0.1% People, animals and Other sources Materials, loads, natural elements 4.0% objects 3.8% 30.1% \_Means of transport 8.9% Hoists and Work or transport conveyors, lifting areas as a source of Driving and and transport fall accidents auxiliary equipment 27.4% machinery, machine 2.6% and working tools 11.5%

Graph 2.19 Distribution of Other Registered Occupational Accidents by Source of Accident

Source: National Labour Inspectorate

Most of SFOAs (75.00 %) were aggregated in three main source groups: means of transport (20 cases - 50.00 %), work or transport areas as a source of fall accidents (5 cases - 12.50 %), machinery - propulsion, auxiliary, working and machine tools (5 cases - 12.50 %), and materials, loads, objects (5 cases - 12.50 %). The most frequent sources of SBHs (75.00 %) were driving and auxiliary machinery, machine and working tools (31 cases - 30.10 %), means of transport (22 cases - 21.36 %), work or transport areas as a source of fall accidents (20 cases - 19.42 %), and materials, loads, objects (15 cases - 14.56 %).

The most frequent sources of SFOAs were mainly the use of dangerous procedures or working methods, including unauthorised actions (9 cases - 20.00 %); the most frequent sources of SBHs were the use of dangerous procedures or working methods, including unqualified actions (29 cases - 28.16%). As for SBHs, the most frequent causes were lack of personal preconditions for performing the work at the time of the accident (various ailments, inattention, etc.) and a common risk of work (21 cases - 20.39%).

## Hazardous work

In 2016, the total number of employees performing hazardous work decreased year on year by 1,967. As previous years, in 2016, most employees were exposed to noise (76,584), chemical substances (25,958), physical load (6,823), and vibrations (6,226). A slight increase in the number of employees of the fourth work category was recorded for the exposure to chemical factors (by 56 employees), while a decrease was registered for the exposure to extreme noise (by 154 employees) and vibrations (by 250 employees).

Most employees performing hazardous work were employed in manufacturing (69,466 employees) and in health and social work activities (8,699 employees). Most women (6,946) also performed hazardous work in these sectors.

# **Occupational diseases**

In 2016, a total of 316 occupational diseases and occupational poisonings were reported in the Slovak Republic, of which 136 were cases of women (43 % of the total number of reported occupational diseases and occupational poisonings). Compared to 2015 (a total of 323 reported newly diagnosed occupational diseases), the number of reported occupational diseases decreased by 7 in 2016.

The most commonly reported occupational diseases were diseases of upper limbs due to long-term excessive and unilateral load (173 cases, 54.7 % of all reported occupational diseases), diseases of upper limbs due to vibrations (46 cases, 14.6 % of all reported occupational diseases), transmissible and parasitic diseases (31 cases, 9.8 % of all reported occupational diseases), and hearing impairment due to noise (19 cases, 6.1 % of all reported occupational diseases).

The highest incidence of occupational diseases was reported in manufacturing (166 reports), mining and quarrying (66 reports), health and social work activities (25 reports), agriculture, forestry and fishing (24 reports), and construction industry (18 reports).

Wholesale and retail trade Construction 1.3% Water supply; industry Professional, Accommodation sewerage, waste 5.7% scientific and and food service management and technical activities activities remediation 0.3 % 0.9% activities 0.3% Administrative and support service activities 0.3% **Public** administration and defence; compulsory social Education security Manufacturing 0.9% 0.6% 52.5% Health and social work activities 7.9% Arts, entertainment and recreation Other activities Mining and 0.3% 0.3% quarrying 20.9% Agriculture, forestry and fishing 7.6%

Graph 2.20 Occupational Diseases by Classification of Economic Activities

Source: National Health Information Centre

# 3 SOCIAL PROTECTION

Social protection in the Slovak Republic is ensured by the social security system, consisting of social insurance, state social support and social assistance.

# 3.1 Social insurance

Social insurance protects the economically active population in the event of loss or reduction of earned income due to temporary work incapacity, need of treatment or care, pregnancy or maternity, in old age or the event of death, in the event of reduced income earning capacity due to a long-term health condition, in the case of health damage or death due to an accident at work, to an accident or occupational disease, in the event of insolvency of the employer and inability to meet the claims of the employees and to pay the compulsory contributions to old age pension saving, in case of loss of income as a result of loss of employment and to provide income in unemployment.

The social insurance system, according to Act no. 461/2003 Coll. on Social Insurance, as amended (the Social Insurance Act), is divided into sickness insurance, pension insurance, accident insurance, guarantee insurance and unemployment insurance. In the reference period, the following measures and adjustments introduced by several amendments to the Social Insurance Act came into effect in the field of social insurance:

#### Adjustment

Adjustment of benefits was specified by MoLSAF Measure No. 283/2015 Coll., laying down the fixed amount of increase in the pension benefit and the percentage of increase in injuries annuity in 2016. The increase in pension benefits in 2016 was as follows:

- € 1.90 for old-age pension;
- $\notin$  0.60 for old-age pension paid in the amount of one half;
- € 1.90 for early old-age pension;
- $\notin$  0.70 for early old-age pension paid in the amount of one half;
- € 1.70 for disability pension granted due to decreased earning capacity by more than 70 %; disability pension under Section 266 of the Act and social pension;
- € 0.60 for disability pension granted due to decreased earning capacity by more than 70 % paid in the amount of one half and disability pension under Section 266 of the Act paid in the amount of one half;
- € 1.00 for disability pension granted due to decreased earning capacity by up to 70 %;
- € 0.40 for disability pension granted due to decreased earning capacity by up to 70 % paid in the amount of one half;
- € 1.20 for widow's and widower's pensions;
- € 0.60 for widow's pension paid in the amount of one half and widower's pension paid in the amount of one half;
- € 0.60 for orphan's pension;
- $\in$  0.30 for orphan's pension paid in the amount of one half;

The injuries annuity increased by 0.46 % in 2016.

#### **Amount of the General Assessment Basis**

Pursuant to Section 226 of the Social Insurance Act, the Social Insurance Company is obliged to publish at its website the amount of the general assessment basis for the relevant calendar year until 30 April of the calendar year following the relevant calendar year, as well as the amount of the pension value for the relevant calendar year until 31 December of the relevant calendar year. The amount of the general assessment basis for the calendar year 2015 was  $\in$  10,596. The pension value in 2016 increased to  $\in$  10.9930 from  $\in$  10.6865 in 2015. The current pension value is used to determine the amount of pension in a given year.

#### **Increase in Maternity Benefit**

Under Act No. 407/2015, amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended, a maternity benefit increased from 65 % to 70 % of a daily assessment basis or probable daily basis with effect from 1 January 2016. The increase in the maternity benefit also applies to insured persons who became entitled to a maternity benefit before 1 January 2016 and remain so entitled after 31 December 2015.

#### **Survivor's pensions**

With effect from 1 January 2016, Act No. 407/2015 Coll., amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended, eliminated the differences in the conditions for entitlement to survivor's pension benefits of widows and widowers who were widowed before 1 January 2004 compared to widows and widowers who were widowed after that date, **consisting in the time limitation** of the opportunity to meet conditions for re-entitlement to a widow's pension or payment of a widow's pension and for re-entitlement to a widower's pension.

# **Compensation benefit**

With effect from 1 January 2016, under Act No. 140/2015 Coll., amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended, a Slovak old-age pensioner who also receives a Czech old-age pension is entitled to a compensation benefit, subject to the statutory terms and conditions. The purpose of the compensation benefit is to partially eliminate the fact negatively perceived by insured persons that after division of the Czechoslovak Federal Republic they were entitled to a pension from the Czech Republic on the basis of employment periods prior to the division of the Czechoslovak Federal Republic and a pension from the Slovak Republic for periods of pension insurance/security after the division of the Czechoslovak Federal Republic, and the sum of these pensions is, due to different legislation on pension insurance in the respective states after division of the Czechoslovak Federal Republic, lower than the amount of the pension which would be granted to the insurer exclusively under legislation of the Slovak Republic, taking into account the entire period of pension insurance/security, both before and after the division of the Czechoslovak Federal Republic. The compensation benefit amounts to the difference between these pensions. In principle, the same legislation, but in the opposite sense, was adopted in the Czech Republic.

# Payment of insurance contributions for soldiers undergoing a voluntary military training

Act No. 378/2015 Coll., amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended, provides for that from 2 January 2016, citizens of the Slovak Republic may undergo a voluntary military training, thus preparing themselves for possible defence of the Slovak Republic. Social insurance of these persons is covered by accident and pension insurance contributions during a voluntary military training and regular exercises or performance of tasks of the Slovak Armed Forces. The group of state-insured persons has been extended by soldiers undergoing a voluntary military training, for whom the state pays the Social Insurance Agency pension insurance contributions and compulsory contributions to pension savings if they are savers (provided that they are no longer persons with compulsory pension insurance pursuant to the applicable provisions of the Social Insurance Act, e.g. as an employee, a self-employed person, etc. and are not entitled to a disability pension). The state also covers the costs of accident insurance contributions if such person had an accident during a voluntary military training, regular exercises or performance of tasks of the Slovak Armed Forces. For the purposes of pension insurance, the group of employees was thus extended by a natural person in a legal relationship by virtue of an agreement on inclusion in the active reserves under a special regulation during regular exercises or performance of tasks of the Slovak Armed Forces.

#### Christmas allowance

Under Act No. 287/2016 Coll., amending and supplementing Act No. 592/2006 Coll. on the Provision of Christmas Allowance to Some Pensioners and on amendments and supplements to certain acts, as amended, the amount of the Christmas allowance increased again in a lump-sum by  $\in$  12.74 for the recipients of the Christmas allowance with a pension or a total sum of pensions up to  $\in$  396.18 (including, i.e. twice the amount of the subsistence minimum for one natural person of full age). This

means that the amount of the Christmas allowance including the lump-sum increase in 2016 could reach the amount of  $\in$  100.00.

## Minimum adjustment

Act No. 285/2016 Coll., amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended and amending Act No. 462/2003 Coll. on Income Compensation during Employee's Temporary Incapacity for Work and on amendments and supplements to certain acts, as amended, provided for the minimum rate of increase in pension benefits (except for the compensation benefit) and the injuries annuity in 2017. In order to ensure that pension benefits are increased in a reasonable amount which is more acceptable for pensioners, the fixed amount of the increase was determined in 2017 by 2 % of the average amount of the given type of pension. A minimum percentage of increase in the injuries annuity was also set out for the same reasons; the injuries annuity is increased by the percentage set in the same way as the percentage determining the fixed amount of increase in pension benefits.

In 2016, the following measures were adopted with effect from 1 January 2017 (unless otherwise provided):

#### Assessment basis for determining sickness benefits

Act No. 285/2016 Coll., amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended and amending Act No. 462/2003 Coll. on Income Compensation during Employee's Temporary Incapacity for Work and on amendments and supplements to certain acts, as amended, increased the maximum limit of the daily assessment base to determine the amount of sickness benefits from the original 1.5 to 2 times the average wage valid two years ago (i.e. sickness, maternity, nursing and compensation benefits and income compensation for temporary incapacity for work); reduction coefficients and the calculation of the average personal wage point were frozen by this Act at the level of 2016.

# Pension age

The task of adjusting the pension age and the reference age for 2017 is imposed on MoLSAF by the provisions of Section 65a of Act No. 461/2003 Coll. on Social Insurance, as amended by Act No. 252/2012 Coll.; the pension age for the calendar year 2017 was set out by MoLSAF Measure No. 269/2016 Coll. to 62 years and 76 days.

# Insurance contributions for the recipients of nursing benefit and personal assistants

With effect from 1 January 2017, Act no. 355/2016 Coll., amending and supplementing Act No. 447/2008 Coll. on Cash Benefits to Compensate Severe Disability and on amendments and supplements to certain acts, as amended and amending and supplementing certain acts, removed from the Social Insurance Act the 12-year limit for the purpose of paying pension insurance contributions for natural persons who receive a cash nursing benefit or shall, under the personal assistance contract, provide personal assistance to a severely disabled person for at least 140 hours per month and therefore have applied for pension insurance. The state assumed the obligation to pay pension insurance contributions for these persons throughout the period of necessary care for the severely disabled. This period will be taken into account for the purposes of entitlement to pension benefits (for example, if they carry out this activity for at least thirty years, they will be entitled to a minimum pension, subject to the statutory terms and conditions).

#### 3.1.1 Sickness insurance

Sickness insurance serves to bridge social events, such as temporary incapacity for work, pregnancy and maternity. The following benefits are paid from the sickness insurance system: sickness benefit (normally provided to employees only from the 11th day of the temporary incapacity for work), nursing benefit, maternity benefit and compensation benefit.

According to Act No. 462/2003 Coll. on Income Compensation During Temporary Incapacity for Work and on amendments of certain laws, as amended, for the first 10 days of the temporary incapacity for work the employer pays an employee a wage replacement during temporary incapacity for work and the Social Insurance Agency pays sickness benefits only from the 11th day of temporary work incapacity.

Sickness insurance benefits expenditure  $^{21}$  paid in 2016 from the Social Insurance Agency budget reached  $\in$  473.89 million. In comparison with 2015, the expenditure was higher by  $\in$  58.80 million (growth index of 1.14). Increase in expenditure occurred due to a higher number of cases.

In 2016, the average monthly numbers of paid sickness insurance benefits were as follows:

- sickness benefit: 110,003 cases,
- nursing benefit: 11,745 cases,
- compensation benefit: 80 cases,
- maternity benefit: 26,330 cases.

The average monthly number of cases compared to 2015 was higher by 7,449 (the largest increase in the average number of cases was recorded in sickness benefit, by 4,469 cases). This increase was due to a higher average percentage of temporary incapacity for work. The average percentage of temporary incapacity for work (hereinafter simply TIW) due to disease and injury reached 3.225 % in 2015, TIW in 2016 increased to 3.231 % of the average number of insured persons in a given year (the lowest average percentage of TIW was recorded in the region of Bratislava – 2.13 % and the highest in the region of Prešov – 4.49 %). The average duration of sick leave in 2016 amounted to 44.2 days (the lowest average duration was 34.94 days in the region of Bratislava and the highest was 49.49 days in the region of Prešov), representing a year-on-year increase by 1.6 days.

The table below shows that, in addition to the numbers of sickness benefits paid, their average amounts have also increased.

Table 3.1 Number of Cases and Average Amount of Sickness Insurance Benefits in 2016

Benefit	Number of paid benefits in 2016	Index 2016/2015	Average amount of benefit in 2016 (€)	Index 2016/2015
Sickness benefit	1,320,032	104.2 %	236.44	107.0 %
Nursing benefit	140,942	109.7 %	86.76	105.5 %
Compensation benefit	956	102.6 %	58.71	109.4 %
Maternity benefit	315,963	107.9 %	477.79	111.2 %

Source: Social Insurance Agency

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<sup>&</sup>lt;sup>21</sup> Summary of expenditures of basic sickness insurance fund (BSIF) and sickness insurance benefits in 2016 is given in Annex to Chapter 3, Table 1.

#### 3.1.2 Pension insurance

Pension insurance is divided into old-age insurance (insurance in case of death and to provide income in old age) and disability insurance (insurance against a decline in earning capacity due to long-term ill health and in the case of death). The following are paid from the pension insurance schemes: old-age pension, early old-age pension, disability pension, widow's pension, widower's pension, orphan's pension, and compensation benefit.

In the terminology of pension benefits, overlapping of pensions means receiving concurrently the so-called direct pension (old-age, early old-age or disability) with indirect pensions (widow's pension or widower's pension), or, alternatively, disability pension with the rate of decline in earning capacity up to 70 % overlapping with orphan's pension.

As of 31 December 2016, a total of 1,668,547 pension insurance benefits were paid (excluding pensions paid by the state, e.g. the so-called disabled at youth, spousal pensions, social pensions; as well as pensions paid out abroad and pensions not taken into automated registration). The number of pensions not taken into automated registration was 19 and the number of pensions paid out abroad was 24,912.

In comparison with 31 December 2015, the number of paid pensions<sup>22</sup> in December 2016 was higher by almost 26,000, representing a year-on-year increase by 1.6 %. There was a year-on-year decrease in the number of paid orphan's pensions (by ca. 1.6 thousand). The most significant year-on-year increase was recorded in the number of old-age pensions (by ca. 17 thousand).

Table 3.2 Number of Paid Pensions and Average Amounts of Pension in 2015 and 2016

Pension type	Number of pa		Average amount of (solo) pension in €:		
	31/12/2015	31/12/2016	31/12/2015	31/12/2016	
Old age (solo + overlapping) total	1,032,197	1,048,842	411	417	
Early old-age (solo + overlapping) total	18,351	20,232	393	389	
Disability (solo + overlapping) total	234,451	235,131	266	263	
Widow's (solo+ overlapping)	292,827	296,569	246	245	
Widower's (solo+ overlapping)	41,720	45,959	190	190	
Orphan's	23,373	21,814	132	130	
Total	1,642,919	1,668,547	X	X	
Pensions not taken into automated registration	20	19	Х	X	
Pensions paid out abroad	23,170	24,912	X	X	

Source: Social Insurance Agency

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 $<sup>^{22}</sup>$  More detailed statistical data on the number of beneficiaries and amounts of individual pension insurance benefits are given in Annex to Chapter 3, Tables 2 - 5.

In 2016, pension benefits were adjusted by 0.46 % due to low inflation. The largest nominal increase was recorded in early old-age pension overlapping with the widow's pension (women) and early old-age pension overlapping with the widower's pension (men).

Table 3.3 Average Amount of Overlapping Pensions at the End of the Year in 2015 and 2016

Denoise temp	Average amount of pension* in €			
Pension type	2015	2016		
old-age overlapping with widow's (females)	450	456		
old-age overlapping with widower's (males)	525	532		
early old-age overlapping with widow's (females)	464	475		
early old-age overlapping with widower's (males)	502	511		
disability overlapping with widow's (females)	396	391		
disability overlapping with widower's (males)	424	419		

Source: Social Insurance Agency

**Expenditure**<sup>23</sup> on (system) pension insurance benefits in 2016 was  $\epsilon$  6.5 billion, representing a year-on-year increase of 1.1 %. Besides that, the state-paid benefits (spousal pension, social pension, the so-called disability at youth pension, increase for immobility, increase due to sole source of income, resistance pension and increase for rehabilitation, supplement for civil service and compensation benefit) reached  $\epsilon$  60.7 million.

Expenditure on payment of Christmas allowance<sup>24</sup> to some pensioners (without supplements) amounted to  $\in$  77.4 million in 2016, while it was  $\in$  77.2 million in 2015. The total number of pensioners who were paid the Christmas allowance was 1,166,346 persons in 2016 and 1,141,551 persons in 2015. Expenditure on increasing the amount of old-age pension and that of disability pension paid after reaching pension age to the amount of the minimum pension<sup>25</sup> amounted to additional  $\in$  22.3 million.

The ratio of the average solo old-age pension paid as of 31 December 2016 to the average monthly wage in 2016 in the Slovak economy was 45.8% ( $\notin$  912), a slight decrease compared to 2015 (by 0.8 pp). As of 31 December 2016, about 9,084 solo recipients of old-age pension (i.e. 0.9%) were recorded to exceed the average monthly wage in the Slovak economy.

#### 3.1.3 Accident Insurance

Accident insurance is the employer's insurance against damage to health or death due to an accident at work or occupational disease. Accident insurance benefits include the additional accidental benefit, injuries annuity, lump-sum settlement, survivor's injuries annuity, lump-sum compensation, professional rehabilitation and rehabilitation benefit, retraining and retraining benefit, pain compensation and compensation for difficulties with social reintegration, compensation of cost related to medical treatment and compensation of expenses related to funeral. Within accident insurance, the self-employed do not act as a subject, nor are they given the option of voluntary participation in this type of insurance.

A total amount of benefits paid in  $2016^{26}$  was  $\in$  47.3 million, representing a slight increase in expenditure compared to 2015. The most frequent and financially demanding benefit was the injuries annuity. In 2016, a total of 85,059 injuries annuities were paid, a year-on-year increase by 0.4%. The average amount of the injuries annuity for 2016 was  $\in$  303.24, i.e. a slight increase compared to

<sup>25</sup> Paid from the state budget.

<sup>\*</sup>average amount calculated from the aggregated amount of both pensions

<sup>&</sup>lt;sup>23</sup> An overview of expenditure on pension benefits as of 31 December 2016 is given in Annex to Chapter 3, Table 5.

<sup>&</sup>lt;sup>24</sup> It is a state social benefit.

<sup>&</sup>lt;sup>26</sup> An overview of the basic accident insurance fund expenditure is given in Annex to Chapter 3, Table 6.

<sup>&</sup>lt;sup>27</sup> The average amounts and numbers of paid accident insurance benefits and state-paid accident insurance benefits are given in Annex to Chapter 3, Tables 7 and 8.

2015; expenditure spent on this benefit was  $\in$  26.5 million (58.4 % of all expenditures of the basic accident insurance fund). The second most frequently paid benefit was the additional accidental benefit, with 30,172 cases (a year-on-year decrease by 9 %). Compensation for pain and suffering had the highest average amount for one case ( $\in$  23,700), however, it only concerns two cases. <sup>28</sup>

#### 3.1.4 Guarantee Insurance

Guarantee insurance is an insurance against the insolvency of the employer resulting in inability to meet the claims of the employee. The employer of an employee in employment and of a cooperative member who is in employment with the cooperative is compulsorily insured. The insurance benefits are wage compensation, severance pay which the employee is entitled upon termination of employment, claims for travel expenses, removal expenses and other expenses incurred in performing their work duties etc., if the employer is unable to meet his obligations towards employees on the grounds of becoming insolvent. Guarantee insurance benefits are paid from the guarantee insurance. Also, the guarantee insurance funds compulsory contributions to pension saving, unpaid by the employer to the basic fund of contributions to pension savings in the legally stipulated period. Within guarantee insurance, the self-employed do not act as a subject and, due to the nature of the insurance relationship, voluntary participation in this type of insurance is not possible<sup>29</sup>.

A total of 1,972 benefits were paid in 2016 (Table 3.4), which represents a decrease by 16 % compared to 2015. The total expenditure of the guarantee insurance fund in 2016 was  $\in$  13.4 million (i.e. expenditure on guarantee benefits and expenditure on mandatory contributions to pension saving not paid by the employer to the basic fund of contributions to retirement savings within the legally stipulated period), a year-on-year decrease by 5 %.

In 2016, the average benefit amount was  $\in$  1,619.52, representing an increase of only 1 % compared to 2015.

Table 3.4 Guarantee Insurance Benefit Expenditure, Number of Cases and Average Benefit Amount in 2016

Period	Number of cases	Average benefit amount in €	Guarantee insurance benefit expenditure in thousand € €	
January	139	1,669.57	231.88	
February	198	1,646.71	326.05	
March	118	1,515.49	177.42	
April	118	1,351.91	159.53	
May	230	1,470.83	338.29	
June	185	1,835.26	339.52	
July	121	1,686.95	204.12	
August	235	1,756.42	412.58	
September	146	1,382.65	200.54	
October	144	1,753.85	252.55	
November	66	1,781.66	117.59	
December	272	1,586.81	429.40	
Total	1,972	X	3,189.47	
Average	164	1,619.52	265.79	

Source: Social Insurance Agency

<sup>29</sup> An overview of the basic guarantee insurance fund expenditures is given in Annex to Chapter 3, Table 9.

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<sup>&</sup>lt;sup>28</sup> This benefit is paid under legislation in force and effect until 31 December 2003, pursuant to the transitional provision.

# 3.1.5 Unemployment Insurance

The unemployment insurance is insurance against loss of income from the employee activity as a result of loss of employment and insurance to provide income in unemployment. Unemployment benefit is the only benefit paid from this type of insurance.

In 2016, the average monthly number of recipients of the unemployment benefit<sup>30</sup> was 34,878 persons, representing a year-on-year increase of less than 1%. There were 123,951 recipients of the unemployment benefit in 2016 (an increase of 2.7 %), of whom 63,462 were women (51.2 %) and 60,489 were men (48.8 %). In terms of age structure, the largest share of unemployment benefit recipients were persons aged 25 - 39 years (the largest share of male recipients were men aged 25 - 34 years and the largest share of female recipients was represented by women aged 30 - 39 years).

The unemployment benefit expenditure in 2016 amounted to  $\in$  171.6 million, representing a year-on-year increase by 8.2 %. The average monthly benefit amount in 2016 was  $\in$  367.9, which is 6.8 % more than in 2015.

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 $<sup>^{30}</sup>$  More detailed statistics on paid unemployment benefit and unemployment benefit recipients are given in Annex to Chapter 3, Tables 10 and 11.

# 3.2 Pension Saving

Pension saving consists of old-age pension saving and supplementary pension saving:

- **II. pillar old-age pension saving**, contribution defined, financed through capitalization, carried out by pension fund management companies pursuant to Act No. 43/2004 Coll. on Old-age Pension Saving and on amendments and supplements to certain acts, as amended, which entered into force on 1 January 2005.
- III. pillar supplementary pension saving, contribution defined, financed through capitalization, carried out by supplementary pension fund management companies pursuant to Act No. 650/2004 Coll. on Supplementary Pension Saving and on amendments and supplements to certain acts, as amended, which entered into force on 1 January 2005.

#### 3.2.1 Old-age Pension Saving Insurance

The aim of introducing old-age pension saving, which is a part of the mandatory pension system, was to diversify the risks of different methods of financing pension benefits, i.e. the continuous method of financing and the capitalization method of financing.

Old-age pension saving (II. pillar) is contribution defined and financed by contributions to old-age pension saving paid to personal pension accounts of the savers.

Subject to the terms and conditions stipulated by law, old-age pension and early old-age pension are paid from the old-age pension saving, namely in the following forms:

- annuity certain,
- pension paid by programme selection,
- life annuity.

Payment of a widow's, widower's and/or orphan's pension may be agreed upon along with life annuity. Pension offers are mediated by the Central Information Offering System, which is administered by the Social Insurance Agency.

No significant legislative changes were adopted in the area of old-age pension saving in 2016.

During 2016, there were no changes in the number or composition of the pension fund management companies. As of 31 December 2016, six pension fund management companies (hereinafter simply PFMC) operated on the market:

- Aegon, d.s.s., a.s., Bratislava,
- Allianz Slovenská dôchodková správcovská spoločnosť, a.s., Bratislava,
- Axa d.s.s., a.s., Bratislava,
- Dôchodková správcovská spoločnosť Poštovej banky, a.s., Bratislava;
- NN d.s.s., a.s., Bratislava (former ING d.s.s.),
- VÚB Generali, d.s.s., a.s., Bratislava.

Table 3.5 shows the net value of assets managed by individual pension fund management companies as of 31 December 2016.

Table 3.5 Distribution of Assets in Pension Funds as of 31 December 2016 (in million €)

Pension fund management company	Bond guaranteed pension fund	Mixed nonguaranteed pension fund	Equity nonguaranteed pension fund	Index nonguaranteed pension fund	Total as of 31 Dec 2016	Percentage of assets
AEGON, d.s.s., a.s.	559.77	0.00	55.29	16.32	631.38	9.1 %
Allianz - Slovenská d.s.s., a.s.	1,914.92	0.00	308.15	0.00	2,223.07	32.0 %
AXA d.s.s., a.s.	1,431.41	0.00	188.04	191.38	1,810.83	26.1 %
DSS Poštovej banky d.s.s. a.s.	316.40	0.00	46.49	15.01	377.90	5.4 %
NN d.s.s., a.s.	576.34	26.44	86.76	49.24	738.78	10.6 %
VÚB Generali d.s.s., a.s.	944.97	37.36	71.53	105.82	1,159.68	16.7 %
Total	5,743.81	63.80	756.26	377.77	6,941.64	100.0 %
Percentage of assets	82.7 %	0.9 %	10.9 %	5.4 %		

Source: NBS 2016; calculation: MoLSAF

In 2016, the Social Insurance Agency forwarded compulsory **contributions** to pension saving in the amount of nearly  $\mathbf{\epsilon}$  **465.4 million**, a year-on-year increase by 4.7 %. The net value of savers' assets in pension funds increased from  $\mathbf{\epsilon}$  6.3 billion as of 31 December 2015 to  $\mathbf{\epsilon}$  6,9 billion as of 31 December 2016.

In 2016, the largest share in the Slovak old-age pension saving market was represented by Allianz - Slovenská d.s.s, a. s. and Axa d.s.s., a.s. (representing together almost 60 % of the market). Most of the resources still remain in the bond guaranteed pension funds, followed by equity, index and mixed non-guaranteed pension funds. Compared to 2015, there was a slight change in the distribution of assets in the pension funds, predominantly in favour of index funds (by ca. 2% in total). This shift in asset distribution may be due to the fact that the savers entering the II. pillar mostly choose more risky (non-guaranteed) funds, as well as the fact that the assets in non-guaranteed pension funds appreciated in 2016 more than the assets in guaranteed pension funds.

Table 3.6 Comparison of the Distribution of Assets in Pension Funds for all PFMCs

Percentage of the distribution of assets in pension funds for all PFMC					
Date	Bond g.p.f.	Mixed n.p.f.	Equity n.p.f.	Index n.p.f.	
31/12/2015	84.93 %	1.10 %	10.22 %	3.75 %	
31/12/2016	82.74 %	0.92 %	10.89 %	5.44 %	

Source: NBS 2016; calculation: MoLSAF

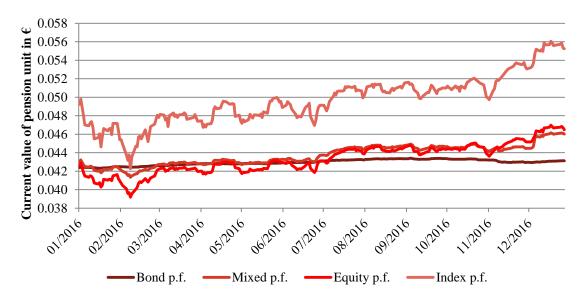
The average annual appreciation in all types of funds increased compared to 2015. The most significant increase can be seen in equity funds, but despite the fact, the average annual appreciation of index non-guaranteed pension funds in 2016, as well as in 2015, exceeded the average annual appreciation in all other types of pension funds.

**Table 3.7 Annual Appreciation in Individual Pension Funds** 

Pension funds	Appreciation in 2015	Appreciation in 2016
Bond guaranteed	0.52 %	1.77 %
Mixed non-guaranteed	2.69 %	4.99 %
Equity non-guaranteed	2.84 %	7.38 %
Index non-guaranteed	7.47 %	9.34 %

Source NBS 2016; calculation: MoLSAF

Graph 3.1 Development of the Current Value of Pension Unit in Individual Pension Funds in 2016



Source: NBS 2016; calculation MoLSAF

Number of old-age pension saving savers as of 31/12/2016 was ca. 1.38 million (Table 3.8). The distribution of savers in the individual pension fund management companies remained virtually unchanged compared to 2015.

Table 3.8 Number of Savers in Pension Funds as of 31 December 2016

Pension fund management company	Number of savers	Percentage of savers
AEGON, d.s.s., a.s.	148,001	10.8 %
Allianz - Slovenská d.s.s., a.s.	422,254	30.7 %
AXA d.s.s., a.s.	334,781	24.3 %
DSS Poštovej banky d.s.s. a.s.	96,270	7.0 %
NN d.s.s., a.s.	135,927	9.9 %
VÚB Generali d.s.s., a.s.	238,537	17.3 %
Total	1,375,770	100.0 %

Source: Social Insurance Agency 2016

In terms of age structure of savers, $^{31}$  the largest group were savers aged 31 - 40 years (about 41 % of the total number of savers). The percentage of the first three age groups declined year on year by about 7 % in total. The reason for this decline is the ageing of those savers who were obliged to enter the II. pillar and lower interest of savers with voluntary entry in saving in the II. pillar.

Table 3.9 Breakdown of Savers by Age as of 31 December 2016

Age group	Number of savers	Percentage	
up to 20	6,114	0.4 %	
21 – 30	235,602	17.1 %	
31 – 40	559,926	40.7 %	
41 – 50	417,337	30.3 %	
51 and over	156,791	11.4 %	
Total	1,375,770	100.0 %	

Source: Social Insurance Agency 2016

 $<sup>^{31}</sup>$ Graph of age structure of savers and distribution of savers by age are given in Annex to Chapter 3

#### Payment of Pensions from the II. Pillar

The number of savers who at least once applied for a pension from the old-age pension saving system in 2016 was 820. Insurance companies issued 751 savers with offer sheets; in 2016, at least one pension insurance contract, or an agreement on pension payment by programme selection was concluded by 380 savers. Thus, we keep a record of 380 savers who accepted the offer in 2016 and then concluded at least one contract for pension payment from the II. pillar; with respect to type of pension paid from the old-age pension saving system, 73 % of the savers receives an old-age pension and 27 % an early old-age pension.

In both 2015 and 2016, contracts for pension payment from the old-age pension saving system could be concluded in three insurance companies:

- Allianz Slovenská poisťovňa, a.s.,
- Generali poist'ovňa, a.s.,
- Union poist'ovňa, a.s.

Agreements on pension payment by programme selection could be concluded in 6 pension fund management companies:

- Aegon, d.s.s., a.s.,
- Allianz Slovenská dôchodková správcovská spoločnosť, a.s.,
- Axa d.s.s., a.s.,
- Dôchodková správcovská spoločnosť Poštovej banky, a.s.,
- NN d.s.s., a.s.,
- VÚB Generali, d.s.s., a.s.

The distribution of contracts between insurance companies and pension fund management companies in 2016 was in the approximate ratio of 5:1 in favour of insurance companies. Union insurance company with 282 contracts concluded had a clear leading position among the insurance companies; the next positions were taken by Generali insurance company with 38 contracts concluded and Allianz insurance company with 17 contracts concluded. The demand for pensions offered by Union insurance company is not surprising, as it offered in most cases higher pensions than the other two insurance companies. However, it should be noted that Union insurance company offers higher pensions because it allowed for higher guaranteed yields (1.2 % by June 2016 and 0.9 % by the end of 2016) than Generali insurance company (0 %). In general, the higher the guaranteed yield used by the insurance company in the pension calculation is, the higher the pension offered by it should be, unless other facts change. But in reality, an insurance company may achieve a higher or a lower than the guaranteed yield. However, if an insurance company achieves a higher than the guaranteed yield, it is legally obliged to distribute at least 90 % of this surplus yield among pensioners. In 2015, two insurance companies achieved a higher yield than the guaranteed yield. A surplus yield was reached by Generali insurance company for the life annuity and by Union insurance company for the annuity certain.

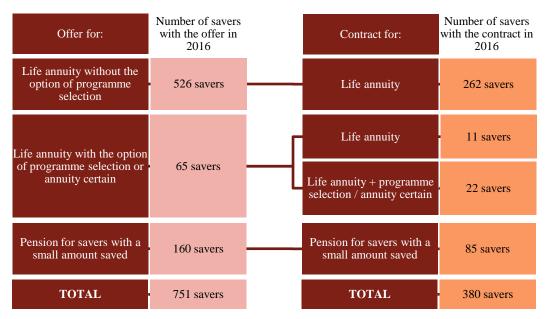
Depending on the amount saved and subject to the condition for entitlement to programme selection, the offers to receive a pension from the old-age pension saving system may be divided into three categories, namely the offer of:

- life annuity without the option of programme selection;
- life annuity with the option of programme selection or annuity certain paid for 5, 7 or 10 years;
- a pension for savers with small amounts saved, which is paid in the form of programme selection or as an annuity certain of no more than the median of minimum monthly amounts of the life annuity without survivor's coverage and increase that insurers are willing to pay.

In 2016, only life annuities started to be paid to 273 savers, 11 of whom had also the option to use a portion of the amount saved for the programme selection, but they did not use the option; a pension in the form of a small amount saved started to be paid to 85 savers, and life annuities started to be paid to 22 savers who also received a lump-sum programme selection or started receiving annuities certain

paid for 5, 7 or 10 years. The option of dividing the amount saved into a life annuity and programme selection was given to 65 savers, accounting only for 9 % of the total number of savers issued with pension offers. It can also be seen that in 2016 savers chose from the offers and concluded a contract in about 50% of cases.

Table 3.10 Offers and Contracts for Pension Payment from the Old-age Pension Saving System as of 31 December 2016



Source: Social Insurance Agency

A life annuity without survivor's coverage and without increase was the most popular of the insurance products and started to be paid to 188 savers in 2016, accounting almost for 50 % of the savers with at least one contract concluded. The average amount of the life annuity which started to be paid in 2016 reached  $\in$  26.24.

# 3.2.2 Supplementary Pension Saving

Supplementary (voluntary) pension saving is part of *the so-called III. pillar of the pension scheme*, in which funds of participants are managed by supplementary pension fund management companies (hereinafter simply SPFMC).

The aim of supplementary pension saving is to allow participants to gain a supplementary pension income in old age or supplementary pension income in the event of termination of work included by decision of a health protection authority in category III or IV or until termination of work of an employee who is a dance artist or wind instrument player.

A participant is an employee who concluded a policy on supplementary pension saving with SPFMC (hereinafter simply personal pension saving policy), or other natural person who was 18 years or over at the date of conclusion of the policy.

Employees performing tasks classified by decision of health protection in category III or IV and employees who are dance artists or wind instrument players are required to conclude a personal pension saving policy and their employers are obliged to conclude an employer contract, within 30 days of the commencement of such work.

Through supplementary pension saving, a participant saves money in SPFMC, which invests them for the purpose of appreciation. The resulting sum of supplementary pension saving benefit depends on the amount of funds that the participant and the employer sent to the SPFMC during the period of saving and the rate of return.

The following benefits are paid from the supplementary pension saving upon fulfilment of the conditions stipulated in the Act:

- supplementary old-age pension, in form of
  - lifelong supplementary old-age pension,
  - temporary supplementary old-age pension,
- supplementary pension for service, in form of
  - lifelong supplementary pension for service,
  - temporary supplementary pension for service,
- lump-sum settlement.
- early withdrawal,

Participants who concluded their personal pension saving policies before 1 January 2014 and did not agree on a change of the personal pension saving policy with the corresponding SPFMC (the content of which was the abandonment of the benefit plan) are to continue their personal pension saving policies with benefit plans in which the conditions to receive benefits are described. Thus, the possibility of receiving severance payment remains, but such participants are not entitled to a new benefit of early withdrawal. They also cannot claim the benefit of reducing the tax base by the amount of the contributions paid by them, up to a maximum of  $\in$  180.

As of 31 December 2016, there were 4 supplementary pension fund management companies active in the market, namely:

- AXA d.d.s., a.s., Bratislava,
- Doplnková dôchodková spoločnosť Tatra banky, a.s., Bratislava,
- NN Tatry Sympatia d.d.s., a.s.,
- Stabilita, d.d.s., a. s., Košice.

No significant legislative changes were made in the supplementary pension saving in 2016.

The number of participants in the III. pillar with non-zero assets on the contributory pension account was approximately 725 thousand as of 31 December 2016. It was an increase of more than 3% compared to the end of 2015. The number of beneficiaries decreased year on year by about 13 %, to 35 thousand. The number of participants in the saving period increased year on year in each of the supplementary pension fund management companies, while the number of participants in the pay-out period increased year on year only in AXA and decreased in the remaining three SPFMCs. There was

no considerable redistribution of participants among individual supplementary pension fund management companies year on year.

Table 3.11 Number of Participants in the Saving and Pay-out Periods as of 31 December 2015 and 31 December 2016

		2015		2016		
Company	Number of participants in the saving period	Number of participants in the pay-out period	Total	Number of participants in the saving period	Number of participants in the payout period	Total
Axa d.d.s., a.s.	122,137	1,235	123,372	126,503	1,348	127,851
DDS Tatra banky, a.s.	180,052	10,594	190,646	189,086	9,627	198,713
NN Tatry - Sympatia, d.d.s., a.s.	280,646	6,783	287,429	288,621	5,604	294,225
Stabilita, d.d.s., a.s.	118,098	21,019	139,117	120,842	18,323	139,165
Total	700,933	39,631	740,564	725,052	34,902	759,954

Source: Association of supplementary pension fund management companies

In 2016, the payment of severance pay benefit dropped significantly compared to 2015. The amount paid out as an early withdrawal benefit increased only slightly, thus decreasing the total amount of funds early paid out by means of severance pay and early withdrawal benefits.

Table 3.12 Overview of Supplementary Pension Saving Benefits as of 31/12/2015 and 31/12/2016

Type of benefit	Amount of benefits (mil. €) in 2015	Amount of benefits (mil. €) in 2016
Supplementary old-age pension	38.01	36.71
Supplementary pension for service	0.05	0.05
Severance pay	19.84	18.58
Early withdrawal	5.46	5.75
Lump-sum settlement	45.71	44.13

Source: Association of supplementary pension fund management companies

Compared to 2015, the net value of managed assets in supplementary pension funds increased by approximately 10% to 0.71 billion. One reason why participation in supplementary pension saving is attractive was and still is the participation of employers in the supplementary pension schemes of their employees. From 1 January 2016 to 31 December 2016, 452 thousand participants got at least one contribution to supplementary pension schemes from their employers, and further 58 thousand participants made at least one contribution to the supplementary pension saving scheme on their own. There were 215 thousand participants with non-zero assets in the contributory fund, who remained in 2016 without their contribution as well as without a contribution from the employer, representing an increase of about 4% compared to 2015 (207 thousand contracts with no contribution).

Supplementary pension funds reported better results in appreciation in funds than in 2015 (Table 3.13). The average annual appreciation in supplementary pension funds in 2016 was ranging around the level of 2.6 % compared to -1.7 % in 2015. Performance of individual contributory supplementary pension funds reached an annual level ranging from 1.9 % (Tatra banka) to 3.9 % (AXA).

Table 3.13 Details of the Amount of and Appreciation in the Assets in Supplementary Pension Funds as of 31 December 2016

Company	Assets in contributory supplementary pension funds (mil. €)	Assets in pay- out supplementary pension funds (mil. €)	Total assets (mil. €)	Annual appreciation in supplementary pension funds <sup>32</sup>
Axa d.d.s., a.s.	232.2	3.5	235.8	3.6 %
DDS Tatra banky, a.s.	505.4	17.0	522.4	2.4 %
NN Tatry - Sympatia, d.d.s., a.s.	640.6	16.8	657.4	2.5 %
Stabilita, d.d.s., a.s.	266.9	26.7	293.7	2.5 %
Total	1,645.1	64.1	1709.2	2.6 %

Source: NBS, calculation: MoLSAF

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<sup>&</sup>lt;sup>32</sup> The annual appreciation in supplementary pension funds is the average of the annual appreciation in the funds of the relevant supplementary pension fund management company, weighted by the ratio of the net asset value of the relevant fund to the net asset value of all the funds of that supplementary pension fund management company.

# 3.3 State Social Support

**State support of families** is provided mainly by the **state social benefit** system, representing a set of cash transactions, with which the state participates in managing multiple life events, especially for families with dependent children<sup>33</sup>. State social benefits contribute to cover costs for nurture and other personal needs of children and also the costs associated with other social events.

State social support system in 2015 consisted of the following lump-sum and recurring benefits:

- child allowance,
- child allowance supplement,
- parental allowance,
- childcare allowance,
- birth allowance,
- multiple children birth allowance,
- funeral allowance.

#### 3.3.1 Child Allowance

In terms of number of beneficiaries, child allowance is the most extensive state social support benefit. The child's parent and a natural person who was entrusted with the care of the child by the court's decision are entitled to the child allowance. The adoption of Act No. 600/2003 Coll. on Child Allowance and amending and supplementing Act No. 461/2003 Coll. on Social Insurance, as amended, introduced the provision of flat rate child allowance **per month for each dependent child** aged up to 25 years with effect from 1 January 2004, regardless of parental income. At the same time, with effect from 1 April 2004, this Act introduced a single payer of the child allowance – local OLSAFs.

Given that the amounts of the subsistence minimum were not adjusted in 2016, the amounts (€ 23.52 for child allowance and € 11.20 for child allowance supplement) determined by MoLSAF Measure No. 450/2013 Coll., which became effective as from 1 January 2014, remained also valid in 2016.

year average monthly number of beneficiaries average monthly number of dependent children

2015 659,524 1,100,593

2016 653,218 1,089,750

**Table 3.14 Child Allowance** 

Source: RSD MIS, including allowances paid out abroad

In 2016, the average monthly number of child allowance recipients was 653,218 beneficiaries for 1,089,750 dependent children. Compared to 2015, the average monthly number of recipients decreased by 6,306 and the average monthly number of dependent children dropped by 10,843. The number of beneficiaries decreased year on year by 0.96 % and the number of children decreased by 0.99 %. This decrease is caused by the demographic development in Slovakia and family structure.

The amount paid for child allowance and child allowance supplement in 2016 amounted to  $\in$  312,926,339, a year-on-year decrease of  $\in$  2,438.6 thousand.<sup>34</sup>

The highest number of beneficiaries is traditionally recorded in the regions of Prešov, Košice and Žilina (this is related to the total population of each region), and so is the number of children and, consequently, the highest spending. In these three regions, the average number of children

<sup>34</sup> data from the Draft Closing Account of Budget Section 22 - MoLSAF

<sup>&</sup>lt;sup>33</sup> In addition to the state social benefit system, the state support families by other means, for example by **maternity benefit** (sickness insurance benefit), **tax bonus** (competence of taxing authorities) and **maternity and parental leave**.

per applicant is the highest, while in the regions of Bratislava and Trnava the ratio is the lowest. Recipients receiving the allowance for one dependent child are traditionally the most numerous group (almost 51 % of the total number of beneficiaries). Overall, the structure of recipients remained almost unchanged year on year.

Table 3.15 Child Allowance Beneficiaries by Number of Children

year/number	2015	2016
one child	336,138	332,761
	50.97 %	50.94 %
two children	246,548	244,505
	37.38 %	37.43 %
three children	55,456	55,018
	8.41 %	8.42 %
four or more	21,817	21,389
children	3.31 %	3.27 %

Source: RSD MIS

# 3.3.2 Child Allowance Supplement

Act No. 532/2007 Coll., amending and supplementing Act No. 600/2003 Coll. on Child Allowance and on amendments and supplements to Act No. 461/2003 Coll. on Social Insurance and on amendments and supplements to Act No. 599/2003 Coll. on Assistance in Material Need and on amendments and supplements to certain acts, as amended, with effect from 1 January 2008 put into practice the child allowance supplement, granted to parents who receive an old-age pension, early oldage pension, disability pension due to decreased earning capacity by more than 70 %, or a pension for service after reaching pension age, allowance for nursing, or who are not in gainful employment and were not granted a tax bonus.

The person entitled to claim the child allowance supplement is considered to be the child's parent or the person to whom the dependent child is placed in substitute care.

The law stipulates that the child allowance supplement may be granted to the eligible person only if no tax bonus was granted for the dependent child under Sect. 33 of Act no. 595/2003 Coll. on Income Tax, as amended.

The amount of the child allowance supplement in 2016 was  $\in$  11.02 as in previous years. The average monthly number of child allowance supplement beneficiaries was 2,295, representing a year-on-year decrease of 315 beneficiaries (12.1 %) per month on average. The average monthly number of children for whom the supplement was granted decreased year on year by 336 children to 2,960 (by 10.2 %).

### 3.3.3 Parental Allowance

Parental allowance is a state social benefit which the state grants to an entitled person to provide proper care for a child under three years of age, or up to six years of age, if the child has long-term ill health. The child's parent or any other natural person who was entrusted with the care of the child by the court's decision is the entitled person (this person is entitled to such allowance for three years from the effective date of the court's decision, but only until the child reaches the age of six).

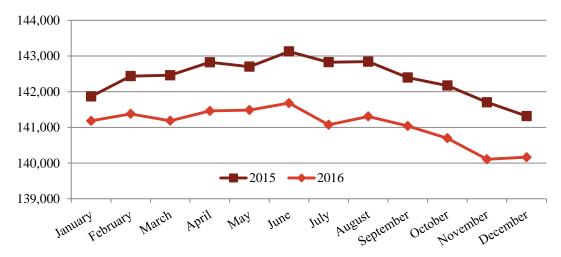
A person is entitled for the parental allowance if he/she provides proper care for the child (personally or by other adult natural person or legal person), so parents are allowed to engage in gainful activity in any form during the period of receiving parental allowance. The amount of income from those activities and working hours do not affect entitlement to parental allowance nor the amount thereof. Parents at the time of employment may provide care for their child either by other parent, grandparent or other adult person or a by placement in a private, church or state facility, including kindergartens.

Given that the amounts of the subsistence minimum were not adjusted in 2016, the amount (€ 203.20 per month) determined by MoLSAF Measure No. 451/2013 Coll. remained also valid in 2016.

In the case when two or more children were born at the same time, the parental allowance shall be increased by 25 % for each additional child born at the same time.

If an older child in the care of a parent neglects compulsory education, i.e. misses more than 15 lessons without excuse in a month for at least three consecutive calendar months, the amount of parental allowance is reduced to 50 %. The parental allowance remains reduced for three calendar months.

The development of the number of parental allowance beneficiaries in Slovakia in 2015 and 2016 is shown in the following graph.



**Graph 3.2 Number of Parental Allowance Beneficiaries** 

Source: RSD MIS

In 2016, parental allowance was granted to an average of 141,065 beneficiaries per month, which represents a year-on-year decrease of 1,326 beneficiaries (0.93 %) per month on average. In 2016, men accounted for 2.5 % of all beneficiaries (3,467) on average, and their share increased year on year by 0.1 pp.

In 2016, the total spending for parental allowance was  $\in$  352,444,107 (representing a year-on-year decrease of  $\in$  2,836,067, i.e. 0.8 %).

## 3.3.4 Childcare Allowance

By providing a childcare allowance, the state contributes to a parent or natural person being entrusted with the care of the child to cover the costs incurred in caring for the child.

A childcare allowance is provided within three or six years of the age of the child with a long-term adverse health condition if childcare is provided by another legal entity or natural person at the time of work performance or during the full-time study, e.g. by placing the child in a facility (day nursery, kindergarten).

With effect from 1 January 2016, the law under which a childcare allowance is paid was amended by Act No. 347/2015 Coll., amending and supplementing Act No. 561/2008 Coll. on Childcare Allowance and on amendments and supplements to certain acts, as amended. The amendment to the Act:

- simplifies the provision of the allowance; the parent is not obliged to monthly provide the payer with proof of the actual costs (payments) to ensure childcare;
- increases the maximum monthly amount of the allowance from € 230 to € 280 if childcare is provided, for example, by a private facility, natural person by virtue of a trade licence, a civic association, and others;

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<sup>&</sup>lt;sup>35</sup> data from the Draft Closing Account of Budget Section 22 - MoLSAF

• stipulates that the allowance of no more than € 80 per month will be granted if childcare is provided by a kindergarten which is included in the network of schools and school facilities of the Slovak Republic and is established by a municipality or a local government authority.

A childcare allowance of  $\in$  41.10 per month which is granted if childcare is provided by a natural person without a trade license (such as a relative of the child's parent) remains unchanged. Distribution of beneficiaries by individual types of care providers is given in Graph 3.3.

The amended Act creates conditions for the protection of interests of families with children and their decent social security by providing a state financial contribution and enables the parents of small children to carry out gainful work and also ensure quality care of their children by a childcare provider.

The amount of the childcare allowance can be adjusted by the Regulation of the Government of the Slovak Republic as of 1 January of the calendar year.

Facility -Other natural Not included kindergarten person included in the 0.1% 1.0% network of Slovak schools Parent and school 10.9% facilities 0.1% Other legal entity 10.8% Facility Sole trader 67.9% 9.1%

Graph 3.3 Overview of the Number of Childcare Allowance Beneficiaries by Childcare Provider

Source: RSD MIS

In 2016, the childcare allowance was provided to a monthly average of 2,946 beneficiaries (representing a year-on-year increase of 940 beneficiaries, i.e. 46.9%), with a total spending of  $\emptyset$  9,727,313 (a year-on-year increase of 75.6%).

The year-on-year growth of the number of beneficiaries was influenced mainly by increasing the maximum monthly amount of the allowance and simplifying its provision. With regard to the use of the allowance, there are persisting regional differences caused by several factors; the growth of the number of beneficiaries was not reflected uniformly throughout the territory of the Slovak Republic, therefore these differences further deepened. (Annex to Chapter 3, Graph 3)

Table 3.16 Districts with the Most and the Least Use of Childcare Allowances

District	Average monthly number of beneficiaries in 2016
Medzilaborce	0
Turčianske Teplice	1
Sobrance	1
Banská Bystrica	158
Bratislava II	185
Bratislava V	186

Source: RSD MIS

### 3.3.5 Childbirth Allowance

A childbirth allowance is a one-time benefit of the state social support, legislatively regulated by Act No. 383/2013 Coll. on Childbirth Allowance and Multiple Children Birth Allowance, as amended, effective as from 1 January 2014. By providing this allowance, the state enables parents to cover the expenses associated with satisfying the necessary needs of the newborn.

The amount of the allowance depends on the order of childbirth – for the first, second and third childbirth, the amount of allowance is  $\in$  829.86, for the fourth and next childbirth, it amounts to  $\in$  151.37. If two or more children were born at the same time and at least two of them lived for 28 days, the amount of the allowance increases at the childbirth by  $\in$  75.69 for each child who lived for at least 28 days.

