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

## Report

on the social situation of the population of the Slovak Republic for  $2012\,$ 

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## LIST OF ABBREVIATIONS

	BREVIATIONS
a.s	.joint-stock company
	. absolute (number)
ALMM	active labour market measures
ALMP	active labour market policy
APSO	advisory and psychological services office
	application software supporting the agendas of the payment of social
	support and assistance benefits
ASPC	Association of supplementary pension companies
BA	Bratislava region
	. Banská Bystrica region
RFAI	basic fund of accident insurance
	basic fund of employer insolvency insurance
	basic fund of invalidity insurance
	basic fund of old-age insurance
	basic fund of old-age insurance.
bill.	
	Operational Programme Bratislava Regional Authority
c.p.	
	European centre for the development of vocational training
	census of inhabitants, houses and apartments
	. Classification of individual consumption by purpose
	. Collection of Laws
	Central Office of Labour, Social Affairs & Family
	. European Commission
d. f	
	. Demand-driven project
	. supplementary pension company
DI	. deinstitutionalisation
	pension fund management company
ECB	. European Central Bank
ESSPROS	. European system of integrated social protection statistics
EU	. European Union
EU SILC	European Union Statistics on Income and Living Conditions
	financial contribution
file ref	file reference number
GDP	gross domestic product
	. Institute of Information and Prognoses of Education
	. International Standard Classification of Education
ITMS	. IT Monitoring System for the Structural Funds and the Cohesion Fund
JA	
JS	
KE	
	. Labour cost information system
	. Labour Force Survey
	managing authority
	. Master collective agreement
mill	
	. material-need benefit
	. Ministry of Economy of the Slovak Republic
	Ministry of Finance of the Slovak Republic.
	Ministry of Foreign Affairs
WIOLSAF	Ministry of Labour, Social Affairs & Family of the Slovak Republic

n/a	data not available
NACE, SK NAC	E Rev. 2 Statistical Classification of Economic Activities
NBS	National Bank of Slovakia
NGO	non-governmental organisation
NP	national project
NP	natural person
NR	Nitra region
OLSAF	Office of Labour, Social Affairs & Family
	open method of coordination
	Operational Programme Employment & Social Inclusion
	percentage points
PO	
	purchasing power parity
	Report on the Social Situation of the Population of the Slovak Republic
SB	
	social benefits management management information system
	Statistical Classification of Occupations, version 2010
	severe disability / severely disabled
	Social Development Fund
	self-employed person
	Social Implementation Agency
	Social Insurance Act
	statistical classification of employment, version 2012
	social and legal protection of children and social care
	Statistical Office of the Slovak Republic
	Slovak Republic
	secondary vocational college
	secondary vocational school
thous	
<u>TN</u>	
TT	Trnava region
	temporary work incapacity
UN	
WI	
<b>ZA</b>	Zılına region

#### **INTRODUCTION**

The Ministry of Labour, Social Affairs & Family of the Slovak Republic (hereinafter simply "MoLSAF") each year prepares and submits to the Government, the Economic and Social Council of the Slovak Republic and the Parliamentary Committee for Social Affairs and Housing the "Report on Social Situation of the Population of the Slovak Republic" (hereinafter simply the "Report") for the preceding calendar year. The Report seeks to provide information about the state and development of the social situation of Slovakia's population on the basis of socio-economic indicators obtained from state statistical surveys, administrative data sources of the Office of Labour, Social Affairs & Family and the Social Insurance Agency.

The first chapter of the Report provides a brief overview of the basic indicators of the macroeconomic environment, demographic development in Slovak Republic for 2012 and results from the census of inhabitants as at 21 May 2011.

The second chapter evaluates legislative changes in 2012 in the field of employment services, employment relationships, the performance of work in the public interest and social dialogue, while focusing on the development of the labour market from both an aggregated and structural aspect, and evaluates individual active labour market policy (ALMP) measures, wage development and working conditions in the framework of collective bargaining and health and safety at work. This Report includes also an analysis of complete labour costs. Selected data in the second chapter have been adjusted following revision.

The third chapter includes the main forms, state and changes in the system of social protection in 2012. It focuses on year-on-year comparison and analysis of individual elements of social insurance, pension saving, the system of state social support and social assistance. It also provides information on subsidies provided in the competence of MoLSAF and also information on the Operational Programme Employment & Social Inclusion in the 2007 – 2013 programming period, supported by the European Social Fund. The chapter also contains outputs from the European Integrated System of Social Protection Statistics (hereinafter simply "ESSPROS"), which is one of the basic tools for statistical monitoring of systems, and of the current state and development of social protection in Member States of the European Union (hereinafter simply the "EU").

The fourth chapter contains available data on financial income and expenditures of private households, as well as selected results of the survey of the financial situation of the Slovak households from the statistical sources of the Statistical Office of the Slovak Republic (hereinafter simply "SO SR"). The Report is enhanced by a brief evaluation of national indicators of poverty and social exclusion. It also includes brief information on the state of sexual equality and equal opportunities in Slovakia for 2012.

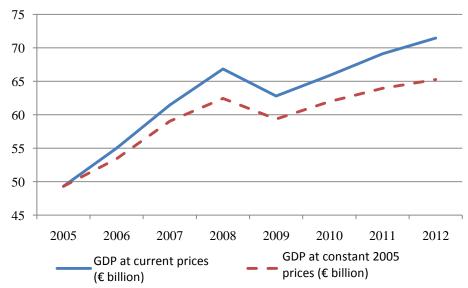
The fifth chapter compares selected indicators between EU countries in the context of the Europe 2020 Strategy, which sets out the EU's headline targets in connection to the Lisbon Strategy.

## 1 MAIN MACROECONOMIC – DEMOGRAPHIC INDICATORS FOR THE SLOVAK REPUBLIC

## 1.1 Basic macroeconomic characteristics<sup>1</sup>

Economic performance gradually slowed over the course of 2012. The long-term year-on-year growth in employment, according to the Labour Force Survey (hereinafter simply "LFS") ended in Q4, which slowed the overall year-on-year growth in employment. Together with growth in unemployment, which began in Q4 2011, this caused deterioration in the labour market situation compared to a year earlier. Consumer price growth was higher than wage growth, which meant a fall in the average real wage, as was also the case in 2011.

**Gross domestic product** (GDP) grew on a year-on-year basis, according to an improved estimate at constant prices, based on ESA 95 methodology, by 2.0%. The rate of year-on-year growth moderated by 1.2 p.p.. GDP at current prices grew by €71.5 billion, which is 3.4% more than in 2011.



Graph 1.1 Gross domestic product at current and constant prices

Source: SO SR

Year-on-year growth in gross domestic product was effected most by a real increase of 8.6% in foreign demand, while imports of goods and services rose by 2.8%. Domestic demand fell by 2.9%, this decrease being influenced most by the 10.3% fall in gross capital formation (fixed capital formation fell by 3.7%). Final consumption volumes of households, general government and non-profit institutions serving households all fell identically by 0.6%. In terms of production, growth in value added in the manufacturing sector (by 13.4%) contributed most to GDP creation. In 2012 gross production grew on a year-on-year basis by 2.4%, intermediate goods by 1.8% and value added by 3.2%. The volume of net taxes on products fell by 9.2%.

The annual **inflation rate** in 2012 averaged 3.6%, representing a fall of 0.3 p.p. against a year earlier. Year-on-year growth in consumer prices gradually slowed in each quarter of 2012 with the exception of Q3. Core inflation increased on average over the year by 0.4 p.p. to 2.7%, particularly under the influence of a 3.8% growth in food prices. Net inflation increased over the year by 1.0 p.p. to 2.5%. Average inflation as measured by the harmonised index of consumer prices for 2012 reached 3.7% in Slovakia, compared to an average of 2.6% for the EU 27. The overall level of prices in the structure of individual consumption broken down by the classification of individual consumption according to purpose (hereinafter simply "COICOP") was influenced most by a 4.0% growth in prices for housing, water, electricity, gas and other fuels and growth in prices for food and non-alcoholic

<sup>&</sup>lt;sup>1</sup> according to: Basic development trends in the SR economy in Q4 2012, SO SR 2013

drinks (by 4.2%). Prices in transport also rose significantly (by 6.4%) and in the field of education (by 5.9%). On average prices increased in all classification categories over the year.

The **labour market** situation, following an improvement in 2011, again worsened slightly. Total **employment**<sup>2</sup>, following falls in 2009 and 2010 maintained growth, though not at such a strong rate as in 2011, growing by only 0.6% to 2 329 000 persons. The slowdown may be attributed mainly to the slight reduction in the year-on-year growth in the number of employees to 1.2% (compared to 1.6% in 2011) to 1 968 900; in terms of industry sector, growth in transport and storage, industry and manufacturing, and real-estate activities all had an impact on employment, as did the fall in wholesale & retail, general government and social security. The number of entrepreneurs fell in total by 2.4% to 358 500 persons, primarily in consequence of the fall in the number of businesses with employees (by 13.2% to 70 500) the number of entrepreneurs without employees rose by 0.6% to 288 000 persons. The rate of employment<sup>3</sup> fell in a one year terms by 0.1 p.p. to 65.0%. **Unemployment**, following last year's fall, again rose. On average over 2012 the number of unemployed persons (according to the LFS) rose by 3.5% against a year earlier to 377 500 persons. The unemployment rate grew by 0.4 p.p. to 14.0%. The increase in unemployment was accompanied in 2012 by a slight decrease in the offer of job vacancies. The annual average number of vacancies fell by 0.7% against a year earlier to 14 072.

The average monthly nominal wage<sup>4</sup> of an employee in the economy rose on average for 2012 in year-on-year terms by 2.4% to €805. After taking account of consumer price growth, however, real wages fell by 1.2%. A structurally deeper comparison of macroeconomic indicators, as well as an international comparison is given in the following chapters of this Report.

Household current income<sup>5</sup> nominally grew by 3.5% against a year earlier. Of the total volume of  $\[ \in \]$ 59 780 490 000, employee remuneration formed at the largest part ( $\[ \in \]$ 27 716 700 000). Gross mixed income totalled  $\[ \in \]$ 17 659 700 000, social benefits  $\[ \in \]$ 610 307 900 000, other current transfers  $\[ \in \]$ 2 214 700 000 and income from assets  $\[ \in \]$ 1 881 300 000. Nominal growth in household current income was influenced most by employee remuneration, which rose year-on-year by 2.7%, social benefits which rose by 6.1% and gross mixed income, which rose by 3.5%. None of the household income components recorded a nominal year-on-year decline.

Households' current expenditures<sup>7</sup> totalled  $\[ \le \]$ 15 473 500 000, representing a nominal increase of 2.7% against a year earlier. The growth in current expenditures was connected particularly with the increase in social allowances (increase of 3.8%), current taxes on income, assets, etc. (increase of 5.2%), and other current transfers (increase of 3.4%). Expenditure pensions from assets meanwhile fell by 25.0%. After paying current expenses, households were left with a gross disposable income of  $\[ \]$ 44 306 990 000, representing a year-on-year growth of 3.8%.

Of that gross disposable income, households used  $\[ \in \]$ 40 215 400 000 for final consumption, the remainder being directed into gross savings, which formed  $\[ \in \]$ 5 032 000 000. Household final consumption grew nominally by 3.1%, and gross savings rose by 10.1%. The gross savings rate (the share of gross savings in gross disposable income) fell by 0.5 p.p. to 11.4%. Households in 2012 spent more particularly on health (an increase of 9.2%), foods and non-alcoholic drinks (4.3%), education (3.8%), housing, water, electricity, gas and other fuels (3.4%) and on transport (3.0%). Besides the fall in spending on clothing and footwear (2.6%), on miscellaneous goods and services (1.4%) and a slight fall in other net expenses (0.5%) expenditures grew in all areas of consumption. In terms of their share in private consumption spending, the largest item was the purchase of food and non-alcoholic drinks, forming a 22.2% share, and spending on housing, water, electricity, gas and other fuels, which formed a 20.4% share.

Over the course of 2012 construction was begun on 13 090 apartments, whilst 15 255 were completed and as at the end of December 62 783 apartments were under construction. A total of 1255 apartments were lost, of which 1054 through demolition. Compared against the figures for 2011, the number of apartments under construction decreased by 3.0%, and the number of completed apartments increased by 4.4%. The number of apartments begun increased by 2.7% against a year earlier.

<sup>7</sup> according to ESA 95 methodology, preliminary data

<sup>&</sup>lt;sup>2</sup> according to the Labour Force Survey

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

<sup>&</sup>lt;sup>4</sup> according to quarterly statistical reporting

<sup>&</sup>lt;sup>5</sup> according to ESA 95 methodology, preliminary data

<sup>&</sup>lt;sup>6</sup> excluding natural social transfers

excluding natural social transfers

The macroeconomic indicators are summarised in the Appendix to Chapter 1.

## 1.2 Selected demographic indicators

In 2012, according to data from the Statistical Office of the Slovak Republic (hereinafter simply "SO SR") there were 55 535 live births in Slovakia, which is 5278 fewer than in 2011. This significant differences caused by the change and methodology of ascertaining the number of children born; since 2012 the number of children born does not include children born abroad. Without this change in methodology, there would be no significant change seen in the number of live births for 2011 and 2012. The number of deaths rose to 52 437 persons, which in comparison with the previous year is an increase of 534 persons. The growth in the number of deaths, despite declining mortality, is caused by the ageing population.

There were 26 006 marriages in 2012, with 10 948 divorces. Compared to 2011, the number of marriages was 385 higher, and the number of divorces was 154 lower. This favourable trend was reflected in a slight reduction in the divorce index, where for 100 marriages, there were 42.1 divorces. The trend in the marriage rate remains still without any clear trend; in the case of the divorce rate there is a continuation in the slight slowdown in a long-term upward trend.

In consequence of the significant fall in the birth rate in 2012, natural population increment decreased to 3098, which in comparison with 2011 represents a decrease of 5812 persons. Through foreign migration the Slovak Republic gained 3416 persons, with 5419 persons immigrating and 2003 persons emigrating. The migration increment increased over the year by 450 persons. The significant decrease in the natural population increment has an impact also on the year-on-year fall in the overall increment, which in 2012 totalled 6514 persons, which is 5362 persons fewer than in 2011.

As at 31 December 2012 the Slovak Republic had **5 410 836 inhabitants.** The share of women in the total population represented (as in 2011) **51.3%.** 

Table 1.1 SR population increments in 2011 and 2012.

Year	Live-births	Deaths	Natural increment	Migration balance	Overall increment
2011	60 813	51 903	8 910	2 966	11 876
2012	55 535	52 437	3 098	3 416	6 514

Source: SO SR

## 1.3 Census of inhabitants – inter-census period 2001 – 2011

As at 21 May 2011 as at the deciding moment for the census, the Slovak Republic had 5 397 036 permanently resident inhabitants, which was 17 581 more than in the 2001 census. The 0.33% increment in the number of inhabitants over the 2001 – 2011 inter-census period is the lowest in the history of censuses in Slovakia. As at the deciding moment for the census, Slovakia comprised 2891 municipalities, of which 138 were urban and 2752 rural. More inhabitants had their permanent residence in towns (54.4%) than in rural areas (45.6%).

Table 1.2 Number and proportion of the population permanently residing in Slovakia by municipality size, census 2001 – 2011

		2011			2001	
Municipality size group	No. of municip alities	Permanently resident population	Population (%)	No. of municip alities	Permanently resident population	Populat ion (%)
Total	2 890	5 397 036	100.0	2 883	5 379 455	100.0
-199	383	47 573	0.9	367	45 808	0.9
200 – 499	761	261 805	4.9	805	276 280	5.1
500 – 999	772	546 389	10.1	786	556 289	10.3
1 000 – 1 999	562	787 516	14.6	547	767 561	14.3
2 000 – 4 999	279	804 580	14.9	253	743 307	13.8
5 000 – 9 999	61	409 387	7.6	53	368 623	6.9
10 000 – 19 999	33	470 099	8.7	32	460 574	8.6
20 000 – 49 999	29	853 306	15.8	29	850 194	15.8
50 000 – 99 999	8	564 720	10.5	9	646 054	12.0
100 000 or more	2	651 661	12.1	2	664 765	12.4
Average number of residents in municipality		1 867			1 866	

Source: SO SR

Of the total number of inhabitants permanently resident in the Slovak Republic more than half were women (51.3%). According to the 2011 CIHA in the SR there are 1054 women per 1000 men.

Table 1.3 Population permanently residing in Slovakia by gender, census 2001 – 2011

Year of census	Permanently residing	ermanently Gender residing		Share of	Index femininity Number of	
	population total	men	women	women (%)	women per 1000 men)	
2011	5 397 036	2 627 772	2 769 264	51.3	1 054	
2001	5 379 455	2 612 515	2 766 940	51.4	1 059	

Source: SO SR

Compared to the 2001 census there was a further fall in the proportion of inhabitants of preproductive age; falling from 18.9% in 2001 to 15.3% in 2011. The proportion of inhabitants of productive age increased from 68.9% in 2001 to 72% in 2011 and also the proportion of inhabitants of post-productive age (65+) increased from 11.4% in 2001 to 12.7% in 2011. In the 2001 – 2011 intercensus period, however, the greatest growth in the number of inhabitants was seen in the age groups 80+ (by 51.6%, i.e. by 52.698 persons) and 55-59 years (by 51.3%, i.e. by 131.101 persons).

Table 1.4 Population permanently residing in Slovakia by age group, census 2001 – 2011

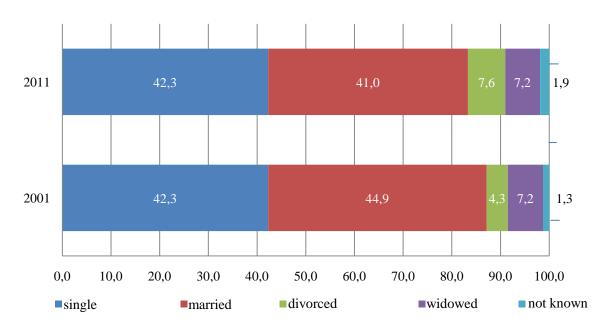
	Permanently			A	ge gro	up				
Census vear	residing population	0 - 14		15 – 64	Į.	65+		not iden	tified	Aging index 1)
ycai	total	abs.	(%)	abs.	(%)	abs.	(%)	abs.	(%)	mucx
2011	5 397 036	826 516	15.3	3 886 327	72.0	682 873	12.7	1 320	0.00	82.6
2001	5 379 455	1 015 493	18.9	3 705 515	68.9	610 923	11.4	47 524	0.9	60.2

1)  $aging\ index = (65+/0\ -14)*100$ 

Source: SR SO

The proportion of single persons in the total number of inhabitants permanently resident in Slovakia remained unchanged. As in the 2001 census, the 2011 census also recorded a figure of 42.3%. The proportion of married persons fell from 44.9% in 2001 to 41% in 2011, while the proportion of divorcees rose from 4.3% in 2001 to 7.6% in 2011.

Graph 1.2 Proportion of inhabitants permanently residing in Slovakia by marital status, census 2001-2011



Source: SO SR

The 2011 Census recorded a **significant change in the educational level of the population**. While in 2001 the proportion of university-educated<sup>8</sup> inhabitants in the total number of permanently resident inhabitants represented 7.8% (423 324), the figure for 2011 was already 13.8% (747 968).

The 2011 CIHA results confirmed that the trend to an information society in Slovakia is continuing. 53.8% of inhabitants permanently resident in the SR were able to work with the Internet. 49.9% of inhabitants permanently resident in the SR stated that they were able to work with a text. 46.9% of inhabitants permanently resident in the SR were able to work with e-mail. The least mastered activity relating to computer skills was working with spreadsheets (38.8%).

<sup>&</sup>lt;sup>8</sup> Higher education represents the sum of the number of inhabitants having completed a bachelors, masters, PhD or doctoral education.

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

#### 2.1 The Labour Market

#### 2.1.1 Trends in the population's economic activity

The average number of **economically active inhabitants** in the SR in 2012 according to the Labour Force Survey (hereinafter simply "LFS") grew by 26 500 persons against a year earlier, i.e. 1.0%, to 2 706 500 persons, while the growth in the number of economically active women was more marked at 1.3%, i.e. 15 000 persons, than the growth in the number of economically active men at 0.8%, i.e. 11 500 persons). Related to this trend, the share of economically active women in the total number of economically active residents showed a slight year-on-year increase from 44.2% to 44.3%).

In the framework of the economically active population there was seen growth both in the number of workers (13 700 persons) as well as in the number of unemployed (12 900 persons). Of the total average number of economically active inhabitants, 86.0% were workers (86.4% in 2011) and 14.0% were unemployed (13.6% in 2011).

In the framework of the total number of residents aged 15 or the above, 40.8% were economically inactive (compared to 41.3% in 2011). In comparison with the previous year, the number of economically inactive persons fell by 16 700 persons to 1 865 300 persons.

The structure of economically inactive residents aged 15 or more showed no significant change against a year earlier. The largest share was formed by pensioners receiving old age or invalidity pensions (58.5%, compared to 57.0% in 2011) and students and appendices (26.6%, compared to 27.6% in 2011).

The overall **rate of the economic activity** of residents aged 15 or more was 59.2%, representing a growth of 0.4 p.p. against a year earlier. In terms of gender, the rate of economic activity increased in both genders (among men by 0.3 p.p. to 68.4% and among women by 0.6 p.p. to 50.7%).

Table 2.1 Rate of economic activity of residents aged 15+ by age and gender (average for year,

	_					
A go group	Tot	al	Mei	n	Won	nen
Age group	2011	2012	2011	2012	2011	2012
Total	58.8	59.2	68.1	68.4	50.1	50.7
15 – 19 years	6.6	6.7	7.8	7.9	5.2	5.5
20 – 24 years	50.5	50.4	62.7	61.7	37.8	38.8
25 – 29 years	80.8	82.8	91.8	93.0	69.1	72.1
30 – 34 years	83.5	83.3	96.1	96.3	70.2	69.7
35 – 39 years	88.8	88.7	96.2	96.1	81.0	81.0
40 – 44 years	92.3	91.1	94.3	94.2	90.2	87.8
45 – 49 years	91.0	91.4	92.4	92.4	89.7	90.4
50 – 54 years	87.7	86.9	89.4	89.6	86.1	84.3
55 – 59 years	67.3	71.7	80.9	82.0	54.7	62.2
60 – 64 years	18.9	20.7	29.3	33.1	9.9	10.0
60 or more years	1.8	1.8	2.9	2.8	1.2	1.2

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2011, or respectively as at 1.1.2012, according to the 2011 Census of Inhabitants, Houses and Apartments.

In the total number of economically active persons the highest rate of economic activity was seen among persons in the individual 5-year age groups in the age from 25 to 54 years (approximately 78.6% of the total number of economically active residents) and of them, particularly the age groups 30-34 years of age (14.1%) and 35-39 years of age (14.4%).

Young people (aged 15 - 24 years) formed and 8.2% share in the total number of economically active persons in 2012, and in consequence of the year-on-year fall in their absolute number (by 4300 persons), their share in the total number of economically active residents in 2012 fell slightly against a

year earlier (by 0.2 p.p.). In the structure of economically active residents in that age group, the number of workers fell by 4200 persons, as did the number of unemployed persons (by 100 persons).

Older persons (aged 55-64 years) in the total number of economically active residents in 2012 formed a 12.7% share, and in consequence of the year-on-year increment in their absolute number (by 29 000 persons), their share in the total number of economically active residents in 2012 increased by 0.9 p.p. against a year earlier. In the structure of economically active residents in that age group, the number of workers increased by 22 000 persons, while the number of unemployed grew by 6400 persons.

In terms of education, year-on-year growth in the number of economically active residents in 2012 was recorded in almost all education groups, with the exception of the group of residents with complete secondary vocational education (a fall of 9000 persons) and higher vocational education (a fall of 100 persons), whilst the largest growth was seen in the number of persons with secondary education without a school-leaving certificate (increase of 12 800 persons) and with university education (increase of 11 800 persons).

In terms of education, in the total number of economically active residents the largest share was formed by persons with complete secondary vocational education (32.3%) and apprenticeship education without a school-leaving certificate (30.0%).

The highest level of economic activity in 2012 (above 80%) was achieved by persons with apprenticeship education with school-leaving certificate and university education.

Table 2.2 Rate of economic activity of residents aged 15 – 64 years by level of education in 2012

Education level	(%)			year-on-year change in p.p.		
Education level	Total	Men	Women	Total	Men	Women
Total	69.4	77.2	61.7	0.7	0.6	0.9
of which:						
Primary	27.6	30.9	24.9	1.3	1.2	1.4
Apprenticeship	77.0	84.7	65.1	-0.2	0.3	-0.8
Secondary (without						
school-leaving certificate)	79.9	88.6	68.6	-3.2	-3.1	-2.1
Apprenticeship with school						
leaving-certificate	86.7	94.5	76.3	2.7	1.9	4.7
Complete comprehensive						
secondary	48.6	51.8	46.6	1.6	1.8	1.2
Complete vocational						
secondary	79.3	87.6	71.9	0.7	0.6	0.6
Higher vocational	77.0	81.8	74.7	-7.6	-3.1	-9.8
University	80.6	86.1	76.2	-0.6	-1.2	-0.1
Without school education	1.9	3.8	-	-1.9	-2.2	-

Source: SO SR. LFS

Data are calculated for the population as at 1.1.2012 according to the 2011 Census of Inhabitants, Houses and Apartments; year-on-year changes are calculated from comparable data

The absolute highest number of economically active residents was in the Košice and Prešov regions (totalling 28.1% of the total economically active population). The lowest share in the total economically active population was in the Trenčín (10.8%) and Trnava (10.9%) regions.

In terms of the internal structure of the economically active population by region in 2012, the highest proportion of workers in the total number of economically active residents was in the Bratislava region (94.4%), while on the other hand, the lowest proportion was in the Košice region (80.3%).

#### 2.1.2 Employment

The rate of employment can be monitored on the basis of several statistical surveys. These surveys differ in the concept of employment, definitions and data collection methodology. The Labour Force Survey (hereinafter simply "LFS") conducted by the SO SR in households provides internationally comparable data on economic activity, employment, unemployment and other important characteristics of the SR population's labour force. According to the LFS methodology, workers are defined as persons aged 15 years or above who in the monitored week performed at least 1 hours' paid work or work for the purpose of achieving gain, including persons working abroad, persons temporarily unfit for work and persons on maternity or parental leave.

Business statistics on employees, a survey conducted by the SO SR, is based on statistical surveys at businesses (business reporting) and captures all sectors of economic activity. According to business reporting, employees are deemed to mean all employees with whom an employment relationship is agreed for an indefinite or definite period (regardless of nationality) who are in a working, service, civil service or membership relationship to the employer organisation. The number of employees does not include students of secondary vocational colleges (apprentices), persons on maternity or parental leave and persons working on the basis of agreements on work performed outside an employment relationship, private entrepreneurs (or their associates) who did not have an employment contract concluded at the given organisation.

A further option for monitoring changes in the number of workers or unemployed persons are Social Insurance Agency statistics. The Social Insurance Agency is a public institution that carries out social insurance, i.e. sickness insurance, pension insurance (old age and invalidity), accident insurance, employer insolvency insurance and unemployment insurance, as well as the collection, registration and assignment of compulsory contributions for old-age pension saving. With regard to the compulsory nature of social insurance and old-age pension saving, the Social Insurance Agency has data available on all employers and employees for whom social insurance premiums are paid, as well as compulsory contributions for old-age pensions saving, including persons working on specific work contracts, as well as data on self-employed persons. The definitions of an employer, employee and self-employed person derive from Act No. 461/2003 Coll. on social insurance, as amended. Social Insurance Agency statistics did not contain data on members of the Police Force, Slovak Intelligence Service, National Security Agency, Prison and Court Guard Service, Railway Police, Fire and Rescue Corps, Mountain Rescue Corps, customs officers, professional soldiers of the armed forces, extraordinary service soldiers, whose social insurance is governed by specific legislation. Likewise, it does not record residents of the SR working abroad, or the performance of work on the basis of which no social insurance duty arises (e.g. self-employed persons who do not achieve the set income threshold for social insurance). The trend in the number of employees in Social Insurance Agency statistics may be influenced by legislative changes in the field of social insurance.

### 2.1.2.1 Employment according to the Labour Force Survey<sup>9</sup>

**Total employment** on average per 2012 increased by 13 700 persons, i.e. by 0.6% to 2 329 000 persons. In terms of employment status, only the number of employees increased (by 22 500 persons, i.e. by 1.2%). The number of entrepreneurs fell against a year earlier (by 9000 persons, i.e. 2.4%), while the number of entrepreneurs with employees fell by 13.2%, and the number of entrepreneurs without employees grew by 0.6%. The number of contributing members of a household also increased (by 6.7%).

In terms of gender, the number of workers grew more significantly among men (by 0.9%) than among women (0.2%).

The option of **shorter working times** was taken in 2012 on average by 4.9% of the total number of employees. This proportion has traditionally been higher among women (6.3%) than among men (3.6%).

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<sup>&</sup>lt;sup>9</sup> The LFS methodology is consistent with international definitions and recommendations of the ILO and Eurostat, including persons on for maternity leave and working abroad up to 1 year; data are calculated for the population as at 1.1.2012 according to the 2011 Census of Inhabitants, Houses and Apartments; indices are calculated from comparable data.

In terms of age, growth in employment was recorded only in the five-year age groups: 15 - 19 years, 25 - 29 years, 35 - 39 years and 55 - 64 years. In the other five-year age groups, the number of workers fell against a year earlier by amounts ranging from 0.1% to 4.1%.

Table 2.3 Working persons by age in 2012 (annual average)

Indicator	Number of workers in thous, persons	Share in SR (%)	Index 2012/2011
Total	2 329.0	100	100.6
in the age group:			
15 to 19 years	8.3	0.4	110.7
20 to 24 years	138.2	5.9	96.5
25 to 29 years	295.8	12.7	100.2
30 to 34 years	330.6	14.2	98.7
35 to 39 years	346.2	14.9	103.4
40 to 44 years	293.6	12.6	99.9
45 to 49 years	304.5	13.1	99.0
50 to 54 years	294.1	12.6	97.3
55 to 59 years	242.9	10.4	105.4
60 to 64 years	63.3	2.7	117.7
60 or more years	11.7	0.5	95.9

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2012 according to CIHA 2011; indices are calculated from comparable data

Changes in employment, in terms of education, point to an interconnection between the level of education and finding employment in the labour market. The largest share in total employment pertained to persons with complete secondary vocational and apprenticeship education, who in 2012 represented a 63% share in total employment in the SR.

The number of workers with only primary education, complete secondary comprehensive education or complete secondary vocational education fell against the figure for 2011. On the other hand, the fastest growth in employment was recorded in the group of persons with secondary education without a school-leaving certificate.

Table 2.4 Workers by education in 2012 (annual average)

Indicator	Number of workers in thous. persons	Share in SR (%)	Index 2012/2011
Total	2 329.0	100.0	100.6
education group:			
Primary	87.8	3.8	96.8
Apprenticeship	675.0	29.0	100.3
Secondary (without school-			
leaving certificate)	72.2	3.1	123.2
Apprenticeship with school			
leaving-certificate	112.2	4.8	107.6
Complete comprehensive			
secondary	98.5	4.2	98.6
Complete secondary vocational	784.1	33.7	98.5
Higher vocational	33.8	1.5	100.9
University	465.4	20.0	101.2
With no education	-	-	-

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2012 according to CIHA 2011; indices are calculated from comparable data.

**From the regional aspect** a year-on-year fall in the number of workers was recorded only in the Trnava and Trenčín regions. Other regions recorded year-on-year growth in employment ranging from 0.2% (Prešov region) to 1.5% (Bratislava and Košice regions).

Table 2.5 Workers by region in 2012 (annual average)

Region	Number of workers in thous. persons	Share in SR (%)	Index 2012/2011
SR total	2 329	100.0	100.6
of which:			
Bratislava	318.9	13.7	101.5
Trnava	262.2	11.3	99.9
Trenčín	266.5	11.4	99.4
Nitra	300.2	12.9	100.3
Žilina	287.7	12.4	100.8
Banská Bystrica	278.6	12.0	100.9
Prešov	313.6	13.5	100.2
Košice	301.3	12.9	101.5

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2012 according to CIHA 2011; indices are calculated from comparable data.

Of the total number of workers in the SR in 2012, 120 700 persons **worked abroad**<sup>10</sup>. The number of workers abroad increased by 5500 against a year earlier, i.e. by 4.8%, which was reflected also in a growth in their share in total employment in the SR by 0.2 p.p. to 5.2%. The most people who found work abroad were from the regions of Prešov and Nitra. From among the European countries, Slovak citizens worked particularly in the Czech Republic and Austria. Migrants worked prevailingly in construction and industrial sectors (56.1%).

Table 2.6 Foreign labour migration by region in 2012

Region	Workers working abroad in thous. persons	Index 2012/2 011	Share in Slovak Republi c, %	proportion of workers working abroad in total employment of SR, or region (%)
Total SR	120.7	104.8	100	5.2
Bratislava	4.7	114.6	3.9	1.5
Trnava	5.4	131.7	4.5	2.1
Trenčín	11.0	98.2	9.1	4.1
Nitra	18.8	81.4	15.6	6.3
Žilina	18.8	115.3	15.6	6.5
Banská Bystrica	11.2	95.7	9.3	4.0
Prešov	35.5	107.9	29.4	11.3
Košice	15.3	129.7	12.7	5.1

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2012 according to CIHA 2011; indices are calculated from comparable data.

The **employment rate** of persons aged 20 - 64 years was unchanged against 2011 at 65%. The employment rate of women aged 20 - 64 years also changed minimally (falling by 0.1 p.p. to 57.3%). The employment rate of men in the same age group grew by 0.3 p.p. against a year earlier to 72.8%.

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<sup>&</sup>lt;sup>10</sup> This concerned short-term employment, i.e. persons who worked abroad for up to one year.

The highest specific employment rate of the five-year age groups was recorded in the age group 40-49 years of age (at more than 80%). Among men a specific employment rate of 80% or more was reported among all five-year age groups from 30-54 years of age, while among women a specific employment rate of 80% or more was recorded only in the 45-49 age group.

In comparison with 2011, a fall in the employment rate was recorded in the 20 - 24 year age group (by 0.6 p.p.), which to a certain degree may be related also to the higher number of persons in vocational training. Falls in the employment rate were also recorded in age groups from 30 - 44 years of age (ranging from 0.3 p.p. to 0.8 p.p.), which may be influenced by the trend of postponing maternity until a later age. A year-on-year fall was also seen in the specific employment rate of residents in the five-year age groups 50 - 54 years (by 0.7 p.p.) and above 65 years (by 0.1 p.p.).

The total average specific employment rate of young people (aged 15-24 years) was 20.1% (24.1% for men and 16.0% for women). Compared to 2011 this represented a slight increase (of 0.1 p.p.), increasing only among women (by 0.9 p.p. from 15.1% to 16.0%). Conversely, the employment rate among young men fell (by 0.7 p.p. from 24.8% to 24.1%).

The specific employment rate of older persons (aged 55 - 64 years) was 43.1% (53.7% among men and 33.6% among women), representing a 1.8 p.p. increase on a year earlier, where among men this figure was 1.2 p.p. and among women 2.2 p.p. (see Appendix to Chapter 2, table 1).

In terms of education, the highest specific employment rate (aged 15-64 years) pertaining to the group of inhabitants with apprenticeship education with a school-leaving certificate and university education. A greatly-above average employment rate (of more than 70%) was also recorded among persons with complete secondary vocational and higher vocational education. Conversely, the lowest (15.3%) specific employment rate was recorded among persons with only primary education (see Appendix to Chapter 2, table 1).

In comparison with 2011 a lower employment rate was recorded in education groups of persons with higher vocational education (a fall of 6.2 p.p. to 73.4% in 2012), university education (a fall of 1.5 p.p. to 75.0%) and apprenticeship education without school-leaving certificate (a fall of 0.3 p.p. to 63.9%). The strongest year-on-year growth in the employment rate was recorded among the group of persons with apprenticeship education and school-leaving certificate (an increase of 4.6 p.p. to 78.3%).

In terms of regions, the highest employment rate among residents aged 20-64 years was in the Bratislava region (76.3%). Conversely, the lowest employment rate among residents aged 20-64 years was in the Košice region (58.8%). in comparison with 2011, the employment rate among residents aged 20-64 years increased in five regions (Bratislava, Nitra, Banská Bystrica, Žilina, Košice), and decreased in three regions (Trnava, Trenčín and Prešov).

Compared with the previous year, the difference between the highest and lowest employment rates of persons aged 20 - 64 years in individual regions increased (17.1 p.p. in 2011, 17.5 p.p. in 2012).

Table 2.7 Employment rate of persons aged 20-64 by region in 2011 and 2012, annual average %

	Employment ra	te of persons aged 20 – 64	Change
	2011	2012	2012/2011
Total SR	65.0	65.0	0.0
of which:			
Bratislava	75.3	76.3	1.0
Trnava	70.3	69.7	-0.6
Trenčín	67.4	66.8	-0.6
Nitra	65.0	65.1	0.1
Žilina	63.2	63.4	0.2
Banská Bystrica	63.0	63.4	0.4
Prešov	60.9	60.6	-0.3
Košice	58.2	58.8	0.6

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2011, or respectively as at 1.1.2012, according to the 2011 Census of Inhabitants, Houses and Apartments.

#### 2.1.2.2 Employment according to statistical reporting

According to data from the SO SR, from business reporting in 2012 there were in the SR economy employed on average 2 191 300 persons, which was 0.1%, or 1300 persons fewer than in 2011.

As regards **sectoral structure**, of the total number of persons employed in 2011 in the SR 4.3% worked in agriculture (compared to 4.4% in 2011), 22.6% in industry (compared to 22.8% in 2011), 7.5% in construction (compared to 7.9% in 2011) and 65.5% in the service sector (compared to 64.9% in 2011). In the service sector the largest share in total employment was that of the wholesale & retail (16.9%), representing a 0.2 p.p. decrease against the figure for 2011.

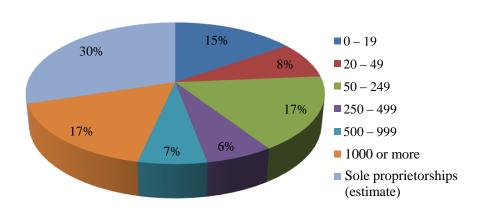
In 2012 there was a marked shift in the structure of employment **by enterprise size** in the small business category. While businesses having to 19 employees employed 8.8% more persons than against a year earlier, employment at enterprises having 20 to 49 employees fell by 8.7%. Employment at medium-sized enterprises having 50 to 249 employees also fell significantly, by 4.6%. Conversely large enterprises in all size categories employed more persons than a year earlier, with the most dynamic growth recorded among enterprises having 500 to 999 employees.

Small and medium-sized enterprises, including sole proprietorships in 2012 formed a 70.5% share in total employment in the SR (compared to 70.7% in 2011).