A mother who gave birth to the child is entitled to apply for the allowance unless the father of the child may do so in cases stipulated by law. Besides childbirth, the conditions for the entitlement include, among others, the applicant's permanent residence and domicile in the Slovak Republic, regular monthly preventive medical examinations from the fourth month of pregnancy to childbirth, and conclusion of an agreement on general outpatient care of the child.

number of childbirth number of allowance beneficiaries beneficiaries of year of which in the increased childbirth total allowance increased amount 51,924 48,648 621 2015 2016 54,811 51,507 644

Table 3.17 Childbirth Allowance in 2015 and 2016

Source: RSD MIS

In 2016, childbirth allowances were granted to 54,811 beneficiaries for 55,507 children (of which the increased amounts were granted to 51,507 beneficiaries for 52,151 children), which is 2,887 beneficiaries and 2,987 children more than in 2015. The funds spent on childbirth allowances and increased childbirth allowances totalled  $\in$  43,879,512, which is  $\in$  2,414,000 more than in 2015 (an increase of 5.82 %)<sup>36</sup>.

# 3.3.6 Multiple Children Birth Allowance

A multiple children birth allowance is a state social support benefit, by which the state contributes annually to parents or authorized persons for the increased costs associated with the care for three or more children born simultaneously, or repeatedly born twins or more children at the same time in the course of two years.

Act No. 383/2013 Coll. on Childbirth Allowance and Multiple Children Birth Allowance, as amended, with effect from 1 January 2014, modified the amount of the allowance, regardless of the age of the children, to  $\in$  110.36 per each child. At least three of the children, however, must be aged at most 15 years, the age limit of the children born in the first order is monitored.

In 2016, the allowance was received by 133 beneficiaries for 412 children (compared to 2015, the number of beneficiaries did not change and the number of children dropped by 15). A total of  $\in$  45,468 was spent on allowance payments (a decrease of  $\in$  2,318, i.e. 4.9%).

### 3.3.7 Funeral Allowance

A funeral allowance is, with effect from 1 January 1999, a *lump-sum* benefit of the state social support, legislatively regulated by Act No. 238/1998 Coll. on Funeral Allowance, as amended. With

<sup>&</sup>lt;sup>36</sup> the total funds spent include the funds spent on supplements to the cancelled benefit "childbirth allowance supplement" (delayed entitlement for the previous period); data on the funds come from the Draft Closing Account of Budget Section 22 - MoLSAF

this benefit, the state financially helps a natural person which arranged a funeral to cover the expenses related to arranging such funeral.

In 2015, the amount of the funeral allowance remained unchanged at  $\in$  79.67. The allowance was granted to 49,224 deceased persons, which is 1,719 fewer than in 2015 (a decrease of 3.4 %).

The funds spent on funeral allowance payments amounted to  $\in 3,918,967$  (a year-on-year decrease of  $\in 149,860$ , i.e.  $3.68 \%)^{37}$ . The number of beneficiaries is influenced only by demographic indicators - mortality of permanent or temporary residents of the Slovak Republic.

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 $<sup>^{\</sup>rm 37}$  data from the Draft Closing Account of Budget Section 22 - MoLSAF

## 3.4 Social Assistance

This chapter provides an overview of social assistance provision by means of material need assistance, compensation for social consequences of severe disability, support for substitute childcare etc., as well as costs incurred in the social assistance provision in the budget section of MoLSAF. (see Annex to Chapter 3, Table 36)

The adjustment of the subsistence minimum according to the Act No. 601/2003 Coll. on Subsistence Minimum and on amendments and supplements to certain acts, as amended, has an impact on developments within the social assistance system, composed of the above areas, but also on state social benefits. With respect to the development of indices that adjust the amounts of the subsistence minimum, as of 1 July 2014 the system of appreciation in the amounts of the subsistence minimum was set not to reduce the standard of living of the population, especially the recipients of individual social assistance benefits as part of the social assistance and state social benefits, or other systemic measures concerning the general population.

### 3.4.1 Material Need Assistance

With effect from 1 January 2014, the material need assistance is regulated by Act No. 417/2013 Coll. on Material Need Assistance and on amendments and supplements to certain acts, as amended. The act is based on the philosophy of motivation and active participation of household members in solving their unfavourable social situation. The act aims to ensure directness, merit and the protection of those who cannot, on their own, or are not able to ensure or increase income by work; this is based on the constitutional guarantees of basic living conditions. There is also a parallel aim to motivate the long-term unemployed, who are granted material need assistance to enter the labour market, or to get employment even for a lower wage. The subject of the Act is to provide material need assistance, a special allowance and one-off benefit.

Material need assistance includes a material need allowance (set at six levels), protection allowance, activation allowance, dependent child allowance, and a housing allowance. The amount of a social assistance benefit in material need is determined as the difference between the amount of claims and income of individual household members and provided in a single amount; the conditions for provision are exhaustively stipulated in the above-mentioned Act on Material Need Assistance.

## Amounts of Material Need Assistance Benefit and Special Allowance in 2016

MATERIAL NEED ALLOWANCE:	
- one adult	€ 61.60
- individual with a child or a maximum of four children	€ 117.20
- individual with more than four children	€ 171.20
- couple without children	€ 107.10
- couple with a child or a maximum of four children	€ 160.40
- couple with more than four children	€ 216.10
MATERIAL NEED SUPPLEMENTS	
PROTECTION ALLOWANCE:	
- for a household member under Sect. 7(2)(a), (b), (d) to (f)	€ 63.07
- for a household member under Sect. 7(2)(h) – (adverse health condition)	€ 34.69
- for a household member who is a pregnant woman	€ 13.50
- for a household member who is a parent of a child under 1 year of age	€ 13.50
ACTIVATION ALLOWANCE	€ 63.07
DEPENDENT CHILD ALLOWANCE	€ 17.20
HOUSING ALLOWANCE	
- one-person household	€ 55.80
- multi-person household	€ 89.20
SPECIAL ALLOWANCE	
- the first 6 calendar months	€ 126.14
- the next 6 calendar months	€ 63.07

Source: MoLSAF

In 2016, there was a monthly average of 105,590 material need assistance beneficiaries, which represents a year-on-year decrease of 17.5 % (22,450 beneficiaries per month in absolute terms). Based on administrative data, the total material need assistance funding in 2016 reached  $\in$  183,004,863<sup>38</sup>. Compared to 2015, there was a decrease of  $\in$  30,680,934, i.e. 14.4 %. **The average monthly amount** of a material need assistance benefit in 2016 was  $\in$  133.68, representing a year-on-year increase of  $\in$  2.82. The development of the number of material need assistance beneficiaries, as well as the total funding, was influenced significantly and particularly by emphasizing the principles of directness, merit, protection and active participation of the persons concerned in solving their unfavourable social situation. A special allowance had also a considerable impact on the development of the number of material need assistance beneficiaries

In 2016, the system of material need assistance registered a monthly average of 74,528 beneficiaries who were simultaneously registered job seekers, representing 70.6% of the total number of material need assistance beneficiaries. There was a significant year-on-year decrease in the average monthly number of beneficiaries, namely a decrease of 18,505 persons (19.9%). The total number of jointly assessed household members in material need in 2016 was 226,438, of which 100,359 persons (44.3%) were registered job seekers. Compared to 2015, the total number of jointly assessed household members also decreased significantly, specifically by 39,691 persons (14.9%).

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<sup>&</sup>lt;sup>38</sup> data from the Draft Closing Account of the Budget Section of MoLSAF

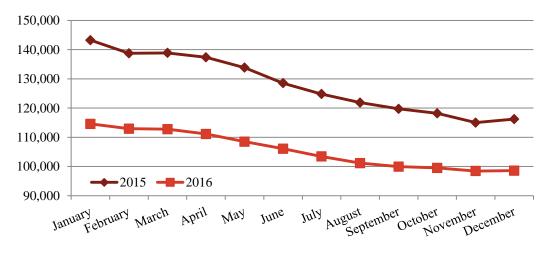
Table 3.18 Average Monthly Number of Material Need Assistance Beneficiaries and Annual Funding in 2015 – 2016

	2015	2016
Total number of beneficiaries	128,040	105,590
of which registered job seekers	93,034	74,528
Number of jointly assessed household members	266,129	226,438
of which registered job seekers	125,032	100,359
Total funding in €	213,685,797	183,004,863
Average amount of material need allowance	130.86	133.68
and supplements in €		

Source: RSD MIS, the funds according to the Draft Closing Account of the Budget Section of MoLSAF; calculation of the average monthly amount of the benefit is based on the funds paid under a standard claim

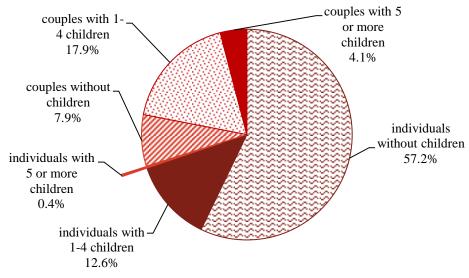
The following graphic representation shows that the number of material need assistance beneficiaries during 2016 had a slightly downward trend. There are always some changes at the beginning of the calendar year, due to adjustment of pensions and changes in the income situation of pensioners in material need, which are most pronounced in February, when a reduction in the number of beneficiaries is recorded. Subsequently, the income situation of pensioners is reassessed and, consequently, some of them may return to the material need assistance system. The decrease in the number of material need assistance beneficiaries in 2016 was reflected in all groups of beneficiaries, most notably for individuals. A lower decrease was recorded for individuals and couples with more than four children. The share of individual groups in the system, especially that of individuals, also changed slightly, mainly due to the introduction of changes in the material need assistance system in the previous year, concerning the provision of a special allowance.

Graph 3.4 Number of Material Need Assistance Beneficiaries in 2015 and 2016



Source: RSD MIS

Graph 3.5 Percentages of Different Groups of Material Need Assistance Beneficiaries in 2016

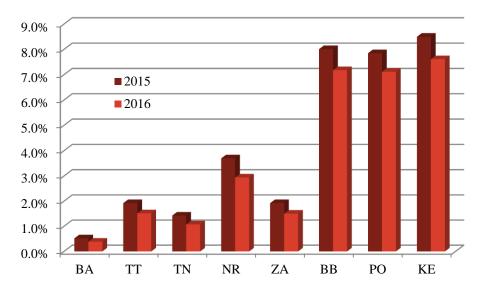


Source: COLSAF

When comparing the structure of material need assistance beneficiaries between 2015 and 2016, there was a decrease in the number of beneficiaries in all household groups. With regard to individual groups, the number of individuals without children decreased by 19.8 %, individuals with one to four children by 15.1 %, individuals with 5 or more children by 8.9 %, couples without children by 15.1 %, couples with one to four children by 15.1 %, and couples with five or more children by 6.8 %. There was also a change in the proportion of each group in the total number of beneficiaries, especially for individuals without children, representing 57.2 % (a year-on-year decrease of 1.6 pp).

In 2016, there were, on average monthly, 226,438 household members in the material need assistance system, representing a share of 4.2 % of the total population of Slovakia. This number decreased year on year by 14.9 %, i.e. by 39,691 persons. At the same time, there was a slight year-on-year decrease (0.7 pp) in the proportion of the total number of household members in the material need assistance system in the total population.

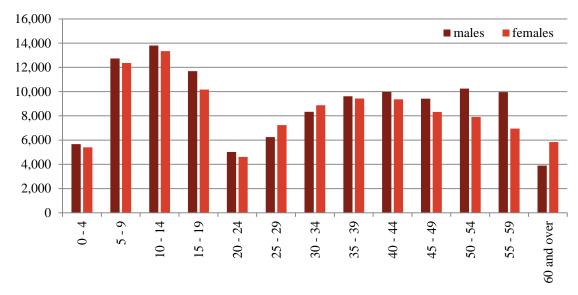
Graph 3.6 Share of Household Members in the Material Need Assistance System in Total Populations in Individual Regions in % (at the End of the Year)



Source: RSD MIS and SO SR

The highest share of household members in the material need assistance system for the reference period (the end of the year) was in the regions of Košice, Banská Bystrica, and Prešov. The lowest proportion was reported in the region of Bratislava. This regional distribution has persisted for a long time.

Of the total number of household members in the material need assistance system, i.e. jointly assessed persons, 51.5 % were men and 48.5 % were women. Compared to 2015, there was no significant change in the ratio between the sexes. The following graph shows the structure of household members in the system by age and sex. In each age group, there is a higher number of men than women, except for the groups aged 25 - 29 years (15.8 % more women), 30 - 34 years (6.5 % more women), and 60 years and over. The number of women in the last mentioned age group is 50.0 % higher than the number of men. The situation was improved year on year (in 2015, the share of women in this age group was 65.7 % higher), mainly thanks to adjustment of pensions by a fixed amount; however, this state has persisted since 2006 and in addition to demographic developments, is also influenced by lower pensions of women, resulting from their previous lower earnings during job careers. This age group lives primarily in households of single adults or single-parent families (66.4 % of persons in the material need assistance system in this age group), with women accounting for 70.9 % of this subgroup.



Graph 3.7 Household Members in Material Need Assistance System by Age and Sex in 2016

Source: RSD MIS

Based on the purpose and contents of material need assistance, consisting of a benefit in material need (at six levels), protective allowance (at three levels), activation allowance, dependent child allowance, and a housing allowance (at two levels), the number of beneficiaries developed as follows:

Protection allowance is designed to cover special expenses of household members, who cannot get or increase their income by work. It is provided under conditions stipulated by law, in the amount of

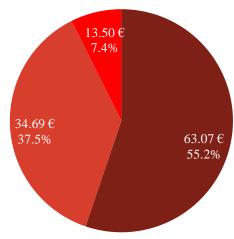
- € 63.07 per month for household members who are in pension age, disabled with a decrease in earning capacity by more than 70 %, single parents caring for a child under 31 weeks of age, provide personal care for a health-disabled person, etc.;
- € 34.69 per month in the case of an unfavourable health condition (illness, injury or quarantine, lasting more than 30 consecutive days);
- € 13.50 per month for pregnant women and parents of a child under 1 year of age.

In 2016, the entitlement to a protective allowance was granted to household members 21,927 times per month on average, of which the entitlement to  $\in$  63.07 was granted 12,102 times, the entitlement to  $\in$  34.69 was granted 8,214 times, and the entitlement to  $\in$  13.50 was granted 1,612

times, of which 663 times to parents caring for a child under 1 year of age, and 978 times to pregnant women. Graph 3.8 below shows the share of protection allowances in terms of their amounts in the total number of protection allowances provided.

Compared to 2015, the total number of entitlements granted to a protective allowance decreased by  $19.6\,\%$ .

Graph 3.8 Distribution of Allowances Granted by Amount of Entitlement (Average for 2016)

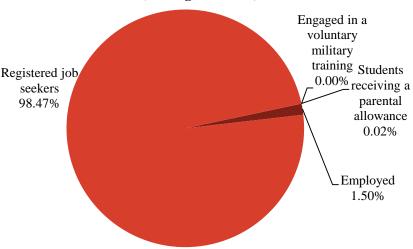


Source: RSD MIS

Activation allowance is designed to support the acquisition, maintenance, deepening and increasing knowledge, professional skills, practical experience and work habits to enhance career prospects in the labour market. Each member of the household who is employed, registered as a job seeker or is paid a parental allowance is entitled to an activation allowance. In case of registered job seekers, the reasons for granting the entitlement to an activation allowance are: enhancing qualifications, taking part in education and training for the labour market, or carrying out minor municipal services.

In 2016, the entitlement to an activation allowance was granted to a monthly average of 45,846 household members, of which 689 household members were employed, 45,147 registered job seekers, 10 household members received a parental allowance, and one household member was granted the entitlement for undergoing a voluntary military training, which is a new reason for the entitlement to an activation allowance. This amendment entered into force on 2 January 2016. Of the total number of registered job seekers who were provided an activation allowance, 41,878 household members were engaged in minor services for the municipality or self-governing region, accounting for 91.3 % of the total number of entitlements granted to an activation allowance. Compared to 2015, the number of entitlements granted to an activation allowance decreased by 14 %. In view of the activation of persons in the material need assistance system, 45 % of the total average monthly number of persons who are also registered job seekers were entitled to an activation allowance.

Graph 3.9 Distribution of Activation Allowances Granted by Reason for Entitlement (Average for 2016)



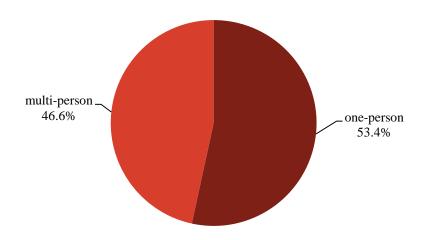
Source: RSD MIS

Dependent child allowance is designed to support nurture, education and overall development of the child, who duly fulfils compulsory school attendance. The allowance entitlement amounts to  $\in$  17.20 per month for each dependent child. In 2016, the entitlement to a dependent child allowance was granted for a monthly average of 48,275 dependent children, accounting for 91.1% of the total average number of dependent children at the age of compulsory education in the material need assistance system. The number of entitlements granted to a dependent child allowance dropped year on year by 11.5%, which was also caused by the decrease in the number of material need assistance beneficiaries.

Housing allowance is designed to cover housing costs. The entitlement is granted if any household member is an owner or co-owner of an apartment, owner or co-owner of a house, tenant of an apartment, tenant of a house or tenant of a room in a facility for permanent housing or lives in an apartment or in a house with lifetime right of use. The entitlement to a housing allowance is also granted if households live in assisted living facilities, facilities for the elderly, social services homes or specialised facilities with year-round residence, shelters, half-way houses, emergency housing facilities or crisis centres.

In 2016, the entitlement to a housing allowance was granted to a monthly average of 51,489 households. The entitlement to a housing allowance was granted to 48.8 % of the total number of households/material need assistance beneficiaries. The number of households entitled to a housing allowance declined by 17 % year on year. This situation follows the overall state, resulting in the decline in the number of material need assistance beneficiaries.

Graph 3.10 Distribution of Housing Allowance Entitlements by Household Size (Average for 2016)



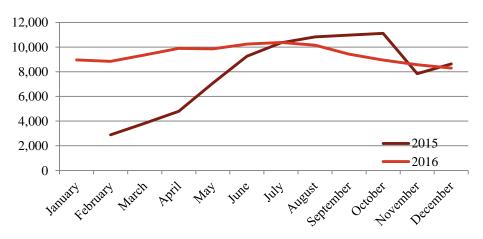
Source: RSD MIS

### **Special Allowance**

The material need assistance system also defined the conditions for granting a special allowance. With effect from 1 January 2015, the overlapping of material need assistance, income from employment, and a special allowance was enabled. This measure focuses on the motivation of the long-term unemployed and long-term inactive persons in the material need assistance system to enter or return to the labour market. Experience shows that a special allowance is an effective and attractive tool that improves the overall situation of families in material need through an active approach to enhancing their social and income situation by labour market participation. A material need assistance beneficiary who enters into employment and his/her income ranges from the one-half of the minimum wage to twice the amount of the minimum wage, may receive a special allowance concurrently with the wage during 12 months (6 months in the amount of € 126.14 and 6 months in the amount of € 63.07).

In 2016, a special allowance was provided to a monthly average of 9,411 persons, of which 87.6 % were not provided material need assistance, more specifically 12.4 % were assessed within households for the purpose of providing material need assistance. Of the total average monthly number of special allowances provided, 40 % were granted in a lower amount, 55 % in a higher amount, and only 5 % in an aliquot amount. The total spending on special allowances was  $\in$  11,549,747. Compared to 2015 (consisting only of eleven months), the number of special allowances provided increased by 18.2 %.

Graph 3.11 Number of Special Allowances Provided in 2015 and 2016



Source: RSD MIS

### 3.4.2 Subsidies for a Child in Material Need

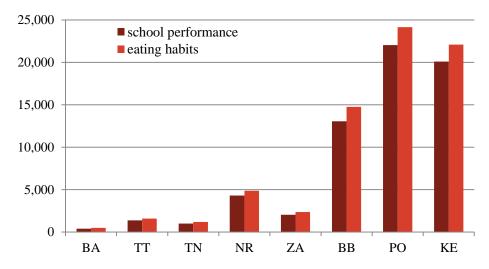
These are support measures aimed to increase the motivation of children from low-income families for compulsory school attendance and they are implemented through the MoLSAF grant programme. Through the grant programme, MoLSAF provides subsidies to support eating habits and subsidies to support school performance of children at risk of social exclusion. Subsidies are granted to the founder of a school facility which a child attends; the school facility directly provides the child with school supplies or meals from the subsidy.

Granting of subsidies for support of eating habits, as well as subsidies to support school performance of the child at risk of social exclusion is regulated by Act No. 544/2010 Coll. on Subsidies within the Authority of MoLSAF.

In 2016, the total spending on subsidies to support eating habits reached  $\in$  9,453,614<sup>39</sup>. The average monthly number of children who were granted the subsidy was 71,576, representing a year-on-year decrease of 11.1 % (8,966 children).

The subsidy to support school performance of children at risk of social exclusion amounted to € 2,126,364<sup>40</sup> and was granted for 66,135 children in the first half of 2016 (a decrease of 12.9 % compared to the first half of 2015) and for 62,751 children in the second half of 2016 (a decrease of 10.8 % compared to the second half of 2015).

The decrease in the number of children for whom the above-mentioned subsidies were granted was mainly influenced by a decrease in the number of material need assistance beneficiaries who are households with children.



Graph 3.12 Regional Distribution of Children with Subsidies Granted in 2016 (Average)

Source: RSD MIS

In terms of regional distribution of the children for whom subsidies were granted under the above-mentioned Act on Subsidies within the Authority of MoLSAF, the situation is captured in the previous graph. The largest number of subsidies was provided (in terms of regional distribution of the children) in the regions of Prešov, Košice and Banská Bystrica.

<sup>&</sup>lt;sup>39</sup> a figure from the Draft Closing Account of Budget Section 22 - MoLSAF

<sup>&</sup>lt;sup>40</sup> a figure from the Draft Closing Account of Budget Section 22 - MoLSAF

## 3.4.3 Substitute Child Maintenance

Substitute child maintenance is the amount granted by the state to provide nutrition of the entitled child in the event that the obliged person (parent or another natural person liable to pay maintenance) does not fulfil the child maintenance obligation.

Act No. 201/2008 Coll. on Substitute Child Maintenance and amendments and supplements to Act No. 36/2005 Coll. on Family and on amendments and supplements to certain acts, adjusts the provision of substitute child maintenance by the state in cases where the obliged person fails to fulfil the maintenance obligations towards dependent children and where the orphan's pension or the sum of orphan's pensions for a dependent child is below the minimum maintenance amount, set by the Act on Family.

In 2016, a monthly average of 7,374 recipients of substitute child maintenance due to unpaid maintenance was recorded, representing a year-on-year decrease of 991 beneficiaries (11.8%). A monthly average of 11,035 children received the maintenance for this reason (representing a year-on-year decrease of 1,504 children, i.e. 12.0%). In 2016, 4,870 claims on maintenance payments were made, totalling  $\in$  862,333, of which  $\in$  564,165 were recovered.

In 2016, the average monthly number of recipients of substitute child maintenance due to low orphan's pension was 549, representing a year-on-year decrease of 31 beneficiaries (5.34%). A monthly average of 903 children received the maintenance for this reason (representing a year-on-year decrease by 69 children, i.e. 7.10%).

The total spending on substitute child maintenance in 2016 was  $\notin$  7,939,839 (a year-on-year decrease of  $\notin$  971,621)<sup>41</sup>.

The maximum amount of substitute child maintenance given by law is 1.2 times the subsistence minimum for a dependent child. Compared to the previous year, the maximum amount of substitute child maintenance remained unchanged; in 2016, the maximum entitlement to substitute maintenance for one child was  $\in$  108.50.

13,500 1,050 13,000 1,000 12,500 12,000 11,500 11,000 10,500 950 900 850 800 10,000 750 June unpaid maintenance (children) 2015 unpaid maintenance (children) 2016 orphan's pension (children) 2015 orphan's pension (children) 2016

Graph 3.13 Number of Beneficiaries (Dependent Children) of Substitute Child Maintenance in 2015 and 2016

Source: RSD MIS

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 $<sup>^{\</sup>rm 41}$  data from the Draft Closing Account of Budget Section 22 - MoLSAF

# 3.4.4 Social and Legal Protection of Children and Social Guardianship

The measures of social and legal protection of children and social guardianship (hereinafter simply SLPC&SG) are performed for a child, an adult person, a family, group or community under Act No. 305/2005 Coll. on Social and Legal Protection of Children and Social Guardianship and on amendments and supplements to certain acts, as amended (hereinafter simply Act on SLPC&SG).

In 2016, measures of social and legal protection of children and social guardianship were implemented by 574 skeleton employees and 411 project employees of 46 local OLSAFs, namely in the sections of social affairs and family, and departments of social and legal protection of children and social guardianship (authorities of social and legal protection of children and social guardianship).

In 2016, the measures of SLPC&SG were provided to 14,607 new families and 20,784 new children.

The authority of local OLSAFs as SLPC&SG bodies is, inter alia, to submit proposals and suggestions in matters of minor children to competent courts. In 2016, local OLSAFs submitted to courts 956 proposals and suggestions to grant an interlocutory injunction (883 in 2015), 132 proposals and suggestions to order institutional care (219 in 2015), and 35 proposals and suggestions to abolish institutional care (46 in 2015). Compared with the previous year, there was a decrease in the number of proposals and suggestions to order institutional care, which can be viewed as one of the positive consequences of legislative changes, increase in the number of employees in SLPC&SG authorities and promotion of implementation of SLPC&SG measures in the natural and substitute environment of clients from EU sources. In 2016, the SLPC&SG authorities submitted 22,966 reports on nutrition and education of minors (33,872 in 2015) to courts or other state authorities.

From their own initiative, the initiative of the court or another person, the SLPC&SG authorities surveyed a child's opinion on its situation in case of 14,249 children in total (14,365 in 2015).

If necessary in the interests of the child, the SLPC&SG authority decides to impose an upbringing injunction. In 2016, the SLPC&SG authorities imposed 488 upbringing injunctions (424 upbringing injunctions in 2015) for 835 children (743 children in 2015). In 2016, the courts granted a total of 575 upbringing injunctions (385 upbringing injunctions in 2015) for 960 children (618 children in 2015).

## **Social Guardianship for Children**

In 2016, social guardianship measures were implemented by 100 employees of local OLSAFs – social guardians for children, specialised in this field. In 2016, the measures were implemented for a total of 15,179 children (Table 3.19). On average, one social guardian addressed the situation of 152 children

In terms of reasons for imposing, the measures of social guardianship for children were implemented for 1,879 adolescents due to commission of a criminal activity and for 700 children who committed an act that would be criminal if committed by a criminally responsible person. In 2016, assistance and protection in a misdemeanour procedure was provided to 3,045 children. In 2016, the social guardians carried out guardianship measures for 191 children due to drug experimentation and addiction (11 of the children were under 14 years of age). In case of 12 children, the measures were carried out due to other, non-substance addictions, e.g. gambling and computer addiction (2 of them were under 14 years of age). A total of 5,873 children were in the care of social guardians due to neglect of education. A total of 756 children exhibited disorders in relation to other children, parents or other adult person; 1,672 children with behavioural disorders were also treated; social guardians dealt with running away from home or facility in 23 cases. The number of children for whom social guardianship was carried out due to being victims of a crime slightly increased to 306. Social guardianship measures were provided also to 668 children who have witnessed a crime.

Table 3.19 Number of Children to Whom Social Guardianship Was Provided in 2015 and 2016

	Т-4-1 с	Number of children			
Year	Total number of children	up to 14	4 years	15 – 1	8 years
	cinidi en	boys	girls	boys	girls
2015	15,182	3,983	2,449	5,886	2,864
2016	15,179	4,379	2,742	5,459	2,599

Source: V(MoLSAF 2016)

# **Social Guardianship for Adults**

In 2016, social guardianship measures were carried out for 4,657 adult clients, by 56 social guardians. On average, one social guardian addressed the situation of 83 clients.

Measures of social guardianship for adults were carried out mainly for clients released or conditionally released from prison sentence. In order to facilitate their social reintegration, it is possible to provide a social reintegration allowance under the Act on Social and Legal Protection of Children. In 2016, the social guardians provided a social reintegration allowance to 3,647 persons (see Annex to Chapter 3, Table 12). The total spending on social reintegration allowances in 2016 reached € 208,606.

## Domestic Violence, Maltreated, Neglected and Abused Children

In the area of domestic violence, maltreated, neglected and abused children, local OLSAFs carried out SLPC&SG measures based on reasonable suspicion for a total of 714 children in the reference year. Execution of SLPC&SG measures is aimed at providing social counselling and social work in the field; the Department of Advisory and Psychological Services provides mainly psychological counselling and psychological assistance in rehabilitation of the biological family within assistance to victims of violence.

In 27 cases, the SLPC&SG authorities initiated the prosecution. Assistance provided to maltreated, sexually abused and bullied children is given in Annex to Chapter 3, Table 13.

# **Institutional Care and Protective Care**

As of 31 December 2016, there were 3,892 children placed in institutional care and 24 children in protective care. In total, 5,261 children were placed in all types of facilities for court decision enforcement. The number of children placed in court decision enforcement facilities and comparison with 2015 is shown in Annex to Chapter 3, Table 14.

As of 31 December 2016, 90 *children's homes* were registered in Slovakia, with a total number of 4,406 minors and 338 young adults. Of the total number of 90 children's homes, 43 children's homes were established as homes of children and 47 children's homes were established as centres of children.

The children's homes carry out the ordered institutional care, urgent injunctions and upbringing injunctions in a separate group, a specialised separate group, a separate diagnostic group, or a professional family.

As of 31 December 2016, 653 professional parents were in children's homes, with 1,468 children and young adults being placed in their care. The forms of care in children's homes and the number of children placed in various forms of care in children's homes are shown in Annex to Chapter 3, Tables 15 and 16.

#### **Unaccompanied Minors**

In 2016, SLPC&SG measures were carried out in case of 44 unaccompanied minors, representing a year-on-year increase of 10 unaccompanied minors.

# Substitute Family Care – Substitute Personal Care, Foster Care, Tutor Care, Pre-adoption Care and Adoption

In 2016, a total of 1,125 children were placed in a substitute family environment (substitute personal care, foster care, tutor care, and pre-adoption care). A comparison of 2015 and 2016 is shown in Table 3.20.

As of 31 December 2016, a total of 8,799 children were entrusted to substitute personal care, foster care, and tutor care. The total number of children entrusted to the various forms of substitute family care and a comparison with the previous year are shown in Annex to Chapter 3, Table 17.

In 2016, a total of 124 children were adopted by virtue of a final court decision, of which 6 children were adopted abroad. A total of 98 children were entrusted to pre-adoption care, 2 of which were entrusted abroad in 2016.

Table 3.20 Number of Children Entrusted to Substitute Family Care in 2015 and 2016

	Adoption				
year	(entrusted to pre- adoption care)	Substitute personal care	Foster care	Tutor care	Total
2015	122	948	143	165	1,378
2016	98	765	94	168	1,125

Source: V(MoLSAF 2016)

# **Advisory and Psychological Services**

In 2016, the Departments of Advisory and Psychological Services (hereinafter simply DAPSs) of local OLSAFs had 81 employees who provided 47,314 consultations in a total of 8,700 cases. 5.44 consultations on average were provided in one case.

# The core activities of DAPSs were:

# a) psychological partnership, marriage and family counselling, psychological assessment, psychological crisis intervention

- to help the child, parent or adult person in dealing with upbringing, marriage, family and other social problems;
- to assist spouses, parents of minor children, as well as their minor children in the process of and after divorce;
- to help with adjustment of contact of parents with the child;
- to examine the child's views in matters concerning it if the child and/or the family are clients of DAPSs;
- to help individuals and families with problems involving violence and drug addiction;
- to assist individuals and families in crisis situations and major life changes.

# b) specialised training of individuals – persons interested in providing substitute family care

- psychological assessments of preconditions and training of individuals persons interested in providing substitute family care;
- training of individuals for the professional provision of substitute care.

Basic statistics on activities of DAPSs are given in Annex to Chapter 3, Tables 18 and 19.

### **Accreditation Process in 2016**

The accreditation commission of MoLSAF is established as an advisory body to the Minister of Labour, Social Affairs and Family in the area of granting accreditation under Act No. 305/2005 Coll. on Social and Legal Protection of Children and Social Guardianship and on amendments and supplements to certain acts, as amended, and Act No. 448/2008 Coll. on Social Services and on amendments and supplements to Act No. 455/1991 Coll. on Trade Licensing (Trade Licensing Act), as amended, to:

- carrying out selected measures of SLPC&SG;
- education programmes under the Act on Social Services;
- professional activities under the Act on Social Services.

The Accreditation Commission expresses its opinion on applications for granting, renewal, change, cancellation and withdrawal of accreditation. The Accreditation Commission met 11 times in 2016.

In the area of granting accreditation to carry out SLPC&SG measures, MoLSAF received a total of 122 submissions in 2016. MoLSAF issued a decision to cancel the accreditation for one children's home and one crisis centre. The accreditation was not granted by MoLSAF to one children's home. Based on the recommendation of the Accreditation Commission, MoLSAF renewed the accreditation in 25 cases, of which 11 accreditations for implementing SLPC&SG measures, as well as the accreditations of 2 crisis centres, 5 social reintegration centres, and 7 children's homes. The accreditation was not renewed in one case. The Accreditation Commission has recommended adoption of a decision on 19 changes in existing accreditation decisions (10 changes in the place of measure implementation, 6 changes of a responsible representative, 3 changes in a capacity). In 2016, the accreditation ceased to exist in 10 cases (5 accreditations for SLPC&SG measures, 3 accreditations of crisis centres, 2 accreditations of children's homes).

Table 3.21 Number of Accredited Organisations to Implement SLPC&SG Measures in 2016

	Number of accredited organisations
Organisations implementing measures of social and legal protection of children and social guardianship under Act No. 305/2005 Coll.	52
Children's home	24
Crisis centre	19
Social reintegration centre	19
TOTAL	114

Source: V(MoLSAF, 2016)

# 3.4.5 Allowances for the Support of Substitute Care

Act No. 627/2005 Coll. on Allowances for the Support of Substitute Care for a Child supports, by means of financial allowances, the performance of personal care for a child by a different natural person if the parents do not or cannot ensure the care themselves.

Table 3.22 Amounts of Allowances for the Support of Substitute Care in 2016

Allowances for the Support of Substitute Care	
Lump-sum allowance upon entrusting a child to substitute care	€ 500.00
Lump-sum allowance upon cessation of substitute care	€ 922.29
Recurring allowance for a child in substitute care	€ 138.13
Recurring allowance for a substitute parent	€ 175.62
Increase in recurring allowance for a substitute parent	€ 124.91
Special recurring allowance for a substitute parent	€ 72.36

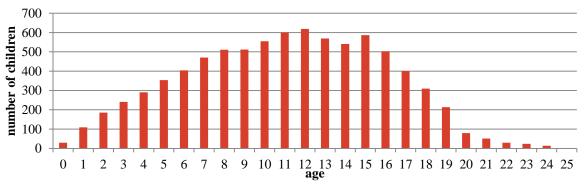
Source: MoLSAF

Lump-sum allowance upon entrusting a child to substitute care is provided for a child when it is entrusted to substitute care to support the satisfaction of the child's basic needs. In 2016, the allowance was provided for 673 children, which is 41 children less than in 2015. Of the total number of children, 69.8 % were entrusted to substitute personal care, 12.0 % to foster care and 6.5 % to tutor care. A total of  $\in$  336.5 thousand was spent on the allowance, representing a year-on-year decrease of  $\in$  21.0 thousand.

**Lump-sum allowance upon cessation of substitute care** is provided to support the child in becoming independent. In 2016, the allowance was granted to 474 children, which is 20 children less than in 2015. Of the total number of cases, in 62.7 % substitute personal care ceased to exist, in 30.4 % it was foster care and in 7.0 % tutor care. A total of  $\in$  436,2 thousand was spent on the allowance, representing a year-on-year decrease of  $\in$  20.3 thousand.

Recurring allowance for a child in substitute care is provided for the purpose of support of meeting the child's needs, in particular to cover the costs of nutrition, upbringing, education and housing of the child. During the reference period, the allowance was paid to a monthly average of 8,202 children (representing a year-on-year decrease of 141 children), in a total amount of  $\notin$  9,740 thousand (a year-on-year decrease of  $\notin$  175.7 thousand). By various forms of substitute care, an average of 68.8 % of children were placed in substitute personal care, 21.6 % of children in foster care, 2.4 % of children in tutor care, 2.0 % of children in temporary entrustment and 5.2 % of children entrusted through preliminary injunction.

Graph 3.14 Number of Children who Were Granted Recurring Allowance for a Child in Substitute Care, by Age



Source: RSD MIS

**Recurring allowance for a substitute parent** is provided to support performance of personal care for a child entrusted to substitute parent's substitute care. During the reference period, the allowance was paid to a monthly average of 1,212 substitute parents for 1,545 children

(1,214 substitute parents for 1,581 children in 2015). If the substitute parent personally cared for three or more children who are siblings, the recurring allowance for a substitute parent increased by  $\in$  124.91 per month. In the reference period, there was a monthly average of 59 such cases. The total spending on the allowance reached  $\in$  2 683.6 thousand.

**Special recurring allowance for a substitute parent** is provided to support the performance of personal care of a health-disabled child entrusted to substitute care. During the reference period, the allowance was paid to a monthly average of 53 substitute parents caring for a total of 56 severely disabled children (representing a year-on-year increase of 3 substitute parents and 3 severely disabled children). The total amount spent on the allowance was  $\in$  51.7 thousand (a year-on-year increase of  $\in$  1.6 thousand).

Foster parent remuneration – Section 19(3) A natural person, whose entitlement to foster parent remuneration according to regulation in force until 31 December 2005 lasts after 31 December 2005 and the entrusted child is a direct relative, is provided the remuneration until cessation of entrustment of the child. In 2016, the foster parent remuneration was paid to a monthly average of 103 beneficiaries (a year-on-year decrease of 43 beneficiaries) to whom 111 children were entrusted (a year-on-year decrease of 49 children). The total amount spent on foster parent remuneration was € 63 thousand (a year-on-year decrease of € 28.7 thousand).

In 2016, the total spending on allowances for substitute family care reached  $\in$  13,306,168, representing a year-on-year decrease of  $\in$  250,169<sup>42</sup>.

## 3.4.6 Compensation of Social Consequences of Severe Health Disability

Legal relations for the provision of allowances for compensation of social consequences of severe health disability and the issue of a card of a severely disabled person, a card of a severely disabled person with a guide, and a parking card for a severely disabled person are regulated by Act No. 447/2008 Coll. on Allowances for Compensation of Severe Health Disability and on amendments and supplements to certain acts, as amended (hereinafter simply the Act on Allowances), which entered into force on 1 January 2009. The purpose of these legal regulations is to support the social inclusion of severely disabled persons (hereinafter simply a SDP or SDPs) with their active participation, while preserving human dignity in the following four areas: area of mobility and orientation, communication area, area of increased expenditure and the self-care area.

The Act on Allowances amending Act No. 378/2015 Coll. with effect from 2 January 2016 stipulates that income for the purpose of providing allowances for compensation shall not include a one-time allowance for extraordinary service, a motivation allowance, natural requisites, reimbursement of travel costs, and lump-sum compensation of the survivors provided in connection with inclusion in active reserves pursuant to the Act on Voluntary Military Training.

Under the Act on Allowances, SDPs may, after assessing their state of health, be issued with a card of a severely disabled person, a card of a severely disabled person with a guide, and a parking card for a severely disabled person. These cards allow SDPs to use certain discounts and benefits, thus contributing to compensation of consequences of severe health disability and their social inclusion. As of 31 December 2016, a total of 316,849 cards of a severely disabled person and 83,498 parking cards for a severely disabled person were valid.

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<sup>&</sup>lt;sup>42</sup> data from the Draft Closing Account of Budget Section 22 - MoLSAF

**Table 3.23 Number of Valid Cards** 

	Period		
Type of card	As of 01/12/2015	As of 01/12/2016	
Cards of severely disabled persons (without a			
guide)	153,950	160,716	
Cards of severely disabled persons with a			
guide	154,275	156,133	
TOTAL Cards of severely disabled			
persons without/with a guide	308,225	316,849	
Parking cards for severely disabled			
persons	80,745	83,498	

Source: MoLSAF

Under the Act, social consequences of severe health disability may be compensated by compensation allowances, which are divided into **recurring and lump-sum**.

The amounts of *recurring compensation allowances* are set as a *percentage of the subsistence minimum for one adult person*; hence, they are indexed depending on the adjustment of the subsistence minimum on 1 July of the current calendar year. Given the fact that the subsistence minimum was not indexed in 2016, the recurring compensation allowances also remained unchanged in this year. An overview of the amounts of recurring compensation allowances is given in Table 3.24.

The maximum amounts of *lump-sum compensation allowances* are set by the Act on Allowances as a *fixed amount*. The actual amount of the lump-sum compensation allowance is affected by income of a severely disabled person and costs, for example, of an aid, a passenger vehicle, an adjustment (depending on the type of allowance). Taking into account the income of a SDP, the principle of solidarity is maintained, i.e. the lower the income of a SDP is, the higher the lump-sum compensation allowance may be provided. An overview of the maximum amounts of lump-sum compensation allowances is given in Table 3.23.

**Table 3.24 Overview of Recurring Compensation Allowances** 

Type of recurring compensation allowance	Amount in € <sup>43</sup>
Personal assistance allowance – rate per hour	2.76
Allowance for transport	101.07
Allowance for compensation of increased expenditures:	
- for special diet	
a) diseases and disorders listed in the first group of Annex 5 to the Act	
on Allowances	36.77
b) diseases and disorders listed in the second group of Annex 5 to the Act on Allowances	18.39
c) diseases and disorders listed in the third group of Annex 5 to the Act on Allowances	11.04
- for hygiene or wear and tear of clothing, underwear, shoes and household furnishings	18.39
- for ensuring the operation of a passenger vehicle	33.09
- for care of a dog with specialised training	44.12
Allowance for nursing:	
- a natural person (carer) does not receive any of the statutory pension benefits:	
a) takes care of one SDP	220.52
b) takes care of two or more SDPs	294.01
c) takes care of one SDP who spends more than 20 hours per week in a facility	194.79
d) takes care of two or more SDPs who spend more than 20 hours per week in a facility	275.65
e) takes care of one SDP who spends more than 20 hours per week in a facility and at the same time, takes care of another SDP who is not	
in a facility or spends there at most 20 hours per week	286.66
- a natural person (carer) receives any of the statutory pension benefits	
a) takes care of one SDP	91.88
b) takes care of two or more SDPs	121.28

Source: MoLSAF

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 $<sup>^{43}</sup>$  Calculation of a personal assistance allowance, allowance for transport and allowance for nursing is also based on other parameters, especially income of a SDP

**Table 3.25 Maximum Amounts of Lump-sum Compensation Allowances** 

Type of lump-sum compensation allowance	Maximum amount in €
Allowance for purchase of an aid	8,630.42
- for purchase of a second mechanical wheelchair	1,659.70
– for purchase of a second electric wheelchair	4,979.09
– for purchase of a second hearing aid	331.94
Allowance for training of using an aid	8,630.42
Allowance for adjustment of an aid	8,630.42
Allowance for purchase of a lifting device	11,617.88
Allowance for purchase of a passenger vehicle	6,638.79
- for purchase of a passenger vehicle with an automatic gearbox	8,298.48
Allowance for adjustment of a passenger vehicle	6,638.79
Aggregate of allowances for adapting an apartment and	
allowances for adapting a family house over the period of 7 years	6,638.79
Aggregate of allowances for adapting a garage over the period of 7 years	1,659.70

Source: MoLSAF

In 2016, the total spending on compensation allowances was  $\in$  226,493,295, of which the total spending on allowances provided to SDPs reached  $\in$  134,128,813. The average monthly number of beneficiaries – SDPs was 166,789. The average monthly number of beneficiaries of an allowance for nursing, which is granted to natural persons caring for SDPs (carers), was 54,666 and the funds spent for this purpose amounted to  $\in$  92,364,482.

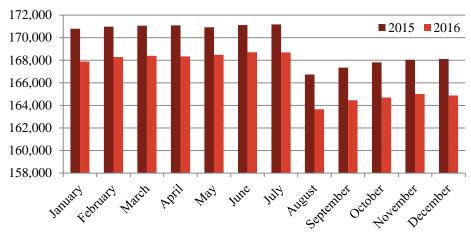
Table 3.26 Overview of Spending in 2016

Compensation allowances	Average monthly number of beneficiaries	Spending in €
Allowances granted to SDPs	166,789	134,128,813
Allowance for nursing*	54,666	92,364,482
TOTAL		226,493,295

Source: RSD MIS

\*An allowance for nursing is granted to a natural person caring for a SDP

When comparing data on compensation allowances in 2016 and 2015, the total spending on all compensation allowances decreased in 2016 by ca.  $\in$  5.0 million. The total spending on allowances for nursing decreased by  $\in$  4,97 million and at the same time, the average monthly number of beneficiaries of this allowance (carers) decreased by 1,906. The total spending on compensation allowances provided to SDPs in 2016 declined by ca.  $\in$  0.03 million and at the same time, the average monthly number of beneficiaries of this allowance declined by 2,807.



Graph 3.15 Number of SDPs with Provided Compensation Allowances in 2015 and 2016

By the number of beneficiaries in 2016, within **recurring** compensation allowances, the highest average monthly number of beneficiaries (162,623) was granted allowance for compensation of increased expenditures (all types of increased expenditures in total). This compensation allowance is divided by the purpose of provision into four groups; within this breakdown, the highest average monthly number of beneficiaries was associated with compensation of increased expenditures related to hygiene or wear and tear of clothing, underwear, shoes and household furnishings (89,868 beneficiaries), followed by compensation of increased expenditures related to ensuring the operation of a passenger vehicle (69,497 beneficiaries), compensation of increased expenditures due to a special diet (54,246 beneficiaries) and compensation of increased expenditures related to the care of a specially trained dog (68 beneficiaries). The second most numerous group consists of beneficiaries of allowance for nursing, with an average monthly number of 54,666 beneficiaries.

A total of 7,261 **lump-sum** compensation allowances were provided in 2016. The highest number of provided allowances was related to purchase of an aid (2,859, accounting for 39.37 % of the total number of provided lump-sum compensation allowances), followed by allowances for purchase of a passenger vehicle (1,523, ca. 20.98 %) and allowances for purchase of a lifting device (805, ca. 11.09 %). An overview of spending on individual types of compensation allowances in 2016 is given in the following table.

<sup>\*</sup> Each allowance beneficiary figures in the given numbers only once, even if he/she receives more contributions Source: RSD MIS

Table 3.27 Overview of the Number of Beneficiaries and Spending on Individual Types of Compensation Allowances

		2015		2016			
Recurring compensation allowances	Average monthly number of beneficiaries	Average monthly amount of allowance in €	Spending in €	Average monthly number of beneficiaries	Average monthly amount of allowance in €	Spending in €	
Personal assistance allowance	9,265	381.44	43,049,704	9,564	381.59	44,505,527	
Allowance for transport	2,908	84.69	3,014,428	2,997	84.07	3,080,390	
Allowance for compensation of increased expenditures:	165,692	31.59	63,883,538	162,623	31.79	63,058,208	
– for special diet	54,874	22.21	14,889,339	54,246	22.39	14,846,817	
for hygiene or wear and tear of clothing, underwear, shoes and household furnishings	92,183	18.39	20,665,305	89,868	18.39	20,135,694	
<ul> <li>for ensuring the operation of a passenger vehicle</li> </ul>	69,998	33.09	28,288,744	69,497	33.09	28,039,474	
<ul> <li>for care for a dog with specialised training</li> </ul>	73	44.12	40,149	68	44.12	36,223	
Allowance for nursing	56,572	139.13	97,335,801	54,666	136.70	92,364,482	
Lump-sum compensation allowances	Number of granted allowances*	Average amount of allowance in €	Spending in €	Number of granted allowances*	Average amount of allowance in €	Spending in €	
Allowance for purchase of an aid	3,082	765.38	2,358,886	2,859	774.98	2,215,681	
Allowance for training of using an aid	49	726.90	35,618	31	700.29	21,709	
Allowance for adjustment of an aid	25	1,310.92	32,773	17	792.59	13,474	
Allowance for repair of an aid	704	347.79	244,846	673	350.83	236,106	
Allowance for purchase of lifting	,,,,		,				
device	797	9,022.83	7,191,197	805	9,084.28	7,312,849	
Allowance for purchase of a passenger vehicle	1,537	6,787.96	10,433,095	1,523	6,760.85	10,296,779	
Allowance for adjustment of a passenger vehicle	140	3,294.45	461,223	147	3,567.33	524,397	
Allowance for adapting an apartment	483	2,589.12	1,250,547	428	2,487.89	1,064,815	
Allowance for adapting a family house	914	2,405.89	2,198,982	767	2,327.40	1,785,118	
Allowance for adapting a garage	6	1,053.50	6,321	11	1,250.91	13,760	
Total spending on compensation allowances in $\epsilon$		231,496,960			226,493,295		

Source: RSD MIS, calculation of the average monthly amount of recurring allowances is based on spending without any additional fees for a delayed claim,

The total number of **lump-sum** allowances provided in 2016 decreased year on year by 476, which led subsequently to a decrease in total spending of  $\in$  728,800. The number of allowances provided increased for three types and decreased for seven types as follows:

- a) increase in the number of lump-sum allowances provided in 2016 of:
  - 8 allowances for purchase of a lifting device (average amount of allowance increased by € 61.45)

<sup>\*</sup> summary data for 12 months

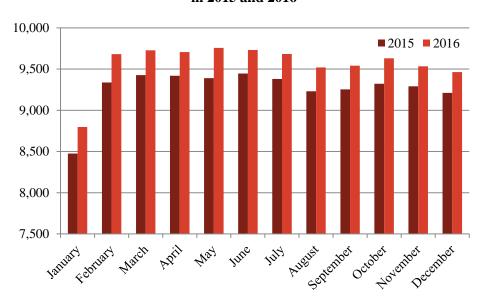
- 7 allowances for adjustment of a passenger vehicle (average amount of allowance increased by € 272.88)
- 5 allowances for adapting a garage (average amount of allowance increased by € 197.41)

## b) decrease in the number of lump-sum allowances provided in 2016 of:

- 223 allowances for purchase of an aid (average amount of allowance increased by € 9.60)
- 147 allowances for adapting a family house (average amount of allowance decreased by € 78.49)
- 55 allowances for adapting an apartment (average amount of allowance decreased by  $\in 101.23$ )
- 31 allowances for repair of an aid (average amount of allowance increased by € 3.04)
- 18 allowances for training of using an aid (average amount of allowance decreased by € 26.61)
- 14 allowances for purchase of a passenger vehicle (average amount of allowance decreased by € 27.11)
- 8 allowances for adjustment of an aid (average amount of allowance decreased by € 518.33)

In the category of **recurring** allowances, a year-on-year increase in the average monthly number of beneficiaries was recorded for two types of allowances. The personal assistance allowance increased the most significantly; an increase in this allowance has already persisted for a long time. It is a year-on-year increase of 299 beneficiaries, which also resulted in an increase in the total spending of ca.  $\in$  1,456 million. Compared to other types of allowances, it is the highest increase in total spending. The average monthly amount of the allowance in 2015 remained almost unchanged (an increase of  $\in$  0.15) and represents about 138 hours of personal assistance per month, for which the allowance was granted.

The another allowance with a year-on-year increase in the average monthly number of beneficiaries was the allowance for transport (an increase of 89 beneficiaries), and the average monthly amount of the allowance remained almost unchanged (a decrease of  $\in$  0.62).



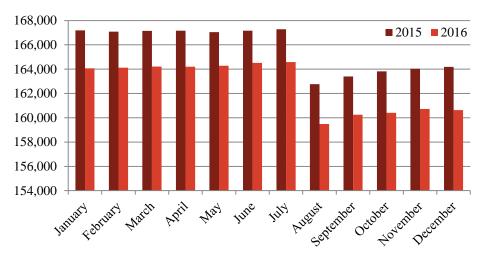
Graph 3.16 Number of Beneficiaries of Personal Assistance Allowance in 2015 and 2016

Source: RSD MIS

The most significant year-on-year decrease in the average monthly number of recurring allowance beneficiaries was recorded for an allowance for compensation of increased expenditures, specifically it decreased by 3,069 beneficiaries (all types of increased expenditures in total). A

decrease in the average monthly number of beneficiaries was reflected in each type of increased expenditure. The average monthly number of beneficiaries of allowance for compensation of increased expenditures related to hygiene or wear and tear of clothing, underwear, shoes and household furnishings decreased by 2,315, followed by a decrease in the average monthly number of beneficiaries of allowance for compensation of increased expenditures due to a special diet (a decrease of 628 beneficiaries), allowance for compensation of increased expenditures related to ensuring the operation of a passenger vehicle (a decrease of 501 beneficiaries), and allowance for compensation of increased expenditures related to the care of a specially trained dog (a decrease of 5 beneficiaries). These decreases in the number of beneficiaries in 2016 led subsequently to a decline in the total spending on allowance for compensation of increased expenditures (all types of increased expenditures in total) of ca.  $\in$  0.825 million compared to 2015.

Graph 3.17 Number of Beneficiaries of Allowance for Compensation of Increased Expenditures in 2015 and 2016



Source: RSD MIS

directly to a natural person caring for the SDP (carer). The amount of allowance depends on several factors. If the carer receives any of the statutory pension benefits, the allowance for nursing is set at a flat rate<sup>44</sup>. If the carer does not receive such pension benefits, the amount of the allowance is affected by the income of the nursed SDP, which is protected up to 1.4 times the subsistence minimum for one adult person, or if a dependent child is the SDP, its income is protected up to 3 times the subsistence minimum for one adult person. Given the fact that even in 2016 the subsistence minimum remained unchanged, limits of protection of income of a SDP remained unchanged from July 2013, in the amount of about € 277.33 per month (1.4 times the subsistence minimum) and about € 594.27 per month (3 times the subsistence minimum).

Allowance for nursing is the only compensation allowance which is not granted to a SDP, but

<sup>&</sup>lt;sup>44</sup> If the nursed SDP receives an increase in the pension for the lack of mobility, the amount of allowance for nursing is reduced by this increase, regardless of whether the carer receives or not any of the statutory pension benefits.

60,000 **2015 2016** 59,000 58,000 57,000 56,000 55,000 54,000 53,000 52,000 51,000 50,000 September October Hovember

Graph 3.18 Number of Beneficiaries of Allowance for Nursing in 2015 and 2016

Source: RSD MIS

The average monthly number of beneficiaries of allowance for nursing decreased year on year by 1,906; there was also a year-on-year decrease in the number of nursed SDPs (2,079). The number of beneficiaries who do not receive any of the statutory pension benefits (in the so-called productive age) declined by 1,872. Beneficiaries receiving a pension benefit are provided an allowance for nursing either under Section 40 of the Act on Allowances (an increase of 101 recipients), or under the transitional provision, i.e. the Act effective until 31 December 2008 (a decrease of 135 beneficiaries). More details on the provided allowances for nursing are given in the table below.

Table 3.28 Allowance for Nursing in 2015 and 2016 – Structure of Spending

Allowance for nursing	Average monthly number of beneficiaries	2015 Average monthly number of nursed SDP	Average monthly amount of allowance in €	Average monthly number of beneficiaries	2016 Average monthly number of nursed SDP	Average monthly amount of allowance in €
1. FO <sup>1)</sup> receiving a pension benefit	21,941	22,334	89.34	22,042	22,426	89.48
2. FO not receiving a pension benefit	33,832	34,982	172.52	31,960	32,955	170.19
3. FO receiving the allowance under the transitional provision	799	823	92.94	664	679	92.18
Allowance for nursing TOTAL	56,572	58,139	139.13	54,666	56,060	136.70

Source: RSD MIS

 $^{1)}$  FO – a natural person receiving the allowance for nursing (beneficiary)

The beneficiaries in the so-called productive age (who did not receive any of the statutory pension benefits) accounted for 58.5 %. The average monthly amount of the allowance for nursing paid to these beneficiaries was  $\in$  170.19. The beneficiaries who received one of the statutory pension benefits (pursuant to Section 40) accounted for 40.3 % of the average number, and the average allowance paid to them amounted to  $\in$  89.48. The beneficiaries who were provided the allowance for nursing under Section 66 of the Act on Allowances (i.e. under conditions stipulated by Act No. 195/1998 Coll. on Social Assistance, as amended, effective until 31 December 2008) accounted for 1.2 % of all the beneficiaries, and the allowance for nursing paid to them amounted to  $\in$  92.18 on average. The number of the beneficiaries who receive one of the statutory pension benefits is

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constantly decreasing, and they are gradually switching to the payment conditions laid down by the Act on Allowances.

Due to the fact that even in 2016 the subsistence minimum was not indexed, since July 2013 the statutory amounts of the allowance for nursing have not increased and the limits of the protection of income of SDPs remained unchanged. Pension benefits which mostly constitute the income of nursed SDPs are indexed (i.e. adjusted) annually. These facts had a major impact on the development of the average monthly amounts of the allowance for nursing. The amount of the allowance for nursing granted to the carers who receive any of the pension benefits in addition to such allowance remained unchanged because its calculation does not take the income of a SDP into account, while the average monthly amount of the allowance for nursing received by the beneficiaries in the so-called productive age declined year on year by  $\in 2.33$ .

An amendment to the Act on Compensation Allowances was adopted in 2016; with effect from 1 January 2017 it stipulates more favourable conditions for the provision of allowances for nursing for carers who do not receive any of the statutory pension benefits by increasing the statutory amount of the allowance for nursing for this group of beneficiaries, while increasing the protection of the income of a SDP from 1.4 to 1.7 times the subsistence minimum for one adult person. In view of the effect of this amendment, its impact will be reflected in 2017.

### 3.4.7 Social Services

Since 2009, social services in the Slovak Republic are provided in accordance with the Act No. 448/2008 Coll. on Social Services and on amendments and supplements to Act No. 455/1991 Coll. on Trade Licensing, as amended (Trade Licensing Act), as amended (hereinafter simply the Act on Social Services). The Social Services Act regulates the legal terms and conditions of provision of social services aimed at supporting social inclusion and accommodating the social needs of people in unfavourable social situation.

The unfavourable social situation is a threat to a natural person by social exclusion or a limitation of his/her ability to socially integrate and solve his/her own problems for various reasons independently.

Social services under the Act on Social Services shall be provided by means of professional, service and other activities the provider is obliged to provide or arrange if clearly specified. Professional activities, such as social counselling, social rehabilitation, stimulation of comprehensive development of children with health disabilities, as well as other activities may also be provided independently on the basis of accreditation under the conditions stipulated by the Social Services Act. Social services are public services and are provided without making profit, but the law also allows the provision of social services within a trade or business, i.e. based on profit.

The Social Services Act divides social services into several groups, depending on the nature of the unfavourable social situation or the target group, namely social services of crisis intervention, social services to support families with children, social services to address the unfavourable social situation due to severe health disability, ill health or due to reaching pension age, social services using telecommunication technologies, and support services.

For the provision of social services with the character of long-term care, provided to individuals in need of assistance of another person, the Social Services Act regulates *health and social assessment activities* determining the dependence of the individual on social services. The Social Services Act regulates the provision of health care in the range of nursing care in selected social service facilities directly by nurses, as employees of such facilities and also stipulates the possibility of providing social services in an institutional care facility. A separate part of the Act regulates the financing of private providers of social services (hereinafter simply the provider) subject to statutory conditions and also the financing of private providers of selected types of social services at the local level from the state budget, by means of funds allocated from the MoLSAF budget section. With regard to financing, private providers are divided into two groups, depending on whether they are non-profit or businesses entities, since it is not possible to support profit-seeking providers by public funding.

The Social Services Act regulates the *supervision* over compliance with this Act and other generally binding legal regulations in the provision of social services. MoLSAF will, with effect from 1 January 2018, assess the quality of provided social services under the quality terms laid down in Annex 2 to the Social Services Act. MoLSAF grants *accreditation for education programmes and accreditation for professional activity* (in 2016, there was a total of 28 accredited bodies, of which 20 were focused on education programmes, 8 on professional activity; 26 gained extended accreditation for education programmes and 7 gained extended accreditation for professional activity).

In order to ensure continuity and efficiency of social services provided and also encourage people dependent on the assistance of others to stay in their natural family environment as long as possible, MoLSAF continues to devote itself to the process of deinstitutionalisation of social services in Slovakia. In 2011, the Government of the Slovak Republic approved the Strategy of Deinstitutionalisation of the Social Services System and Substitute Care (hereinafter simply the DI Strategy), by which the Slovak Republic is committed to the global trend of systematic removal of the model of institutional isolation and segregation of persons requiring long-term assistance and care in specialised facilities, namely children in substitute care, persons with health disabilities and seniors, and its replacement by an alternative model of services and measures, by their nature most similar to conditions of normal life. Such a change in the model is one of the objectives of the current EU policy on social inclusion and health disability, and is part of Slovakia's commitments in the area of international human rights. MoLSAF approved the National Action Plan for the Transition from

Institutional to Community-based Care in the Social Services System 2015 - 2020 (hereinafter simply the National DI Action Plan). Elaboration of the National DI Action Plan is one of the fundamental tasks of the DI Strategy.

The National Project *Deinstitutionalisation of Social Service Facilities – Support to Transformation Teams* which was prepared in the programming period 2014 – 2020 is a follow-up to the National Project *Support for the Transformation and Deinstitutionalisation of the Social Services System* implemented in the previous programming period. The synergy of project support from the Integrated Regional Operational Programme will also be ensured through the transformation plans of individual facilities.

The National Project Support for Home-care Service implemented in the current programming period is a follow-up to the project of the same title from the previous programming period. Its main objective is to support the further development of home-care service in order to prevent the placement of natural persons dependent on the assistance of another person in self-servicing in housing social care facilities, create/maintain jobs and support employment in all Slovak regions. The national project supported by the ESF was launched in January 2016 and will be implemented for 33 months throughout the Slovak Republic, with an estimated 3,300 supported jobs of male and female carers. The output of the project should be, besides ensuring the provision of home-care service, a proposal for a system to provide for optimal financial support for this social service. So far 3,512 jobs of male and female carers have been supported by the implementation of the national project. Currently, there are 4,980 home-care service recipients<sup>45</sup>.

#### **Home-care Service**

In 2016, the home home-care service was provided by **municipalities, i.e. public providers**, to 13,155 individuals, representing a year-on-year increase of 823 persons. The number of persons in home care is expected to reincrease by supporting the provision of home-care service through the National Project "Support for Home-care Service".

At the end of 2016, home-care services were provided by 5,590 employees of 46 towns and villages. Compared to 2015, it is a significant increase of 723 employees, i.e. 14.9 %. Home-care services are provided using all institutes of industrial (labour) relations (employment, contract work, work performance agreement).

In 2016, municipalities spent a total of  $\in$  35.3 million on the provision of home-care services (a year-on-year increase of  $\in$  5.0 million).

Income of the municipalities from payments for home-care services in 2016 amounted to  $\in$  6.2 million, an increase of  $\in$  834 thousand compared to 2015. Compared to 2015, the reason for the increase in income is the increase in the number of recipients under the obligation to pay the entire cost of the home-care service (12.0 %). Income from payments by beneficiaries thus covered 17.8 % of the current expenditure on home-care services. The difference between income and expenditure on home-care services in 2016 amounted to  $\in$  28.5 million – the amount that the municipalities had to pay from their own budgets. Statistics on home-care service are given in Annex to Chapter 3, Table 20.

In 2016, home-care service was provided by 173 **private providers**, representing a year-on-year increase of 43 providers. In 2016, private providers rendered the home-care service to a total of 3,594 recipients, representing a year-on-year decrease of 682 recipients. The income of private providers (from the budgets of municipalities, payments by clients, donations, transfers from EU structural funds, etc.) from home-care services amounted to  $\in$  14.78 million (representing a year-on-year decrease of  $\in$  9.45 million), while the expenditure amounted to  $\in$  14.39 million (a year-on-year decrease of  $\in$  8.91 million).

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<sup>&</sup>lt;sup>45</sup> Source: Implementation Agency of MoLSAF

<sup>&</sup>lt;sup>46</sup> The numbers of employees are recalculated to full-time equivalents.

## **Transport Service**

In 2016, **towns and villages** provided transport service to 4,301 persons, representing a year-on-year increase of 1,269 persons. Municipalities spent a total of  $\in$  319 thousand on provision of transport services, a year-on-year increase of  $\in$  78.4 thousand. In 2016, transport services were provided by 46 **private providers** (42 in 2015) for 5,484 clients, representing a significant year-on-year decrease of 1,704 clients, despite the increased number of providers. The income of private transport service providers amounted to  $\in$  336.2 thousand and their expenditure amounted to  $\in$  383.17 thousand. The difference of  $\in$  47 thousand was paid by private providers from their own budgets. Statistics on transport services are given in Annex to Chapter 3, Tables 21 and 28.

# **Social Service Facilities**<sup>47</sup>

As of 31 December 2015, there were 5,426,252 inhabitants in the Slovak republic, of whom 50,165 (47,149)<sup>48</sup> clients (0.92 %) were provided social services in 1,255 (1,158) social service facilities established by municipalities, self-governing regions or private providers. Social services with a character of long-term care were provided to 41,489 (38,567) clients in 1,097 (997) facilities (facility for the elderly, social services home (SSH), specialised facility, day-care centre, assisted living facility, rehabilitation centre, home-care service facility).

In 2015, there were 47,794 places in social service facilities of any type (46,094), of which 39,906 (39,078) were associated with year-round care (83.5%), 612(1,554) with weekly care (1.3%), 4,600 (3,412) with daily care (9.6%) and 2,676 (1,925) with transient care (5.6%). Of the total number of places, 43,847 (42,418) are intended as being associated with social services with the character of long-term care (91.7%).

By the end of 2015, social service facilities provided social services to a total of 50,165 (47,149) clients. Of the total number of clients in social service facilities: 29,644 (24,910) were persons in pension age (59.0 %); 15,114 (13,854) persons underwent treatment for psychosis (30.1 %); 9,497 (8,511) persons take antidepressants (18.9 %); 8,038 (7,496) persons were nursed as bedridden (16.0 %) and 8,624 (8,648) persons have limited legal capacity or are completely deprived of legal capacity (17.2 %).

As of 31 December 2015, total expenditures of social service facilities reached  $\in$  368,616,363 ( $\in$  340,787,046), of which  $\in$  220,949,774 ( $\in$  200,980,404), i.e. 59.9 %, were spent on wages and compulsory social insurance. Other expenditures were spent on goods and services, acquisition of property and healthcare. Expenditures on social services in facilities providing long-term care amounted to  $\in$  358,296,828 ( $\in$  318,481,659), representing up to 97.2 % of the total expenditures in all types of social service facilities.

As of 31 December 2015, social service facilities had 23,292 employees, representing a year-on-year increase of 1,230. Facilities providing long-term care employed 22,674 employees (97.3 % of the total number of employees). More detailed statistics are given in the Annex to Chapter 3, Tables 22 - 25.

As of 31 December 2016, the following types of social service facilities and selected types of social services<sup>50</sup>, not covered by SO SR, were established by municipalities, self-governing regions or private providers: 21 (18) low-threshold day-care centres with a total of 2,471 (12,344) clients, 26 (20) low-threshold social services for children and family with a total of 5,421 (6,634) clients, 337 (237) day-care centres with a total of 40,623 (40,327) clients, 5 (5) integration centres with a total of 146 (122) clients, 109 (105) canteens with a total of 27,859 (12,520) clients, 30 (25) laundrettes with a total of 4,467 (3,719) clients and 24 (42) personal hygiene centres with a total of

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 $<sup>^{47}</sup>$  At the time of publication of this Report, the data on social service facilities monitored by SO SR are available only for 2015

<sup>&</sup>lt;sup>48</sup> The number in parentheses is for 2014

<sup>&</sup>lt;sup>49</sup> Source: Selected data of SO SR; note: The selected data of SO SR do not include data on children's homes, crisis centres, social reintegration centres and other facilities, which are not considered to be social service facilities.

8,729 (9,113) clients. Childcare assistance and support of work and family life reconciliation were provided by 7 (9) providers with a total of 61 (86) clients, 8 (7) providers arranged personal assistance 1,753 (1,129) clients, providers rented of 48 (45)to a total of 1,525 (1,419) clients, 10 (8) providers provided monitoring and signalling the need for assistance for a total of 379 (407) clients and 30 (9) providers assisted in exercising custodian rights and fulfilling custodian obligations to a total of 90 (67) clients. There were 110 (97) community centres with a total of 23,993 (20,241) clients, 7 (22) providers provided support for independent living to a total of 60 (52) clients, 16 (26) providers provided early intervention services to a total of 420 (175) clients, 51 (53) providers provided field crisis intervention social services to a total of 7,592 (9,244) clients.

Statistics on selected social services are given in Annex to Chapter 3, Tables 26 and 28.

In 2016, there were a total of 7,699 (6,000) individuals - applicants for provision of social services in selected types of social service facilities, most of them in facilities for the elderly (4,541 persons, i.e. 59.0 %) and in social services homes (1,770 persons, i.e. 23.0 %). The total number of applicants increased year on year by 1,699 persons.

More detailed statistics are given in Annex to Chapter 3, Table 27.

As of 31 December 2016, **private providers** provided 559 (491) social services (excluding social services in facilities covered by SO SR), representing a year-on-year increase by 68 services. The private providers provided social services to a total of 75,544 clients, which is 2,938 less than in 2015 (78,482). The total income of private providers (from municipality budgets, clients' payments, donations, etc.) amounted to nearly  $\in$  20.15 million and their total expenses amounted to  $\in$  20.30 million.

Additional statistics are given in Annex to Chapter 3, Table 28.

# **Co-financing of Social Services**

In 2016, MoLSAF provided, in accordance with the Social Services Act, appropriations to cofinance selected types of social services in facilities operated by both public and private providers.

Based on the submitted applications and concluded contracts with 185 towns and villages and with 294 private social service providers, appropriations to co-finance social services in amount  $\in 85,921,749$  were granted in 2016, of which  $\in 41,871,616$  was for public providers (361 facilities) and  $\in 44,050,133$  for private providers (523 facilities), as follows:

- according to Section 71(6) of the Social Services Act social service facilities established or founded by municipalities: day-care centres (€ 1,773,024), social services homes (€ 1,231,560), night shelters (€ 597,662), specialised facilities (€ 873,840), shelters (€ 853,920), assisted living facilities (€ 38,400), emergency housing facilities (€ 336,600), home-care service facilities (€ 5,803,730), and facilities for the elderly (€ 30,362,880),
- according to Section 78a of the Social Services Act private providers: day-care centres (€11,501,912), night shelters (€892,080), home-care service facilities (€3,240,960), and facilities for the elderly (€28,415,181).

As of 31 December 2016, 153 providers returned to the account of MoLSAF funds totalling  $\[ \in \]$  3,707,144, of which  $\[ \in \]$  1,316,926 was returned by public providers and  $\[ \in \]$  2,390,218 by private providers, mostly due to vacancies in social service facilities. Spending of appropriations (after returned payments) amounted to  $\[ \in \]$  82,214,605, of which  $\[ \in \]$  40,554,690 was used by public providers and  $\[ \in \]$  41,659,915 by private providers.

As part of the financial settlement with the state budget for 2016, the providers returned after 1 January 2017 further funds amounting to  $\in$  2,343,253, of which  $\in$  810,585 was returned by public providers and  $\in$  1,532,668 by private providers; funds totalling  $\in$  13,029 will be returned in 2017 based on a settlement or agreed repayment schedules. Thus, it can be concluded that, in 2016, social service providers used a total of  $\in$  79,858,322 to cover the eligible costs for social services from the appropriations provided by MoLSAF. Out of this amount, public providers used  $\in$  39,744,105 and private providers used  $\in$  40,114,217.

Expenditures used on co-financing social services under the Social Services Act in 2016 were € 9,175,0075 (12.6 %) higher than in 2015, mainly due to the fact that the number of applicants for the financial contribution increased by 58. The number of clients of (both public and private) social service facilities for whom the financial contributions were provided increased by 4,246 persons year on year.

# Control of the Use of the Contribution to Finance Social Service in a Facility

On 1 January 2016, Act No. 357/2015 Coll. on Financial Control and Audit and on amendments and supplements to certain acts (hereinafter simply the "Financial Control Act") came into effect and superseded Act No. 502/2001 Coll. on Financial Control and Internal Audit and on amendments and supplements to certain acts. MoLSAF began to carry out a financial on-the-spot control pursuant to Section 9a of the Fundamental Rules of Financial Control and Audit set forth in Sections 20 to 27 of the Financial Control Act.

In 2016, 10 financial controls were carried out, of which 1 was a follow-up financial control (hereinafter simply FFC) postponed until 2016 from 2015 and 9 were financial on-the-spot controls (hereinafter simply FOC). The total amount of the public funds audited during the FFC and FOCs was € 1,228,808.96, of which the audited state funds from the MoLSAF budget section granted as a subsidy under Act No. 544/2010 Coll. on Subsidies within the Authority of MoLSAF, as amended (hereinafter simply the Subsidies Act) amounted to € 52,500.00; the state funds from the MoLSAF budget section and the funds for financing social services pursuant to Sections 78a and 71(6) of the Social Services Act amounted to € 1,176,308.96.

The FFC and FOCs conducted identified 112 deficiencies, of which 4 deficiencies associated with financial discipline violation under Section 31(1)(b) of Act No. 523/2004 Coll. on the Public Administration Budget Rules and on amendments and supplements to certain acts (hereinafter simply the Budget Rules Act) amounted to  $\in$  144,451.36 and 2 deficiencies associated with financial discipline violation under Section 31(1)(j) of the Budget Rules Act amounted to  $\in$  102,009.89. The other 106 findings related to a breach of the obligation under special regulations, particularly in bookkeeping, procurement of goods, works and services, and the Social Services Act. The findings of the 3 FOCs conducted were referred to the Office of the Government Audit to initiate an administration procedure.

- The 1 FFC postponed until 2016 from 2015 concerned the use of the contribution to finance social service under Section 78a of the Social Services Act in a non-profit organisation (a private social service provider). The FFC identified, among other things, financial discipline violation under Section 31(1)(b) of the Budget Rules Act in the amount of € 11,393.77, which the controlled entity transferred to the state budget until the end of the FFC.
- 4 FOCs related to budget means provided in the form of subsidies in accordance with the Subsidies Act. A violation of Act No. 431/2002 Coll. on Accounting and Act No. 40/1964 Coll. (the Civil Code) was found out in three cases; a deficiency associated with entering the contracts in the Electronic Contract System as part of public procurement was identified in one case.
- The 4 FOCs were aimed at verifying compliance with the rules of economy, efficiency, effectiveness and reasonable spending of public funds provided for financing social services under Section 78a of the Social Services Act in non-profit organisations (private social service providers). Violations were ascertained in all cases, including, among others, violations of Act No. 431/2002 Coll. on Accounting, Act No. 455/1991 Coll. on Trade Licensing, Act No. 213/1997 Coll. on Non-profit Organisations Providing Welfare Services, Act No. 283/2002 Coll. on Travel Allowances, as amended, Act No. 25/2006 Coll. on Public Procurement and on amendments and supplements to certain acts, the Social Services Act, as well as financial discipline violations pursuant to Section 31(1)(b) of the Budget Rules Act in the total amount of € 133,057.59 and financial discipline violations under Section 31(1)(j) of the Budget Rules Act in the total amount of € 102,009.89. The findings of the 3 FOCs conducted were referred to the Office of the Government Audit to initiate an administration procedure.
- One FOC of the state budget means provided in 2015 from the MoLSAF budget section was aimed at verifying the objective state of the facts under control and their compliance with generally binding legal regulations and internal management acts, and observance of the rules of

economy, efficiency, effectiveness and reasonable spending of public funds from the MoLSAF budget. The control identified a violation of Act No. 431/2002 Coll. on Accounting, and the liable person was put under the obligation to take measures to remove the deficiencies identified and eliminate their causes.

3 FOCs in non-profit organisations (private social service providers) have been postponed until 2017 to verify compliance with the rules of economy, efficiency, effectiveness and reasonable spending of public funds provided in 2015, amounting to € 552,000.00 to finance social services under Section 78a of the Social Services Act.

# **Supervision of Social Services Provision**

In accordance with Sections 98 and 99 of the Social Services Act, the state supervises, through MoLSAF,<sup>51</sup> compliance with the Social Services Act and the generally binding legal regulations concerning:

- provision of social services and the manner in which they are performed, particularly in terms of respect for fundamental human rights and freedoms,
- concluding contracts for social services,
- compliance with the commitments given by contracts for social services
- carrying out professional activities for which accreditation was granted.

In supervision of social service provision (hereinafter simply the supervision), MoLSAF follows the MoLSAF Guideline No. 50/2012 of 18 December 2012, on Supervision of Social Services Provision, effective as of 1 January 2013, and Supplement No. 1 of 19 September 2013, effective as of 20 September 2013.

Overview of supervision in 2016

Number of supervisions postponed from 2015 and completed in 2016 Number of commenced and completed supervisions in 2016, according to the plan of activity Number of commenced and completed supervisions in 2016, off the plan of activity Total number of executed and completed supervisions in 2016

3 12 **16** Number of commenced and pending supervisions in 2016, according to the plan of activity 1 Number of commenced and pending supervisions in 2016, off the plan of activity 0

1

Of the total of 16 supervisions executed in 2016, a record of the result of the supervision of social service provision was drawn up in 1 case and certificates of the supervision of social service provision were drawn up in 12 cases. An official record was made of 3 supervisions on the grounds that the providers did not provide the social service during the period under control.

In 2016, the supervisions were executed particularly in facilities of outpatient care providers, i.e. day-care centres (10 supervisions) and in facilities of housing providers (6 supervisions).

Out of the total number of supervisions executed in day-care centres (10 supervisions), certificates of the result of supervision were drawn up as resulting documents in 8 cases, where violations of the Social Services Act and other generally binding legal regulations were ascertained in the provision of social services. Official records were made in 2 cases.

Out of the total number of supervisions executed in facilities of housing providers, i.e. in facilities for the elderly and social services homes (6 supervisions), certificates of the result of supervision were drawn up as resulting documents in 4 cases, where violations of the Social Services Act and other generally binding legal regulations were ascertained in the provision of social services. A record of

<sup>&</sup>lt;sup>51</sup> Execution of supervision of social services provision in accordance with Act No. 448/2008 Coll. on Social Services and on amendments and supplements to Act No. 455/1991 Coll. on Trade Licensing (Trades Licensing Act), as amended, as amended

supervision was made in 1 case, and an official record was made of 1 supervision.

During the total of 16 supervisions completed in 2016, it was ascertained that the providers violated the Constitution of the Slovak Republic, the Social Services Act and other generally binding legal regulations.

#### • Violations of Act No. 460/1992 Coll., the Constitution of the Slovak Republic:

- restrictions of the freedom of movement of clients;
- limitation of the number of days spent outside the facility subject to the approval of the application by the facility director;
- imposing bans and issuing orders without applicable statutory provisions (domestic rules relatives and visitors banned from bringing any food to clients, a ban on room visits, a strict ban on drinking alcohol in a facility for the elderly under penalty of contract termination).

#### • Violations of the Social Services Act:

- incorrect designation of the place of social service provision;
- a failure to respect the rights of clients;
- a failure by the providers to fulfil the obligations in planning the provision of social services according to individual needs, abilities and goals of the client (a failure to draw up individual plans or programmes of social rehabilitation);
- violations by the providers of the obligations in carrying out professional, service and other activities, in ensuring these activities or creating conditions for carrying out these activities to the extent stipulated by the Act for the type of social service they provide;
- provision of social services in a facility for the elderly without a written contract;
- a failure to draw up and implement a programme of supervision;
- a failure to meet conditions for the quality of the social service provided and to notify employees and clients of the procedures, rules and conditions of the provision of social services:
- a failure to observe the statutory scope of prescribed particulars of the contract for social services;
- putting the so-called "joining party", and not the client, under the obligation to make the payment in the contract for social services;
- a failure to take clients' income into account when determining the payment;
- determining the payment for social service to the detriment of the client;
- increasing the payment for social service without applicable provisions of the Social Services Act, or determining the payment contrary to the price list (private provider);
- a failure to publish the price list (private provider);
- a failure to guarantee the client's income balance, or to guarantee the income balance of 20 % contrary to the Social Services Act;
- a failure to provide social service to the extent of professional, service and other activities according to the type of social service;
- a failure to provide professional activity assistance in case of dependence to the extent of the client's dependence according to the decision on dependence on social service or the assessment of dependence;
- performing "own assessment activity" and a failure to respect the decision on dependence on social service or the assessment of dependence;
- a failure to allow the client to decide on the number of meals paid;
- a failure to provide a range of meals under the Social Services Act (no meals, or only lunch provided in day-care centres);
- a failure to respect the rules of diet food, provision of meals unsuitable for diabetics;
- a failure to bill for the overpayment for social service provision after the death of the client, or incorrect billing;
- defining own grounds for termination of the contract for social services contrary to the Social Services Act;

- a failure to comply with the statutory obligation to maintain a register of non-physical and physical restraints of the clients;
- a failure to observe the maximum number of clients per employee and the minimum percentage of professional staff of the total number of employees;
- a violation of the statutory obligation in the field of qualifications and further training of employees.
- Violations of Act No. 40/1964 Coll. (the Civil Code), as amended, in concluding contracts for social services.
- Violations of Act No. 447/2008 Coll. on Allowances for Compensation of Severe Health Disability, as amended, in connection with Section 72(8) of the Social Services Act, in assessing and ascertaining income of the client and jointly assessed persons for the purpose of determining the payment.
- Violations of provisions of the founder's generally binding regulation.
- Violations of the provisions of the contract for social services, mainly non-compliance with the obligations thereunder.

On the basis of a comparison of the deficiencies identified in 2016 with the findings of previous years, it can be said that the aforementioned deficiencies are mostly repeated every year.

# Registration, monitoring and assessment of providers' notifications on use of non-physical and physical restraint

Section 10(5) and 10(6) of the Social Services Act require the social service provider, inter alia, to maintain a register on the use of non-physical and physical restraints (hereinafter simply the use of restraints), of which they are obliged to notify MoLSAF immediately after using the restraints under Section 10(6) of the said Act. Data sent from this register were monitored and used by MoLSAF in planning and execution of supervisions.

Based on the received notifications of the restraints used in 2016, 265 non-physical and physical restraints were recorded.

Based on the notifications of the used restraints, received from social service providers, there were 136 non-physical restraints and 129 physical restraints in social service facilities in 2016.

Table 3.29 Overview of the Number of Received Notifications of the Restraints Used

		2010	2011	2012	2013	2014	2015	2016
tot	al	70	161	228	305	320	336	265
-	physical	60	125	149	216	256	238	129
-	non-physical	10	36	79	89	64	98	136

Source: MoLSAF

As of the effective date of the Social Services Act, persons executing supervision verify compliance with the provisions of Section 10 of the said Act, or, alternatively, social service providers are informed of such obligation.

The non-physical restraints mean dealing with the situation mainly through verbal communication, distraction, or active listening. Physical restraints mean dealing with the situation using a variety of special grips, by placing the client in a room intended for safe stay or using medications as advised by a physician specialised in psychiatry. The use of non-physical restraints takes precedence over the use of physical restraints.

The restraints may be applied to clients only if all other possible strategies or procedures have been used unsuccessfully to prevent the behaviour of clients directly threatening their life or health or the health and life of others and the risks arising from non-restriction of the clients are greater than the risks arising from their restriction.

Table 3.30 Breakdown of the Notifications of the Used Non-physical and Physical Restraints Received by MoLSAF in 2016, by regions

Region of	Number of notifications from public providers	Number of notifications from private providers	Total
Bratislava	6	19	25
Trnava	43	11	55
Nitra	7	7	14
Trenčín	59	1	60
Žilina	11	4	15
Banská Bystrica	19	2	21
Košice	6	8	14
Prešov	62	0	61
TOTAL	213	52	265

Source: MoLSAF

# 3.4.8 Subsidies to Support the Development of the Social Area within the Authority of MoLSAF

In 2016, MoLSAF provided subsidies from the budget section in accordance with Act No. 544/2010 Coll. on Subsidies within the Authority of MoLSAF, as amended by Act No. 393/2012 Coll. (hereinafter simply the Subsidies Act). The subsidies were provided in a total amount of  $\[ \in \] 2,734,997,$  of which  $\[ \in \] 2,555,187$  were granted to legal entities.

Subsidies to support the development of social services and subsidies to support the implementation of measures of social and legal protection of children and social guardianship (Section 3 of the Subsidies Act) were granted in the amount of € 1,713,623 (217 applications), of which capital transfers in the amount of  $\in 1,138,059$  were used to buy passenger and special vehicles, technical equipment to improve the handling of clients with limited mobility, material equipment, to create a barrier-free environment and for renovation and construction work. Rehabilitation activities (Section 6 of the Subsidies Act) were supported by granted subsidies in the amount of € 663,955 (20 applications), membership in an international organisation in the social area (Section 7 of the Subsidies Act) was supported in the amount of € 37,639 (19 applications) and editorial activities (Section 8 of the Subsidies Act) in the amount of € 139,970 (21 applications), of which € 3,000 to drug policy. Within subsidies to support rehabilitation activities, subsidies aimed at preventing social exclusion and promoting the restoration of mental and physical condition of a natural person who receives old-age, early old-age or service pension and does not perform any activity with entitlement to income from employment or business were granted to three entities in the amount of € 596,950 and, in this way, a contribution to recreation was provided to 11,939 applicants. In terms of the legal form of the recipient of the subsidy, appropriations were provided to municipalities and higher territorial units for facilities in their competence in the amount of € 904,373, civic associations in the amount of € 811,746, trade unions in the amount of € 359,950, non-profit organisations in the amount of € 395,958 and religious organisations in the amount of  $\in$  83,160.

In accordance with Section 9(1) of the Subsidies Act, a subsidy to support humanitarian aid was provided to natural persons in the amount of  $\in$  179,810 for 540 natural persons in a critical life situation or an extremely unfavourable social situation.

Table 3.31 Provision of Subsidies within the Authority of MoLSAF

	Sup	ported pro	ojects	Granted subsidy in €					
Purpose of subsidy:	2015	2016	Index 2016/2015	2015	2016	Index 2016/2015			
to support development     of social services and     implementation of measures of     social and legal protection of     children and social guardianship	210	217	103.3	1,561,700	1,713,623	109.7			
to support rehabilitation activities, membership in international organisations, editorial activities and humanitarian aid to legal entities	69	60	87.0	816,223	841,564	103.1			
to support humanitarian aid (natural persons)	455	540	118.7	164,039	179,810	109.6			

Source: Draft of final account for 2016

### 3.4.9 European System of the Social Protection Statistics (ESSPROS Methodology)

According to the Lisbon Treaty, the EU member states and the European Union as a whole are obliged, when defining and implementing their policies, to put emphasis on full employment, social protection of all citizens and fighting against social exclusion.

For the sake of monitoring the development of social protection in the EU member states, the European Commission (EC) requires access to current and detailed data on systems, current state and development of social protection in the member states. One of the basic tools for statistical observation of social protection is the **European System of the Social Protection Statistics** (**ESSPROS**<sup>52</sup>). Since 2008 (reference year 2006), EU member states provide data under the European Parliament and Council Regulation (EC) No. 458/2007<sup>53</sup> on the European system of integrated social protection statistics (ESSPROS), with four implementing Commission Regulations No. 1322/2007<sup>54</sup>, No. 10/2008<sup>55</sup>, No. 110/2011<sup>56</sup> and No. 263/2011<sup>57</sup>.

The ESSPROS system consists of the following modules:

- Social protection receipts and expenditure
- Qualitative information
- Number of pension beneficiaries (without double counting)
- Net social protection benefits.

Internationally comparable data on social protection receipts and expenditure for EU member states are available on the Eurostat webpage (the EU member states) and in the SO SR publications<sup>58</sup>. The latest data are for 2014.

**Receipts of social protection programmes** comprise social contributions (from employers, employees, self-employed and voluntary contributors), general government contributions (state budget payments, regional and local government payments and compulsory social security funds), transfers from other schemes and other receipts.

**Expenditure** includes social benefits by functions, administrative costs and other expenditures. Social protection includes all interventions from public or private organisations which aim to relieve households and individuals from the burdens of defined risks or needs, provided there is neither a simultaneous nor an individual agreement.

Eight functions of social protection are specified in the ESSPROS manual:

- sickness/health care
- disability
- old age
- survivors
- family/children
- unemployment

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- housing
- social exclusion not elsewhere classified.

**Social protection expenditure** (gross)<sup>59</sup> is recorded without deduction of taxes or other compulsory fees paid by beneficiaries (e.g. the social security contributions).

<sup>52/</sup>http://ec.europa.eu/eurostat/documents/3859598/5917481/KS-RA-11-014-EN.PDF/ee86d517-3348-4c20-94eea37c330755b1

<sup>53</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:113:0003:0008:SK:PDF

<sup>&</sup>lt;sup>54</sup> http://eur-lex.europa.eu/legal-content/SK/TXT/PDF/?uri=CELEX:32007R1322&from=EN

<sup>55</sup> http://eur-lex.europa.eu/legal-content/SK/TXT/PDF/?uri=CELEX:32008R0010&from=EN

<sup>56</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:034:0029:0032:SK:PDF http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:071:0004:0008:SK:PDF

https://slovak.statistics.sk/wps/portal/ext/themes/demography/social/publications/!ut/p/b1/jZDLDoIwEEW\_xS\_opZTXsq\_CUGoI8rCIbw8IYjIAL4\_cLBDcmVGc3mXMyd4ZUpCRVV7-aa\_1s-q6-j31lnzNHur5vcLiWA8ikUMChAGI6AKcBwEJxf\_PIJvoHc81TkW2aAWbOvAUY\_LFLKPSaCdb4Lh3FA3SK2KWDMfiB4xJwYcGNhQfJI5V5mmuDmf\_k1C374R1JNiC7B\_BOhepF\_yAZZCCvsHMFyRRH17IY9WKVWikTe2egOmflqs/dl4/d5/L2dJQSEvUUt3QS80SmtFL1o2X1E3SThCQjFBMD

http://epp.eurostat.ec.europa.eu/cache/ITY\_OFFPUB/KS-SF-09-102/EN/KS-SF-09-102-EN.PDF

EU member states have significantly different systems for financing social protection, depending on whether they prefer insurance systems (54.1 % of total receipts at EU28 level in 2014 consisted of social security contributions) or public budget funding (40.5 % for EU28). The graph below gives an overview of the structure of social protection receipts per EU member state.

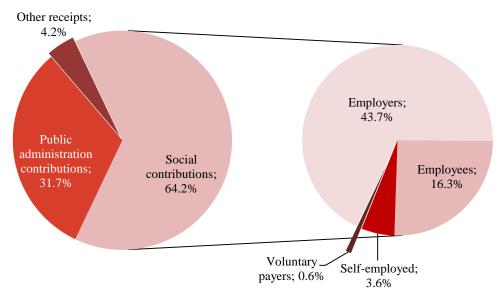
100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0% DE EE ■ Social contributions paid by protected persons ■ Employer social contributions ■ General government contributions Other receipts

Graph 3.19 Structure of Social Protection Receipts in EU28, 2014

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

Differences in financing among EU member states are caused by historical development. The highest shares of social contributions were recorded in Estonia (81.7 %), Lithuania (70.9 %), and the Czech Republic (70.0 %), with the lowest share of income from protected persons (1.1 %) in Estonia. Income from protected persons reached the largest share in Slovenia (39.1 %), the Netherlands (33.8 %), Croatia (32.9 %), and Germany (30.5 %), while in Slovenia, the Netherlands, and Croatia, the share of income from protected persons is higher than that of income from employers. Social protection is funded from public administration contributions particularly in Denmark (79.8 %), Ireland (60.5 %), Malta (56.1 %), Sweden (52.2 %), and Cyprus (52.0 %).

In 2014, the total receipts for the social protection system in Slovakia increased year on year by 6.0% and reached € 14,818.5 million (19.5 % of GDP). The structure of social protection receipts is shown in the graph below.



Graph 3.20 Structure of Social Protection Receipts in SR, 2014

Source: SO SR; Social Protection in the Slovak Republic in 2014

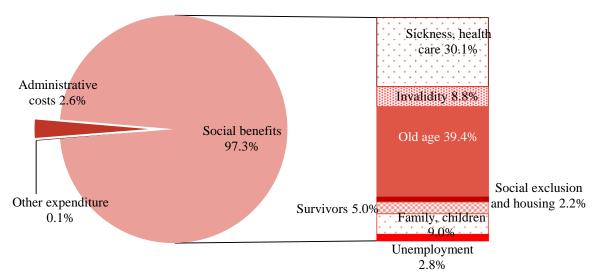
16,000 40.0 ■ in PPS per inhabitant 14,000 35.0 12,000 30.0 10,000 25.0 20.0 8,000 15.0 6,000 4,000 10.0 2,000 5.0 0.0 豆

Graph 3.21 Gross Social Protection Expenditure in PPS per inhabitant, 2014

Source: Eurostat - ESSPROS, data extracted on 2 June 2017

The total gross social protection expenditure in EU28 in 2014 amounted to 7,903 PPS per inhabitant (4,102 PPS per inhabitant in SR) and 28.7 % GDP (18.5 % in SR). Differences between the individual countries are somewhat proportional to the different levels of wealth; expenditure in PPS per inhabitant traditionally rises slightly year on year, with the exception of Ireland, Greece and Cyprus (where expenditure in PPS decreased year on year), and Bulgaria, Estonia and Malta (where expenditure increased more significantly year on year).

The total gross expenditure (without deduction of taxes and social contributions paid by beneficiaries) on social protection in 2014 increased year on year by 3.6 % and reached  $\in$  14,046.2 million (18.5 % of GDP). The structure of social protection expenditure in SR by purpose is shown in the graph below.



Graph 3.22 Gross Social Protection Expenditure in SR, 2014

Source: SO SR; Social Protection in the Slovak Republic in 2014

Social benefits expenditure (the following graph) with *sickness/health care-related* function amounted to 29.2 % of all benefits, with the highest share in Germany (34.8 %) and the lowest in Greece (19.6 %). The highest share of social benefits expenditure with *invalidity-related* function was reached in Denmark (12.9 %) and Croatia (12.2 %), and the lowest in Cyprus (3.2 %), with the European average of 7.25 %. The lowest share of social benefits expenditure with *old age-related* function was recorded in Ireland (27.6 %) with the youngest population; most of the expenditure was used for this purpose in Greece (55.0 %), Latvia (50.7 %), Romania (50.4 %), and Portugal (50.0 %). The EU28 average reached 40.2 %. The share of expenditure with *survivors-related* function for the EU28 reached 5.7 % on average. The average share of expenditure with *family/children-related* function for the EU28 was

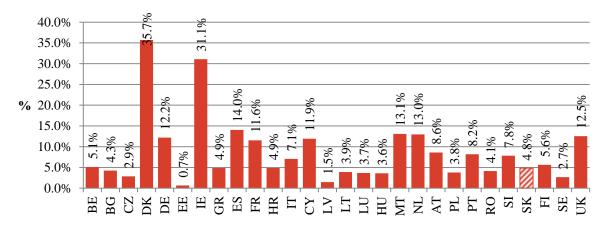
8.5 %; the highest share of 15.6 % was recorded in Luxembourg, while in the Netherlands it reached only 3.1 %. The highest share of paid *unemployment* benefits was reached in Ireland (13.8 %), the lowest in Romania (1.0 %), with the EU28 average at 5.13 %. Expenditure on *social exclusion and housing* accounts for a smaller share of the total expenditure, with 2.1 %, or 1.9 % at the EU28 level. A greater share of the total expenditure on housing is spent only in the United Kingdom (5.1 %) and on social exclusion in Cyprus (5.2 %), the Netherlands (5.0 %), and Denmark (4.3 %).

100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0% LT LU EE  $\Gamma$ HU MT PT RO SI SK DE 뉟 PL 国民 ■Sickness, Health care Disability Old age □ Survivors Family, Children ■ Unemployment **■** Housing 

Graph 3.23 Structure of Social Benefits Expenditure by function, 2014

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

In 2014, 4.8 % of all social benefits in SR were means-tested. The highest proportion of means-tested benefits was observed in Denmark (35.7 %, as more than half of invalidity and old-age benefits are means-tested) and Ireland (31.1 %, more than half of invalidity and unemployment benefits paid), and the lowest in Estonia (0.7 %, only social exclusion benefits paid are tested).



Graph 3.24 Means-tested Social Protection Benefits (% of Total Social Protection Benefits), 2014

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

The total gross expenditure on pensions in the EU28 in 2014 amounted to 3,549 PPS per inhabitant (in SR, it was 1,935 PPS per capita),  $\in$  3,319.51 per capita at constant prices of 2010 ( $\in$  1,124.76 in SR) and 12.9 % of GDP (8.7 % in SR). The lowest expenditure on pensions, expressed as a share of GDP, was reported by Ireland (6.4 % of GDP) with the EU28 youngest population, while the highest expenditure on pensions was recorded in Greece (17.1 % of GDP) and Italy (16.5 % of GDP), ranking among the countries with the highest proportion of the population aged over 65. More significant differences between countries are reflected in expenditure on pensions expressed in PPS per capita. The lowest expenditure in PPS per capita is reached over a long period in Bulgaria (1,207), and the highest in Luxembourg (6,162).

9,000 20.0 16.515/2 18.0 8,000 Δ 4. 7.0 Δ 16.0 12.8 7,000 12.5 Δ Δ 14.0 6,000 Δ  $\odot$ 12.0 5,000 8.8 900 8.2 Δ  $\infty$ 10.0 4,000 Δ Δ Δ Δ 8.0 3,000 6.0 2,000 4.0 1,000 2.0 0.0 0 田田系 DE ES FR CR CY LV LT LU HU MT Ę AT PL PT RO  $\mathbf{F}$ 

Graph 3.25 Pensions expenditure, 2014

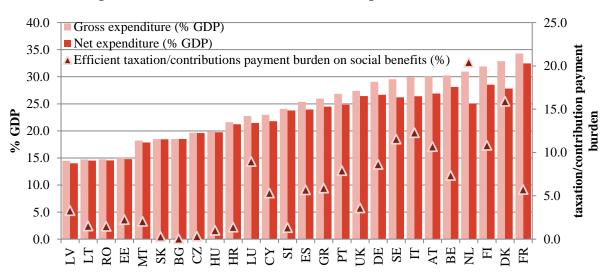
Source Eurostat - ESSPROS, data extracted on 2 June 2017

■ in PPS per capita

The 2014 results from the net benefits module are available in the Eurostat database for all the EU28 countries, except for Poland and Ireland. The highest proportion of social benefits in 2014 was subject to taxation or payment of social contributions in Greece (71.75 %); more than 60 % was also recorded in Italy, Estonia, Portugal, and France. The lowest proportion of social benefits which were subject to taxation and payment of social contributions was reported by Bulgaria (0.43 %), the Czech Republic (1.64 %), and Slovakia (1.75 %). The highest taxation/contributions payment burden on social benefits was recorded in the Netherlands (20.41 %), while the lowest in Bulgaria (0.03 %).

■€ per capita (at constant prices in 2010)

△% GDP



Graph 3.26 Gross and Net Social Protection Expenditure (% GDP), 2014

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

## 3.5 European Social Fund and European Regional Development Fund

The conclusion of contracts and the implementation of the projects of the 2014-2020 programming period, as a part of the Operational Programme Human Resources (hereinafter simply OP HR), continued also in 2016.

Within OP HR, support is provided for human resources development, employment increase especially with regard to the employment of young people aged up to 29 years after graduation, integration of marginalised Roma communities (hereinafter simply MRCs), and technical facilities in municipalities with the presence of MRCs. The OP HR global objective in education, employment and social inclusion is to support human resources development, lifelong learning, the full integration of the unemployed into the labour market, and the improvement of their social situation. The OP HR global objective is to be achieved in line with the Europe 2020 strategy, goals of the National Reform Programme and in connection with the Partnership Agreement using soft and hard (investment) measures in seven priority axes through their specific objectives:

#### 1. Education

- to increase inclusiveness and equal access to quality education and enhance the outcomes and competencies of children and pupils;
- to improve the quality of vocational education and training, while reflecting the needs of the labour market;
- to improve the quality of university education and human resources development in the area of research and development in order to achieve the interconnection between university education and the needs of the labour market;
- to improve the quality and efficiency of lifelong learning, with emphasis on developing key competences, deepening skills and increasing qualifications.

#### 2. Youth employment initiative

• to increase the employment, employability and participation of young people in the labour market by introducing a guarantee for young unemployed people (registered job seekers) who are Not in Education, Employment, or Training (the so-called "NEET").

#### 3. Employment

- to increase employment, employability and reduce unemployment, with particular emphasis on the long-term unemployed, the low-skilled, older people and the disabled;
- to improve access to the labour market by applying effective tools to promote employment, including mobility to find employment, self-employment and activities in rural areas;
- to increase the employment of persons with parental responsibilities (women in particular) by improving the conditions for reconciling work and family life;
- to reduce horizontal and vertical gender segregation in the labour market and training for employment;
- to increase the quality and capacity of public employment services to an appropriate level in line with changing labour market needs and requirements, transnational job mobility, and increase the involvement of partners and private employment services in addressing employment problems.

#### 4. Social inclusion

- increasing the participation of the most disadvantaged and threatened persons in society, including their participation in the labour market;
- prevention and elimination of all forms of discrimination;
- transition from institutional to community-based care;
- establishing standard clinical procedures and standard procedures for prevention and integrate them into the national health care system.

#### 5. Integration of marginalised Roma communities

- to increase the educational level of members of marginalised communities, especially Roma communities, at all levels of education with emphasis on pre-primary education;
- to enhance the financial literacy, employability and employment of marginalised communities, especially Roma communities;

- to promote access to health care and public health, including preventive health care, health education, and improve standards of housing hygiene;
- 6. Technical facilities in municipalities with the presence of marginalised Roma communities / European Regional Development Fund (ERDF)
  - to ensure growth of the number of Roma households with access to improved housing conditions;
  - to improve access to quality education, including early childhood education and care;
  - to improve access of MRC members to social infrastructure;
  - to increase the employment rate of MRCs in social economy entities in areas with the presence of MRCs.

#### 7. Technical assistance

Soft measures are implemented through the ESF within the priority axes focused on education, employment, social inclusion, and MRC integration. Investment measures are implemented through the ERDF, namely a priority axis focused on technical facilities in municipalities with the presence of marginalised Roma communities. A separate priority axis "Technical Assistance" is intended to implement the operational programme within the managing authority and intermediate bodies under the control of the managing authority (MA) and represents support from such EU funds for the implementation of the other above-mentioned priority axes.

The total allocation of funds for OP HR amounts to  $\in$  2,628.53 million, of which  $\in$  2,204.98 million comes from EU funds and  $\in$  423.54 million is from the state budget.

Priority axis	EU support	National resources	Allocation for Axis
1	458,746,509	90,338,909	549,085,418
2	194,350,518	21,560,340	215,910,858
3	795,924,737	154,045,542	949,970,279
4	294,699,291	73,972,687	368,671,978
5	139,000,000	24,529,413	163,529,413
6	243,662,462	42,999,259	286,661,721
7	78,600,000	16,103,753	94,703,753

Table 3.32 Share of Priority Axes in the Total Allocation for OP HR

Source: MA for OP HR

As of 31 December 2016, within OP HR, there were 21 calls for national projects (14 for 2015 and 7 for 2016) for the priority axes 2, 3 and 4, and 3 demand-driven calls (all in 2016) for the submission of applications for non-repayable financial contribution, which were aimed at:

- within the Priority Axis 2 Youth Employment Initiative
  - supporting the employment of young people aged under 25 and 29;
- within the Priority Axis 3 Employment
  - promoting the employment of disadvantaged job seekers through selected active labour market measures and disabled citizens;
  - supporting long-term unemployed job seekers and childcare;
- within the Priority Axis 4 Social Inclusion
  - reconciling family and work life, and improving particularly the employment of women caring for a child under 3 years of age;
  - supporting the development of social work in the family environment of clients in the area of social affairs and family;
  - promoting selected social services of crisis intervention at the community level;
  - promoting innovations in field social work;
  - supporting the development of home-care service in order to prevent the placement of clients in housing facilities;
  - supporting the deinstitutionalisation of substitute care.

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At the same time, an indicative timetable of calls for the submission of applications for non-repayable financial contribution for the period from March 2016 to February 2017 for demand-driven projects was approved by the Minister and published at the website. This indicative timetable was modified and extended by additional calls in October 2016. Within the respective priority axes, the published calls for projects were aimed at:

- within Priority Axis 2 new or innovative programmes to improve self-employment of young people and promoting the entry of selected groups of young people into the labour market;
- within Priority Axis 3 supporting the development of regional and local employment through social economy entities, promoting new skills, adapting to changes in the labour market and reconciling work and family life;
- within Priority Axis 4 education and counselling in the field of prevention and elimination of discrimination, supporting the implementation of SLPC&SG measures in an open environment and streamlining the social reintegration of drug and other addicts, supporting the implementation of SLPC&SG measures in both natural and substitute family environments.

An overview of national projects announced by the end of 2016 is shown in Annex to Chapter 3, Table 35a

An overview of calls announced by the end of 2016 is shown in Annex to Chapter 3, Table 35b.