2011 2012 Number of **Persons Index** Share Persons Index Share employees 2011/2010 (%) 2012/2011 (%)0 - 19308 055 100.3 14.1 335 067 108.8 15.3 20 - 49200 441 113.0 182 985 8.4 9.1 91.3 50 - 249391 945 101.5 17.9 374 075 95.4 17.1 250 - 499140 185 95.0 138 879 99.1 6.3 6.4 500 – 999 140 592 138 379 112.6 6.3 101.6 6.4 363 545 366 403 1000 or more 100.1 16.6 100.8 16.7 Sole proprietorships 650 000 100.4 29.6 653 250 100.5 29.8 (estimate) **Total** 2 192 549 101.9 100.0 2 191 250 99.9 100.0

**Table 2.8 Employment by enterprise size (annual average)** 

Source: SO SR, Statistical Report on Fundamental Development Trends in the SR Economy in Q4 2011, Statistical Report on Fundamental Development Trends in the SR Economy in Q4 2012



Graph 2.1 Proportion of employees by enterprise size

Source: SO SR, Statistical Report on Fundamental Development Trends in the SR Economy in Q4 2011, Statistical Report on Fundamental Development Trends in the SR Economy in Q4 2012

As at the end of 2012 the SO SR registered 387 452 natural person entrepreneurs, of whom 359 575 were sole proprietors (natural persons with no employees), 20 382 were persons in free professional occupations, and 7495 were self-employed farmers. In comparison with 2011, their total number decreased by 14 873 persons, mainly due to the lower number of sole proprietorships (a decrease of 16 147 persons). The number of self-employed farmers also fell slightly (by 39 persons). The number of persons in free professional occupations increased by 1313. In terms of industry sector, the number of sole proprietorships fell in all sectors against a year earlier, with the exception of information and communication. The most significant fall was recorded in wholesale & retail (by 5749) and in accommodation and food services (The most significant fall in wholesale & retail trade (5.749) and accommodation and catering services (by 638). Most sole proprietorships operated in trade (27.0%).

In 2012, according to data from the SO SR, there were 34 125 employees with disabilities, i.e. 2.7% of the total average number of employees in the SR (data from the business reporting, excluding small organisations having up to 19 employees, and having annual production of less than €5 million). This figure represents an increase of 8.5% (2666 persons) in their number in comparison with 2011. The proportion of disabled employees in total employment grew against a year earlier by 0.3 p.p.

#### 2.1.2.3 Job vacancies

In 2012, according to SO SR statistical reporting, there were in the SR economy on average 14 072 job vacancies. Compared to 2011 this represents a slight fall in their number, by 0.7% (93 vacancies in absolute terms). In relative terms, the largest year-on-year fall in job vacancies was recorded in the accommodation and catering sector (by 62%), professional, scientific and technical activities (by 30.8%), health care and social assistance (by 22.8%) and other activities (by 22.1%). Growth in the number of job vacancies was recorded in five sectors, of which the largest increase in this figure was seen in art, entertainment and recreation (by 35.2%) and in general government, defence and compulsory social security (26.4%).

In absolute terms, the greatest fall in job vacancies was recorded in industry (325 vacancies, of which 290 in manufacturing), wholesale & retail (300 vacancies), accommodation & catering services (248 vacancies) and health care & social assistance (229 vacancies). Conversely, a marked increase in job vacancies was recorded in the sector general government, defence and compulsory social security (1310 vacancies).

In regional terms, the most vacancies in 2012 were in the Bratislava region (8013, representing almost 57% of the total average number of job vacancies in the SR). In other regions, the number of vacancies ranged from 671 (Nitra region) to 1333 (Banská Bystrica region). With the exception of the Bratislava region, all regions saw a year-on-year fall in the number of job vacancies. The largest falls were seen in the Nitra and Košice regions.

Table 2.9 Job vacancies in 2012 by region (annual average)

Job vacancies Index

Doorion			III GOIL			
Region	Number	Share in the SR (%)	2012/2011			
Total SR	14 072	100.0	99.3			
of which						
Bratislava	8 013	56.9	114.4			
Trnava	809	5.7	90.2			
Trenčín	720	5.1	80.5			
Nitra	671	4.8	74.9			
Žilina	847	6.0	92.7			
Banská Bystrica	1 333	9.5	85.4			
Prešov	839	6.0	93.2			
Košice	840	6.0	76.6			

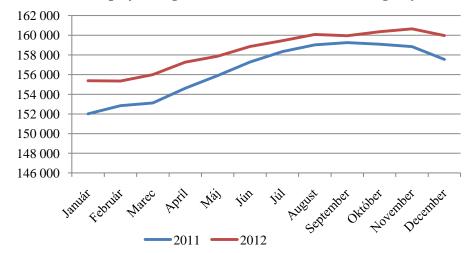
Source: SO SR, Statistical Report on Fundamental Development Trends in the SR Economy in *Q4* 2012

#### 2.1.2.4 Employment in Social Insurance Agency statistics

In 2012, the Social Insurance Agency recorded a monthly average of 158 427 employers, who employed a monthly average of 1692 375 employees in a standard employment relationship with regular income and 44 153 employees in a standard employment relationship with irregular income. In addition to standard employment contracts, employers concluded agreements for work performed outside employment, which in 2012 numbered 623 175 on average per month.

Although the average monthly number of employers in 2012 grew in year-on-year terms by 1.24% (by 1941), the number of employees in a standard employment relationship with regular income fell by 1.56% (by 26 884). The number of employees in a standard employment relationship with irregular income, meanwhile grew by 23.94% (by 8528) and specific work contracts rose by 2.74% (by 16 615). The average number of self-employed persons grew only very slightly (by 0.01%, i.e. by 51 persons).

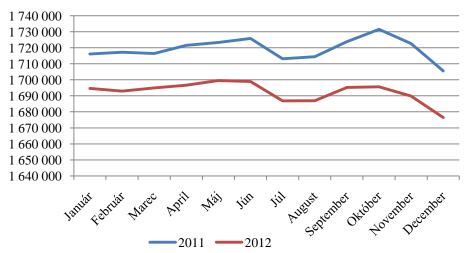
Overall in 2012 the Social Insurance Agency registered on average per month 2 606 047 insurance relationships, which was 1691 fewer insurance relationships than in 2011 (0.06%).



Graph 2.2 Number of employers registered at the Social Insurance Agency in 2011 and 2012

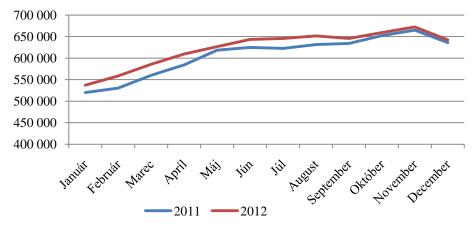
Source: Social Insurance Agency





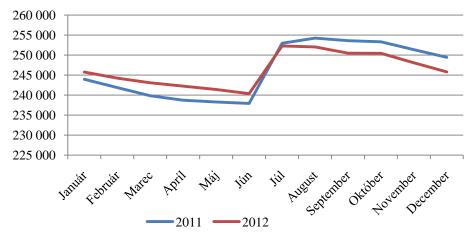
Source: Social Insurance Agency

Graph 2.4 Number of standard agreements registered at the Social Insurance Agency in 2011 and 2012



Source: Social Insurance Agency

Graph 2.5 Number of self-employed persons registered at the Social Insurance Agency in 2011 and 2012



Source: Social Insurance Agency

#### 2.1.3 Unemployment

Similarly as with employment, unemployment can be monitored on the basis of multiple statistics that differ conceptually. The *Labour Force Survey* conducted in households captures unemployed persons as persons aged 15 or above and who concurrently meet the following the following three conditions: (i) in the reference week they had no paid work; (ii) in the last four weeks they were actively looking for work or found work and will enter work within 3 months; and concurrently (iii) are able to enter work within at latest two weeks.

Measurement of employment on the basis of labour office registrations differs significantly from the measurement of unemployment on the basis of the Labour Force Survey, as it captures a different population for reason of the different definition of an unemployed person, and depends on the motivation to register, as well as the legislative conditions for registering. Although it is not suitable for international comparison, it provides precise administrative data that can be reported on a monthly basis and at the lowest administrative-territorial level.

#### 2.1.3.1 Unemployment according to the Labour Force Survey

The average **number of unemployed persons in the SR** in 2012 increased in year-on-year terms by 12 900 persons, i.e. by 3.5%, to 377 500 persons. The **average rate of unemployment** was 14.0% (13.5% in the case of men and 14.5% in the case of women), representing a year-on-year growth of 0.4 p.p. (falling by 0.1 p.p. in the case of men and rising by 0.9 p.p. in the case of women).

The year-on-year growth in the number of unemployed 2012 was stronger in the case of women. The number of unemployed women increased by 7.9%, i.e. by 12 700 against a year earlier. On the other hand, the number of unemployed men rose over the same period by 0.1%, i.e. by 200.

This trend was reflected in an increase in the difference between employment rates of men and women, which reached 1.0 p.p. (in 2011 the unemployment rate of both genders was equal at 13.6%).

The **specific unemployment rate of young people** aged 15 - 24 years increased by 0.6 p.p. to 34.0% against a year earlier. The unemployment rate for young men (35.0%) was 1.8 p.p. higher. Conversely, the unemployment rate of young women (32.5%) fell by 1.3 p.p. against a year earlier.

The specific **unemployment rate of older persons** (aged 55 - 64 years) increased by 1.1 p.p. against a year earlier to 11.2% (by 0.3 p.p. in the case of men to 11.0%, and by 2.5 p.p. in the case of women to 11.6%).

In terms of education, the highest unemployment rate pertain to persons with only primary education, this figure being three times higher than the total employment rate, while conversely the lowest unemployment rate was among persons with university education, at approximately half the total unemployment rate (see Appendix to Chapter 2, table 2).

In 2012 the number of unemployed persons grew in year-on-year terms in all regions (with the exception of the Bratislava region) in an extent ranging from 0.6% (Žilina region) to 8.7% (Trnava region). Regions of eastern Slovakia (the Košice and Prešov regions) southern central Slovakia (Banská Bystrica region) formed the largest share in the total number of unemployed persons in the SR, while also concurrently reporting the highest unemployment rates.

Significant **regional differences** in unemployment rates persisted. Unemployment rates below the SR average were recorded in four regions (Bratislava, Trnava, Trenčín and Nitra), while the unemployment rate in the Žilina region was slightly above the SR average. The Košice, Prešov and Banská Bystrica regions again in 2012 reported highly above-average unemployment rates.

As regards trends in the unemployment rate, unemployment increased in all regions, with the exception of the Bratislava region. This change against a year earlier was reflected also in the increase in the difference between regions with the highest and lowest unemployment rates (from 13.9 p.p. in 2011 to 14.1 p.p. in 2012).

Table 2.10 Unemployment according to the Labour Force Survey (annual average)

	U	nemployed		Unemployment rate				
Region	2012	Share	index	2012	change against			
	(thous. persons)	in SR (%)	2012/2011	(%)	2011 (p.p.)			
SR total	377.5	100	103.5	14.0	0.4			
of which								
Bratislava	19.0	5.0	99.5	5.6	-0.1			
Trnava	33.7	8.9	108.7	11.4	0.8			
Trenčín	26.2	6.9	102.7	9.0	0.9			
Nitra	45.9	12.2	107.5	13.3	0.8			
Žilina	48.0	12.7	100.6	14.3	0.0			
Banská Bystrica	61.0	16.2	104.3	18.0	0.5			
Prešov	70.0	18.5	103.1	18.3	0.5			
Košice	73.9	19.6	102.2	19.7	0.1			

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2012 according to CIHA 2011; indices are calculated from comparable data.

The overall situation in unemployment was influenced by the fact that 63.8% of unemployed persons were without work for more than 1 year, despite the fact that their absolute number increased in year-on-year terms. A problem above all is very long-term unemployment (unemployed for more than 2 years). The number of people who have been unemployed for more than 2 years grew in year-on-year terms by 7.2%, and these persons formed a 70.8% share in the total long-term unemployment rate (unemployed for more than a year).

Table 2.11 Unemployment by duration of unemployment in 2012 (annual average)

Duration of unemployment	Number of unemployed in thous. persons	Share in total number of unemployed persons (%)	Index 2012/2011
Total	377.5	100	103.5
of which:			
up to 1 month	25.1	6.6	117.3
from 1 to 3 months	24.8	6.6	107.9
from 3 to 6 months	31.8	8.4	101.3
from 6 months to 1 year	55.2	14.6	100.0
at least 1 year, total	240.7	63.8	103.1
from 1 to 2 years	70.3	18.6	94.5
longer than 2 years	170.4	45.2	107.2

Source: SO SR, LFS

Data are recalculated for the population as at 1.1.2012 according to CIHA 2011; indices are calculated from comparable data.

In terms of unemployment by duration, the number of unemployed persons in 2012, in comparison with the figure for 2011, increased particularly in the group of persons unemployed for up to 6 months, and in the group of persons unemployed for more than 2 years.

#### 2.1.3.2 Unemployment according to records of offices of labour, social affairs & family

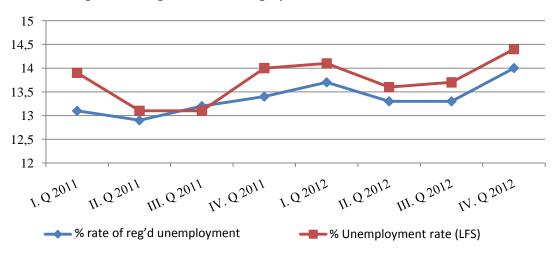
Despite conceptual differences, registered unemployment in 2012 copied the trend in unemployment as per the LFS, which exceeded it on average by 7.5%. Conversely, the number of available jobseekers was lower than the number of unemployed persons according to the LFS; therefore also the rate of registered unemployment, which is calculated from available jobseekers, was lower than the unemployment rate according to the LFS (see Graph 2.1). From this development it may be concluded that, despite the gradual recovery in the economy, the labour market in the Slovak Republic in 2012 continued to be negatively affected by the consequences of the economic crisis.

Table 2.12 Comparison of unemployment rates (quarterly average)

Indicator	I. Q 2011	II Q 2011	III Q 2011	IV Q 2011	I. Q 2012	II Q 2012	III Q 2012	IV Q 2012
Number of registered unemployed, thousand persons	393.2	382.5	387.0	394.3	409.7	395.3	400.0	418.6
Rate of registered unemployment (%)	13.1	12.9	13.2	13.4	13.7	13.3	13.3	14.0
Number of unemployed (LFS), thousand persons	372.2	353.2	354.6	378.5	380.3	368.0	371.3	390.4
Unemployment rate (LFS), %	13.9	13.2	13.2	14.0	14.1	13.6	13.7	14.4
Difference between registe	red une	<b>nployme</b>	nt and un	employm	ent as p	er LFS:		
Number of unemployed, thousand persons	21.0	29.3	32.4	15.8	29.4	27.3	28.7	28.2
Unemployment rate In p.p.	-0.8	-0.3	0.0	-0.6	-0.4	-0.3	-0.4	-0.4
Year-on-year increases (sa	me peri	od from j	previous y	year = $100$	)%)			
Number of registered unemployed, %	-0.15	1.08	3.37	4.70	4.2	3.3	3.4	6.2
Number of unemployed (LFS), %	-8.6	-9.0	-7.5	0.3	2.2	4.2	4.7	3.1

Source: SO SR, LSA&F Headquarters

Graph 2.6 Comparison of unemployment rates between 2011 and 2012



Source: SO SR and LSA&F Headquarters

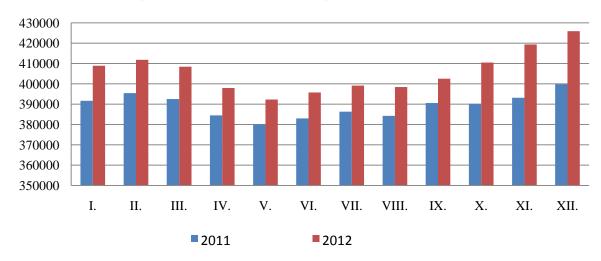
440
420
400
380
360
340
320

I.  $Q^{2011}$  II.  $Q^{2011}$  III.  $Q^{2011}$  III.  $Q^{2011}$  II.  $Q^{2012}$  III.  $Q^{2012}$  III.

Graph 2.7 Comparison of the number of unemployed between 2011 and 2012

Source: SO SR and LSA&F Headquarters

In 2012, the average number of registered jobseekers in the SR was 405 889, representing an increase of 16 625 persons, i.e. 4.27%, on a year earlier. The growth in unemployment was mitigated particularly by active labour market measures implemented by labour offices, by the activation of advisory services, negotiations aimed at avoiding and softening the impacts of redundancies and mass redundancies, and an increase in seasonal work, depending on weather conditions.



Graph 2.8 Number of jobseekers per month in 2011 and 2012

Source: LSA&F Headquarters

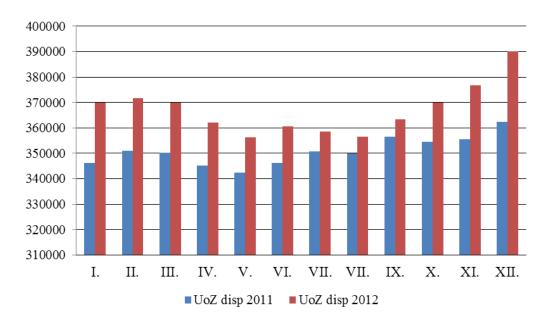
Of the total number of jobseekers, 197 642 were women (48.69%), which in comparison with 2011, when there were an average 188 304 women, represents a growth of 9338, i.e. 4.96%. The highest proportion of women in the total number of jobseekers in 2012 was in the Trnava region (52.56%). In other regions, the proportion ranged from 46.02% (Prešov region) to 51.8% (Bratislava region).

210000 205000 200000 195000 190000 185000 180000 175000 170000 I. II. II. IV. V. VI. VII. VII. IX. X. XI. XII. ■rok 2011 ■rok 2012

Graph 2.9 Number of unemployed women per month in 2011 and 2012

Source: LSA&F Headquarters

The average number of available jobseekers in 2012 was 367 126 persons. In a year-on-year comparison this represents an increase by 16 167 persons, i.e. by 4.61% (on 350 959 jobseekers in 2011).



Graph 2.10 Number of available jobseekers per month in 2011 and 2012

Source: LSA&F Headquarters

420 000 410 000 400 000 390 000 380 000 370 000 360 000 350 000 340 000 340 000 330 000 320 000

■Average 2012

Available jobseekers

Graph 2.11 Comparison of average number of job seekers per month in 2011 and 2012

Source: LSA&F Headquarters

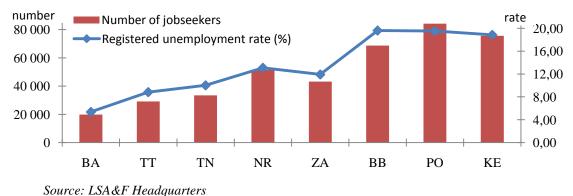
Total jobseekers

The **rate of registered unemployment** in 2012 averaged 13.59%, which in comparison with 2011 represents an increase by 0.3 p.p. against a year earlier (in 2011 the rate of registered unemployment averaged 13.16%).

■ Average 2011

**From the regional perspective**, the highest rate of average registered unemployment was recorded in the Banská Bystrica region (19.6%), whilst the lowest rate was observed in the Bratislava region (5.37%). The nationwide average rate of registered unemployment besides the Banská Bystrica region was exceeded also in the Prešov region with an annual average of 19.51% and in the Košice region with an annual average of 18.84%. A year-on-year growth in the average rate of registered unemployment was recorded in all SR regions, ranging from 0.18 p.p. (in the Bratislava region) up to 0.99 p.p. (in the Prešov region). Higher year-on-year growth in the average rate of registered unemployment than the average for the SR (0.43 p.p.) was recorded in four regions: Trenčín (by 0.46 p.p.), Nitra (0.48 p.p.), Prešov (by 0.99 p.p.) and Košice (by 0.62 p.p.).

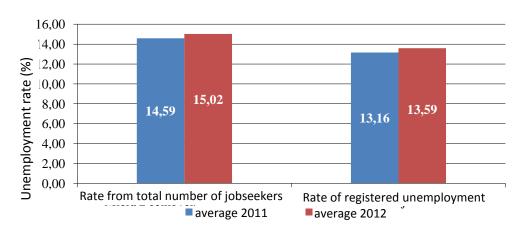
Graph 2.12 Average registered unemployment rate and the number of jobseekers in regions of Slovakia in 2012



•

The **rate of unemployment calculated from the total number of jobseekers** in 2012 averaged 15.02%, which represents an increase of 0.3 p.p. on 2011 (14.59% in 2011).

Graph 2.13 Average registered unemployment rate and number of jobseekers in regions of Slovakia in 2012



Source: LSA&F Headquarters

The average duration of a jobseeker's registration in 2012, compared with 2011 (13.93 month months) increased to 14.01 months.

The **structure of jobseekers by education**<sup>11</sup> in 2012, compared with 2011, was unchanged and was in favour of jobseekers with a higher level of education. The most numerous group, numbering 129 833, and forming a 31.98% share, comprised apprenticed jobseekers. The second most numerous group, numbering 98 639 persons, and forming a 24.3% share, comprised persons with only primary education. The smallest group, numbering 464 persons, group, comprised persons with scientific education. Educational structure of jobseekers – women differed from the overall educational structure of jobseekers in that secondary and secondary vocational school graduates prevailed among women (59 745 persons; 29.21%), followed by primary and incomplete primary education (59 198 persons; 28.94%) and apprenticeship (54.102 persons; 22.45%).

In regional terms, the most jobseekers with primary or incomplete primary education were in the Košice region (36.53%), Prešov region (36.02%) and Banská Bystrica region (35.51%). The most registered jobseekers apprenticed or with secondary vocational education without school leaving-certificate were in the Žilina region (39.0%), the Trenčín region (38.16%), Nitra region (36.92%) and the Trnava region (35.86%). In the Bratislava region persons with secondary school or complete secondary vocational education formed the largest share (38.63%) in the total number of jobseekers.

 $^{11}$  Grade 0 education — completed compulsory schooling to less than the  $8^{th}$  ( $9^{th}$ ) school year

Grade 1 education completed primary or secondary education (excluding secondary education referred to under codes 2 and 3)

Grade 2 education secondary vocational education at secondary vocational colleges (secondary education, apprenticeship)

Grade 3 education secondary education (less than a four-year study – without school leaving-certificate)

Grade 4 education complete secondary vocational education (complete secondary education, study at a secondary

vocational college with school leaving-certificate)

Grade 5 education complete secondary comprehensive education and a grammar school (complete secondary education,

with school leaving-certificate)

Grade 6 education complete secondary vocational education at secondary vocational school and conservatory (complete

secondary education, with school leaving-certificate)

Grade 7 education higher vocational education (higher education completed by discharge or bachelor's degree)

Grade 8 education higher education

Grade 9 education scientific training (qualification)

% 100,00 90,00 80,00 70,00 60,00 50.00 40,00 30,00 20,00 10,00 0,00 BA TT TN NR ZA BB PO KE st.vzd. 0,1 ■ st.vzd. 2,3 ■ st.vzd. 5 ■ st.vzd. 4,6 ■ st.vzd. 7,8,9

Graph 2.14 Share of jobseekers by level of education in the regions of Slovakia in 2012

Source: LSA&F Headquarters

A year-on-year comparison of the SR shows that in 2012 there was an increase in jobseekers among persons with secondary and higher education. A fall was seen in the number of jobseekers with only primary education (by 523 persons) and among jobseekers with no education (by 98 persons).

The most significant year-on-year growth was recorded among jobseekers with apprenticeship education in all regions, ranging from 91 persons in the Bratislava region through to 1094 persons in the Nitra region.

The number of jobseekers, **in terms of age structure**, ceased to copy the period prior to the economic crisis, when the largest group comprised older persons. In 2012, the largest group of jobseekers comprised persons aged 15-24 years (77 000 persons). Their share represented 19.70%. The second largest group, numbering 53 600 persons, i.e. 13.21%, comprised jobseekers aged 25-29 years, while the third group numbering 47 900 persons, i.e. 11.81%, were persons aged 35-39 years. Women jobseekers were most in the age groups 20-24 years, 25-29 years and 35-39 years.

Table 2.13 Structure of jobseekers by age in regions of Slovakia in 2012 (%)

	of which											
Territory (SR region)	15- 24yr	25- 29yr	30- 34yr	35- 39yr	40- 44yr	45- 49yr	50- 54yr	55- 59yr	above 60yr			
Bratislava	16.36	15.06	13.63	12.15	9.26	9.71	10.75	12.58	2.10			
Trnava	19.39	13.23	11.76	11.88	9.61	10.43	11.68	10.82	0.53			
Trenčín	20.11	12.70	10.92	10.50	9.63	11.25	12.67	11.53	0.68			
Nitra	17.54	12.42	11.51	12.23	10.33	11.19	12.57	11.63	0.59			
Žilina	21.56	12.55	10.44	10.88	10.20	11.13	11.89	10.68	0.67			
Banská Bystrica	18.06	12.69	12.03	12.36	10.59	11.51	11.99	10.25	0.53			
Prešov	22.09	13.92	11.97	11.87	10.50	10.72	10.52	7.91	0.50			
Košice	19.40	13.70	12.09	12.29	10.66	11.23	11.21	8.83	0.58			
Slovakia	19.70	13.21	11.77	11.86	10.30	11.03	11.59	9.96	0.59			

Source: LSA&F Headquarters

In terms of the **duration of jobseeker registration**, the situation in 2012 was unchanged. The number of jobseekers registered for more than 12 months averaged 198 000 persons (48.8%), whilst in 2011 this figure was 187 000 (48.0%). The largest number of jobseekers was registered for up to 3

months  $-77\,900$  persons (19.2%), from 4-6 months 58 700 persons (14.45%). Of jobseekers registered for more than 12 months, the largest share comprised jobseekers registered for longer than 48 months (14.27%). A year-on-year fall was recorded among jobseekers registered for 19-36 months, while other groups showed an increase. More detailed data on jobseekers registered for longer than 12 months is given in the subchapter Disadvantaged Jobseekers. The highest number of women jobseekers as at the end of 2012 was in the group registered above 48 months, namely  $36\,478$  persons (17.83%), while the second-highest number of women as at the end of the reporting period formed the group registered 4-6 months, numbering  $33\,329$  persons (16.29%). The number of women in registered for up to 3 months averaged  $31\,522$  persons (15.14%).

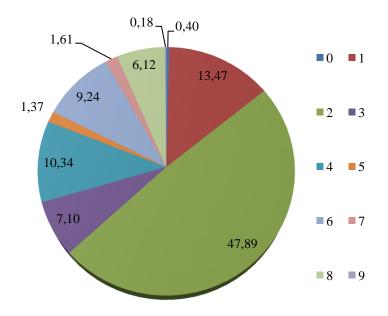
Table 2.14 Average number of jobseekers by duration of registration per month in 2012 by SR region (persons)

Territory (SB regions)	Total jobseek	up to	4-6	7-9	10-12	13-18	19-24	25-30	31-36	37-42	43-48	above 48
(SR regions)	ers	3										-10
Bratislava	20 268	5 901	4 265	2 595	1 789	2 165	1 181	779	547	387	223	436
Trnava	29 140	7 419	5 276	3 321	2 448	3 270	1 930	1 321	1 054	937	627	1 537
Trenčín	33 691	8 136	5 818	3 772	2 755	3 680	2 255	1 669	1 384	1 264	808	2 150
Nitra	51 413	10 594	7 946	5 322	4 156	5 765	3 654	2 709	2 309	2 172	1 528	5 260
Žilina	43 284	9 862	7 334	4 831	3 626	4 900	2 952	2 045	1 615	1 487	1 041	3 592
Banská Bystrica	68 499	10 556	8 283	5 814	4 618	6 573	4 430	3 626	3 256	3 369	2 756	15 218
Prešov	84 050	13 623	10 558	7 706	6 172	8 838	5 868	4 658	4 035	4 032	3 243	15 317
Košice	75 544	11 887	9 186	6 687	5 428	8 136	5 665	4 330	3 485	3 424	2 874	14 443
Slovakia	405 889	77 978	58 665	40 047	30 992	43 329	27 933	21 136	17 684	17 071	13 098	57 954

Source: LSA&F Headquarters

In 2012 a total of 5493 job vacancies were reported at labour offices. **In terms of demand by education level**, the most job vacancies in 2012 were those requiring apprenticeship education (2631 vacancies, i.e. 47.9%) and completed secondary vocational education (568 vacancies, i.e. 10.3%). The lowest number of vacancies (10 vacancies) was available for jobseekers with a scientific classification and jobseekers with no education (22 vacancies).

Graph 2.15 Share of job vacancies in 2012 as per education requirements



Source: LSA&F Headquarters; Education level is defined in footnote 11

**From the regional aspect**, the most job vacancies for jobseekers with completed apprenticeship education was in the Bratislava region (425 vacancies) and the least in the Banská Bystrica region (189 vacancies). The highest number of vacancies for jobseekers with completed secondary education at secondary vocational school was in the Bratislava region (176 vacancies) and the least in the Košice region (42 vacancies).

According to the Statistical Classification of Occupations<sup>12</sup> (hereinafter "SCO") the most vacancies in 2012 on average per month reported at labour offices were for craftsmen and skilled makers, processors (1362 vacancies, i.e. 24.8%), for technical, healthcare and teaching jobs (1019 vacancies, i.e. 18.5%) and for operating machinery and equipment (962 vacancies, i.e. 17.5%). The lowest number of vacancies was reported for army officers as professional soldiers (1 vacancy on average per month) and for skilled workers in agriculture and forestry (47 vacancies, i.e. 0.9%).

0,0% 2,7% 5,1% ■ KZAM 1 ■ KZAM 2 7,5% ■ KZAM 3 17,5% ■ KZAM 4 18,5% ■ KZAM 5 ■ KZAM 6 5,7% ■ KZAM 7 24,8% 17,3% ■ KZAM 8 ■ KZAM 9 ■ KZAM 0 0,9%

Graph 2.16 Share of vacancies in 2012 as per SCO

Source: LSA&F Headquarters

From a regional perspective, the most job vacancies for craftsmen and skilled manual makers, processors was in the Prešov region (313 vacancies) and the least in the Košice region (79 vacancies). The most vacancies for technical, healthcare and teaching jobs was on average in the Bratislava region (376 vacancies) and the least in the Prešov region (67 vacancies). The most vacancies for operators of machinery and equipment was on average in the Bratislava and another region (176 vacancies) and the least in the Banská Bystrica region (56 vacancies).

#### **Disadvantaged jobseekers**

The largest group of disadvantaged jobseekers are **long-term unemployed persons** registered for at least 12 months. Their position on the labour market is made the more difficult due to the fact that through their long-term unemployment they gradually lose vocational knowledge, work skills and work habits. This category includes difficult-to-employ persons with a low education level and no

 $<sup>^{12}</sup>$  ISCO 1 legislators, senior officials and managers

ISCO 2 scientific, expert, knowledge workers

ISCO 3 technical, medical, teaching staff and workers in related fields

ISCO 4 administrative workers

ISCO 5 operating staff in services and trade

ISCO 6 skilled workers in agriculture, forestry and related fields

ISCO 7 craftsmen and qualified producers, repairers

ISCO 8 plant and machine operators

ISCO 9 ancillary and unskilled workers

ISCO 0 members of the military (professional soldiers)

A ISCO persons without occupational classification.

qualifications. Categories of disadvantaged jobseekers are defined in § 8(1) of the Employment Services Act.

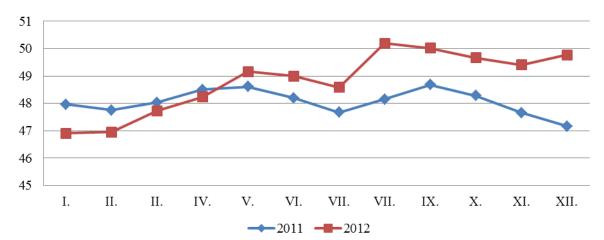
220000 200000 180000 160000 140000 120000 100000 I. II. III. IV. V. VI. VII. VII. IX. Χ. XI. XII.

**2011 2012** 

Graph 2.17 Trend in the number of jobseekers unemployed for more than 12 months in the SR

Source: LSA&F Headquarters

In 2012 the register of jobseekers recorded on average 198 068 long-term unemployed persons. Their absolute number in comparison with 2011 rose by 11 041 persons. The share of long-term unemployed persons in the total number of jobseekers in 2012 averaged 48.8%, which in comparison with 2011 (48.0%) represents an increase of 0.8 p.p.



Graph 2.18 Proportion of jobseekers unemployed for more than 12 months in total numbers (%)

Source: LSA&F Headquarters

Of the total number of jobseekers unemployed for more than 12 months, the most unemployed persons in 2012 on average in Slovakia were in the age category 50 - 54 years, representing 27 797 persons (14.03%). The second largest group were jobseekers in the age group 45 - 49 years, forming a 12.98% share of all jobseekers unemployed for more than 12 months (25 705 persons).

Table 2.15 Structure of jobseekers registered as unemployed for more than 12 months by age in 2012 (persons)

age	15-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60 +	TOTAL
SR	23 499	21 674	22 461	25 226	23 021	25 705	27 797	25 528	3 158	198 068

Source: LSA&F Headquarters

In terms of education the largest share in long-term unemployment comprise jobseekers with primary education or no education, who in 2012 numbered on average 77 198, representing 38.98% of all jobseekers registered unemployed for more than 12 months in 2012. The second highest share comprised jobseekers with incomplete apprenticeship education (64 558 persons), representing a 32.59% share.

Table 2.16 Jobseekers registered as unemployed for more than 12 months by level of education in 2012 (persons)

education level	0	1	2	3	4	5	6	7	8	9	TOTAL
SR	13 628	63 570	64 558	747	16 148	5 341	23 913	2 175	7 505	127	198 068

Source: LSA&F Headquarters

In 2012 the number of registered jobseekers **aged above 50 years** averaged per month 94 517. In comparison with 2011 (jobseekers aged above 50 years averaged per month) this represents a decrease by 1081 persons (1.13%).

In the total number of jobseekers, the proportion of jobseekers aged above 50 years represented 23.29%, which in comparison with 2011 (24.56%) represents a fall of 1.27 p.p.

The average monthly number of jobseekers from among **school leavers** in 2012 in comparison with 2011 fell by 499 persons to 28 599 persons. The share in the total average number of jobseekers in comparison with 2011 fell (by 0.88 p.p. from 7.5% in 2011 to 7.0% in 2011).

The change in the number of jobseekers from among school leavers is influenced particularly by the inflow of school leavers into the register in line with the end of the school year at secondary schools and universities. The inflow of school leavers normally reaches a maximum in September of the given year, when following the end of the holidays school leavers from secondary school and vocational colleges come onto the register. Another high inflow occurs in June and May due to the inflow of university graduates. There is a significant outflow in September, due to a number of graduates entering vocational training for an occupation.

In terms of education structure, the most school leavers as at the end of 2012 had come onto the jobseeker register from secondary vocational schools, totalling 9667 (representing 36.8% of all unemployed school leavers) and from secondary vocational colleges with a school leaving-certificate, totalling 7116 persons (27.1%). The fewest unemployed school leavers were from grammar schools, totalling 1815 persons (6.9%) (Appendix to Chapter 2, table 3).

In 2011, the number of **juvenile** (up to 18 years of age) jobseekers averaged 3242, which in comparison with the preceding year (3399) represents a fall of 157 persons. Their share in the total average number of jobseekers in comparison with 2011 fell by 0.1 p.p.

In 2012, the number of **people with disabilities** in the jobseeker register averaged 13 865, representing an increase by 1468 persons against a year earlier. The proportion of jobseekers with disabilities in the total number of jobseekers in 2012 represented 3.42%, which in comparison with the preceding year represents a fall of 0.23 p.p.

200 000 180 000 160 000 140 000 120 000 100 000 80 000 60 000 40 000 20 000 0 Disabled **Jobseekers** Juveniles Jobseekers School-leavers jobseekers 12+ months aged 50+ years ■average 2011 ■average 2012

Graph 2.19 Average numbers of disadvantaged jobseekers in 2011 and 2012

Source: LSA&F Headquarters

Table 2.17 Share of disadvantaged jobseeker groups in total number of jobseekers (%)

Disadvantaged RJs	2011	2012	Year-on-year change (p.p.)
Jobseekers unemployed more than 12 months	48.0	48.8	0.8
School leavers	7.5	7.0	-0.5
Disabled jobseekers	3.2	3.4	0.2
Juveniles	0.9	0.8	-0.1
Jobseekers above 50 years of age	24.6	23.3	-1.3

Source: LSA&F Headquarters

#### 2.1.4 Active labour market measures

Active labour market measures, whose implementation lies in the competence of the LSA&F Headquarters and labour offices had a positive influence on the labour market and dampened the rise in unemployment.

### 2.1.4.1 Evaluation of changes in legislation in the field of employment services in 2012

#### **Employment Services Act**

ALMP measures in 2012 were aimed at increasing employment, reducing regional disparities, reducing long-term unemployment and the associated support for new job creation as the most effective means of ensuring growth in the people's income. Measures were taken for jobseekers with the aim of supporting employers' motivation for creating new jobs.

Active Labour Market Measures (ALMMs) in the reporting period were conducted primarily through the application of Act No. 5/2004 Coll. on employment services and on the amendment of certain acts, as amended (the Employment Services Act), which was updated by Act No. 468/2011 amending Act No. 235/1998 Coll. on childbirth allowance and allowance for parents of multiple births or repeated twin births within the course of two years and amending other acts, as amended and amending certain acts with effect from 1 January 2012. That change:

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- cancelled the maximum duration for the provision of a contribution for supporting employment for the implementation of anti-flood measures and for solving the consequences of an emergency under § 50j for jobseekers employed for performing works related to those measures.
- set by a normative method, with a view to engaging as many jobseekers as possible from areas most afflicted by unemployment, the period of providing a contribution under § 50j in districts with an average rate of registered unemployment higher than 25%, and this at most during six calendar months only for an employer that is a municipality or a legal person founded or established by a municipality.

## 2.1.4.2 ALMMs for supporting employability and raising employment, and their application in 2012

Under the Employment Services Act the following active labour market measures were implemented in respect of employers and jobseekers, job applicants and employees for the purpose of placing and retaining them on the labour market:

#### a) support for increasing employability of jobseekers and job applicants

- information and advisory services (§ 42)
- professional advisory services (§ 43)
- education and training for the labour market for jobseekers and job applicants (§ 46)
- benefit during education and training for the labour market and during training for employment in the labour market for disabled persons (§ 48b)
- contribution for employing a disadvantaged jobseeker (§ 49a)
- contribution for conducting school-leaver practice (§ 51)
- allowance for activation activity in the form of minor municipal services for a municipality or in the form of minor services for an self-governing region (§ 52)
- contribution for activation activity in form of voluntary service (§ 52a)
- training for work for a disabled person (§ 55a)

#### b) support for employment, job creation and retention

- mediation of employment (§ 32)
- education and training for the labour market for an employee (§ 47)
- contribution for self-employment (§ 49)
- contribution for employing a disadvantaged jobseeker (§ 50)
- contribution for supporting the retention of low-wage employees (§ 50a)
- contribution for supporting the creation and retention of jobs at a social enterprise (§ 50c)
- contribution for supporting employment for the implementation of anti-flood measures and for solving the consequences of an emergency (§ 50j)
- contribution for commuting to work (§ 53)
- contribution for relocation for work (§ 53a)
- contribution for transport to employment (§ 53b)
- contribution for new job creation (§ 53d)
- pilot projects (§ 54)
- contribution for establishing a protected workshop and protected workplace (§ 56)
- contribution for retaining a disabled person in employment (§ 56a)
- contribution to a disabled person for self-employment (§ 57)
- contribution for restoration or technical upgrading of tangible assets of a protected workshop or protected workplace (§ 57a)
- contribution for the activity of a work assistant (§ 59)
- contribution for reimbursement of operating costs of a protected workshop or protected workplace and for reimbursement of employee transport costs (§ 60).

ALMMs under the Employment Services Act were implemented by the LSA&F Headquarters and labour offices and progressed continually from 2011 into 2012, though monthly monitoring of ALMM implementation in the case of certain instruments showed to be of a significantly seasonal nature.

Most ALMMs are implemented by means of national projects financed from the European Social Fund and co-financed by the state budget funds. In 2012 a total of more than 94 000 target group subjects were supported (jobseekers, do job applicants, employees/jobs) in total agreed funds of more than epsilon 136 million. An overview of the application of individual ALMMs in 2012 is given in the Appendix to Chapter 2 – overview of the implementation of active labour market measures and in Tables 4 and 5.