#### 4 STANDARD OF LIVING AND SOCIAL COHESION

## 4.1 Poverty and Social Exclusion

Monitoring poverty and social exclusion in Slovakia is carried out in the context of the Open Method of Coordination (hereinafter simply OMC), created at the level of the European Union for the joint coordination of member states' policies on fighting poverty and social exclusion. One of the main strategic objectives of the EU is to reduce poverty considerably and continue with pursuing this goal at least until 2020. <sup>60</sup>

To measure progress in achieving strategic objectives aimed at reducing poverty and social exclusion, especially for mutual comparison of individual states, common indicators (the so-called *Laeken indicators*) had been approved in achieving results, which later underwent development and are currently called *OMC Social Inclusion Indicators*.

The measurement of poverty and social exclusion is based primarily on the harmonized EU SILC<sup>61</sup> survey on income and living conditions. The survey is the major source of many income indicators, such as the at-risk-of-poverty rate and the indicators for a more comprehensive assessment of poverty and social exclusion, material deprivation or a cluster of indicators measuring the risk of poverty or social exclusion. This cluster of indicators (the at-risk-of-poverty rate<sup>62</sup>, severe material deprivation<sup>63</sup> and very low work intensity<sup>64</sup>) defines the group of people who live at risk of poverty or social exclusion, i.e. people with low income and/or those who cannot afford some of the critical needs for their lives and/or living in families where nobody works or works only occasionally. At national level, the goal of the Slovak Republic is to reduce the risk of poverty or social exclusion, namely to lift at least 170 thousand people out of the risk of poverty or social exclusion by 2020.

According to the EU SILC 2015 survey, 963 thousand people were at risk of poverty or social exclusion in Slovakia, amounting to 18.4 % of the total population (below the EU28 average – 23.7 %). Compared to the previous year (EU SILC 2014 – 18.4 %), the situation was stable and the value of the cluster of indicators in the whole population remained unchanged. However, there was an increase of ca. 3 thousand people in absolute terms. Based on the latest EU SILC 2016 data, the risk of poverty or social exclusion in Slovakia fell to 18.1 %.

In comparison with the EU SILC 2008 initial value for the assessment of the Europe 2020 strategy goals (20.6 %), the EU SILC 2015 value was 2.2 pp lower; 148 thousand people were lifted out of the risk of poverty or social exclusion. More detailed breakdown of this cluster is shown in Graph 4.1a, which indicates the composition of the target group according to the three indicators above. The graphical representation of the latest EU SILC 2016 data is shown in Graph 4.1b.

<sup>61</sup> The first statistical survey in Slovakia was carried out in 2005; the full results of the tenth survey in 2015, as well as the partial results of the survey in 2016 are now accessible.
<sup>62</sup> The rate expresses the proportion of people living below the poverty line, i. e. below 60 % of the median equivalised

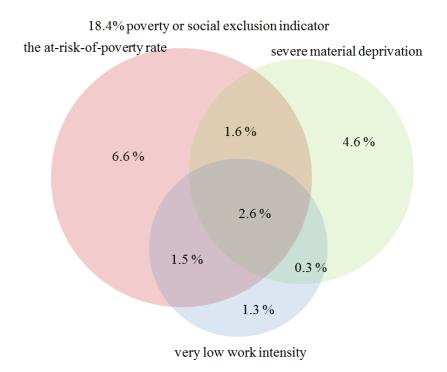
<sup>&</sup>lt;sup>60</sup> Lifting at least 20 million people out of the risk of poverty and social exclusion by 2020.

The rate expresses the proportion of people living below the poverty line, i. e. below 60 % of the median equivalised disposable income of all residents (after social transfers).

It expresses the proportion of people who cannot afford 4 of the 9 items that characterise the economic burden and consumer durables: arrears on mortgage or rent payment, utility bills, hire purchase instalments or other loan payments, the capacity of the household to pay for keeping its home adequately warm, the capacity to face unexpected financial expenses, the capacity to afford paying for a one-week holiday away from home annually, the capacity to afford a meal with meat, chicken, fish (or vegetarian equivalent) every second day, or to afford household furnishings including a colour TV, a washing machine, a car, and a telephone.

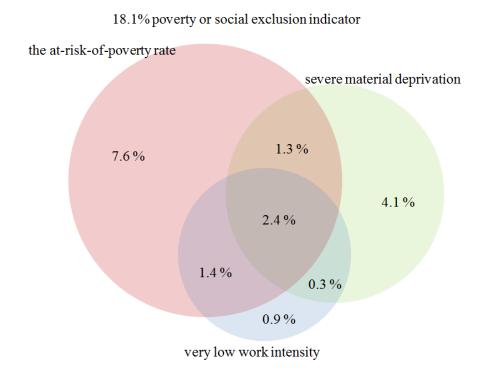
<sup>&</sup>lt;sup>64</sup> It expresses the proportion of people aged 0-59 years living in households where the adults work less than 20 % of the total time during the past year.

Graph 4.1a Share of People at Risk of Poverty or Social Exclusion, EU SILC 2015



Source: SO SR, EU SILC 2015, UDB

Graph 4.1b Share of People at Risk of Poverty or Social Exclusion, EU SILC 2016



Source: SO SR, EU SILC 2016, UDB

Table 4.1 Development of Cluster Indicator of At-risk-of-poverty or Social Inclusion and Indicators It Consists of, in %

	EU SILC 2008	EU SILC 2009	EU SILC 2010	EU SILC 2011	EU SILC 2012	EU SILC 2013	EU SILC 2014	EU SILC 2015	EU SILC 2016
At-risk-of-poverty rate	10.9	11.0	12.0	13.0	13.2	12.8	12.6	12.3	12.7
Severe material deprivation	11.8	11.1	11.4	10.6	10.5	10.2	9.9	9.0	8.2
Very low work intensity	5.2	5.6	7.9	7.7	7.2	7.6	7.1	7.1	6.5
At-risk-of-poverty or social exclusion rate	20.6	19.6	20.6	20.6	20.5	19.8	18.4	18.4	18.1

Source: SO SR

According to the EU SILC 2015 results, changes have also been made in the values of individual indicators forming the cluster indicator of at-risk-of-poverty or social exclusion rate. A downward trend was observed in the at-risk-of-poverty rate (income poverty) and severe material deprivation. When comparing the values of the EU SILC 2014 with those of the EU SILC 2015, the at-risk-of-poverty rate decreased by 0.3 pp in total and the same happened to severe material deprivation, which declined by 0.9 pp. Very low work intensity remained unchanged and the situation was stable. Compared to the latest data (EU SILC 2016), it is clear that although the at-risk-of-poverty rate against its value in the previous year (EU SILC 2015) increased by 0.4 pp, severe material deprivation decreased by 0.8 pp and very low work intensity declined by 0.6 pp. Overall, the at-risk-of-poverty or social exclusion rate decreased by 0.3 pp.

According to the EU SILC 2015, the most vulnerable to the risk of poverty or social exclusion were single-parent families with children - 39.1 % (below the EU28 average - 47.9 %), multi-member families with more than three children - 37.9 % (above the EU28 average - 31.6 %) and, last but not least, individuals - 23.4 % (below the EU28 average - 33.0 %). Considering age distribution, the highest risk rate is present in the group of children aged 0-17 years (24.9 %, i.e. below the EU28 average - 26.9 %) and children aged 0-15 years (25.5 %, i.e. below the EU28 average - 26.6 %).

To characterise the poor population in society in general, an at-risk-of-poverty threshold<sup>65</sup> was set to define the share of population living in poverty. It is a relative poverty threshold, which measures the extent to which funds of households decline below the median level of income of the society. This indicator expresses mainly the risk of poverty and depends on the socio-economic development of the society in a given country.

According to the EU-SILC 2015, the at-risk-of-poverty rate in SR was 12.3 % (males - 12.1 %; females - 12.4 %), which is below the EU28 average (17.3 %). There was a slight year-on-year decrease of 0.2 pp. Compared to the EU28 countries, the Slovak Republic ranks among the countries with the lowest at-risk-of-poverty risk (Graph 4.2), which is affected by low income inequality. However, compared to the EU SILC 2016 outputs, the at-risk-of-poverty rate slightly increased by 0.4 pp.

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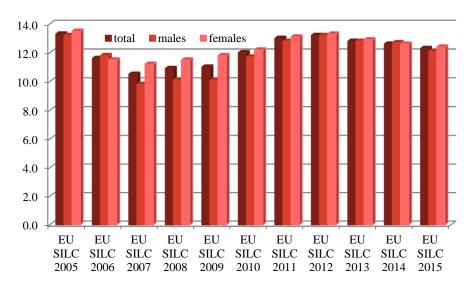
 $<sup>^{65}</sup>$  At-risk-of-poverty treshold is set at 60 % of the median equivalised disposable income (after social transfers)

Graph 4.2 At-risk-of-poverty Rate in EU Member States, EU SILC 2015

Source: Eurostat

According to the EU SILC 2015 survey, the number of people at risk of poverty declined year on year by about 16,000 people. Over the years shown in the EU SILC 2005 to 2015 surveys, at first there was a considerable decrease in the at-risk-of-poverty rate (EU SILC 2007 - 10.5%), followed by a slight increase (EU SILC 2012) and a slight decrease (see Graph 4.3). Compared to the initial year of the survey (EU SILC 2005), the 2015 survey value was lower by 0.9 pp.

The at-risk-of-poverty rate development is influenced by the socio-economic situation in a country and subsequently by the development of the household income situation. A decrease in the at-risk-of-poverty rate shown in the EU SILC 2013 - 2015 surveys was mainly due to the process of income inequality levelling in households in low income zones. The at-risk-of-poverty rate declined more significantly for males (by 0.6 pp) than for females (by 0.2 pp) year on year.



**Graph 4.3 At-risk-of-poverty Rate Development in SR (2005 – 2015)** 

Source: SO SR, EU SILC 2005 - 2015, UDB

An important role in reducing the risk of poverty is played by the setting of social protection system and its expenditure, i.e. social transfers including old-age and survivors' benefits. In case of non-provision of social transfers other than old-age and survivors' benefits, the at-risk-of-poverty rate would have increased by 6.7 pp to 19.16 % in 2015 and in case of non-provision of social

transfers including old-age and survivors' benefits the level of risk would have increased by 25.8 pp to 38.1 %. Compared to the previous year, there was a decline of 0.5 pp in the at-risk-of-poverty rate before social transfers excluding old-age and survivors' benefits, while the value of the rate before social transfers including old-age and survivors' benefits remained almost unchanged (Annex to Chapter 4). The impact of social transfers to reduce the risk of poverty (excluding old-age and survivors' benefits) was 35.3 %, while that of social transfers including old-age and survivors' benefits amounted to 67.7 %.

A comparison of the at-risk-of-poverty thresholds (single person households) in the respective survey years is shown in Table 4.2. The threshold according to the EU SILC 2013 ( $\in$  337) compared to 2012 ( $\in$  346) decreased by about 2.7 %, i.e. about  $\in$  10, which was caused by changes in income situation of the population due to development trends in employment and unemployment. A regrowth was recorded in surveys of the EU SILC 2014 and 2015 when the value exceeds the EU SILC 2012 level. In 2015, the at-risk-of-poverty threshold (single person household) increased by 1.7 % ( $\in$  6) year on year. The at-risk-of-poverty threshold increased by 84 % in comparison with the baseline year 2005 ( $\in$  188), i.e.  $\in$  159 in absolute terms.

According to the EU SILC 2016 data, the at-risk-of-poverty threshold for a single person household increased by 0.3 %, i.e. almost 85 % in comparison with the baseline year 2005.

Table 4.2 At-risk-of-poverty Threshold Development – Single Person Household

	EU SILC 2005	EU SILC 2006	EU SILC 2007	EU SILC 2008	EU SILC 2009	EU SILC 2010	EU SILC 2011	EU SILC 2012	EU SILC 2013	EU SILC 2014	EU SILC 2015	EU SILC 2016
Year, €	2,256	2,547	2,945	3,223	3,403	3,670	3,784	4,156	4,042	4,086	4,158	4,171
Month, €	188	212	245	269	284	306	315	346	337	341	347	348

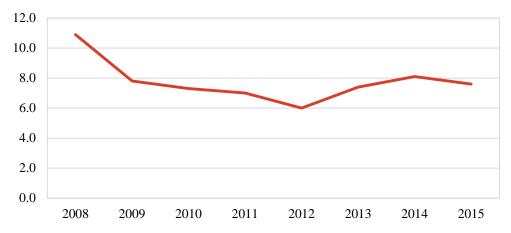
Source: Eurostat/SO SR

Using the at-risk-of-poverty rate anchored at a fixed moment in time, <sup>66</sup> it is possible to capture the aspect of absolute poverty. According to EU SILC 2015, the value of this indicator (7.6 %) decreased year on year by 0.5 pp (males - 7.9 %, females - 7.3 %) (Annex to Chapter 4). The year-on-year decrease was observed in the categories of children, adults in the productive age, and the elderly. For children aged 0-17, the at-risk-of-poverty rate anchored at a fixed moment in time reached 13.0 % (EU SILC 2014 – 13.2 %). For the elderly aged over 65, the at-risk-of-poverty rate anchored at a fixed moment in time was 1.3 % (males - 1.0 %, females - 1.5 %). Using this indicator, the standard of living of the population linked to the economic growth of the country can be monitored. Graph 4.4 illustrates the development of the at-risk-of-poverty rate anchored at a fixed moment in time, with the most significant decline recorded in the EU SILC 2012 survey, which was also related to the weakening of the financial crisis impact on the economic development in Slovakia. However, according to the EU SILC 2013 and 2014 surveys, there was a slight increase influenced by the development of the income situation of the population, especially low-income households. A redecrease was recorded in EU SILC 2015.

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<sup>&</sup>lt;sup>66</sup> At-risk-of-poverty rate anchored at a fixed moment in time is defined as the percentage of persons living below the at-risk-of-poverty threshold calculated in 2008, uprated by inflation.

Graph 4.4 Development of At-risk-of-poverty Rate Anchored at a Fixed Moment in Time (2008)



Source: Eurostat

In connection with capturing the dispersion of poverty around the at-risk-of-poverty threshold, 5.7 % of people (a year-on-year increase of 0.6 pp) in Slovakia had their income below 40 % of the median equivalised disposable income, <sup>67</sup> 8.4 % of people (the same value as in the previous year) had their income below 50 % of the median equivalised disposable income and 18.8 % of people (a year-on-year decrease of 0.9 pp) had their income below 70 % of the median equivalised disposable income (based on the EU SILC 2015 survey).

According to EU SILC 2015, the relative median at-risk-of-poverty gap, representing the difference between the median income of people at risk of poverty and the at-risk-of-poverty threshold, decreased by 0.1 pp to 28.9 %, which suggests that the depth of poverty (i.e. poverty gap) has been stabilised. This situation is primarily influenced by the population income distribution, reflecting the income distribution inequality (Gini coefficient), which dropped significantly to 23.7 % year on year (by 2.4 pp).

According to income inequality measurements made in the EU SILC 2015 survey, 20 % of persons with the highest income received 3.5 times more income than 20 % of those with the lowest income. Compared to the previous survey (EU SILC 2014), there was a decrease of 0.4 pp.

According to EU SILC 2015, the most vulnerable age group in terms of income poverty are children aged 6-11 (23 %) and 12-17 (20.5 %); the at-risk-of-poverty rate of children aged 0-17 reached 20.1 %. It increased by 0.9 pp year on year. The lowest at-risk-of-poverty rate was recorded again in the age group 65+(5.6 %), with a year-on-year decrease of 0.6 pp.

The risk of poverty for children aged 0-15 is being monitored in the Slovak Republic. The 2015 survey results show that 20.8 % of children at this age were at risk of poverty, and compared with the 2014 survey, the indicator increased by 1.7 pp. The risk of child poverty is mainly related to the income situation of families, especially multi-member families, or households with children. In terms of global assessment, it is clear that there are changes in the population structure connected to the risk of poverty, due to changes in the income situation of the population. While the total at-risk-of-poverty rate of males and females is relatively even, gender differences are significant in the respective age groups, as shown in Graph 4.5. The gender difference increased year on year to the disadvantage of females of lower age (under 24 years) and in the group aged 65 and over. In 2014, the difference between the at-risk-of-poverty rates of females and males aged 65+ was 3.4 pp (EU SILC 2014), which increased in 2015 to 3.6 pp (EU SILC 2015).

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<sup>&</sup>lt;sup>67</sup> Equivalised household disposable income is the disposable income of households (gross household income after deduction of regular property taxes, regular inter-household transfers, income taxes and social security contributions) divided by the equivalised household size. The equivalised household size is calculated using the so-called modified OECD equivalence scale, which assigns a coefficient of 1 to each first adult household member, a coefficient of 0.5 to each additional adult household member and persons aged 14 or over, and a coefficient of 0.3 to each child under 14 years of age.

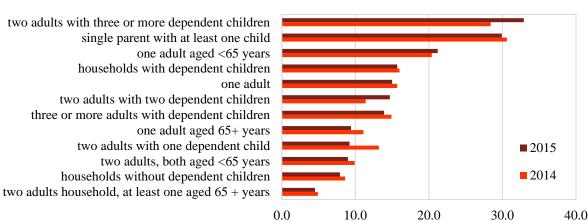
25.0 ■ total ■ males ■ females 20.0 15.0 % 10.0 5.0 0.0 total 0 - 512 - 170 - 1718-24 25-54 55-64 18-64 6 - 11years years years years years years years years

Graph 4.5 At-risk-of-poverty Rate by Age Groups (2015)

Source: SO SR, EU SILC 2015, UDB

In the group of children aged 0-17, it is also possible to observe another relationship, namely the share of their population living in jobless households or in households with very low work intensity. According to the EU SILC 2015 survey, the share of children aged 0-17 living in jobless households declined from 10.1 % to 9.3 % (by 0.8 pp) and the share of these children living in households with very low work intensity (occasional jobs) also declined from 8.1 % to 8.0 % (by 0.1 pp). These results are comparable to the results of the Labour Force Survey (LFS).

By type of household, families with three or more children (32.9 %), single parents with at least one child (29.9 %), and single adults under 65 years of age (21.2 %) are at the highest risk of poverty. The lowest risk of poverty was reported for households with two adults, where at least one of them is older than 65 years (4.5 %). Compared with the previous year, there was an increase in the risk of poverty among families with three or more children (4.5 pp) and single adults under 65 years of age (0.8 pp), but a decreased risk of poverty among single parents with at least one child (0.7 pp) was observed. The at-risk-of-poverty rate of single adults aged 65+ decreased year on year by 1.7 pp. A slight year-on-year decline in at-risk-of-poverty rate was observed in the overall group of single adults (0.7 pp).



Graph 4.6 Comparison of At-risk-of-poverty Rates by Household Type (2014 and 2015)

Source: Eurostat, SO SR, EU SILC 2014 and 2015, UDB

The EU SILC 2015 results on at-risk-of-poverty rates by economic activity show that the unemployed in Slovakia were at the highest risk of poverty, namely 45.4 % (a year-on-year decrease

of 3.3 pp). According to the latest EU SILC 2016 data, the risk of poverty of this group reincreased to 48.0 %.

In the group of the employed, 6.1 % of them were at risk of poverty, representing a slight year-on-year increase of 0.4 pp. The lower the work intensity<sup>68</sup> of household members is, the more the risk of their poverty increases. In the group of households with dependent children, the risk of poverty increases with the increasing number of people who are dependent on the household income. The low work intensity as one of the indicators for defining the number of people living at the risk of poverty or social exclusion (in this case, WI<0.2) remained unchanged year on year, i.e. at the level of 7.1 %. According to the EU SILC 2016 data, the indicator declined year on year by 0.6 pp. More detailed comparisons concerning work intensity are given in Annex to Chapter 4.

The risk of poverty or social exclusion is also influenced by housing costs. The EU SILC 2015 survey showed that the housing costs of 9.1 % of the population amount to more than 40 % of household disposable income. The situation is more serious for people at the risk of poverty, as 34.5 % of them live in households with housing costs amounting to more than 40 % of household disposable income. Compared to the preceding survey, there has been a decrease of 1.9 pp in this group. By accommodation tenure status, the largest group of households overburdened with housing costs are the apartment owners with a mortgage or home loans who represented 30.9 % of such households. The year-on-year comparison illustrates an increase in the indicator of 4.7 pp. Crowded apartments and homes<sup>69</sup> were occupied by 37.8 % of the Slovak population, which is well above the EU28 average (16.7 %). Households with three or more children (73.0 %) as well as single parents with at least one child (65.8 %) are affected by this situation most frequently. Another important factor is the accommodation tenure status. Most of the people living in overcrowded dwellings are people who are renting the dwelling, either paying the market price (61.6 %), or at a reduced cost or free of charge (56.9 %). The state of the dwelling, or more precisely its quality is also an important factor. According to the EU SILC 2015 survey, 6.3 % of the population lived in dwellings with leaking roofs and damp walls and 3.1 % of the population in dwellings considered too dark.

The above-mentioned measurements and evaluations of indicators are based mainly on income. Measurement of absolute poverty can be based on measurements of the lack of material goods, financial difficulties and the inability of people to live a decent life in the studied population. These shortcomings are measured by a methodology based on the indicator of "material deprivation". Unlike the severe material deprivation, which is part of the cluster indicator of at-risk-of-poverty or social exclusion, a citizen was considered materially deprived if he/she could not afford three of nine items in the first two dimensions (economic burden and consumer durables).

Assuming this definition, 20.3% of persons were materially deprived according to the EU SILC 2015 survey (a year-on-year decrease of 1.9 pp). The severely materially deprived (who could not afford four of nine items) accounted for 9.0 % of the population according to EU SILC 2015 (a decrease of 0.9 pp compared to EU SILC 2014). The highest rate of severe material deprivation was observed in the group of single parents with at least one child, or single-parent families with children (26.8 %). The severe material deprivation of parents with more than three children, i.e. multi-member families (16.3 %) declined year on year by 2.3 pp (EU SILC 2014 - 18.6 %). The most widespread problem within material deprivation items consisted in the inability to afford paying for a one-week annual holiday away from home, which concerned 48.8 % of the population. The situation has changed significantly during the whole reference period, see Graph 4.7.

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<sup>&</sup>lt;sup>68</sup> Ratio between the number of months that all household members in the productive age have been working during the income reference year and the total number of months that the same household members could theoretically have been working

<sup>&</sup>lt;sup>69</sup> The overcrowding rate expresses the proportion of persons in the population living in households with lack of space by some of the following criteria: a) one room for a household, b) room for a couple in the household c) room for each person aged 18 and over d) room for a pair of same sex aged 12-17, e) room for persons aged 12-17 not included in previous categories, f) room for a pair of children under the age of 12.

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Graph 4.7 Material Deprivation Items for Selected Time Periods (% Population of SR)

Source: EU SILC 2005, 2010, 2015, Eurostat

#### Persistent poverty<sup>70</sup>

According to the EU SILC 2015 survey, 7.4 % of persons in Slovakia were at persistent risk of poverty, most of them were women (men -7.2 %, women -7.7 %). Based on international comparison, the Slovak Republic ranks among to the EU countries with a lower proportion of people living in persistent poverty (EU28 -10.9 %). Earned income plays an important role in Slovakia with regard to lifting out of the risk of poverty or persistent poverty. If the at-risk-of-poverty threshold increased to 70 % of the national median equivalised disposable income, the persistent at-risk-of-poverty rate would rise to 11.7 %. If the threshold were lowered to 50 % of the median, 5.0 % of the Slovak population would be at the persistent at-risk-of-poverty.

Several groups in Slovakia can be identified as the most vulnerable to longer persistence of poverty. In terms of the household types, these are mainly single-parent families with at least one child (19.0 %) and single person households (10.2 %); they are also the most vulnerable groups when monitoring the risk of poverty on an annual basis. According to EU SILC 2015, 9.0 % of households with several children were at the risk of persistent poverty. An important differentiating factor is education. As expected, the persistent poverty incidence increases with decreasing levels of education. 20 % of persons aged 16+ with primary and lower secondary education were persistently under the atrisk-of-poverty threshold.

Persistent poverty is also associated with a higher frequency of the subjective feeling of health deterioration than in the general population.

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<sup>&</sup>lt;sup>70</sup> The persistent at-risk-of-poverty rate is defined in the OMC as the percentage of the population whose equivalised disposable income was below the at-risk-of-poverty threshold in a given year and at least two of the three previous years.

## 4.2 Gender Equality and Equal Opportunities

In connection with the implementation of the National Strategy for Gender Equality and the National Action Plan for Gender Equality 2014-2019, coordination also continued in 2016 in the areas of gender equality and equal opportunities, as well as institutional strengthening and enhancement of the status of the Government Council for Human Rights, National Minorities and Gender Equality and its Committee on Gender Equality as the advisory body of the Government of the Slovak Republic, being chaired by the Minister of Labour, Social Affairs and Family of the Slovak Republic.

In 2016, the National Strategy for the Prevention and Elimination of Violence against Women and in Families and the National Action Plan for the Prevention and Elimination of Violence against Women 2014–2019 continued to be implemented.

Pursuant to Art. 7 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council, the Member States and the European Commission shall ensure that equality between men and women and the integration of gender perspective are taken into account and promoted and that "appropriate steps" under Art. 7 of Act No. 311/2001 Coll. (the Labour Code) are taken to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes. In order to achieve these objectives in the Slovak Republic, the horizontal principles of non-discrimination and equality between men and women are applied in projects co-financed by the European Structural and Investment Funds. The main objectives for the horizontal principle of equality between men and women are defined according to the Operational Programme - the main objective of the ESF programmes is to ensure equality between men and women in the labour market and their training for such market, and the main objective of the other programmes of the European Structural and Investment Funds (ESIF) is to reduce horizontal and vertical gender segregation in the economic sectors. The main objective for the horizontal principle of non-discrimination of the ESF programmes is to ensure equality between men and women in the labour market and their training for such market; the main objective of the ESIF programmes is to ensure equal opportunities in the access to and use of infrastructure and services. In order to avoid discrimination and promote accessibility and equality between men and women, these principles are applied in all operational programmes through the implementation of compensatory measures and activities targeted at supporting disadvantaged groups, while taking their specificities into account and are a mandatory annex to the application for non-repayable financial contribution.

The national strategic document will be an essential framework for the identification of the priority areas and objectives for the implementation of the principle of prevention of discrimination, promotion of accessibility and gender equality, which will provide its application in the operational programmes within ESIFs. For the effective application of horizontal principles of gender equality, non-discrimination and accessibility, a disqualification criterion will be enforced in the evaluation and selection process of applications for non-repayable financial contribution within priority axes of the operational programme.

To support the activities of civic associations and NGOs, a MoLSAF subsidy scheme promoting gender equality was created. Under the Subsidies Act (Section 9a), a subsidy to promote gender equality can be provided for activities or actions aimed at achieving gender equality and promoting the principle of equal treatment based on sex or gender. Activities eligible for support are educational activities, consultancy, public enlightenment activities, editorial activities, and analytical activities. From the scheme to promote gender equality, spending of  $\in$  141,180 was approved in 2016, accounting for 70.59 % of the total amount allocated to the subsidy to promote gender equality. These funds were awarded to 21 non-governmental organisations. As of 31 December 2016, the subsidies approved were spent in the amount of  $\in$  117,884, representing 83.4 %. Through the projects supported, MoLSAF has received significant information from the field on specific activities of the non-governmental sector, which contribute considerably to the elimination of discrimination against women and also create a platform for increasing the gender competence in education, namely in the field of gender equality and human rights.

One of the tasks of the *National Action Plan for the Prevention and Elimination of Violence against Women 2014–2019* was to establish a Coordinating Methodical Centre for gender-based and domestic violence (hereinafter simply "CMC") and ensure its sustainability. The CMC establishment project is in line with Article 10 of the Istanbul Convention and remains one of the key projects in the field of prevention and elimination of gender-based and domestic violence. The CMC project is funded by a grant from the Kingdom of Norway through the Norwegian Financial Mechanism and cofinanced from the state budget of the Slovak Republic. The project is implemented within the **SK09 programme: Domestic and Gender-based Violence**. The project beneficiary is MoLSAF, the project partners are the Institute for Labour and Family Research, the Council of Europe, and the Norwegian Centre for Violence and Traumatic Stress Studies. The CMC was officially established in April 2015 and its main goal is to create, implement and coordinate a comprehensive national policy in the field. As part the CMC project, a nationwide campaign had been prepared to raise awareness of sexual violence against women and girls (launched in 2017). An important role of the CMC is also to implement research and monitoring of violence against women and domestic violence in cooperation with the Norwegian partner.

Operation of the nationwide free NONSTOP helpline for women also continued in 2016. During this year, the National Helpline for Women Experiencing Violence received 3,654 calls in total. Not all of the calls concerned violence against women. People with other problems also called the helpline (other types of violence, civil and family disputes, etc.). A current or former partner/husband is the most common perpetrator of violence because of whom the women call the helpline – up to 91 % of women contacted the helpline operators with the problem of violence committed in intimate relationships. A significantly lower number of clients identified a male or female family member other than the partner as the perpetrator of violence – 6.57 %; other types of perpetrators were identified sporadically. The most common types of violence reported by the National Helpline clients include psychological violence (86.38 %), physical violence (61.97 %), economic violence (38.73 %), and social violence (19.25 %). In this context, it is positive that regional accessibility, quality and competences of specialised social services for women experiencing violence and their children, as well as distance Internet counselling for them have increased.

Based on evaluation of the projects of the Operational Programme Employment and Social Inclusion, MoLSAF became involved in 2016 in the preparation of the continuation of the project with the same aim as the project "Family and Work" within the 2014 – 2020 programming period. Unlike the 2007 – 2013 programming period, support is provided in the form of demand-driven projects rather than a national project. The supporting interim compensatory measures/activities of the project will include support for flexible forms of childcare with a view to reconciling family and work life and creating effective tools for the integration of mothers with young children into the labour market, especially after they return from parental leave by supporting flexible jobs. Support for innovative forms of care for children with health disabilities will be a new feature compared to the original national project.

In addition to preparing a call for support for the reconciliation of family and work life, MoLSAF started to prepare a demand-driven call "Counselling and Education in Prevention and Elimination of Discrimination" (Operational Programme Human Resources, specific objective 4.1.2) aimed, on the one hand, at promoting activities leading to gender-based sensitisation and increased awareness of the prevention of all forms of discrimination and ways of protecting against it (for employers with emphasis on small and medium-sized enterprises, public-sector employees and first-contact workers) and, on the other hand, at counselling and other ancillary services to protect people at risk of discrimination, including protection against gender-based violence. The call will also support awareness-raising activities through conferences and information campaigns.

In 2016, MoLSAF finished implementing the following projects:

 Support for a Balanced Representation of Women and Men in Leadership Positions in Organisations of Public and Private Sector – Project funded from the European Commission PROGRESS programme

By implementing this project, MoLSAF responded to the existing gender inequalities in leading decision-making positions, which persist despite the fact that the proportion of university female graduates is currently higher than 50 % of the total number of graduates. MoLSAF thus promoted the

exchange of experience of employers and other key actors through three conferences with international participation held in Bratislava, Banská Bystrica and Košice and also motivated the employers in the annually held competition "Family-friendly Employer Responsive to Gender Equality and Equal Opportunities"; in the last year, the employers were also evaluated in terms of supporting a more balanced representation of women and men in decision-making positions in their companies.

### • Conference "Reconciling Work and Family life in a Changing Society"

The main purpose of the presidential thematic conference was to respond to the urgent need to reconcile work, family and personal life with respect to changing work organisation patterns and new labour market trends, as well as other relevant challenges. One of the specific aims of the conference was to respond to existing and available options and current trends in flexible forms of work and care, among others, care for the elderly and other dependants, especially with regard to responsibility and redistribution of care between women, men and society. Last but not least, the conference served as a platform for the EU member states, the EC and other relevant actors to exchange examples of good practice in enforcing effective policies, strategies and procedures in reconciling work, private and family life.

**Table 4.3 Summary of Gender Equality Indicators** 

T. W	Fer	males	Male	S	Gende	r gap
Indicator	SK	EU28	SK	<b>EU28</b>	SK	<b>EU28</b>
Employment rate	62.7	65.3	76.9	76.9	14.2	11.6
(in %, 20 – 64 years, 2016, Eurostat)	02.7	05.5	70.9	70.9	14.2	11.0
Employment rate	58.3	61.4	71.4	71.9	13.1	10.5
(in %, 15 – 64 years, 2016, Eurostat)	30.3	01.4	71.4	71.7	13.1	10.5
Youth employment rate	18.2	32.0	31.9	35.5	13.7	3.3
(in %, 15 – 24 years, 2016, Eurostat)	10.2	02.0	01.5	00.0	1017	0.0
Employment rate of older people	43.5	48.9	55.1	62.0	11.6	13.1
(in %, 55 – 64 years, 2016, Eurostat)						
Unemployment rate	10.8	8.8	8.8	8.4	-2.0	-0.4
(in %, all age groups, 2016, Eurostat)						
Youth unemployment rate	26.3	17.9	19.8	19.4	-6.5	1.5
(in %, 15 – 24 years, 2016, Eurostat)						
Gender segregation in occupations					29.5	24.3
(index in the range of 0 – 50 in %; 2015, EC*)						
Gender segregation in economic sectors (index in the range of 0 – 50 in %; 2015, EC*)					23.6	18.9
Gender pay gap - GPG (in % of hourly wage; 2016, Trexima						
for SK/Eurostat for EU28)					18.0	16.3
Average gross monthly wage in unadjusted form	002				210	
(in €, GPG in %; 2016, Trexima)	903	-	1,157	-	21.9	-
Average hourly wage in the public sector	<i>5.6</i> 2		c 15		0.0	
(in €, GPG in %; 2016, Trexima)	5.62	-	6.17	-	8.9	-
Average hourly wage in the business sector	5 50		6.86		10.5	
(in €, GPG in %; 2016, Trexima)	5.52	-	0.80	-	19.5	-
Population aged 30 – 34 years with university education (in %;	39.4	43.9	24.0	34.4	-15.4	-9.5
ISCED 5-8, 2016, Eurostat)	39.4	43.9	24.0	34.4	-15.4	-9.3
Early school leavers – population aged 18 – 24 years with less						
than secondary education	7.2	9.2	7.6	12.2	0.4	3.0
(in %, ISCED 0-2; 2016, Eurostat)						
Young people aged 15 – 24 years not in education,	13.7	11.9	10.9	11.2	-2.8	-0.7
employment, or training – NEET (in %, 2016, Eurostat)	13.1	11.7	10.7	11.2	-2.0	0.7
At-risk-of-poverty rate	12.4	17.7	12.1	16.9	-0.3	-0.8
(in %, 2015, EU SILC, Eurostat)	12.1	1/./	12.1	10.7	-0.5	0.0
At-risk-of-poverty rate of the elderly (in %, 65+ years, 2015,	7.0	16.0	3.4	11.8	-3.6	-4.2
EU SILC, Eurostat)		13.0		11.0	2.0	

	Fer	nales	Males	S	Gende	r gap
Indicator	SK	<b>EU28</b>	SK	<b>EU28</b>	SK	<b>EU28</b>
At-risk-of-poverty or social exclusion rate of single-parent famil	ies				20.1	47.0
(in %, at least 1 child; 2015, EU SILC, Eurostat)					39.1	47.9
At-risk-of-poverty rate of households of single adults under 65	16.5	27.1	25.2	27.6	8.7	0.5
years of age (in %, 2015, EU SILC, Eurostat)	10.5	27.1	23.2	27.0	0.7	0.5
At-risk-of-poverty rate of households of single adults aged 65+	11.0	22.7	11.4	15.5	0.4	-7.2
years (in %, 2015, EU SILC, Eurostat)	11.0	22.7	11	10.0	•••	7.2
People living in households with low work intensity (in %,	6.9	11.1	7.4	10.2	0.5	-0.9
population aged 0 – 59 years, 2015, EU SILC, Eurostat)						
Persistent at-risk-of-poverty rate	7.7	11.3	7.3	10.4	-0.4	-0.9
(in %, 2015, EU SILC, Eurostat)						
Severe material deprivation rate (in %, 2015, EU SILC, Eurostat)	9.1	8.1	8.9	8.0	-0.2	-0.1
At-risk-of-poverty or social exclusion rate						
(in %, 2015, EU SILC, Eurostat)	18.6	24.4	18.1	23.0	-0.5	-1.4
At-risk-of-poverty or social exclusion rate of older people						
(in %, 55+ years, 2015, EU SILC, Eurostat)	15.8	22.4	14.5	18.6	-1.3	-3.8
Average monthly old-age pension (solo)						
(in €, gap in %, 2016, Social Insurance Agency)	372.1	-	464.6	-	24.9	-
Average gender gap in pensions (in %, group aged 65-79 years, 2015, EC*)					9.0	38.6
Life expectancy at birth						
(in years, 2015, Eurostat)	80.2	83.3	73.1	77.9	<b>-7.1</b>	-5.4
Healthy life expectancy at birth						
(in years, 2015, Eurostat)	55.1	63.3	54.8	62.6	-0.3	-0.7
Political participation at European level	20.0	27.2	50.2		20.4	27.4
(in %, European Parliament, 2016, EP/EIGE**)	30.8	37.3	69.2	62.7	38.4	25.4
Political participation at national level						
(in %, national parliaments, 2016, National Council of	20.7	29.0	79.3	71.0	58.6	42.0
SR/EIGE**)						
Political participation in national governments	13.3	28.0	86.7	72.0	73.4	44.0
(in %, 2016, Government of SR/EIGE**)	13.3	20.0	80.7	72.0	73.4	<del></del> 0
Political participation at regional level - in the leadership of	0.0	20.0	100.0	80.0	100.0	60.0
regional councils (in %, 2016, EIGE**)	0.0	20.0	100.0	00.0	100.0	00.0
Political participation at regional level – representation in			0 - 0			• • •
regional offices	15.0	33.0	85.0	67.0	70.0	34.0
(in %, 2016, EIGE**)						
Political participation at municipal level – mayors/mayoresses (in %, 2015, EIGE**)	23.0	15.0	77.0	85.0	54.0	70.0
Political participation – leadership of political parties with at						
least 5 % of the seats in national parliaments (in %, 2016,	0.0	18.8	100.0	81.2	100.0	62.4
EIGE**)	0.0	10.0	100.0	01.2	100.0	02.4
The rate of participation in the management of the largest						
companies listed on the stock exchange (male and female	11.4	14.9	88.6	85.1	77.2	70.2
managers in %, 2016, EIGE**)		,			<del></del>	
Gender composition of the Supreme Court (in %, 2016,	CO 5	20.5	20.5	<i>(</i> 0.5	21.0	21.0
National Council of SR/EIGE**)	60.5	39.5	39.5	60.5	-21.0	21.0
Gender equality index				26 51	20 8/41 5	52.0
(in %, 2012 / 2010/ 2005, EIGE**)				<i>3</i> 0.5/ .	39.8/ 41.5	52.8

#### Notes:

 $Gender\ gap = values\ for\ males\ minus\ values\ for\ females\ in\ percentage\ points\ (pp),\ unless\ otherwise\ stated.$ 

<sup>\*</sup> European Commission, 2017: 2017 Report on equality between women and men in the EU.

<sup>\*\*</sup>European Institute for Gender Equality, http://eige.europa.eu/gender-statistics/dgs)

## 5 COMPARISON OF SELECTED INDICATORS ACROSS EU COUNTRIES IN THE CONTEXT OF EUROPE 2020 STRATEGY

The Europe 2020 strategy – a strategy for smart, sustainable and inclusive growth – adopted by the European Council on 17 June 2010 is the EU strategy for economic growth and employment in the current decade. The Europe 2020 strategy should help turn the EU into a smart, sustainable and inclusive economy with high levels of employment, productivity and social cohesion. It is the successor of the Lisbon Strategy, which set the EU targets by 2010. The main targets of the Europe 2020 strategy are measured by eight main indicators, four of which are directly related to the social sphere. These targets have been transferred into national targets, which take into account the specific situation of individual EU countries and also maximize their commitment to achieve the European targets, to ensure the contribution of each EU country to the implementation of the Strategy.

The following data reflect the socio-economic situation in Slovakia compared to other EU countries and in the context of achieving the Europe 2020 goals. The indicators are calculated using uniform methodology, with Eurostat as a source, and may therefore be somewhat different to the data of national statistical institutes. The annex to this chapter contains tables with data for individual EU28 countries for the last year available.

#### **Macroeconomic Environment**

The GDP growth of Slovakia in 2016 was, as in previous periods, more favourable than in the EU28, which recorded a real GDP growth of 1.9 %. On average, real GDP of Slovakia in 2016 grew year on year by 3.3 % mainly due to a significant increase in household expenditure and favourable net export performance. Although real GDP growth decelerated year on year by 0.5 pp as a result of a temporary decline in public investments associated with the regular EU-funded investment cycle, it still remains one of the fastest in the EU28 (sixth fastest). Among EU countries, the highest GDP growth was reported in Ireland (5.2 %), Malta (5 %), and Romania (4.8 %). GDP grew in all EU28 countries except for Greece (0 %). According to the spring forecast of the European Commission (EC), economic growth in Slovakia is to continue in the coming period, and is expected to reach 3 % in 2017 and accelerate to 3.6 % in 2018. Household consumption is to be the strongest growth engine in both years due to a markedly positive development in the labour market that will continue, as well as a rise in real wages in a low-inflation environment. According to the EC estimate, the growth of real GDP will also continue as regards the European average, namely 1.9 % in both 2017 and 2018. In addition to Slovakia, a growth of 3 % and over in 2017 is expected in Ireland, Romania, Malta, Luxembourg, Poland, Hungary, Latvia, and Slovenia, and in 2018 also in Lithuania.

In 2015, the Slovak **GDP per capita** (in PPS<sup>72</sup>) reached 77 % of the EU28 average, which is the same value as in 2014. Lower values of per capita GDP than in Slovakia (compared with the EU28) were recorded in Bulgaria, Romania, Croatia, Latvia, Greece, Hungary, Poland, Lithuania, and Estonia.

Slovakia was one of four EU28 countries which experienced deflation in 2016 for the third time in a row. Deflation deepened further in Slovakia in 2016 when the **harmonised index of consumer prices** declined to -0.5 %, mainly due to a fall in energy prices and a fall in food and non-alcoholic beverages prices. The EU28 average inflation increased to 0.3 %. In connection with household demand growth and nominal wage growth, deflationary pressures are gradually diminishing in SR, which has already been reflected in the recovery of year-on-year inflation since December 2016. According to the EC estimates, Slovak inflation is expected to reach 1.4 % in 2017, mainly due to a rise in food and services prices, and is projected to increase to 1.6 % in 2018. (the EU28 inflation is expected to reach 1.6 % in 2017 and 1.3 % in 2018).

<sup>&</sup>lt;sup>71</sup> http://ec.europa.eu/economy\_finance/publications/eeip/pdf/ip025\_en.pdf

<sup>&</sup>lt;sup>72</sup> PPS (Purchasing Power Standard) is an artificial exchange rate of currencies in individual countries, taking into account the price levels of goods and services in these countries. It can be understood as a price index comparing the prices of goods and services in those countries. It is used to express different economic contexts more realistically than in the official exchange rates of currencies of the countries concerned.

Labour market conditions continued to improve considerably, as **employment** in 2016 accelerated its year-on-year increase according to the domestic concept (ESA 2010) by 0.4 pp to 2.4 %, which is the best result since 2009. Employment also increased on the EU28 average, although not as significantly as in Slovakia (by 1.2 %, ESA 2010). Employment growth in Slovakia was the highest among the V4 countries and the sixth highest in the EU28. The highest employment growth was recorded in Malta (3.7 %). Employment growth higher than in Slovakia was reported in Luxembourg (3 %), Ireland, Spain and Cyprus (a growth of 2.7 % in all three countries). A decrease in employment was recorded in Latvia and Romania. In the coming years, employment growth is expected to continue in Slovakia (a growth of 1.4 % in 2017 and 1.3 % in 2018), again higher than the EU28 average (0.9 % in 2017 and 0.8 % in 2018).

The public finance deficit in Slovakia in 2016 decreased year on year by 1 pp to 1.7 % of GDP, the same value as the EU28 average. High corporate tax revenues were the main reason for such improvement, pointing to their growing profitability and improved tax collection, as well as steady growth in personal income tax and tax payments. The highest deficit within the EU28 was observed in Spain (4.5 %), France (3.4 %), Romania and the United Kingdom (both countries 3 %). According to the EC forecasts, the deficit in Slovakia should decrease gradually in the coming years, namely to 1.3 % of GDP in 2017 and 0.6 % of GDP in 2018, mainly due to very favourable economic conditions and consolidation measures on the revenue side. The consolidated government debt in Slovakia according to Eurostat (general government gross debt) declined to 51.9 % of GDP in 2016 (85.1 % of GDP in the EU28). Debt values above 100 % of GDP were reported in Greece (179 %), Italy (133.1 %), Portugal (130.4 %), but also in Cyprus (107.5 %) and Belgium (105.9 %). The debt-to-GDP ratio in Slovakia is expected to decline further and fall to 50 % in 2018.

## **Smart and Inclusive Growth**

The main target of the Europe 2020 strategy is to increase **the employment rate** for men and women aged 20-64 years to 75 %. SR is to contribute to this European target by increasing the employment rate of its population in this age group to 72 %. A higher employment rate in Europe is to be achieved mainly through higher employment of women, older people, young people, people with low qualifications and legal migrants. In 2016, the employment rate in the group aged 20-64 years, on the EU28 average, increased year on year by 1 pp to 71.1 % (by 1 pp to 65.3 % for women and by 1 pp to 76.9 % for men). In Slovakia, the employment rate reached 69.8 % and increased year on year by 2.1 pp (it increased more for women than for men, namely by 2.4 pp to 62.7 % and by 1.9 pp to 76.9 % for men). In 2016, the highest employment rate within the EU28 was recorded in Sweden, with a value of 81.2 %, thus achieving its national target in this area (80.0 %) for the third consecutive year. High employment rates over 75 % were also reached in Germany (78.7 %), the United Kingdom (77.6 %), Denmark (77.4 %), the Netherlands (77.1 %), as well as in the Czech Republic (76.7 %), Estonia (76.6 %), and Lithuania (75.2 %). The lowest employment rate was observed in Greece, where it increased only to 56.2 % in 2016. The lower economic activity rates of women and older people contribute to the lower rate of total employment.

The **employment rate of women** lags behind the employment rate of men in Slovakia (by 14.2 pp in 2016) and on the EU28 average (by 11.6 pp). In 2016, the employment gender gap remained unchanged year on year in the EU28, while the gap increased slightly in SR (by 0.5 pp). The lowest female employment rate and also high employment disparities between men and women were recorded in Greece (46.8 %, 19 pp), Italy (51.6 %, 20.1 pp), and Malta (55.5 %, 27.6 pp). Higher employment disparities between men and women than in Slovakia were also observed in Romania (17.6 pp) and the Czech Republic (16 pp). A high employment rate of women over 72 % is achieved by Sweden (79.2 %), Germany (74.5 %), Lithuania (74.3 %), Denmark (74 %), Estonia (72.6 %), and the United Kingdom (72.1%), of which Lithuania and Latvia have the lowest employment disparities between men and women (1.9 and 2.9 pp respectively).

To support the employment of women, policies on reconciling work and private life are needed. In general, access to childcare services is the main factor affecting the participation of women in the labour market. Since women are more likely to provide care for children and family than men,

parenthood and family obligations affect their jobs more, particularly in circumstances where there is a lack of childcare services and other care for dependent family members, or the services are too expensive and, consequently, less available. Differences in employment rates between men and women in Slovakia are most pronounced with regard to care of a child under six years, where the difference is 45.2 pp (42.1 % for women and 87.3 % for men aged 15 – 64 years). The difference is lower in the EU28 (26.8 pp). Slovakia has the third highest gap in the EU28 with regard to care of a child under six years. It is higher only in the Czech Republic and Hungary. The differences decrease with the age of the child. With regard to care of a child aged 6 – 11 years, the employment gender gap is lower in Slovakia than the EU28 average (9.6 pp versus 15.3 pp), and with regard to care of a child over 12 years, the employment gender gap in Slovakia is only 2.3 pp (compared to 9.8 pp in the EU28). Compared to the previous year, the situation slightly improved and gender differences moderated, because the employment rate of women with the youngest child aged under 6 years, 6-11 years or over 11 years increased more than that of men.

The fact that maternity influences the employment of women can also be proved by data on the employment of women aged 25-54 years without children in SR (82 %), which exceeds the employment of women without children in the EU28 (76.6 %) and is very similar to the employment of men in this age group without children (82.5 %). The low employment of women with a child under 6 years of age reflects a lack of childcare facilities (especially for children under 3 years of age) and low use of flexible working arrangements. The European Council advises the Slovak Republic to improve the opportunities for women employment, particularly by expanding the provision of affordable and quality childcare.

One of the priorities of the European Union is to ensure the availability of affordable and good quality care services for children between 0 years and the mandatory school age. The Barcelona target from 2002, included in the Lisbon Strategy, based on the requirement to remove barriers to women's participation in the labour market, while taking the demand into account and, in accordance with the national systems, to establish care facilities for at least 90 % of children between three years and the mandatory school age and at least 33 % of children under three years of age by 2010, is also incorporated in the Europe 2020 strategy. According to the EU SILC data, formal childcare in facilities was provided to 30.3 % of children under three years of age in the EU28 in 2015. In Slovakia, the use of such care has been very low in the long term. In 2015, only 1.1 % of children under three years of age used a formal childcare facility. 0.2 % of children were provided with care for 1 – 29 hours per week and 0.9 % of children under three years of age with care for more than 30 hours per week. For children aged 3-6 years, formal care is provided on a wider scale in Slovakia. In 2015, such care was provided to 67.5 % of children (the EU28 average was 83.3 %), and 53.6 % of children were provided with care for over 30 hours a week (the EU average was 49.4 % of children at this age, with 14% being cared for up to 30 hours a week). Providing quality care services and universal access to quality pre-school education are included not only in the preventive measures to increase female employment, but also in those against early school leaving. Access to early childhood care is expected to further improve in SR; MoLSAF will support flexible forms of work and childcare in the new programming period within the Operational Programme Human Resources.

Achieving an employment rate of 75 % by 2020 also largely depends on further increasing the employment of older people. The demographic challenges associated with the ageing of population motivate the EU to jointly increase the participation of older people in the labour market and support further extension of their work lives. The **employment rate of older people** (55 – 64 years) in Slovakia has been increasing steadily since 2001, with a year-on-year increase by 2 pp to 49 % in 2016. This rate of employment has also been increasing in the EU28, where it is at a higher level (55.3 %) on average. Older people's employment growth in Slovakia is mainly associated with increasing the pension age, which applies mainly to women (matching with the pension age of men), as evidenced by a higher increase in women employment rates in this age group. In 2015, the employment rate for older women grew year on year by 2.5 pp to 43.5 % and for older men by 1.5 pp to 55.1%. In the long-term, the highest employment rate for older women has been observed in Sweden (73.5 %); a high level (above 66 %) has also been achieved in Estonia (66.5 %).

Longer work lives and raising employment rates should also be supported through better access to lifelong learning. Inclusive growth also means investing in training and skills development with a goal of helping people of all ages to prepare for expected changes in the labour market. In this area,

Slovakia still lags behind. In 2016, the **participation of adults in education** was the third lowest in the EU28 and even slightly declined compared to the previous year. In 2016, 2.9 % of people aged 25 – 64 were involved in further education or training, compared to the EU28 average of 10.8 %. A lower share of adults involved in lifelong learning in 2016 was in Bulgaria (2.2 %) and Romania (1.2 %). The highest share of adults involved in lifelong learning in 2016 was in Sweden (29.6 %), Denmark (27.7 %), and Finland (26.4 %). A low rate of further education or training of adults may have an adverse effect on employability, especially among low-skilled workers; it thereby weakens the efforts to reduce structural unemployment.

The unemployment rate in Slovakia has been showing a significant decline in recent years, thus moving Slovakia from countries with the highest unemployment rates closer to the EU28 average. The labour market situation improved again in 2016 and the unemployment rate decreased by 1.9 pp to 9.6 %, more for women (by 2.2 pp to 10.7 %) than for men (by 1.5 pp to 8.8 %). This was the third most considerable decline in unemployment rates in the EU28. The unemployment rates also declined in most of the EU28 countries, on average by 0.9 pp to 8.5 %. A higher unemployment rate than in Slovakia was witnessed in Greece (23.6 %), Spain (19.6 %), Croatia (13.3 %), Cyprus (13.1 %), Italy (11.7 %), Portugal (11.2 %), and France (10.1 %). The lowest unemployment rate was in the Czech Republic (4 %) and Germany (4.1 %). Reforms made in employment and the implementation of the active labour market policy also contributed to positive developments in Slovakia. According to the EC forecasts, the unemployment rate will continue to fall due to strong economic growth, namely to 8.6 % in 2017 and 7.6 % in 2018. The decrease in unemployment will be accompanied by a gradual increase in the rate of economic activity. The share of the unemployed in the economically active population is also expected to decrease on average in the EU28, to a level of 8 % in 2017 and 7.7 % in 2018. According to the prognosis of more positive development in Slovakia, the unemployment rate will decrease below the EU28 average in 2018.