# 2.2 Wages and working conditions

Evaluation of changes in legislation in 2012 in the field of wages and working conditions

#### a) Minimum wage

Act No. 663/2007 Coll. on the minimum wage, as amended by minimum wage legislation was not amended in 2012. With effect from 1 January 2012 the Government of the Slovak Republic set by SR Government regulation no. 343/2011 Coll. the amount of the minimum wage at  $\epsilon$ 327.20 per month for an employee paid a monthly wage and at  $\epsilon$ 1.880 per hour worked for other employees. The increase in the amount of the minimum monthly wage against the amount of  $\epsilon$ 317.00 per month applicable in 2011 (SR Government Regulation no. 408/2010 Coll.) represents 3.2%<sup>14</sup>.

#### b) Labour Code

With effect from 1 September 2012 the Labour Code was amended by Act No. **251/2012 Coll.** on energy and on the amendment of certain acts. The partial amendment allowed a derogation from the provisions of the Labour Code in terminating employment by notice or immediate dismissal in the case of employees who are required to ensure compliance under a particular regulation and in the case of employees working in the operation, maintenance and development of the gas transmission system who report directly to the statutory body of the gas transmission system operator.

The other three amendments to the Labour Code, adopted in 2012, **entered into effect on 1 January 2013**.

The aim of the amendment made by **Section II of Act No. 252/2012 Coll.** amending Act No. 311/2001 Coll. the Labour Code, as amended (this amendment to the Labour Code was passed in the Parliament of the Slovak Republic on 10 August 2012) was to specify who may be deemed a student for the purposes of a temporary student work agreement (a natural person having the status of a secondary-school pupil or the status of a student of a day form of university study under a separate regulation) and set the upper age limit (26 years of age) up to when a student may perform work on the basis of such an agreement.

Another amendment to the Labour Code, made by **section II of Act No. 345/2012 Coll**. on certain measures in local government and on the amendment of certain acts (the amendment to the Labour Code was passed in the Parliament of the Slovak Republic on 18 October 2012) responded to the cancellation of certain regional offices.

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<sup>&</sup>lt;sup>13</sup> With effect from 1 January 2013, however, by way of an amendment to the Minimum Wage Act, made in Article VII of Act no. 361/2012 Coll. (amendment to the Labour Code), the application of the minimum wage was extended so as to include employees performing work on the basis of any agreements on work performed outside employment.
<sup>14</sup> In 2012, the Government of the Slovak Republic, in accordance with the empowering provision of the Minimum Wage

<sup>&</sup>lt;sup>14</sup> In 2012, the Government of the Slovak Republic, in accordance with the empowering provision of the Minimum Wage Act, approved SR Government Ordinance no. 326/2012 establishing the minimum wage in 2013, at the level of €337.70 per month for an employee paid a monthly wage and €1.941 per hour worked for other employees, whereby the minimum wage for 2013 was increased by a further 3.2%.

Substantial changes were made by **Act No. 361/2012 Coll.**, amending Act No. 311/2001 Coll. the Labour Code, as amended and amending certain acts (the amendment to the Labour Code was passed by the Parliament of the Slovak Republic on 25 October 2012). The purpose of this amendment to the Labour Code was promote balance in the application of rights and their corresponding duties between the employee and employer, as well as creating decent working conditions with particular emphasis on the negotiation of these conditions with social partners.

Specific changes in the Labour Code refined the definition of gainful work (a reduction in the number of defining features), with the aim of minimising the use of forms of employment other than a proper employment relationship where the work is to be performed in an employment relationship; the extent and period of chaining employment relationships concluded for a definite period was reduced; the participation of employee representatives was introduced in the termination of an employment relationship from the side of the employer; there was established for the employer the duty to provide the employee severance pay not only in the case of terminating an employment relationship by agreement, but also by termination for organisational reasons or health reasons; there thus arises to the employee a legal claim not only to a period of notice (if there is no agreement on termination of employment), but also a claim to severance pay, which is differentiated according to the number of years worked at the employer.

The amendment also modified the *institute of the working time account* so that it is possible to use a equalisation period of longer than 12 months (at maximum 30 months), under the condition of complying with the maximum length of working time of an average weekly working time of 48 hours within 12 months, with the possibility of using a working time account, where serious obstacles arise on the side of the employer due to which the employer cannot assign work to the employee; so that employee representatives are enabled to participate in co-decision-making on labour consumption standards; and so that employees performing work on the basis of agreements for work performed outside employment are also subject to certain provisions on working time and the minimum wage.

There principle is ensured that the Labour Code should set *minimums and maximums* and not allow a divergent arrangement between an employer and employee representatives to the detriment of employees; there has been cancelled the duty on a trade union organisation to prove its representativeness at the employer, which requires identifying members of the trade union organisation, whilst, under the SR Constitution, each person has the right to decide whether to disclose their membership in a trade union organisation; there has been cancelled the possibility to arrange a special agreement with a works council or employee spokesperson who do not have a legal personality or competence for legal acts; law governing the standing and action of employee representatives at the workplace has been amended so that they can better perform their activity (provision of statutory leave for their activity, unless there is agreement with employee representatives).

# c) Act No. 553/2003 Coll. on the remuneration of certain employees performing work in the public interest and on the amendment of certain acts, as amended (hereinafter simply the "Remuneration Act")

In § 1(7) there were deleted from the subject-matter of the Remuneration Act employees who are nurses or midwives, though resolution of the Constitutional Court of the Slovak Republic no. 218/2012 Coll. ref no. 13/2012 of 11 July 2012 suspended the effect of § 1(7) as of 31 July 2012.

According to  $\S 5(2)$  of the Act on the State Budget for 2013 the salary tariffs for teaching and professional staff are increased by 5% with effect from 1 January 2013 in Appendix 7 to the Remuneration Act.

# d) Act. 552/2003 Coll. on work in the public interest, as amended (hereinafter simply "Act No. 552/2003 Coll.").

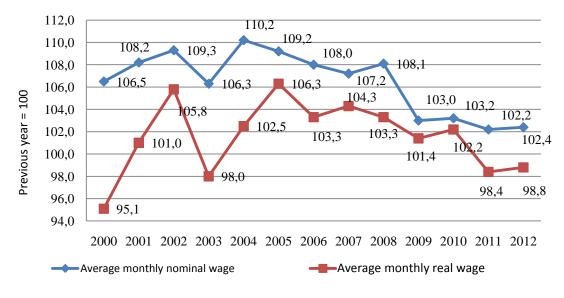
Act No. 361/2012 Coll. amending Act No. 311/2001 Coll. the Labour Code, as amended and amending certain acts in Act No. 552/2003 Coll. stipulated that the activity of a member of a precinct electoral committee, the minutes clerk of a precinct electoral committee, a member of a precinct committee for a referendum, the minutes clerk of a precinct committee for a referendum, a census

commissioner and member of a committee of a municipal council is not performed in an employment relationship. Likewise, there was also cancelled § 13ba of Act No. 552/2003 Coll. eliminating the restriction relating to statutory bodies (as well as managerial employees reporting directly to the statutory body at an employer with more than 100 employees) from receiving certain benefits agreed at enterprise collective agreements.

# 2.2.1 Wages and salaries

The average monthly wage of an employee in the SR economy is calculated by the ESO SR from data<sup>15</sup> obtained primarily from quarterly business reporting. The system of quarterly and annual business reporting is the core instrument of state statistics regarding labour and wages. It provides data on information on the number of employees, hours worked, job vacancies, average nominal and real wages. Data on the level of the average monthly nominal wage of employees, as published by the SO SR, is used for deriving other important indicators for the social sector.

In 2012, the **average nominal monthly wage** of an employee in the SR economy<sup>16</sup>, according to SO SR data, totalled  $\in$ 805, which in comparison with the previous year represents an increase by 2.4% (by  $\in$ 19 in absolute terms). The rate of growth in nominal wages compared to 2011 (2.2%) accelerated slightly, though still below the level of consumer price growth. This fact was reflected in the trend in real wages, which fell for the second year in a row. The **average real monthly wage** of an employee in the Slovak economy in 2012 fell in year-on-year terms by 1.2% (after falling by 1.6% a year earlier).



Graph 2.20 Trend in the average monthly wage since 2000 (%)

Source: SO SR

As in previous years, in 2012, significant regional differences persisted in wage development, where in individual **regions** the average nominal monthly wage ranged from the  $\[ \in \]$ 613 (Prešov region) to  $\[ \in \]$ 1 029 (Bratislava region) with a difference of  $\[ \in \]$ 416 (compared to  $\[ \in \]$ 393 a year earlier). In the Prešov region the average nominal monthly wage was 59.6% of the average nominal monthly wage in the Bratislava region. It was only in the Bratislava region that the average nominal monthly wage was higher than the average for the whole SR economy ( $\[ \in \]$ 805). Wage levels in other regions were below the SR average.

<sup>&</sup>lt;sup>15</sup> Data exclude business incomes, including salaries of the Armed Forces, including professional soldiers, adjusted by a statistical estimate of undeclared wages.

<sup>&</sup>lt;sup>16</sup> According to quarterly statistical reporting; excluding business incomes; data adjusted by a statistical estimate of undeclared wages, indices are calculated from comparable data.

The rate of growth in the average nominal monthly wage in 2012 compared to 2011 accelerated in the Bratislava region (from 1.0% to 2.8%), in the Trenčín region (from 4.6% to 5.4%) and in the Banská Bystrica region (from 2.7% to 3.5%).

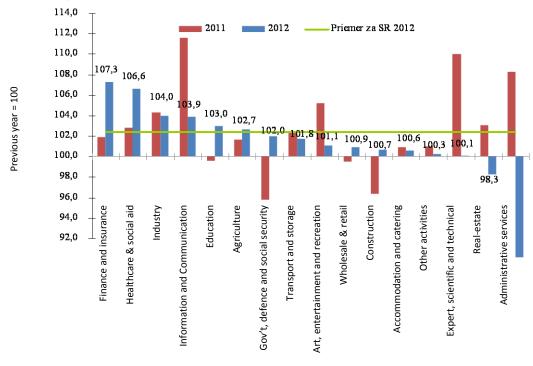
106,0 105,4 105,0 104,6 104,3 104,1 104,0 103,5 103,1 Previous year = 100 102,8 102,7 103,0 102,4 101,4 102,0 101,0 100,8 101,0 00,1 100,0 2012 -Average for SR 2012

Graph 2.21 Growth of average nominal monthly wage in 2011 and 2012 by region (%)

Source: SO SR

**By sector**, the average nominal monthly wage was higher than the nationwide average in financial and insurance activities, health care and social assistance, industry, information and communication, education and agriculture. The lowest average nominal monthly wage was reported for employees in accommodation and catering services. The difference between the best and worst paid sectors was €1147.

In comparison with 2011, the average nominal monthly wage increased in most sectors. The highest relative increase was in financial and insurance activities (7.3%) and health care and social services (6.6%), while the average nominal monthly wage fell in year-on-year terms in administrative services (9.8%) and real-estate activities (1.7%).



Graph 2.22 Average nominal monthly wage in 2011 and 2012 by sector (%)

Source: SO SR

**In terms of business size**, enterprises with 1000 or more employees had the highest average nominal monthly wage. An average nominal monthly wage, higher than the nationwide average, was also reported in the large enterprise category of businesses with 500 to 999 employees and 250 to 499 employees and medium-sized enterprises with 50 to 249 employees. The lowest average nominal monthly wage was reported by sole proprietorships.

Compared to 2011, nominal wages grew dynamically at large enterprises (with the exception of enterprises employing from 500 to 999 employees) and at medium-sized enterprises. In the category of small businesses, nominal wages fell significantly at enterprises with up to 19 employees, while enterprises with 20 to 49 employees recorded the fastest growth of all size categories.

	2011	<b>Index 20</b> 2	11/2010	2012	<b>Index 2012</b>	2/2011
Number of employees	(€)	nominal wage	real wage	(€)	nominal wage	real wage
0 – 9	639	96.5	92.9	•	•	•
10 – 19 1)	749	107.5	103.5	660	89.8	86.7
20 – 49	702	98.3	94.6	751	107.0	103.3
50 – 249	804	101.1	97.3	846	105.2	101.5
250 – 499	879	104.1	100.2	917	104.3	100.7
500 – 999	925	106.2	102.2	918	99.2	95.8
1000 or more	979	101.8	98.0	1 040	106.2	102.5
Sole proprietorships (estimate)	594	102.9	99.0	587	98.8	95.4
Total	786	102.2	98.4	805	102.4	98.8

<sup>1)</sup> in 2012, businesses with 0-19 employees

Source: SO SR, Statistical Report on Fundamental Development Trends in the SR Economy in Q4 2011, Statistical Report on Fundamental Development Trends in the SR Economy in Q4 2012

#### 2.2.1.1 Average monthly gross wage in business and non-business sectors

The system of quarterly and annual statistical reporting at enterprises provides basic data on employee numbers and total wages; it does not, however, provide data in a more detailed breakdown (e.g. by employment, age, practice, education, gender), which are necessary for monitoring labour costs. Wage statistics, therefore, also include the Labour Cost Information System, which is coordinated by the Ministry of Labour, Social Affairs and Family, and includes a regular longitudinal quarterly survey of average hourly and monthly earnings of employees in a detailed breakdown<sup>17</sup>. Due to different data sources, the average wages determined from the labour cost information system differ to some degree from the average wage determined by the SO SR on the basis of reporting.

According to results from the nationwide survey of the Labour Cost Information System of MoLSAF, the average gross monthly wage in the SR economy in 2012 was €870, of which €919 in the business sector and €754 in the non-business sector.

The **lowest average gross monthly wage** in 2012, by education level, was reported for employees with only primary education - €559. The wage of employees with only primary education averaged €602 in the business sector and €421 in the non-business sector. *In terms of the main classes of employment*, the lowest average gross monthly wage was reported for ancillary and unqualified employees - €481 (€521 in the business sector and €401 in the non-business sector). In a classification *by age*, the lowest average gross monthly wage was reported for employees up to 20 years of age - €520 (€529 in the business sector and €407 in the non-business sector). In terms of **ownership type**, the lowest average gross monthly wage was reported for employees at cooperative enterprises - €676 (€676 for employees of business-sector cooperative organisations, €647 for employees of associations, political parties and churches). *In regional terms* the lowest average monthly gross wage was received by employees in the Prešov region - €706 (€703 in the business sector in the Prešov region, and €707 in the non-business sector in the Prešov region) (Appendix to Chapter 2, table 9).

The **highest average gross monthly wage** in 2012, in terms of education level, was received by employees with a stage III university education – €1324, representing 150% of the average gross monthly wage in the SR economy. The wage of employees with stage III university education in the business sector was  $\in 2179$ , and  $\in 1152$  in the non-business sector (Appendix to Chapter 2, table 6). In terms of the main classes of employment, the highest average gross monthly wage was received by legislators, managers and senior staff –  $\in$ 1929 ( $\in$ 2114 in the business sector and  $\in$ 1357 in the nonbusiness sector) (Appendix to Chapter 2, table 7). In terms of age the highest average gross monthly wage was earned by employees aged 30 to 34 years – €958 (€1013 in the age range 35 to 39 years in the business sector, and €817 in the age range 60 and above in the non-business sector) (Appendix to Chapter 2, table 8). In a breakdown by type of ownership, the highest average gross monthly wage was earned by employees of companies in international ownership with a dominant public sector – €1634 (€1634 in the business sector in the case of employees of companies with international ownership with a dominant public sector, and €874 in the non-business sector in the case of employees of state-owned organisations). In regional terms, the highest average monthly wages were earned by employees in the Bratislava region - €1181 (€1256 in the business sector, and €878 in the nonbusiness sector) (Appendix to Chapter 2, table 9).

An analysis of the **share of individual components of the total average gross monthly wage** in 2012 ( $\epsilon$ 878) clearly shows that the basic salary formed the largest share ( $\epsilon$ 67%). Another major component of the average gross monthly wage were wage compensations, which represented 12%, while bonuses and premiums formed the third largest component (11%). After deducting health and social insurance contributions and personal income-tax advance payments, the average net monthly wage was  $\epsilon$ 684, and its share in the gross wage was 78% ( $\epsilon$ 660 in Q4 2011) (Appendix to Chapter 2, table 10).

According to data on remuneration in a **breakdown by gender**, the average gross monthly wage in 2012 for men was €994 (€1016 in the business sector and €851 in the non-business sector)

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<sup>&</sup>lt;sup>17</sup> Regular monitoring and evaluation of the level of average earnings, wage structure in the detailed breakdown of specific employment arises from Regulation EC no. 530/1999 concerning structural statistics on earnings and labour costs and European Commission Regulation no. 72/2002 as regards quality evaluation in structural statistics on earnings.

and  $\in$ 756.04 women ( $\in$ 779 in the business sector, and  $\in$ 717 in the non-business sector). The average gross monthly salary of women was thus 76.0% of the average gross monthly wage of men, and was unchanged from 2011.

There were substantial income differences in a comparison between the business and non-business sectors in terms of education, both among women and among men. In the case of both genders the wage of employees with higher education rose faster in the business sector, and in the business sector wages were higher for all levels of education.

According to the level of education, the highest average monthly wage was earned by women with a third degree working in the business sector (€1501) and in the non-business sector (€1091). Men with a third degree earned the highest average monthly wage in the business sector (€2483) and in the non-business sector (€1193). In both the business and non-business sectors the lowest average monthly wage was earned by employees with only primary education. The largest differences, in terms of education, between the business sector and non-business sector were recorded in the wages of men with a third degree, where this difference represented some €1290. The corresponding difference between earnings of women in the same category was €410.

In terms of the **SK ISCO-08 major groups**, the highest wages were earned by both men and women earned in both the business sector and non-business sector, in the group SK ISCO-08 1 - Legislators, chief executives and senior officials. Men earned on average the least in the ISCO-08 group 9 - elementary occupations (€591 in the business sector and €464 in the non-business sector). In the case of women, the lowest wages were on average, similarly as in the case of men, in the ISCO-08 group 9 - Elementary occupations (€451 in the business sector and €381 in the non-business sector) (Appendix to Chapter 2, table 7).

In accordance with the above results of the comparison of earnings of employees in the business sector and non-business sector, the result has for long now been in favour of the business sector. In almost all classes, salaries are higher in the business sector. In terms of the SK ISCO – 08 major groups, the only exception are men in the group SK ISCO–08 5 – Service and sales workers, the reason for which being the employment of fire-fighters, who are classified in the non-business sector. the largest differences between the pay of men and women are seen among managers and senior officials. Men in the business sector earn  $\in$ 165 more than in the non-business sector, while women in the business sector earn  $\in$ 62 more than in the non-business sector.

Of the total number of employees in the labour cost information system sample set (1 050 052), 65.09% of employees earned a wage lower than the nationwide average of  $\in$ 878. The average gross monthly wage of these employees was  $\in$ 584. Of the number of employees working full-time, 1.32% of employees earned the minimum wage (Appendix to Chapter 2, tables 11 to 16).

#### 2.2.2 Total labour costs in the SR

According to the data of the Statistical Office of the SR (at the time of processing the Report, data are available only for 2011) annual **total labour costs** in 2011 rose in year-on-year terms by 4.3% to  $€14\ 064$  per employee.

Of total labour costs in 2011, the sum of direct costs formed 72.82%, and indirect costs 27.27%, from which are deducted subventions received by the employer in the form of subsidies (0.09%).

Type of cost 2005 2006 2007 2008 2009 2010 2011 Total labour costs 10 899. 10 175. 11 867.9 14 064 12 812.7 13 104.6 13 482 of which: 4 0 - direct costs 7 437.9 7 964.6 8 672.5 9 319.9 9 5 1 6.0 9 858 10 242 2 741.9 2 940.3 3 201.0 3 497.4 3 597.7 3 650 3 835 - indirect costs

Table 2.19 Trend in annual labour costs in the SR per employee (€)

Source: SO SR, Statistical survey on total labour costs

In 2011, employers spent on average €1172 per employee per month, which was €48 more compared to a year earlier. The year-on-year growth in average monthly labour costs in 2011 compared to 2010 accelerated by 1.4 p.p.

In the group of **direct cost items** in 2011, wages formed the largest share, at 63.86%, while wage compensation is formed 8.20%, of which 6.5% pertained to wage compensation for leave. In the group of direct labour costs, wages grew year-on-year by 4.1%, of which basic wages and salaries rose by 3.4% and bonuses by 0.4%. Of the  $\epsilon$ 748 paid for wages,  $\epsilon$ 579 represented the basic (tariff) wage or salary, bonuses  $\epsilon$ 95, with increments and additional payments forming a further  $\epsilon$ 48. Wage compensations rose by 3.8% to  $\epsilon$ 96; monetary bonuses from profit after tax fell by 6.1%, while standby compensation fell by 19.1%.

The year-on-year growth in compulsory social insurance contributions of 6.1% to  $\epsilon$ 280 and the 8.2% increase in non-compulsory contributions was reflected in growth in indirect labour costs in 2011. Indirect costs totalled  $\epsilon$ 320, while in comparison with a year earlier their growth accelerated by 3.6 p.p.. Of the other indirect cost components, the largest item was formed by social aid, which fell by 6.4% (from  $\epsilon$ 16 to  $\epsilon$ 15), of which meal contributions fell by 9.8%. Conversely, other contributions to social funds rose by 3.1%. Social benefits provided by employers rose by 0.7% to  $\epsilon$ 11, of which severance pay costs increased by 2.2% and income compensation for temporary incapacity for work increased by 3.4%. Employee training costs increased by 8.1% to  $\epsilon$ 5. Other indirect labour costs decrease by 20.3%, while employee recruitment costs rose by 3.3%.

Table 2.20 Structure of monthly labour costs in the SR in 2011

Labour cost items	Share (%)	€	Index 2011/2010
116. TOTAL LABOUR COSTS	100.00	1 172	104.3
17. DIRECT COSTS	72.82	853	103.9
1. Wages and salaries	63.86	748	104.1
2. Wage compensations	8.20	96	103.8
3. Payments to savings programme	0.02	0	66.7
4. Standby work compensations	0.18	2	80.9
5. Bonus from profit after tax	0.35	4	93.9
6. Other direct costs to employees	0.21	2	86.8
7. Remunerations for apprentices	0.00	0	35.8
815. INDIRECT COSTS	27.27	320	105.1
8. Compulsory social insurance contributions	23.86	280	106.1
9. Non-compulsory social insurance contributions	0.57	7	108.2
10. Social benefits	0.95	11	100.7
11. Social insurance contributions for apprentices	0.00	0	218.4
12. Social aid	1.25	15	93.6
13. Employee training costs	0.46	5	108.1
14. Wage related fee and penalties	0.01	0	63.3
15. Other indirect costs	0.17	2	79.7
16. SUBVENTIONS	0.09	-1	52.3

Source: SO SR, Statistical survey on total labour costs

The long-term trend of growing differentiation in labour costs between economic activities continued in 2011. The highest year-on-year growth in labour costs was seen in the economic

activities: supply of electricity, gas, steam and cold gases (by 9.5%); information and communication (by 6.1%); agriculture, forestry and fisheries (by 6%); manufacturing (by 5.7%); mining and quarrying (by 5.2%); and accommodation and catering services (by 5%). In comparison with a year earlier there was a fall in labour costs into economic activities: arts, entertainment and recreation (by 2.2%) and professional, scientific and technical activities (by 1.8%). In terms of the view of the growth dynamics of monthly labour costs compared to a year earlier, their growth accelerated in agriculture, forestry and fisheries; in mining and quarrying; in manufacturing; in the supply of electricity, gas, steam and cold gases; in the supply of water, waste water cleaning, waste and waste removal services; in construction; in transport and storage; in accommodation and catering services; in information and communication; in financial and insurance activities; in real-estate activities; in administrative and support activities; and in the public sector and defence and compulsory social insurance. Other economic activities saw a slowdown in the growth of monthly labour costs.

More than a third of economic activities had above-average labour costs. As in the previous year, financial and insurance activity dominated, with  $\[mathbb{e}2139$ , exceeding the average level in the SR by 82.5%. This was followed by the economic activities: information and communication ( $\[mathbb{e}2115$ ); supply of electricity, gas, steam and cold gases ( $\[mathbb{e}2003$ ); professional, scientific and technical activities ( $\[mathbb{e}1512$ ); mining and quarrying ( $\[mathbb{e}1320$ ); public administration and defence; compulsory Social Security ( $\[mathbb{e}1222$ ); and the supply of water, waste water cleaning, waste management ( $\[mathbb{e}1199$ ).

Other economic activities remained at below-average values despite the overall slight upturn in monthly labour costs. A specific economic activity is manufacturing (£1166), which is characterised by a high degree of internal differentiation of labour costs deriving from the different financial situation of individual economic activities. The production of coke and refined petroleum products, where labour costs, at £2851, exceeded the nationwide average almost 2.5-fold, contrast it with the production of garments, leather and leather products, with labour costs of only 57.4%, or 67.9% respectively, of the nationwide average. A wide spread of values was also seen in transport and storage, where employee costs in and transport (£1845) were 1.7 times the average for this economic activity (£1073). Traditionally, the lowest labour costs per employee have been in accommodation and catering services (£681), followed by administrative and support services (£859), in other activities (£882), in art, entertainment and recreation (£926) and in agriculture, forestry and fisheries (£950). (Appendix to Chapter 2, table 17).

In terms of **organisation size**, the most funds per employee were spent by organisations with 1000 or more employees ( $\in$ 1415). Organisations with 500 – 999 employees also had above-average labour costs ( $\in$ 1306), as did organisations with 250 – 499 employees ( $\in$ 1229) and organisations with 100 – 249 employees ( $\in$ 1207). The lowest labour costs were at small businesses with 1 – 9 employees ( $\in$ 927) and at organisations employing 20 – 49 persons ( $\in$ 1013).

**Regional differentiation** and labour costs grew in year-on-year terms by 1.7%. Monthly labour costs in individual regions ranged from €905 (in the Prešov region) up to €1529 (Bratislava region), with only the Bratislava region achieving an above-average level. Compared with 2010, monthly labour costs grew almost in all regions. The only exception was the Nitra region, which alone did not reach the level of the previous year, with monthly labour costs in this region falling in year-on-year terms by 0.5%. In terms of the change in labour costs against a year earlier, their growth rate accelerated in the Trnava, Trenčín, Žilina, Banská Bystrica and Prešov regions. Other regions saw a slowdown in monthly labour cost growth.

Table 2.21 Monthly average labour costs per employee in 2011 by region (€)

Labour cost items	BA	TT	TN	NR	ZA	BB	PO	KE
116. TOTAL LABOUR COSTS	1 529	1 102	1 032	964	1 081	1 024	905	1 102
17. DIRECT COSTS	1 115	805	750	705	789	739	660	800
1. Wages and salaries	985	704	657	618	690	642	572	699
2. Wage compensations	117	90	87	81	90	90	79	96
3. Payments to savings programme	0	0	0	0	0	0	0	0
4. Standby work compensations	3	2	1	2	2	2	2	2
5. Bonus from profit after tax	5	7	3	2	4	4	5	2
6. Other direct costs to employees	5	2	1	1	2	1	2	1
7. Remunerations for apprentices	0	0	0	0	0	0	0	0
815. INDIRECT COSTS	417	297	282	260	292	286	245	302
8. Compulsory social insurance contributions	354	263	252	235	261	251	219	269
9. Non-compulsory social insurance contributions	11	6	5	4	5	4	4	7
10. Social benefits	17	10	10	7	9	12	6	7
11. Social insurance contributions for apprentices	-	0	0	0	0	-	-	-
12. Social aid	22	12	11	10	12	12	10	14
13. Employee training costs	9	4	3	2	4	5	4	4
414. Wage-related fees and penalties	0	0	0	0	0	0	0	0
15. Other indirect labour costs	3	2	2	2	2	1	2	1
16. SUBVENTIONS	-2	0	-1	-1	-1	-1	-1	0

Source: SO SR, Statistical survey on total labour costs

*Note: dash (-): data not available* 

#### 2.2.3 Collective bargaining

# Filing of master collective agreements at MoLSAF, their extension and collective disputes

Under Act No. 2/1991 Coll. on collective-bargaining, as amended (hereinafter simply the "Collective Bargaining Act") in 2012 there was no extension of the binding scope of any master collective agreement. In connection with the extension the binding nature of a master collective agreement, it may be said that MoLSAF did not receive any joint written proposal by contracting parties of a master collective agreement requesting an extension.

In 2012 a total of 18 master collective agreements were filed at MoLSAF, as well as 5 addenda to master collective agreements. Compared with the preceding year, there was no decrease in the total number of concluded master collective agreements or addenda to master collective agreements. This situation is largely due to the fact that contracting parties conclude master collective agreements for the long term. In 2011 some master collective agreements were concluded for 3-4 years, or the force of some master collective agreements was extended by an addendum to the master collective agreement, and for reason of their longer force, it was not necessary in 2012 to conclude master collective agreements in certain sectors.

MoLSAF registered in 2012 a total of 16 disputes of the conclusion of collective agreements or addenda to collective agreements, which is 1 dispute more than in the preceding year. Two disputes were resolved in proceedings before an arbitrator and 14 disputes were resolved in proceedings before a mediator. Of a total number of 16 disputes, 5 disputes were resolved before a mediator successfully, and a collective agreement was concluded, 3 disputes were removed and the contracting parties

concluded a master collective agreement following the assignment of a mediator, but still prior to beginning proceedings on resolution of the dispute before a mediator. Two disputes were resolved in proceedings before an arbitrator; through delivery of the arbitrator's decision to the contracting parties under § 13(6) of the Collective Bargaining Act the negotiations on the collective agreements were concluded. MoLSAF in 2012 did not record any dispute over fulfilment of commitments under a collective agreement.

#### 2.2.4 Health and safety at work

#### **Occupational accidents**

In 2012 there were registered at organisations covered by the Labour Inspectorate a total of 8245 accidents in the Slovak Republic, representing 404 cases fewer than in 2011 (a decrease of 4.67%). In the reporting period 158 serious occupational accidents with severe bodily harm were registered. Compared to 2011, the number of serious occupational accidents with severe bodily harm rose by 21 cases (an increase of 13.29%). In 2012 in the Slovak Republic there were 52 serious occupational accidents resulting in death. Compared to 2011, the number of fatal occupational accidents rose by 14 cases (an increase of 26.92%). In 2012 in the Slovak Republic there were 52 serious occupational accidents rose by 14 cases (an increase of 26.92%).

A breakdown of fatal occupational accidents by type of the employer's main economic activity shows that the highest proportion of fatal occupational accidents in 2012 was concentrated in construction (14 accidents -26.92%) and in manufacturing (12 accidents -23.08%). In the case of serious occupational accidents with severe bodily harm, the most accidents were registered in manufacturing (58 cases -36.71%), in transport and storage (28 cases -17.72%) and in construction (16 cases -10.13%).

The statistics of this data monitored in the framework of the Labour Inspectorate's information system shows that the most frequent causes of registered occupational accidents in 2012 were primarily a lack of personal prerequisites for performing the work at the time of the accident (6355 cases -77.08%), followed by an safe conduct of the injured employees themselves – use of dangerous procedures or work methods, including misconduct (409 cases -4.96%).

In the case of serious occupational accidents with severe bodily harm, the causes lay mainly in lack of personal prerequisites for performing the work at the time of the accident (various ailments, inattention, etc.), accounting for 57 cases (36.08%) and unascertained causes – uninvestigated events and traffic accidents, accounting for 25 cases (15.82%).

Most fatal occupational accidents (57.69%) overlapped into main source groups: vehicles (19 cases - 36.54%) and working premises or road spaces as a source of falls (11 cases - 21.15%). Their cause, apart from unascertained causes (uninvestigated events and traffic accidents, representing 26 cases, i.e. 50%), lay in a threat by other persons (distraction, pranks, arguments and other hazardous conduct 8 cases, i.e. 15.38%). In the case of serious occupational accidents with severe bodily harm, the most common source was working premises or road spaces as a source of falls (45 cases - 28.48%) and vehicles (36 cases - 22.78%).

#### Hazardous work

Previous years show a falling trend in the number of employees engaged in hazardous work. Hazardous work in 2012 was performed by 94 100 employees (of whom 21 150 were women). The slight increase in the total number of employees engaged in hazardous work in 2012 compared to 2011 (up 858 employees) was due to a changeover to a new programme of registering risks.

The most commonly occurring harmful factor in working environments in 2012 was noise. Some 72 053 employees (76.6% of all employees engaged in hazardous work) were exposed to excessive noise, which compared to 2011 represents an increase of 440 employees. Some 24 589 employees (26.1%) were exposed to chemical substances, 5822 employees (6.2%) to ionising radiation, 4774 employees (5.1%) to vibration, 4409 employees (4.7%) to physical exertion, and 3255 employees (3.5%) to heat and cold. The most employees exposed to risk in 2012 were in

 $<sup>^{18}</sup>$  Act no. 470/2011 Coll. in 2012 cancelled the category of occupational accidents with incapacity for work of at least 42 days.

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manufacturing (66 191 employees, of whom 12 266 were women) and in the field of health care and social assistance (8414 employees, of whom 6786 were women). The highest proportion of hazardous work for women (80.7% of the total number of employees performing hazardous work in the given economic sector) is, similarly as in previous years, in health care.

#### **Occupational illnesses**

In 2012 there were 344 cases of occupational illness and professional poisoning in the Slovak Republic. Compared to 2011, when there were a total number of 373 reported, newly-recognised occupational illnesses, the number of occupational illnesses has fallen by 29 cases (9%).

The largest share in occupational illnesses in 2012 comprised diseases of bones, joints, tendons and nerves of the extremities arising from long-term, excessive, unilateral loading of the upper limbs (representing 168 cases, or 48.3% of the total number of reported occupational illnesses).

The second most common illness in 2012 (with a total of 49 cases), in contrast to 2011, is the disease of bones, joints, muscles, blood vessels and nerves of extremities caused by work with vibrating instruments, which in 2012 formed 14.2% of the total number of occupational illnesses in Slovakia.

The third most common occupational illness, with a total number of 37 reported cases, is hearing loss from noise, which out of the total number of reported occupational illnesses is 8 cases fewer (10.7%) than in 2011.

# 3 SOCIAL PROTECTION

Social protection in Slovakia is delivered by means of a social security system consisting of social insurance, state social support and social assistance.

#### 3.1 Social insurance

Social insurance provides protection for the economically active population in the case of a loss or reduction in earned income in consequence of temporary incapacity for work, for the needs of treatment or nursing, care or maternity, in the case of old age or death, in the case of a decline in earning capacity in consequence of a long-term adverse state of health, in case of damage to health or death in consequence of an occupational accident, service accident or occupational illness, in the case of an employer's insolvency for satisfying and employees' claims and for payment of old-age pensions saving contributions, in the case of a loss of income from an employee's activity in consequence of loss of employment and for ensuring income during unemployment.

The social insurance system under Act No. 461/2003 Coll. on social insurance, as amended (hereinafter simply the "Social Insurance Act") is broken down into sickness insurance, old-age pension insurance, accident insurance, employer insolvency insurance and unemployment insurance.

The year 2012 saw a number of measures enabling insured persons a higher income, or more equitable setting of the claim conditions in the case of social security events laid down by the act, thus strengthening their social protection.

In the reporting period the following measures entered into effect in the field of social insurance:

- MoLSAF measure no. 526/2011 Coll. setting the amount of the pension value for 2012. The pension value in 2012 was increased to 0.8182 from 0.5756 in 2011. The current pension value is used in determining the pension amount.
- MoLSAF measure no. 344/2011 Coll. establishing the percentage increase in pension benefits in 2012. As of 1 January 2012 pension and accident benefits were increased by 3.3%.
- MoLSAF measure no. 136/2012 Coll. establishing the amount of the general assessment basis for 2011, which entered into effect on 18 April 2012. The amount of the general assessment basis for the calendar year 2011 was  $\[ \in \]$ 9432.
- MoLSAF measure no. 293/2012 Coll. establishing an amount corresponding to 60% of the average monthly wage in the SR economy for 2011, and which was decisive for providing the Christmas contribution in 2012, entered into effect on 1 September 2012. The amount was set at €471.60. Pensioners who had a pension lower than or equal to €471.60 also had a claim to the Christmas contribution in 2012.

The Christmas contribution is calculated according to the model:

 $66.39 - 0.10 \text{ x (pension amount} - 194.58^{19})$ 

In total 1 129 450 pensioners received the Christmas contribution in 2012.

The Social Insurance Act underwent several amendments in 2012. In 2012 there entered into effect certain points of Act No. 334/2011 Coll., and Act No. 348/2011 Coll., Act No. 521/2011 Coll., Act No. 69/2012 Coll. and certain points of Act No. 252/2012 Coll..

Act No. 348/2011 Coll. amending Act No. 7/2005 Coll. on bankruptcy and restructuring and on the amendment of certain acts, as amended, and on the amendment of certain acts with effect from 1 January 2012 clearly specified in § 12 of Act No. 461/2003 Coll. on social insurance, as amended, the day of an employer's insolvency arising in the case where a court begins bankruptcy proceedings without a petition under Act No. 7/2005 Coll.. This thereby removed problems in determining the exact date of the employer's insolvency arising for the purpose of fulfilling the condition of a claim for employer insolvency benefits.

Act No. 521/2011 Coll. amending Act No. 461/2003 Coll. on social insurance, as amended, with effect from 1 January 2012 tightened conditions of a claim for nursing benefits by placing on the insured person the duty of personal and whole-day care for a child, ill spouse, ill parent or ill parent-

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<sup>&</sup>lt;sup>19</sup> amount of the living minimum

in-law. This change was made with a view to preventing abuse of this sickness insurance benefit from the side of insured persons performing gainful activity concurrently while receiving nursing benefits. With the aim of reducing speculative claims for nursing benefits, and in the interest of efficient and effective spending of funds for this benefit, nursing benefits are paid out for the same period of personal and whole-day nursing of one or more natural persons, or personal and whole-day care of one or more children only once and only to one insured person, and in the same case only once and only to one insured person.

The amount of the maternity benefit was increased from the original 60% of the daily assessment base, or probable daily assessment base, to 65% of the daily assessment base, or probable daily assessment base.

With effect from 1 February 2012 Act No. 521/2011 Coll. amending Act No. 461/2003 Coll. on social insurance, as amended, effect from 1 February 2012 tightened the conditions for voluntary sickness insurance by making co-participation conditional on voluntary pension insurance, and tightened the conditions for voluntary unemployment insurance by making co-participation conditional upon voluntary sickness insurance and voluntary pension insurance. The aim of this measure was to prevent the speculative drawing of sickness insurance and unemployment insurance benefits, and concurrently the effort to protect every natural person in the future by way of decent pension insurance benefits.

Act No. 69/2012 Coll. amending Act No. 523/2004 Coll. on general government budgetary rules and on the amendment of certain acts as amended and amending certain acts with effect from 1 March 2012 introduced for natural persons and legal persons obliged to pay insurance contributions, the duty of identification and to state the variable symbol and specific symbol in paying an insurance premium. This amendment to the act was necessitated by practice, since without the variable symbol and specific symbol being stated in respect of an insurance premium payment, the Social Insurance Agency was unable to assign insurance premium payments to insurance periods, which had a negative impact on the payment of social insurance benefits, as well as on the subsequent prescription and recovery of outstanding premiums.

#### 3.1.1 Sickness insurance

Sickness insurance serves for overcoming social security events, such as temporary incapacity for work, pregnancy or maternity. The sickness insurance system pays out benefits that are divided into sickness (provided to the employee as a rule only from the 11<sup>th</sup> day of temporary incapacity for work), nursing, maternity and equalisation benefit.

Under Act No. 462/2003 Coll. on income compensation during an employee's temporary incapacity for work, and on the amendment of certain acts, as amended, for the first 10 days of an employee's temporary incapacity for work the employer pays income compensation in the case of the employees temporary incapacity for work, and the Social Insurance Agency provides the employee sickness benefits only from the 11<sup>th</sup> day of his temporary incapacity for work.

Expenditures on the sickness benefits<sup>20</sup> in 2012, paid from the Social Insurance Agency budget totalled  $\[Epsilon]$ 428.16 million. Compared to 2011, this represented an increase of  $\[Epsilon]$ 46.72 million (growth index of 112.2). This growth in expenditure is due to an increase in the average benefits paid, as well as due to a higher number of cases.

The average monthly numbers of cases of sickness benefits paid in 2012 were as follows:

sickness benefit: 108 388 cases;
 nursing benefit: 10 704 cases;
 equalisation benefit: 81 cases;
 maternity benefit: 24 221 cases.

<sup>&</sup>lt;sup>20</sup> An overview of expenditures of the basic fund for sickness insurance and sickness benefits in 2012 is given in the Appendix to Chapter 3 (table 1).

The average monthly number of cases was 3072 higher than in 2011 (the highest growth in the average number of cases was recorded in sickness benefit – up 3012 cases). This growth was due to the higher average percentage of temporary incapacity for work and longer duration of sick leave. The average percentage of temporary incapacity for work for illness and injury in 2011 was 3.93%, and in 2012 this figure rose slightly to 4.16% of the average number of insured persons in the given year (the lowest average percentage of temporary incapacity for work was in the Bratislava region, at 2.154%, and highest in the Prešov region at 7.065%). The average duration of incapacity for work in 2012 was 50.69 days (the shortest average duration at 36.43 days was in the Bratislava region, and the longest at 65.86 days was in the Prešov region), which represented an increase of 5.05 days against 2011.

Table 1 in the Appendix to Chapter 3 shows an upward trend in the average amount of sickness benefits paid, with all sickness insurance benefits in 2012 recording showing an increase compared to 2011, with the exception of nursing benefit, which fell on average by €1. This is caused primarily by the higher assessment basis for determining sickness benefits and by the increase in the rate for maternity benefits compared to 2011.

Number of Average amount **Benefit** benefits paid out Index 2012/2011 of benefit in Index 2012/2011 in 2012 2012 (€) Sickness benefit 1 300 650 102.86 224 106.52 Nursing benefit 128 442 91.98 99.10 75 Equalisation benefit 85.04 54 105.98 966 Maternity benefit 104.34 443 290 654 115.46

Table 3.1 Number of cases and average amount of sickness benefits in 2012

Source: Social Insurance Agency

#### 3.1.2 Pension insurance

Pension insurance is divided into **old-age pension** (insurance for providing income in old age and for the case of death) and **invalidity insurance** (insurance for the case of a decline in earning capacity in consequence of a long-term adverse state of health and for the case of death). The pension insurance system provides an old-age pension, early retirement pension, invalidity pension, widow's pension widower's pension and orphan's pension.

In the terminology of pension benefits, a *conjunction* means the concurrent receipt of a direct pension (old-age pension, early retirement pension or invalidity pension) with an indirect pension (widow's pension or widower's pension, or the conjunction of an invalidity pension with a degree of decline in earning capacity of up to 70%, with an orphan's pension).

As at 31 December 2012 there were 1 301 055 pension benefits being paid out (excluding pensions paid by the state – e.g. disabled from youth, wives' pensions, social pensions, and excluding benefits paid to abroad and benefits not transferred into automated registration). There were 52 pensions not transferred into automated registration and 18 242 pensions paid to abroad.

In comparison with the state as at 31 December 2011, there were 17 601 pensions more being paid out<sup>21</sup> in December 2012, representing an increase of 1.01% against a year earlier. The number of invalidity pensions, widow's pensions, widower's pensions and orphan's pensions paid out in 2012 remained relatively unchanged against 2011. A significant increase of 23 230 was recorded in the number of old-age pensions paid out. In 2012 the number of newly-awarded early retirement pensions decreased against a year earlier, whilst the overall number of early retirement pension recipients fell by 7726 against a year earlier. The decrease in the number of early retirement pension beneficiaries was due largely to an amendment to the Social Insurance Act, preventing as of 1 January 2011 (as of 1 March for "old cases") the receipt of early retirement pension benefits during gainful activity. The

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<sup>&</sup>lt;sup>21</sup> More detailed statistics on the number of recipients and the amount of individual pension benefits are given in the Appendix to Chapter 3 (tables 2 to 4).

growth in the number of pensions paid to abroad is connected with Slovakia's membership of the European Union and the free movement of persons within it.

Table 3.2 Number of pension benefits paid and average amount of pensions in 2012

Type of pension	· · · · · · · · · · · · · · · · · · ·	ensions* paid at:	Average amount (solo) of pension in €		
	31.12.2012	31.12.2011	31.12.2012	31.12.2011	
Old-age (solo + in conjunction) total	980 863	957 633	376	362	
Early retirement -//-	24 404	32 130	375	358	
Invalidity -//-	227 801	223 182	261	256	
Widow's (solo)	35 367	37 457	230	222	
Widower's -//-	5 697	5 435	176	170	
Orphan's	26 923	27 617	128	126	
Total	1 312 204	1 293 709	X	X	
Pensions not transferred into automated registration	52	168	X	X	
Pensions paid to abroad	18 242	16 315	X	Х	

Source: Social Insurance Agency

In 2012, an improvement was seen in the social situation of pensioners, through the influence of macroeconomic indicators considered in the valorisation of pension benefits and in the growth in the current pension value. The Social Insurance Agency paid out on average all pension insurance benefits at a rate higher than in 2011. The highest growth was in the case of old-age pensions paid out in conjunction with the widower's pension, and early retirement pension is paid out in conjunction with the widower's pension.

Table 3.3 Average amount of pension in conjunction in 2011 and 2012

Type of pension	Average pension* (€)		
Type of pension	2011	2012	
old-age pension paid in conjunction with widow's pension	395	410	
old-age pension paid in conjunction with widower's pension	458	478	
early retirement pension paid in conjunction with widow's pension	422	436	
early retirement pension paid in conjunction with widower's pension	465	485	
invalidity pension paid in conjunction with widow's pension	367	379	
invalidity pension paid in conjunction with widower's pension	402	410	

Source: Social Insurance Agency

\*average amount paid from total amount of both paid pensions

**Expenditures**<sup>22</sup> on (system) pension insurance benefits in 2012 totalled almost  $\in$ 5.64 billion, representing a 4.6% increase against 2011. In addition, pension benefits paid by the state (wives pension, social pension, meaning disabled from youth pension, increase for immobility, pension increase due to sole source of income, for military resistance and rehabilitation, including fees for state service) totalled  $\in$ 47.3 million (a 5.7% increase against 2011). Expenditures for the payment of the Christmas contribution to certain pension beneficiaries in 2012 totalled  $\in$ 60.6 million.

As at 31 December 2012 there were approximately 6810 beneficiaries of solo old-age pensions (i.e. 0.98%) exceeding the average monthly wage in Slovakia's economy (€805). The proportion of the

<sup>22</sup> An overview of pension benefit expenditures as at 31.12.2012 is given in the Appendix to Chapter 3 (table 5).

<sup>\*</sup>Statistical data includes pension conjunctions.

average old-age solo pension paid out as at 31 December 2012 relative to the average monthly wage for 2012 in Slovakia's economy was 46.71%, representing a slight increase (by 0.83 p.p.).

#### 3.1.3 Accident insurance

Accident insurance is an employer's insurance for the case of death or harm to health in consequence of an occupational accident, service accident or occupational illness. Benefits from accident insurance comprise the accident supplementary payment, accident allowance, lump-sum settlement, survivor accident allowance, lump-sum compensation, work rehabilitation and rehabilitation benefits, compensation for pain and compensation for impediment in social application, compensation for treatment-related costs and compensation for funeral-related costs. Self-employed persons do not feature as subjects in accident insurance, and there is no option of voluntary participation in this type of insurance.

The sum of benefits paid in  $2012^{23}$  totalled  $\[mathebox{\ensuremath{\ensuremath{6}}43.2}$  million, representing 100.1% of expenditures for 2011, i.e. a slight year-on-year increase. The most common and most financially demanding benefit is the accident allowance. During  $2012^{24}$  there were paid out 79 067 accident allowances, representing a 2.55% increase against 2011. The average amount of this benefit in 2012 was  $\[mathebox{\ensuremath{\ensuremath{6}}281.75}$ , i.e. 0.78% down against 2011. In total  $\[mathebox{\ensuremath{\ensuremath{6}}22.3}$  million (51.5% of all expenditures from the accident insurance basic fund) was spent on this benefit. The most common benefit paid was the accident supplementary payment, numbering 27 669 cases, and representing a 1.8% increase against 2011. The highest average amount per one case comprised the benefits: lump-sum compensation ( $\[mathebox{\ensuremath{\ensuremath{6}}2377$ ) – though these benefits concerned relatively few cases.

#### 3.1.4 Employer insolvency insurance

The employer insolvency insurance is insurance for the case of an employer's insolvency for satisfying an employee's claims. In this type of insurance the premium is paid only by the employer, and the insured is the employee, for the case of the employer becoming insolvent. Indemnity consists, for example, in the payment of wages, severance pay claims that an employee has at the end of employment, claims for travel, relocation and other expenses incurred while performing work duties, etc., if the employer is unable to fulfil its obligations toward employees for reason of having become insolvent. Employer insolvency insurance benefits are paid out from employer insolvency insurance. employer insolvency insurance service also for paying old-age pension saving contributions unpaid by the employer into the basic fund of contributions for old-age pension saving within the statutory term. Self-employed persons do not feature as subjects in employer insolvency insurance, and with regard to the nature of the insurance relationships, there is no option of voluntary participation in this type of insurance<sup>25</sup>.

In 2012 there were 5275 benefits paid out (table 3.4), which in comparison with 2011 represents a fall of 19.2%. Funds spent on the employer insolvency insurance benefit totalled  $\in$ 33.5 million (including old-age pension saving contributions unpaid by the employer into the basic fund of contributions for old-age pensions saving within the statutory term), representing a 20.3% decrease. The average amount of the benefit for 2012 was  $\in$ 1265, representing a 17.4% increase against 2011.

<sup>23</sup> An overview of expenditures of the basic fund for accident insurance in 2012 is given in the Appendix to Chapter 3 (table 6)

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&</sup>lt;sup>24</sup> The average amount and number of accident insurance benefits paid in 2012 are given in the Appendix to Chapter 3 (tables 7 and 8)

<sup>&</sup>lt;sup>25</sup> Expenditures of the basic fund for employer insolvency insurance are given in the Appendix to Chapter 3 (table 9).

Table 3.4 Expenditure on employer insolvency insurance benefit, number of cases and average amount of benefit in € in 2012

Period	Number of cases	Average amount of benefit (€)	Expenditure on employer insolvency insurance benefit (€ '000)
January	268	1 301.58	348.82
February	726	1 392.78	1 007.75
March	356	1 346.12	510.01
April	480	1 214.26	582.85
May	481	1 061.46	508.93
June	529	1 382.42	729.88
July	212	1 046.98	221.96
August	236	1 358.89	320.40
September	407	1 574.94	639.41
October	593	805.52	473.91
November	705	1 506.30	1 059.98
December	282	960.47	269.38
Total	5 275	X	6 673.35
Average	440	1 265.09	577.54

Source: Social Insurance Agency

# 3.1.5 Unemployment insurance

Unemployment insurance is insurance against the loss of income from an employee's activity due to loss of employment and for providing income in consequence of unemployment. Unemployment insurance benefits are paid out of unemployment insurance.

In 2012 the average monthly number of unemployment benefit<sup>26</sup> recipients was 42 521 persons, i.e. approximately the same average number as in 2011. The number of persons who were unemployment benefit recipients in 2012 was 143 896, of whom 72 345 were women (50.3%) and 71 551 men (49.7%). In terms of age structure, the largest share of unemployment benefit recipients were in the age group 30 - 39 years (for men, the largest group of unemployment benefit recipients was aged 25 - 34 years, while for women in the largest group of unemployment benefit recipients was aged 30 - 39 years).

Unemployment benefit expenditure in 2012 totalled €175.8 million, i.e. a 7.5% increase against 2011. The average monthly benefit amount in 2012 was €314, which was 7.7% more than in 2011.

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<sup>&</sup>lt;sup>26</sup> Detailed statistics on unemployment benefits paid and recipients in 2012 are given in the Appendix 2 Chapter 3 (tables 10 and 11).

# 3.2 Pension saving

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

- 2<sup>nd</sup> pillar compulsory old-age pension saving, defined contributions, capitalisation financed, operated by pension management companies on the basis of Act No. 43/2004 Coll. on the old-age pension saving system and on the amendment of certain acts as later amended (hereinafter simply the "Old-Age Pension Saving Act"), which entered into effect on 1 January 2005.
- 3<sup>rd</sup> pillar supplementary pension saving, defined contributions, capitalisation financed, operated by supplementary pension management companies on the basis of Act No. 650/2004 Coll. on the supplementary pension saving system and on the amendment of certain acts as later amended (hereinafter simply the "Supplementary Pension Saving Act"), which entered into 1 January 2005.

# 3.2.1 Old-age pension saving

The aim of introducing old-age pension saving, a part of which is the compulsory pension system, was to diversify the risks of individual methods of financing pension benefits, i.e. pay-as-you-go financing and the capitalisation method of financing.

Old-age pension saving (2<sup>nd</sup> pillar) is contribution-defined and financed from old-age pension saving contributions (hereinafter simply "contributions") transferred to savers' personal pension accounts. In 2012 there were adopted the laws: Act No. 252/2012 Coll., amending Act No. 461/2003 Coll. on social insurance, as amended and amending certain acts with split effect (from 1.9.2012 and 1.1.2013) (hereinafter simply "Act No. 252/2012 Coll.") and Act No. 413/2012 Coll. amending Act No. 461/2003 Coll. on social insurance, as amended, and amending certain acts (hereinafter simply "Act No. 413/2012 Coll.").

# The most significant changes in pension saving in 2012 were:

As of 1.9.2012 Act No. 252/2012 Coll. allowed voluntary entry into the second pillar, as well as exit from it in a five-month period (from 1.9.2012 to 31.1.2013). From 1 September 2012 there was also reduced the rate of contributions for old-age pension saving from the original 9% to 4% of the assessment base under the Social Insurance Act, and the insurance premium rate for old-age pension insurance was proportionally increased from the original 9% to 14%. The change in the rate for contributions to the second pillar is time-limited to 2016; as of 2017 the rate will increase each year by 0.25% so that in 2024 it will reach 6%. Savers, however, since 2013 have been able to increase their future pension from the second pillar by means of voluntary contributions, the amount of which is not limited, but will receive tax relief only up to the amount of at most 2% of the tax base (partial tax base). The sum of voluntary contributions that receive tax relief may not exceed 2% of 60-times the average monthly wage in the economy of the Slovak Republic as ascertained by the SO SR in the calendar year preceding by two calendar years the calendar year for which the tax base is determined. This tax relief will apply up until the end of 2016.<sup>27</sup>

<sup>&</sup>lt;sup>27</sup> Act no. 252/2012 Coll. as of 1 January 2013 brought a major breakthrough in the system of old-age pensions saving (voluntary entry for persons under 35 years of age whose first pension insurance had previously been established at least once; a change in the structure of pension funds and they are renaming; blue duty to create one bond guaranteed pension fund and one air quality non-guaranteed pension fund; the possibility to create new pension funds; a transfer into a bond

As at 31 December 2012 there were 6 pension fund management companies in the old-age pension savings market, administering in total 24 pension funds:

- 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
- ING dôchodková správcovská spoločnosť, a.s., Bratislava
- VÚB Generali, d.s.s., a.s., Bratislava.

Table 3.5 shows the net value of assets managed by the individual pension fund management companies by type of fund as at 31.12.2012.

Table 3.5 Breakdown of assets in pension funds as at 31.12.2012 (€ million)

Pension fund management company	bond pension fund	mixed pension fund	equity pension fund	index pension fund	Total percentage share of assets as at 31.12.2012	Share of assets (%)
AEGON, d.s.s., a.s.	78.90	117.66	356.34	0.23	553.13	10.1 %
Allianz – Slovenská d.s.s., a.s.	195.58	514.18	1 055.35	1.78	1 766.89	32.3 %
AXA d.s.s., a.s.	216.86	307.14	920.06	2.22	1 446.28	26.4 %
DSS Poštovej banky d.s.s. a.s.	51.98	74.69	177.51	0.27	304.45	5.6 %
ING d.s.s., a.s.	62.66	168.72	368.57	0.31	600.26	11.0 %
VÚB Generali d.s.s., a.s.	147.12	254.93	404.52	0.88	807.45	14.7 %
Total	753.10	1 437.32	3 282.35	5.69	5 478.46	100.0 %
Share of assets (%)	13.7 %	26.2 %	59.9 %	0.1 %	100.0 %	

Calculation: MoLSAF SR

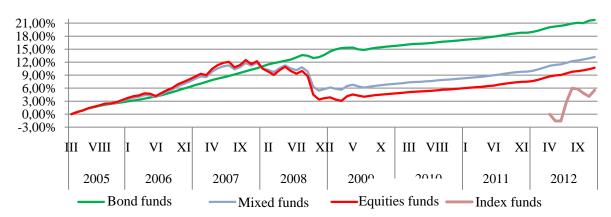
The Social Insurance Agency during the course of 2012 forwarded old-age pensions saving contributions totalling € 823 million, representing a slight 2% fall against 2011. The largest share in the Slovak old-age pension saving market in 2012 was again held by the companies Allianz -Slovenská d.s.s., a. s. and Axa d.s.s., a. s (together they represent almost 60% of the market). Compared to 2011, there were significant changes in the proportional breakdown of assets in pension funds, with savers moving over to bond pension funds in a greater degree than the preceding year, particularly from the growth pension funds (a growth in the share in assets in bond pension funds from 4.9% in 2011 to 13.7% in 2012, a fall in the share of assets in balanced pension funds from 30.6% in 2011 to 26.2% in 2012, a fall in the share of assets in equity pension funds from 64.5% in 2011 to 59.9% in 2012). This change in the proportional breakdown of assets is partially connected with the opening of the second pillar for entry and exit in the period from 1.9.2012 to 31.1.2013, in the framework of which over the course of 2012 there was transferred €53.8 million from old-age pensions saving pension funds into the Social Insurance Agency. Despite these two facts, equity pension funds remain dominant in terms of the amount of assets under management (59.9%, see table 3.5). In 2012 pension funds achieved better average annual performance, in total at an average level of 3% nominally (in 2011 the overall average annual performance was 1.4%), see graph 3.2 (with

guaranteed pension fund for those savers who as at 1 January 2013 were savers in a fund other than a bond guaranteed pension fund and who had not sent there are pension fund management company within the set term a statement of intent to continue to remain in the fund; changes in the field of charges, etc.).

regard to the low value of assets in index pension funds, at the level of 0.1% as at 31.12.2012, the higher performance of this type of pension fund was not reflected in the average annual performance of all pension funds).

In 2012, the structure of assets in old age pension saving pension funds did not change substantially (graphs showing the trends in pension fund portfolio components are given in the Appendix to Chapter 3). When comparing the structure of assets in pension funds, it is clear that pension fund management companies have begun to focus on longer-term investment instruments. Over the course of 2012 the share of money market instruments maintained a downward trend from 40% to 34%, while the share of bond investments continued to rise from 60% to approximately 70%. In 2012 pension fund management companies included in their portfolios also equity investments (absent since 2009), though by the year-end these reached a level only slightly above 2%.

The following graph tracks the course of *the current value of pension units* of the individual pension funds since their creation up to 31.12.2012. The overall performance is given in table 3.6, which shows both the nominal and real (net of inflation) performance of pension funds since their creation.



Graph 3.1 Nominal of appreciation of pension units as at 31.12.2012

Data: National Bank of Slovakia, processed by: MoLSAF SR

Table 3.6 Total nominal and real appreciation of pension funds since their creation

Type of pension	Appreciation of pension funds as at 31.12.2012			
fund	nominal	real		
Bond	21.6 %	-4.1 %		
Mixed	12.9 %	-10.9 %		
Equity	10.4 %	-12.9 %		
Index	4.1 %	2.8 %		

Calculation: MoLSAF SR

Graph 3.2 Year-on-year nominal appreciation of pension unit in 2012

Source: MoLSAF SR

The number of old-age pension saving savers as at 31.12.2012 was 1.462.516 (table 3.7), representing negligible growth of 0.8% against 2011. The reason is the effect of opening the  $2^{nd}$  pillar for entry and exit; this entry option was taken by 7981 people during the course of 2012, while the exit option was taken by 17.058 savers.

Table 3.7 Number of savers in old-age pension saving pension funds as at 31.12.2012

Pension fund management company	Number of savers as at 31.12.2012	Percentage of savers
AEGON, d.s.s., a.s.	181 231	12.4 %
Allianz – Slovenská d.s.s., a.s.	459 320	31.4 %
AXA d.s.s., a.s.	371 164	25.4 %
DSS Poštovej banky d.s.s. a.s.*	94 314	6.4 %
ING d.s.s., a.s.	146 626	10.0 %
VÚB Generali d.s.s., a.s.	209 861	14.3 %
Total	1 462 516	100.0 %

Source: Social Insurance Agency

In terms of the age structure of savers<sup>28</sup> in the old-age pension savings system, the largest share was formed by savers aged 31 to 40 years, representing 43% of the total number of savers. Changes in the age structure of savers as at 31.12.2012 are negligible compared to 2011, despite the impact of opening the  $2^{nd}$  pillar in 2012.

Table 3.8 Distribution of savers by age as at 31 December 2012

age limit	number of savers	% share
up to 20	1 910	0.13 %
from 21 to 30	281 020	19.21 %
from 31 to 40	629 776	43.06 %
from 41 to 50	426 136	29.14 %
over 51	123 674	8.46 %
Total	1 462 516	100.00 %

Source: MoLSAF SR

Savers with an assessment base of up to €663.88 as at 31.12.2012 numbered approximately 591 000, representing 55.4% of active savers (i.e. those savers who sent contributions for old-age pension saving).

Table 3.9 Number of active savers by assessment base as at 31.12.2012

Assessment base $(\epsilon)$	Total as at 31.12.2012	% share
up to 331.94	103 674	9.7 %
331.98 – 663.88	487 615	45.7 %
663.92 – 995.82	237 876	22.3 %
995.86 – 1 327.76	111 334	10.4 %
1 327.79 – 1 659.70	51 266	4.8 %
1659.73 or more	75 660	7.1 %
Total active savers	1 067 425	100.0 %

Source: MoLSAF SR

The difference between the total number of savers in Tables 3.7 to 3.9 is approximately 395 000 persons – these natural persons can be termed inactive savers, meaning that as at 31 December 2012 they had not paid contributions for old-age pensions saving as an employee, mandatorily insured self-employed person or voluntarily insured person, and neither had contributions for old-age pensions saving being paid by the state for reason of performing duties defined by law (child care, nursing) or by the Social Insurance Agency; this figure fell only minimally against 2011 (approximately by 2%).

57

<sup>&</sup>lt;sup>28</sup> A graph of the age structure of savers and the age distribution of savers is given in the Appendix to Chapter 3

# 3.2.2 Supplementary pension saving

Supplementary (voluntary) pension saving represents the *third pillar* of the pension system, in which policyholders' funds are managed by supplementary pension saving companies.

The purpose of supplementary pension saving is to enable the supplementary pension saving policyholder (hereinafter simply the "policyholder") to obtain a supplementary pension income in old age and a supplementary pension income in the case of finishing work classified, on the basis of a health protection authority decision, in category 3 or 4, or ending work of an employee who is a dancer or musician, who performs the profession of playing a wind instrument.

A policyholder is an employee who has concluded a supplementary personal pension saving policy with a supplementary pension company (hereinafter simply a "personal pension saving policy"), or another natural person who as at the day of concluding the participation contract has reached at least 18 years of age.

An employee working in occupations classified in category 3 or 4 on the basis of a health protection authority decision and an employee performing the occupation of dance artist or wind instrument player are obliged to conclude a personal pension saving policy and their employers are obliged to conclude an employer-occupational policy, and this within eight days of beginning such work.

By means of supplementary pension saving the policyholder saves funds at the supplementary pension company, which invests these funds for the purpose of their appreciation. The resulting amount of the supplementary pension saving benefit depends on the amount of funds that the policyholder and his employer contributed throughout the whole period of saving at the supplementary pension company and on the rate of their appreciation.

After fulfilling the conditions laid down by the Supplementary Pension Saving Act and the benefit plan, which forms an Appendix to the personal pension saving policy, the following supplementary pension saving benefits are paid out:

- supplementary old-age pension, in the form of
  - supplementary old-age pension life annuity,
  - temporary supplementary old-age pension,
- supplementary service pension, in form of
  - supplementary life annuity service pension,
  - temporary supplementary service pension,
- lump-sum settlement,
- severance pay.

As at 31 December 2012 there were four supplementary pension companies operating in the supplementary pension saving market, namely:

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

In the reporting period of 2012 no legislative changes were made to the supplementary pension saving system.

The number of policyholders and benefit recipients is given in table 3.11. The number of contributing policyholders in supplementary pension funds with a non-zero pension account as at 31.12.2012 was approximately 684 000, representing a fall of approximately 2% against 2011. As at 31.12.2012 the number of benefit recipients had risen by 47 500 (8.6%) against the figure for 2011. Overall there has been a 1.4% fall in the number of clients.

Table 3.12 shows that policyholders terminated early their participation in a relatively high number for several reasons (in particular the economic crisis, increased unemployment rate); in connection with early termination, policyholders used the institute of withdrawal compensation, despite the fact that in this form they could withdraw only 80% of saved assets.

Despite the fall in the number of policyholders in supplementary pension funds, the net value of assets under management rose against the figure for 2011 to €1.3 billion as at 31.12.2012 (10.8% increase). One of the reasons for the attractiveness of participation in supplementary pension saving was and is the participation of employers in their employees contributions; as at 31 December 2012, employers contributed to supplementary pension saving for 475 000 policyholders, compared to 218 000 policyholders who paid contributions themselves (without the employer's contribution).

Supplementary pension funds recorded significantly better results in the performance of their funds compared to 2011 (table 3.10). The performance of individual contributions of supplementary pension funds reached an average level ranging from 3.3% to 19.5% (table 12 in the Appendix to Chapter 3).

Table 3.10 Overview of data on supplementary pension funds as at 31 December 2012

Net value of assets in supplementary pension funds							
Company	Contributory supplementary pension funds (million €)	Pay-out supplementary pension funds (million €)	Total supplementary pension funds (million €)	Annual appreciation of supplementary pension funds			
Axa d.d.s., a.s.	161.9	0.54	162.5	6.30 %			
DDS Tatra banky, a.s.	384.0	16.71	400.7	5.51 %			
ING Tatry – Sympatia, d.d.s., a.s.	472.8	12.43	485.2	7.30 %			
Stabilita, d.d.s., a.s.	218.0	34.69	252.7	10.38 %			
Total	1 236.8	64.37	1 301.1	7.18 %			

Source: National Bank of Slovakia, calculation: MoLSAF SR

Table 3.11 Number of policyholders and benefit recipients as at 31.12.2012

Company	Number of active policyholders	Number of benefit recipients	Total
Axa d.d.s., a.s.	120 907	323	121 230
DDS Tatra banky, a.s.	179 091	11 627	190 718
ING Tatry – Sympatia, d.d.s., a.s.	275 690	8 632	284 322
Stabilita, d.d.s., a.s.	108 343	26 965	135 308
Total	684 031	47 547	731 578

Source: Association of Supplementary Pension Companies

Table 3.12 Overview of benefits from supplementary pension saving as at 31.12.2012

Type of benefit	Amount (million €)	Number of recipients
Supplementary old-age pension	37 698 229 €	33 818
Supplementary service pension	96 570 €	213
Withdrawal compensation	43 622 313 €	39 639
Lump-sum settlement	66 440 310 €	26 071

Source: Association of Supplementary Pension Companies

# 3.3 State social support

State support to families is provided primarily through a system of state social benefits, representing a set of financial fulfilments by which the state contributes to managing several life situations, particularly in the case of families with dependent children, but also in other ways, namely maternity and parental leave, maternity benefit, tax bonus. State social benefits contribute to covering costs for food and other personal needs of children, and also costs associated with other social security events.

The system of state social support in 2012 consisted of the following lump-some and recurrent benefits:

- child benefit
- child benefit supplement
- parental allowance
- childcare allowance
- childbirth allowance
- childbirth allowance supplement
- allowance for parents of multiple births or repeated twin births within the course of two years
- funeral grant

#### 3.3.1 Child benefit

In terms of the number of recipients and the volume of funds paid, the child benefit is the most extensive state social support benefit. Act No. 600/2003 Coll. on the child benefit and on the amendment of Act No. 461/2003 Coll. on social insurance introduced, with effect from 1 January 2004 a flat rate provision of the child benefit **monthly for every dependent child**, irrespective of the child's age and parents' income. This act, with effect from 1 April 2004, also established labour offices as the sole payer of the child benefit.

MoLSAF measure no. of 18 November 2011, with effect as of 1 January 2012, adjusted the amount of the child benefit from &22.01 to &22.54, and the amount of the child benefit supplement from &10.32 to &10.57.

Table 3.13 Child benefit

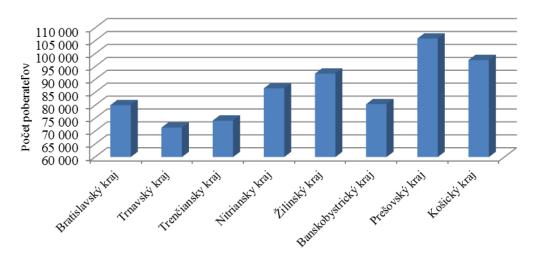
year	Average monthly number of child benefit recipients	Average monthly number of dependent children
2011	697 651	1 176 427
2012	688 344	1 155 687

Source: LSA&F Headquarters

In 2012 the number of child benefit recipients monthly averaged 688 344 recipients for 1 155 687 dependent children. The average monthly number of recipients fell by 9307 against a year earlier and the average monthly number of dependent children fell by 20 740 children against a year earlier.

The sum of child benefit and child benefit supplement paid in 2012 totalled €316 478 422, representing a increase of €1.42 million against 2011.

Graph 3.3 Average monthly number of child benefit recipients in 2012 by region



Source: Headquarters of Labour, Social Affairs and the Family

The average monthly numbers of child benefit recipients broken down by region are shown in the preceding graph. The highest numbers of recipients were in the Prešov, Košice and Žilina regions.

Table 3.14 Families to whom child benefit was provided, broken down by number of children

year / number	2011	2012
single-child families	347 597	344 668
	49.8 %	50.0 %
two-children families	264 577	260 922
	37.9 %	37.9 %
three-children families	60 997	59 773
	8.7 %	8.7 %
four and more-	24 480	23 995
children families	3.5 %	3.5 %

Source: LSA&F Headquarters

The most numerous group of families to which child benefit was paid in 2012 were single-child families, which accounted for 50.0% of the total number of 688 870 families. Of child benefit recipients in 2012 there were on monthly average 455 922 mothers (representing 66.18% of the total number of recipients).

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Treationsky krai

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Graph 3.4 Comparison of expenditure on child benefit in 2012 broken down by region

Source: LSA&F Headquarters

The highest expenditure on child benefit was (as in 2011) in the Prešov, Košice and Žilina regions.

#### 3.3.2 Child benefit supplement

Act No. 532/2007 amending Act No. 600/2003 Coll. on child benefit and on the amendment of Act No. 461/2003 Coll. on social insurance and on the amendment of Act No. 599/2003 Coll. on material-need aid and on the amendment of certain acts, as amended, with effect from 1.1.2008 introduced into practice the childcare supplement, which, at €10.57 in 2012, was awarded to parents who are recipients of the old-age pension, early retirement pension, invalidity pension in the case of a 70% or more decline in their earning capacity, or a service pension after reaching the age for claiming the old-age pension (62 years), who do not perform gainful activity and who have not been awarded a tax bonus.

Eligible claimants for the child benefit supplement are: the parent of a child or a person to whom a dependent child has been entrusted for substitute care.

The Act prescribes that child benefit supplement may be paid to an eligible claimant only if no tax bonus, under § 33 of Act No. 595/2003 Coll. on income tax, as amended, is awarded for the dependent child for whom the eligible claimant receives the child benefit.

In 2012 the average monthly number of recipients of the child benefit supplement was 3811, representing a fall of 147 recipients against the monthly average from 2011

#### 3.3.3 Parental allowance

With effect as of 1 January 2011 there entered into force an amendment to Act No. 571/2009 Coll. on the parental allowance and on the amendment of certain acts.

This enabled parents in a period of receiving the parental allowance to perform gainful activity in any form, whilst the amount of income from this activity or the period of performing the work does affect entitlement to the parental allowance or the amount thereof. Parents at the time of performing gainful activity may ensure care for their child either by the other parent, a grandparent or other adult, or by placing the child in a private, church or state facility, including nursery schools. MoLSAF measure no. 412/2011 Coll. on the adjustment of the parental allowance, in consequence of indexation of the subsistence minimum, adjusted the amount of the parental allowance from €190.10 to €194.70 monthly.

In 2011 a higher parental allowance was provided in the case of multiple births. The parental allowance of €194.70 monthly is increased by 25% for each further child born at the same time.

It also introduced the provision of the parental allowance in a reduced amount and only in the amount of 50% monthly from the amount of €194.70 if an older child in the care of the parent neglects

compulsory school attendance, i.e. misses more than 15 unexcused lessons in a month, in at least three consecutive calendar months. The reduced parental allowance is paid to the parent during three calendar months. The trend in the total number of parental allowance recipients in the SR in 2011 and 2012 is shown in the following graph.

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**Graph 3.5 Number of parental allowance recipients** 

Source: LSA&F Headquarters

In 2012 the parental allowance was provided to an average 142 274 recipients monthly, which in comparison with 2011 represents an increase in the average monthly number by 421 recipients.

In 2012, expenditure on the parental allowance totalled approximately  $\in$ 343 687 000 (down  $\in$ 8 326 000).

In terms of gender, the greatest disparity between men and women is seen in persons on parental leave. In Slovakia parental leave for a new-born child is traditionally taken almost exclusively by women. It is not possible to discern what share of the increase in drawing parental leave can be ascribed to demographic or individual reasons (desire for a child) and what share can be ascribed to possible strategies for addressing the loss of work through motherhood.

#### 3.3.4 Childcare allowance

Changes in the childcare allowance were made on 1 January 2011. These concerned a social benefit intended for parents beginning to perform **gainful activity** or returning back to work before the child reaches three years of age, or six years of age in the case of a child with a long-term adverse state of health, and who at the time of performing work ensure care for their child by way of a different legal person or natural person, e.g. placing the child in a facility (nursery school, crèche). The state contributes to parents for such childcare expenses for each child in the amount of documented expenses, up to the amount of €230 per month. If childcare is provided by a natural person without a business licence, e.g. a relative of the child's parent, the amount of the childcare allowance is €41.06 per month, without documentation of expenses. In view of the high financial cost of providing childcare services, primarily in private facilities, and in the interest of raising the affordability of these services also for parents on low incomes, the upper limit of the allowance was raised as of 1 January 2011 to at maximum €230 per month. The amount of the childcare allowance may be adjusted by the SR Government as at 1 January of the calendar year by a government ordinance.

A parent who provides childcare up to 3 years of age and who decides to return to work before the child reaches three years of age can, therefore, decide whether to take the parental allowance or apply for a childcare allowance, depending on which is more advantageous in those cases where the parent has several children under the age of three and where childcare is provided by a facility (e.g. a private or municipal crèche) in which monthly fees exceed €194.

In 2012 the childcare allowance was provided on average to 1752 recipients monthly (a fall of 162 recipients against the figure for 2011).

### 3.3.5 Childbirth allowance

The childbirth allowance is a state social support lump-sum benefit governed by Act No. 235/1998 Coll. on childbirth allowance and allowance for parents of multiple births or repeated twin births within the course of two years and amending other acts, as amended.

Through the benefit of the state contributes to parents for covering expenses associated with providing for the essential needs of a new-born child.

The childbirth allowance in 2012 was provided in the amount of €151.37. If three or more children are born in a multiple birth and at least two of them survive 28 days (on the basis of an amendment in force since 1.11.2005), the allowance is increased by half the amount for each child.

Table 3.15 Childbirth allowance in 2011 and 2012

year	number of childbirth allowance recipients	number of recipients of the increased allowance
2011	56 898	797
2012	56 994	792

Source: LSA&F Headquarters

In 2012 the childbirth allowance was provided to  $56\,994$  recipients, which is 96 recipients more than in 2011. Expenditure on the childbirth allowance and increased childbirth allowance totalled approximately  $68\,878\,000$  (and increase of  $612\,000$  against a year earlier).

# 3.3.6 Childbirth allowance supplement

The childbirth allowance supplement is, with effect since 1.1.2007, a state social benefits that the state pays for increased expenses connected with providing for the essential needs of a child born as the **first child** to a mother and which has survived at least 28 days. With effect from January 2009, the childbirth allowance supplement is provided also for a second and third child.

In 2012 the amount of the childbirth allowance supplement was  $\epsilon$ 678.49. The supplement was paid in total to 51 400 recipients, which is 216 recipients fewer than in 2011. Expenditure paid for this supplement in 2012 totalled approximately  $\epsilon$ 35 392 000 (a decrease of  $\epsilon$ 162 000 against a year earlier).

# 3.3.7 Allowance for parents of multiple births or repeated twin births within the course of two years

The allowance for parents of multiple births or repeated twin births within the course of two years is a state social support benefit by which the state contributes **once per year** to parents or eligible claimants for increased expenses connected with care for triplets or higher multiple births or repeated twins born within two years.

The amount of the parental allowance per child in 2012 did not change and was as follows:

- up to 6 years of age **€81.99**
- from 6 to 15 years of age €101.25
- 15 years of age €107.55

In 2012 there were 140 recipients of this allowance, representing an increase of 9 recipients against the figure for 2011.

#### 3.3.8 Funeral grant

The funeral grant is, with effect as of 1 January 1999, a state social support lump-some benefit governed by Act No. 238/1998 Coll. on the funeral grant. Through this benefit the state financially contributes to covering the funeral expenses of a deceased.

In 2012 the amount of the funeral grant remained unchanged at €79.67. The allowance in 2012 was paid to in total 49 756 citizens, which is 150 recipients fewer than in 2011.

Expenditure on this grant totalled approximately €3 993 000 (down €20 000). The number of grant recipients is influenced solely by the demographic indicator – mortality of persons temporarily or permanently resident in the Slovak Republic.

# 3.4 Social assistance

This chapter provides an overview of the provision of social assistance by means of material-need aid – compensation for the social consequences of severe disability, support for substitute childcare, etc., as well as expenditures on them in the framework of the budgetary chapter of MoLSAF (see table 41, Appendix to Chapter 3).

#### 3.4.1 Material-need aid

Material-need aid is governed by Act No. 599/2003 on material-need aid and on the amendment of certain acts, as amended. The act is based on the philosophy of motivation and providing prospects to the individual and his/her family. The aim of the act is to provide for basic living conditions and provide material-need aid with the active participation of the citizen and natural persons who are assessed jointly with a citizen in material need.

Material-need aid consists of material-need benefit (hereinafter simply "benefit"), which is provided at six levels, and allowances related to benefit (hereinafter simply "allowances"). Material need assistance is provided to a citizen in material need and to natural persons assessed jointly with a citizen in material need under conditions exhaustively defined in the act on material-need aid.