The key to achieving the ambitious targets of smart and sustainable growth for all are the young people, especially their successful entry into the labour market. Young people today face challenges in education and training systems, as well as when entering the labour market. The **youth unemployment rate** (up to 25 years) in the EU has always been higher than the overall unemployment rate. Young people rank among the main target groups of the active labour market policy in Slovakia. Thanks to this (among others), since 2013 Slovakia has been successful in reducing the high unemployment rate of this age group which has grown rapidly, especially during the crisis and post-crisis period. In 2016, the youth unemployment rate fell year on year for the fourth consecutive year, i.e. by 4.3 pp to 22.2 %. Similarly to the previous year, it was one of the largest declines in the EU28 (the fourth largest). On average, the youth unemployment rate in the EU28 declined by 1.6 pp to 18.7 %. Despite the year-on-year decline, it exceeded 40% in some EU countries in 2015, namely in Greece (47.3 %) and Spain (44.4 %). The lowest youth unemployment rate in 2015 was observed in Germany (7 %), the Czech Republic (10.5 %), and the Netherlands (10.8 %).

A higher rate of youth unemployment highlights the difficulties of the labour force in this age group to find employment. On the other hand, when comparing countries, the size of the labour force (i.e. economically active population in this age) must be taken into account, and this may differ depending on the number of young people in education. A high proportion of young people are studying in Slovakia, resulting in a low rate of economic activity of young people up to 25 years. In 2015, the labour force accounted for 32.4 % of the total population aged 15 – 24 years. On average, a higher proportion of the labour force among the young people up to 25 years is witnessed in the EU28 (41.5 % in 2016). Up to 92 % of the young people up to 25 years in Slovakia in 2016 were economically inactive due to participating in the education process (the EU28 average is 88.6 %). Taking into account the number of young people in education, the proportion of young people under 25 years who are not in education, employment, or training (NEET) in 2016 amounted to 12.3 % in Slovakia (a year-on-year decrease of 1.4 pp), which is a less significant difference in comparison with the EU28 average (11.5 %). Based on the recommendations of the European Council concerning youth unemployment, Slovakia is creating schemes guaranteeing a rapid supply of quality jobs, graduate practice or training, aimed at young people under 25 years who have lost their jobs or are struggling to find work after completing the education or training.

Another main target of the EU in the Europe 2020 strategy is to ensure that at least 40 % of the population aged 30 – 34 years complete university (third-level) education or equivalent. High-skilled

population is crucial for dealing with demographic changes and social inclusion in Europe. According to EC, a growing number of jobs require e-skills, while the EU economy suffers from a shortage of highly skilled workers in information and communication technologies. In 2016, the **share of tertiary educated population** aged 30-34 years in Slovakia increased year on year by 3.1 pp to 31.5 %, more for women (by 5 pp to 39.4 %) than for men (by 1.2 pp to 24 %), while the aim is to achieve 40 % by 2020. On average in the EU28 in 2014, 39.1 % of the population aged 30-34 had tertiary education.

Dropping out of school with less than secondary education limits the potential of young people and can prevent their successful transition to the labour market. In the EU28, a large proportion of young people leave school prematurely and do not get further education. Despite the long-term decline, 10.7 % of people aged 18 – 24 years dropped out of education prematurely in the EU28 in 2016. Lack of qualifications is a major barrier to inclusion, since education is essential for inclusion in the labour market, quality of work, remuneration, but also for a successful continuation of lifelong training for the labour market. To achieve smart and inclusive growth, the target was set to keep young people in education and reduce **the share of early school leavers** to at least 10 %. In the long-term, the Slovak Republic has been ranked among the EU countries with a relatively low share of early school leavers. In 2016, the share increased year on year by 0.5 pp to 7.4 %, while Slovakia's target is to reduce this figure below 6 % by 2020. Among persons who left school early, there were slightly more men (7.6 %) than women (7.2 %). Early school leaving in the marginalised Roma communities requires significant attention as well. In this context, the European Council advises the Slovak Republic to strengthen the participation of Roma children in the mainstream of education from early childhood.

Low-skilled workers are in a particularly difficult position in the Slovak labour market. Their unemployment rate has long been the highest and the employment rate the lowest in the EU28. In 2016, the **unemployment rate of people** aged 25-64 years with **ISCED 0 – 2 level** of education (at most lower secondary education) decreased year on year by 5 pp to 29.4 % in Slovakia, but the value is still almost more than a double of the EU28 average (15.1 %). The lowest unemployment rate of low-skilled persons was recorded in the United Kingdom (6.2 %), Malta (6.4 %), and Denmark (6.6 %). The **employment rate of low-skilled persons** (ISCED 0 – 2) aged 25-64 years reached 37.2 % in Slovakia. Despite the 2.8 pp year-on-year increase, it remains the lowest in Europe and well below the EU28 average (54.3 %). The employment rate of low-skilled persons of more than 60 % was recorded in Portugal (65.5 %), Denmark (63.5 %), Sweden (63.3 %), the United Kingdom (62.8 %), Estonia (62.7 %), and the Netherlands (60.7 %).

The significant decline in unemployment in Slovakia in 2016 also involved the long-term unemployed. The long-term unemployment rate in Slovakia decreased year on year by 1.8 pp to 5.8 % (5.5 % for men and 6.2 % for women). This was the third most significant decline in the EU28, which led to a positive shift of Slovakia from the fourth to the sixth place in the list of the highest long-term unemployment rates. The share of the long-term unemployed in the economically active population slightly decreased on average in the EU28, namely by 0.5 pp to 4 %. The highest long-term unemployment rate persists in Greece (17 %) and Spain (9.5 %); higher long-term unemployment rates than in Slovakia were observed in Italy (6.7 %), Croatia (6.6 %), and Portugal (6.2 %). In 2016, the lowest long-term unemployment rate was in Sweden and the United Kingdom (both 1.3 %); longterm unemployment rates below 2 % were recorded in Denmark (1.4 %), the Czech Republic and Germany (both 1.7 %), and Austria and Malta (both 1.9 %). The higher long-term unemployment rate in the Slovak economy points to the presence of structural imbalances in the labour market. Long-term unemployment results in the marginalisation of a part of the economically active population and also in high social costs associated with the marginalisation. A very high long-term unemployment rate is observed in the group of people with only basic education. Therefore, the European Council advises Slovakia to take additional measures to address long-term unemployment, namely to improve the activation measures for the long-term unemployed and other disadvantaged groups, including personalised services and targeted training.

High tax and insurance contribution payments on earned income can affect employment in a negative way. These effects can pertain mainly to certain groups, especially the low-skilled workers or low-wage earners, as the supply of and demand for the work of these groups are generally more sensitive to changes in this respect. The Slovak system of taxes and insurance contributions as well as

the social system generally motivate people to accept a job and seek to increase earned income, as evidenced mainly by the indicators of the unemployment trap and the low wage trap. However, the taxation/insurance contribution burden on low earnings in Slovakia (according to the tax wedge indicator for an individual with a wage of 67 % of the average wage) is higher than the EU28 average.

In 2015, **tax wedge for low earnings**<sup>73</sup> (the share of taxes and insurance contributions paid by employees and employers in the total labour cost) in Slovakia was ranging above the EU28 average (38.8 % in SR versus 38.4 % in the EU28).

The **unemployment trap**<sup>74</sup> indicator allows to measure disparities in income during the transition from the social benefits system to the labour market. The unemployment trap is very low in Slovakia, which means that the Slovak social and tax system motivates an unemployed individual to get a job, even a low-paid one. The unemployment trap in the EU28 maintains a relatively high level compared to SR (74 % in 2015). Although in 2015 the unemployment trap in Slovakia increased slightly year on year (by 0.18 pp to 44.69 %), it remains well below the EU28 average. Slovakia has the smallest unemployment trap across Europe. The value means that after accepting a job with a wage at 67 % of the average wage, the previously unemployed individual gains an increase in the net income of 55.31 %. (In the EU28, an individual in such a situation would hypothetically gain an increase in the net income of only 26 % on average).

**Low wage trap**<sup>75</sup> just like the unemployment trap, expresses incentives or disincentives to work, in this case for higher wages. In 2015, the low wage trap for one-earner couples with two children in Slovakia declined year on year by 1.07 pp to 50.32 % and has long been ranging below the average EU28 (59.82 % in 2015). The low wage trap for a single adult in 2015 reached 29.69 %, which was well below the EU28 average (44.58 %). The low wage trap data in Slovakia in 2015 indicate that the increase in gross wages from 33 % to 67 % of the average wage increases the net income of one-earner couples with two children by 49.68 % and the net income of a single adult by 70.31 %. Both for single adults and one-earner couples with two children, the Slovak low wage trap is among the lower ones in Europe.

Another goal in the Europe 2020 strategy and within the support of inclusive growth is to reduce the **population at risk of poverty or social exclusion** by at least 20 million (to 19.4 %). In the EU28, there were 118.823 million people (23.7 %) at risk of poverty or social exclusion in 2015, representing an increase of 1.6 million people compared to 2008. The goal is monitored by means of the indicator composed of three sub-indicators. People at risk of poverty and social exclusion were either living in households with a very low work intensity<sup>76</sup>, and/or they were living at risk of poverty after social transfers<sup>77</sup> and/or they were severely materially deprived<sup>78</sup>. These are people who live in households where nobody works or works only occasionally and/or low-income households and/or who cannot afford one of the critical needs for their lives. People are counted only once, although they may be present in a number of sub-indicators. The total number of people at risk of poverty and social

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 $<sup>^{73}</sup>$  The indicator refers to an individual without children and a wage of 67 % of the average wage.

<sup>&</sup>lt;sup>74</sup> The unemployment trap refers to a situation where the net employment earnings are relatively low in comparison with the benefits provided in unemployment. Conversely, it is a percentage increase in disposable income when the employee returns to employment after a period of unemployment and receives a wage of 67 % of the average wage. The indicator applies to individuals without children.

<sup>&</sup>lt;sup>75</sup> The low wage trap is measured as a percentage of decrease in gross earnings combined with income tax, social contributions and any other social benefits if the wage increases from 33 % to 67 % of the average wage. In other words, it expresses the increase of net income in % if gross income increases.

<sup>&</sup>lt;sup>76</sup> Population living in households with a very low work intensity are people aged 0 - 59 years living in households where adults work less than 20 % of the total possible time during the past year (students are excluded).

<sup>&</sup>lt;sup>77</sup> Persons with equivalised disposable income under at-risk-of-poverty threshold, defined as 60 % of the national median equivalised disposable income (after all social transfers counted as part of income). Equivalised income is calculated for every individual as household disposable income divided by the size of the household, which uses the following weights for individual household members: 1.0 for the first adult, 0.5 for all other household members over 14 years, and 0.3 for a child under 14 years of age.

<sup>&</sup>lt;sup>78</sup> Material deprivation includes indicators related to economic strain, consumer durables, housing, and housing condition. Severely materially deprived people have living conditions limited by a lack of resources and experience at least 4 of the following 9 deprivation items: they cannot afford a) to pay mortgage or rent payments, utility bills, hire purchase instalments or other loan payments on time, b) to pay for keeping their home adequately warm, c) to face unexpected financial expenses, d) to eat a meal with meat, chicken, fish or vegetarian equivalent every second day, e) a one-week holiday away from home annually, f) a car, g) a washing machine, h) a colour TV, i) a telephone (including mobile phones).

exclusion is less than the sum of the number of people in each of the three forms of poverty and social exclusion, as some people may suffer from various forms simultaneously.

Within the Europe 2020 strategy, the Slovak Republic has set the goal to reduce the total number of such persons by 170 thousand (to 17.2 %) by 2020 (compared to the initial year 2008). In Slovakia, there were 963 thousand people (18.4 %) at the risk of poverty or social exclusion in 2015, which was 148 thousand less than in 2008. The situation remained almost unchanged compared to 2014. Women were more at risk (18.6 %) than men (18.1 %). Compared to the previous year, the number of people at risk of (income) poverty and the number of the severely materially deprived decreased, while the number of people living in households with low work intensity slightly increased. In 2015, there were in Slovakia 643 thousand people at risk of poverty (12.3 % versus 17.3 % in the EU28), 471 thousand severely materially deprived persons (9 % versus 8.1 % in the EU28), and 295 thousand people living in households with low work intensity (7.1 % versus 10.6 % in the EU28). The highest share of persons at risk of poverty or social exclusion was observed in Bulgaria (41.3 %), Romania (37.4 %) and Greece (35.7 %), and the lowest in the Czech Republic (14 %), Sweden (16 %) and the Netherlands (16.4 %). According to the SO SR preliminary data from EU SILC 2016, the share of people at risk of poverty or social exclusion decreased slightly (by 0.3 pp to 18.1 %) compared to 2015, mainly due to the decrease in the share of people suffering from severe material deprivation and decrease in the share of people living in households with very low work intensity (the share of people at risk of income poverty, on the other hand, slightly increased).

In terms of age, children are at higher risk of poverty or social exclusion than other age groups in most EU countries, including Slovakia. In 2015, 26.9 % of children under 18 years of age (23 % of people over 18 and 17.4 % of people over 65) suffered at least one of the three forms of poverty or social exclusion in the EU28. In Slovakia, 24.9 % of children under 18 years of age were at risk of poverty or social exclusion versus 16.9 % of those over 18 and 12.8 % of those over 65. In 2015, the share of children at risk of poverty or social exclusion in Slovakia increased year on year by 1.3 pp, while the share of people over 18 and over 65 at risk of poverty or social exclusion decreased.

With regard to the respective elements defining the risk of poverty or social exclusion, the highest share of people with disposable income below the at-risk-of-poverty threshold was in 2015 observed in Romania (25.4 %); a high share of over 20 % was also recorded in Latvia (22.5 %), Lithuania (22.2 %), Spain (22.1 %), Bulgaria (22 %), Estonia (21.6 %), Greece (21.4 %), and Croatia (20 %). The lowest share of people with such low income was in the Czech Republic (9.7 %). The share of people in the EU28 who are severely materially deprived significantly fluctuates from 0.7 % in Sweden to 34.2 % in Bulgaria. The highest share of people under 59 years of age living in households with low work intensity is in Ireland (19.2 %) and the lowest in Luxembourg (5.7 %).

Table 5.1 Development of the Selected Key Indicators of the Europe 2020 Strategy

						SR									EU 28				
Europe 2020 key indicators/year		2008	2009	2010	2011	2012	2013	2014	2015	2016	2008	2009	2010	2011	2012	2013	2014	2015	2016
Employment rate of people aged 20-64 years	total	68.8	66.4	64.6	65.0	65.1	65.0	65.9	67.7	69.8	70.3	69.0	68.6	68.6	68.4	68.4	69.2	70.1	71.1
(EU target=75%, SR target=72%)	females	60.3	58.2	57.4	57.4	57.3	57.8	58.6	60.3	62.7	77.8	75.7	75.1	75.0	74.6	74.3	75.0	75.9	76.9
	males	77.4	74.6	71.9	72.5	72.8	72.2	73.2	75.0	76.9	62.8	62.3	62.1	62.2	62.4	62.6	63.5	64.3	65.3
Share of early school leavers without	total	6.0	4.9	4.7	5.1	5.3	6.4	6.7	6.9	7.4	14.7	14.2	13.9	13.4	12.7	11.9	11.2	11.0	10.7
qualifications (EU target = 10%, SR target =	females	4.9	4.1	4.9	4.6	4.6	6.1	6.6	6.8	7.2	12.7	12.3	11.9	11.5	10.9	10.2	9.6	9.5	9.2
6%)	males	7.1	5.7	4.6	5.4	6.0	6.7	6.9	6.9	7.6	16.6	16.1	15.8	15.3	14.5	13.6	12.8	12.4	12.2
Share of tertiary educated population aged 30-34	total	15.8	17.6	22.1	23.2	23.7	26.9	26.9	28.4	31.5	31.1	32.3	33.8	34.8	36.0	37.1	37.9	38.7	39.1
years (EU target=40%, target SR=40%)	females	17.6	19.8	26.2	27.3	28.2	31.8	31.5	34.4	39.4	34.3	35.7	37.3	38.6	40.2	41.4	42.3	43.4	43.9
	males	14.0	15.5	18.2	19.4	19.4	22.3	22.5	22.8	24.0	28.0	29.0	30.3	31.0	31.8	32.8	33.6	34.0	34.4
Population at risk of poverty or social exclusion in	%																		
(EU target = 19.4 %, target SR = 17.4 %)		20.6	19.6	20.6	20.6	20.5	19.8	18.4	18.4	:	:	:	23.7	24.3	24.7	24.6	24.4	23.7	:
-persons living in households with very low work intensity 5.2		5.2	5.6	7.9	7.7	7.2	7.6	7.1	7.1	:		:	10.3	10.5	10.5	10.9	11.2	10.6	:
-persons living at risk of poverty after social transfers in 10.9		10.9	11.0	12.0	13.0	13.2	12.8	12.6	12.3	:	_ : _	:	16.5	16.8	16.8	16.7	17.2	17.3	:
-severely materially deprived persons in %		11.8	11.1	11.4	10.6	10.5	10.2	9.9	9.0	9.0e	:	:	8.4	8.8	9.9	9.6	8.9	8.1	7.8ep

Source: EUROSTAT, \* SO SR preliminary data

Notes: Data on poverty are calculated by SO SR on the basis of EU SILC; the previous year is the reference year for the survey of income; e – estimate, p – preliminary data; in 2011 a change in the time series for the employment rate of people aged 20 – 64 years in SR; in 2011 and 2014 a change in the time series for the share of early school leavers and in the time series for the share of tertiary educated population in both SR and the EU28.

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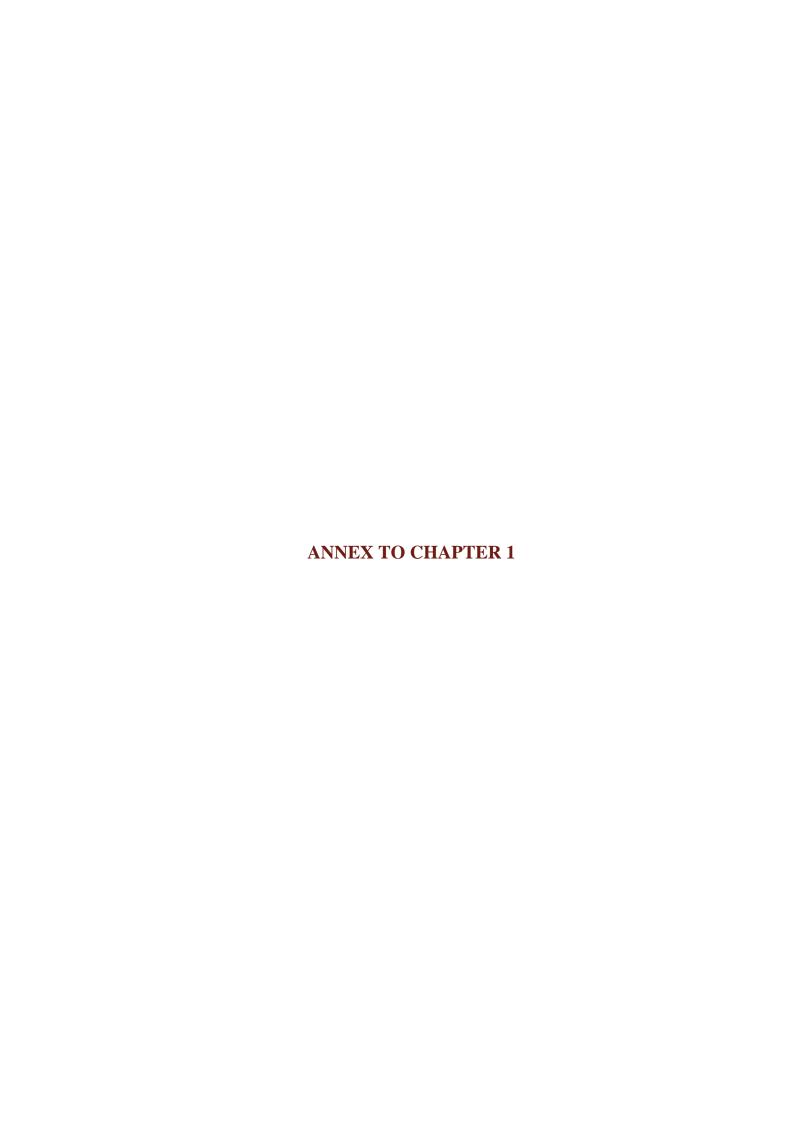


Table 1 Basic Indicators of Economic Development of the Slovak Republic

Indicator	Unit of measure	2012	2013	2014	2015	2016
GROSS DOMESTIC PRODUCT 1)						
Gross domestic product at current prices	bil. €	72.7	74.8	75.9	78.7	81.0
index, same period of previous year = 100	%	102.9	102.0	102.4	103.6	102.9
Gross domestic product at constant prices <sup>2)</sup>	bil. €	70.6	71.7	73.5	76.3	78.9
index, same period of previous year = 100	%	101.7	101.5	102.6	103.8	103.3
INFLATION 3)						
Annual inflation rate						
last month of the period	%	3.2	0.4	-0.1	-0.5	0.2
on average for the period	%	3.6	1.4	-0.1	-0.3	-0.5
ECONOMIC ACTIVITY ACCORDING TO LFS <sup>4)</sup>						
Number of the employed	thousand persons	2,329.0	2,329.3	2,363.0	2,424.0	2,492.1
index, same period of previous year = 100	%	100.6	100.0	101.5	102.6	102.8
Number of the unemployed	thousand persons	377.5	386.0	358.7	314.3	266.0
index, same period of previous year = 100	%	103.5	102.3	92.9	87.6	84.6
Unemployment rate	%	14.0	14.2	13.2	11.5	9.7
EMPLOYMENT						
Average number of persons employed						
in the economy, in total <sup>5)</sup>	thousand persons	2,191.3	2,176.1	2,204.6	2,251.6	2,307.0
index, same period of previous year = 100	%	99.9	99.3	101.3	102.1	102.5
AVERAGE MONTHLY WAGE						
of employees in the Slovak economy in total 6)		06-	00:	0.5.0	0.00	0.1.5
nominal	€	805	824	858	883	912
index, same period of previous year = 100	%	102.4	102.4	104.1	102.9	103.3
index of real wages, same period of previous $year = 100^{7}$	%	98.8	101.0	104.2	103.2	103.8

Source: SO SR, Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4.štvrťroku 2016 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2014, in Slovak only)

- 1) ESA 2010 methodology, data in 2016 are based on refined quarterly estimates
- 2) at constant prices chain-linked volumes with reference year 2010
- 3) calculated from consumer prices, since 2005 with annual weights updates
- 4) LFS Labour Force Survey; on average per period; working persons according to LFS are all persons aged 15 years or older who work, in the reference week, at least 1 hour for wage, salary or other form of remuneration or work for profit, including persons performing contractual work, seasonal workers, persons on maternity leave, persons working abroad for less than one year, migrant workers and persons performing activation work;
- 5) according to quarterly statistical statements, employed persons are employees and entrepreneurs, less women on maternity leave
- 6) according to quarterly statistical statements; less entrepreneurs' incomes; data are adjusted by statistical estimate of non-registered wages
- 7) index of real wages is calculated as proportion of nominal wage index and consumer price index

**Table 2 Consumer Price Indices** 

Same period of previous year = 100								
COICOP classes	Constant weights	2016						
	in °/ <sub>oo</sub>	March	June	September	December	year		
SR total	1,000.00	99.5	99.2	99.5	100.2	99.5		
of which:								
Food and non-alcoholic beverages	165.835	97.8	96.1	96.6	98.7	97.2		
Alcoholic beverages and tobacco	51.199	99.7	100.9	100.7	101.3	100.6		
Clothing and footwear	44.101	100.3	100.7	99.9	100.2	100.3		
Housing, water, electricity, gas and other fuels	270.709	98.7	98.5	98.9	98.8	98.6		
Furnishings, household equipment and routine	66.734	100.1	99.9	100.1	99.9	100.3		
Health	44.713	100.9	101.0	100.9	101.6	101.2		
Transport	74.062	96.1	96.7	99.0	102.0	97.6		
Post and telecommunication	34.548	99.8	100.3	100.3	100.6	100.2		
Recreation and culture	87.043	102.0	101.8	101.1	101.4	101.5		
Education	18.345	100.9	101.5	101.8	101.9	101.4		
Hotels, cafés and restaurants	62.809	102.4	102.3	102.0	101.9	102.2		
Miscellaneous goods and services	79.901	101.5	101.3	101.4	101.4	101.4		

Source: SO SR, Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4.štvrťroku 2016 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2014, in Slovak only

**Table 3 Apartments Construction and Loss** 

Indicator		Number of	apartments -	Loss of apartments		
		in 2016	unfi- nished as of 31/12/2016	in 2016	total in 2016	of which by clearance in 2016
Apartments in total	a)	21,441	71,581	15,672	1,452	1,296
	b)	109.2	108.0	101.3	112.4	111.9
Of which (sector):						
public	a)	573	1,465	336	4	3
1	b)	270.3	70.5	94.9	57.1	42.9
private	a)	20,868	70,116	15,336	1,448	1,293
	b)	107.4	109.2	101.4	112.7	112.3
Of total apartments						
Apartments	a)	12,972	43,080	11,195	-	-
in family houses	b)	116.5	100.7	113.5	-	ı

Source: SO SR, Štatistická správa o základných vývojových tendenciách v hospodárstve SR v 4.štvrťroku 2016 (Statistical Report on Basic Development Tendencies in the Slovak Economy in Q4 2014, in Slovak only

a) number

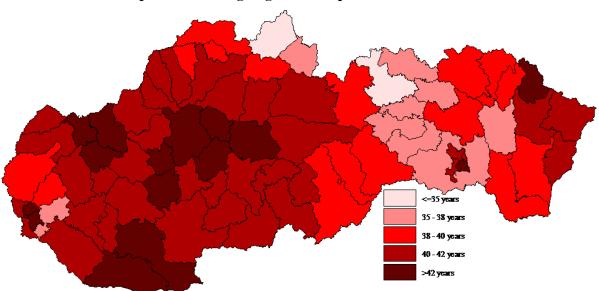
b) index, same period of previous year = 100

**Table 4 Population of the Slovak Republic by Regions** 

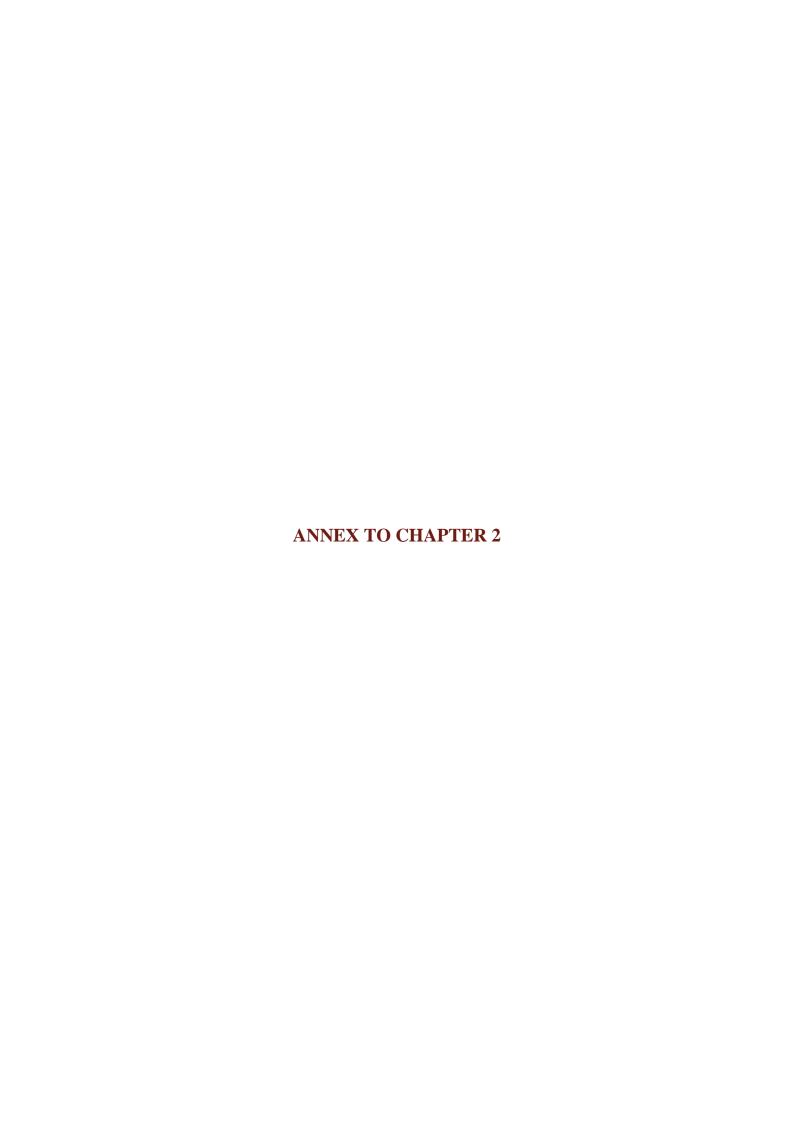
	Number of permanent residents as of 31 December 2016	Share of the total number of permanent residents in SR	Index 2016/2015
region of Bratislava	641,892	11.8%	101.4%
region of Trnava	561,156	10.3 %	100.3%
region of Trenčín	588,816	10.8 %	99.8%
region of Nitra	680,779	12.5 %	99.7%
region of Žilina	690,778	12.7 %	100.0%
region of Banská Bystrica	651,509	12.0 %	99.8%
region of Prešov	822,310	15.1 %	100.2%
region of Košice	798,103	14.7 %	100.2%
Slovak Republic	5,435,343	100.0 %	100.2%

Source: SO SR

**Graph 1 The Average Age of the Population in the Slovak Districts** 



Source: SO SR



**Table 1 Economically Active Population in 2016** 

Level of education	i	n thousand	1	index 2016/2015			
Level of education	Total	Males	Females	Total	Males	Females	
15+	2,758.1	1,510.8	1,247.4	100.7	100.4	101.1	
By age groups							
15 – 19 years	20.7	12.9	7.8	112.5	117.3	104.0	
20 – 24 years	185.4	116.5	69.0	97.2	98.6	95.0	
25 – 29 years	337.1	193.6	143.6	98.8	98.2	99.8	
30 – 34 years	365.1	212.8	152.3	100.5	98.9	102.9	
35 – 39 years	404.3	225.4	178.9	100.2	99.9	100.8	
40 – 44 years	384.1	202.2	182.0	102.6	104.4	100.7	
45 – 49 years	320.4	162.3	158.1	98.9	98.5	99.3	
50 – 54 years	323.3	162.7	160.6	100.4	100.2	100.6	
55 – 59 years	293.0	148.4	144.6	99.5	99.0	100.1	
60 – 64 years	103.9	62.8	41.2	118.9	114.8	126.0	
65 years and over	20.9	11.5	9.5	107.2	94.3	130.1	
By education (15+ years)							
basic	154.5	79.4	75.1	97.5	99.1	95.9	
secondary vocational without maturita	764.1	499.2	264.9	98.2	100.5	94.2	
secondary vocational with maturita	168.5	106.6	61.8	96.1	92.5	102.8	
secondary general with maturita	114.6	53.5	61.1	108.7	116.6	102.5	
secondary specialised with maturita	916.4	480.9	435.6	100.7	100.5	100.9	
higher professional	21.9	7.4	14.4	100.5	85.1	109.9	
university – Bachelor degree	70.3	25.9	44.4	87.3	77.8	94.1	
university – Master degree	531.7	250.3	281.4	108.7	105.7	111.5	
university – PhD. degree	16.2	7.5	8.7	83.9	80.6	87.0	
without school education	0.1	0.1	-	33.3	33.3	_	

Source: SO SR, LFS

Table 2 Employment Rate by Age and Education in 2016 (Annual Average in %)

Indicator	Total	Males	Females
15+	54.3	62.1	46.9
15 – 64 years	64.9	71.4	58.3
20 – 64 years	69.8	76.9	62.7
By age groups			
15 – 19 years	4.0	4.9	3.0
20 – 24 years	42.6	54.1	30.6
25 – 29 years	74.0	84.7	62.8
30 – 34 years	75.9	87.2	64.1
35 – 39 years	80.6	88.8	71.9
40 – 44 years	85.5	89.0	82.0
45 – 49 years	84.2	85.5	82.9
50 – 54 years	80.5	81.7	79.2
55 – 59 years	70.5	74.2	67.0
60 – 64 years	27.0	34.7	20.2
65 years and over	2.6	3.7	1.9
By education (15 – 64 years)			
Basic	19.8	21.7	18.1
Secondary vocational (apprenticeship) without maturita	69.0	75.0	59.6
Secondary vocational (apprenticeship) with maturita	76.0	83.8	64.9
Secondary general with maturita	47.0	55.2	41.5
Secondary specialised with maturita	76.1	83.7	69.1
Higher professional	78.7	84.8	75.9
University	77.3	83.2	72.8
Without school education	1.0	1.9	-

Source: SO SR, LFS

Table 3 Number of the Employed by Regions in 2016 (Annual Average)

Region of	Number of the employed (thous. persons)	Share in SR (in %)	Index 2016/2015
SR in total	2,492.1	100.0	102.8
of which:			
Bratislava	333.7	13.4	104.7
Trnava	280.5	11.3	103.9
Trenčín	281.9	11.3	103.1
Nitra	318.5	12.8	102.9
Žilina	316.7	12.7	102.8
Banská Bystrica	292.1	11.7	101.0
Prešov	341.3	13.7	103.6
Košice	327.6	13.1	100.5

Source: SO SR, LFS

Table 4 Structure of Employment by SK NACE Rev. 2 Sectors

		2015			2016			
	Average number of the employed	Index 2015 /2014	Share	Average number of the employed	Index 2016 /2015	Share		
Economy in total	2,251,631	102.1	100.0%	2,306,968	102.5	100.0%		
A Agriculture, forestry and fishing	93,618	102.0	4.2%	90,844	97.0	3.9%		
B,C,D,E Industry in total	508,714	101.9	22.6%	527,259	103.6	22.9%		
B Mining and quarrying	6,742	97.2	0.3%	6,653	98.7	0.3%		
C Manufacturing	463,606	102.2	20.6%	482,500	104.1	20.9%		
D Electricity, gas, steam and air-condition supply	17,765	98.0	0.8%	16,868	95.0	0.7%		
E Water supply; sewerage, waste management and remediation activities	20,601	98.9	0.9%	21,237	103.1	0.9%		
F Construction	155,490	99.2	6.9%	157,382	101.2	6.8%		
G Wholesale and retail trade; repair of motor vehicles and motorcycles	362,363	100.4	16.1%	364,616	100.6	15.8%		
H Transportation and storage	145,165	101.8	6.4%	144,615	99.6	6.3%		
I Accommodation and food service activities	57,127	100.8	2.5%	58,702	102.8	2.5%		
J Information and communication	63,746	103.3	2.8%	68,638	107.7	3.0%		
K Financial and insurance activities	42,363	102.5	1.9%	43,219	102.0	1.9%		
L Real estate activities	22,193	99.2	1.0%	23,340	105.2	1.0%		
M Professional, scientific and technical activities	102,016	109.8	4.5%	104,880	102.8	4.5%		
N Administrative and support service activities	136,321	111.7	6.1%	145,833	107.0	6.3%		
O Public administration and defence; compulsory social security	145,613	101.1	6.5%	146,265	100.4	6.3%		
P Education	165,437	100.2	7.3%	166,367	100.6	7.2%		
Q Health and social work activities	150,555	102.2	6.7%	158,830	105.5	6.9%		
R Arts, entertainment and recreation	48,866	100.5	2.2%	50,769	103.9	2.2%		
S Other service activities	52,049	102.4	2.3%	55,410	106.5	2.4%		

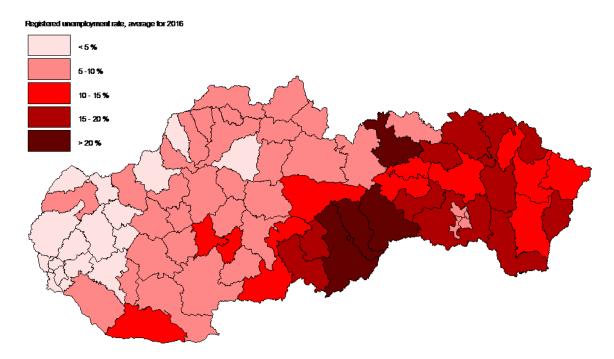
Source: SO SR, quarterly statistical statements

Table 5 Unemployment Rate by Age and Education in 2016 (Annual Average in %)

Indicator	Total	Males	Females
Total	9.7	8.8	10.7
By age groups			
15 – 19 years	44.1	43.2	45.7
20 – 24 years	19.7	17.1	24.1
25 – 29 years	11.4	10.0	13.4
30 – 34 years	9.2	8.2	10.5
35 – 39 years	8.8	7.2	10.8
40 – 44 years	6.7	6.0	7.5
45 – 49 years	7.3	6.5	8.3
50 – 54 years	8.5	8.3	8.6
55 – 59 years	10.1	9.3	11.0
60 – 64 years	5.7	6.1	5.1
65 years and over	2.6	2.1	3.3
By education			
Basic	32.1	32.0	32.2
Secondary vocational (apprenticeship) without maturita	11.3	10.3	13.1
Secondary vocational with maturita	10.8	8.2	15.3
Secondary general with maturita	10.1	9.5	10.6
Secondary specialised with maturita	7.1	5.9	8.4
Higher professional	4.0	3.0	4.3
University	5.7	4.8	6.4
Without school education	_	-	_

Source: SO SR, LFS

**Graph 1 Registered Unemployment Rate in the Slovak Districts (Average for 2016)** 



Source: COLSAF

Table 6 Number of Job Seekers – School-leavers by the End of 2016

Indicator	Number of job seekers
School-leavers in total	14,596
of which	
Lower secondary or secondary vocational education	2,397
(education levels 12, 13)	2,397
Secondary specialised education (education level 14)	6,794
Secondary general education (education level 15)	1,163
Higher professional education (education level 16)	140
University education – Bachelor degree (education level 17)	822
University education – Master and PhD. degrees (education levels 18, 19)	3,280

Source: COLSAF

**Table 7 ALMM Instruments** 

	2015	;	2016	16	
ALMM under applicable Sect. of the Employment Services Act	Number of job seekers/ persons enrolled, or number of supported jobs/ job seekers/ persons	Spending (€)	Number of job seekers/ persons enrolled, or number of supported jobs/ job seekers/ persons	Spending (€)	
Sect. 32	3,901	44,224	3,620	44,316	
Sect. 42*	518,061	0	834,754	0	
Sect. 43	133,194	167,697	85,522	225	
Sect. 46	1,473	662,661	5	0	
Sect. 47	103	193,388	208	61,212	
Sect. 49	2,656	9,759,184	1,951	8,249,299	
Sect. 50	3,396	7,990,141	1,739	7,054,949	
Sect. 50a	20	412,939	0	0	
Sect. 50c	0	42,025	0	0	
Sect. 50j	3,103	12,157,305	2,087	7,803,741	
Sect. 50k	126	10,248	0	0	
Sect. 51	7,398	4,480,174	5,683	3,446,954	
Sect. 51a	3,315	4,223,827	3,086	12,978,320	
Sect. 52	24,156	5,209,132	18,545	5,679,431	
Sect. 52a	12,941	10,417,590	9,441	15,402,815	
Sect. 53	5,824	1,141,046	4,911	957,925	
Sect. 53a	46	66,875	816	618,812	
Sect. 53b	170	47,919	183	30,102	
Sect. 53d	1,086	5,841,780	2,090	3,381,145	
Sect. 54	33,637	41,942,518	30,408	73,320,345	
Sect. 56	545	2,929,705	368	1,310,103	
Sect. 56a	29	33,050	28	39,544	
Sect. 57	90	390,473	75	385,398	
Sect. 59	831	3,255,676	990	4,206,871	
Sect. 60	9,808	23,614,157	9,723	26,633,613	
Total	765,909	135,033,734	1,016,233	171,605,120	

Source: COLSAF

<sup>\*</sup> Sect. 42 Information and advisory services – These are ALMMs provided by own employees of the local OLSAFs, without entitlement to financial resources allocated to ALMMs.

The provision of contributions under Sections 50a and 50c was abolished as of 1 May 2013. Funds spent in 2015 were linked to contracts concluded in previous years.

# Overview of the Implementation of Active Labour Market Measures

# **Employment mediation (Sect. 32)**

For the purpose of employment mediation, local OLSAFs provide partial reimbursement of travel expenses related to job interview attendance or selection procedure attendance, or related to attendance in a joint recruitment event organised by COLSAF or local OLSAFs in the Slovak Republic for a Slovak employer or an employer from any of the EU member states. In 2016, a total of 3,620 registered job seekers were supported by this measure, which was 281 less than in 2015. A total sum of  $\notin$  44,316 was spent, which is  $\notin$  92 more than in 2015.

#### **Information and advisory services (Sect. 42)**

An important part of the labour market policy related to the employment mediation in 2016 was to provide job seekers, job changers, employers and students with information and advisory services concerning career choice, job opportunities and job changes, selection of employees and adaptation of an employee in a new job.

Local OLSAFs provide information and advisory services to their clients individually or in groups, either in information and counselling centres, employers' premises or in schools.

Information and advisory services were provided in 2016 to 834,754 job seekers, 420,604 of them being women (50.39 %) and 414,150 men (49.61 %). Of the total number of job seekers, 25,783 were persons with disabilities (3.09 %). By age, the largest percentage of the total number (13.80 %) was accounted for by job seekers aged 20 – 25 years (115,170); by duration of registration as a job seeker, the most frequent recipients of advice were job seekers registered for over 12 months (44.96 % or 375,278). By education, the biggest share of job seekers (28.37 %) was accounted for by job seekers with secondary specialised education (236,841 registered job seekers). Increased emphasis was placed on the services provided to clients when they first visited a local OLSAF, when they were informed about being registered as a job seeker, subsequently when they submitted the application for registration as a job seeker, etc., as well as during planned visits of job seekers, or as needed, either individually or in groups.

In 2016, information and advisory services were provided 2,234,080 times, of which 1,905,901 times (85.31 %) in individual form and 328,179 times (14.69 %) in group form.

Preventive and advisory services for primary and secondary schools – career choice

In terms of increasing employment, it is important to provide advice to primary and secondary school pupils through information and advisory services concerning career choice (hereinafter simply I&AS concerning career choice) provided by local OLSAFs. In terms of contents, the I&AS concerning career choice for primary school pupils (hereinafter simply PS pupils) focuses mainly on informing them about the characteristics of professions and the prerequisites and requirements for the performance of a particular profession through the programme application of the Internet Labour Market Guide (hereinafter simply ILMG). The I&AS concerning career choice for secondary school pupils (hereinafter simply SS pupils) are mainly aimed at providing information on the professions required on the labour market, communication with potential employers, services provided by local OLSAFs.

The I&AS concerning career choice were provided in 2016 to 20,234 pupils, of which 9,233 PS pupils were women (45.64~%) and 11,000~SS pupils were men (54.36~%). These services were provided to 485 schools (278~primary~schools and 207~secondary~schools).

#### Job fair JOB EXPO

As part of the I&AS concerning career choice, interactive lectures focused on advice about the choice of a suitable profession, or the choice of a suitable secondary school and advice about labour market orientation were organised for PS and SS pupils at the fair JOB EXPO and international labour exchange Europen Job Days. The lectures intended for PS pupils were attended by 201 pupils from 4 schools, and 279 pupils from 8 schools attended the lectures intended for SS students.

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# Information exchanges

In 2016, information exchanges were also organised for PS pupils within the framework of the I&AS concerning career choice. Their main objective was particularly to increase interest in craft jobs and address the issue of their shortage in the labour market. A total of 19 local OLSAFs organised 23 information exchanges.

In 2016, the information exchanges were attended by a total of 162 primary schools and 8,643 PS pupils. A total of 287 secondary schools and 129 employers presented themselves at the information exchanges.

# Professional advisory services (Sect. 43)

A local OLSAF may provide a registered job seeker and a job changer with professional advisory services (hereinafter simply PASs) aimed at influencing the choices and behaviour of registered job seekers, harmonising the personal qualities of registered job seekers and requirements for particular occupations, contributing to the social and working adaptation of registered job seekers, via

- identification of personal abilities and skills of a registered job seeker and evaluation of their competences,
- designing individual action plans to support employment prospects of disadvantaged job seekers.
- diagnosis and identification of labour market barriers,
- creating personality profiles of registered job seekers to identify activities, measures and services necessary for their labour market integration.

In 2016, 286,911 PASs were provided for a total of 85,522 clients, of which 85,516 were registered job seekers and 6 job changers,

In 2016, PASs were provided for job seekers of which 43,971 were women (51.41 %) and 41,551 were men (48.59 %).

In terms of duration of registration as a job seeker, PASs were attended the most by job seekers registered over 12 moths (34,460 registered job seekers, 40.29 %). PASs were provided mostly for the registered job seekers aged 30-49 years (28,836, 33.72 %). By education, the biggest share of job seekers (32.94 %) was accounted for by job seekers with secondary specialised education (28,172).

A total of 69,958 disadvantaged job seekers were provided with PASs, representing 81.80 % of all registered job seekers provided with PASs. The most disadvantaged who were provided with PASs were registered job seekers who had no regular paid employment for at least 12 consecutive calendar months before registering as job seekers (54,492, 63.72 %), followed by the long-term unemployed (33,615, 39.31 %) and citizens over 50 years of age (15,512; 18.14 %).

Spending on PASs (reimbursement of travel and accommodation expenses and food allowance) in 2016 was in the minimum amount of  $\in$  225.

#### Work preparation and training of a registered job seeker (Sect. 46)

Work preparation and training for the labour market (hereinafter simply training) is a theoretical or practical training of job seekers which is necessary for finding employment and enables them to acquire new professional knowledge, skills and abilities to work in a suitable job. Training under the Employment Services Act does not mean increasing the level of education.

Training of a registered job seeker is carried out in the form of:

- a job seeker's training provided by a local OLSAF;
- a training provided on the job seeker's own initiative.

The local OLSAFs can provide a training for registered job seekers if it is needed for their placement in the labour market, based on assessment of their abilities, work experience, professional skills, level of education and health capacity for work, especially in the case of a lack of professional knowledge and skills and a need to change knowledge and professional skills due to labour market demand and loss of ability to perform work in the current occupation. Such training is carried out by a training provider selected under Act No. 343/2015 Coll. on Public Procurement and on amendments and supplements to certain acts, as amended. The training provided by a local OLSAF did not take

place in 2016, as central public procurement to be announced in the second half of 2017 was under preparation.

If the local OLSAF is not able to provide the training for a registered job seeker, the job seeker may ensure the required training in his/her own initiative. The local OLSAF reimburses 100 % of the costs (up to 600) after commencement of employment or self-employment. In 2016, agreements on training provided on the job seeker's own initiative were concluded with 5 job seekers, however, all without subsequent drawdown. A lack of interest in this active labour market measure can be explained by preferring innovative practices in providing training to traditional forms of training that are increasingly infrequent. Innovative practices are a response to a mismatch between the labour market supply and labour demand, and proof of their relevance was given, for example, by the results achieved in the REPAS project, namely a high number of the registered job seekers and a relatively high number of the job seekers who entered the labour market.

## Work preparation and training of employees (Sect. 47)

Work preparation and training of employees is carried out by the employer in order to extend further the work scope of its employees. The purpose of the aid is to support the training of the employer's employees in order to increase their level of education, work potential and adaptability, among others, thereby preventing mass redundancies and increasing their competitiveness. The training takes place during working hours and is an obstacle to work on the part of the employee. A financial contribution is granted in the form of reimbursement upon submitting paid accounting documents proving the actual amount of eligible costs. It is granted to the employer upon a written agreement concluded with the local OLSAF. Under the written agreement concluded, the local OLSAF may provide a contribution to work preparation and training of the employee of up to 70 % of the eligible costs of work preparation and training of employees. Eligible costs are the costs demonstrably incurred by the employer in direct connection with the performance of work preparation and training of employees.

In 2016, the contribution to work preparation and training of employees was provided to three employers that educated 166 employees. In the reference period of 2016, a total of 208 employees were enrolled for training, of which 176 were men and 32 women. For this purpose, a total amount of  $\in$  61,212 was spent by the end of 2016. During this year, 7 agreements with business entities were concluded in accordance with the State Aid Scheme to Support Education and Assistance for Recruitment and Employment of Disadvantaged and Disabled Workers No. SA.40975 (2015/X), as amended, under which a contribution for 443 employees was agreed in a total amount of  $\in$  4,476,353.63.

#### **Contribution to self-employment (Sect. 49)**

A local OLSAF may provide a registered job seeker who meets the conditions stipulated by the Employment Services Act with a contribution to partial reimbursement of the costs associated with the creation of a self-employed post and subsequent conduct of such self-employed activity for at least three years. The contribution is granted to registered job seekers who will carry on a trade under the Trade Licensing Act or carry on agricultural production, including production in forest management under the Act on Private Business Activities of Citizens. The amount of the contribution is based on the multiple of the total labour costs defined by the Employment Services Act and the average unemployment rate registered in the district concerned. In terms of supporting job creation, this instrument helps registered job seekers enter the open labour market as self-employed persons. The contribution is of an optional nature (there is no legal claim to such contribution).

In 2016, a total of 1,951 registered job seekers were supported by this contribution, which is 705 less than in 2015, when 2,656 self-employed posts were created. The total spending in 2016 was  $\in$  8,249,299, which is  $\in$  1,509,885 less than in 2015. The share of the long-term unemployed citizens in the use of this measure increased from 37.27 % in 2015 to 65.62 % in 2016.

#### Contribution to support the employment of a disadvantaged job seeker (Sect. 50)

The contribution to support the employment of a disadvantaged job seeker is provided to an employer who employs a disadvantaged job seeker by placing him/her in a job created. It is a versatile widely designed contribution to support the employment of disadvantaged job seekers registered as job seekers for at least 3 months and is provided to cover a portion of the total labour costs. The amount of the contribution depends on the average unemployment rate registered in the district concerned. The contribution is provided for a maximum period of 12 calendar months (in case of disadvantaged job seekers registered for more than 24 months, the maximum period is extended to 24 calendar months); the amount of the contribution is independent of the legal form and field of activity of the employer or the type of the disadvantaged job seeker. A condition for monitoring the sustainability of a job created was introduced; it also applies to the period following the end of the support period with a commitment to repay a proportion of the contribution in case of a failure to fulfil such condition.

In 2016, a total of 1,739 disadvantaged job seekers (1,014 women, 725 men) were included in the use of this ALMM instrument, and the total spending amounted to  $\in$  7,054,949 (a year-on-year decrease of 1,657 job seekers and  $\in$  935,192).

## Contribution to support development of local and regional employment (Sect. 50j)

The contribution may be provided to an employer that is a municipality or self-governing region, legal entity founded by a municipality or self-governing region, if they employ a disadvantaged job seeker registered for at least three months through a fixed time contract with working hours amounting to at least half of the set weekly working time. The monthly amount of the contribution is 80 % of the total labour costs of an employee, at most 60 % of the total labour costs calculated from the average wage of an employee in the economy of the Slovak Republic for the first three quarters of the calendar year preceding the calendar year in which the contribution is provided. The contribution is provided for a maximum period of nine calendar months without the possibility of repeated provision for employing the same employee for a period of two years immediately following termination of employment.

In 2016, a total of 2,087 disadvantaged job seekers were supported, of which 998 were citizens over 50 years of age and 1,266 were long-term unemployed. The total spending on the contribution to support development of local and regional employment in 2016 reached  $\in$  7,803,741 (a year-on-year decrease of 1,016 job seekers and  $\in$  4,353,564).

#### Contribution to support job retention (Sect. 50k)

The aim of this measure is to support the mitigation of impacts leading to the dismissal of employees by employers who, in accordance with the Labour Code, determined in a written agreement with employees' representatives specific substantive operational reasons that prevent the employer from assigning work to employees, and this constitutes an obstacle on the part of the employer for which an employee shall be entitled to wage compensation in the amount stipulated in the agreement, being a minimum of 60 % of average earnings; the agreement cannot be substituted by the decision of the employer.

The contribution may be provided to an employer that maintained the jobs for at least three months before applying for the contribution, even in the case of persisting serious operational reasons defined in a written agreement with the employees' representatives, based on which the employer will, upon agreement with the local OLSAF, limit its operating activity for a transitional period, so that employees are not assigned work to the extent of at least 6 % and at most 20 % of the stipulated weekly working hours. The monthly amount of the contribution is 50 % of wage compensation of the employee, but no more than 50 % of the average wage of the employee in the economy of the Slovak Republic for the first three quarters of the calendar year preceding the calendar year in which the contribution is provided. The contribution is provided for a maximum duration of 12 months. However, it was not used in 2016.

#### **Contribution to graduate practice (Sect. 51)**

The objective of graduate practice is to acquire professional skills and practical experience in employment, which corresponds to the educational attainments by graduates, as well as acquiring and deepening professional skills or practical experience that will extend the opportunities of graduates in the labour market, having a direct impact on increasing their employability. Graduate practice helps graduates to look for work in their profession and allows them to experience first contact with practice to acquire the necessary skills.

In 2016, a total of 5,683 job seekers were attending graduate practice, which was 1,715 registered job seekers less than in 2015. In 2016, the total amount spent was  $\in$  3,446,954, which is  $\in$  1,033,220 less than in 2015.

# Contribution to support the job creation in the first regularly paid employment (Sect. 51a)

The ALMM is aimed at supporting the creation of a job in the first regularly paid employment with employers that create jobs for job seekers under 25 years of age who are registered as job seekers for at least 3 months, or for job seekers under 29 years of age who are registered as job seekers for at least 6 months and had no regular paid employment before entering into employment if such employment is agreed for at least half of the stipulated weekly working hours.

In 2016, this ALMM supported a total of 3,086 registered job seekers, which was 229 registered job seekers less than in 2015. In 2016, the total amount spent was  $\in$  12,978,320, which is  $\in$  8,754,493 more than in 2015.

# Contribution to activation programmes in the form of minor services for a municipality or self-governing region (Sect. 52)

Activation programmes in the form of minor services for a municipality or self-governing region support the maintenance of work habits of the long-term unemployed who are beneficiaries of social assistance benefits in material need and allowances to such benefits. Minor services for a municipality or self-governing region are carried out by a long-term unemployed citizen continuously for a maximum of six calendar months with a limit of 20 hours per week except the week in which the activation programme started, with the possibility of extension for a maximum of further twelve calendar months. A local OLSAF provides a municipality or self-governing region with a contribution that can be used to cover a portion of the cost of personal protective equipment, accident insurance of the long-term unemployed, a portion of the cost of working tools and a portion of other costs related to the provision of minor services for a municipality or self-governing region and to cover a portion of the total labour cost of the employee who organises the activation programme.

In 2016, a total of 18,545 registered job seekers were placed in the activation programmes in the form of minor services for a municipality or self-governing region, which was 5,611 registered job seekers less than in 2015. In 2016, the total amount spent was  $\in$  5,679,431, which is  $\in$  470,299 more than in 2015.

#### Contribution to activation programmes in the form of voluntary service (Sect. 52a)

Voluntary service is a form of activation of registered job seekers by carrying out voluntary activities aimed at gaining practical experience for the labour market needs. During periods of voluntary service performance, the local OLSAFs provide job seekers with a flat-rate contribution in amount of the subsistence minimum of one adult person, to cover the necessary expenses for meals, accommodation and travel expenses between the place of permanent or temporary residence and the place of voluntary service.

In 2016, a total of 9,441 registered job seekers were placed in the activation programmes in the form of voluntary service, representing a year-on-year decrease of 3,500 registered job seekers. The amount of funds spent in 2016 was  $\in$  15,402,815, representing a year-on-year increase of  $\in$  4,985,225.

# **Contribution to commuting to work (Sect. 53)**

The monthly contribution is provided to cover a portion of travel expenses for commuting between the place of permanent or temporary residence of the employee and the place of employment specified in the contract.

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In 2016, a total number of 4,911 people were provided with the contribution (913 less than in 2015). The total amount spent on contributions in 2016 was  $\in$  957,925, a year-on-year decrease of  $\in$  183,121.

# Contribution to support mobility for work (Sect. 53a)

Contribution to support mobility for work is provided to job seekers to partially cover the documented expenses related to their moving from the original place of permanent residence to a new place of permanent residence in the Slovak Republic due to employment.

In 2016, a total number of 816 people were provided with the contribution (770 more than in 2015). The total amount spent on contributions in 2016 was  $\in$  618,812, a year-on-year increase of  $\in$  551,937.

## Contribution to transport to work (Sect. 53b)

Contribution to transport to work is provided by a local OLSAF to an employer under a written agreement if the employer provides daily transport of employees to and from work due to collective transport demonstrably not being carried out at all or not to the extent corresponding to the needs of the employer.

In 2016, a contribution to transport to work was provided to 4 employers for 183 employees. The total spending on contributions in 2016 amounted to  $\in$  30,102 (the number of supported employees increased year on year by 13 and the number of employers by 3; the total amount of contributions decreased by  $\in$  2,460,635).

# Contribution to creating new jobs (Sect. 53d)

In 2016, the contributions to creating new jobs were granted to investment aid recipients in the total amount of  $\in$  3.38 million, with investment aid granted to 9 eligible investors.

The contributions were provided for two investment plans in Banská Bystrica Self-governing Region, three investment plans in Prešov Self-governing Region, and four investment plans in Košice Self-governing Region.

Of the total regional investment aid granted to investors in 2016, investment aid in the form of a contribution to creating new jobs amounted to  $\in$  3,38 million for 1,325 jobs maintained for the first year and 765 maintained for 2 years. A total of 2,090 jobs were supported in 2016 (a year-on-year increase of 1,334 jobs).

The investment aid granted in the form of a contribution to creating new jobs in 2016 decreased year on year by  $\in$  2.46 million (42.12 %), while the number of the contributions paid for newly created jobs maintained for the first year and for 2 years increased year on year by 57.06 % and 43.14 % respectively.

COLSAF granted investment aid in the form of a contribution to creating new jobs to two medium-sized and seven large enterprises totalling  $\in$  0.57 million and  $\in$  2.81 million respectively.

#### **Projects and programmes (Sect. 54)**

The following are considered to be active labour market measures:

- national projects approved by MoLSAF and implemented by COLSAF or local OLSAFs,
- projects aimed at improving the status of registered job seekers in the labour market, approved by MoLSAF and implemented by COLSAF,
- projects aimed at improving the status of registered job seekers in the labour market, approved by COLSAF and implemented by local OLSAFs,
- projects aimed at improving the status of registered job seekers in the labour market, approved by MoLSAF or COLSAF and implemented by local OLSAFs, a legal entity or a natural person,
- pilot projects to test new active labour market measures, approved by MoLSAF and implemented by COLSAF,
- pilot projects or pilot programmes aimed at supporting development of regional or local employment, approved by COLSAF and implemented by local OLSAFs.

The projects and programmes are financed by the European Social Fund and co-financed from the state budget, or are funded from the state budget or other sources.

Under this measure, 17,225 persons were supported via projects in 2016, with a total amount of € 66,551,136 (excluding the RE-PAS National Project).

# National Project "By Practice to Employment"

The aim of the national project is to gain or enhance and deepen the professional skills, knowledge and practical experience of young people under 29 years of age by means of mentored initiation and practice with an employer that creates a job in order to enter and remain in the labour market. The national project was implemented in all self-governing regions of Slovakia except for Bratislava Self-governing Region within the framework of the Operational Programme Human Resources and is financed from the EU funds and the state budget of the Slovak Republic. The project is aimed at supporting the creation of jobs for the young unemployed and their employment through mentored initiation and practice, and is also one of the support measures for the integration of young people into the labour market. The project is targeted at job seekers under 25 years of age registered as job seekers for at least 3 months, who are not in employment, education or training (NEET) as well as NEETs under 29 years of age registered as job seekers for at least 6 months. Mentored initiation takes the first 3 to 6 months of employment under the guidance of a mentor; when completed, it is followed by practice depending on the duration of the mentored initiation. Financial contributions were granted to employers who gave part-time employment to such registered job seeker for at least 9 months, or for an indefinite period of time and were provided during the 9-month period on a monthly basis. In 2016, a total of 1,622 registered job seekers were included in the national project with the total spending of € 2,377,671. Since the national project was launched in August 2015, it is not possible to compare the number of the job seekers included with their number throughout 2015.

# National Project "By Practice to Employment in Bratislava Self-governing Region"

The national project was implemented in Bratislava Self-governing Region and is financed exclusively from the state budget of the Slovak Republic. In 2016, a total of 16 registered job seekers were included in the national project with the total spending of  $\in$  38,759. Since the national project was launched in October 2015, it is not possible to compare the number of the job seekers included with their number throughout 2015.

# National Project "Graduate Practice Starts Employment"

The aim of the national project is to increase the employment and employability of young people in the labour market and integrate them, especially those unemployed, into education or training, and the possibility of creating a job for a young person in the business of an employer where he/she did the graduate practice. The project is targeted at NEETs under 29 years of age who, at the time of joining the project, meet the definition of a school graduate under the Employment Services Act: citizens below 26 years of age who have completed their systematic vocational preparation in full-time study courses less than two years ago, failed to acquire their first regularly paid employment and are registered as job seekers at local OLSAFs in the authorised area of the project. The project is implemented through two main activities as the active labour market measure under Sections 51 and 54 of the Employment Services Act.

## Main activity no. 1:

Providing a flat-rate financial contribution to graduate practice pursuant to Section 51 of the Employment Services Act. Graduate practice is done for three to six months with a limit of 20 hours per week, without the possibility of extending and repeating it. Once it is completed, the employer gives the school graduate a certificate confirming completion of the graduate practice. In 2016, a total of 5,336 registered job seekers were included in the main activity no. 1 of the national project with the total spending of € 2,449,535.

#### Main activity no. 2:

Providing a financial contribution to an employer who gives employment to a registered job seeker from the eligible target group without undue delay within 30 calendar days of completion of the graduate practice in such employer's business (unless otherwise agreed with the local OLSAF) in accordance with Section 51 of the Employment Services Act. The employer undertakes to create a full-time job for a period of at least 9 months, and this job will be supported by a financial contribution for a maximum of 6 months. Subsequently, the employer is required to maintain this job for the next 3 months. In 2016, a total of 17 registered job seekers were included in the main activity no. 2 of the national project with the total spending of € 10,893.

Since the national project was launched in August 2015, it is not possible to compare the number of the job seekers included with their number throughout 2015.

# National Project "Successfully in the Labour Market"

The aim of the national project is to improve the status of young people under 29 years of age in the labour market, increase their employability and employment. The project is targeted at NEETs under 25 years of age registered as job seekers for at least 3 months and NEETs under 29 years of age registered as job seekers for at least 6 months, focusing mainly on the long-term unemployed (in accordance with the Youth Guarantee in the Slovak Republic). The project is implemented through two main activities as the active labour market measure under Sections 51a and 54 of the Employment Services Act.

#### Main activity no. 1:

Providing a financial contribution to support the creation and subsequent maintenance of jobs for young job seekers who had no first regular paid employment before entering into employment, which means they have never got regularly paid employment lasting for at least six consecutive months if the employment relationship is agreed for at least half of the stipulated weekly working hours and the employer applies for such contribution in writing. The financial contribution is not provided for the employment of a job seeker whose employment for the same period was supported by a financial contribution under Sections 50, 50j, 56a or 60. In 2016, a total of 2,249 registered job seekers were included in the main activity no. 1 of the national project with the total spending of  $\mathfrak{E}$  3,659,471.

#### Main activity no. 2:

Providing a financial contribution to support the creation of a job through self-employment of young people who will create a job where they will carry on a trade for at least 2 years. In 2016, a total of 529 registered job seekers were included in the main activity no. 2 of the national project with the total spending of  $\in$  1,280,806.

Since the national project was launched in December 2015, it is not possible to compare the number of the job seekers included with their number throughout 2015.

# National Project "Involvement of the Unemployed in the Restoration of Cultural Heritage - 3"

The project supported the creation of short-term jobs for registered and disadvantaged job seekers. In 2016, the cultural heritage restoration project involved 39 entities (municipalities, civic associations, foundations, and legal entities) within the authority of 22 local OLSAFs. The project could only involve entities with approved subsidies from the Ministry of Culture of the Slovak Republic within the call in the programme "Obnovme si svoj dom" ("Let's Restore Our House"), subprogramme 1.4 "Restoration and Preservation of Torsional Architecture".

In 2016, a total of 777 registered and disadvantaged job seekers were involved in the cultural heritage restoration project, of which 227 (29.42 %) job seekers aged 50+. The involved unemployed gained work habits and experience in historic masonry, blacksmithing, carpentry, and archaeology. In 2016, the total spending on this instrument was  $\[ \]$  2,806,438.

#### National Project "Chance of Employment"

It has been implemented in all regions of Slovakia except for Bratislava Self-governing Region since 25/09/2015. The target group comprises disadvantaged job seekers with special regard to the long-term unemployed. A financial contribution is granted to an employer if it has created a job in any of the specified areas of public employment for at least 3 months. The employment relationship can be agreed for a period of 3 to 9 months, or, alternatively, for an indefinite period of time. The financial contribution is granted to the employer for a minimum period of 3 calendar months and a maximum period of 9 calendar months. In 2016, a total of 6,301 disadvantaged job seekers were included in this instrument with the total spending of  $\mathfrak{E}$  41,453,474.

#### National Project "Chance of Employment for Bratislava Self-governing Region"

It has been implemented in Bratislava Self-governing Region since 11 January 2016. The target group comprises disadvantaged job seekers with special regard to the long-term unemployed. A financial contribution is granted to an employer if it has created a job in any of the specified areas of public employment for at least 3 months. The employment relationship can be agreed for a period of 3 to 9 months, or, alternatively, for an indefinite period of time. The financial contribution is granted to the employer for a minimum period of 3 calendar months and a maximum period of 9 calendar months. Since launch of this ALMM, a total of 184 disadvantaged job seekers were included in this instrument with the total spending of € 372,710.

# National Project "The Way out of the Circle of Unemployment"

The project is aimed at supporting employment and reducing unemployment of the long-term unemployed job seekers by acquiring and enhancing job skills. The eligible target group comprises disadvantaged job seekers under Section 8(1)(c) of the Employment Services Act. The main activity of the NP is to provide a financial contribution to the employer that employs a job seeker from the eligible target group by placing him/her in a created full-time/part-time job for at least 15 months or an indefinite time period, and the financial contributions are provided to the employer on a monthly basis for a maximum of 12 or 15 months, depending on the duration of registration of the job seeker employed. In 2016, a total of 6,764 job seekers were included in this instrument with the total spending of  $\in 15,318,078$ . Since the national project was launched in December 2015, it is not possible to compare the number of the job seekers included with their number throughout 2015.

#### National Project "We Want to Be Active in the Labour Market (50+)"

The aim is to improve the status of disadvantaged job seekers pursuant to Section 8(1)(b) of the Employment Services Act – citizens over 50 years of age (hereinafter simply the job seekers aged 50+), increase their employability and employment through the provision of financial contributions to support the creation of jobs in less developed regions. A financial contribution is provided to the employer that employs a disadvantaged job seeker aged 50+ by placing him/her in a job created if such employment is concluded for a period of at least 12 months. The financial contribution is granted for a maximum period of 12 months. The employer is obliged to maintain this job created for at least 12 months. In 2016, a total of 520 job seekers were included in this instrument with the total spending of  $\in$  192,414. Since the national project was launched in December 2015, it is not possible to compare the number of the job seekers included with their number throughout 2015.

# National Project "We Are Looking for a Job Together"

The national project has been implemented since 1 January 2016 by COLSAF and 43 local OLSAFs in the SR outside Bratislava Self-governing Region through the two main activities: *Activity no. 1 – Job Fair* and *Activity no. 2 – Support for the EURES Network Development and Advice on Labour Mobility within the EU/EEA* aimed at providing quality and tailor-made employment services, motivating job seekers and other clients as employers to actively cooperate with local OLSAFs in

employment mediation, not only by presenting job vacancies, but also by offering the option to directly select suitable employees from among the clients included in the target groups.

The objective of the project is to improve the status of registered and disadvantaged job seekers, increase employability, enhance the interconnection between public and non-public employment services and work with employers.

# Centrally approved projects

During 2016, a total of 396 people (including persons from projects approved in 2015) were included in the regional projects, of which 259 were men and 137 were women.

In the reference year, a total amount of  $\in$  1,995,955 was spent on projects approved in the years prior to 2016.

# Retraining allowance (Section 54(1)(d))

RE-PAS projects are designed for all job seekers including the disadvantaged in the labour market who have difficulties finding employment and need to flexibly respond to labour market requirements. A job seeker who has difficulties finding a job can choose a type of employment for which he/she wishes to retrain as well as a retraining provider which is to carry out the retraining required. Retraining is aimed at preparing a job seeker for finding employment so that he/she acquires knowledge, competences and skills in the selected training (retraining) course. Retraining allows job seekers:

- to expand or completely change their specialisation by completing retraining;
- to select retraining and its provider of their own choice;
- to request a local OLSAF to provide a retraining allowance, i.e. to cover the retraining course fee in full.

The local OLSAF pays the job seeker a retraining allowance of 100 % of the retraining costs (retraining course fee), but no more than the amount specified in the agreement on the provision of retraining allowance concluded between the job seeker and the local OLSAF.

In 2016, a total of 15,351 registered job seekers were included in retraining, of which 6,528 were men (42.52 %) and 8,823 were women (57.48 %). By age, the largest group were registered job seekers aged 30-49 years (7,485 job seekers, 48.76 %). By education, the largest share of job seekers (38.08 %) was accounted for by job seekers with secondary specialised education (5,845 registered job seekers). Of the total number of the job seekers supported, 11,590 were disadvantaged (75,50 %) and the largest group was accounted for by 8,679 job seekers who, pursuant to Section 8 of the Employment Services Act, had no regular paid employment for at least 12 consecutive calendar months before registering as job seekers.

In 2016, retraining allowances were provided to a total of 13,183 job seekers (under agreements on the provision of retraining allowance which were concluded between 2015 and 2016). The total spending on retraining allowances was  $\in$  6,769,209.

# Project "Be Active - Find Employment"

In 2016, an internal motivational project "Be Active - Find Employment" was implemented by COLSAF and local OLSAFs. The project is intended for young people under 29 years of age and is implemented in accordance with the National Plan for Youth Guarantee Implementation in the Slovak Republic, which was discussed and acknowledged by the Government of the Slovak Republic at its meeting on 5 February 2014.

Within the framework of this project, job seekers can use individual active labour market measures, professional advisory services, participation in selection procedures, national and regional projects implemented by local OLSAFs, an independent information and advisory tool – a job search

website (ISTP, see: <a href="www.istp.sk">www.istp.sk</a>) which help clients, among others, save their own funds and time (when looking for a suitable job based on personal requirements) and contact the employer conveniently from home. The project supported a total of 53,906 people in 2016, but it was provided by own employees of local OLSAFs without applying for ALMM funds.

From its launch to 31 December 2016, a total of 73,885 job seekers were included in the project, accounting for 70.81 % of the total number of job seekers under 29 years of age.

#### Contribution to establishing a sheltered workshop or workplace (Sect. 56)

A local OLSAF may provide a contribution to establishing a sheltered workshop or workplace to an employer who employs a disabled citizen registered as a job seeker for at least one month by placing him/her to a job created in such sheltered workshop or workplace. The contribution is provided to cover a portion of the costs of creating a job for a disabled citizen in a sheltered workshop or workplace, which are necessary to ensure work performance by the disabled citizen and are associated with creating such job.

The amount of the contribution is linked to the total labour costs, calculated from the average wage of an employee in the Slovak economy, depending also on the average registered unemployment rate in the district where the employer establishes a sheltered workshop or workplace. The maintenance period of the job created in a sheltered workshop or workplace is at least 2 years.

In 2016, 237 jobs were supported by this active measure, with a total of 368 clients included; the total spending on this ALMM reached  $\in$  1,310,103 (a year-on-year decrease of 177 clients and  $\in$  1,619,602).

#### Contribution to retaining the employment of a disabled citizen (Sect. 56a)

A local OLSAF may provide an employer who employs more than 25 % disabled citizens of the average registered number of employees under Section 63(3) of the Act and does not have the status of a sheltered workshop or workplace with contribution to retaining the disabled citizen in employment if it applies for such contribution in writing. The contribution is provided to the employer for the payment of advance compulsory health insurance contributions, social insurance contributions and compulsory old-age pension contributions paid by the employer on a monthly basis from the wages of an employee who is a disabled citizen.

In 2016, this measure supported 28 disabled citizens. The total spending on these contributions amounted to  $\in$  39,544 (a year-on-year decline of 1 disabled citizen and increase of  $\in$  6,494).

#### Contribution to self-employment of a disabled citizen (Sect. 57)

A local OLSAF may provide a disabled citizen with a contribution for a self-employed activity carried on in a sheltered workplace for at least two years. The contribution is granted to a disabled registered job seeker who will carry on a trade under the Trade Licensing Act or carry on agricultural production, including production in forest management under the Act on Private Business Activities of Citizens. The amount of the contribution is based on the multiple of the total labour costs defined by the Employment Services Act and the average unemployment rate registered in the district concerned.

In 2016, this measure supported the creation of 75 self-employed posts for disabled citizens, which is 15 posts less than in 2015. The total spending on the contributions in 2016 was  $\in$  385,398, a year-on-year decrease of  $\in$  5,075.

## Contribution to activities of an assistant at work (Sect. 59)

A contribution to activities of an assistant at work is provided to an employer who employs a disabled citizen or a self-employed person who is a disabled citizen. The contribution is provided in cases where the type of disability and the work performed by a disabled citizen require services of a work assistant. A maximum amount of the contribution is 70 % of the total labour costs defined by the Employment Services Act.

In 2016, local OLSAFs supported 887 jobs (159 more than in 2015), with a total of 990 assigned assistants at work. In 2016, the total amount spent was  $\[ \]$  4,206,871 ( $\[ \]$  951,195 more than in 2015).

# Contribution to cover the operating costs of a sheltered workshop or workplace and transportation costs of employees (Sect. 60)

A contribution to cover the operating costs of a sheltered workshop or workplace and transportation costs of employees is provided to an employer in a sheltered workshop or workplace if it applies for such contribution in writing.

In 2016, this measure supported a total of 9,723 disabled citizens employed in sheltered workshops and workplaces (a year-on-year decrease of 85 disabled citizens). The total spending on the contributions to cover these costs in 2016 reached  $\in$  26,633,613, representing a year-on-year increase of  $\in$  3,019,456.

Table 8 Average Monthly Nominal Wage and Its Growth in 2015 and 2016 by Regions

	20	015	2016			
	average wage in €	index 2015/2014	average wage in €	index 2016/2015		
region of Bratislava	1,122	101.4	1161	103.5		
region of Trnava	799	103.5	837	104.8		
region of Trenčín	812	104.2	827	101.8		
region of Nitra	736	104.4	755	102.6		
region of Žilina	786	104.8	815	103.7		
region of Banská Bystrica	751	102.9	776	103.3		
region of Prešov	683	104.0	708	103.7		
region of Košice	803	103.6	825	102.7		
Slovak Republic	883	102.9	912	103.3		

Source: SO SR

Table 9 Average Gross Monthly Wage in Business and Non-business Sectors by Education Level – 2016

€

Education level	Business and non- business sectors in total	Business sector	Non-business sector
SR total	1,034	1,072	909
Basic	670	718	498
Vocational without maturita	798	832	559
Secondary without maturita	772	801	611
Secondary vocational with maturita	935	965	721
Secondary general with maturita	944	979	783
Secondary specialised with maturita	984	1,031	838
Higher professional	1,043	1,134	974
University – Bachelor degree	1,107	1,234	924
University – Master degree	1,495	1,755	1,120
University – PhD. degree	1,529	2,251	1,351

Table 10 Average Gross Monthly Wages in Business and Non-business Sectors by Classification of Occupations SK ISCO-08 - 2016

€

SK ISCO-08 main classes	-08 main classes  Business and non- business sectors in total		Non-business sector
SR total	1,034	1,072	909
Legislators and managers	2,245	2,410	1623
Professionals	1,308	1,633	1052
Technicians and associate professionals	1,137	1,214	916
Clerical support workers	848	863	778
Service and sales workers	675	696	602
Skilled agricultural, forestry and fishery workers	715	728	565
Craft and related trades workers	934	940	687
Plant and machine operators, and assemblers	857	860	736
Elementary occupations	568	616	477

Source: Trexima, Information System on Labour Costs, Q4 2016

Table 11 Average gross monthly wages in business and non-business sectors by age groups -2016

€

Age group	Business and non- business sectors in total	Business sector	Non-business sector
Total	1,034	1,072	909
up to 20 years	591	593	556
20 – 24 years	730	738	639
25 – 29 years	927	949	802
30 – 34 years	1,089	1,125	912
35 – 39 years	1,143	1,202	912
40 – 44 years	1,116	1,173	926
45 – 49 years	1,063	1,103	941
50 – 54 years	1,013	1,055	903
55 – 59 years	972	1,007	893
60 years and over	1,025	1,060	969

Table 12 Average Gross Monthly Wages in Business and Non-business Sectors by Regions  $-\ 2016$ 

€

Region	Business and non- business sectors in total	<b>Business sector</b>	Non-business sector	
Total	1,034	1,072	909	
Bratislava	1,369	1,439	1,057	
Trnava	974	996	888	
Trenčín	951	970	869	
Nitra	906	921	856	
Žilina	951	971	890	
Banská Bystrica	895	906	868	
Prešov	820	808	849	
Košice	977	1,008	899	

Source: Trexima, Information System on Labour Costs, Q4 2016

Table 13 Average Gross Monthly Wages and Selected Components of Employees' Wages by Gender – 2016

€

GENDE	<b>D</b> /	AVERAGE	OF WHIC	AGE GROSS	MONTHLY		
WAG: COMPON	E	GROSS MONTHLY WAGE	basic and allowances		remuneration and additional payments	payments for days not worked	other wage components
Total	€	1,034	688	119	69	122	34
Total	%	100	67	11	7	12	3
Males	€	1,157	753	153	75	132	42
iviales	%	100	65	13	7	11	4
Females	€	903	618	83	64	111	26
Temales	%	100	69	9	7	12	3

Table 14 Shares of Employees in the Zones of Average Gross Monthly Wages - 2016

Wage zones of		Shar	es of e	employe	ees by	SK IS	CO-08	main	classes	s in %
average gross	Total									
monthly wage in	Total	1	2	3	4	5	6	7	8	9
€										
less than 200	0.77	0.15	0.79	0.30	1.05	1.62	0.26	0.14	0.20	1.92
200.01 - 250	0.53	0.09	0.40	0.15	0.42	1.06	0.64	0.12	0.17	1.72
250.01 - 300	0.50	0.09	0.39	0.15	0.40	1.47	0.16	0.08	0.15	1.53
300.01 - 350	0.50	0.12	0.43	0.17	0.55	1.39	0.23	0.13	0.11	1.49
350.01 - 400	1.80	0.15	0.59	0.29	1.13	3.01	1.71	1.10	0.68	6.62
400.01 - 450	3.40	0.41	0.78	0.65	2.16	6.58	3.78	2.37	1.99	14.74
450.01 - 500	4.54	0.66	0.86	1.09	3.75	9.42	7.31	3.15	4.83	13.26
500.01 - 550	5.14	1.09	1.08	1.49	5.75	12.06	8.61	3.84	6.28	10.36
550.01 - 600	5.46	1.12	1.25	1.98	7.46	11.76	9.55	4.72	7.19	8.71
600.01 - 650	5.70	1.27	1.57	1.20	7.83	10.35	10.15	5.51	7.82	7.81
650.01 - 700	5.81	1.92	2.31	4.29	7.92	8.58	9.87	6.19	7.68	7.09
700.01 - 750	5.55	2.18	3.05	4.76	7.54	6.44	8.44	6.68	7.32	5.39
750.01 – 800	5.47	2.13	3.68	5.53	7.03	5.16	7.10	6.75	7.36	4.31
800.01 - 850	5.27	2.15	4.19	6.08	6.30	3.99	5.85	6.65	7.04	3.51
850.01 – 900	4.83	1.81	4.51	6.07	5.63	3.19	5.12	5.93	6.15	2.75
900.01 – 950	4.35	1.85	4.52	6.01	4.62	2.38	5.36	5.29	5.33	2.02
950.01 – 1,000	3.93	1.92	4.55	5.87	4.03	1.89	3.39	4.77	4.43	1.51
1,000.01 - 1,100	6.75	3.85	9.45	10.18	6.38	2.81	5.29	7.95	6.81	1.92
1,100.01 – 1,200	5.43	3.79	8.61	8.08	5.09	1.78	1.65	6.46	4.93	1.20
1,200.01 – 1,300	4.26	3.86	6.90	6.25	3.91	1.36	1.22	5.28	3.58	0.77
1,300.01 – 1,400	3.35	3.79	5.49	5.07	2.78	0.92	1.11	4.33	2.70	0.46
1,400.01 – 1,500	2.66	3.94	4.50	4.10	1.99	0.68	0.52	3.47	1.94	0.26
1,500.01 – 1,600	2.16	3.93	3.66	3.47	1.50	0.46	0.23	2.65	1.53	0.20
1,600.01 – 1,700	1.73	3.72	3.08	2.75	1.15	0.37	0.19	1.90	1.17	0.15
1,700.01 – 1,800	1.40	3.31	2.72	2.18	0.84	0.25	0.10	1.36	0.85	0.12
1,800.01 – 1,900	1.10	2.95	2.29	1.73	0.59	0.18	0.05	0.95	0.51	0.06
1,900.01 - 2,000	0.94	2.84	2.08	1.50	0.48	0.13	0.03	0.67	0.39	0.04
2,000.01 - 2,100	0.78	2.66	1.88	1.15	0.34	0.11	-	0.47	0.26	0.02
2,100.01 - 2,200	0.65	2.58	1.57	0.93	0.27	0.08	0.02	0.30	0.19	0.02
2,200.01 - 2,300	0.55	2.38	1.14	0.74	0.21	0.06	-	0.21	0.13	0.01
2,300.01 and over	4.69	37.28	11.42	3.79	0.92	0.44	0.05	0.58	0.27	0.01

Source: Trexima, Information System on Labour Costs, Q4 2016

Note: data on all employees regardless of working time

# Explanatory notes:

SK ISCO-08 main classes:

1 – Legislators, managers, 2 – Professionals, 3 – Technicians and associate professionals, 4 – Clerical support workers, 5 – Service and sales workers, 6 – Skilled agricultural, forestry and fishery workers, 7 – Craft and related trades workers, 8 – Plant and machine operators, and assemblers, 9 – Elementary occupations

 $<sup>\</sup>hbox{-} phenomenon\ did\ not\ occur$ 

Table 15 Average Gross Monthly Wages in Business and Non-business Sectors by Education **Level (Full-time Employment) – 2016** 

€ **Business and non-Business sector** Non-business sector **Education level** business sectors in total Males Total Males **Females** Total Males Females Total Females 952 1,103 1,203 952 SR total 1,069 1,184 941 1,037 922 697 783 614 745 508 Basic 821 656 520 546 904 651 525 Vocational without maturita 818 850 921 686 582 674 796 871 682 823 880 716 642 767 Secondary without maturita 576 Secondary vocational with 961 1,069 774 988 1,085 789 752 713 826 maturita Secondary general with 976 1,009 823 891 808 1,136 867 1,156 886 maturita Secondary specialised with 903 1,056 892 1,009 1,155 1,179 929 862 857 maturita Higher professional 1,074 1,213 1,023 1,153 1,331 1,012 965 1,020 1,027 University – Bachelor 1,141 1,400 1,002 1,274 1,507 1,075 950 1,028 932 University - Master degree 1,550 1,861 1,292 1,794 2,031 1,469 1,176 1,288 1.136 2,351 2,709 University - PhD. degree 1,644 1,807 1,433 1,782 1,460 1,545 1,355

Source: Trexima, Information System on Labour Costs, Q4 2016

Table 16 Average Gross Monthly Wages in Business and Non-business Sectors by Classification of Occupations SK ISCO-08 and Gender (Full-time Employment) - 2016

€ **Business and non-Business sector** Non-business sector SK ISCO-08 main classes business sectors in total Males **Total** Males **Females Total** Males **Females** Total **Females** SR total 1,069 1,184 941 1,103 1,203 952 952 1,037 922 2,584 2,678 1,482 Legislators and managers 2,287 1,787 2,447 1,940 1,668 1,954 1,641 1,659 1,074 **Professionals** 1,361 1,189 1,858 1,416 1,105 1,206 Technicians and associate 1,154 1,310 1,021 1,230 1,350 1,085 931 991 916 professionals 880 957 848 896 966 861 804 820 802 Clerical support workers Service and sales workers 704 799 644 726 805 630 774 672 564 Skilled agricultural, forestry 719 763 777 651 731 659 574 589 553 and fishery workers Craft and related trades 944 993 728 950 1,001 730 702 715 586 workers Plant and machine operators, 862 906 723 865 911 724 757 767 521 and assemblers 598 701 580 503 Elementary occupations 671 538 645 555 484

**Table 17 Average Hourly Wages by Regions in Business Sector (€/hour)** 

Region of	Q1/2016	Q2/2016	Q3/2016	Q4/2016
Bratislava	8.12	8.14	8.10	8.24
Trnava	5.71	5.71	5.70	5.82
Trenčín	5.61	5.59	5.65	5.78
Nitra	5.29	5.31	5.31	5.48
Žilina	5.65	5.59	5.60	5.76
Banská Bystrica	5.23	5.21	5.22	5.35
Prešov	4.77	4.73	4.72	4.82
Košice	5.79	5.80	5.82	6.01
Slovakia	6.15	6.16	6.16	6.30

Source: Trexima, Information System on Labour Costs, Q1, Q2, Q3, Q4 2016

Table 18 Average Hourly Wages by Economic Activities in Business Sector (€/hour)

SK NACE rev. 2 categories of economic activities	Q1/2016	Q2/2016	Q3/2016	Q4/2016
A Agriculture, forestry and fishing	4.77	4.65	4.71	4.97
B Mining and quarrying	6.48	6.61	6.66	6.95
C Manufacturing	6.17	6.15	6.18	6.34
D Electricity, gas, steam and air-condition supply	9.34	9.30	9.46	9.80
E Water supply, sewerage, waste management and remediation	5.61	5.53	5.60	5.84
F Construction	5.49	5.40	5.48	5.62
G Wholesale and retail trade; repair of motor vehicles and motorcycles	5.67	5.71	5.68	5.77
H Transportation and storage	5.38	5.35	5.39	5.50
I Accommodation and food service activities	3.84	3.71	3.85	4.22
J Information and communication	10.91	11.0	10.83	11.24
K Financial and insurance activities	10.54	10.53	10.43	10.74
L Real estate activities	6.19	6.33	6.33	6.38
M Professional, scientific and technical activities	7.89	8.04	7.96	8.17
N Administrative and support service activities	4.53	4.64	4.59	4.62
O Public administration and defence; compulsory social security	7.91	8.12	8.15	8.80
P Education	5.39	5.30	5.56	5.29
Q Health and social work activities	6.26	6.33	6.34	6.54
R Arts, entertainment and recreation	4.90	4.78	4.80	4.85
S Other service activities	4.86	4.88	5.00	4.96

**Table 19 Average Hourly Wages by Size Classes of Enterprises in Business Sector (€/hour)** 

Size classes (number of employees)	Q1/2016	Q2/2016	Q3/2016	Q4/2016
1 – 9	5.40	5.44	5.34	5.63
10 – 19	5.71	5.69	5.70	5.82
20 – 49	5.60	5.65	5.77	5.92
50 – 99	6.11	6.10	6.02	6.14
100 - 249	6.07	6.14	6.18	6.31
250 – 499	6.23	6.19	6.15	6.19
500 – 999	6.54	6.53	6.44	6.50
1,000 and over	6.94	6.85	6.87	7.01

Source: Trexima, Information System on Labour Costs, Q1, Q2, Q3, Q4 2016

**Table 20 Average Hourly Wages by Age in Business Sector (€/hour)** 

Age group	Q1/2016	Q2/2016	Q3/2016	Q4/2016
up to 19 years	3.62	3.55	3.65	3.71
20 – 24 years	4.27	4.26	4.32	4.41
25 – 29 years	5.43	5.46	5.49	5.60
30 – 34 years	6.44	6.47	6.47	6.61
35 – 39 years	6.86	6.90	6.93	7.10
40 – 44 years	6.68	6.75	6.75	6.95
45 – 49 years	6.26	6.27	6.33	6.54
50 – 54 years	6.04	6.04	6.09	6.28
55 – 59 years	5.87	5.84	5.88	6.05
60 years or over	6.38	6.36	6.36	6.51

Source: Trexima, Information System on Labour Costs, Q1, Q2, Q3, Q4 2016

Table 21 Average Hourly Wage by Gender in Business Sector – Q4 2016

		Gen	Share (%)	
Indicator	Total Males		Females	Females/ Males
Average hourly wage (€/hour)	6.30	6.86	5.52	80

Table 22 Monthly Labour Costs per Employee in SR in 2015 by Economic Activities

in €/employee/month

					of wh	ich	m c/emp	loyee/montl
			of v	vhich	OI WII			
SK NACE Rev.2 categories	total labour costs	total direct costs	wages and salaries	payments for days not worked	total indirect costs	statutory social security contributions	supplementar y social security contributions	subsidies
SR average	1,343	980	855	117	365	328	7	-1
A Agriculture, forestry and fishing	1,083	787	684	95	297	269	5	-0
B Mining and quarrying	1,572	1,122	970	143	451	383	19	-
C Manufacturing	1,392	1,007	878	123	386	341	9	-0
D Electricity, gas, steam and air- condition supply	2,301	1,587	1,324	211	714	544	40	-
E Water supply, sewerage, waste management and remediation	1,235	905	766	126	359	308	16	-28
F Construction	1,192	874	754	108	318	291	3	-0
G Wholesale and retail trade; repair of motor vehicles and motorcycles	1,276	941	832	101	336	309	3	-1
H Transportation and storage	1,204	876	764	107	339	298	11	-11
I Accommodation and food service activities	804	590	526	62	215	199	1	-0
J Information and communication	2,486	1,848	1,632	183	638	588	9	-
K Financial and insurance activities	2,469	1,803	1,569	219	665	567	21	-
L Real estate activities	1,270	925	807	104	346	315	5	-0
M Professional, scientific and technical activities	1,690	1,252	1,104	133	438	401	6	-0
N Administrative and support service activities	961	706	626	75	254	235	2	-
O Public administration and defence; compulsory social security	1,307	946	844	98	361	323	10	-0
P Education	1,214	883	741	141	331	307	6	-0
Q Health and social work activities	1,321	970	842	112	351	330	5	-0
R Arts, entertainment and recreation	1,043	769	666	79	274	252	3	-0
S Other service activities	955	705	629	73	253	237	1	-3

Source: SO SR, Total labour costs survey Explanatory note :(-) –phenomenon did not occur

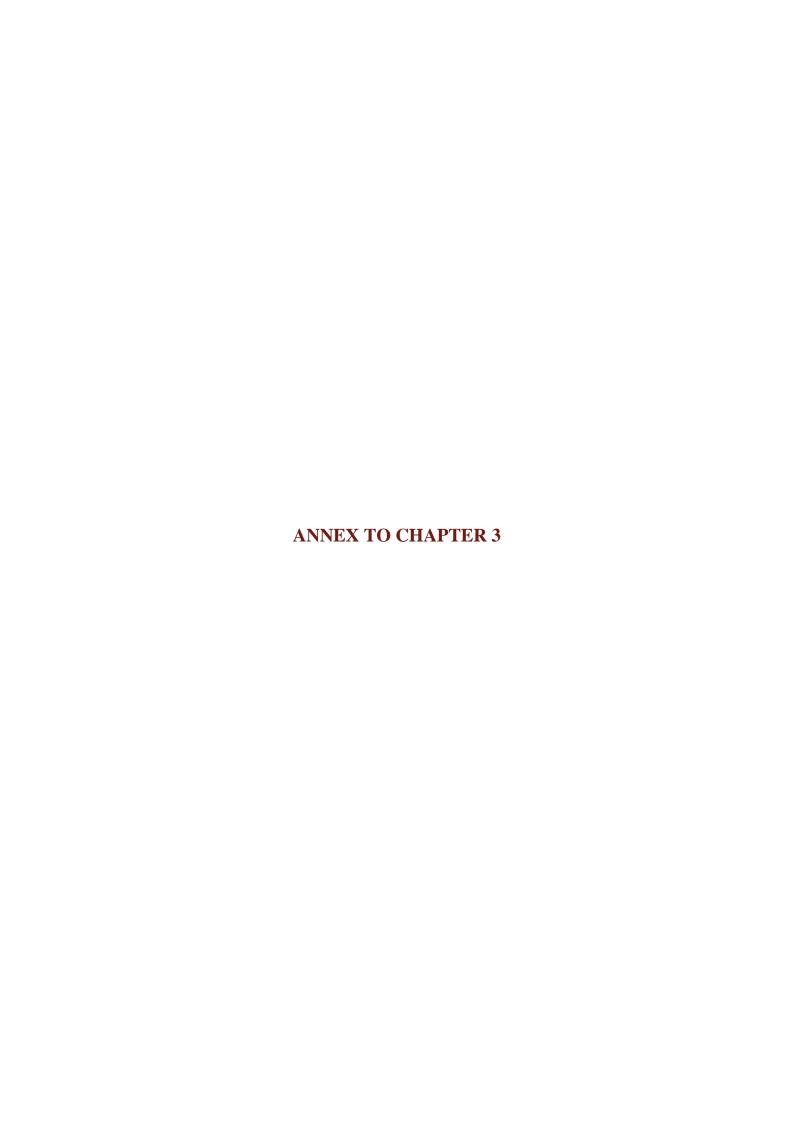


Table 1 Basic Sickness Insurance Fund (BSIF) Expenditure and Sickness Insurance Benefits in  $2016\,$ 

Paid benefits (thousands €)	January	February	March	April	May	June	First half of 2016
Sickness benefit	26,218.4	26,891.2	27,543.7	28,443.5	25,746.6	26,555.8	161,399.3
Nursing benefit	992.3	803.6	1,354.3	1,230.0	1,154.0	1,140.7	6,674.9
Compensation benefit	2.4	4.6	4.6	4.3	5.3	5.8	27.1
Maternity benefit	11,188.6	12,094.1	11,328.0	12,180.2	11,757.1	12,270.9	70,818.9
Total	38,401.7	39,793.7	40,230.5	41,858.0	38,663.1	39,973.2	238,920.2
Settlement of benefits Section 112(9)	-0.3	0.0	-0.1	0.0	0.0	-1.7	-2.1
Total expenditure of BSIF	38,401.4	39,793.7	40,230.5	41,858.0	38,663.1	39,971.5	238,918.1

Paid benefits (thousands €)	July	August	September	October	November	December	2016
Sickness benefit	24,837.7	24,701.5	23,981.0	23,402.7	26,528.9	25,968.2	310,819.4
Nursing benefit	926.3	761.2	847.7	739.4	1,202.4	1,011.2	12,163.2
Compensation benefit	4.6	4.5	5.4	5.2	5.1	3.5	55.4
Maternity benefit	12,282.3	13,155.2	13,584.4	13,418.4	14,004.7	13,588.5	150,852.6
Total	38,051.0	38,622.5	38,418.6	37,565.8	41,741.2	40,571.4	473,890.5
Settlement of benefits Section 112(9)	0.0	0.0	0.0	-1.8	0.0	-0.9	-4.8
Total expenditure of BSIF	38,051.0	38,622.5	38,418.6	37,563.9	41,741.2	40,570.5	473,885.7

Number of cases of paid benefits	January	February	March	April	May	June	First half of 2016
Sickness benefit	109,855	119,302	124,447	121,460	112,702	111,337	699,103
Nursing benefit	12,084	9,022	15,533	14,787	13,569	13,533	78,528
Compensation							487
benefit	56	100	73	83	85	90	40/
Maternity benefit	25,339	25,631	25,284	25,618	25,271	25,379	152,522
Total	147,334	154,055	165,337	161,948	151,627	150,339	930,640

Number of cases of paid benefits	July	August	September	October	November	December	2016
Sickness benefit	103,459	98,954	95,086	98,909	115,656	108,865	1,320,032
Nursing benefit	10,891	8,299	8,554	8,809	13,816	12,045	140,942
Compensation							956
benefit	71	80	82	83	88	65	950
Maternity benefit	25,897	26,674	27,424	27,731	27,917	27,798	315,963
Total	140,318	134,007	131,146	135,532	157,477	148,773	1,777,893

Average monthly amount of benefit in €	January	February	March	April	May	June	First half of 2016
Sickness benefit	239.55	226.07	222.09	235.36	229.34	239.34	231.96
Nursing benefit	82.43	89.42	87.57	83.7	85.55	84.67	85.56
Compensation		46.4		52.28			56.02
benefit	43.64	40.4	65.86	32.20	63.16	64.78	30.02
Maternity benefit	441.77	472.16	448.35	475.73	465.47	483.78	464.54

Average monthly amount of benefit in €	July	August	September	October	November	December	2016
Sickness benefit	241.40	250.72	253.4	237.70	230.32	239.60	236.44
Nursing benefit	85.57	92.25	99.63	84.50	87.41	84.62	86.76
Compensation benefit	65.70	59.87	66.88	62.50	58.19	53.11	58.71
Maternity benefit	474.66	493.52	495.69	484.44	502.21	489.17	477.79

Table 2 Number of Beneficiaries of Solo Paid Pensions and Overlapping with Widow's/Widower's Pension as of 31 December 2016

Pension type	Number of solo pension beneficiaries	Number of overlapping pensions beneficiaries (with widow's or widower's)	Total of beneficiaries
Old-age	752,817	296,026	1,048,843
Early old-age	19,388	844	20,232
Disability (including			
12,549 so-called disabled at youth)	240,082	8,078	248,160
Widow's – solo	32,088	X	32,088
Widower's – solo	5,492	X	5,492
Orphan's	21,814	X	21,814
Spousal pension	450	X	450
Social	1,702	X	1,702
TOTAL	1,073,833	304,948	1,378,781

Table 3 Number of Pension Beneficiaries and Amount of Solo Pension Insurance Benefits by Sex

Pension type	Number of beneficiaries as	Average amount (€) as of
1 castom of po	of 31/12/2016	31/12/2016
Old-age	1,048,843	417.4
males	407,597	464.6
females	641,246	372.1
Early old-age	20,232	388.8
males	12,580	412.0
females	7,652	348.3
Disability	248,160	263.1
males	124,979	285.3
females	123,181	239.5
Widow's (females) solo	32,088	245.3
Widower's (males) solo	5,492	190.1
Orphan's	21,814	129.7
males	6,095	125.6
females	15,719	131.2
Total	1,376,629	X

Table 4 Breakdown of Pension Beneficiaries by Pension Amount as of 31 December 2016

	N	umber of pension	n beneficiaries	: males + f	emales total	
Pension amount in €	Old-age solo + old-age overlapping with widow's or widower's	Early old-age solo + early old-age overlapping with widow's or widower's	Disability solo* + disability overlapping with widow's or widower's	Widow's- solo	Widower's- solo	Orphan's
up to 130	8,848	28	19,993	1,457	792	11,790
130.1 - 200	16,077	58	66,689	4,942	2,554	7,766
200.1 - 265	21,612	2,242	41,102	16,268	1,609	1,483
265.1 – 325	141,238	5,054	54,236	6,006	362	510
325.1 – 425	381,312	6,426	45,022	2,717	138	230
425.1 – 530	306,106	3,529	14,000	570	32	27
530.1 – 665	119,126	2,071	5,136	122	4	8
over 665.1	54,524	824	1,982	6	1	0
Total	1,048,843	20,232	248,160	32,088	5,492	21,814

Source: Social Insurance Agency
\* including disability at youth pensions

Table 5 Overview of Pension Insurance Benefits Expenditure as of 31 December 2016

	Basic old-age insurance fund (BOIF)	Basic disability insurance fund (BDIF)	Total
	in thousand €	in thousand €	
Pension type	Expenditure	Expenditure	Expenditure
Old-age	4,957,402	X	4,957,402
Early old-age	104,576	X	104,576
Disability	X	766268	766268
Widow's	462,048	98,431	560,479
Widower's	45,464	13,464	58,928
Orphan's	1,766	35,708	37,474
Total	5,571,256	913,871	6,485,127
Settlement of benefits Section 112(9)			
461/2003 Z. z.	72	195	267
aggregate	5,571,328	914,066	6,485,394
State-paid benefits			
spousal pension			146
social pension			4,939
immobility allowance			3,740
increase due to sole source of income			35
resistance pension, increase for rehabilitation			
and deportation			4,834
extra payment for political prisoners			2,138
extra payment due to participation in the			
national struggle for liberation and to the			
widows and widowers of deceased			
participants			961
one-off financial contribution to political			
prisoners according to Act No. 462/2002 Coll.			o
supplement for civil service			359
disability at youth pension			
increase in the amount of old-age pension and			45,644
that of disability pension paid after reaching			
pension age to the amount of the minimum			
pension and reimbursement of the costs			
associated with the procedure for entitlement			22,288
compensation benefit			954
sports representative benefit			70
Christmas allowance – supplement for			
previous years			2,219
Christmas allowance – 2016			77,447
Total			165,782
Overall aggregate			6,651,176

Table 6 Basic Accident Insurance Fund (BAIF) Expenditure in 2016

in thousand €

						1.	n thousand €
Type of benefit	January	February	March	April	May	June	First half of 2016
additional accidental benefit	343	352	342	382	357	380	2,155
injuries annuity	2,107	2,038	2,150	2,071	2,053	2,186	12,606
lump-sum settlement	8	13	2	13	14	18	68
survivor's injuries annuity	29	24	26	26	26	26	158
lump-sum compensation	70	159	70	19	90	36	443
professional rehabilitation and rehabilitation benefit	0	0	0	0	0	0	0
retraining and retraining benefit	0	0	0	0	0	0	0
pain compensation and compensation for difficulties with social reintegration	974	1,058	853	1,236	1,293	1,242	6,657
compensation of cost related to medical treatment	9	9	8	6	8	7	48
compensation of expenses related to funeral	5	4	5	10	0	3	26
payment of claims from previous years	0	0	0	0	47	0	47
Total	3,545	3,658	3,457	3,764	3,889	3,896	22,209
settlement of benefits Section 112(8)	0	-1	-5	-6	0	-20	-31
18 % transfer of funds to BOIF for receipt of injuries annuity	254	243	233	242	241	240	1,455
Total expenditure of BAIF	3,799	3,900	3,685	4,001	4,130	4,117	23,632
Type of benefit	July	August	September	October	November	December	2016
Type of benefit additional accidental benefit	July 345	August	September 329	October 356	November 378	December 352	<b>2016</b>
additional accidental benefit	345	357	329	356	378	352	4,273
additional accidental benefit injuries annuity	345 2,156	357 2,193	329 2,026	356 2,077	378 2,116	352 2,158	4,273 25,333
additional accidental benefit injuries annuity lump-sum settlement	345 2,156 17	357 2,193 7	329 2,026 13	356 2,077 22	378 2,116 10	352 2,158 14	4,273 25,333 150
additional accidental benefit injuries annuity	345 2,156	357 2,193	329 2,026	356 2,077	378 2,116	352 2,158	4,273 25,333
additional accidental benefit injuries annuity lump-sum settlement	345 2,156 17	357 2,193 7	329 2,026 13	356 2,077 22	378 2,116 10	352 2,158 14	4,273 25,333 150
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity	345 2,156 17 25	357 2,193 7 25	329 2,026 13 25	356 2,077 22 27	378 2,116 10 25	352 2,158 14 25	4,273 25,333 150 311
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit	345 2,156 17 25 54	357 2,193 7 25 93	329 2,026 13 25 27	356 2,077 22 27 46	378 2,116 10 25 29	352 2,158 14 25 45	4,273 25,333 150 311 737
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining	345 2,156 17 25 54 0	357 2,193 7 25 93	329 2,026 13 25 27	356 2,077 22 27 46 0	378 2,116 10 25 29	352 2,158 14 25 45	4,273 25,333 150 311 737
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit pain compensation and compensation for difficulties	345 2,156 17 25 54 0	357 2,193 7 25 93 0	329 2,026 13 25 27 0	356 2,077 22 27 46 0	378 2,116 10 25 29 0	352 2,158 14 25 45 0	4,273 25,333 150 311 737 0
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit pain compensation for difficulties with social reintegration compensation of cost related to medical treatment compensation of expenses related to funeral	345 2,156 17 25 54 0 0	357 2,193 7 25 93 0 1,097	329 2,026 13 25 27 0 0	356 2,077 22 27 46 0 0	378 2,116 10 25 29 0 1,329	352 2,158 14 25 45 0 0	4,273 25,333 150 311 737 0 0
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit pain compensation for difficulties with social reintegration compensation of cost related to medical treatment compensation of expenses	345 2,156 17 25 54 0 0 1,187	357 2,193 7 25 93 0 1,097	329 2,026 13 25 27 0 0 1,057	356 2,077 22 27 46 0 936	378 2,116 10 25 29 0 1,329	352 2,158 14 25 45 0 0 1,108	4,273 25,333 150 311 737 0 13,371
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit pain compensation and compensation for difficulties with social reintegration compensation of cost related to medical treatment compensation of expenses related to funeral payment of claims from	345 2,156 17 25 54 0 1,187 10 5	357 2,193 7 25 93 0 1,097 10	329 2,026 13 25 27 0 0 1,057 10	356 2,077 22 27 46 0 0 936 17	378 2,116 10 25 29 0 1,329 13	352 2,158 14 25 45 0 0 1,108	4,273 25,333 150 311 737 0 0 13,371 122 52
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit pain compensation and compensation for difficulties with social reintegration compensation of cost related to medical treatment compensation of expenses related to funeral payment of claims from previous years Total settlement of benefits Section 112(8)	345 2,156 17 25 54 0 1,187 10 5	357 2,193 7 25 93 0 1,097 10 3	329 2,026 13 25 27 0 1,057 10 6	356 2,077 22 27 46 0 936 17 4	378 2,116 10 25 29 0 1,329 13 4	352 2,158 14 25 45 0 0 1,108 14 4	4,273 25,333 150 311 737 0 0 13,371 122 52 110
additional accidental benefit injuries annuity lump-sum settlement survivor's injuries annuity lump-sum compensation professional rehabilitation and rehabilitation benefit retraining and retraining benefit pain compensation and compensation for difficulties with social reintegration compensation of cost related to medical treatment compensation of expenses related to funeral payment of claims from previous years Total settlement of benefits Section	345 2,156 17 25 54 0 1,187 10 5 8 3,806	357 2,193 7 25 93 0 1,097 10 3 0 3,786	329 2,026 13 25 27 0 1,057 10 6 50 3,542	356 2,077 22 27 46 0 936 17 4 0 3,485	378 2,116 10 25 29 0 1,329 13 4 5 3,910	352 2,158 14 25 45 0 0 1,108 14 4 0 3,720	4,273 25,333 150 311 737 0 0 13,371 122 52 110 44,458