Amounts of material-need benefits and related allowances applicable in 2012

MATERIAL-NEED BENEFIT:	
- Individual	60.50 €
- Individual with child or at most for children	115.10€
- Individual with more than four children	168.10€
- Couple without children	105.20 €
- Couple with child or at most for children	157.60 €
- Couple with more than four children	212.30 €
ALLOWANCES REGARDING MATERIAL-NEED BENEFIT:	
- Healthcare allowance	2.00 €
- Activation allowance	63.07 €
- Protection allowance	63.07 €
- Protection allowance – reduced (adverse state of health for more than 30 days)	34.69 €
- Housing benefit – individual	55.80 €
- Housing benefit – multiple assessed persons	89.20 €
- Increase in basic benefit for pregnant women by	13.50 €
- Benefit for parents caring for a child under 1 year of age	13.50 €
- Benefit for a child for the purpose of compulsory school attendance	17.20 €

The amounts of benefit and allowances provided in the framework of material-need aid were not adjusted in 2012.

In 2012 the monthly number of benefit and allowance recipients averaged 183 083, which in comparison with 2011 represents a decrease of 2.19%. Expenditure on material-need benefit and related allowances in 2012 totalled  $\[mathebox{\ensuremath{\mathfrak{e}}}\]269 993 933$ . In comparison with 2011, expenditure fell by  $\[mathebox{\ensuremath{\mathfrak{e}}}\]345 039$ , representing a 1.26% decrease. The **average amount** of the monthly benefit and associated allowances in 2012 was  $\[mathebox{\ensuremath{\mathfrak{e}}}\]$ 122.89, which in comparison with 2011 represents an increase of  $\[mathebox{\ensuremath{\mathfrak{e}}}\]$ 1.16. The decrease in the number of recipients was due primarily to the regular indexation of pension benefits, which was reflected also in the case of a decline in funds and a subsequent increase in the average benefit amount.

In 2012, in the system of material need assistance, the number of recipients of benefits and associated allowances and who were concurrently registered jobseekers averaged 129 821. In comparison with 2011, the monthly average number of recipients increased by 2.87% to 3622 recipients.

Table 3.16 Average monthly number of recipients of benefit and associated allowances, annual expenditure in 2011 - 2012

	2011	2012
Total number of recipients	187 139	183 083
of whom jobseekers	126 199	129 821
Number of jointly assessed persons	366 967	356 980
Total funds provided (€)	273 438 972	269 993 933
Average amount of benefit and allowances (€)	121.73	122.89

Source: LSA&F Headquarters

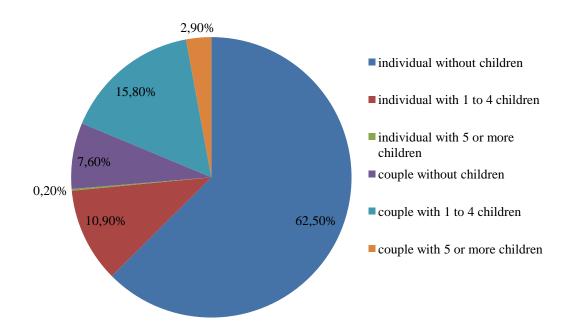
The graph below depicting the trend in the number of recipients of benefit and associated allowances shows that over the course of 2011 and 2012 the number of recipients continued in a downward trend, despite the fact that the number of recipients of benefit and associated allowances who are concurrently registered jobseekers grew slightly. As mentioned above, the fall in the number of recipients of benefit and associated allowances is due primarily to recipients of pension benefits and unemployment benefits. The increase in the number of recipients of material-need benefit and associated allowances who are concurrently registered jobseekers was due more or less to an increase in the registered unemployment rate. By contrast, the trend in the number of recipients of benefit and associated allowances is related also to the trend in the number of unemployment benefit recipients.

Graph 3.6 Trend in number of recipients of benefit and associated allowances in 2011 and 2012



Source: LSA&F Headquarters

Graph 3.7 Percentage share of the groups of recipients of material-need benefit and associated allowances in 2012

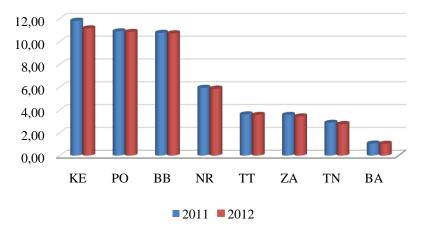


Source: APV ISOP

In comparing the structure of recipients of benefit and associated allowances between 2011 and 2012, a decrease is seen in all groups, by 1.63% in the case of individuals, by 0.79% in the case of individuals with one for children, by 7.79% in the case of individuals with five or more children, by 3.80% in the case of couples without children, by 4.24% in the case of couples with one for children and by 2.26% in the case of couples with five or more children.

In 2012, in the system of material need assistance, the number of jointly assessed persons averaged 356 980, representing a 6.6% share in the total population of Slovakia (representing a 2.7% decrease against the figure for 2011). In comparison with 2011 there was a 0.2 p.p. fall in the share of jointly assessed persons in the system of material need assistance in the total population.

Graph 3.8 Percentage share of persons registered in the system of material need assistance in each region (as at the end of 2012)



Source: APV ISOP and SO SR

The highest proportion of the population in the system of material need assistance for the reporting period (year-end) was in the Košice region (11.16%), in the Prešov region (10.85%) and in the Banská Bystrica region (10.73%). The lowest proportion was in the Bratislava region (1.04%).

Of the total number of persons registered in the system of material need assistance, 50.75% were men and 49.25% women. In comparison with 2011 there was no change in the proportion of men and women; in the case of women there was a 0.3 p.p. fall and a 0.35 p.p. growth in the case of men. The following graph shows the number of these persons by gender in a given age group. In the age group 60 and above, the share of women in is significantly higher than that of men, this situation having persisted since 2006.

Graph 3.9 Recipients of material-need benefit and associated allowances with jointly assessed persons by age and gender in 2012



Source: APV ISOP

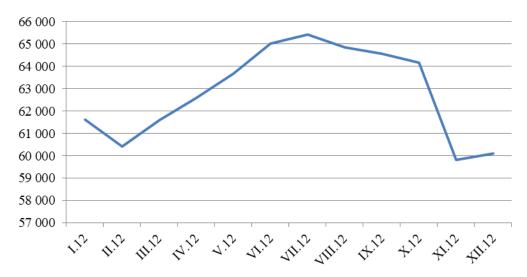
**Material-need benefit related allowances.** Citizens in material need who meet the conditions for claiming assistance in material need are provided benefit and allowances. The benefit is structured according to the number of jointly assessed persons and, in the case of allowances, according to their specific purpose (health care allowance, activation allowance, housing benefit and protection allowance).

Healthcare allowance. Eligibility for claiming the health care allowance is conditional upon eligibility for the benefit. The healthcare allowance is paid to a citizen and natural persons assessed jointly with a citizen in material need for expenses connected with payment for healthcare related services. In 2012 the average monthly number of healthcare allowance recipients was 352 766. In comparison with 2011, this represents a fall in the average monthly number by 10 471 (by 2.88%).

The *activation allowance* is paid to a citizen in material need who is employed or a registered jobseeker and who improves their qualification, participates in education and labour market training, or who performs minor municipal services. One of the motivational elements in the framework of material need assistance is the provision of the activation allowance for a long-term unemployed citizen, who has found employment and his earned income is at least at the level of the minimum wage and at maximum in the level of three times the minimum wage, or who has begun self-employment. Such a citizen is entitled to the activation allowance for a *period of six months*.

In 2012 the average monthly number of activation allowance recipients was  $62\,821$ . In comparison with 2011, this represents an increase in the average monthly number of activation allowance recipients by 3.09% (by 1884 persons).

Graph 3.10 Trend in the number of recipients of benefit and associated allowances with an eligible claim for the activation allowance in 2012

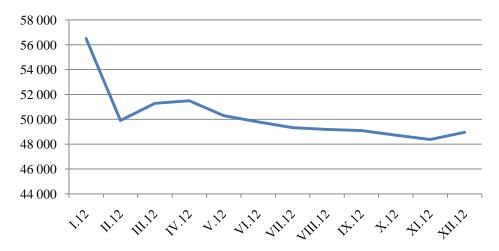


Source: LSA&F Headquarters

Housing benefit. A citizen in material need and natural persons jointly assessed with a citizen in material need are entitled to a housing benefit if the citizen in material need or one of the natural persons jointly assessed with the citizen in material need is the owner of an apartment, owner of a house, tenant of an apartment or tenant of a house or tenant of a residential room in a permanent housing facility and pays costs connected with housing, and also submits a document on payment of these expenses over the previous six consecutive calendar months or proves recognition of a debt and repayment instalment agreement in the case of arrears related to the settlement of housing costs. If the citizen in material need or one of the persons jointly assessed with the citizen is an old-age pensioner, the above conditions need not be met. This applies also in the case where the person is a recipient of a different pension benefit or social pension benefit who has reached 62 years of age. In 2012 the average monthly number of housing benefit recipients was 90 065. In comparison with 2011, this represents a fall in the average monthly number of recipients by 3 979 (by 4.23%).

Protection allowance may be provided to those citizens in material need who are unable to secure or increase income through their own work and who have met the conditions for entitlement to the benefit. The protection allowance is provided to this group of citizens on the basis of exhaustively defined conditions in the act on material need assistance (e.g. age necessary for the old-age pension, invalidity due to a 70% or more decline in earning capacity, illness etc.). The amount of the protection allowance is €63.07 per month. In the case of a citizen in material need with an adverse state of health lasting continuously more than 30 days, the amount of the protection allowance is €34.69 per month. A citizen in material need or natural persons jointly assessed with the citizen is not entitled to the protection allowance if they receive an activation allowance. In 2012 the average monthly number of recipients of the protection allowance was 50 244 persons. Compared to 2011, there was a decline in the average monthly number of recipients by 9757 (down 16.26%). This decrease was caused not only by the indexation of pension benefits and subsequent departure of pensioners from the system of material need assistance, but primarily by the change in the Material Need Assistance Act, with effect from 1.1.2011 in connection with reducing the protection allowance in the case of citizens in material need with an adverse state of health lasting continuously more than 30 days.

Graph 3.11 Trend in the number of recipients of benefit and associated allowances with an eligible claim for the protection allowance in 2012



Source: APV ISOP

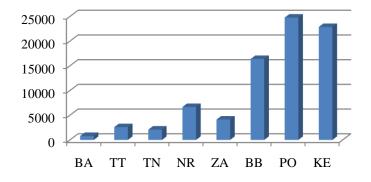
#### 3.4.2 Subsidies for children in material need

Subsidies for children in material need are a support instrument focused on increasing the motivation of children from low-income families for completing *compulsory school attendance*, implement by means of a MoLSAF subsidy program providing a subsidy for supporting education on dietary habits and a subsidy for supporting the fulfilment of school duties of a child at risk of social exclusion.

With effect from 1 January 2011 the provision of the subsidy for supporting education on dietary habits, as well as the subsidy for supporting the fulfilment of school duties of a child and risk of social exclusion have been governed by Act No. 544/2010 Coll. on subsidies in the competence of MoLSAF.

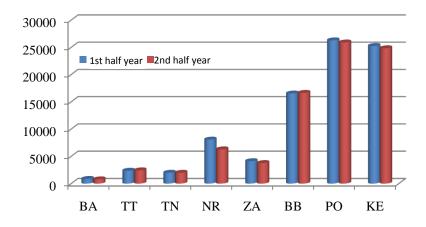
Expenditure on the subsidy for supporting education on dietary habits in 2012 totalled  $\[ \in \]$ 12 227 312. The average monthly number of children to whom the subsidy was provided was 79 406. In comparison with 2011, this represents a fall of 1.11% (891 fewer children). Subsidies for supporting education regarding the fulfilment of school duties of a child and risk of social exclusion totalled  $\[ \in \]$ 2 742 951 and were provided to 89 516 children, representing a fall of 1.7% (1588 children fewer than in 2011).

Graph 3.12 Regional breakdown of children for whom subsidy programmes for supporting education regarding dietary habits were provided in 2012



Source: APV ISOP

Graph 3.13 Regional breakdown of children for whom subsidy programmes for supporting education regarding the fulfilment of school duties were provided in 2012



Source: APV ISOP

In terms of the regional distribution of the number of children for whom subsidies were provided under the above-mentioned MoLSAF edict, the situation is depicted in the preceding graphs. The highest volume of subsidies under the edict was, in terms of the regional distribution of the number of children, provided in the Prešov, Košice and Banská Bystrica regions.

#### 3.4.3 Substitute child maintenance

Substitute child maintenance is an amount paid by the state for ensuring the maintenance of an entitled person in the case that the child maintenance obligation is not fulfilled by the obliged person, who is a parent of the child or other natural person obliged to pay child maintenance for a child.

Act No. 201/2008 Coll. on substitute child maintenance and on the amendment of Act No. 36/2005 Coll. on the family and on the amendment of certain acts adjusted the provision of substitute child maintenance, whereby the state provides substitute child maintenance in cases where the obliged person does not fulfil their maintenance duty toward dependent children and in cases where an orphan's pension, or the sum of orphan pensions for a dependent child is less than the minimum child maintenance as laid down by the Family Act.

With regard to the extension in the sphere of persons entitled to substitute child maintenance for dependent children whose orphan's pension or sum of orphans pensions is less than the minimum child maintenance laid down by the Family Act (30% of the subsistence minimum of a dependent child), the number of entitled persons (dependent children) has been increased.

In 2012 there were an average 8369 registered recipients of substitute unpaid child maintenance, representing an increase of approximately 478 recipients against the figure for 2011. This increase is probably due to the fact that the person obliged to pay substitute child maintenance lost employment at the time of the economic crisis. Substitute unpaid child maintenance was paid monthly on average for 12 518 children, representing an increase of 466 children on a year earlier.

The average monthly number of recipients of substitute child maintenance – orphan's child maintenance in 2012 was 718, representing a fall of approximately 34 recipients against the figure for 2011. Substitute child maintenance – orphan's child maintenance was paid out in 2012 for a monthly average number of 1206 children, representing a fall of 67 children against a year earlier. Expenditure on substitute child maintenance in 2012 totalled €8 454 460.

The maximum amount of child maintenance under the Child Maintenance Act is set at up to 1.2 times the subsistence minimum for a dependent child. During the course of 2012 the maximum claim for substitute child maintenance per child was from epsilon 103.98 to epsilon 106.58 (reflecting indexation of the subsistence minimum as of 1 July 2012).

13 000 1 350 1 300 12 500 unpaid maintenance 1 250 12 000 1 200 11 500 1 150 11 000 1 100 10 500 1 050 2012 Unpaid maintenance, children 2011 unpaid maintenance, children 2011 orphan's pension, children 2012 orphan's pension, children

Graph 3.14 Number of recipients (children) of substitute child maintenance in 2011 and 2012

Source: LSA&F Headquarters

## 3.4.4 Social and legal protection of children and social care

Measures for the social and legal protection of children and social care (hereinafter simply "SLPC&SC" are performed for a child, adult, family or group or community pursuant to Act No. 305/2005 Coll. on social and legal protection of children and social care and on the amendment of certain acts, as amended (hereinafter simply the "Social and Legal Protection of Children Act").

In 2012 the performance of measures for social and legal protection of children and social care measures at 46 LSA&F Offices – social affairs & family divisions, social and legal protection of children and social care departments (social and legal protection of children and social care authorities) was performed by 565 employees, representing an increase of 18 employees against the figure for 2011.

Over the course of 2012 there were recorded 21 446 new families and 29 159 new children for whom SLPC&SC measures were performed.

The field of activity of LSA&F Offices as SLPC&SC authorities includes, inter alia, the submission of proposals and instigations in matters of minor children at competent courts.

In 2012, LSA&F offices submitted in total 9748 proposals and instigations at court in matters of care for minor children (down 1587 against the figure for 2011). Most, as in previous years, comprised proposals and instigations submitted in matters of custody and maintenance – numbering 7648 (down 1743 on a year earlier). Submissions comprised 1414 proposals and instigations for injunctions (up 68 on a year earlier), 582 proposals and instigations for institutional care (up 89 on a year earlier) and 104 proposals and instigations for the cancellation of institutional care (down 1 on a year earlier).

In 2012 SLPC&SC authorities submitted to courts or other public authorities in matters of the maintenance and custody of minors a total of 54 878 reports (2614 down on a year earlier).

The SLPC&SC authority investigated at its own initiative, at the initiative of a court or other person the child's opinion of its situation in the case survey total number of 37 187 children (up 12 766 on a year earlier).

If necessary, in the interests of the child, the SLPC&SC authority decides on the imposition of custody measures. In 2012 SLPC&SC authorities imposed a total of 483 custody measures for 708 children (compared to 497 custody measures for 748 children in 2011).

#### Social guardianship for children

Measures for the social guardianship of children were performed in 2012 by 113 staff at LSA&F – social workers for children who specialise in this area (a decrease of 3 staff against a year earlier). Measures in 2012 were performed for a total of 25 930 children, which in comparison with a year earlier represents a decrease of 256 children (table 3.17). Each social worker was responsible for solving the situation of an average 229 children (an increase of 4 children against a year earlier).

In the framework of social guardianship of children, social workers submitted 15 881 reports to various institutions and carried out a total of 28 746 investigations at families and institutions (compared with 18 167 reports and 31 351 investigations in 2011).

As regards the reasons for performing measures for the social guardianship of children, the number of juvenile children who committed criminal activity as the culprit or as a suspect of criminal activity pursuant to the Penal Code fell to 5324 (582 children fewer than in 2011), while the number of children who committed an otherwise criminal act rose to 2439 (181 children more than in 2011).

Compared to 2011 there was a fall in the number of children for whom assistance and protection was provided in violation proceedings, by 360 to 5094 children.

For reasons of drug experimentation and addiction, social workers performed social work measures for 348 children, of whom 49 were under 14 years of age (compared with 543 children in 2011, of whom 58 were under 14 years of age). Measures were performed for 187 children for reasons of other, non-substance, addictions, e.g. gambling and computers, of whom again 49 were under 14 years of age (compared with 236 children in 2011, of whom 50 were under 14 years of age).

For reason of neglect of school attendance, 8479 children were in the care of social workers (an increase of 493 children compared to a year earlier). In the case of 1020 children there were disturbed relationships with other children, parents or other adults (a decrease of 648 children compared to a year earlier), while social workers dealt with 168 children running away from home or facility (a decrease of 61 children compared to 2011).

The number of children for whom social guardianship was performed for reason of becoming victims of criminal acts rose from 276 to 308 children.

Social guardianship measures for children were performed for 436 children who became witnesses of a criminal act (an increase of 56 children against a year earlier).

Table 3.17 Number of children for whom social guardianship was performed in 2011 and 2012

		Number of children				
Number of children		up to 1	4 years	15-18 years		
Year	Year total	boys	girls	boys	girls	
2011	26 186	6 197	3 111	12 441	4 437	
2012	25 930	6 806	3 838	11 058	4 228	

Source: MoLSAF SR

## Social care for persons of lawful age

In 2012 social care measures were performed for 8988 adult clients, by 59 social workers, meaning that compared to 2011 the number of social workers for adults fell by 4. Compared to 2011, the number of clients fell overall by 311 persons, though per social worker we record and average growth in the number of clients from 147 in 2011 to 152 in 2012.

Social care measures for adults were performed primarily for clients following release or after conditional release from imprisonment. The number of clients released from institutional care facilities or protective care facilities after reaching the age of majority fell from 125 to 53 adult persons, though the number of clients for whom social care measures were performed due to drug addiction rose from 70 to 80 adults.

Most frequently clients were provided assistance in connection with finding employment and suitable housing.

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In 2012 social workers provided resocialisation allowance for 2966 persons (Appendix to Chapter 3, tables 13 and 14). Compared to 2011, this represented a decrease of 78 persons and, in comparison with the previous year there is also a fall in total expenditure on resocialisation work.

## Violence committed within families, maltreated, neglected and abused children

In the field of violence committed within families, maltreated, neglected and abused children, labour offices in the period monitored, on the basis of reasonable suspicion performed SLPC&SC measures for 545 children, which in comparison with 2011 represents an increase of 123 children. The performance of SLPC&SC measures is focused on providing outreach social advice, social work and by means of the psychological advisory services officer psychological advice and assistance are provided particularly in rehabilitation of the biological family in the framework of helping victims of violence.

In 175 cases SLPC&SC authorities filed charges to commence prosecution. The help provided to children maltreated, sexually abused and bullied is listed in the Appendix to Chapter 3, table 15.

### **Institutional care and protective care**

As at 31.12.2012 there were registered 4439 children under an institutional care order and 52 children under a protective care order. In all types of facility for execution of a court decision there were placed overall 5476 children. The number of children placed, on the basis of a court decision, in facilities for execution of a court decision, together with a comparison against 2011 is given in the Appendix to Chapter 3, table 16.

As at 31.12.2012 there were **87 children's homes** in Slovakia housing a total number of 4263 minors and 438 young adults. Of the total number of 87 children's homes, 67 were state-run and 20 non-state.

Children's homes are used for the performance of ordered institutional care, injunction measures and foster care in a separate group, in a specialised separate group, in a separate diagnostic group and in a professional family.

As at 31.12.2012 there were 683 professional parents at children's homes, with whom 1333 children and young adults were placed, which in comparison with 2011 represents an increase of 194 children and young adults. Forms of care at children's homes and the numbers of children placed in each form of care at children's homes are given in the Appendix to Chapter 3, tables 17 and 18.

## **Unaccompanied minors and repatriation**

In 2012, SLPC&SC measures were performed for 151 unaccompanied minors, which is 18 fewer than in 2011.

In 2012 the child repatriation process was conducted in the case of 36 children (an increase of 3 children against a year earlier), who were in the territory of another country unaccompanied by a parent, relative or person personally caring for the child. Of those children, 15 were returned to the Slovak Republic and 21 children were relocated to the Slovak Republic (in 2011 of the total number, 20 children were returned and 13 children were relocated).

# ${\bf Substitute\ family\ care-substitute\ personal\ care,\ foster\ care,\ guardianship,\ pre-adoption\ care\ and\ adoption}$

In 2012, a total of 1832 children were entrusted to a substitute family environment (substitute personal care, foster care, guardianship or pre-adoption care). A comparison with the previous year is given in table 3.18.

As at 31.12.2012 the number of children entrusted into substitute personal care, foster care and guardianship totalled 8958 children. The total number of children entrusted into each form of substitute family care and a comparison with the previous year is given in the Appendix to Chapter 3, table 19.

In 2012 a total of 262 children were adopted by a final court decision. This number includes children adopted to abroad. In 2012 a total number of 27 children were entrusted into pre-adoption care abroad.

Table 3.18 Number of children entrusted to substitute families in 2011 and 2012

year	Adoption (entrusted into pre- adoption care)	Substitute personal care	Foster care	Guardian- ship	Total
2011	252	1 126	234	204	1 816
2012	242	1 169	242	179	1 832

Source: LSA&F Headquarters

### Advisory – psychological services

In 2012 there were 87 jobs at offices of advisory – psychological services, representing an increase of 6 employees against 2011. In 2012 they provided a total of 52 173 consultations in a total number of 8983 cases. The average per case is 5.8 consultations.

#### Core activities of offices of advisory – psychological services:

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

- in the field of help to a child, parents or other adult in dealing with issues of custody, marital, family and other social problems, in the field of assistance to spouses, parents of minor children in divorce or after divorce, also to their minor children in the field of help in adjusting the visitation rights to the child, in examining the child's opinion in matters concerning them, in the field of help to individuals and families with problems of violence and drug addiction, in the field of help to individuals and families in crisis situations and in major life changes,

#### b) specialised training of natural persons in adopting and raising an abandoned child

- specialised psychological assessment of the requisites and suitability of natural persons and their specialised training for performing substitute family care, specialised training of natural persons for the professional performance of substitute care.

Basic statistics on the activity of offices of advisory – psychological services are given in tables 20 and 21 in the Appendix to Chapter 3.

#### **Accreditation process in 2012**

The Accreditation Commission of MoLSAF is established as an advisory body to the Minister of Labour, Social Affairs and Family for granting accreditations under Act No. 305/2005 Coll. on SLPC&SC and on the amendment of certain acts, as amended and under Act No. 448/2008 Coll. on social services and on the amendment of Act No. 455/1991 Coll. on trade licensing (Trade Licensing Act), as amended (hereinafter simply the "Social Services Act") for:

- the implementation of selected SLPC&SC measures;
- education programmes under the Social Services Act;
- professional activity under the Social Services Act.

The Accreditation Commission assesses applications for the granting, renewal, amendment, cancellation or withdrawal of accreditations.

The Accreditation Commission in 2012 discussed in total 148 different submissions in the field of accreditations, checked the professional competence of the proposed responsible representatives by spoken interview in 84 cases; in 64 cases the Accreditation Committee assessed applications without inviting the responsible representatives of the accredited organisations.

A total of 78 submissions in the field of accreditation for implementing SLPC&SC measures were submitted to MoLSAF in the period from 1 January 2012 to 31 December 2012. Based on recommendations of the Accreditation Commission, MoLSAF in 2012 issued decisions granting accreditation to 9 applicants, 3 of which to applicants for the implementation of SLPC&SC measures at facilities. Accreditation for implementation of selected SLPC&SC measures (educational and recreational programmes, educational measures, social and educational programmes, etc.) were granted to 6 applicants.

MoLSAF decided, on the basis of the Accreditation Commission's recommendation, also to make changes in existing accreditation decisions in 21 cases, and to renew accreditations in 14 cases.

As at 31.12.2012 a total of 109 organisations were accredited for the implementation of SLPC&SC measures. An overview is given in the following table.

Table 3.19 Number of organisations accredited for the implementation of SLPC&SC measures

	Number of accredited organisations
SLPC&SC measures under Act No. 305/2005 Coll.	51
Children's homes	21
Crisis centres	19
Resocialisation centre	18
TOTAL	109

During the course of 2012 the Ministry received 39 new applications.

Table 3.20 Overview of decisions of the accreditation committee for the field of social services

	Number of applications	Granted	Not granted	Renewed	Not renewed	Revoked	<b>Proceedings</b> suspended	Accreditation expired
Education programmes:	30	34	3	10	-	2	3	2
Professional activities	9	5	-	18	-	-	2	
Total	39	47	3	28	-	2	5	2

The number of applications received is not equal to the sum of applications granted and not granted, due to the fact that some application decisions in 2012 related to applications received in 2011.

The Ministry, for the purpose of ascertaining the background circumstances for issuing a decision, performed inspections of premises and material and technical conditions. In total 35 inspections were carried out at accredited organisations.

## 3.4.5 Allowances for supporting substitute care

Act No. 627/2005 Coll. on allowances for supporting substitute childcare, by means of financial allowances, supports the performance of personal care for a child by a different natural person if the child's parents do not ensure or cannot ensure childcare themselves.

Table 3.21 Amounts allowances for supporting substitute care

Allowances for supporting substitute care	from 1. 3. 2011	from 1. 3. 2012
Lump-sum allowance upon a child entrusted into substitute care	352.86 €	361.68 €
Lump-sum allowance upon end of substitute care	883.90 €	905.99 €
Recurrent allowance for the child	132.39 €	135.69 €
Recurrent allowance for the substitute parent	168.32 €	172.52 €
Increase in the recurrent allowance for the substitute parent	119.72 €	122.71 €
Special recurrent allowance for the substitute parent	69.36 €	71.09 €

Source: LSA&F Headquarters

**Lump-sum allowance upon a child entrusted into substitute care** is provided for the purpose of ensuring basic personal equipment for the child, in particular their clothing, footwear, toiletries, necessary furniture and other things to satisfy the child's needs. In 2012, the allowance was granted for 758 children, which is 57 children fewer than in 2011. Of the total number of children, 74.5% of children were entrusted into substitute personal care, 20.2% of children were entrusted into foster care and 5.3% of children were entrusted to a guardian.

**Lump-sum allowance upon end of substitute care** is granted to for the purpose of supporting the child in becoming independent. In 2012, the allowance was paid for 496 children, which is for children fewer than in 2011. Of the total number of children, for 50.6% of children this concerned the end of substitute personal care, for 40.7% the end of foster care and for 8.7% the end of guardianship.

**Recurrent allowance for the child** is provided for the purpose of supporting the satisfaction of the child's needs, particularly for covering costs for food, upbringing, education and housing for the child. In 2012 the allowance was paid out on average monthly to 8068 children (an increase of 149

children against the figure for 2011) in a total amount of €9 558 000. In terms of the different forms of substitute care, on average 65% of children were in substitute personal care, 28.4% of children in foster care, 2.2% of children in guardianship, 0.6% of children temporarily entrusted and 3.8% of children entrusted on the basis of an injunction.

0 1 2 3 4 5 6 7 8 9 10 11 age 13 14 15 16 17 18 19 20 21 22 23 24 25

Graph 3.15 Number of children for whom a recurrent allowance was granted, by age

Source: LSA&F Headquarters

Recurrent allowance for the substitute parent is provided for the purpose of supporting the performance of personal care for a child entrusted to a substitute parent for substitute care. In 2012, the allowance was provided monthly on average to 1230 substitute parents for 1626 children (in 2011 the allowance was provided to 1287 substitute parents for 1737 children). In the case where the substitute parent personally cared for three or more sibling children, the recurrent allowance for the substitute parent was increased by €122.71 monthly. In 2012 there were on a monthly average 78 such cases.

**Special recurrent allowance for the substitute parent** is provided for the purpose of supporting the performance of personal care for a severely disabled child entrusted into substitute care. In 2012 the allowance was provided on average monthly 261 substitute parents performing care for severely disabled children (5 substitute parents fewer than in 2011).

Foster parent remuneration - § 19(3) A natural person who remains entitled to payment of foster parent remuneration after 31 December 2005 under a regulation effective until 31 December 2005 and for whom the entrusted child is a relative in direct line receives this remuneration up until the time that the child is no longer entrusted. The number of persons to whom the foster parent remuneration is paid monthly averaged 305 recipients (down 78 recipients on a year earlier). Expenditure totalled approximately €203 000, down €55 000 on a year earlier.

Total expenditure on allowances for support touring substitute care and foster parent remuneration in 2012 totalled approximately  $\[ \in \]$  159 000.

#### 3.4.6 Compensation for the social consequences of severe health disability

Legal relationships in the provision of cash allowances for compensation for the social consequences of severe health disability are governed by Act No. 447/2008 Coll. on cash benefits for compensation for the social consequences of severe health disability and on the amendment of certain acts, as amended (hereinafter simply the "Cash Allowances Act"), which entered into effect on 1 January 2009. The objective of this law is to support the social inclusion of a severely disabled person into society and their active participation while maintaining their human dignity in the following four areas: the area of mobility and orientation, the area of communication, the area of increased expenses and the area of self-attendance.

The social consequences of severe disability can be compensated for through cash allowances for compensation, which are broken down into lump-sum and recurrent. The social consequences of severe disability can be compensated for financial compensation, which are divided into **lump-sum** 

and **recurrent**. The maximum amounts of *lump-some cash allowances for compensation* are laid down by the Cash Allowances Act as a *fixed sum*; the amounts of *recurrent cash allowances for compensation* are set as a *percentage of the sum of the subsistence minimum for an adult* (governed by Act No. 601/2003 Coll. on the subsistence minimum and on the amendment of certain acts), whereby recurrent cash allowances for compensation are indexed depending on the amount of the indexation of the subsistence minimum amounts. In connection to the effect of MoLSAF measure no. 181/2012 Coll. on an adjustment of the subsistence minimum amounts, on which increased as of 1 July 2012 the amount of the subsistence minimum for an adult from €189.83 to €194.58 monthly, the recurrent cash allowances for compensation were also adjusted. An overview of the amounts of recurrent cash allowances is given in the following table:

Table 3.22 Overview of recurrent cash allowances for compensation

Types of recurrent cash allowances	Amount up to	Amount up to
Types of recurrent cash anowances	31.6.2012 (€)	31.6.2012 (€)
Cash allowance for personal assistance – rate per hour	2.64	2.71
Cash allowance for transport	96.86	99.28
Cash allowance for compensation of increased expenses for:		
1. dietary needs		
1a) diseases and disorders listed in 1 <sup>st</sup> group of Annex 5 to the Act	35.24	36.12
1b) diseases and disorders listed in 2 <sup>nd</sup> group of Annex 5 to the Act	17.62	18.06
1c) diseases and disorders listed in 3 <sup>rd</sup> group of Annex 5 to the Act	10.58	10.84
2. for hygiene or wear and tear of clothing, underwear, footwear		
and furnishings	17.62	18.06
3. for running a passenger vehicle	31.71	32.50
4. for care for a specially trained dog	42.28	43.34
cash allowance for caring:		
Natural person (carer) does not receive any of the statutory		
pension benefits:		
1a) takes care of one severely disabled person	211.32	216.61
1b) takes care of two or more severely disabled persons	281.75	288.80
1c) takes care of one severely disabled person who spends more than		
20 hours per week in a care facility	186.66	191.34
1d) takes care of two or more severely disabled persons who spend		
more than 20 hours per week in a care facility	264.15	270.76
1e) takes care of a severely disabled person who spends more than 20		
hours per week in a care facility and concurrently also takes care of		
another severely disabled person who is not in a facility or who spends	274.71	281.58
at most 20 hours per week in a care facility		
2. A natural person (carer) who receives a statutory pension		
benefit		
2a) takes care of one severely disabled person	88.05	90.25
2b) takes care of two or more severely disabled persons	116.22	119.13

Source: MoLSAF SR

The amounts of lump-sum cash allowances for compensation (or their maximum amounts) are set by the Cash Allowances Act in a fixed amount. In determining the specific amount of a lump-sum cash allowance, consideration is given to the severely disabled persons income and the price of the aid, passenger vehicle, modification (according to the type of cash allowance). In taking account of the severely disabled persons income, the principle of solidarity is maintained, i.e. the lower the severely disabled person's income, the higher the lump-sum allowance for compensation that can be granted. An overview of the lump-sum cash allowances is given in the following table.

Table 3.23 Maximum amount of lump-sum cash allowances for compensation

Types of lump-sum cash allowances for compensation	Maximum amount (€)
Cash allowance for purchasing an aid	8 630.42
- for purchasing a second mechanical wheelchair	1 659.70
- for purchasing a second electric wheelchair	4 979.09
- for purchasing a second hearing aid	331.94
Cash allowance for training for using an aid	8 630.42
Cash allowance for adapting an aid	8 630.42
Cash allowance for purchasing lifting equipment	11 617.88
Cash allowance for purchasing a passenger vehicle	6 638.79
- for purchasing a passenger vehicle with automatic transmission	8 298.48
Cash allowance for modification of a passenger vehicle	6 638.79
Total cash allowances for modification of an apartment and cash allowances for	6 638.79
modification of a house over the period of seven years	
Total cash allowances for modification of a garage over the period of 7 years	1 659.70

Expenditure in 2012 on cash allowances for compensation totalled  $\[mathebox{\ensuremath{$\in}} 225\ 642\ 622$ . The average monthly number of recipients of cash allowances for compensation, provided to severely disabled persons in 2012 was 166 874 recipients, with expenditure for this purpose totalling  $\[mathebox{\ensuremath{$\in}} 121\ 787\ 248$ . The average monthly number of recipients of cash allowances for care provided to natural persons (carers of severely disabled persons) was 58 700, with expenditure paid to these recipients totalling  $\[mathebox{\ensuremath{$\in}} 103\ 855\ 374$ .

Table 3.24 Overview of spending in 2012

Cash allowances for compensation	Average monthly number of recipients	Spending (€)
Cash allowances provided to severely disabled persons	166 874	121 787 248
Cash allowances for care 1)	58 700	103 855 374
TOTAL		225 642 622

Source: APV ISOP

In terms of the number of recipients, the highest average monthly number of recipients of recurrent cash allowances for compensation was recorded in the cash allowance for compensation of increased costs (total average of 163 566 recipients). This cash allowance is broken down by purpose of provision into four groups, and in the framework of this breakdown the highest average monthly number of recipients was in the compensation of increased costs related to hygiene or wear and tear of clothing, underwear, footwear and furnishings (93 212 recipients), followed by compensation for increased costs related to running a passenger vehicle (66 783 recipients), compensation of increased costs for dietary requirements (53 235 recipients) and compensation of increased costs related to care for a specially trained dog (74 recipients). The second largest group of recurrent cash allowances comprises recipients of the care allowance, in an average monthly number of 58 700.

In 2012 the highest number of lump-sum cash allowances for compensation provided was in the cash allowance for purchasing an aid (2437), followed by the cash allowance for purchasing a passenger vehicle (1533), cash allowance for modification of a house (1448), cash allowance from modification of an apartment (752) and cash allowance for purchasing lifting equipment (561). This data on the number of lump-sum cash allowances represents summaries for the whole of 2012 (total for all 12 months). An overview of spending on compensation in 2012 is given in the following table.

<sup>1)</sup> cash allowances for care are provided to the natural person who cares for a severely disabled person

Table 3.25 Overview of spending on compensation for severe disability in 2012

Recurrent cash allowances for compensation	Average monthly number of recipients in 2012	Average monthly amount of cash allowance (€)	Expenditure (€)
Cash allowance for personal assistance	7 965	366.57	35 605 177
Cash allowance for transport	2 748	86.02	2 891 833
Cash allowance for compensation of increased expenses for:	163 566	30.03	60 186 745
- dietary requirements	53 235	20.85	13 626 670
- hygiene or wear and tear of clothing, underwear, footwear and furnishings	93 212	17.80	20 295 158
- running a passenger vehicle	66 783	32.04	26 226 550
- care for a specially trained dog	74	42.72	38 367
Care allowance	58 700	142.22	103 855 374
Lump-sum cash allowances for compensation	Number of cash allowances provided in 2012	Average amount of cash allowance (€)	Expenditure (€)
Cash allowance for purchasing an aid	2 437	992.04	2 415 277
Cash allowance for training for using an aid	61	741.22	45 215
Cash allowance for modification of an aid	32	932.48	29 839
Cash allowance for repair of an aid	446	335.32	149 208
Cash allowance for purchasing lifting equipment	561	9 217.57	5 162 691
Cash allowance for purchasing a passenger vehicle	1 533	6 617.07	10 144 434
Cash allowance for modification of a passenger vehicle	110	2 415.48	265 403
Cash allowance for modification of an apartment	752	2 307.79	1 737 372
Cash allowance for modification of a house	1 448	2 165.15	3 123 745
Cash allowance for modification of a garage	25	1 212.38	30 309
Cash allowances TOTAL			225 642 622

Source: APV ISOP

The cash allowance for wear and tear, as a sole cash allowance for compensation, is not provided to the severely disabled person, but directly to the natural person (carer) who cares for the severely disabled person. The amount it is set at depends on several factors. If the carer receives any statutory pension benefit, the care allowance is determined as a flat rate. If the carer does not receive such a pension benefit, in determining the amount of the cash allowance, consideration is given to the income of the severely disabled person receiving care, which is protected up to the amount of 1.4 times the subsistence minimum for an adult, or if the severely disabled person is a dependent child, their income is protected up to the amount of 3 times the subsistence minimum for an adult. As of 1 July 2012, following indexation of the subsistence minimum amounts, the protection of a severely disabled person's income represents the amount of approximately €272.41 monthly (1.4 times the subsistence minimum) and £583.74 monthly (3 times the subsistence minimum).

In 2012 the care allowance was provided monthly on average to 58 700 recipients, who cared on average monthly for 60 579 severely disabled persons, with expenditure on this purpose totalling 103 855 374. The average monthly amount of the care allowance was approximately 142.22. Of the total average monthly number, approximately 61.42% (36 056) recipients of the care allowance are of

productive age, i.e. they do not receive any statutory pension benefit, and they care on average monthly for approximately 61.82% (37 450) of the total number of severely disabled persons receiving care. The average monthly amount of the care allowance paid to these recipients is €177.32.