Table 7 Average Amount and Number of Paid Accident Insurance Benefits in 2016

Type of benefit	Number of paid accident insurance benefits as of 31/12/2016	Average amount of paid accident insurance benefit in €
Compensation for loss of earnings during incapacity for work *	0	0
Compensation for loss of earnings after incapacity for work	2	1,827.02
Compensation for loss in pension	0	0
Reimbursement of maintenance of survivors	0	0
Compensation for pain	2	23,700.34
Compensation for difficulties with social reintegration	1	7,568.27
Compensation of cost related to medical treatment	27	52.82
Compensation of expenses related to funeral	3	275.9
Lump-sum compensation of survivors	4	12,572.19
Compensation for loss of earnings during incapacity for work after 1 January 2004	0	0
Pain compensation (Section 99 of SIA)**	8,355	707.06
Compensation for difficulties with social reintegration (Section 99 of SIA)	1,564	4,794.22
Compensation of cost related to medical treatment (Section 100 of SIA)	972	126.85
Compensation of expenses related to funeral (Section 101 of SIA)	36	1,452.83
Lump-sum settlement (Section 90 of SIA)	64	2,343.93
Lump-sum compensation (Section 94 of SIA)	48	15,360.86
Additional accidental benefit (Section 85 of SIA)	30,172	141.61
Professional rehabilitation and rehabilitation benefit	0	0
Retraining and retraining benefit	0	0
Injuries annuity	85,059	303.24
Survivor's injuries annuity	2,287	136.52

**Table 8 State-paid Accident Insurance Benefits** 

	Number of benefits paid in 2016 (in thousand €)
Compensation of occupational accidents and occupational diseases of repealed employers founded by the State or the National Property Fund of the Slovak Republic	422
Claims arising from the employer's liability for damages in case of accidents at work and occupational diseases incurred before 1 April 2002 at an employer with the status of state authority given by a special regulation	44
Accident benefits provided to persons listed in Section 17(2) and (3) of the Social Insurance Act	11
State liability for injuries suffered by soldiers of compulsory military service (under Section 293(6))	21

<sup>\*</sup> Benefits in lines 1-10 are paid under legislation in force and effect until 31 December 2003

<sup>\*\*</sup> Benefits in lines 11 – 23 are paid according to the Social Insurance Act (including reclassified injuries annuities)

Table 9 Basic Guarantee Insurance Fund (BGIF) Expenditure in 2016

	BGIF expenditure in thousand €					
Period	for guarantee insurance benefit	payment of pension saving contributions	Total			
January	231.88	322.40	554.28			
February	326.05	859.17	1,185.22			
March	177.42	862.03	1,039.45			
April	159.53	1,266.53	1,426.06			
May	338.29	702.98	1,041.27			
June	339.52	648.97	988.49			
July	204.12	563.02	767.14			
August	412.58	1,231.59	1,644.16			
September	200.54	2,219.12	2,419.66			
October	252.55	773.28	1,025.83			
November	117.59	151.90	269.49			
December	429.40	572.30	1,001.70			
2016	3,189.47	10,173.29	13,362.76			

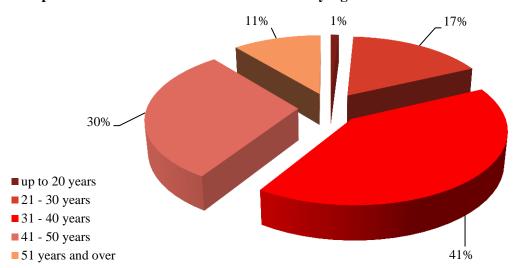
Table 10 Paid Unemployment Benefits, Number of Cases and Average Benefit Amount in 2016

Month	Number of unemployment benefit recipients		Number of paid unemployment benefits		Average amount of unemployment benefit in €		_	oyment efit iture in
	2015	2016	2015	2016	2015	2016	2015	2016
January	32,847	33,968	36,222	37,592	344	360.4	12,450	13,504
February	35,806	36,451	40,400	41,398	342.7	360.3	13,814	14,860
March	35,586	35,319	40,479	40,046	315.4	343.9	12,698	13,729
April	34,885	34,551	38,976	38,997	337.2	358.0	13,095	13,913
May	33,784	34,056	38,002	38,423	335	352.7	12,694	13,522
June	34,006	33,984	38,327	38,592	347	366.7	13,224	14,084
July	33,937	33,560	37,996	37,703	341.3	367.0	12,887	13,796
August	34,789	35,123	38,630	39,379	351.6	376.8	13,525	14,810
September	35,565	35,801	39,868	40,051	355.6	382.4	14,117	15,263
October	35,145	36,206	39,190	40,447	341.1	366.7	13,305	14,805
November	33,819	35,150	38,071	39,131	354	377.3	13,429	14,722
December	34,515	34,366	39,044	38,477	343.8	375.2	13,381	14,403
Total	120,663	123,951	465,205	470,236	X	X	158,619	171,411
Average	X	X	38,767	39,186	344.5	367.9	13,218	14,284

Table 11 Number of Unemployment Benefit Recipients by Age and Gender in 2016

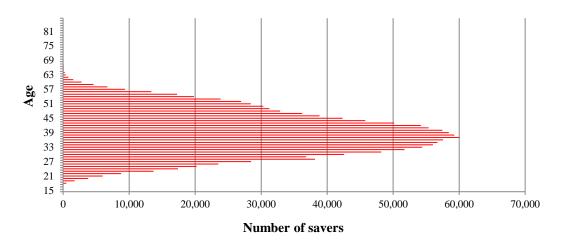
	Gender				
Age groups	males	females	total		
up to 19 years	5	3	8		
20 – 24 years	4,420	3,148	7,568		
25 – 29 years	9,983	9,166	19,149		
30 – 34 years	9,602	10,116	19,718		
35 – 39 years	8,638	10,006	18,644		
40 – 44 years	7,105	9,061	16,166		
45 – 49 years	5,581	7,184	12,765		
50 – 54 years	5,651	6,994	12,645		
55 – 59 years	5,909	6,879	12,788		
over 60 years	3,534	852	4,386		
unknown	61	53	114		
Total	60,489	63,462	123,951		

Graph 1 Distribution of Savers in the II. Pillar by Age as of 31 December 2016



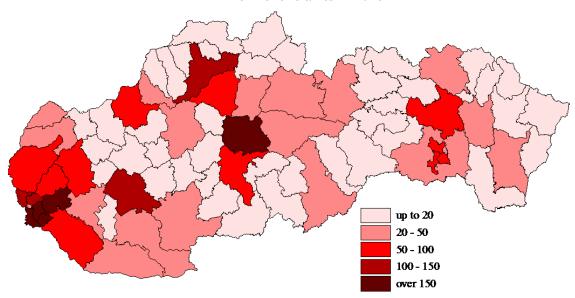
Source: Social Insurance Agency; processed by: MoLSAF

Graph 2 Age Distribution of Savers in the II. Pillar as of 31 December 2016



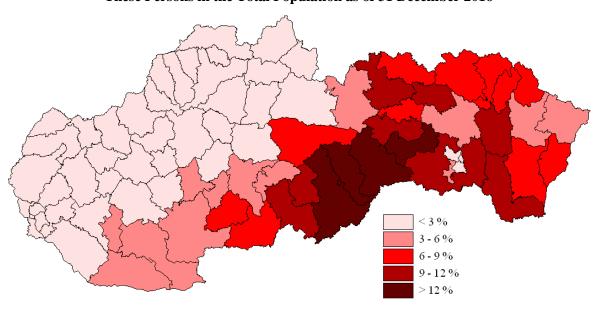
Source: Social Insurance Agency; processed by: MoLSAF

Graph 3 Regional Distribution of Childcare Allowance Beneficiaries, Average Monthly Number of Beneficiaries in 2016



Source: RSD MIS

Graph 4 Regional Distribution of Persons in the Material Need Assistance System, Share of These Persons in the Total Population as of 31 December 2016



Source: RSD MIS

Table 12 Number of Beneficiaries and Social Reintegration Allowance Spending in 2015 and 2016

	number of beneficiaries	spending
2015	3,870	224,213
2016	3,647	208,606

Source: RSD MIS

Table 13 Assistance Provided to Maltreated, Sexually Abused and Bullied Children in 2016

maltreated, and bull	Assistance provided to maltreated, sexually abused and bullied children		Physical abuse	Psychological abuse	Sexual abuse	Bullying	Exploitation for commercial purposes (pornography, prostitution)	Child Abuse and Neglect (CAN Syndrome)	Total
Number of	Total		88	41	60	2	4	519	714
registered children	of which	up to 6 years	17	7	5	0	0	201	230
omaron	willen	up to 15 years	50	20	31	2	3	252	358
		up to 18 years	21	14	24	0	1	66	126
Number of proposals to i criminal proc	nitiate eedings	total	9	7	2	0	0	9	27

Source: V (MoLSAF)

Table 14 Children Placed in Facilities for Court Decision Enforcement /Preliminary Injunction, Upbringing Injunction, Institutional Care and Protective Care/ as of 31 December

Facility for court decision enforcement		2015	2016
Crisis centres	235	282	
Social reintegration centres	76	71	
Diagnostic centres	45	32	
Social services homes	83	59	
Children's homes		4,288	4,406
Re-education homes	e-education homes IS		378
	PC	23	24

Source: V(MoLSAF)

Note: IS – institutional care, PC – protective care

Table 15 Individual Forms of Care in Children's Homes

Form of care	2015	2016
Professional families	669	653
Separate groups	268	273
Other groups	148	145

Source: V(MoLSAF) 5-01

Table 16 Number of Children and Young Adults in Individual Forms of Care in Children's Homes as of 31 December

Number of children	2015	2016
placed in a professional family	1,453	1,468
placed in a separate group	2,337	2,441
placed in other group	832	835

Source: V(MoLSAF) 5-01

Table 17 Total Number of Children Entrusted to Individual Forms of Substitute Family Care in 2015 and 2016

year	Substitute personal care	Foster care	Tutor care	Total
2015	6,484	1,847	571	8,902
2016	6,518	1,719	562	8,799

Source: V(MoLSAF, 2016)

Table 18 Basic Statistics on Activities of DAPSs in 2015 and 2016

year	Number of cases	Number of clients	Number of consultations
2015	8,274	17,107	47,042
2016	8,700	18,718	47,314

Source: Annual Report on Performance of Advisory and Psychological Services

Table 19 Activities of the Departments of Advisory and Psychological Services in 2015 and 2016

	20	15	20	)16
Issue	Number of cases	Number of consultations	Number of cases	Number of consultations
Family	2,573	11,824	2,301	10,077
Divorce and after-divorce	2,444	11,763	2,526	11,620
Partnership, marriage	879	4,517	791	3,755
Personality	625	3,306	640	3,427
Substitute family care	959	8,413	1,495	10,300
Other/Various	410	1,249	386	1,021
Drug or other addiction	144	852	145	816
Professional family	223	5,077	137	3,448
Crisis intervention	17	41	41	193
Upbringing injunctions	X	X	238	2,657
Total	8,274	47,042	8,700	47,314

Source: Annual Report on Performance of Advisory and Psychological Services

**Table 20 Home-care Services Provided by Municipalities** 

		2015	2016			
Number of home-care service recipie	Number of home-care service recipients					
	II.	2,196	2,209			
of which according to the decree of	III.	2,403	2,404			
of which according to the degree of dependence	3,547	3,753				
dependence	V.	1,974	2,235			
	VI.	2,212	2,554			
Number of employees of home-care	services	4,867	5,590			
Current home-care services expendit	ure in €	30,161,091	34,626,598			
Amount of income from payments for care services in €	or home-	5,337,656	6,162,429			
Difference between home-care service expenditure and income from payme home-care services in €	-24,823,435	-28,464,169				

Source: V(MoLSAF) 11-01

**Table 21 Transport Services Provided by Municipalities** 

year	Number of transport service recipients	Current expenditure (in €)	Revenues from payments (v €)
2015	2,887	241,022	24,671
2016	4,301	319,471	34,228

Source: V(MoLSAF) 11-01

Table 22 Number of Social Service Facilities (SSFs) and Their Capacity

	Number		Capacity	as of 31 D	ec 2014	ı	Number		Capacity as of 31 Dec 2015				
Type of facility	of SSFs as of 31		or winch, care provided			of SSFs as		C	of which, ca	re prov	ided		
J. C. C. C.	Dec 2014	Total	all year round	weekly	daily	transiently	of 31 Dec 2015	Total	all year round	weekly	daily	transiently	
Social service facilities in total	1,158	46,094	39,078	1,544	3,412	1,925	1,255	47,794	39,906	612	4,600	2,676	
of which													
facilities for the elderly	302	14,326	14,260	0	65	1	355	17,137	17,044	1	89	3	
SSHs for physically disabled adults	24	1,986	993	940	20	33	23	626	578	15	33	0	
SSHs for adults with multiple disabilities	271	13,216	12,269	273	674	0	201	9,804	8,808	272	724	0	
SSHs for adults with sensory disabilities	1	20	0	0	20	0		20			20		
SSHs for adults with mental and behavioural disorders	65	3,776	3,392	67	316	1	64	3,793	3,377	96	317	3	
Specialised facilities	89	3,831	3,674	7	150	0	140	5,761	5,593	16	140	12	
day-care centres	68	1,234	58	49	1,051	76	115	2,506	42	8	2,194	262	
SSHs for physically disabled children	3	23	3	3	17	0		19	8	6	5	0	
SSHs for children with physical disabilities, mental disorders and behavioural disorders	26	975	345	168	451	1	24	796	204	131	461	0	
SSHs for children with mental and behavioural disorders	3	63	34	6	23	0	4	52	24	7	21	0	
temporary childcare facilities	0	5	5	0	0	0		5	5	0	0	0	
assisted living facilities	36	531	416	0	0	0	44	595	595	0	0	0	
emergency housing facilities	39	689	511	0	0	178	31	568	382	0	20	166	
shelters	70	1,869	1,414	0	60	395	73	2,037	1,544	0	40	453	
rehabilitation centres	20	476	72	17	383	4	23	538	4	32	477	25	
home-care service facilities	89	1,917	1,173	24	70	650	104	2,200	1,427	28	18	727	
night shelters	36	923	281	0	112	530	37	1,052	32	0	40	980	
half-way houses	16	234	178	0	0	56	17	285	239	0	1	45	

Source: Selected data of SO SR – Social Service Facilities in the Slovak Republic; data for 2016 are not available at the time of processing the Report; note: SSHs – social services homes

**Table 23 Number of Clients in Social Service Facilities** 

				of which in 2015										
Type of facility	Clients as of 31 December 2014	Clients as of 31 December 2015	persons of pensionable age	treatment for psychosis	taking antidepressants	nursed as bedridden	deprived of legal capacity	limited legal capacity	foreigners	men/ boys	women/ girls			
facilities for the elderly	13,582	16,255	16,020	4,515	3,773	3,918	267	160	25	4,580	11,675			
SSHs for adults with physical disabilities SSHs for adults	922	582	404	226	119	144	55	23	0	251	331			
with multiple disabilities	12,736	9,476	4,494	4,463	2,020	1,568	3,631	185	8	4,561	4,915			
SSHs for adults with sensory disabilities	20	20	,	,			,			13	7			
SSHs for adults with mental and behavioural disorders	3,680	3,733	1,136	2,104	986	437	2,265	74	0	2,025	1,708			
Specialised facilities	3,018	5,077	3,729	2,494	1,620	1,240	1,253	88	9	1,968	3,109			
day-care centres	961	2,365	1,812	121	113	10	110	48	0	811	1,554			
SSHs for children with physical disabilities	22	8		0	1	1	0	0	0	4	4			
SSHs for children with physical disabilities and mental and behavioural disorders	898	747		141	27	137	147	11	0	439	308			
SSHs for children with mental and behavioural disorders	59	52	0	15	11	17	11	0	0	30	22			
temporary childcare facilities	5	5		0	0	0	0	0	0	4	1			

## Report on the Social Situation of the Population of the Slovak Republic for 2016 Annex to Chapter 3

						of whicl	n in 2015				
Type of facility	Clients as of 31 December 2014	Clients as of 31 December 2015	persons of pensionable age	treatment for psychosis	taking antidepressants	nursed as bedridden	deprived of legal capacity	limited legal capacity	foreigners	men/ boys	women/ girls
assisted living facilities	468	542	30	267	141	0	145	13	0	341	201
emergency housing facilities	553	518		11	14	0	0	1	4	175	343
refuges	1,750	1,822	221	132	135	1	4	5	5	1,054	768
rehabilitation centres	435	554	42	77	22	8	39	6	0	289	265
home-care service facilities	1,766	2,078	1,744	535	507	557	33	42	6	583	1,495
night shelters	6,080	6,101									
half-way houses	194	230	4	13	8	0	6	2	2	134	96
TOTAL	47,149	50,165	29,644	15,114	9,497	8,038	7,966	658	59	17,262	26,802

Source: Selected data of SO SR – Social Service Facilities in the Slovak Republic

Note: SSHs – social services homes

**Table 24 Expenditures of Social Service Facilities** 

				of which						of which		
Type of facility	Total expenditure (in €) in 2014	current expenditure	wages and salaries	statutory social security contributio ns	acquisition of assets	on health care	Total expenditure (in €) in 2015	current expenditure	wages and salaries	statutory social security contributio ns	acquisition of assets	on health care
TOTAL	340,787,046	124,772,441	148,217,804	52,762,600	10,029,212	452,530	368,616,363	132,825,505	163,103,568	57,846,206	6,939,497	675,752
facilities for the elderly	113,755,139	46,623,235	45,479,135	16,229,201	3,944,821	135,344	138,142,451	55,629,347	57,690,803	20,278,933	1,858,784	323,105
SSHs for physically disabled adults	8,356,356	3,179,855	3,749,407	1,274,234	59,349	36,255	6,519,547	2,224,206	3,141,040	1,105,915	33,150	350
SSHs for adults with multiple disabilities	115,340,526	40,040,506	51,415,267	18,186,854	4,136,812	168,284	91,216,803	30,519,775	42,323,550	14,925,992	2,131,373	99,999
SSHs for adults with sensory disabilities	91,584	19,725	41,794	17,197	7,194	0	133,697	52,117	51,490	19,568		
SSHs for adults with mental and behavioural disorders	33,347,846	10,978,265	15,438,192	5,546,643	559,260	35,328	36,972,912	11,101,781	17,521,809	6,273,162	694,625	59,907
specialised facilities	28,304,992	9,185,039	13,197,757	4,690,639	868,836	62,874	47,968,878	16,278,389	22,029,490	7,867,983	953,038	158,765
day-care centres	2,723,595	1,074,160	1,123,665	424,548	31,988	537	6,312,626	2,848,295	2,137,958	814,619	71,424	9,945
SSHs for physically disabled children	246,656	89,928	114,505	39,374	2,754	0	126,837	37,974	65,034	22,334	1,231	
SSHs for children with physical disabilities, mental disorders and behavioural disorders	8,142,181	2,335,348	4,171,940	1,485,788	114,703	2,426	5,853,983	1,474,866	2,997,947	1,058,552	257,253	1,164
SSHs for children with mental and behavioural disorders	557,911	119,178	318,174	112,675	7,168	180	454,623	118,813	246,535	87,918	581	300
temporary childcare facilities	21,750	7,435	9,670	3,485	0	0	10,800	2,663	5,130	1,723	0	0
assisted living facilities	2,881,294	1,133,251	1,190,425	447,667	34,807	84	3,353,416	1,179,793	1,544,195	552,533	32,648	247
emergency housing facilities	2,240,654	885,782	942,874	361,364	13,227	1,649	2,493,935	834,961	892,326	356,344	349,513	1,624
shelters	4,484,270	1,922,500	1,759,058	637,131	67,804	1,953	5,234,253	1,940,193	2,072,852	755,501	52,968	806
rehabilitation centres	3,733,579	1,146,053	1,867,955	659,744	16,207	0	3,567,673	1,045,459	1,662,907	579,828	244,679	290
home-care service facilities	14,457,035	5,188,581	6,559,629	2,345,374	113,769	6,369	17,673,382	6,351,351	7,780,346	2,809,135	246,816	19,250
night shelters	1,525,922	631,972	598,486	216,434	23,823	637	1,832,270	856,479	648,654	233,871	6,614	0
half-way houses	575,756	211,628	239,871	84,248	26,690	610	748,277	329,043	291,502	102,295	4,800	0

Source: Selected data of SO SR – Social Service Facilities in the Slovak Republic

Table 25 Employees of Social Service Facilities (Total) in 2014 and 2015

Type of facility	Average registered number of employees recalculated (persons) 2014	Average registered number of employees recalculated (persons) 2015
facilities for the elderly	6,738	8,205
social service homes (SSHs) for adults with physical		
disabilities	599	478
SSHs for adults with multiple disabilities	7,495	5,894
SSHs for adults with sensory disabilities	6	7
SSHs for adults with mental and behavioural		
disorders	2,181	2,455
Specialised facilities	2,103	3,282
day-care centres	203	355
SSHs for physically disabled children	18	8
SSHs for children with physical disabilities, mental		
disorders and behavioural disorders	575	
SSHs for children with mental and behavioural		
disorders	49	33
temporary childcare facilities	2	1
assisted living facilities	204	239
emergency housing facilities	152	128
shelters	314	335
rehabilitation centres	244	248
home-care service facilities	1,016	1,089
night shelters	126	110
half-way houses	37	44
TOTAL	22,062	23,292

Source: Selected data of SO SR – Social Service Facilities in the Slovak Republic

Table 26 Selected Social Service Facilities Established or Founded by a Municipality or Higher Territorial Unit as of 31 December 2016

	Number of services	Number of clients	Employees of providers (recalculated number)	Revenues of providers (in €)	Expenditures of providers (in €)
low-threshold day-care centre	10	827	7	55,837	61,754
childcare assistance and support of work and family life reconciliation	7	61	19	140,685	207,418
temporary childcare facilities	4	4	2	34,080	33,154
low-threshold social services for children and family	14	1,325	20	151,674	189,957
accompanying and reading service	2	22	0	0	0
interpreting service	2	125	0	0	0
arranging interpreting service	2	82	0	0	0
arranging personal assistance	3	8	1	334	334
rental of aids	19	416	3	10,729	14,230
monitoring and signalling the need for assistance	8	120	4	7,866	14,933
crisis assistance using telecommunication technology	2	0	0	0	0
assistance in execution of custodian rights and obligations	28	54	7	18,252	78,039
day-care centre	334	40,491	155	2,085,775	2,559,465
integration centre	2	40	1	4,974	4,774
canteen	87	21,123	215	4,622,521	5,896,436
laundrette	25	4,163	13	80,465	139,437
personal hygiene centre	20	5,584	7	34,644	59,958
community centre	65	10,028	145	1,016,364	1,190,846
support for independent living	6	28	4	4,650	41,065
early intervention service	6	29	2	2,900	11,924
stimulation of the comprehensive development of a child with disabilities	2	1	0	0	0
field crisis intervention social services	38	6,948	926	421,282	549,572
TOTAL	686	91,479	1,529	8,693,032	11,053,296

Source: V(MoLSAF) 10-01

Table 27 Number of Applicants for Provision of Social Services in Selected Types of Social Services Facilities

		Type of social service facility	Number of applicants as of 31/12/2015	Number of applicants as of 31/12/2016
S		with physical disabilities	0	4
homes	for children	with mental and behavioural disorders	33	51
		with physical disabilities, mental disorders and behavioural disorders	72	64
services		with physical disabilities	197	63
	for adults	with mental and behavioural disorders	465	550
Social	Tor adults	with sensory disabilities	10	6
S		with multiple disabilities	1,083	1,032
Facilit	ies for the elderly		3,427	4,541
Assiste	ed living facilities		23	68
Rehab	ilitation centres		0	4
Specia	lised facilities		690	1,316
TOTA	L for SR		6,000	7,699

Source: V(MoLSAF) 10-01

Table 28 Selected Types of Social Services Provided by Private Social Service Providers as of 31 December 2016

	Numb serv	ices	Numb clier	nts	Employees of providers (recalculated numbers)	Income of providers (in €)	Expenditure of providers (in €)
home-care service	130	2016	2015	2016	2016	2016	2016
		173	4,276	3,594	2,787	14,777,386	14,380,662
low-threshold day-care centre	13	11	1,740	1,644	123	354,191	421,144
childcare assistance and support of work and family life reconciliation	1	0	0	0	0	0	0
temporary childcare facility	0	0	0	0	0	0	0
low-threshold social services for children and family	8	12	5,311	4,096	39	61,881	63,844
transport service	42	46	7,188	5,484	86	336,166	383,169
accompanying and reading service	8	3	64	37	2	0	0
interpreting service	9	10	3,629	4,265	22	130,308	122,713
arranging interpreting service	0	0	0	0	0	0	0
arranging personal assistance	5	5	960	1,745	5	22,259	20,150
rental of aids	28	29	1,155	1,109	17	41,667	36,917
monitoring and signalling the need for assistance	1	2	263	259	10	93,168	92,989
crisis assistance using telecommunication technology	7	9	2,080	982	18	46,764	37,337
assistance in execution of custodian rights and obligations	1	2	39	36	3	0	0
day-care centre	5	3	143	132	7	3,280	3,280
integration centre	3	3	82	106	12	55,355	64,165
canteen	19	22	1,277	6,736	84	645,041	656,827
laundrette	1	5	192	304	4	27,759	29,400
personal hygiene centre	4	4	3,508	3,145	26	53,798	62,998
basic social counselling	78	70	9,297	8,644	182	218,696	449,846
specialised social counselling	69	71	12,172	16,979	238	1,244,273	1,288,702
social rehabilitation	10	10	918	1,215	54	417,095	493,392
community centre	35	45	13,682	13,965	439	1,200,873	1,208,425
support for independent living	1	1	47	32	1	3,000	3,600
early intervention service	5	10	173	391	52	361,939	423,843
stimulation of the comprehensive development of the child with disabilities	0	0	0	0	0	0	0
field crisis intervention social services	8	13	2,701	644	40	53,915	60,669
TOTAL	491	559	78,482	75,544	4,249	20,148,815	20,304,072

Source: V(MoLSAF) 7-01

Table 29 Number of Employees, Wages and Selected Wage Items in Social Service Facilities, by Aggregated Occupation Categories, 2016

								of which					
Category of employees	Number of employees	of which females	Total of wages	Total salary	Functional salary	scale salary	extra pay for management	personal bonus	wage compensation	shift differential	Bonuses	Pay for overtim e	Additiona l and extra pays
	(persons	(persons)	(€)	[€/ month]	[€/ month]	[€/ month]	[€/ month]	[€/ month]	[€/ month]	[€/ month]	[€/ month]	[€/ month]	[€/ month]
TOTAL	16,585	14,487	107,244,799	675	493	402	6	72	6	6	54	4	45
Professional and administrative staff	1,269	1,065	12,780,989	967	731	526	42	160	1	1	104	0	15
Special-needs teachers	72	68	641,721	855	620	541	5	67	3	1	71	3	22
Assistant special-needs teachers	112	96	734,268	717	516	446	2	64	0	4	40	1	58
Employees ensuring healthcare provision	1,631	1,599	13,539,700	819	581	475	9	77	9	8	61	6	73
Auxiliary healthcare employees	1,223	1,137	7,697,954	635	437	365	0	48	10	12	48	4	77
Employees performing social agenda	286	266	1,984,299	764	580	466	14	94	2	4	64	0	23
Employees performing social work	1,452	1,290	10,808,715	730	550	457	6	79	5	3	58	1	24
Ergotherapists	213	182	1,410,732	677	530	428	2	91	7	1	44	1	11
Psychologists	33	32	222,897	742	595	506	5	76	7	0	39	0	2
Special pedagogues	37	33	306,962	829	621	549	9	51	5	4	59	0	27
Home-care workers	4,414	4,088	24,802,285	608	431	364	1	50	6	10	44	6	64
Craft and manual employees	2,754	1,984	14,481,527	544	410	341	0	60	6	2	45	3	22
Catering staff	1,487	1,347	8,616,536	598	438	361	2	66	1	7	49	3	45
Unspecified	1,602	1,300	9,216,215	690	515	411	7	88	5	4	57	7	32

Source: WAGES (MPSVR SR) 1-02

**Table 30 Gross Social Protection Expenditure, 2014** 

	Social	Social protection		Socia	l benefits by	function	(in %)	
Area	protection expenditu re as % of GDP	expenditur e in PPS per inhabitant	Old age + survivors	Sickness/ health care	Invalidity	Family/ children	Unemploy ment	Housing, social exclusion
EU28	28.7	7,905	45.9	29.2	7.3	8.6	5.1	4.0
EU15	29.5	8,788	45.5	29.4	7.2	8.5	5.3	4.1
EA19	29.7	8,770	46.1	29.3	7.3	8.0	6.1	3.2
Belgium	30.3	9,923	40.3	28.9	8.3	7.5	11.6	3.3
Bulgaria	18.5	2,544	49.5	27.6	7.8	10.6	2.9	1.6
the Czech Republic	19.7	5,010	47.2	31.4	6.6	8.7	3.0	3.1
Denmark	32.9	11,061	44.3	20.0	12.9	11.2	5.2	6.5
Germany	29.1	10,325	39.2	34.8	8.1	11.3	3.9	2.8
Estonia	15.1	3,243	44.3	29.3	11.8	10.9	2.8	0.9
Ireland	20.6	6,926	29.8	34.6	6.0	13.1	13.8	2.7
Greece	26.0	4,967	65.0	19.6	6.5	4.4	4.3	0.2
Spain	25.4	6,079	49.1	26.1	7.4	5.3	10.8	1.4
France	34.3	10,456	45.4	28.4	6.6	7.8	6.2	5.5
Croatia	21.6	3,509	43.7	33.6	12.2	7.2	2.3	1.1
Italy	29.9	7,828	58.6	23.5	5.9	5.4	5.8	0.8
Cyprus	23.0	5,139	55.5	20.1	3.2	6.3	8.6	6.4
Latvia	14.5	2,599	52.0	24.2	9.1	9.1	4.0	1.6
Lithuania	14.7	3,205	47.7	29.4	9.7	7.8	2.4	3.1
Luxembourg	22.7	14,924	37.7	25.3	11.4	15.6	6.5	3.6
Hungary	19.9	3,975	52.1	24.7	7.3	11.9	1.9	2.1
Malta	18.2	4,455	51.7	32.8	3.8	6.6	2.9	2.2
the Netherlands	30.9	10,825	42.5	34.6	7.7	3.1	5.6	6.4
Austria	30.0	10,625	50.7	25.3	7.0	9.5	5.6	2.0
Poland	19.1	3,931	59.9	21.3	8.3	8.2	1.3	1.0
Portugal	26.9	5,544	57.5	23.9	7.4	4.6	5.8	0.9
Romania	14.8	2,350	55.1	26.9	7.5	8.3	1.0	1.3
Slovenia	24.1	5,414	49.0	30.8	6.1	7.9	3.0	3.1
Slovakia	18.5	4,102	45.6	30.9	9.0	9.3	2.9	2.3
Finland	31.9	9,742	41.7	24.0	10.9	10.4	8.2	4.8
Sweden	29.6	9,800	43.4	26.0	12.0	10.6	3.8	4.2
the United Kingdom	27.4	7,804	43.1	31.8	5.4	10.4	1.7	7.7
Iceland	23.9	7,636	28.1	35.3	16.2	11.5	3.1	5.8
Norway	26.0	11,979	35.9	30.2	16.0	12.4	2.3	3.2
Switzerland	27.1	11,322	48.1	29.7	9.3	6.0	3.6	3.3
Serbia	23.4	2,398	55.5	26.0	7.7	5.9	2.8	2.3
Turkey	12.1	2,038	60.2	30.2	3.8	3.1	1.3	1.4

Preliminary data: DE, IE, GR, ES, IT, LV, LT, SI, SK, SE, CH, TR

<sup>:</sup> the datum is not available

<sup>\*</sup> including tax credit for child in function family/children Source: Eurostat ESSPROS, data extracted on 2 June 2017

**Table 31 Social Protection Receipts, 2014** 

			Structure of receipts (%)				
Area	Receipts as % of GDP	Receipts in PPS per inhabitant	Employers' social contributions	Social contributions paid by protected persons	General government contributions	Other receipts	
EU28	30.1	8,311	34.7	19.3	40.5	5.5	
EU15	31.1	9,259	34.4	19.2	41.0	5.4	
EA19	30.5	9,000	36.9	22.3	37.4	3.4	
Belgium	30.7	10,066	39.7	19.5	38.6	2.3	
Bulgaria	20.1	2,760	31.7	17.5	48.8	1.9	
the Czech Republic	20.5	5,213	46.9	23.1	28.5	1.5	
Denmark	34.6	11,655	11.0	7.9	79.8	1.3	
Germany	30.7	10,905	34.6	30.5	33.3	1.7	
Estonia	14.7	3,143	80.6	1.1	18.1	0.2	
Ireland	20.6	6,913	27.3	8.8	60.5	3.5	
Greece	25.8	4,933	32.4	22.9	39.8	4.8	
Spain	24.4	5,853	40.7	12.7	44.0	2.6	
France	34.2	10,431	42.5	19.2	35.1	3.2	
Croatia	22.3	3,625	27.8	32.9	36.6	2.7	
Italy	30.7	8,037	34.5	14.7	48.8	2.0	
Cyprus	21.2	4,745	24.6	19.0	52.0	4.3	
Latvia	14.6	2,615	41.9	17.4	40.0	0.7	
Lithuania	14.7	3,201	54.0	16.9	28.3	0.8	
Luxembourg	26.4	17,332	24.4	21.9	41.9	11.8	
Hungary	20.5	4,089	38.8	23.1	36.1	2.0	
Malta	18.3	4,465	29.5	12.3	56.1	2.1	
the Netherlands	34.3	12,015	32.0	33.8	19.9	14.4	
Austria	29.8	10,609	36.2	26.1	36.4	1.3	
Poland	18.9	3,878	42.3	20.4	21.8	15.5	
Portugal	27.6	5,702	29.0	16.3	46.1	8.6	
Romania	14.9	2,376	34.1	14.9	49.7	1.4	
Slovenia	24.4	5,493	25.7	39.1	33.8	1.4	
Slovakia	19.5	4,327	43.7	20.5	31.7	4.2	
Finland	33.3	10,168	34.7	13.0	47.2	5.1	
Sweden	31.0	10,269	36.4	9.2	52.2	2.2	
the United Kingdom	32.5	9,248	27.3	9.7	48.6	14.5	
Iceland	29.0	9,277	32.9	6.6	49.3	11.2	
Norway	26.7	12,301	33.8	15.6	50.5	0.1	
Switzerland	31.7	13,256	30.6	35.0	24.1	10.4	
Serbia	23.7	2,420	27.7	30.9	41.0	0.5	
Turkey	13.8	2,329	26.3	26.1	41.9	5.7	

Preliminary data: DE, GR, ES, IT, LV, LT, SI, SK, SE, UK, TR

: the datum is not available

Source: Eurostat ESSPROS, data extracted on 2 June 2017

Table 32 Pensions Expenditure and Pensions Expenditure Structure, 2014

	Total pensions									
		penditure			P	ensions st	ructure by	category (	<b>%</b> )	
Area	in € per inhabitant (at constant 2010 prices)	in PPS per inhabitan t	as % of GDP	old-age pension	anticipated old-age pension	partial pension	disability pension	early retirement due to reduced work capacity	survivor 's pension	early retirement due to labour market reasons
EU28	3,319	3,549		76.4	3.6	0.0	5.9	2.0	11.9	0.3
EU15	3,912	3,905		76.6		0.0	5.7	2.1	11.9	0.3
EA19	3,839	3,986	13.5	74.1	3.9	0.0	5.3	2.2	14.1	0.4
Belgium	4,189	4,105	12.5	68.1	0.0	0.0	14.0	0.0	14.8	3.1
Bulgaria	492	1,207	8.8	796.9	10.3	0.0	9.2	0.0	3.7	0.0
the Czech Republic	1,377	2,286	9.0	80.6	1.9	0.0	10.1	0.1	7.2	0.0
Denmark	6,273	4,711	14.0	62.8	6.2	0.0	0.1	15.1	15.7	0.0
Germany	4,014	4,196	11.8	72.5	3.5	0.0	1.4	6.5	15.7	0.4
Estonia	1,005	1,638	7.6	62.8	21.2	0.0	15.3	0.0	0.8	0.0
Ireland	2,563	2,148	6.4	76.8	0.6	0.0	16.0	0.0	6.4	0.2
Greece	2,882	3,272	17.1	77.9	0.0	0.0	7.1	0.0	14.6	0.3
Spain	2,718	3,058	12.8	63.0	6.9	0.0	10.9	0.0	19.1	0.1
France	4,744	4,629	15.2	81.2	0.0	0.0	7.4	0.1	11.1	0.2
Croatia	1,101	1,790	11.0	51.9	12.5	0.0	17.6	0.0	17.9	0.0
Italy	4,171	4,319	16.5	70.6	8.5	0.0	1.6	2.6	16.2	0.4
Cyprus	2,093	2,359	10.5	82.9	0.3	0.0	3.3	0.0	13.5	0.0
Latvia	830	1,414	7.9	86.0	2.4	0.0	10.0	0.0	1.6	0.0
Lithuania	800	1,512	7.0	78.4	3.7	0.0	13.0	0.0	4.9	0.0
Luxembourg	7,658	6,162	9.4	49.2	21.1	0.0	8.7	0.0	19.2	1.8
Hungary	956	1,794	9.0	81.5	5.6	0.0	0.0	0.0	12.9	0.0
Malta	1,538	2,026	8.3	77.5	0.0	0.0	5.2	0.0	16.7	0.6
the Netherlands	4,251	4,010	11.5	86.6	2.0	0.0	1.0	0.0	10.4	0.0
Austria	5,259	5,301	14.9	73.4	5.8	0.0	8.6	0.0	12.1	0.1
Poland	1,227	2,418	11.8	67.1	9.1	0.0	8.8	0.1	14.7	0.2
Portugal	2,519	3,218	15.6	73.6	3.2	0.0	11.1	0.0	11.8	0.3
Romania	582	1,310	8.2	83.3	0.4	1.3	4.0	4.3	6.5	0.0
Slovenia	1,980	2,529	11.2	59.6	23.8	0.1	4.6	0.0	11.9	0.0
Slovakia	1,125	1,935	8.7	73.2	3.0	0.0	12.0	0.0	10.3	1.6
Finland	4,539	4,085	13.4	73.1	4.6	0.6	12.3	0.0	6.4	0.0
Sweden	4,602	3,814	11.5	80.9	5.4	0.0	10.4	0.0	3.2	0.0
the United Kingdom	3,431	3,209	11.3	91.0	0.0	0.0	8.2	0.0	0.8	0.0
Iceland	2,947	2,891	9.0	62.3	0.0	0.0	31.4	0.0	6.3	0.0
Norway	6,445	4,271	9.3	71.2	1.9	0.0	24.2	0.0	2.6	0.0
Switzerland	6,789	4,919		73.3	4.1	0.0	12.9	0.0	9.6	0.0
Serbia	552	1,337		75.5	0.0	0.0	7.7	0.0	16.3	0.5
Turkey	720			77.7	0.0	0.0	3.0	0.0	19.4	0.0

Preliminary data: DE, GR, ES, IT, LV, LT, SI, SK, SE, UK, TR

: the datum is not available

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

Table 33 Number of Pensioners by Sex\*, Indices 2014/2013 and 2014/2006

Area	Number	r of pensior	ners*	Index	Index	Pension beneficiaries
11101	total*(persons)	males (%)	females(%)	2014/2013	2014/2006	in population (%)
Belgium	2,741,377	48.7	51.3	101.3	119.3	24.4
Bulgaria	2,181,524	42.1	57.9	99.7	96.0	30.3
the Czech Republic	2,920,859	41.0	59.0	100.2	106.7	27.7
Denmark	1,475,665	•	•	100.0	119.2	26.1
Germany	23,508,555	44.3	55.7	100.2	101.2	29.0
Estonia	414,055	39.1	60.9	100.2	108.6	31.5
Ireland	906,112:	50.2	49.8	102.1	132.6	19.6
Greece	2,685,858	46.9	53.1	100.9	106.3	24.7
Spain	9,374,301	51.0	49.0	101.3	112.5	20.2
France	18,853,000	46.1	53.9	101.3	110.1	28.4
Croatia	1,223,738	45.6	54.4	100.5	:	29.0
Italy	16,118,579	47.2	52.8	99.2	97.4	26.5
Cyprus	133,875	52.6	47.4	102.4	128.2	15.8
Latvia	598,299	37.5	62.5	99.3	100.1	30.1
Lithuania	944,851	38.5	61.5	100.0	102.5	32.3
Luxembourg	167,932	55.5	44.5	103.7	129.3	29.8
Hungary	2,190,106	36.7	63.3	98.6	:	22.2
Malta	84,724	56.7	43.3	100.1	118.0	19.7
the Netherlands	3,474,200	45.5	54.5	101.8	110.7	20.6
Austria	2,421,351	45.5	54.5	100.0	107.6	28.2
Poland	:	:	:	:	:	:
Portugal	3,014,080	44.7	55.3	99.3	104.4	29.1
Romania	5,345,820	42.2	57.8	99.2	92.5	26.9
Slovenia	636,945	44.9	55.1	100.9	110.4	30.9
Slovakia	1,413,483	41.1	58.9	102.3	111.5	26.1
Finland	1,525,317	44.5	55.5	100.8	111.2	27.9
Sweden	2,625,737	46.1	53.9	101.5	107.0	26.9
the United	15 500 400	40.0		101.0		24.0
Kingdom	15,598,400	43.0	57.0	101.0	:	24.0
Iceland	64,453	44.1	55.9	103.0	:	19.6
Norway	1,290,949	:	:	104.6	121.2	25.0
Switzerland Serbia	2,993,800	44.3	55.7	101.5	115.8	36.3
Turkey	1,708,249	42.8	56.9	100.8	124 6	24.0
rurkey	12,009,136	58.3	41.7	101.9	134.6	15.5

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

Preliminary data: GR, UK, CH; estimate DK, RS, TR

<sup>\*</sup> Number of pensioners without double counting

<sup>: -</sup> the datum is not available

Table 34 Taxes and Social Contributions Paid from Social Benefits, 2014

	Social protec	tion expenditure	Social benefits			
Area	Gross expenditure (% GDP)	Net expenditure (% GDP)	% benefits subject to taxation	% of benefits subject to social contributions	Efficient taxation/contributions payment burden	
Belgium	30.26	28.12	57.13	40.13	7.35	
Bulgaria	18.52	18.52	:	0.43	0.03	
the Czech Republic	19.66	19.60	1.64	0.93	0.31	
Denmark	32.87	27.84	56.61	:	15.9	
Germany	29.06	26.67	51.13	48.05	8.62	
Estonia	15.13	14.79	62.86	0.45	2.24	
Ireland	:	:		:	:	
Greece	25.97	24.47	74.04	67.94	5.88	
Spain	25.37	23.96	57.02	8.88	5.68	
France	34.31	32.46	60.00	36.03	5.72	
Croatia	21.61	21.23	54.45	54.45	1.37	
Italy	29.96	26.42	65.07	0.67	12.28	
Cyprus	22.98	21.80	39.61	:	5.31	
Latvia	14.48	14.01	58.43	2.05	3.28	
Lithuania	14.73	14.52	8.31	8.31	1.50	
Luxembourg	22.73	21.46	57.72	58.35	8.96	
Hungary	19.94	19.74	5.21	4.15	1.01	
Malta	18.22	17.86	51.76	:	2.03	
the Netherlands	30.95	25.04	59.71	59.71	20.41	
Austria	30.04	26.91	53.19	53.75	10.68	
Poland	:	:	:	:	:	
Portugal	26.86	24.85	61.47	61.47	7.90	
Romania	14.75	14.54	56.38	:	1.46	
Slovenia	24.08	23.77	56.38	:	1.31	
Slovakia	18.49	18.44	1.75	0.89	0.28	
Finland	31.9	28.54	57.2	57.18	10.82	
Sweden	29.55	26.21	50.05	:	11.54	
the United Kingdom	27.42	26.44	41.08	3.40	3.6	
Iceland	23.88	21.30	52.57	10.33	10.90	
Norway	25.96	23.61	54.48	:	9.22	
Switzerland	27.06	23.76	63.18	59.68	13.53	
Serbia	23.62	23.15	5.79	5.31	2.01	
Turkey	12.09	12.08	0.36	0.36	0.10	

Source: Eurostat – ESSPROS, data extracted on 2 June 2017

: - the datum is not available

Table 35a OP HR National Projects Announced by the End of 2016

Call	Title	Recipient
Priority axis 2		
OP HR NP 2015/2.1.1/03	Graduate Practice Starts Employment	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/2.1.1/01	By Practice to Employment	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/2.1.1/04	Successfully in the Labour Market	Central Office of Labour, Social Affairs and Family
Priority axis 3		
OP HR NP 2015/3.1.1/02	Support for the Employment of Job Seekers through Selected Active Labour Market Measures	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/3.1.1/03	Support for the Employment of Disabled Citizens	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/3.2.1/01	Childcare Allowance (More Developed Regions)	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/3.1.1/04	Chance of Employment	Central Office of Labour, Social Affairs and Family
OP HR NP 2016/3.2.1/01	Childcare Allowance (Less Developed Regions)	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/3.1.1/06	We Want to Be Active in the Labour Market (50+)	Central Office of Labour, Social Affairs and Family
OP HR NP 2015/3.1.1/05	The Way out of the Circle of Unemployment	Central Office of Labour, Social Affairs and Family
OP HR NP 2016/3.1.1/01	Involvement of the Unemployed in the Restoration of Cultural Heritage	Central Office of Labour, Social Affairs and Family
OP HR NP 2016/3.3.1/01	Centre for Social Dialogue 2	Implementation Agency of MoLSAF
OP HR NP 2016/3.1.1/01	We Are Looking for a Job Together	Central Office of Labour, Social Affairs and Family
OP HR NP 2016/3.1.1/02	Support for the Employment of Job Seekers through Selected Active Labour Market Measures - 2	Central Office of Labour, Social Affairs and Family
OP HR NP 2016/3.1.1/03	Placement of the Long-term Unemployed Citizens in the Labour Market Using Non-state Employment Services	Central Office of Labour, Social Affairs and Family

Call	Title	Recipient
Priority axis 4		
OP HR NP 2015/4.1.1/01	Support for the Development of Social Work in the Family Environment	Central Office of Labour, Social Affairs
OI IIK NI 2013/4.1.1/01	of Clients in the Area of Social Affairs and Family	and Family
OP HR NP 2015/4.1.1/03	Support for Selected Social Services of Crisis Intervention at the Community Level	Implementation Agency of MoLSAF
OP HR NP 2015/4.1.1/02	Field Social Work in Municipalities I	Implementation Agency of MoLSAF
OP HR NP 2015/4.2.1/01	Support for Home-care Service - Phase I	Implementation Agency of MoLSAF
OP HR NP 2015/4.2.1/02	Support for the Deinstitutionalisation of Substitute Care	Central Office of Labour, Social Affairs and Family

Source: Managing Authority, ITMS

Table 35b OP HR Demand-driven Projects Announced by the End of 2016

Call	Title	Recipient
Priority axis 2		
OP HR DOP 2016/2.1.1/02	New or Innovative Programmes to Improve Self-employment of Young People	Implementation Agency of MoLSAF
OP HR DOP 2016/2.1.1/01	Support for the Entry of Selected Groups of Young People into the Labour Market	Implementation Agency of MoLSAF
Priority axis 3		
Priority axis 4		
OP HR DOP 2016/4.2.1/01	Support for the Implementation of SLPC&SG Measures in the Open Environment and Streamlining the Social Reintegration of Drug and Other Addicts	Implementation Agency of MoLSAF

Source: Managing Authority, ITMS

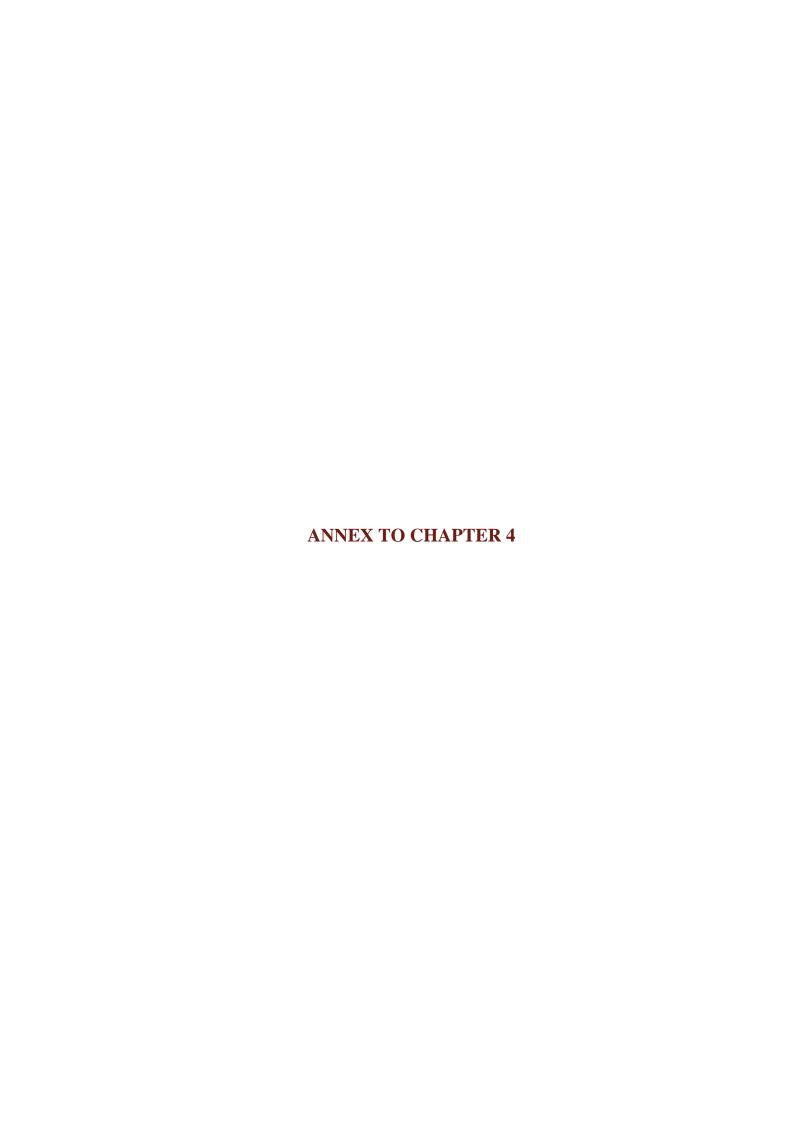
Table 36 Spending in the Budget Section 22 – MoLSAF, by Programme Budgeting