Recipients of the care allowance who receive a statutory pension benefit represent approximately 38.58% (22 644) of the total average monthly number of recipients of the care allowance. On average monthly 20 902 recipients from this group received the care allowance under conditions laid down in § 39 and § 40 of the Cash Allowances Act, and its average monthly amount was approximately €85.83. In total 1742 recipients on average monthly received the care allowance under conditions laid down by Act No. 195/98 Coll. on social assistance, as amended (effective until 31.12.2008). The number of these recipients is steadily decreasing and they are gradually transferring to payment conditions laid down under the Cash Allowances Act. These recipients received cash allowances for care averaging monthly €92.24. Data on the care allowance for 2012 is presented in the following table:

Table 3.26 Spending of care allowance in 2012 – detailed breakdown

Care allowance	Average monthly number of recipients	Average monthly number of persons cared for	Average monthly amount (€)
1. natural person <sup>1)</sup> receiving pension benefit	20 902	21 332	85.83
2. natural person not receiving pension benefit	36 056	37 450	177.32
3. natural person receiving cash allowance under transitional provision	1 742	1 797	92.24
Care allowance TOTAL	58 700	60 579	142.22

Source: APV ISOP

In comparing data on cash allowances for compensation provided in 2012 against figures from 2011, a prevailing trend of growth is seen in the number of recipients and consequently also growth in expenditure on this purpose. The average monthly number of recipients of cash allowances for compensation provided directly to the severely disabled person grew from 162 393 recipients in 2011 to 166 874 in 2012, representing an increase of 4481 recipients. In the case of the care allowance (provided to the carer) the corresponding growth in the average monthly number of recipients is from 57 175 in 2011 to 58 720 12 (an increase of 1525 recipients). Expenditure on cash allowances for compensation in 2012 totalled approximately  $\in$ 225 643 000, representing an increase of approximately  $\in$ 15 million in comparison with the figure for 2011. A comparison of the data on cash allowances for compensation provided in 2011 and 2012 is presented in the following table:

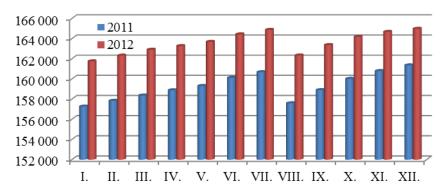
<sup>1)</sup> natural person receiving care allowance (recipient)

Table 3.27 Overview of trend in the number of recipients of and expenditure on cash allowances for compensation of severe disability

2011 2012					
Recurrent cash allowances for compensation	Average monthly number of recipients	Average monthly amount of cash allowance (€)	Average monthly number of recipients	Average monthly amount of cash allowance (€)	
Cash allowance for personal	7 416	352.77	7 965	366.57	
assistance Cash allowance for transport	2 659	84.21	2 748	86.02	
Cash allowance for compensation of increased expenses for:	159 262	29.06	163 566	30.03	
- dietary requirements	51 125	20.08	53 235	20.85	
- hygiene or wear and tear of clothing, underwear, footwear and furnishings	91 949	17.38	93 212	17.80	
- running a passenger vehicle	63 965	31.27	66 783	32.04	
- care for a specially trained dog	69	41.70	74	42.72	
Care allowance	57 175	134.75	58 700	142.22	
Lump-sum cash allowances for compensation	Average monthly number of recipients	Average amount of cash allowance (€)	Average monthly number of recipients	Average amount of cash allowance (€)	
Cash allowance cash allowance for purchasing an aid	200	1 049.47	203	992.04	
Cash allowance for training for using an aid	5	683.42	5	741.22	
Cash allowance for modification of an aid	1	685.07	3	932.48	
Cash allowance for repair of an aid	31	289.67	37	335.32	
Cash allowance for purchasing lifting equipment	45	8 971.73	47	9 217.57	
Cash allowance for purchasing a passenger vehicle	124	6 585.56	128	6 617.07	
Cash allowance for modification of a passenger vehicle	9	2 715.15	9	2 415.48	
Cash allowance for modification of an apartment	72	2 338.56	63	2 307.79	
Cash allowance for modification of a house	142	2 116.16	121	2 165.15	
Cash allowance for modification of a garage	2	1 325.85	2	1 212.38	
Expenditure on cash allowances TOTAL $(\epsilon)$		210 640 394		225 642 622	

Source: APV ISOP

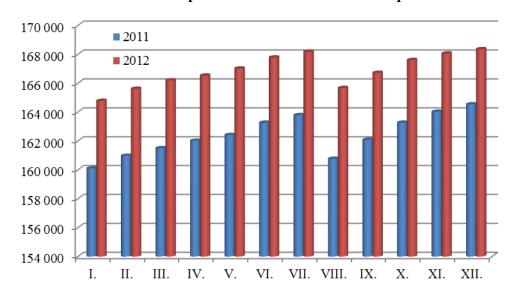
Graph 3.16 Trend in the number of recipients of cash allowances for compensation of increased costs in 2011 and 2012



Source: APV ISOP and SBM MIS

Specific cash allowances for compensation showed an increase in the number of recipients in 2012, particularly in the case of recurrent cash allowances, most notably in the cash allowance for compensation of increased costs, where an increase of 4304 recipients was recorded in the average monthly number of recipients in 2012 (total for all increased costs) in comparison with 2011. Specifically in the compensation of increased costs related to running a passenger vehicle the number of recipients rose by 2818, while in the case of compensation of increased costs for dietary requirements, the number of recipients rose by 2110, in the case of compensation increased costs related to hygiene or wear and tear of clothing, underwear, footwear and furnishings the number of recipients rose by 1263, in the case of compensation of increased costs related to care of a specially trained dog the number of recipients rose by 5.

Graph 3.17 Trend in number of recipients of cash allowances for compensation in 2011 and 2012



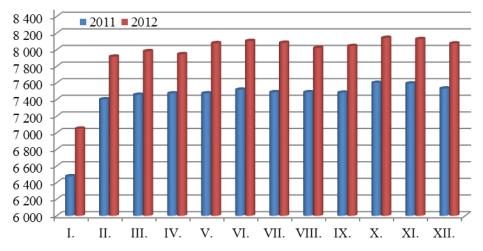
<sup>\*</sup> Each cash allowance recipient features only once in the figures above, even if they received multiple allowances

Source: APV ISOP and SBM MIS

As in previous years, in 2012 there continued to rise the average monthly number of recipients of the cash allowance for personal assistance, by 549 recipients on a year earlier. The average monthly amount of this cash allowance also rose (to  $\[ \in \]$ 366.57), which was due primarily to indexation of the hourly rate for personal assistance. This data, however, indicates also a slight growth in the average monthly number of hours of personal assistance (by 1.9 hours, i.e. to approximately 137.3 hours), for

which the cash allowance was provided. We expect that this fact again in 2012 has also been influenced by the change effective from 1.7.2011 increasing the protection of income of a severely disabled person from 3 times to 4 times the amount of the subsistence minimum for an adult, which made it possible to reduce the decrease in the cash allowance for personal assistance for reason of the severely disabled person's income exceeding the set limit.

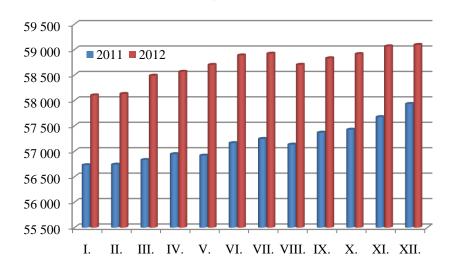
Graph 3.18 Number of recipients of cash allowances for personal assistance in 2011 and 2012



Source: APV ISOP and SBM MIS

Again in 2012 the average monthly number of recipients of the care allowance continued to rise. Compared to 2011, this overall increase numbered 1525 recipients. In a breakdown of the care allowance by type of recipient (natural person) the largest increase in the average monthly number was seen in recipients who also receive a pension, their number increasing by 1824 recipients. This increase could have been due not just to the inflow of new recipients, but also to a transfer from the group of recipients who received cash allowances on the basis of a transitional provision (i.e. under the act effective to 31.12.2008), the average monthly number of whom fell by 686. The number of recipients not receiving a statutory pension rose by 387 recipients. An overview of the data is presented in Table 3.28.

Graph 3.19 Trend in the number of recipients of the care allowance in 2011 and 2012



Source: APV ISOP and SBM MIS

In 2012 there was an increase in the average monthly amount of the care allowance in the case of every type of recipient of the care allowance. This fact was due both to the indexation of the

subsistence minimum amount for an adult, which meant there were increase not only the amounts of the care allowance (the cash allowance amounts following their indexation are given in table 3.22) and to the increase in the protected amount of income of the severely disabled person receiving care, from €265.76 monthly to €272.41 monthly (1.4 times the subsistence minimum). A positive impact on the amount of the care allowance, which was reflected throughout the course of the whole 2012 calendar year, flowed from a legislative change effective from 1 July 2011, which increased the protected amount of income of the severely disabled person receiving care from 1.3 to 1.4 times the subsistence minimum for an adult, which that the decrease in the amount of the care allowance due to income exceeding the statutory limit was reduced.

Table 3.28 Comparison of data on the care allowance over the period 2011 and 2012

	Average care allowance (€)		Average month recipion	
Care allowance	2011	2012	2011	2012
1. natural person <sup>2)</sup> receiving pension benefit	83.26	85.83	19 078	20 902
2. natural person not receiving pension benefit	165.43	177.32	35 669	36 056
3. natural person receiving cash allowance under transitional provision	90.21	92.24	2 428	1 742
Care allowance TOTAL	134.75	142.22	57 175	58 700

Source: APV ISOP

In lump-sum cash allowances for compensation in 2012 there continues the trend of slight growth in the average monthly number of recipients in comparison with 2011. There was a fall in the average monthly number of recipients only in the case of the cash allowance for modification of a house, by 21 recipients (i.e. by 251 recipients over the whole year) and, in the case of the cash allowance for modification of an apartment, there was a fall in the average monthly number of recipients by 9 (i.e. by 251 recipients over the whole year). In a comparison of the average amounts of lump-sum cash allowances, the most significant change was recorded in the case of the cash allowance for modification of an aid, where the average amount rose by 36% in comparison with 2011, i.e. from  $\xi$ 685.07 to  $\xi$ 932.48. In the case of other lump-sum cash allowances only slight changes were recorded.

<sup>1)</sup> natural person receiving care allowance (recipient)

## 3.4.7 Social services

Social services in Slovakia are since 2009 have been provided under Act No. 448/2008 Coll. on social services and on the amendment of Act No. 455/1991 Coll. on trade licensing (the Trade Licensing Act), as amended (hereinafter simply the "Social Services Act"). The Social Services Act governs the legal relations and conditions for the provision of social services, the aim of which is to support the social inclusion of citizens and to satisfy the social needs of people in an adverse social situation. An adverse social situation is deemed to mean a state of social distress in which a natural person, family or community is found for reason of unmet basic living needs, for reason of their ways of life or lifestyle, severe disability or ill health, for reason of having reached pensionable age, for reason of giving care to a severely disabled person, for reason of threat from the behaviour of other natural persons or for reason of having become a victim of human trafficking.

Social services under the act are provided by means of professional, attendant service and other activities that the provider is required to provide or ensure where such activities are any motive the specified for such services. Professional activities in the form of social advice and social rehabilitation can be provided also separately, under conditions laid down by the act. A provider may also perform activities beyond those governed by the act, so as to improve the quality of social service. Social services are services in the public interest and are provided without profit, although the proposal also allows for the provision of social services within the private sector, i.e. based on profit.

The Social Services Act divides social services into several groups, depending on the nature of the adverse social situation or target group, and which are defined as:

- social services for ensuring essential conditions for satisfying basic living needs;
- social services for supporting families with children;
- social services for addressing an adverse social situation due to severe disability, ill health or due to reaching pensionable age;
- social services using telecommunication technologies;
- support activities.

For the purpose of providing a social service in the case of a natural person's reliance on the assistance of another natural person, the Social Services Act regulates medical and social assessment activity on the basis of which the natural persons reliance on this social service is determined. The Social Services Act regulates the provision of health care in the scope of nursing at selected social services facilities directly by nurses, i.e. employees of those facilities and also regulates the provision of social services at healthcare facilities of institutional care. The Social Services Act puts social services providers on an equal footing and registration, irrespective of whether they are public or non-public providers, since also public providers will be able to provide social services only if they are entered in the register of social services providers. The financing of non-public providers is regulated in a separate part of the act, under condition of meeting statutory conditions. In terms of financing, non-public providers are differentiated as regards whether they are of a non-profit nature or businesses.

MoLSAF provides for supervision over compliance with this act and other generally binding legal regulations in the provision of social services, and which is exercised by MoLSAF. The MLSA&F provides supervision of compliance with the act on social services and other generally binding legal regulations on providing social services. This central government authority will also evaluate the quality of social services on the basis of qualitative and quantitative criteria, i.e. quality standards as laid down in an annex to the act. The Social Services Act also regulates training in social services, whereby MoLSAF grants accreditation for training programmes and professional activities.

The Social Services Act introduced multi-level community planning. A municipality's social services community plan must be based on National Priorities for the Development of Social Services with a view to planning social services so as to correspond to local specifics and needs of natural persons and be based on an analysis of the actual state of social services provision. Likewise, the social services policy of a higher territorial unit must be based on the National Priorities for the Development of Social Services and community plans of municipalities in its territorial jurisdiction. National priorities for the development of social services of the Slovak Republic approved by MoLSAF up to 2013 include:

- support for the client to remain in their natural environment by developing outreach social services:
- development of ambulatory social services and residential social services at weekly-stay facilities;
- increasing the quality and humanisation of social services by means of reconstruction, expansion, modernisation and building social services facilities;
- employee training in the field of social services.

On 1.3.2011 **Act No. 551/2010 Coll.** amending the Social Services Act entered into effect. This amendment to the Social Services Act ensured, in particular, the application of the rights of a natural person to choose a social services provider in the full scope without any limitation whatsoever or consequences connected therewith (e.g. the inability to finance a non-public or public provider where the client chose it directly). The aim of the change in this provision was to ensure the enforceability of the right of a natural person to choose their social services provider. At the same time, the provisions of § 8(2) and (3) of the Social Services Act was brought into line with the Constitution of the Slovak Republic in connection with the ruling of the Constitutional Court of the Slovak Republic no. 332/2010 Coll., which found part of the provision of § 8(2)(d) and (3)(d) of the Social Services Act to be inconsistent with the Constitution of the Slovak Republic. Likewise, the amendment to the Social Services Act revised certain provisions that in practice were causing problems and facilitated their implementation in practice.

On 1.3.2012 **Act No. 50/2012 Coll.** entered into effect with the aim of addressing persistent problems and a crisis situation in the financing of social services and to eliminate the risk of a collapse of existing social services facilities, which would have jeopardised the fundamental human rights and freedoms of beneficiaries of social services. The subject matter of this amendment to the Social Services Act was a significant change altering the method of financing social services facilities established or founded by municipalities and non-public providers of selected types of social services by means of a specific subsidy from the budgetary chapter of MoLSAF. On the basis of this amendment, MoLSAF provides a grant to municipalities for financing social services that they established or founded, and for financing non-public providers of selected types of social service. In 2012 a total of  $\mathfrak{C}38.2$  million was provided from the MoLSAF budget to municipalities for 458 social services providers of long-term care and crisis intervention services.

At the same time, in response to practice, adjustments were made to selected conditions for providing social services, conditions of assessing the income and assets of a client and his family, and qualification requirements for professional home-carers, while several duties of social services providers were differed (fulfilment of personnel standards and barrier-free access at facilities, thereby creating room for using existing funds for addressing the crisis situation in social services.

A significant change may be considered the adjustment that address is the issue of "illegal providers", with the aim of preventing the establishment of such undesirable subjects and protecting the rights of citizens concerned, and this by way of imposing a high fine, prohibiting a activity and creating conditions for providing swift assistance to vulnerable individuals through adequate social services.

The act directly sent the minimum amount of payment for a long-term care services, and this in the amount of at minimum 50% of the economically justified costs for the social service, as determined by municipalities and higher territorial units in their generally binding regulations. The aim was to increase the income of local authorities. With regard to the fact that there is amendment brought a negative response from social services beneficiaries, Act No. 185/2012 Coll., which entered into effect on 29.6.2012 cancelled the obligation of the local authority to determine payment for selected social services at least in the amount of 50% of economically justified costs for the social service. This means that municipalities and higher territorial units continued to determine the amount of payment in accordance with their social policy, in the range from 0% to 100% of the economically justified costs of the given social service.

Through the amendment to the Social Services Act No. 50/2012 Coll. the state also began to participate in the financing of social services by means of a grant to municipalities for financing social services facilities established by them and for financing selected types of social services facilities established by non-public providers.

In an effort to ensure the continuity and efficiency of social services and concurrently in an effort to support people reliant on assistance remaining for as long as possible in their natural family environment, MoLSAF is currently focusing on the process of deinstitutionalising social services in Slovakia. The SR Government on 30.11.2011 approved the strategy for the deinstitutionalisation of the system of social services and substitute care (hereinafter simply the "deinstitutionalisation strategy"). Through this document the Slovak Republic commits to the worldwide trend of systematically eliminating the consequences of the long-applied but now historically outdated model of the institutional isolation and segregation of people requiring long-term care and assistance at specialised facilities, particularly children in substitute care, disabled persons and the elderly, and statements by an alternative model of services and measures that through their nature most closely correspond to the conditions of normal life. This change of model is one of the objectives of the current European Union policy in the field of social inclusion and disability, and is a part of the Slovak Republic's commitment in the international rights agenda, e.g. the Convention on the Rights of the Child and the UN Convention on the Rights of Persons with Disabilities. The objective of deinstitutionalisation in the Slovak Republic is to create and ensure the conditions for the independent and free life of all citizens reliant on societies help, in the natural social environment of the community, by means of a complex of quality alternative services in the public interest. On 14.12.2011 MoLSAF approved the national action plan for transitioning from institutional to community care in the system of social services 2012 - 2015 (hereinafter simply the "National Action Plan for Deinstitutionalisation"). Drafting of the National Action Plan for Deinstitutionalisation is one of the basic tasks of the deinstitutionalisation strategy. The National Action Plan for Deinstitutionalisation is the basic planning document of MoLSAF for fulfilling the deinstitutionalisation is in the field of transitioning from institutional to community care in the system of social services in the Slovak Republic in 2012 - $2015.^{29}$ 

#### Home-care service

In 2011, home-care services were provided by municipalities to 14 727 citizens. In comparison with 2010 this represents a fall of 977 citizens in the number of persons receiving care, which only serves to highlight the negative trend in the provision of outreach care, and which is at variance with EU trends and the strategic goals of MoLSAF in this field. According to repeated statements by municipality representatives, the reason for this decrease in the scope of home-care services provided, even at a time when demand for social services is increasing, is the lack of resources.

Home-care services in 2011 were provided by 6274 staff of towns and municipalities. In comparison with 2010, this likewise represents a decrease, of 126 staff. Home-care services are provided by means of using all institutes of labour law relations (employment, work agreement, specific work contract). Staff numbers are recalculated to full-time equivalents.

Expenditure on home-care services in 2011 from the side of municipalities totalled €24.2 million, which is almost €2.1 million less than in 2010, and which corresponds to the reduced number of persons receiving care, as well as carers, and concurrently confirms the adverse situation in the financing of care services.

The increase in payments was reflected in an increase in municipalities' revenues. Municipalities incomes from payments for home-care services in 2011 totalled  $\in$ 4.9 million, representing an increase of  $\in$ 1.1 million compared to 2010. In view of the fact that the number of beneficiaries of home-care services decrease in the reporting period, this growth in income for care services, in comparison with the decrease in the number of beneficiaries of home-care services, confirms that municipalities in the reporting period increased the hourly payment for care services. Clients thus bore 20% of the cost of home-care services. Nevertheless, in 2012 the difference between income and expenditures for home-care services represented  $\in$ 19.3 million, which is the amount that municipalities had to pay from their own budgets.

<sup>&</sup>lt;sup>29</sup> At the time of writing, statistics on social services are available only as at 31.12.2011 (given in tables in the Appendix to Chapter 3).

In 2011, home-care services were provided by 70 non-public providers, which in comparison with 2010 represents a decrease of 3 providers. Non-public providers in the reporting period provided care for a total of 1794 clients, which against the preceding year represents a fall of 87 clients. Incomes of non-public providers (from municipality budgets, from client payments, donations, etc.) for home-care services total  $\[mathebox{\ensuremath{\circ}}3.25$  million, while their costs totalled  $\[mathebox{\ensuremath{\circ}}3.37$  million, which means that there expenditures exceeded their income by  $\[mathebox{\ensuremath{\circ}}120\,000$ , which non-public providers had to pay from their own funds. The adverse situation in home-care services provided by non-public providers is affected by the lack of funds from the side of municipalities, which, for this reason, did not provide non-public providers grants in the amount and under the conditions laid down by the Social Services Act. Other statistics are given in the Appendix to Chapter 3, table 22.

#### **Transport service**

In 2011 the transport service was provided by municipalities and towns to 3207 citizens, representing a fall of 118 citizens compared to 2010. Municipalities expenditures in 2011 for providing the transport service totalled  $\in$ 199 600, which, compared to 2010, represents an increase of  $\in$ 39 500, and this even despite the lower number of clients.

The transport service in 2011 was provided by 22 non-public providers for 1157 clients. Incomes of non-public providers for the transport service totalled  $\in$ 148 100, while their expenditures totalled  $\in$ 181 400. The difference of  $\in$ 33 300 was paid by non-public providers from their own budgets. Other statistics are given in the Appendix to Chapter 3, table 23.

#### **Social services facilities**

As at 31.12.2011 the Slovak Republic had 5 404 322 inhabitants, of whom 40 050 inhabitants (0.74%) were provided services 969 social services facilities established by a municipality, higher territorial units or non-public provider. Long-term-care social services were provided to 33 584 clients at 809 facilities (facilities for the elderly, social services homes, specialised facilities, day-care centres, assisted living facilities, rehabilitation centres, care service facilities).

In 2011 in the Slovak Republic there were in total at all social services facilities 38 945 places, of which year-round care comprised 34 357 places (88.2%), weekly care 674 places (1.7%), daily care 2262 places (5.8%) and temporary care 1363 places (3.5%). Of the total number, some 35 305 places (90.7%) were long-term-care social services.

Social services facilities as at the end of 2011 had in total 40 050 residents. Of the total number of facility residents, 27 652 were disabled (69%) and 23 396 persons were pensioners (58.4%). Of the total number of facility residents, 17 323 were men (43.3%) and 22 727 were women (56.7%). Long-term-care social services were provided to 33 584 residents (83.9%).

In terms of the *founder* of social services facilities, of the total number of social services facilities (969) regional authorities were the founders of 392 facilities (41%) providing 20 541 places (53%), while municipalities founded 236 facilities (24%) providing 9470 places (24%). Non-public providers on day 341 facilities (35%), providing 8934 places (23%).

Facilities expenditures totalled €285 849 431. Of this amount, €164 703 706 (58%) comprised wages and compulsory social insurance. Other expenditures pertain to goods and services, a procurement of long-term assets and health care. Expenditures on social services at long-term-care facilities total €277 281 597, forming a 97% of the total costs at all types of social facility.

As at 31.12.2012 social services facilities employed 19 109 persons, representing an increase of 340 employees compared to 2010. Long-term-care social services facilities accounted employed some 18 546 staff (97% of the total number of staff). More detailed statistics are given in tables 24 to 28 in the Appendix to Chapter 3.<sup>30</sup>

As regards **social services facilities** not monitored by the SR Statistical Office, as at 31.12.2011 there were established in the SR either by municipalities or higher territorial units, 6 low-threshold day centres, 10 low-threshold day centres for children and families, 208 day-care centres, 5 integration

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<sup>&</sup>lt;sup>30</sup> Source: Selected data of the SO SR.

Note: Selected data of the SO SR do not include data on children's homes, crisis centres, social reintegration centres and other facilities that are not considered social service facilities.

centres, 71 canteens, 26 laundries and 22 personal hygiene centres. Assistance with personal childcare and support for balancing personal and working life were provided by 16 providers, 4 providers arranged personal assistance, 15 providers loaned aids, while monitoring and needs signalling was provided by 5 providers and assistance in custodian rights and obligations was provided by 9 providers.

Statistics on selected social services are presented in the Appendix to Chapter 3, table 29.

In 2012 a total of 9280 persons were enrolled on waiting lists for care at social services facilities, of whom the most, 5251 persons (57%), were waiting for places at facilities for the elderly, and 3877 persons (42%) were waiting for places at social services homes. Compared to 2010, waiting lists fell by 2228 persons, 2056 of whom were **waiting for places** at facilities for the elderly, this fall probably being due to the tightening of conditions for admission to a facility for the elderly (at least 4<sup>th</sup> degree of reliance on the assistance of others). The assumption is that many persons waiting for social services at facilities for the elderly did not meet the conditions for social services in these facilities (Appendix to Chapter 3, table 30).

## Non-public social services providers

As at 31.12.2011 social services (besides social services in facilities monitored by the SO SR) were provided by 278 non-public providers, which represents a decrease of 10 providers compared to 2010. Non-public providers provided social services to a total of 43 453 client 7261 fewer than in 2010. The total income of non-public providers (from municipality budgets, from client payments, donations, etc.) totalled  $\[ \in \]$ 6 757 000, whilst their expenditures totalled  $\[ \in \]$ 7 027 000, meaning that non-public providers had to pay approximately  $\[ \in \]$ 270 000 from their own funds. Other statistics are given in the Appendix to Chapter 3, table 31.

#### Supervision over the provision of social services

In accordance with § 98 and § 99 of Act No. 448/2008 Coll. on social services and on the amendment of Act No. 455/1991 Coll. on trade licensing (the Trade Licensing Act), as amended, the state through MoLSAF exercises supervision over compliance with the Social Services Act and generally binding legal regulations in:

- the provision of social services and the manner of its implementation, particularly in terms of respect for fundamental human rights and freedoms;
- the conclusion of contracts on the provision of social services;
- compliance with obligations under contracts on the provision of social services;
- the performance of professional activities for which accreditation has been granted.

Table 3.29 Number of inspections conducted and completed in 2012

Number of inspections carried over from 2011, completed in 2012	6
Number of inspections commenced and completed in 2012	9
Number of inspections commenced and completed beyond the focus in 2012	2
Total number of inspections performed and completed	17

Of the inspections performed, violations of legal regulations were identified at 2 non-public social services providers. At all of the public and non-public social services providers and which inspections were performed in 2012 shortcomings were identified in the form of a violation of the constitution of the Slovak Republic, violation of these Social Services Act or other generally binding legal regulations.

<sup>3</sup> 

<sup>&</sup>lt;sup>31</sup> **Act no. 448/2008 Coll. on social services** and on the amendment of Act no. 455/1991 Coll. on trade licensing (the Trade Licensing Act), as amended, as amended by Act no. 317/2009 Coll., as amended by SR Constitutional Court Finding no. 332/2010 Coll., as amended by Act no. 551/2010 Coll., as amended by Act no. 50/2012 Coll., as amended by Act no. 185/2012 Coll.

In connection with the performance of inspections at social services providers in preceding years, MoLSAF also performed an inspection of the implementation of corrective actions taken for eliminating shortcomings identified in an inspection in 1 case, which found no violation of law.

Table 3.30 Number of inspections of the implementation of corrective actions taken from inspections in 2012

Number of inspections performed of the implementation of corrective actions in 2012	1
Number of uncompleted inspections of the implementation of corrective measures taken, transferred into 2013	1

## 3.4.8 Subsidies for supporting the development of the social field in the competence of MoLSAF

MoLSAF in 2012 granted subsidies from its budgetary chapter in accordance with Act No. 544/2010 Coll. on subsidies in the competence of the Ministry of Labour, Social Affairs & Family of the SR (hereinafter simply the "Act"). Subsidies granted totalled €2 584 692, of which €2 385 522 was granted to legal entities.

Subsidies for supporting the development of social services and subsidies for supporting the implementation of social and legal protection of children and social care (§ 3 of the act) were granted in an amount totalling €1 584 323 (132 applications supported), capital transfers of which totalled €1 278 288 for the purchase of passenger and special motor vehicles, technical equipment for improving handling with reduced-mobility clients, material equipment, for creating a barrier-free environment and for reconstruction and building modifications. Within this type of subsidy. expenditures totalling €94 327 concerned the interdepartmental sub-programme Anti-Drug Policy. Expenditures for supporting reconditioning activities (§ 6) total €630 017 (28 applications), while expenditures for supporting membership in international organisations in the social field (§ 7) totalled €33 822 (20 applications), and expenditures for supporting publishing activity (§ 8) totalled €137 360, of which €2000 was for anti-drugs policy. In the framework of subsidies for supporting reconditioning activities, subsidies aimed at preventing social exclusion and for supporting the restoration of the mental and physical condition of persons who are recipients of the old-age pension, early retirement pension or service pension and do not perform activity establishing a claim for income from gainful activity or business were provided to 2 subjects and for which expenditures totalled €524 900, and by means of which grants for recreation were provided to 10 498 applicants. In terms of the legal form of the subsidy recipient, budgetary funds were provided to municipalities and higher territorial units for facilities established by them, in the amount of €991 747, to civic associations in the amount of €736 585, to a trade union organisation in the amount of €324 900, to non-profit organisations in the amount of €269 290 and to church organisations in the amount of €63 000.

In accordance with § 9 of the act, a subsidy was provided to natural persons for supporting humanitarian assistance in the amount of  $\in$ 199 170, of which  $\in$ 122 579.04 478 natural persons in a crisis life situation or in an exceptionally adverse social situation, for supporting the solution of this situation and in the amount of  $\in$ 76 591 for citizens of 87 municipalities in accordance with the conclusions of a meeting of the crisis task force for reason of long-term persistent bad weather conditions accompanied by severe frosts for citizens in material need and who received material-need benefits and benefit allowances intended for ensuring basic living requirements and who did not have funds for buying wood. Originally, subsidies were provided for 93 municipalities for 1296 inhabitants in a total amount of  $\in$ 85 000. Several municipalities returned unspent funds.

Table 3.31 Granting of subsidies in the competence of MoLSAF

Purpose of granting	Supported projects			Funds granted (€)		
subsidies:	2011	2012	Index 2012/2011	2011	2012	Index 2012/20 11
- for supporting the development of social services and for supporting the implementation of measures for the social and legal protection of children and social care	155	132	85.2	1 780 290	1 584 323	89.0
- for supporting reconditioning activities, membership in international organisations and for supporting publishing activity	60	65	108.3	739 885	801 199	108.3
- for supporting humanitarian assistance (natural persons)	350	1 588*	Х	94 593	199 170*	Х

<sup>\* €76 591</sup> of which for mitigating the consequences of extreme weather (firewood) for approx. 1110 residents of 87 municipalities.

Source: Draft final accounts for 2012

## **Co-financing of social services**

MoLSAF in 2012, in accordance with the Social Services Act and Trade Licensing Act, as amended, the amendment to which entered into effect on 1.3.2012, for the first time granted budgetary funds to municipalities for co-financing selected social services at social services facilities of public and non-public providers.

On the basis of the applications submitted and contracts concluded with 223 towns and municipalities, budgetary funds totalling  $\in$ 38 164 516 were granted from the budgetary chapter of MoLSAF for co-financing social services for the period of 10 months, of which  $\in$ 29 106 596 was for public providers (281 facilities) and  $\in$ 9 057 920 was for non-public providers (177 facilities) of social services.

Budgetary fund spending (after accounting for returns) as at 31.12.2012 represents  $\in 36.832.081$ , of which  $\in 28.108.762$  was used by public providers, and  $\in 8.723.319$  by non-public providers. In the framework of clearing financial relations with the state budget for 2012, municipalities returned after 1.1.2013 further budgetary funds totalling  $\in 3.298.011$ . Based on this, it can be said that social services providers used for payment of eligible costs for social services from budgetary funds granted by MoLSAF in 2012 a total of  $\in 33.534.070$ , of which  $\in 26.304.446$  was used by public providers, and  $\in 7.229.624$  was used by non-public providers, as follows:

- under § 71(6) of the act social services facilities established or founded by a municipality day-care facility (€248 999), halfway house (€6436), social services home (€2 995 746), night shelter (€314 419), specialised facility (€116 787), hostel (€405 398), supported living facility (€21 832), emergency housing facility (€346 508), home-care facility (€3 865 250) and facility for the elderly (€17 983 029);
- under § 78a of the Social Services Act non-public providers: day-care facility ( $\[ \in \]$  293 848), night shelter ( $\[ \in \]$  491 826), home-care facility ( $\[ \in \]$  936 841) and facility for the elderly ( $\[ \in \]$  507 109).

Budgetary funds granted by the SR Ministry of Finance (prior to the effect of amendment to the Social Services Act)

In January 2012 the SR Ministry of Finance provided from the General Treasury Administration chapter an advance limit for subsidies for current expenses for social services facilities in the founder competence of towns and municipalities, totalling  $€6\,464\,838$ . Budgetary funding was almost fully drawn (where €640.60 return to the state budget in the framework of accounts clearing).

In February 2012 the SR Ministry of Finance granted from the General Treasury administration chapter, in accordance with SR Government Resolution no. 31 of 1 February 2012, a subsidy for financing current expenses in connection with the provision of social services at social services facilities established or founded by a municipality after 1.7.2002, in the amount of  $\in$ 1 303 704 (drawn up to the amount of  $\in$ 1 052 560 (drawn up to the amount of  $\in$ 992 265).

# **3.4.9** European System of Integrated Social Protection Statistics (ESSPROS methodology)

Under the applicable Lisbon Treaty, EU Member States and the European Union as a whole are required, in defining and implementing their policies, to place emphasis on full employment, social protection for all citizens and to combat social exclusion.

For reason of monitoring the development of social protection in EU Member States, the European Commission requires an approach to current and detailed data and information on the systems, current status and development of social protection in Member States. One of the basic tools for statistical monitoring is the **European System of integrated Social Protection Statistics** (**ESSPROS methodology**<sup>32</sup>). Beginning in 2008 (reference year 2006, EU Member States have provided data on the basis of Regulation of European Parliament and Council Regulation (EC) No 458/2007<sup>33</sup> on the European system of integrated social protection statistics (ESSPROS) with four implementing Commission Regulations no. 1322/2007<sup>34</sup>, no. 10/2008<sup>35</sup>, no. 110/2011<sup>36</sup> and no. 263 /2011<sup>37</sup>.

## The ESSPROS statistical system consists of the following modules:

- Income and expenditure for social protection
- Qualitative information
- Number of pensioners, with elimination of duplication
- Net expenditure on benefits.

Internationally comparable data on income and expenditure on social protection is available on the Eurostat  $(EC)^{38}$  website for the EU Member States and in the publications of the SO  $SR^{39}$ . The latest figures are for 2010. The data presented for 2011 are estimates for SR (prior to approval by Eurostat).

**Incomes of social protection programmes** include social contributions (from employers, employees, self-employed persons, voluntary payers), general government contributions (payments from the state budget, regional and local authorities and compulsory social security funds), transfers from other programmes and other incomes.

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<sup>&</sup>lt;sup>32</sup> http://epp.eurostat.ec.europa.eu/cache/ITY\_OFFPUB/KS-RA-11-014/EN/KS-RA-11-014-EN.PDF

<sup>33</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:113:0003:0008:SK:PDF

<sup>34</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:294:0005:01:SK:HTML

<sup>35</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:005:0003:01:SK:HTML

http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:034:0029:0032:SK:PDF

<sup>37</sup> http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:071:0004:0008:SK:PDF

<sup>38</sup> http://epp.eurostat.ec.europa.eu/portal/page/portal/social\_protection/data/database

<sup>39</sup> http://portal.statistics.sk/showdoc.do?docid=15545

**Expenditures** include social benefits for the purposes of social protection, administrative expenditures and other expenditures. Social protection encompasses all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved.

The ESSPROS manual classifies social benefits according to the following 8 purposes:

- sickness/health care;
- disability;
- old age;
- survivors;
- family/children;
- unemployment;
- housing;
- social exclusion.

**Expenditures on social benefits (gross)**<sup>40</sup> are recorded without deduction of taxes or other compulsory fees paid by beneficiaries (e.g. social security contributions).

**Social protection programme** is a specific set of rules, supported by one or more institutional units, governing the payment of social protection benefits and their financing. Social protection programmes should always be subject to the condition that it must have compiled a special account for income and expenditures.

In 2010 (and 2011), data on social protection incomes and expenditures in the SR were monitored according to the following social protection programmes:

Programme title No. Programme title No. Sickness insurance 12 Social services – non-profit institutions serving households and the private sector 2 Pension insurance – terminated 13 Social insurance – security forces 3 Unemployment insurance 14 Social discounts on travel fares Health insurance 15 Social services – higher territorial units 5 State social support 16 Employer insolvency insurance State social assistance 17 6 Solidarity reserve fund 7 Imputed benefits – public sector 18 Old-age pension 8 Imputed benefits – private sector 19 Invalidity pension Social aid of local authorities 20 Old-age pension saving 10 Accident insurance 21 Active labour market policies Supplementary pension insurance 22 Pension saving contributions

**Table 3.32 Social protection programmes** 

(This Report presents data at the summary level for all programmes)

EU Member States<sup>41</sup> have very different systems of financing social protection, depending on whether they prefer insurance systems (56.4% of total revenue for the EU 27 in 2010 were social security contributions) or funding from public budgets (39.8% for the EU 27).

(Following graph, table 34 in Appendix to Chapter 3).

The EA17 comprises: BE, DE, EE, EL, ES, FR, IE, IT, LU, NL, AT, PT, FI, CY, MT, SI and SK

 $<sup>^{40}\</sup> http://epp.eurostat.ec.europa.eu/cache/ITY\_OFFPUB/KS-SF-09-102/EN/KS-SF-09-102-EN.PDF$ 

<sup>&</sup>lt;sup>41</sup> EU27: The EU 15 plus Bulgaria (BG), the Czech Republic (CZ), Estonia (EE), Cyprus (CY), Latvia (LV), Lithuania (LT), Hungary (HU), Malta (MT), Poland (PL), Romania (RO), Slovenia (SI) and Slovakia (SK).

100%
80%
60%
40%
20%
0%
20%
Employer social contributions
General government

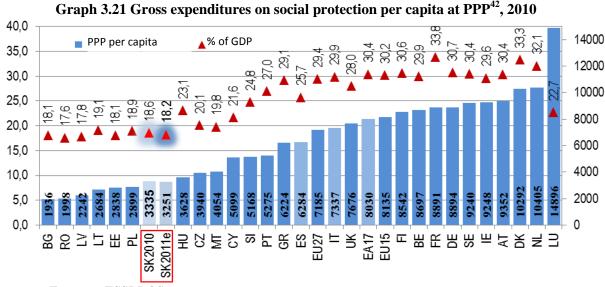
Social contributions of protected persons
Other incomes

Graph 3.20 Structure of social protection incomes in the EU in 2010

Source: Eurostat-ESSPROS

In the Slovak Republic in 2010 the income structure of social protection was as follows: social security contributions 58.6% (from employers 40.2%, employees 14.8%, self-employed persons 3.1% and voluntary payers 0.6%), general government payments 28.0% and other incomes 13.4% (including income from the state fund of assets).

Differences between EU Member States in financing are caused by historical development. social security contributions formed more than 70% of all income in Estonia (80.1%) and in the Czech Republic (73.3%). Estonia presented only a minute share of income from protected persons (2.7%). In Slovenia, income from protected persons form a more significant share (38.2%) than income from employers (26.3%). Social protection was financed prevailingly from general government contributions in Ireland (65.0%), Denmark (64.6%), Bulgaria 54.6%), Romania (53.3%), Cyprus (51.7%) and Sweden (51.2%).



Source: Eurostat-ESSPROS

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<sup>&</sup>lt;sup>42</sup> PPP (Purchasing Power Parity) is an artificial exchange rate of the currencies of each country, taking into account the price level of goods and services purchased in those countries. It can also be understood as a price index comparing the prices of goods and services in given countries. It is used as a more realistic expression of various economic circumstances than that provided by the given countries official currency exchange rates.

Total gross expenditures on social protection (see previous graph, table 33 in the Appendix to Chapter 3) in the EU 27 in 2010 totalled €7185 per capita at PPP (€3335 per capita at PPP in the Slovak Republic) and 29.4% of GDP (18.6% in the Slovak Republic). The differences between countries are to some degree proportionate to the different levels of wealth, but also reflect differences in demographic trends, in social protection systems, the unemployment rate and are influenced also by other social, institutional and economic factors.