Code of programme	Title of programme	Approved budget	Adjusted budget	Actual spending as of 31/12/2016	%
07C	Social inclusion	1,803,672,105	1,745,679,895	1,737,698,115	99.5
07C0A	Support of social services	77,381,760	83,281,760	82,214,605	98.7
07C0B	OP of European Aid to the Most Deprived	7,298,091	7,693,309	7,693,309	100.0
07C0B01	Social inclusion of the most deprived	7,298,091	7,693,309	7,693,309	100.0
07C01	Material Need Assistance	271,618,288	205,440,252	202,687,927	98.7
07C0101	Material need allowance	246,672,055	184,501,651	183,004,863	99.2
07C0102	- Subsidy for the special recipient	185,000	174,551	163,247	93.5
07C0103	- Subsidy for support of eating habits	12,478,000	10,312,229	9,453,614	91.7
07C0104	- Subsidy to support school performance	2,700,000	2,266,008	2,126,364	93.8
07C0106	- Substitute child maintenance	9,583,233	8,185,813	7,939,839	97.0
07C02	Support of Families	956,939,810	952,532,371	950,487,822	99.8
07C0201	- Child allowance	312,250,284	313,488,542	312,926,339	99.8
07C0202	- Parental allowance	361,310,375	353,246,756	352,444,107	99.8
07C0206	Other benefits to support family	46,550,000	48,129,021	47,860,930	99.4
07C020A	State-paid social contributions for persons caring for a child	233,096,292	231,496,292	231,496,292	100.0
07C020B	- Childcare allowance	3,732,859	6,171,760	5,760,154	93.3
07C03	Compensation of Social Consequences of Severe Health Disability	238,834,215	228,729,263	226,728,616	99.1
07C04	Initiatives in the Area of Social Inclusion	3,109,702	3,174,885	3,162,691	99.6
07C040A	- Other initiatives	3,109,702	2,994,702	2,982,508	99.6
07C040G	<ul> <li>Providing evaluation and implementation of horizontal priority Equal Opportunities – MTCRD SR</li> </ul>	0	180,183	180,183	100.0
07C05	Caring for Vulnerable Children	89,077,285	90,574,623	90,469,713	99.9
07C0501	- Substitute family care	14,071,058	13,684,058	13,306,168	97.2
07C0502	- Institutional care in state children's homes	61,715,927	64,336,497	64,645,428	100.5
07C0503	- Institutional care in private facilities	12,090,300	11,511,185	11,476,675	99.7
07C0504	- Prevention and remediation (NGO)	1,200,000	1,042,883	1,041,442	99.9
07C06	Unsystematic Social Insurance Benefits	88,112,954	85,812,954	85,812,954	100.0
07C07	Christmas Allowance for Pensioners	71,300,000	81,300,000	81,300,000	100.0

Code of programme	Title of programme	Approved budget	Adjusted budget	Actual spending as of 31/12/2016	%
07C08	Support of Social Inclusion	0	7,140,478	7,140,478	100.0
07C0801	- Support of social inclusion of people in danger of social exclusion or socially excluded through development of care services with special regard to marginalised Roma communities - measure 2.1	0	3,062,573	3,062,573	100.0
07C0802	— Support of equal opportunities in access to the labour market and support of integration of disadvantaged groups to the labour market with special regard to marginalised communities — measure 2.2	0	1,269,613	1,269,613	100.0
07C0802	- Promoting the reconciliation of work and family life — measure 2.3	0	2,808,292	2,808,292	100.0
07C0803	Creation and Implementation of Policies	149,732,861	187,157,173	187,562,691	100.0
07E03	Management, Conceptual and Research Activities	22,991,961	25,773,361	26,098,426	101.3
07E03	- Apparatus of the Ministry	22,991,961	25,773,361	26,098,426	101.3
07120301	Execution of State Administration in Social Affairs, Family, Labour and	22,771,701	23,773,301	20,070,420	101.5
07E04	Employment	125,018,302	160,064,319	160,144,796	100.1
07E0401	- Specialised state administration	113,003,584	147,558,252	147,604,934	100.0
07E0402	- Other state administration	12,014,718	12,506,067	12,539,862	100.3
07E05	Implementation of Projects	1,722,598	1,319,493	1,319,469	100.0
07E0501	Implementing Agency	1,722,598	1,319,493	1,319,469	100.0
	Inter-ministerial Programmes and Subprogrammes, in which the Section Participates and Coordinates	195,935,124	241,543,452	236,410,195	97.9
06G	Human Resources	33,356,887	63,650,445	58,517,278	91.9
06G04	Active Labour Market Policies and Increasing Employment – MoLSAF	24,744,896	55,038,454	55,136,133	100.2
06G0404	- National programmes for development of ALMP and increasing employment	8,611,991	8,611,991	3,381,145	39.3
06G040J	- Individual state aid	162,578,237	135,122,366	135,122,276	100.0
06G1S	OP Human Resources 2014 - 2020 - MoLSAF	64,960,589	97,409,018	97,409,018	100.0
06G1S01	Employment	22,647,059	24,116,657	24,116,592	100.0
06G1S02	Social inclusion	9,676,471	4,463,063	4,463,038	100.0
06G1S03	Technical assistance	65,294,118	9,133,628	9,133,628	100.0
06G1S04	Youth employment initiative	195,935,124	241,543,452	236,410,195	97.9
06G15	Supporting Employment Growth	0	38,083,967	38,083,967	100.0
06G1501	- Supporting programmes to encourage employment and solve unemployment and long-term unemployment - measure 1.1	0	37,085,770	37,085,770	100.0

Code of programme	Title of programme	Approved budget	Adjusted budget	Actual spending as of 31/12/2016	%
	- Support of creation and retention of jobs through increasing adaptability of workers,				
06G1502	enterprises and business support — measure 1.2	0	998,197	998,197	100.0
06G16	Support of Employment, Social Inclusion and Capacity Building in Bratislava Self-governing Region	0	2,123,142	2,123,142	100.0
	- Supporting employment growth and improving employability with special regard to				
06G1601	knowledge-based society — measure 3.1	0	1,818,419	1,818,419	100.0
	- Supporting social inclusion, gender equality and reconciliation of work and family life				
06G1602	in Bratislava Self-governing Region — measure 3.2	0	196,266	196,266	100.0
	- Capacity building and quality improvement of public administration in Bratislava Self-				
06G1603	governing Region – measure 3.3	0	79,637	79,637	100.0
06G1604	Technical Assistance for Bratislava Self-governing Region – measure 3.4	0	28,820	28,820	100.0
06G17	Capacity Building and Quality Improvement of Public Administration	0	1,646,345	1,646,345	100.0
06G1701	- Improving the quality of services provided to public administration and non-profit organisations - measure 4.1	0	1,435,191	1,435,191	100.0
06G1702	- Introduction of quality management systems in public administration and for NGOs in the field of employment and social policy – measure 4.2	0	211,154	211,154	100.0
06G18	Technical assistance	0	917,187	917,187	100.0
06G1801	- Technical assistance - measure 5.1	0	917,187	917,187	100.0
	Subprogrammes which the Section Deals with as a Participant in an Interministerial Programme				
06Н09	Economic mobilisation – MoLSAF	45,189	45,182	45,136	99.9
09706	Contributions of SR to International Organisations – MoLSAF	675,367	675,367	613,260	90.8
	Electronisation of Public Administration and Development of Electronic		,	,	
0A909	Services at the Central Level MF SR – MoLSAF	0	1,425,701	1,425,701	100.0
	MoLSAF – Drug Policy (responsible the Government Office of the Slovak		, ,	, ,	
0AR05	Republic)	50,000	65,000	62,078	95.5
0D40A	SK PRES 2016 – MoLSAF	0	364,807	295,975	81.1
	Total expenditure for the section	2,150,110,646	2,176,956,577	2,164,113,151	99.4

Source: MoLSAF, Draft of state final account



**Table 1 List of Selected Indicators of Social Inclusion (2014 – 2015)** 

Tudiadan		2014			2015		I	Difference	
Indicator	Total	Males	Females	Total	Males	Females	Total	Males	Females
Primary indicators									
At-risk-of-poverty or social exclusion rate (entire population)	18.4	18.1	18.7	18.4	18.1	18.6	0.0	0.0	-0.1
Impact of social transfers to reduce the risk of poverty (excluding pensions)	35.7	34.2	36.7	35.3	35.3	35.8	-0.5	1.1	-0.9
Impact of social transfers to reduce the risk of poverty (including pensions)	66.8	64.3	68.7	67.7	65.7	69.5	0.9	1.4	0.9
At-risk-of-poverty rate (entire population)	12.6	12.7	12.6	12.3	12.1	12.4	-0.3	-0.6	-0.2
At-risk-of-poverty rate (aged 0-5 years)	17.0	14.7	19.1	16.3	12.3	20.2	-0.7	-2.4	1.1
At-risk-of-poverty rate (aged 6-11 years)	20.0	18.3	21.9	23.0	23.0	23.1	3.0	4.7	1.2
At-risk-of-poverty rate (aged 12-17 years)	20.8	23.0	18.4	20.5	18.1	22.9	-0.3	-4.9	4.5
At-risk-of-poverty rate (aged 0-17 years)	19.2	18.7	19.8	20.1	18.1	22.1	0.9	-0.6	2.3
At-risk-of-poverty rate (aged 18-24 years)	14.7	14.0	15.4	12.8	12.0	13.6	-1.9	-2.0	-1.8
At-risk-of-poverty rate (aged 25-54 years)	12.1	12.3	12.0	11.7	11.9	11.5	-0.4	-0.4	-0.5
At-risk-of-poverty rate (aged 55-64 years)	11.2	12.3	10.0	10.2	11.6	8.9	-1.0	-0.7	-1.1
At-risk-of-poverty rate (aged 18-64 years)	12.3	12.5	12.0	11.6	11.9	11.3	-0.7	-0.6	-0.7
At-risk-of-poverty rate (65 years and over)	6.2	4.1	7.5	5.6	3.4	7.0	-0.6	-0.7	-0.5
At-risk-of-poverty threshold – single person household (€)		4,086			4,158			72	
At-risk-of-poverty threshold – single person household (PPS)		5,883			6,132			249	
At-risk-of-poverty threshold – household with 2 adults and 2 children (€)		8,580			8,732			152	
At-risk-of-poverty threshold – household with 2 adults and 2 children (PPS)		12,355			12,877			522	
Persistent at-risk-of-poverty rate (entire population)	9.8	10.3	9.4	7.4	7.2	7.7	-2.4	-3.1	-1.7
Persistent at-risk-of-poverty rate (aged 0-17 years)	16.2	15.7	16.8	14.6	13.1	16.0	-1.6	-2.6	-0.8
Persistent at-risk-of-poverty rate (aged 18-64 years)	9.7	10.5	8.8	6.8	6.9	6.7	-2.9	-3.6	-2.1
Persistent at-risk-of-poverty rate (aged 65+ years)	4.7	1.6	6.6	3.3	1.6	4.5	-1.4	0.0	-2.1
Relative median at-risk-of-poverty gap (entire population)	29.0	30.7	26.1	28.9	32.6	25.5	-0.1	1.9	-0.6
Relative median at-risk-of-poverty gap (aged 0-5 years)	32.1	31.9	32.4	24.3	33.8	22.6	-7.8	1.9	-9.8
Relative median at-risk-of-poverty gap (aged 6-11 years)	34.8	36.3	32.9	27.2	22.6	33.8	-7.6	-13.7	0.9
Relative median at-risk-of-poverty gap (aged 12-17 years)	31.8	31.9	23.2	40.1	36.0	42.6	8.3	4.1	19.4
Relative median at-risk-of-poverty gap (aged 0-17 years)	31.9	32.7	31.9	29.9	27.5	33.3	-2.0	-5.2	1.4
Relative median at-risk-of-poverty gap (aged 18-64 years)	29.5	30.5	29.0	31.3	34.0	28.7	1.8	3.5	-0.3
Relative median at-risk-of-poverty gap (aged 65+ years)	10.5	10,6(u)	10.5	10.4	14,0(u)	9.8	-0.1	3.4	-0.7
Long-term unemployment rate	9.3	9.4	9.1	7.6	6.9	8.3	-1.7	-2.5	-0.8
Population living in households with very low work intensity (aged 0-59 years)	7.1	7.2	7.0	7.1	7.4	6.9	0.0	0.2	-0.1

T 11 /		2014			2015		I	Difference	;
Indicator	Total	Males	Females	Total	Males	Females	Total	Males	Females
Population living in households with very low work intensity	7.9	6.5	9.2	7.0	5.9	8.2	-0.9	-0.6	-1.0
(aged 0-5 years)  Population living in households with very low work intensity									
(aged 6-11 years)	9.3	9.2	9.3	9.4	8.4	10.5	0.1	-0.8	1.2
Population living in households with very low work intensity (aged 12-17 years)	6.9	7.2	6.7	7.5	5.8	9.3	0.6	-1.4	2.6
Population living in households with very low work intensity (aged 0-17 years)	8.1	7.7	8.4	8.0	6.7	9.3	-0.1	-1.0	0.9
Population living in households with very low work intensity (aged 18-59 years)	6.9	7.1	6.6	6.9	7.5	6.2	0.0	0.4	-0.4
Children living in jobless households (aged 0-17 years)	10.1	:	:	9.3	:	:	-0.8	:	:
Children living in jobless households (aged 18-59 years)	8.4	8.1	8.7	7.5	7.5	7.5	-0.9	-0.6	-1.2
Early school leavers not in education or training	6.7(b)	6.9(b)	6.6(b)	6.9	6.9	6.8	0.2	0.0	0.2
Severe material deprivation (entire population)	9.9	9.7	10.0	9.0	8.9	9.1	-0.9	-0.8	-0.9
Material deprivation rate (entire population)	22,2	21.6	22.7	20.3	19.4	21.2	-1.9	-2.2	-1.5
Material deprivation rate (aged 0-5 years)	22.7	21.0	24.2	18.3	17.5	19.1	-4.4	-3.5	-5.1
Material deprivation rate (aged 6-11 years)	26.4	27.7	25.0	24.1	24.6	23.6	-2.3	-3.1	-1.4
Material deprivation rate (aged 12-17 years)	25.2	27.7	22.3	24.1	22.5	25.8	-1.1	-5.2	3.5
Material deprivation rate (aged 0-17 years)	24.8	25.6	23.8	22.3	21.7	22.9	-2.5	-3.9	-0.9
Material deprivation rate (aged 18-64 years)	20.7	20.6	20.8	18.8	18.6	19.1	-1.9	-2.0	-1.7
Material deprivation rate (aged 65+ years)	25.4	20.4	28.6	25.0	20.8	27.6	-0.4	0.4	-1.0
Secondary indicators									
At-risk-of-poverty rate by household type:									
one adult aged <65 years	20.4	:	:	21.2	:	:	0.8	:	:
one adult aged 65 + years	11.1	:	:	9.4	:	:	-1.7	:	:
one adult	15.7	20.6	13.3	15.0	20.7	12.0	-0.7	0.1	-1.3
two adults household, at least one aged 65 + years	4.9	:	:	4.5	:	:	-0.4	:	:
two adults, both aged <65 years	9.9	:	:	9.0	:	:	-0.9	:	:
single parent with at least one child	30.6	:	:	29.9	:	:	-0.7	:	:
two adults with one dependent child	13.2	:	:	9.2	:	:	-4.0	:	:
two adults with two dependent children	11.4	:	:	14.7	:	:	3.3	:	:
two adults with 3+ dependent children	28.4	:	:	32.9	:	:	4.5	:	:
three or more adults with dependent children	14.9	:	:	13.9	:	:	-1.0	:	:
households with dependent children	16.0	:	:	15.7	:	:	-0.3	:	:

Indicator		2014			2015		I	Difference	
indicator	Total	Males	Females	Total	Males	Females	Total	Males	Females
households without dependent children	8.6	:	:	7.9	:	:	-0.7	:	:
At-risk-of-poverty rate by work intensity of households									
households without children – low work intensity (0.2 - 0.45)	33.0	:	:	27.0	:	:	-6.0	:	:
households without children – medium work intensity (0.45 - 0.55)	16.5	:	:	7.9	:	:	-8.6	:	:
households without children – high work intensity (0.55 - 0.85)	3.4	:	:	3.3	:	:	-0.1	:	:
households without children – very high work intensity (0.85 - 1)	1.6	:	:	2.6	:	:	1.0	:	:
households with children – low work intensity (0.2 - 0.45)	40.4	:	:	38.1	:	:	-2.3	:	:
households with children – medium work intensity (0.45 - 0.55)	19.2	:	:	22.1	:	:	2.9	:	:
households with children – high work intensity (0.55 - 0.85)	7.4	:	:	8.8	:	:	1.4	:	:
households with children – very high work intensity (0.85 - 1)	4.6	:	:	4.8	:	:	0.2	:	:
At-risk-of-poverty rate by the most frequent activity status (aged 18+ year	·s)	•	•						
unemployed	48.7	53.6	43.7	45.4	48.5	41.8	-3.3	-5.1	-1.9
employed	5.7	6.1	5.3	6.1	6.6	5.5	0.4	0.5	0.2
retired	6.7	5.3	7.5	7.8	6.9	8.3	1.1	1.6	0.8
other inactive persons	16.7	14.7	17.9	15.8	14.2	16.7	-0.9	-0.5	-1.2
At-risk-of-poverty rate by accommodation tenure status	•		-	•	•			•	•
owner or accommodation provided for free	11.6	11.6	11.6	11.4	11.0	11.7	-0.2	-0.6	0.1
tenant	24.1	25.0	23.3	20.5	22.0	19.0	-3.6	-3.0	-4.3
Dispersion around the at-risk-of-poverty threshold – 40 % national median	5.1	5.5	4.8	5.7	6.0	5.4	0.6	0.5	0.6
equivalised disposable income (NMEDI)									<u> </u>
Dispersion around the at-risk-of-poverty threshold – 50 % national median equivalised disposable income (NMEDI)	8.4	8.7	8.1	8.4	8.7	8.2	0.0	0.0	0.1
Dispersion around the at-risk-of-poverty threshold – 70 % national median equivalised disposable income (NMEDI)	19.7	19.3	20.0	18.8	18.0	19.5	-0.9	-1.3	-0.5
At-risk-of-poverty rate of children living in working households	7.0	7.0	7.0	6.5	4.9	8.1	-0.5	-2.1	1.1
Population with low education level (aged 25-39 years)	93.3(b)	48.4(b)	44.9(b)	90.2	46.2	44.0	-3.1	-2.2	-0.9
Population with low education level (aged 40-59 years)	134.6(b)	54.9(b)	79.7(b)	122.9	50.4	72.4	-11.7	-4.5	-7.3
Population with low education level (aged 55-64 years)	113.4(b)	39.4(b)	74.0(b)	105.8	34.6	71.2	-7.6	-4.8	-2.8
Population with low education level (aged 25-64 years)	286.9(b)	121.9(b)	165.0(b)	273.4	114.9	158.5	-13.5	-7.0	-6.5
Depth of material deprivation	3.7	3.8	3.7	3.7	3.8	3.7	0.0	0.0	0.0
Housing cost overburden rate (entire population)	9.0	8.7	9.3	9.1	8.5	9.6	0.1	-0.2	0.3
Housing cost overburden rate (aged 0-5 years)	13.6	12.0	15.2	12.7	10.7	14.8	-0.9	-1.3	-0.4
Housing cost overburden rate (aged 6-11 years)	13.0	11.0	15.4	12.6	11.0	14.4	-0.4	0.0	-1.0
Housing cost overburden rate (aged 12-17 years)	8.5	10.5	6.4	8.7	7.8	9.7	0.2	-2.7	3.3
Housing cost overburden rate (aged 0-17 years)	11.8	11.1	12.5	11.4	9.9	12.9	-0.4	-1.2	0.4

Indicator		2014			2015		I	Difference	
indicator	Total	Males	Females	Total	Males	Females	Total	Males	Females
Housing cost overburden rate (aged 18-24 years)	6.1	5.9	6.4	7.1	6.2	8.1	1.0	0.3	1.7
Housing cost overburden rate (aged 25-29 years)	7.4	6.9	8.0	8.2	7.5	8.9	0.8	0.6	0.9
Housing cost overburden rate (aged 18-64 years)	8.5	8.4	8.5	8.7	8.6	8.8	0.2	0.2	0.3
Housing cost overburden rate (aged 65+ years)	8.0	6.0	9.2	8.1	5.5	9.8	0.1	-0.5	0.6
Housing cost overburden rate – poor	36.4	36.5	36.3	34.5	33.4	35.6	-1.9	-3.1	-0.7
Housing cost overburden rate – not poor	5.1	4.6	5.5	5.5	5.1	6.0	0.4	0.5	0.5
Housing cost overburden rate (I. quintile)	27.8	:	:	26.7	:	:	-1.1	:	:
Housing cost overburden rate (II. quintile)	7.8	:	:	8.4	:	:	0.6	:	:
Housing cost overburden rate (III. quintile)	5.7	:	:	6.0	:	:	0.3	:	:
Housing cost overburden rate (IV. quintile)	2.8	:	:	3.2	:	:	0.4	:	:
Housing cost overburden rate (V. quintile)	1.1	:	:	1.1	:	:	0.0	:	:
Housing cost overburden rate by accommodation tenure status									
owner, with a mortgage or housing loans	26.2	:	:	30.9	:	:	4.7	:	:
owner, without a mortgage or housing loans	6.1	:	:	6.0	:	:	-0.1	:	:
tenant, lease at market price	14.9	:	:	8.4	:	:	-6.5	:	:
tenant, lease at a reduced price or for free	6.5	:	:	9.1	:	:	2.6	:	:
Housing cost overburden rate by degree of urbanisation									
densely populated area	10.8	:	:	12.1	:	:	1.3	:	:
moderately populated area	8.0	:	:	8.6	:	:	0.6	:	:
sparsely populated area	8.8	:	:	7.8	:	:	-1.0	:	:
Housing cost overburden rate by household type									
one adult aged <65 years	27.9	:	:	26.6	:	:	-1.3	:	:
one adult aged 65 + years	18.0	:	:	17.6	:	:	-0.4	:	:
one adult	22.9	27.8	20.4	22.0	25.9	19.8	-0.9	-1.9	-0.6
two adults household, at least one aged 65 + years	5.0	:	:	5.0	:	:	0.0	:	:
two adults, both aged <65 years	10.3	:	:	11.7	:	:	1.4	:	:
single parent with at least one child	19.1	:	:	29.6	:	:	10.5	:	:
two adults with one dependent child	17.1	:	:	14.5	:	:	-2.6	:	:
two adults with two dependent children	10.6	:	:	12.5	:	:	1.9	:	:
two adults with 3+ dependent children	12.1	:	:	7.4	:	:	-4.7	:	:
three or more adults with dependent children	3.8	:	:	8.8	:	:	5.0	:	:
households with dependent children	9.5	:	:	9.5	:	:	0.0	:	:
households without dependent children	8.5	:	:	8.6	:	:	0.1	:	:

Indicator		2014			2015		I	Difference	;
indicator	Total	Males	Females	Total	Males	Females	Total	Males	Females
Overcrowding rate (entire population)	38.6	38.5	38.6	37.8	38.3	37.3	-0.8	-0.2	-1.3
Overcrowding rate (aged 0-5 years)	45.0	42.1	47.6	39.9	40.6	39.1	-5.1	-1.5	-8.5
Overcrowding rate (aged 6-11 years)	50.6	48.4	53.2	50.8	50.8	50.8	0.2	2.4	-2.4
Overcrowding rate (aged 12-17 years)	59.5	61.0	57.9	60.0	60.0	59.7	0.5	-1.0	1.8
Overcrowding rate (aged 0-17 years)	51.6	50.6	52.6	50.5	50.9	50.1	-1.1	0.3	-2.5
Overcrowding rate (aged 18-64 years)	40.0	39.7	40.3	38.9	39.0	38.8	-1.1	-0.7	-1.5
Overcrowding rate (aged 65+ years)	15.7	11.2	18.5	15.8	11.8	18.2	0.1	0.6	-0.3
Overcrowding rate – under poverty threshold	58.2	58.5	58.0	57.6	56.8	58.0	-0.6	-1.7	0.0
Overcrowding rate – over poverty threshold	35.7	35.6	35.8	35.0	35.8	34.3	-0.7	0.2	-1.5
Overcrowding rate by accommodation tenure status	•	•	-						•
owner, with a mortgage or housing loans	32.5	:	:	30.2	:	:	-2.3	:	:
owner, without a mortgage or housing loans	36.3	:	:	35.7	:	:	-0.6	:	
tenant, lease at market price	65.3	:	:	61.6	:	:	-3.7	:	
tenant, lease at a reduced price or for free	58.9	:	:	56.9	:	:	-2.0	:	
Overcrowding rate by degree of urbanisation									•
densely populated area	39.5	:	:	36.0	:	:	-3.5	:	:
moderately populated area	46.2	:	:	45.9	:	:	-0.3	:	:
sparsely populated area	31.5	:	:	32.0	:	:	0.5	:	:
Overcrowding rate by household type									
one adult aged <65 years	23.6	:	:	26.7	:	:	3.1	:	:
one adult aged 65 + years	14.5	:	:	14.8	:	:	0.3	:	:
one adult	19.0	19.2	18.9	20.5	22.6	19.4	1.5	3.4	0.5
two adults household, at least one aged 65 + years	8.8	:	:	9.6	:	:	0.8	:	:
two adults, both aged <65 years	11.6	:	:	10.9	:	:	-0.7	:	:
single parent with at least one child	60.4	:	:	65.8	:	:	5.4	:	:
two adults with one dependent child	26.9	:	:	26.4	:	:	-0.5	:	:
two adults with two dependent children	42.3	:	:	40.1	:	:	-2.2	:	:
two adults with 3+ dependent children	68.8	:	:	73.0	:	:	4.2	:	:
three or more adults with dependent children	61.0	:	:	61.2	:	:	0.2	:	:
households with dependent children	51.1	:	:	50.1	:	:	-1.0	:	:
households without dependent children	23.4	:	:	22.0	:	:	-1.4	:	:
Context indicators									
Inequality of income distribution – S80/S20 – income quintile share ratio	3.9	4.1	3.8	3.5	3.6	3.5	-0.4	-0.5	-0.3
Inequality of income distribution – Gini coefficient	26.1	:	:	23.7	:	:	-2.4	:	:
Life expectancy at birth	77.0	73.3	80.5	76.7	73.1	80.2	-0.3	-0.2	-0.3

## Report on the Social Situation of the Population of the Slovak Republic for 2016 Annex to Chapter 4

Indicator		2014			2015		l	Difference	
indicator	Total	Males	Females	Total	Males	Females	Total	Males	Females
Life expectancy at age of 65 years	17.4	15.1	19.1	17.2	15.0	18.8	-0.2	-0.1	-0.3
At-risk-of-poverty rate anchored in time (2008) – entire population	8.1	8.5	7.8	7.6	7.9	7.3	-0.5	-0.6	-0.5
At-risk-of-poverty rate anchored in time (2008) aged 0-17 years	13.2	13.3	13.1	13.0	11.8	14.2	-0.2	-1.5	1.1
At-risk-of-poverty rate anchored in time (2008) aged 18-64 years	8.2	8.4	8.0	7.4	7.9	6.9	-0.8	-0.5	-1.1
At-risk-of-poverty rate anchored in time (2008) aged 65+ years	1.5	1.2	1.7	1.3	1.0	1.5	-0.2	-0.2	-0.2
At-risk-of-poverty rate before social transfers, excluding old-age and survivors' benefits	19.6	19.3	19.9	19.0	18.7	19.3	-0.6	-0.6	-0.6
At-risk-of-poverty rate before social transfers, including old-age and survivors' benefits	38.0	35.6	40.2	38.1	35.3	40.7	0.1	-0.3	0.5
In-work poverty (aged 18+ years)	5.7	6.1	5.3	6.0	6.5	5.5	0.3	0.4	0.2
Unemployment trap	44.5	:	:	44.7	:	:	0.2	:	:
Low wage trap	26.2	:	:	29.7	:	:	3.5	:	:
Housing deprivation rate by items	-	•	•						
dwelling with a leaking roof, damp walls, floors or foundation, or rot in window frames	7.0	7.1	6.9	6.3	6.1	6.5	-0.7	-1.0	-0.4
dwelling having neither a bath, nor a shower	0.7	0.7	0.6	0.8	0.8	0.8	0.1	0.1	0.2
dwelling not having indoor flushing toilet for the sole use of their household	1.3	1.4	1.2	1.4	1.4	1.4	0.1	0.0	0.2
considering their dwelling as too dark	3.2	3.4	3.0	3.1	3.2	2.9	-0.1	-0.2	-0.1
Severe housing deprivation (entire population)	4.3	4.5	4.1	4.2	4.3	4.1	-0.1	-0.2	0.0
Severe housing deprivation (aged 0-5 years)	5.7	5.3	6.1	3.7	3.1	4.4	-2.0	-2.2	-1.7
Severe housing deprivation (aged 6-11 years)	8.9	9.1	8.8	9.3	9.9	8.6	0.4	0.8	-0.2
Severe housing deprivation (aged 12-17 years)	6.1	5.6	6.6	9.1	8.7	9.5	3.0	3.1	2.9
Severe housing deprivation (aged 0-17 years)	6.9	6.7	7.1	7.5	7.4	7.6	0.6	0.7	0.5
Severe housing deprivation (aged 18-64 years)	4.1	4.3	3.8	3.7	3.8	3.5	-0.4	-0.5	-0.3
Severe housing deprivation (aged 65+ years)	1.9	1.6	2.1	2.4	2.3	2.5	0.5	0.7	0.4
Severe housing deprivation – under poverty threshold	19.7	20.8	18.6	15.2	15.4	15.1	-4.5	-5.4	-3.5
Severe housing deprivation – over poverty threshold	2.0	2.1	2.0	2.6	2.8	2.5	0.6	0.7	0.5
Median of the housing cost burden distribution	16.4	16.0	16.6	17.1	16.7	17.5	0.7	0.7	0.9
Median of the housing cost burden distribution (aged 0-17 years)	18.8	18.9	18.5	19.6	19.4	20.0	0.8	0.5	1.5
Median of the housing cost burden distribution (aged 18-64 years)	15.5	15.2	15.7	16.1	15.7	16.5	0.6	0.5	0.8
Median of the housing cost burden distribution (aged 65+ years)	18.7	18.2	19.1	18.7	18.1	19.2	0.0	-0.1	0.1

Source: Eurostat

Explanatory notes: u – small reliability, b – break in time series

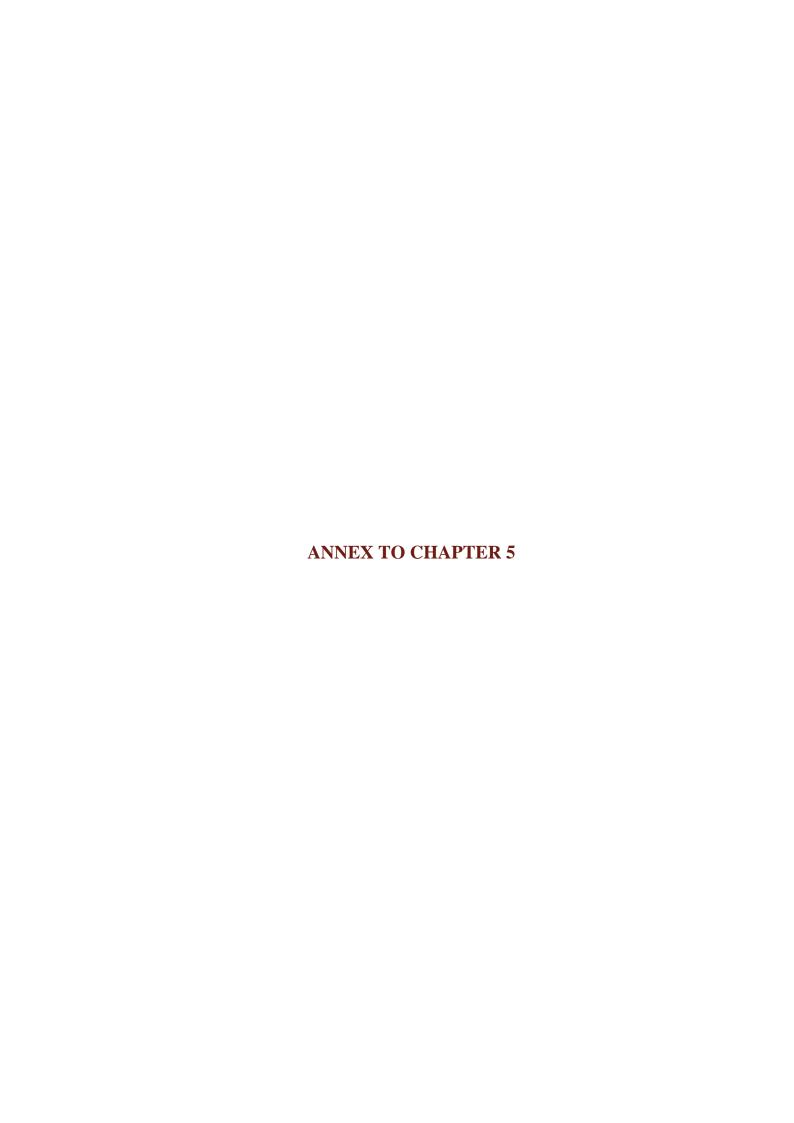


Table 1 Selected Indicators in the Context of Europe 2020 Strategy in the EU28 Countries in 2016 – Macroeconomic Environment

	eu28	be	bg	cz	dk	de	ee	ie	gr	es	fr	hr	it	сy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	fi	se	uk
GDP per capita in PPS, (EU28=100)*	100	119	47	87	127	124	75	177	68	90	106	58	96	82	64	75	264	68	88	128	128	69	77	57	83	77	109	124	108
Real GDP growth (%)	1.5	0.7	4.1	2.2	0.5	0.9	1.4	4.3	0.4	3.1	0.9	3.5	1.1	2.2	2.8	3.6	1.6	2.2	3.9	1.6	0.2	2.8	1.7	5.1	2.4	3.1	1.1	2.0	1.1
Real GDP growth – 2016 forecast	1.9	1.5	2.9	2.6	1.7	1.6	2.3	4.0	2.1	2.8	1.4	2.9	0.9	2.5	3.2	2.9	4.3	3.6	4.6	2.1	1.7	3.5	1.8	4.3	3.3	3.0	1.3	2.6	1.8
Employment growth (%)	1.2	1.3	0.5	1.8	1.7	1.2	0.3	2.7	1.3	2.7	0.7	:	1.3	2.7	-0.1	2.0	3.0	2.2	3.7	1.1	1.3	0.6	1.6	-0.9	2.0	2.4	0.6	1.7	1.4
Harmonised index of consumer prices	0.3	1.8	-1.3	0.6	0.0	0.4	0.8	-0.2	0.0	-0.3	0.3	-0.6	-0.1	-1.2	0.1	0.7	0.0	0.4	0.9	0.1	1.0	-0.2	0.6	-1.1	-0.2	-0.5	0.4	1.1	0.7
General government balance (%GDP)	-1.7	-2.6	0.0	0.6	-0.9	0.8	0.3	-0.6	0.7	-4.5	-3.4	-0.8	-2.4	0.4	0.0	0.3	1.6	-1.8	1.0	0.4	-1.6	-2.4	-2.0	-3.0	-1.8	-1.7	-1.9	0.9	-3.0
Public debt (%GDP)	83.5	106	29.5	37.2	37.8	68.3	9.5	75.4	179	99.4	96	84.2	132.6	108	40.1	40.2	20	74.1	58	62.3	84.6	54.4	130.4	37.6	79.7	51.9	63.6	41.6	89.3

Source: Eurostat, \* data for 2015; data for 2016 are not available at the time of processing the Report

Table 2 Selected Indicators in the Context of Europe 2020 Strategy in the EU28 Countries for the Last Year Available – Smart and Inclusive Growth

		eu28	be	bg	cz	dk	de	ee	ie	gr	es	fr	hr	it	cy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	fi	se	uk
Employment rate, aged $20-64$	total	71.1	67.7	67.7	76.7	77.4	78.7	76.6	70.3	56.2	63.9	70.0	61.4	61.6	68.8	73.2	75.2	70.7	71.5	69.6	77.1	74.8	69.3	70.6	66.3	70.1	69.8	73.4	81.2	77.6
vears (1)	females	65.3	63.0	64.0	68.6	74.0	74.5	72.6	64.2	46.8	58.1	66.3	56.6	51.6	64.1	71.8	74.3	65.1	64.6	55.5	71.6	70.9	62.2	67.4	57.4	66.7	62.7	71.7	79.2	72.1
	males	76.9	72.3	71.3	84.6	80.7	82.8	80.8	76.5	65.8	69.6	73.8	66.2	71.7	73.9	74.7	76.2	76.1	78.6	83.1	82.6	78.7	76.4	74.2	75.0	73.3	76.9	75.0	83.0	83.1
Employment rate, aged $55-64$	total	55.3	45.4	54.5	58.5	67.8	68.6	65.2	57.2	36.3	49.1	49.8	38.1	50.3	52.0	61.4	64.6	39.6	49.8	44.0	63.5	49.2	46.2	52.1	42.8	38.5	49.0	61.4	75.5	63.4
vears (2)	females	48.9	40.2	51.0	49.3	63.6	63.6	66.5	48.9	27.2	42.8	48.1	31.6	39.7	43.3	61.4	62.8	32.4	41.5	26.3	54.2	41.1	37.6	46.3	33.6	33.4	43.5	63.0	73.5	57.4
J (=)	males	62.0	50.7	58.3	68.2	71.9	73.7	63.7	65.7	46.2	55.7	51.6	45.1	61.7	60.9	61.3	66.8	46.4	59.7	61.7	72.8	57.6	55.7	58.5	53.0	43.6	55.1	59.8	77.5	69.6
Lifelong learning rate (aged 25 -	total	10.8	7.0	2.2	8.8	27.7	8.5	15.7	6.4	4.0	9.4	18.8	3.0	8.3	6.9	7.3	6.0	16.8	6.3	7.5	18.8	14.9	3.7	9.6	1.2	11.6	2.9	26.4	29.6	14.4
64 years) (3)	females	11.7	7.5	2.3	9.0	32.7	8.3	18.4	6.7	4.0	10.2	21.2	2.9	8.7	7.1	8.5	6.8	16.9	7.0	8.1	19.6	16.3	4.0	9.7	1.2	13.2	3.2	30.3	36.7	15.8
	males	9.8	6.5	2.1	8.6	22.8	8.7	12.9	6.1	4.0	8.6	16.3	3.1	7.8	6.7	6.1	5.1	16.7	5.6	6.9	18.0	13.5	3.4	9.6	1.2	10.2	2.6	22.6	22.7	13.0
Unemployment rate (4)	total	8.5	7.8	7.6	4.0	6.2	4.1	6.8	7.9	23.6	19.6	10.1	13.3	11.7	13.1	9.6	7.9	6.3	5.1	4.7	6.0	6.0	6.2	11.2	5.9	8.0	9.7	8.8	6.9	4.8
	females	8.8	7.6	7.0	4.7	6.6	3.7	6.1	6.5	28.1	21.4	9.9	14.0	12.8	13.5	8.4	6.7	6.6	5.1	5.2	6.5	5.6	6.2	11.3	5.0	8.6	10.8	8.6	6.5	4.7
	males	8.4	8.1	8.1	3.4	5.8	4.4	7.4	9.1	19.9	18.1	10.2	12.6	10.9	12.6	10.9	9.1	6.0	5.1	4.4	5.6	6.5	6.1	11.1	6.6	7.5	8.8	9.0	7.3	4.9
Youth unemployment rate (aged	total	18.7	20.1	17.2	10.5	12.0	7.0	13.4	17.2	47.3	44.4	24.6	31.3	37.8	29.1	17.3	14.5	18.9	12.9	11.1	10.8	11.2	17.7	28.0	20.6	15.2	22.2	20.1	18.9	13.0
15 – 24 years) (5)	females	17.9	18.2	16.9	11.4	10.9	6.1	10.6	14.6	50.7	44.9	24.1	31.3	39.6	32.1	12.1	12.6	18.0	12.9	11.0	10.3	10.2	18.0	28.8	21.8	14.7	26.3	18.6	17.3	11.1
	males	19.4	21.7	17.4	9.9	13.1	7.8	15.8	19.5	44.3	44.0	25.1	31.2	36.5	25.7	21.4	15.9	19.7	12.9	11.2	11.4	12.1	17.4	27.2	19.9	15.6	19.8	21.8	20.5	14.7
Youth economic activity rate	total	41.5	28.5	23.9	32.0	66.2	49.3	43.3	38.8	24.6	33.0	36.9	37.2	26.6	36.8	39.7	35.3	30.7	32.3	51.6	68.2	57.5	34.5	33.2	28.0	33.7	32.4	52.2	54.8	58.5
(aged 15 - 24 years) (6)	females	38.9	26.2	19.6	26.2	67.3	47.4	40.4	37.3	22.9	31.3	34.0	32.3	22.8	37.8	35.9	31.9	31.0	28.3	48.8	69.2	54.6	28.9	31.2	21.8	30.6	24.7	53.1	55.5	57.6
(ug - u - u - u - u - u - u - u - u - u -	males	44.0	30.7	28.0	37.5	65.0	51.0	46.1	40.2	26.4	34.7	39.8	41.9	30.2	35.7	43.3	38.7	30.4	36.1	54.3	67.2	60.2	39.8	35.0	33.9	36.8	39.8	51.2	54.2	59.4
Economically inactive youth in education or training (7)		88.6	93.3	80.4	94.0	79.0	89.9	90.5	92.7	91.6	91.6	91.6	88.6	87.0	89.5	88.8	90.0	91.7	88.4	91.5	81.1	90.1	89.7	90.6	81.9	94.8	92.0	78.1	80.4	84.4
Youth (aged $15 - 24$ years) not in	ntotal	11.5	9.9	18.2	7.0	5.8	6.6	9.1	13.0	15.8	14.6	11.9	16.9	19.9	15.9	11.2	9.4	5.4	11.0	8.6	4.6	7.7	10.5	10.6	17.4	8.0	12.3	9.9	6.5	10.9
employment, education or	females	11.9	9.7	19.4	8.6	5.1	7.3	11.6	12.7	15.7	14.1	11.8	14.6	19.6	16.8	9.7	8.8	5.7	13.3	10.4	4.4	7.4	11.1	10.3	20.8	6.9	13.7	9.2	6.1	11.5
training (NEET) (8)	males	11.2	10.1	17.1	5.5	6.5	6.0	6.8	13.3	15.9	15.1	12.0	19.0	20.1	14.9	12.6	10.0	5.1	8.9	7.0	4.7	8.0	10.0	10.8	14.1	9.1	10.9	10.7	6.9	10.3
Share of population with third	total	39.1	45.6	33.8	32.8	47.7	33.2	45.4	52.9	42.7	40.1	43.6	29.5	26.2	53.4	42.8	58.7	54.6	33.0	29.8	45.7	40.1	44.6	34.6	25.6	44.2	31.5	46.1	51.0	48.1
degree education aged 30 – 34	females	43.9	50.7	41.0	38.7	54.6	33.0	52.4	58.5	48.8	46.6	48.8	36.7	32.5	62.1	56.1	68.8	56.5	39.6	32.4	49.7	42.0	53.9	41.6	27.4	55.3	39.4	54.4	59.2	50.3
years (9)	males	34.4	40.4	27.2	27.2	41.0	33.4	38.8	46.6	36.2	33.5	38.1	22.4	19.9	43.7	30.1	48.1	52.7	26.4	27.4	41.7	38.3	35.6	27.3	23.9	33.6	24.0	38.4	43.4	45.9
Low skilled employment rate	total	53.6	45.6	39.2	43.7	61.8	59.0	61.8	49.0	48.1	52.9	50.5	38.9	50.3	56.9	54.8	42.3	56.4	50.7	57.1	60.7	53.9	39.5	64.7	52.3	45.5	35.9	52.0	61.0	62.1
(ISCED 0-2) (10)	females		37.2	31.1	36.7	53.2			33.8	34.6	42.8	43.9	31.7	34.7	49.5	46.4		47.7	42.1	33.7	49.7	49.9	28.1	58.2	38.9	39.0	30.6	42.5	53.1	52.6

Report on the Social Situation of the Population of the Slovak Republic for 2016 Annex to Chapter 5

	eu28	be	bg	cz	dk	de	ee	ie	gr	es	fr	hr	it	cy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	fi	se	uk
males	63.6	53.3	46.6	54.0	68.9	67.2	68.1	60.4	60.3	61.6	57.7	48.6	64.5	64.0	60.0	46.4	65.0	61.4	78.5	71.9	60.0	50.1	70.8	68.1	52.7	42.8	58.4	67.9	71.8
Low skilled unemployment rate total	16.1	15.7	22.4	20.4	7.4	10.6	12.2	14.5	26.7	27.5	17.5	17.5	15.4	15.8		26.6	8.2	12.7	7.1	8.2	12.8	14.5	12.3	7.7	15.3	30.6	13.1	16.0	7.3
(ISCED 0-2) (11) female	s 16.7	15.9	23.5	20.7	9.0	9.0	14.4	11.2	30.7	31.2	16.9	18.1	17.2	12.5	21.0	26.1	8.2	12.5	9.8	9.6	10.4	14.0	11.9	6.3	16.1	31.3	16.9	17.2	6.9
males	15.7	15.5	21.7	20.0	6.3	12.0	11.3	15.8	24.5	25.0	18.0	17.0	14.5	18.2		26.8	8.3	12.9	5.9	7.3	15.6	14.8	12.7	8.7	14.6	29.9	11.1	15.2	7.5
Long-term unemployment rate total	4.0	4.0	4.5	1.7	1.4	1.7	2.1	4.2	17.0	9.5	4.3	6.6	6.7	5.8	4.0	3.0	2.2	2.4	1.9	2.5	1.9	2.2	6.2	3.0	4.3	5.8	2.3	1.3	1.3
(12) female	s 4.0	3.8	4.1	2.0	1.4	1.4	1.8	2.9	20.5	10.8	4.0	6.5	7.4	5.2	3.1	2.6	2.1	2.4	1.8	2.7	1.7	2.1	6.0	2.5	4.5	6.2	2.0	1.1	1.1
males	3.9	4.2	4.8	1.4	1.3		2.4	5.4	14.1	8.4	4.6	6.8	6.2	6.3	4.9	3.4	2.2	2.3	2.0	2.4	2.2	2.2	6.4	3.3	4.1	5.5	2.5	1.4	1.5
Share of early school leavers (13) total	10.7	8.8	13.8	6.6	7.2	10.2	10.9	6.3	6.2	19.0	8.8	2.8	13.8	7.7	10.0	4.8	5.5	12.4	19.6	8.0	6.9	5.2	14.0	18.5	4.9	7.4	7.9	7.4	11.2
female	s 9.2	7.4	13.9	6.6	5.9	9.4	7.4	4.6	5.3	15.1	7.5	2.0	11.3	4.3	6.2	3.6	4.2	11.8	15.8	5.8	6.0	3.9	10.5	18.7	3.1	7.2	6.9	6.4	9.5
males	12.2	10.2	13.7	6.6	8.5	10.9	14.3	7.8	7.1	22.7	10.1	3.5	16.1	11.4	13.7	6.0	6.8	12.9	23.1	10.1	7.7	6.4	17.4	18.4	6.7	7.6		8.2	12.8
Tax wedge (14)	38.4	49.5	33.6	39.9	34.3	45.3	38.0	21.6	34.7	36.0	43.7	35.3	42.0	:	41.9	39.2	31.1	49.0	19.0	31.0	45.0	33.7	36.2	38.3	38.6	38.8	38.3	40.7	26.0
Unemployment trap – single person (15)	74.00	92.04	81.61	80.26	89.31		62.88			81.55	76.46	80.13	80.73	:	88.14		87.56		57.05					49.40		44.69	76.30	68.64	61.59
Low wage trap – single person (15)	44.58	60.62	21.61	49.34	40.09	47.30	22.88	44.08	21.70	26.98	50.34	28.14	41.01	:	31.08	27.06	57.23	34.50	22.36	75.19	44.04	56.00	30.81	31.34	48.43	29.69	56.69	38.21	46.75
Low wage trap – couple with 2 children	59.82	48.43	31.43	87.47	88.89	83.24	42.92	73.00	18.16	13.80	81.25	23.71	5.19		34.21	84.81	105.81	36.65	22.83	68.71	97.93	46.06	28.24	33.38	74.26	50.32	100.00	68.70	80.89
(one earner) (15)																													
Population at risk of poverty or total	23.7						24.2	26.0	35.7	28.6	17.7	29.1	28.7	28.9			18.5	28.2	22.4	16.4	18.3	23.4				18.4		16.0	23.5
social exclusion in % (16) female			43.0				26.0	26.6	36.6	28.3	18.2	29.6	29.6	29.8			19.3	28.4	23.0	16.9	19.1	23.2				18.6		17.3	24.4
males	23.0	20.0	39.5	12.3	17.5	18.8	22.2	25.4	34.8	29.0	17.1	28.4	27.7	28.1	27.9	28.2	17.7	28.0	21.9	15.9	17.5	23.7	25.9	36.5	17.5	18.1	16.8	14.6	22.6
Population at risk of poverty or social exclusion, aged <18, in % (17)	26.9	23.3	43.7	18.5	15.7	18.5	22.5	28.8	37.8	34.4	21.2	28.2	33.5	28.9	31.3	32.7	23.0	36.1	28.2	16.8	22.3	26.6	29.6	46.8	16.6	24.9	14.9	14.0	30.3
Population at risk of poverty or total	23.0	20.5	40.8	13.0	18.3	20.3	24.6	25.0	35.3	27.4	16.7	29.3	27.7	28.9	30.8	28.6	17.3	26.6	21.2	16.3	17.4	22.7	26.0	35.2	19.8	16.9	17.2	16.5	21.8
social exclusion, aged 18+, in % female	s 23.8	21.9	43.1	14.8	18.4	21.6	26.7	25.6	36.4	27.1	17.5	29.9	28.7	29.8	33.6	30.2	18.1	26.9	22.2	17.0	18.6	22.8	26.8	36.4	21.8	16.9	17.3	17.9	22.5
(18) males	22.1	19.1	38.5	11.0	18.2	18.8	22.1	24.3	34.1	27.6	15.9	28.5	26.6	28.1	27.2	26.7	16.4	26.2	20.1	15.5	16.2	22.7	25.2	33.9	17.6	17.0	17.2	15.0	21.0
At-risk-of-poverty rate (19) total	17.3	14.9	22.0	9.7	12.2	16.7	21.6	16.3	21.4	22.1	13.6	20.0	19.9	16.2	22.5	22.2	15.3	14.9	16.3	11.6	13.9	17.6	19.5	25.4	14.3	12.3	12.4	14.5	16.7
female	s 17.7	15.6	23.8	11.0	11.9	17.4	23.3	16.4	21.2	21.8	13.9	20.6	20.8	17.2	24.8	22.5	15.7	14.4	16.6	11.5	14.3	17.2	20.1	25.7	15.6	12.4	12.6	15.9	17.2
males	16.9	14.1	20.0	8.5	12.5	15.9	19.6	16.1	21.5	22.5	13.2	19.3	19.0	15.3	19.7	21.8	15.0	15.6	16.1	11.8	13.5	18.1	18.8	25.1	13.0	12.1	12.2	13.2	16.2
Persons living in households withtotal	10.6	14.9	11.6	6.8	11.6	9.8	6.6	19.2	16.8	15.4	8.6	14.4	11.7	10.9	7.8	9.2	5.7	9.4	9.2	10.2	8.2	6.9	10.9	7.9	7.4	7.1	10.8	5.8	11.9
wary low work intensity in % female	s 11.1	15.8	11.4	7.8	12.0	10.1	5.9	19.7	18.0	15.1	8.8	14.4	12.7	11.4	7.4	9.2	5.8	10.2	9.7	10.9	9.1	7.1	11.1	8.9	8.3	6.9	9.6	6.3	12.7
(20) males	10.2	14.1	11.7	6.0	11.1	9.5	7.3	18.6	15.5	15.8	8.3	14.4	10.7	10.3	8.2	9.3	5.5	8.7	8.8	9.6	7.3	6.8	10.6	6.9	6.5	7.4	11.9	5.4	11.2
Severely materially deprived total	8.1	5.8		5.6		4.4	4.5	7.5	22.2	6.4	4.5	13.7	11.5	15.4			2.0	19.4	8.1	2.6	3.6	8.1	9.6	22.7	5.8	9.0	2.2	0.7	6.1
in % (21) female	s 8.1	6.1	35.3	6.2			4.7	7.8	22.2	6.3	4.7	13.6	11.2	15.0	17.3	14.4	2.1	19.6	8.0	2.6	3.3	7.8	9.7	22.4	6.2	9.1	2.3	0.7	6.4
males	8.0	5.5	33.0	5.0	3.5	4.2	4.3	7.2	22.1	6.6	4.4	13.9	11.7	15.9	15.4	13.4	1.8	19.1	8.2	2.5	3.8	8.5	9.5	23.1	5.4	8.9	2.1	0.7	5.8
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Source: Eurostat; \* - EU25 value (less Croatia, Bulgaria and Romania); (1) - (13) - data for 2016, (14) - (21) - data for 2015;

 $eu28-European\ Union\ (28\ member\ states),\ be-Belgium,\ bg-Bulgaria,\ cz-the\ Czech\ Republic,\ dk-Denmark,\ de-Germany,\ ee-Estonia,\ ie-Ireland,\ gr-Greece,\ es-Spain,\ fr-France,\ hr-Croatia,\ it-Italy,\ cy-Cyprus,\ lv-Latvia,\ lt-Lithuania,\ lu-Luxembourg,\ hu-Hungary,\ mt-Malta,\ nl-the\ Netherlands,\ at-Austria,\ pl-Poland,\ pt-Portugal,\ ro-Romania,\ si-Slovenia,\ sk-Slovakia,\ fi-Finland,\ se-Sweden,\ uk-the\ United\ Kingdomd$ 

<sup>: -</sup> data not available