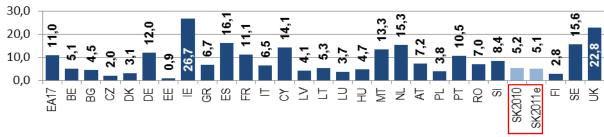
The structure of expenditures on social protection in the Slovak Republic was as follows: social benefits formed 97.1% (in a breakdown by purpose: sickness/health care (29.9%), disability (8.5%), old-age (36.6%), survivors (5.1%), family/children (9.5%), unemployment (5.0%), housing and social exclusion (2.5%); administrative expenditures (2.8%) and other expenditures (0.2%).

100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0% SK2010 SK2011e  $\begin{array}{c} E_{15} \\ E_{15$ ᄪᄥᇰ Social exclusion **B** Housing #Unemployment ☐ Family – children = Survivor's ■Old age III Invalidity ■ Illness / healthcare

Graph 3.22 Structure of expenditures on benefits by purpose, 2010

Source: Eurostat-ESSPROS

Expenditures on social benefits (previous graph) for the purpose of sickness/health care in the EU 27 represented 29.4% of all benefits, and up to 43.3% in Ireland. Above-average shares in the purpose disability in comparison with the EU 27 average (8.0%) were recorded particularly in Denmark (14.9%) and in Sweden (14.2%), in the purpose family/children and in Luxembourg (17.8%), in the purpose unemployment in Spain (14.1%). A significant share on benefits in the purpose is housing and social exclusion was recorded in Cyprus (12.4%) and in Netherlands (8.1%).



Graph 3.23 Means-tested social protection benefits (% of all social benefits), 2010

Source: Eurostat-ESSPROS

In 2010, 5.2% of benefits paid out in the SR were means-tested against income and/or assets. The highest share of means-tested benefits was recorded in Ireland (26.7%) and the lowest in Estonia (0.9%).

Total gross expenditures on pensions (next graph, table 35 in the Appendix to Chapter 3) in the EU 27 in 2010 totalled €3179 per capita at PPP (€1512 per capita at PPP in the SR), €2769 per person at constant prices from 2000 (€705 per person in the SR at constant prices) and 13.0% of GDP (8.4% in the SR). The lowest expenditures in terms of % of GDP were recorded in Ireland (7.2% of GDP)

with the youngest population in the EU, while the highest were recorded in Italy (16.0% of GDP) with the oldest population. Differences between EU Member States become more significant when expenditures on pensions are expressed at PPP per capita. The lowest expenditures at PPP per person were reported by Bulgaria ( $\in$ 985) and the highest by Luxembourg ( $\in$ 6052).

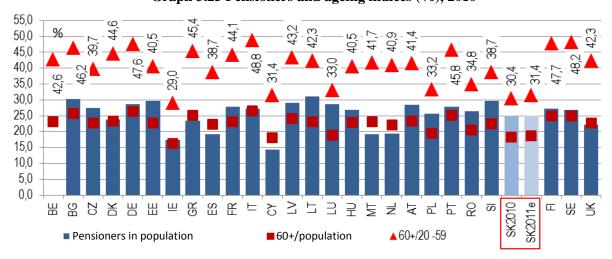
7000 16.0 6000 13,0 14,0 139 5000 12,0 13,2 12.9 10.0 12,2 12.1 11.9 10.0 4000 1,210,8 10,0 7,2 8,0 9.2 3000 7.8 6,0 2000 4.0 1000 2,0 0.0 FU15 꼶 몸 문 呆 <mark>두</mark> 点 타 리 ▲% of GDP ■ € per capita (2000 constant prices) ■PPP per capita

Graph 3.24 Expenditures on pensions, 2010

Source: Eurostat-ESSPROS

According to data from the module "number of pensioners" (excluding double counting), the highest share of pensioners in the population as at 31.12.2010 was recorded by Lithuania (31.1%) and Bulgaria (30.2%), whilst the lowest was reported by Cyprus (14.3%) and Ireland (17.4%). For the Slovak Republic of this indicator was 25.0%.

The lowest values for the ageing indicator 60+/population were reported in 2010 by Ireland (16.3%) and Slovakia (18.2%), whilst the highest values were reported by Italy (26.6%) and Germany (26.3%). The lowest values for the indicator 60+/active population (20 – 59 years of age) in 2010 were recorded in Ireland (29.0%) and in the SR (30.4%), whilst the highest values were recorded by Italy (48.8%) and Sweden (48.2%).



Graph 3.25 Pensioners and ageing indices (%), 2010

Source: Eurostat-ESSPROS

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<sup>&</sup>lt;sup>43</sup> Detailed data regarding the ESSPROS statistics are available on the SO SR website: http://portal.statistics.sk/showdoc.do?docid=15545 and in the Eurostat publication: http://epp.eurostat.ec.europa.eu/portal/page/portal/product\_details/publication?p\_product\_code=KS-SF-12-014

## 3.5 European Social Fund

In the framework of the Operational Programme Employment & Social Inclusion (hereinafter simply "OP ESI") in the programming period 2007 – 2013 support is provided in the field of *human resources development, raising employment, improving social inclusion and capacity building*. The operational programme has the global objective: a growth of employment, social inclusion and capacity building. For achieving the global objective three core objectives have been set:

- increasing employment and adaptability and decreasing unemployment;
- strengthening integration of persons at risk of social exclusion or socially excluded and support for balancing work and family life;
- improving the quality of human resources and their management in the field of public policy.

The core goals are aimed at prevention and at addressing the main problems in the labour market. Their mutual synergy and coherence is ensured in 5 priority axes:

- supporting employment growth
- supporting social inclusion
- supporting employment, social inclusion and capacity building in the Bratislava Region
- capacity building and improving the quality of general government
- technical assistance

The priority axes are elaborated into 11 measures; two priority themes are applied in the framework of the technical assistance measure. The support is distributed through the two objectives of *Convergence* and *Regional Competitiveness & Employment* among the regions according to their economic performance. OP ESI is an operational programme financed from the European Social Fund in a total volume of  $\mathbf{\epsilon}1$  107 413 623. The European Community's contribution represents  $\mathbf{\epsilon}941\ 301\ 578$ , with  $\mathbf{\epsilon}166\ 112\ 045$  contributed from the state budget (in 2012 the sum for OP ESI was increased by  $\mathbf{\epsilon}17$  million through a reallocation from OP Education). The implementation of OP ESI falls within the eligibility period 1.1.2007-31.12.2015.

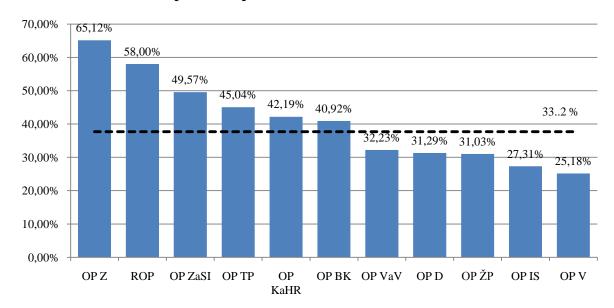
In the reporting period the share of spending in the total commitment represented 49.50%, with contracted funds totalling 87.7% (excluding specially terminated projects).

Table 3.33 State of contracting and spending under OP ESI as at 31.12.2012

Program. document	Contracting as at 31.12.2012	Share of contracting in commitment (%)	Spending as at 31.12.2012	Commitment 2007 – 2013 (€)	% share of spending in commitment	
	EU and state budget funds	EU and state budget funds	EU and state budget funds	EU and state budget funds	EU and state budget funds	
OP ESI	971 447 548	87.7	547 648 583	1 107 413 623		

Source: MA for OP ESI / ITMS

As at 31.12.2012 a total of 1616 projects (including specially terminated projects and technical assistance projects) had been implemented, in a total contracted value of €1 111 million (including 269 specially terminated projects in a total value of €140 million). Of the total number of projects, 115 were national projects (administered through the managing authority) and 1453 were demand-driven projects. Of them, 791 are administered by the intermediary body Social Implementation Agency (SIA) and 662 by the intermediary body Social Development Fund (FSR). A total of 48 projects are contracted in the framework of Technical Assistance.



Graph 3.26 Implementation of NSRF on 31.12.2012

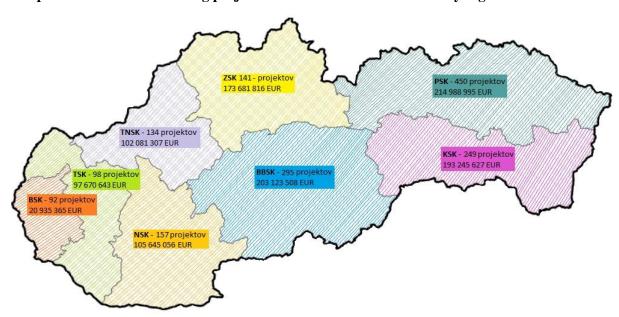
 $(OPZ = OP \ Health; \ ROP = Regional \ OP; \ OP \ ZaSI = OP \ Employment \ \& \ Social \ Inclusion; \ OP \ TP = OP$   $Technical \ Assistance; \ OP \ KaHR = OP \ Competitiveness \ \& \ Economic \ Growth; \ OP \ BK = OP \ Bratislava \ Region;$   $OP \ VaV = OP \ Research \ \& \ Development; \ OP \ D = OP \ Transport; \ OP \ ZP = OP \ Environment; \ OP \ IS = OP$   $Information \ Society; \ OP \ V = OP \ Education)$ 

The Operational Programme **Employment & Social Inclusion** as at 31.12 to 2012 has the third highest drawing from among all 11 programmes of the National Strategic Reference Framework (49.57% of the total allocation). The average drawing for all programmes is 37.92%.

Table 3.34 State of contracting by priority axis of the OP ESI as at 31.12.2012

Priority axis	Total allocation for axis (€	Number o suppo		Contracted amount (€ million)		
	million)	NP	DDP			
1. Supporting employment	755.75	28	493	717.04		
2. Social inclusion	220.94	7	568	139.95		
3. Bratislava Region + Technical Assistance to Bratislava Region	20.94	42	25	17.79		
4. Capacity building	67.62	17	139	60.34		
5. Technical assistance	42.16	28	0	36.33		

Source: MA for OP ESI / ITMS (after deducting specially terminated projects)



Graph 3.27 State of contracting projects under OP ESI broken down by region as at 31.12.2012

Source: MA for OP ESI / ITMS

OP ESI contributes to improving the quality of life and social situation of the population primarily by means of implementation of priority axes two and 3, specifically by means of the measures:

- 2.1 Supporting the social inclusion of persons at risk of social exclusion or the socially excluded persons by means of developing care services with particular regard to marginalised Roma communities
- 2.2 Supporting the creation of equal opportunities in access to the labour market and supporting the integration of disadvantaged groups into the labour market with particular regard to marginalised Roma communities
- 2.3 Support for reconciling work and family life
- 3.2 Supporting social inclusion, sexual equality and reconciliation of work and family life in the Bratislava Region
- 3.3 Capacity building and improving the quality of general government in the Bratislava Region.

The measures are fulfilled through the implementation of national projects, particularly though through calls for grant applications declared by the Social Development Fund as the intermediary body and are aimed at eliminating social exclusion, on outreach social work, supporting the unemployed and socially excluded persons, prevailing the inhabitants of marginalised or disadvantaged communities, as well as support for improving the availability, quality and efficiency of care services. A significant supported activity, focused on the target group marginalised Roma communities is the performance of **outreach social work**.

In the reporting period on 28.9.2012 the Social Development Fund declared the call <u>OP ZaSI – FSR – 2012/2.2/01</u> with the framework activity "Support for the creation of new jobs, including projects for supporting self-employment and innovative approaches for disadvantaged jobseekers and members of marginalised groups"  $^{44}$ .

In the reporting period on 27.12.2012 the Social Development Fund declared the call  $\underline{OP\ ZaSI-FSR-2012/2.1/0}$  aimed at support for increasing the availability, quality and efficiency of care services (social services and measures for social and legal protection and social guardianship) with

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 $<sup>^{44}</sup>$  The closing date for the call is preliminarily 31.10.2013; grant applications will be received in four rounds. The indicative allocation is £5 706 481.

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particular regard to marginalised Roma communities and support for community work. The closing date for the open call is 31.10.2013 and the allocation is €4 737 322.

In addition to demand-driven projects, the Social Development Fund implemented in the reporting period, as the beneficiary, 1 national project. The table on outreach social work in municipalities provides a description and the cumulative state of fulfilment of measurable indicators as at 31.12.2012 (Appendix to Chapter 3, table 36).

National projects implemented by other beneficiaries under priority axis 2 and 3 (Bratislava Region) of the OP ESI are:

- Increasing the employability of professional parents, beneficiary: LSA&F Headquarters
- Contribution for childcare service, beneficiary: LSA&F Headquarters
- Increasing employment and employability of disadvantaged jobseekers, beneficiary: LSA&F Headquarters
- Strategy for active ageing, beneficiary: MoLSAF training centre.

More detailed information on these national projects is given in the Appendix to Chapter 3 under serial numbers 37 to 40.

Detailed information on the implementation of OP ESI is available in the annual reports on implementation of the OP ESI, available at <a href="www.esf.gov.sk">www.esf.gov.sk</a> in the part of *Management, monitoring, control, implementation*.

On 1.3.2012 amendment no. 528/2008 Coll. on aid and support provided from European Community funds entered into effect.

The required particulars of a call for grant applications for Eurofunds now include data on the maximum amount of aid and support for one application, on the method of removing formal deficiencies in applications, the timetable of application proceedings and an indicative amount of funds intended for drawing in the framework of the call. The possibility of the managing authority to establish a commission as its advisory body in assessing applications has been changed to an obligation, other than for cases where applications can be scored on the basis of objectively verifiable criteria. Required particulars have also been extended to include a notice on the award of a grant or approval of a grant application, which the managing authority is now required to publish on its website. This disclosure duty has been extended also to cases of applications rejected, stating the reason for rejection and to include information on the evaluators and procedures applied in evaluating applications.

#### 4 STANDARD OF LIVING AND SOCIAL COHESION

## 4.1 Incomes and expenditures of private households

Data on household income and expenditures are obtained by the SO SR via *family accounts statistics*, which, unlike the national account statistics, include only income and expenditures connected with housekeeping and ensuring the personal needs of the household's members.

In 2012 there was a nominal year-on-year increase in net cash income and expenditures of private households. Net cash income per household member compared to 2011 increased nominally by 1.6% to €367.54 and net cash expenditures per household member by 1.6% to €326.02. After taking account of consumer price development, net monthly income per household member fell in real terms by 2%, as did cash expenditures.

**Table 4.1 Net cash income and expenditures per month per person (€)** 

Indicator	2011	2012	Index 201	1/2010	Index 2012/2011	
	2011	2012	nominal	real	nominal	real
Net monthly income in €	361.77	367.54	103.7	99.8	101.6	98.0
Net monthly expenditures in €	320.80	326.02	104.2	100.3	101.6	98.0

Source: SO SR, SLOVSTAT database, according to family accounts statistics

Expenditures increased against a year earlier in most aggregate groups. Spending on health and education increased the most. Expenditures on clothing and footwear, miscellaneous goods and services and other net expenditures decrease. In absolute terms the largest contribution to growth and expenditures came from expenditures on food and non-alcoholic beverages and on housing, water, electricity, gas and other fuels, which concurrently formed a substantial part of expenditures.

Table 4.2 Structure of net cash expenditures of private households

per month per person in €, at current prices Indicator						
	20	12	Indices		Share	e (%)
Indicator	Q4	year	Q4 2012 Q4 2011	2012 2011	Q4	2012
Total net cash expenditures	340.85	326.02	102.6	101.6	100.0	100.0
of which						
Food and non-alcoholic beverages	77.34	72.48	104.2	103.6	21.8	22.2
Alcoholic beverages and tobacco	9.70	9.48	98.5	101.6	2.9	2.9
Clothing and footwear	22.00	16.53	98.2	97.3	5.3	5.1
Housing, water, electricity, gas and other fuels	66.71	66.54	100.9	102.6	20.2	20.4
Furnishings, household equipment and routine maintenance	14.85	12.12	106.8	100.0	3.8	3.7
Health.	10.90	10.06	126.7	108.2	2.9	3.1
Transfer	25.63	26.32	104.5	103.1	8.0	8.1
Post and telecommunication	16.55	16.87	97.1	100.3	5.2	5.2
Recreation and culture	21.04	22.68	109.5	100.7	7.0	7.0
Education	1.22	1.34	108.0	108.1	0.4	0.4
Hotels, café and restaurants	17.94	17.37	103.6	100.9	5.4	5.3
Miscellaneous goods and services	20.88	20.47	95.4	98.2	6.5	6.3
Other net expenditures	36.09	33.75	99.9	98.9	10.6	10.4

Source: SO SR, SLOVSTAT database, according to family accounts statistics

# **4.2** Selected results of a survey of the financial situation of Slovak households <sup>45</sup>

In 2010 the National Bank of Slovakia (NBS) conducted a survey of the financial situation and consumption of households, as a part of the European project entitled **Household Finance and Consumption Survey** (HFCS) coordinated by the European Central Bank (ECB). The project, which aims to provide comparable and regular data on the financial situation of households, involves all euro area countries, and it is anticipated that the survey will be repeated every three years. The survey is excellent in the fact that it gathers detailed data on the ownership of tangible and financial assets and liabilities (loans) of Slovak households. This type of data had never previously been covered by any survey in Slovakia. In addition to household assets and their, it provides data on household incomes and expenditures, captures demographic characteristics, employment, income, consumption, future pension entitlements, intergenerational transfers and gifts of households.

The Slovak HFCS database contains 2057 households, which were selected using quota sampling so that the sample is representative not only at the national level, but also at the regional level. Although the survey was conducted in 2010 (at the start of 2011 in some countries) the data underwent thorough processing at the NBS and was formally validated by the ECB only at the end of February 2012. In April 2013 the ECB made available the results and anonymised data for statistical and research purposes for all countries participating in the survey.

In this chapter we choose from the materials of the NBS<sup>46</sup> section for currency, statistics and research certain findings on the household Finance that complements the picture of the overall socioeconomic situation of Slovakia's population. The Appendix to Chapter 4 contains tables with selected data from those materials. The average and median values in the following text and tables are conditional upon holding the given asset or liability.

#### SR

• Slovakia is a country characterised by a **high percentage of home ownership.** According to the survey, some 90% of households reported that they own the real-estate property in which they live. Real-estate properties are also among the most valuable assets of households in Slovakia. Of households' real assets, after real-estate property, cars are the next most represented, and which are owned by more than 60% of households, followed by valuables (22%). In addition to the main real-estate property, 15% of households also own other real-estate properties. More than a tenth of households own private business assets. The average value of a home is €68 666. If a household owns another real-estate property, the average value of those other real-estate properties is more than €35 000. The total value of vehicles that the average household owns is €7434.

- A half of households own real assets in a value of up to €62 000. Real assets in a value of less than €100 000 are owned by 73% of households. **More than 4% of households** reported that **they do not own any real assets.**
- The youngest households, i.e. those having a reference person younger than 29 years of age, report the lowest ownership rate of real assets (88.5%). For older households this rate reaches more than 96%. The highest value of real assets was reported for households in the age category 40 to 49 years. In education, it applies that the higher the education of the reference person, the more real assets the household owns.
- A financial asset is owned by more than 90% of households. Current accounts were of the most common, with 9 out of 10 households having at least one current account. The second most common financial asset was saving accounts, which were held by more than a quarter of

<sup>45</sup> According to Senaj, Matthew – Zavadil, Tibor: Results of a survey of the financial situation of Slovak Households occasional study by the NBS and Slovak households own property most, and are the least indebted. Comparison of wealth and income of households in the euro area, analytical comment by the NBS.

<sup>&</sup>lt;sup>46</sup> Senaj, Matthew – Zavadil, Tibor: Results of a survey of the financial situation of Slovak Households occasional study by the NBS and Slovak households own property most, and are the least indebted. Comparison of wealth and income of households in the euro area, analytical comment by the NBS.

households. Mutual funds are owned by less than 3% of households. Almost a tenth of households reported that someone else owes them money. Approximately half of households own financial assets of less than  $\epsilon$ 2000. The average value of savings on a current account is more than  $\epsilon$ 3500. Where a household has a savings account, the savings on it are more than twice that amount. Households which stated that they own mutual funds have on average  $\epsilon$ 7178 in those funds. The relatively large sum of  $\epsilon$ 3147 is owed to households by another person (another household). The mean value of households' total financial assets is  $\epsilon$ 6334.

- Almost all age categories reported similar rates of ownership of financial assets, at 96% to 98%. An exception are the oldest households, where the reference person is older than 60 years of age (75.6%). The highest volume of financial assets is held by households in the age group 50 to 59 years of age (€8241). Conversely, the lowest volume of financial assets is held by the youngest households, where the reference person is less than 29 years of age (€4166). Similarly as in the case of real assets, financial assets also rise with the reference person's level of education.
- More than a quarter of households reported that its members are somehow in debt. The largest group, at almost 13%, consists of unsecured loans, including, for example, consumer loans. Less than 10% of households are liable for a loan through real-estate collateral. An outstanding balance on an overdraft account was reported by 8% of households, an outstanding balance on credit cards after paying monthly bills was reported by more than 5% of households. Even though the mean value of financial liabilities is more than €12 000, their median is only €3150.
- The highest outstanding balances are reported by households in the case of loans secured by real estate Where a household is liable for a given loan with the home as collateral, the average outstanding balance of the loan is €27 692. The average unsecured loan is €4263. Balances in the case of overdraft accounts and credit cards are lower (€541 and €855). In terms of age of the reference person, the households most in debt are in the category of 30 to 39 years of age. Almost 43% of households in this age category are in debt. The average amount of their outstanding loans is more than €16 000. Less in debt are those households having an older reference person. In the category of 50 to 59 years this figure is 24.5% of households (the average value of outstanding loans is €6702), while the figure for the category of above 60 years of age is 5.2% of households (outstanding loans average €3795).
- Debt levels rise with education and at the same time it is mainly those households having a lower volume of financial assets that are also in debt.
- Net wealth averages less than €79 000. **Positive net wealth**, i.e. where the value of assets is greater than the value of outstanding loans is reported by **more than 98% of households**. Conversely, **negative net wealth was reported by 1.2% of households**, whilst the average value of negative wealth is €3704. Positive net wealth was reported mainly by those households where the reference person has university education or is older.
- For half of households in debt, outstanding loans do not exceed three months' gross income. Households heavily in debt, having outstanding loans three times higher than income, form 12% of households. Almost 3.8% of households in debt have outstanding loans greater than total assets. Outstanding loans exceed half of total assets in the case of 14.6% of households in debt.
- According to the NBS study, the rate of real-estate property ownership does not depend on household income and reaches a level of around 90% for all income categories. Conversely, other assets show increasing correlation with increasing income (particularly in the case of vehicles and assets from business). Households in the lowest decile of wealth, i.e. the lowest wealth, do not own the house or apartment in which they live. The home as a real-estate property forms the majority of wealth of all deciles from the third highest decile; in the case of the wealthiest households, real-estate properties are the second largest component of wealth.

#### SR in comparison with the euro area

- The most common real asset of households are vehicles, owned by some three quarters of households in the euro area. In Slovakia, however, the proportion of households owning a vehicle (61%) is the lowest in the euro area, whilst the highest proportion is in Cyprus (89%). The second most common real asset is the home, which is owned by 60% of households in the euro area. The highest proportion of home ownership is in Slovakia (90%), whilst the lowest proportions are in Germany (44%) and Austria (48%). In comparison with the rest of the euro area, real-estate property prices in Slovakia are the lowest.
- Slovakia is in penultimate place in the euro area in terms of financial assets (ahead only of Slovenia). This is connected with low incomes in Slovakia and low balances on current and savings accounts. The survey also shows that very few Slovak households own equities, bonds or mutual funds.
- Gross assets (i.e. without deducting their liabilities) in Slovakia are divided most equally among households in Slovakia, since the 20% poorest households in the euro area own only 0.3% of total assets, whereas in Slovakia such households owning 3.7% of total assets. Similarly, on the other side of the distribution of assets, the 10% wealthiest households in the euro area own 47.6% of total assets, whereas in Slovakia this figure is only 32.2%.
- Looking at liabilities, **households in Slovakia**, in comparison with other euro area countries, are the **least in debt**. In the euro area 44% of households are in debt, and the median value of their total debt is €21 500, whilst in Slovakia the corresponding figures are 27% and €3200. The picture is similar also in the case of non-mortgage debt and mortgages. The Netherlands has the most indebted households, where some two thirds of households are in debt, with a median total debt of €89 100 per household in debt.
- The proportion of total debt to total assets of households in debt in Slovakia is one of the lowest in the euro area (at a median of less than 7%, compared to 22% in the euro area). The proportion of the total debt of Slovak households in debt in terms of their gross annual income is the lowest in the euro area, even despite the fact that their incomes are the lowest in the euro area. (The median in the SR is 23%, compared to 62% in the euro area).
- The median value of net household wealth in Slovakia is the second lowest in the euro area at €61 200, whilst the lowest is in Germany at €51 400, which is due to the fact that more than half of households in Slovakia do not own any real-estate property and lives in rented apartments, so the median German household has mostly financial assets, whereas in most other countries the median household also owns their own apartment or house. The wealthiest households are in Luxembourg, with a median net wealth of €397 800. When we consider the average value of net wealth, Slovak households have the lowest value of average wealth (€79 700).
- Similarly as in the case of gross assets, **net wealth in Slovakia is divided among households most equally**. While the 10% wealthiest households in the euro area own some 50.4% of the total net wealth of all households in the euro area, in Slovakia this proportion is 32.8%, i.e. the lowest among the euro area countries.

## 4.3 Poverty and social exclusion

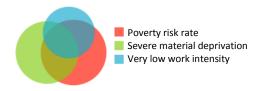
Monitoring of poverty and social exclusion in Slovakia is carried out in the context of the open method of coordination (hereinafter simply "OMC"), which has been created at the European Union level for the common direction of Member States' policies in the field of combating poverty and social exclusion. One of the key strategic objectives of the EU is to substantially reduce poverty and continue in pursuing this goal up to 2020.<sup>47</sup>

To measure progress in achieving strategic objectives aimed at reducing poverty and social exclusion, and especially for cross national comparisons in the achievement of the objectives several common indicators have been approved, namely the Leaken indicators. These have undergone development and are now termed OMC social inclusion indicators.

The measuring of poverty and social exclusion is conducted primarily on the basis of the harmonised EU SILC<sup>48</sup> survey on income and living conditions. This is the main source, on the basis of which not only income indicators are calculated (such as the risk of poverty rate), but also the indicators for more complex assessment of poverty and social exclusion (such as material deprivation) or a new group of indicators to measure the risk of poverty and social exclusion. The grouping of indicators, i.e. poverty rate<sup>49</sup>, severe material deprivation<sup>50</sup> and very low work intensity (WI)<sup>51</sup> defines groups of people who live at risk of poverty or social exclusion, i.e. people with low incomes and/or those who cannot afford one or more of critical needs for their life and/or live in families where no one works or works only occasionally (very low work intensity).

In 2011 there were in Slovakia 1 112 241 people at risk of poverty or social exclusion, which represented 20.6% of the total population (below the EU 27 average of 24.2%<sup>52</sup>). A more detailed breakdown of this group is given in Graph 4.1, which shows the composition of the target group according to the three indicators referred to above. Compared to a year earlier, where the figure for 2010 was 20.6%, the value of this grouping of indicators has remained unchanged. This is true even in the case of a comparison against the baseline year 2008, when the figure was also 20.6%.

Graph 4.1 Proportion of people at risk of poverty or social exclusion, 2011



Source: Statistical Office of the Slovak Republic, EU SILC 2011, UDB

Despite the fact that the proportion of people at risk of poverty or social exclusion remained unchanged, there have been changes in the values of several indicators, namely a growth in the rate of

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<sup>&</sup>lt;sup>47</sup> Raise at least 20 million people out of the risk of poverty or social exclusion by 2020.

<sup>&</sup>lt;sup>48</sup> The first statistical survey in Slovakia was conducted in 2005 and at present results are available now from the seventh survey, from 2011

<sup>&</sup>lt;sup>49</sup> Expresses the share of people living below the poverty threshold, i.e. 60% of the median equivalised disposable (after social transfers) income of all inhabitants.

<sup>&</sup>lt;sup>50</sup> Expresses the share of people who cannot afford at least 4 of the 9 items characterising economic burden and human durables, namely: arrears in connection with the items: rent and mortgage, energy, hire purchase instalments and other loans, ability to keep the home adequately warm, ability of the household to face unexpected expenses, ability to afford a one-week holiday away from home annually, ability to afford a meal with meat, poultry, fish or vegetarian equivalent every other day or to equip the household with a colour television, washing machine, car or telephone.

 $<sup>^{51}</sup>$  Expresses the share of people aged 0-59 years living in households where adults work less than 20% of the total time during the previous year.

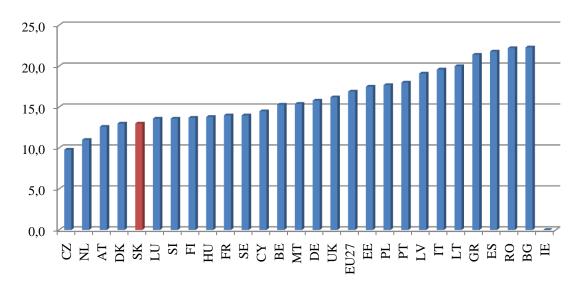
<sup>&</sup>lt;sup>52</sup> Estimated data, Eurostat.

poverty risk by 1 p.p. (income poverty), a fall in severe material deprivation by 0.8 p.p. and a fall in very low work intensity by 0.3 p.p.

Those most at risk of poverty or social exclusion are incomplete families with children -43.5% (below the EU 27 average of 49.8%) and large families with more than three children -36.4% (above the EU 27 average of 30.8%) and last, but not least, also individuals -30.2% (slightly below the EU 27 average of 34.5%). In terms of age distribution, the highest-risk group are children aged 0-17 years of age (26%), or children aged 0-15 (25.8%).

In general, the poverty threshold was established to characterise the poor population in a society, and with the aid of which the proportion of the population living in poverty can be expressed. It is a relative poverty threshold<sup>53</sup>, which measures to what degree households' funds fall below the median income line of a society. The indicator expresses primarily the risk of poverty and is dependent on the socio-economic development of society in the given country.

According to the latest EU SILC 2011, the risk of poverty rate in the Slovak Republic was 13.0% (men – 12.8%; women – 13.1%), which is below the EU average of 16.9%. A comparison of the various EU 27 countries shows the Slovak Republic as the country with the lowest risk of poverty rate, see graph 2, whilst this is affected by the low income inequality.



Graph 4.2 Risk of poverty rate across the EU, 2011

Source: Eurostat

In comparison with previous years, there was a significant decrease in risk of poverty rate in 2007 (10.5%), since which a slight growth has been recorded (see graph 4.3). In comparison with 2005 the value from the 2011 survey was lower only by 0.3 p.p. In the framework of an inter-year comparison with 2010, the difference in the risk of poverty rate values was 1 p.p., i.e. the risk of poverty rate had risen. This development work is influenced by the socio-economic situation in the country, primarily the fall in working income or loss of income from employment.

<sup>&</sup>lt;sup>53</sup> The poverty threshold is expressed as 60% of median equivalised disposable income (after social transfers).

14,0 ■total women men 12,0 10,0 8,0 6,0 4,0 2,0 0,0 EU SILC EU SILC EU SILC EU SILC EU SILC EU SILC 2005 2006 2007 2008 2009 2010

Graph 4.3 Trend in the poverty risk rate in Slovakia (2005-2011)

Source: SO SR, EU SILC 2005-2011, UDB

An important role in reducing the risk of poverty is played by the setting of the social protection systems and its expenditures, i.e. social transfers, including old-age and survivors' benefits. Were social transfers not to be provided (with the exception of old-age and survivors benefits) the risk of poverty rate would rise by 6.5 p.p. (to 19.5%), while in the case where social transfers (including old-age and survivors' benefits) were not to be provided, the risk of poverty rate would rise by 25.3 p.p. to 38.3%. In comparison with the previous year, there was recorded a comparable effect of social transfers (either with or without old-age and survivors benefits) on the development of the risk of poverty rate (Appendix to Chapter 4).

A comparison of the poverty threshold (household of an individual), which has an upward trend in part due to total income growth, is presented in table 4.3. It can be seen from Table 4.3 that the year-on-year growth in the poverty threshold itself in 2011 (€315) in comparison with 2010 (€306) was €9, i.e. an increase of 3.1%. Compared to 2005 (€188) the poverty threshold has risen by 67.7%. The proportion of the population found below this line had a downward trend in the early years, in 2007 - 2009 remained almost unchanged, with significant growth seen in the years 2010 and 2011, in consequence of the economic crisis.

EU EU EU EU EU EU EU **SILC SILC SILC SILC SILC SILC SILC** 2005 2006 2007 2008 2009 2010 2011 2 9 4 5 Year in € 2 2 5 6 2 547 3 223 3 403 3 670 3 784 245 Month in € 212 284 306 315 188 269

Table 4.3 Trend in the poverty threshold – household of an individual

Source: Eurostat / SO SR

Using the poverty threshold anchored at a particular time  $^{54}$  can help capture the aspect of absolute poverty. In 2011 the value of this indicator (2.7%) was almost unchanged against the year earlier (men 2.9%, women 2.6%) (Appendix to Chapter 4). A year-on-year fall was recorded also in the case of one of the groups most at risk, namely children aged 0-17 years, where the risk of poverty rate is 4.3% (2010 -5.2%). In the case of older persons aged 65+ the risk of poverty rate is 0.1% (men -0.0%, women -0.2%). By means of this indicator it is possible to monitor the standard of living of the population in connection to the country's economic growth. Graph 4.4 captures the trend

<sup>&</sup>lt;sup>54</sup> The risk of poverty rate and incurred in time is defined as the percentage of people living below the poverty threshold calculated in 2005, which is then adjusted for inflation.

in the risk of poverty rate anchored in time, primarily in its downward trend up until the last two years of the survey (2010 and 2011) which reflects the income situation for the years 2009 and 2010.

14,0 12,0 10,0 8,0 6,0 4,0 2,0 0,0 2005 2006 2007 2008 2009 2010 2011

Graph 4.4 Trend in the risk of poverty rate anchored in time (2005)

Source: Eurostat

In the context of capturing the variance of poverty around the poverty threshold, based on the survey (EU SILC 2010), 4.5% of people in Slovakia had an income of less than 40% of the median equivalised disposable income (representing a decrease of 0.5 p.p. against the year earlier), 7.7% of people had an income less than 50% of the median equivalised disposable income (representing a decrease of 0.1 p.p. against the year earlier) and some 18.7% of people had an income of less than 70% of the median equivalised disposable income (representing a decrease of 0.3 p.p. against the year earlier).

The relative drop in the median of incomes at poverty risk on the basis of the last survey (EU SILC 2011) fell by 2.9 p.p. to 22.8%, which expresses the difference between the median income of persons at risk of poverty and the poverty threshold. Despite the fact that over 2011 the poverty intensity decreased, its value was almost the same as in 2005 (23.5%). This situation is substantially influenced by the deterioration in the income situation of the population.

In the case of measuring income inequality over the last reporting period, the 20% of persons with the highest incomes gained 3.8 times more income than the 20% of persons with the lowest incomes. Compared with the previous survey (EU SILC 2010) there was no change.

The most vulnerable age group in terms of income poverty are children aged 0-17 years (poverty risk rate of 21.2%) and also young people aged 18-24 years (14.8%). The lowest poverty risk rate is seen in the age group 65+ years (6.3%). A comparison of the last two surveys shows a significant growth in the poverty risk rate precisely in the case of children aged 0-17 years (by 2.4 p.p.), while on the other hand there was a fall in the poverty risk rate in the case of the population aged 65+ years (down 1.4 p.p.).

In the Slovak Republic the child poverty risk rate is measured for children aged 0-15 years. The results of the survey in 2011 show that 21.3% of children in the given age were at risk of poverty, whilst a comparison with the survey from 2009 shows this figure to have increased by 2.8 p.p. The child poverty risk is connected primarily with the income situation of children, particularly large family households with more than three children. In terms of a global evaluation it is clear that there are changes in the structure of the population in connection with poverty risk, and this in consequence of changes in the population's income situation.

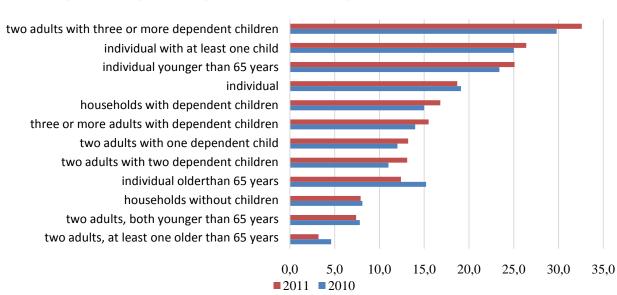
25 Total 20 ■Men ■Women 15 10 5 0 - 56 - 1112-17 0 - 1718-24 25-54 55-64 18-64 65+Total

Graph 4.5 Age structure of the risk of poverty rate (2011)

Source: ŠÚ SR, EU SILC 2011, UDB

In the case of children aged 0-17 years, a different relationship can also be monitored, namely the age population living in households without employment or living in households with very low work intensity. A year-on-year comparison shows the situation in the given age group to have changed. in the case of children aged 0-17 years living in households without employment, there has been a fall from 10.2% to 9.6% (i.e. by 0.6 p.p.) and a fall is recorded also in the given age group in the case of households with very low work intensity (occasional work) from 8.0% to 7.3% (by 1.3 p.p.). This is comparable to the results from the Labour Force Survey and EU SILC.

As regards the type of household most at risk of poverty, these are families with three or more children (32.6%), lone parents with at least one child (26.4%) and individuals younger than 65 years of age (25.1%). The lowest poverty risk was recorded in the case of households with two adults where at least one of them is aged above 65 years. Compared to the previous year, there was an increase in poverty risk among families with three or more children (by 2.8 p.p.), among lone parents (by 1.4 p.p.) and also an increase in the poverty risk rate in the case of individuals younger than 65 years of age (by 1.7 p.p.). Conversely, in the case of individuals aged 65+ years (the second highest risk group according to the 2009 survey) there was a year-on-year decline by 2.8 p.p. A negligible decrease against the year earlier was recorded among the total group of individuals (by 0.4 p.p.).



Graph 4.6 Comparison of poverty risk rate by type of household (2010 and 2011)

Source: SO SR, EU SILC 2010 and 2011, UDB

In monitoring the poverty risk rate in relation to economic activity, according to the results of EU SILC 2011, the highest risk of poverty in Slovakia was in the case of unemployed persons, namely 42.6% (up 1.5 p.p. against 2010). In the case of employed persons, 6.3% of people were at risk of poverty, representing an increase of 0.6 p.p. against a year earlier. If we look at work intensity  $^{55}$ , the risk of poverty rises with falling work intensity of household members. In the case of households with dependent children, the risk of poverty increases with an increasing number of people dependent on household incomes. In the case of low work intensity as one of the indicators for defining the number of people at risk of poverty or social exclusion (in this case WI < 0.2), there was a slight increase of 0.3 p.p. against the year earlier. More detailed comparisons of the individual bands of work intensity in the case of people or households at risk of poverty are given in the Appendix to Chapter 4.

Housing expenditures also have an effect on the risk of poverty or social exclusion. The last EU SILC 2011 showed that for 8.4% of the population housing expenditures form more than 40% of the household's disposable income. In the case of people at risk of poverty, their situation is more serious, since they formed 38.4% of the population whose housing expenditures form more than 40% of the household's disposable income. Compared to the previous survey, this group has increased by 3.2 p.p.

The measurements and evaluations of indicators as referred to above were based on income. In the case of measuring the aspect of absolute poverty, it is possible to work from measuring the lack of material goods, financial difficulties and inability of persons to live a decent life in the study population. To measure these shortcomings, a new methodology based on the "material deprivation" indicator is used. In contrast to the setting of severe material deprivation, which is a part of the grouping of indicators for determining the target group either at the EU or national level, a person was considered to be materially deprived if he/she cannot afford at least 3 of 9 items in the framework of the first two dimensions (economic burden and consumer durables). Specifically, the items are: arrears in connection with the items rent and mortgage, energy, hire purchase instalments and other loans, ability to keep the home adequately warm, ability of the household to face unexpected expenses, ability to afford a one-week holiday away from home annually, ability to afford a meal with meat, chicken, fish or vegetarian equivalent every other day or to equip the household with a colour television, washing machine, car or telephone.

In terms of this definition, 22.0% of persons were materially deprived in 2011 (down 2.9 p.p. against 2010). In the case of using the methodology for calculating the "severe material deprivation" indicator (4 of 9 items), 10.6% of persons were severely materially deprived in 2011 (down 0.8 p.p. against 2010).

### Persistent poverty<sup>56</sup>

reisistent poverty

In 2010 in Slovakia are 6.0% of persons were at persistent risk of poverty, with women being most vulnerable (men -4.6%, women -7.3%). Were the poverty threshold to be increased to 70% of the national median equivalised disposable income, the rate of persistent risk of poverty would rise to 10%. In the case of lowering the poverty threshold to 50% of the median, the rate of persistent risk of poverty would represent 3.4% of the population in Slovakia.

In Slovakia there can be identified several groups that are most vulnerable to long-term poverty. In terms of household type, this concerns primarily single-parent households (24.5%) and households of one individual (10.9%); these are among the most vulnerable groups also in the case of monitoring the risk of poverty on a yearly basis. In the case of households with several dependent children, their representation in the framework of persistent poverty in the period 2007 - 2010 is 8.1%. An important differentiating factor is education, where, as expected, the incidence of long-term poverty rises with falling education. Among those persons with only primary or lower secondary education in 2010, some 19% of persons aged 16 years or more work long-term below the poverty threshold.

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<sup>&</sup>lt;sup>55</sup> i.e. the sum of months during which household members of an economically active age worked, and is expressed as a share in the total sum of all month during which household members of an economically active age could theoretically have worked

<sup>&</sup>lt;sup>56</sup> Expressed as the rate of persistent poverty risk, it is defined in the framework of the OMC as the percentage share of a population whose equivalised disposable income was below the poverty risk limit in the given year and in at least two of the three preceding years.

Persistent poverty is associated also with a more frequent subjective statement of deterioration in health than in the overall population.

Based on an international comparison, the Slovak Republic is one of the EU countries with the lowest proportion of people living in persistent poverty. Also, the possibilities to escape from below the poverty threshold (to not remain in long-term poverty) are higher in Slovakia than in most EU countries. Labour incomes play an important role in this.

### National indicators of poverty and social exclusion

Since common indicators do not reflect all specifics in certain fields at the national level, there arises the need to set national indicators of poverty and social exclusion. National indicators monitor primarily objectives defined at the national level in connection with the social inclusion strategy (the National Action Plan for Social Inclusion 2008 – 2010) and are focused on vulnerable groups at risk of poverty and social exclusion in Slovakia. National indicators cover a relatively large number of different aspects of poverty and social exclusion. They focus on income poverty combined with aspects of material deprivation, social exclusion relating to various dimensions of social life, etc.

Both at the EU level and national level, the Slovak Republic has set a national goal for reducing poverty and social exclusion with a view to 2020<sup>57</sup>, defining the target group on the basis of grouping three defined indicators.

### Indicators focused on the child population

Most national indicators relating to the child population (for which data were available) reported a positive trend in the reporting period (EU SILC 2011). There was a significant decrease in the rate of extreme child poverty<sup>58</sup>, which refers to a combination of income poverty and material deprivation. The field of education is indirectly covered by an indicator regarding the number of pre-school facilities, where the number of them per child in the age category  $3 - 5^{59}$  years remained almost unchanged, though in the case of the indicator concerning schooling of children at nursery schools aged 3 – 5 years at nursery schools, there was an increase, i.e. a higher degree of schooling children at the given age. There was also an improvement in the case of children aged 0-17 living in jobless households. In the case of measuring income inequality of children aged 0-15 there was only a slight increase.

Table 4.4 Change in values of individual indicators (child population)

Indicator name	Change in values
Extreme child poverty rate	Decrease in the share from 12.0% (EU SILC 2010)
	to 7.8% (EU SILC 2011)
Proportion of children in the bottom quintile of	Increase in the share from 28.3% (EU SILC 2010)
the income distribution in the total number of	to 28.8% (EU SILC 2011)
children	
Number of preschool facilities per pre-school	Decrease in the number from 17.8 in 2010 to 17.7
child	in 2011
Children living in jobless households <sup>60</sup>	Decrease in the share from 10.2% in 2010 to 9.6%
	in 2011

Source: MoLSAF SR

<sup>&</sup>lt;sup>57</sup> Raise at least 170 000 people out of the risk of poverty or social exclusion by 2020.

<sup>&</sup>lt;sup>58</sup> The extreme poverty rate for children covers more specifically the case of deficiency and relates only to the more narrowly defined group of children aged 0 - 15 years. It is defined as the share of children living below the poverty threshold and exposed to material deprivation in the total number of poor children. In this case material deprivation occurs if the household must place at least three of five adverse housing conditions and does not own three of four consumer durable items.

<sup>&</sup>lt;sup>59</sup> The share of children aged 3-5 years in the total number of children of the given age.

<sup>&</sup>lt;sup>60</sup> The indicator is one of the common indicators of social inclusion and was already mentioned in the overall evaluation of the population aged 0 - 17 years at the EU level.

### Indicators focused on young people

Two indicators focused on young people concerned their participation in the labour market. Negative development was seen in the unemployment of young school leavers of primary and secondary schools up to 21 years of age, with an increase of some 3.8 p.p. The deterioration in the labour market situation had a negative impact on this group of young people. In the case of the specifically disadvantaged group of young people from children's homes, the rate of success among young adults who left children's homes between the years 2010 and 2011 fell by 3.2 p.p. The share of live births to young mothers between the years 2010 and 2011 decrease slightly.

Table 4.5 Change in the values of individual indicators (young people)

Indicator name	Change in values
Unemployment rate among young people up to 21 years of age, school leavers are of primary and secondary school with completed education	Increase in the proportion of young people from 45.8% in Q4 2010 to 49.6% in Q4 2011
Rate of success in the labour market among young adults leaving children's homes	Decrease in the share from 37.4% in 2010 to 34.2% in 2011
Share of live births to young mothers	Decrease in the share from 2.3% in 2010 to 2.1% in 2011

Source: MoLSAF SR

### Indicators focused on disadvantaged persons on the labour market

Another observed group are indicators focused on disadvantaged persons on the labour market. The share of unemployed persons with incomplete education between 2009 and 2010 decreased slightly. However, in the case of "very long-term unemployment" there was a 4 p.p. increase in the share of long-term unemployed persons in the total number of unemployed persons between 2010 and 2011. This was influenced by the overall increase in the unemployment rate. An increase was seen also in the case of the incidence of poverty among workers, in the case of whom the risk of poverty rose by 1.1 p.p.

Table 4.6 Change in the value of individual indicators (disadvantaged persons on labour market)

Indicator name	Change in values
Rate of incomplete primary education among unemployed persons	Decrease in the share from 4.9% in 2010 to 4.6% in 2011
Share of very long-term unemployment in unemployment	Growth in share from 26.6% in Q4 2010 to 30.6% in Q4 2011
Poverty risk rate among workers <sup>62</sup>	Increase in the share from 5.7% (EU SILC 2010) to 6.3% (EU SILC 2011)

Source: MoLSAF SR

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<sup>&</sup>lt;sup>61</sup> If the registration in unemployment lasts longer than 24 months.

<sup>&</sup>lt;sup>62</sup> The indicator is one of the common indicators of social inclusion and was mentioned in the monitoring of the risk of poverty among workers

### Indicators focused primarily on the adult population

As regards monitoring of the adult population (18+ years), the indicators focused on access to health care and social services (shelters). As regards access to health care, this involved identifying persons who had not undergone a medical or dental examination due to their financial unaffordability or geographical inaccessibility. The share of such adults in the total population who had not undergone a medical or dental examination increased against a year earlier by 1.7 p.p. As regards access to social services (shelters) there was a slight increase in the number of places at shelters, from 3.0 to 3.1.

**Table 4.7 Change in values of individual indicators (adult population)** 

Indicator name	Change in values
Rate of unavailability of medical/dental examination	Increase in the share from 26.1% (EU SILC 2010) to 28.1% (EU SILC 2011)
Capacity of shelters	Decrease in the number from 3.0 per 10 000 inhabitants in 2010 to 3.1 per 10 000 inhabitants in 2011

Source: MoLSAF SR

### Indicators focused on incidence of poverty, deprivation and social exclusion in whole population

In addition to specific target groups defined by age (children, young people), by a combination of various disadvantages (adults – homeless people, people with difficult access to health care), or by relation to the labour market there have been created in the set of national indicators also indicators that monitor various dimensions of poverty and social exclusion in the population as a whole. Two of these indicators relate to income poverty and three to housing conditions. Extreme income poverty was one of the indicators monitored in the framework of the set of indicators. Here a slight fall in the population was recorded. The situation was similar also in the case of another monetary indicator applied to the whole population, namely depth of poverty. The difference between the median equivalised incomes of poor persons and the poverty threshold decreased from 25.7% of the poverty threshold to 22.8% <sup>64</sup>. In the field of housing conditions, a positive shift was seen in the values of two of the three indicators monitored. There was a decrease in the share of households facing a reduced quality of internal and external characteristics of the dwelling; there was a fall in the share of households having arrears related to housing, but an increase in the share of households recording housing costs as a large financial burden (exceeding 50% of the households total available income), and this by 1.1 p.p.

Table 4.8 Change in the values of individual indicators (incidence of poverty, deprivation and social exclusion)

Indicator name	Change in values
Share of persons in extreme income poverty	Decrease in the share from 2.5% (EU SILC 2010) to 2.4% (EU SILC 2011)
Depth of poverty	Decrease in the share from 25.7% (EU SILC 2010) to 22.8% (EU SILC 2011)
Adverse housing conditions	Decrease in the share from 14.6% (EU SILC 2010) to 13.5% (EU SILC 2011)
Share of households for which housing represents a financial burden	Increase in their share from 5.2% (EU SILC 2010) to 6.3% (EU SILC 2011)
Share of households with arrears related to housing	Decrease in the share from 10.5% (EU SILC 2010) to 7.0% (EU SILC 2011)

Source: MoLSAF SR

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 $<sup>^{63}</sup>$  In contrast to the indicator "extreme child poverty", which combined income poverty with material deprivation; this indicator tracks the proportion of people with an equivalised disposable income below a substantially reduced level of the standard poverty risk rate -30% of the median equivalised income in the country.

<sup>&</sup>lt;sup>64</sup> This is an indicator from the set of OMC common indicators of social inclusion and was analysed in the context of monitoring income poverty and its intensity.

### Other context indicators

As the following table shows, a positive trend can be seen in almost all three indicators related to consumer expenditures. In the period between 2010 and 2011 there was an increase in the share of expenditures of low-income households on food, though there was also, in the same proportion, a decrease in the cumulative share of expenditures on food and housing in consumer expenditures. The difference between the shares of expenditure on food as recorded by households at opposite ends of the income distribution remained unchanged. In the case of inequality in expenditures on food, as well as total income inequality, measured as the proportion of income of the upper and lower quintile, the situation did not change against the year earlier.

**Table 4.9 Change in the values of individual indicators (context indicators)** 

Indicator name	Change in values
Share of expenditures of low income households	Increase in the share from 26.2% in 2010 the
on food in total consumer expenditures	29.5% in 2011
Inequality in expenditure on food	Values unchanged at 0.1 in 2010 and in 2011
Share of expenditures of low-income	Decrease in the share from 64.2% in 2010 to
households on food and housing in total	60.9% in 2011
consumer expenditures	
Income distribution – proportion of income of	Values unchanged at 3.8 (EU SILC 2010 and EU
the upper and lower quintile (S80/S20)	SILC 2011)

Source: MoLSAF SR

# 4.4 Gender equality and equal opportunities

The year 2012 saw policy changes made in the field of gender equality and equal opportunities in terms of legislation, and the institutional framework for ensuring equal opportunities was partially strengthened. Specific information is given in the Summary Report on the State of Gender Equality in Slovakia for 2012.

The following reports in 2012 were discussed at the level of the SR Government and its advisory body the government Council for Human Rights, Ethnic Minorities & Gender Equality, or its Committee for Gender Equality: Summary Report on the State of Gender Equality in Slovakia in 2011; Report on Violence Against Women in Slovakia in 2010; Report on Monitoring the Media and Advertising in the Prevention of Violence Against Women and in the Promotion of Gender Equality 2010; Information from the Annual Report on the Implementation of the Horizontal Priority Equal Opportunities for 2011. All information regarding gender equality is given on the website www.gender.gov.sk.

### Overview of legislative changes in 2012

Amendment to the **Antidiscrimination Act** (Act No. 365/2004 Coll. on equal treatment in certain areas and on protection against discrimination and on the amendment of certain acts (the Antidiscrimination Act), as amended, with effect from 1.4.2012 expanded the definition of indirect discrimination and cancelled the exception for the insurance industry pursuant to the decision of 4 March 2011 in the case Test-Achats<sup>65</sup>, in which the European Court of Justice declared Article 5(2) of the directive<sup>66</sup> to be invalid with effect as of 21 December 2012. The negative definition of discrimination was adjusted in connection with temporary equalisation measures, and the possibility of their adoption for all general government bodies and other legal entities was extended.

An amendment to the Competence Act appointed MoLSAF as of 1.10.2012 as the central government body for gender equality and equal opportunity and for coordination of government policy in this field. This amendment established by law the powers of the national institutional mechanism and contact point for the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW).

Under Act No. 544/2010 Coll. on subsidies in the competence of MoLSAF, on the basis of the provisions of § 9a subsidies are to be granted for activities focused on achieving gender equality and for supporting the application of the principle of equal treatment on the basis of gender or gender, and this for educational activities, advisory activity, adult education activity, publishing activity and analytical work. MoLSAF is to define each year priority areas for the granting of subsidies, focusing also on fulfilling recommendations from the concluding observations of the Committee on the Elimination of Discrimination Against Women CEDAW.

Another amendment to the Competence Act transferred as at 1.10.2012 from the SR Government Office to the Ministry of Foreign and European Affairs of the Slovak Republic two subsidy titles in the field of human rights – promotion, support and protection of human rights and freedoms, and the prevention of all forms of discrimination, racism, xenophobia, homophobia, anti-Semitism and other forms of intolerance.

The concluding observations regarding the second periodic report on the implementation of the *International Covenant on Economic, Social and Cultural Rights*<sup>67</sup>, prepared by the UN Committee on Economic, Social and Cultural Rights and in connection to the assessment of the periodic report in May 2012, contains several recommendations regarding the theme of gender equality, particularly in terms of the persistent gap between the representation of men and women in public life, employment and earnings, the occurrence of domestic violence, sexual harassment and trafficking in women, as well as from the aspect of inadequate access for all groups of women and girls to sexual and reproductive health services.

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<sup>&</sup>lt;sup>65</sup> C-236/09, p. V. OJ C 130, 30.4.2011, p. 4

<sup>&</sup>lt;sup>66</sup> Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to goods and services and their provision (Gender Directive).

The European Commission in November 2012 adopted a measure to eliminate the glass ceiling that still prevents talented women from reaching senior positions in major companies in Europe, namely the *Proposal for a Directive of the European Parliament and of the Council on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures.* The Commission proposed legislation aimed at achieving a 40% participation of the underrepresented gender among non-executive directors on the boards of publicly listed companies, with the exception of small and medium-sized enterprises. European Commission research shows that 85% of non-executives and 91.1% of executive board members are men, whereas women form only 15% of non-executive and 8.9% of executive board members.

The following table presents information on the current values of basic indicators in the field of gender equality in the SR in comparison with the EU 27 context.

Table 4.10 Summary of gender equality indicators

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Indicator	Women		N	<b>Men</b>	Absolute gender gap*		
	SK	EU27	SK	EU27	SK	EU -27	
Employment rate (in %, 20-64 years old, 2012)	57.3	62.4	72.8	74.6	15.5	12.2	
Employment rate (in %, 15-64 years old, 2012)	52.7	58.6	66.7	69.8	14	11.2	
<b>Employment rate of young people</b> (in %, 15-24 years old, 2012)	15.9	30.9	24.1	34.9	8.2	4	
<b>Employment rate of older people</b> (in %, 50-64 years old, 2012)	47.6	51.8	63.1	65.6	15.5	13.8	
Unemployment rate (in %, all age groups, 2012)	14.6	10.6	13.6	10.5	1	0.1	
Unemployment rate of young people (in %, 15-24 years old, 2012)	32.5	22	35	23.4	2.5	1.4	
Unemployment rate of older people (in %, 50-64 years old, 2012)	11.3	6.9	10.8	7.8	0.5	0.9	
Gender income gap in unadjusted form (in %, 2011)					20.5	16.2p	
Gender distribution of unpaid work (hours/week, 2010)	24.5	24.5	6	9.2	18.4	15.3	
Total subsidy of paid and unpaid work (hours/week, 2010)	67.1	61.9	52.6	53.3	14.7	8.6	
Income poverty risk rate (in %, 2011)	13.1	17.6e	12.8	16.1e	0.3	1.5	
<b>Income poverty risk rate of older persons</b> (in %, 65+ years old, 2011)	8.2	18.1e	3.4	13.2e	4.8	4.9	
<b>Income poverty risk rate of incomplete families</b> (in %, at least 1 child, 2011)					26.4	34.5e	
Income poverty risk rate of single-person households (in %, 2011)	16.8	26.5e	23.7	24.6e	6.9	1.9	
Rate of persistent income poverty (in %, 2010)	7.3	10.2	4.6	9	2.7	1.2	
Material deprivation rate (in %, 2011)	23.1	18.9e	20.8	17.5e	2.3	1.4	
Poverty and social exclusion risk rate (in %, 2011)	21.7	25.2e	19.5	23e	1.8	2.2	
<b>Poverty and social exclusion risk rate of older persons</b> (in %, 65+ years old, 2011)	17.8	23.1e	9.2	17e	8.6	6.1	
Life expectancy at birth (years, 2011)	79.35	n.a.	72.17	n.a.	6.93	n.a.	
<b>Political participation at the European level</b> (in %, European Parliament, 2012)	38	34	62	66	24	32	
Political participation at the national level (in %, national parliaments, 2012)	15.3	25	84.7	75	69.4	50	
Political participation in national governments (in %, 2012)	16	25	84	75	68	50	
Political participation in the management of regional councils (in $\%$ , 2012)	0	14	100	86	100	72	
Political participation at the regional level (in %, regional councils, 2011)	15.4	32	84.6	68	69.2	36	
Rate of participation in management of largest listed companies (Q3 2012)	13	87	14	86	74	72	
Gender composition of the supreme court (in %, Q3 2012)	53	34	47	66	6	32	
<u> </u>							

<sup>\*</sup> absolute gender gap is reported in percentage points (p.p.), unless otherwise stated p = preliminary data, e = Eurostat estimate, n.a. = data not available

Sources: Eurostat, SO SR, European Commission Database "Men and women in management positions"

<sup>&</sup>lt;sup>68</sup> Statistics on gender equality issues and annual updates can be found on the website of the SO SR: www.statistics.sk, link: http://portal.statistics.sk/showdoc.do?docid=27711

# 5 COMPARISON OF SELECTED INDICATORS BETWEEN EU COUNTRIES IN THE CONTEXT OF THE EUROPE 2020 STRATEGY

Europe 2020 is the EU's strategy to help European countries to emerge from the current economic crisis, and to create from the EU a smart, sustainable and inclusive economy with high levels of employment, productivity and social cohesion. It is the successor to the Lisbon Strategy, which set EU targets to 2010. The headline targets of the Europe 2020 strategy are measured by 8 key indicators, 4 of which link directly to the social sector. These targets were converted into national targets, taking into account the specific situation of each EU country and involve them to the maximum in achieving the European targets, and thus ensure each country's contribution to fulfilling the EU strategy.

The following data reflect the socio-economic situation in Slovakia in comparison with other EU countries and in the context of achieving the Europe 2020 strategy targets. The indicators are calculated based on a uniform methodology, the source for which is Eurostat, and therefore may differ somewhat from data of national statistical offices. The Appendix to this chapter contains tables with data from each of the EU 27 countries for the latest available year.

### **Macroeconomic conditions**

In 2012 the **rate of GDP growth** in Slovakia fell from 3.2% to 2%. GDP growth in Slovakia was, though, more favourable than in the EU 27, which on average recorded a fall (-0.3%). From among the EU countries, GDP grew fastest in Latvia (5.6%), Lithuania (3.7%) and Estonia (3.2%). GDP fell overall in 12 of the EU 27 countries, falling most in Greece (-6.4%) and in Portugal (-3.2%). According to Eurostat projections Slovakia's GDP will continue to grow, but at a lower growth rate than in 2013, at their level of 1%, and growth will increase in 2014 to 2.8%. According to Eurostat's estimate, GDP on average in Europe will again fall slightly in 2013 (-0.1%) and will grow slightly in 2014 (by 1.4%). GDP in 2013 GDP on average in Europe in 2013 again decreases slightly (-0.1%) and in 2014 the rate of increase The highest growth in the next two years is expected in the Baltic countries.

In 2011 **GDP per capita** (at PPP) in Slovakia was at 73% of the EU 27 average, this value having not changed since 2008. In comparison with the EU 27 countries, GDP per capita of values in 2011 lower than that of Slovakia were reported by Poland, Hungary, Bulgaria, Romania and the Baltic states.

Although the **harmonised inflation rate** in Slovakia in 2012 fell against the year earlier to 3.7%, it was higher than the EU 27 average of 2.6%. Higher inflation was recorded only in Hungary (5.7%), Estonia (4.2%) and the same in Poland (3.7%). According to Eurostat data based on ESA 95 methodology, employment in 2012 in the EU 27 countries fell against the year earlier (-0.4%), falling in 13 of the EU 27 countries. The largest falls in employment were recorded in Greece (-8.3%) and Lithuania (-6.7%). **Employment** in Slovakia increased, but only slightly (by 0.1%). The highest employment growth was recorded in Latvia (1.9%) and in Luxembourg (1%).

The **general government deficit**, according to Eurostat, in Slovakia in 2012 fell to 4.3% of GDP and was higher than the EU 27 deficit (4%). The highest deficits in the EU 27 were reported by Spain (10.6%) and Greece (10%), with both countries' deficits increasing against a year earlier. **General government gross debt**, according to Eurostat in the SR in 2012 represented 52.1% of GDP (compared to an EU average of 85.3% of GDP), thus still meeting the Maastricht criterion, which is to maintain public debt below 60% of GDP. Public debt rose above 100% of GDP in Greece (156.9%), Italy (127%), Portugal 123.6%) and Ireland (117.6%). According to a European Commission survey of growth, it is still necessary to enforce differentiated fiscal consolidation that will support growth. Government debt levels have risen substantially in consequence of the crisis; it is expected, with regard to the weak outlook for economic activity, that the proportions of debt to GDP in 2013 will reach 89.9% in the EU 27 and 95.5% in the euro area. Deficit reduction should continue; overall fiscal deficits in 2013 should fall to -3.4% in the EU 27 and 2.9% in the euro area.

### **Smart and inclusive growth**

A headline target of the Europe 2020 strategy is to raise the employment rate of men and women aged 20-64 years to 75%. The SR is to contribute to this European target by increasing the employment rate of a population in the given age category to 72%. A higher rate of employment in Europe is to be achieved primarily through higher employment of young people, women, older persons, people with low skills and legal migrants. In 2012, the employment rate in the EU 27 decrease against the year earlier to 68.5% (in the case of women in it rose slightly by 0.1 p.p. to 62.4% and in the case of men fell by 0.4 p.p. to 74.6%). In Slovakia the employment rate reached 65.1% (72.8% in the case of men and 57.3% in the case of women). The highest employment rates in the EU 27 in 2012 were reported by Sweden, at 79.4%, which is close to its national target in this area (80%). High rates of employment, about 75%, were also achieved by countries such as the Netherlands (77.2%), Germany (76.7%), Austria (75.4%) and Denmark (75.4%). The lowest rate of employment was reported in Greece, where it has been constantly falling since 2009, from 66.8% in 2008 to 55.3% in 2012. The employment rate for women lags behind the employment rate for men in the EU 27 (62.4% compared to 74.6% in the case of men, i.e. 12.2 p.p.), whilst this gap is even larger in the Slovak Republic (57.3% compared to 72.8% in the case of men, i.e. 15.5 p.p.). employment rate and concurrently the highest differences in employment between men and women are recorded in Greece (45.2%, 20.1 p.p.), in mortar (46.8%, 32.2 speak) and in Italy (50.5%, 21.1 p.p.). A high female employment rate, about 70%, was achieved by Sweden (76.8%), Finland (72.5%), Denmark (72.2%), the Netherlands (71.9%), Germany (71.9%) and Austria (70.3%), where Finland, Sweden and Denmark also have relatively small gaps in employment rates between men and women. Low employment gaps between men and women in were recorded also in Lithuania, Latvia, Estonia and Bulgaria.

Achieving an employment rate of 75% by 2020 depends largely on further increasing employment rates of older people. The demographic challenges of an ageing population are also leading the EU towards the need to jointly increase the participation of older people in the labour market and to promote the extension of working life. Despite the fall in overall employment in 2009 at 2010, the **employment rate of older people** (55 – 64 years of age) in Slovakia since 2001 has grown continuously, and in 2012 reached 43.1%, which though it is still below the EU 27 average (48.9%). The employment rate of older women is particularly low (33.6%), though over the past 10 years this figure has almost tripled, which is mainly related to raising the retirement age. Despite this continuous growth, it is still relatively far below the EU 27 average (41.9%). The highest employment rate for older women has long been reported in Sweden (69.6%), with high levels also being achieved in Estonia (61.2%), Finland (59.7%) racket, Denmark (55.8%), and in Germany (54.8%).

A longer working life and an increase in the employment rate should be supported also by means of better access to lifelong learning. Inclusive growth means, among other things, investing in training and skills development with the aim of helping people of all ages to prepare for the expected changes in the labour market. Slovakia has long lagged behind in this field, and from 2005 to 2009 the **rate of lifelong learning** even gradually decreased. In 2012 only 3.1% of persons aged 25 – 64 years were engaged in further education or training, compared against an EU 27 average of 9%. A lower proportion of adults engaged in lifelong learning in 2012 was recorded only in Romania and Bulgaria (less than 2%) and in Hungary (2.8%) and in Greece (2.9%). The highest proportion of adults engaged in lifelong learning in 2012 was recorded in Denmark (31.6%). Then a low rate of lifelong learning may have an adverse impact on employability, particularly in the case of low skilled workers, thereby undermining efforts to reduce the current high rate of unemployment.

The **unemployment rate** in Slovakia has long been among the higher in Europe and the economic crisis has deepened this problem, although the adverse economic situation of several other countries has shifted Slovakia down in the rankings of highest unemployment rates to sixth place. The unemployment rate in Slovakia in 2012 was 14%. In the EU 27 the unemployment rate rose to 10.6%, with higher unemployment rates than that of Slovakia being recorded in Spain (25.2%), Greece (24.5%), Portugal (16.4%), Latvia (15.2%), and Ireland (15%). The lowest rate of unemployment was in Austria (4.4%). The unemployment rate in 2012 in Slovakia was higher among women (14.6%) than among men (13.6%). The European Commission anticipates that the economic recovery will be to slow to reduce unemployment in Europe and that the unemployment rate in 2013 will reach 11% in

the EU 27, and 12% in the euro area. In 2014 the unemployment rate will stabilise at those levels, with high differences remaining between Member States. Tackling unemployment and the social consequences of the crisis remains one of the 5 top priorities at the level of Member States and at the EU level.

Young people and particularly their successful transition into the labour market are key to achieving the ambitious targets of smart and sustainable growth for all. Young people today face challenges in systems of education and training, as well as upon entering the labour market that are aggravated by the economic crisis today. **Youth unemployment** (under 25 years of age) has always been higher than overall unemployment, but at present this is now reaching an unacceptably high level, as since 2008 (15.6%) it has grown significantly throughout the EU 27 (to 22.8% in 2012). This group is among those hardest hit by the crisis. In some countries youth unemployment in 2012 rose above 50%, namely Spain (55.3%) and Greece (53.2%). Slovakia has the fifth highest youth unemployment rate in the EU 27, reaching 34% in 2012, almost double the figure for 2008. The high rate of youth unemployment in Slovakia is due particularly to the mismatch between supply and demand for skills in the labour market and lack of demand for labour due in consequence of the economic crisis. The lowest rate of youth unemployment in 2012 was reported by Germany (8.1%), Austria (8.7%) and the Netherlands (9.5%).

A high youth unemployment rate points to the serious difficulties the workforce in this age group face in finding employment in the labour market. On the other hand, in comparing countries, it is necessary to consider also the size of this workforce, i.e. the economically active population at this age differs between countries, since it also depends on the number of young people studying. The economic activity rate of young people aged up to 25 years in Slovakia is one of the lowest in Europe; in 2012 the workforce was only 30.5% of the total population of 15 - 24 year olds, and was the 7<sup>th</sup> lowest in the EU 27. The proportion of the workforce among youth up to 25 years of age is higher on average in the EU 27 (42.6% in 2012), with the highest proportion in the Netherlands, where in 2011 it reached almost 70% (69.9%). Some 94.4% of the economically inactive youth population up to 25 years of age in 2012 in Slovakia was due to education, which was the second highest proportion of economically inactive youth in education in the EU 27, whilst the EU 27 average for this proportion is 88.1%. After accounting for the number of young people in the education process, the proportion of young people under 25 who are not in employment education or training (NEETs) in Slovakia in 2012 represented 13.8%, which, though, still, even if less markedly, is above the EU 27 average of 13.2%. A higher proportion of NEETs in 2012 was reported by another 11 of the EU 27 countries. The European Council's Recommendation addressed to the Member States regarding youth unemployment consists in creating schemes of guarantees aimed at ensuring for young people under 25 years of age who have lost their job or cannot find a job after completing education, a quick offer of a quality place, school-leaver practice or training, within 4 months.

Another headline target for the EU in the Europe 2020 strategy is to achieve the state where at least 40% of 30-34 year olds complete tertiary level education or an equivalent form of education. A skilled population is crucial for dealing with problems related to demographic changes and social inclusion in Europe. According to a CEDEFOP forecast, by 2020 some 35% of all jobs in Europe will require high qualification in combination with the ability to adapt and innovate, compared to today's 29%. According to the European Commission, ever more jobs are requiring e-skills, yet the EU economy suffers from a lack of highly skilled workers in information and communication technology. In 2012, the **rate of the tertiary-educated population** aged 30-34 years was 23.7% (28.2% in the case of women, and 19.4% in the case of men), and although this represented an increase of 0.3 p.p. against a year earlier, it is still below the EU 27 average of 35.8%, whilst at the aim is to achieve 40% by 2020.

Leaving school with lower than secondary education prevents the potential of young people from being utilised and prevents their successful transition into the labour market. In the EU 27 a high proportion of young people leave school early and do not continue in education. Despite a long-term decline, 12.8% of people aged 18 – 24 years in 2012 left school early. Lack of qualification is a major barrier to inclusion, since success in integration in the labour market, the quality of work, remuneration and also success in further training for the labour market throughout life depends on education. To achieve smart and inclusive growth there has been set the target of reducing the **rate of early school leaving** to at least 10%. Slovakia has long been one of the countries in the EU with a

relatively low proportion of early school leavers. In 2012 this proportion increased by 0.3 p.p. against a year earlier to 5.3%, the target being to keep this portion below 6% to 2020. Men were more prone to be early school leavers than world women (6% of men compared to 4.6% of women). The fifth highest under-25 youth unemployment rate, however, bears witness to the fact that the SR still faces the challenge of matching the education or skills of young people to labour market requirements. Early school leaving in marginalised Roma communities also requires significant attention.

Low-skilled workers in Slovakia are in a particularly difficult position in the labour market, their unemployment rate having long been the highest and the employment rate having long been the lowest in the whole of Europe. The unemployment rate of people aged 25 – 64 years with educational attainment **at the level ISCED 0-2** (maximum basic education) in 2012 was 41.5%, i.e. almost 2.5 times the EU 27 average (16.8%). The lowest unemployment rate of low skilled workers is Luxembourg (6.4%), the Netherlands (6.6%), Romania (6.8%), Malta (7.6%), and Austria (7.7%). The **employment rate of low-skilled workers** (ISCED 0-2) in the SR was 30.7% and is the lowest in Europe and is far below the EU 27 average (53.9%). Employment rates of low skilled workers more than twice as high as in the SR are reported in Sweden (65.4%), Portugal (63.2%), Luxembourg (63%), the Netherlands (62.3%) and Denmark (61.4%).

The high unemployment rate in Slovakia is reflected in a high **long-term unemployment rate**, which until 2012 had long been the highest in Europe. In 2012, in consequence of the extremely adverse economic situation, the rate of long-term unemployment grew markedly in Greece (14.4%) and Spain (11.1%). The long-term unemployment rate in Slovakia in 2012 reached 9.4% (9.3% among men and 9.5% among women) and remains greatly above the EU 27 average (4.6%), which itself rose by 0.5 p.p. against the year earlier. Long-term unemployment is a persistent serious problem in Slovakia's labour market, and calls for a comprehensive solution focused on the most vulnerable groups of the population. The lowest long-term unemployment rate is in Austria (1.1%), while long-term unemployment rates below 2% are reported in Sweden (1.5%), in Finland 1.6%), Luxembourg (1.6%) and Holland (1.8%).

A high tax rate and contributions burden on labour income may have adverse effects on employment. These effects may particularly affected certain groups, especially low skilled workers or low-wage workers, since the supply and demand for the work of these groups respond, generally, more sensitively to changes in this field. The European Council calls on Member States to consider reducing the tax burden on labour to stimulate job creation and employability. The rate of tax burden on low earnings in Slovakia, in general, is not high, as can be seen from the following indicators. Further reducing the tax and contributions burden on low wages may, though, be one of the means of combating long-term unemployment.

The **tax wedge** (their share of taxes paid by the employee and employer in the total cost of labour) in Slovakia in 2012, though, grew slightly against the year earlier, by 0.8 p.p. to 36.9%, though since 2004 has remained below the EU 27 average (39.6% in 2011). In 2005 the tax wedge for low wages (67% of the average wage) was reduced by 4.4 p.p. to 34.8%, resulting in a rate substantially below the European average.

The **indicator unemployment trap**<sup>69</sup> measures differences in income in the transition from the system of social benefits into the labour market. In Slovakia in 2004, reforms to the tax and social system sharply reduced the unemployment trap by some 28 p.p. to 43%. The unemployment trap in the EU 27 remains relatively high compared to that of the SR, at 74.81% in 2011, while the unemployment trap in the SR, despite increasing in 2011 (by 2 p.p. to 44%), remains well below the EU 27 average. It is the smallest unemployment trap in the whole of Europe and means that after accepting a job paying 67% of the average wage the previously unemployed individual's net income will rise by 56%. (In the EU27 on average, a hypothetical individual in such a situation will see their income rise only by 25.19%).

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<sup>&</sup>lt;sup>69</sup> The unemployment trap refers to the situation where net employment earnings are relatively low in relation to benefits provided in unemployment. Conversely, it is the % increase in disposable income when a worker returns to employment after a period of unemployment and gets a wage at the level of 67% of the average wage.

The **low-wage trap**<sup>70</sup>, similarly as with the unemployment trap, is a measure of disincentives to work, in this case for a higher wage. In 2001 – 2002 the low-wage trap in the case of a couple (with one earning member) with two children in Slovakia was the highest in your work, at more than 100%, wage workers changed in 2004, when it was sharply reduced by some 70 p.p. In 2011, this figure grew by 7 p.p. to 52%, which is still below the EU 27 average of 58.46%. The low-wage trap in 2004 was reduced significantly also in the case of an individual, by 10 p.p.; in 2011 this had reached 27%, which is well below the EU 27 average of 47.22%. Data on the low-wage trap for Slovakia in 2010 mean that in the case of a gross wage increase from 33% to 67% of the average wage, the net income of a couple (with one earning member) with two children will rise by 48%, and by 73% in the case of an individual. Whether considering either the individual or a couple (with one earning member) with two children, the low-wage trap in Slovakia is one of the lower in Europe.

In order to support employment, the European Council recommends the Slovak Republic tackle the tax and contributions burden, including all compulsory payments for low-income employees, and address the low incentives to move from social assistance to low paid employment for a proportion of jobseekers.

In the framework of the Europe 2020 strategy and the promotion of inclusive growth, another headline targets set is to reduce the **number of people at risk of poverty and social exclusion** by at least 20 million (to 19.4%). In 2011 in the EU 27, there were 119 568 000 people (23.5%) at risk of poverty and social exclusion, this number having risen in consequence of the crisis by 3 259 000 people (0.6 p.p.) against the year earlier to a rate higher than in 2010. Progress toward the target is monitored by means of an indicator composed of 3 sub-indicators, i.e. those people living either in households with very low work intensity<sup>71</sup>, and/or persons living at risk of poverty after social transfers<sup>72</sup>, and/or severely materially deprived persons<sup>73</sup>. These are people living in households where no one works or works only occasionally and/or with a low income, and/or cannot afford one or more of the essential life needs. People are counted only once, though it may appear in several sub-indicators. The total number of people at risk of poverty and social exclusion is lower than the sum of numbers of people in each of the three forms of poverty and social exclusion, since some people may suffer several forms concurrently.

For this target the SR has set the objective that by 2020 it will reduce the number of these people by 170 000 (to 17.2%). In 2011 the number of people at risk of poverty and social exclusion fell slightly against the year earlier by 6000 people to 1 112 000 people. (20.6%), with slight falls also in the number of severely materially deprived people and the number of people living in households with low work intensity, whereas the number of people at risk of poverty (income poverty) rose. In 2011 in Slovakia, there were 331 000 people **living in households with very low work intensity** (7.6%, compared to 10% in the EU 27), 700 000 **people at risk of poverty** (13%, compared to 16.9% in the EU 27) and 571 000 people **severely materially deprived** (10.6% compared to 8.8% in the EU 27).

The highest proportion of people at risk of poverty and social exclusion was in Bulgaria (49.1%), Latvia (40.4%) and Romania (40.3%), and the lowest in the Czech Republic (15.3%), the Netherlands (15.7%), Sweden (16.1%) and Austria (16.9%).

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<sup>&</sup>lt;sup>70</sup> The low-wage trap is measured as a percentage by which the gross income is reduced through the combined effect of income tax, social contributions and any other social benefits, where earnings rise from the level of 33% to 67% of the average wage. Conversely, it represents the % increase in net income when gross income rises.

People living in households with very low work intensity are people aged 0-59 living in households where the adults work less than 20% of how much they could have potentially worked last year (students are excluded).

These are persons with an equivalised disposable income below the poverty threshold, which is 60% of the national median equivalised income (after all social transfers, which are counted as part of income). Equivalised income is calculated for each individual as the disposable income to the household divided by household size, which then takes account of the following weightings for individual household members: 1.0 for the first adult, 0.5 for each additional member older than 14 years and 0.3 for children younger than 14 years.

<sup>&</sup>lt;sup>73</sup> Material deprivation includes indicators relating to economic burden, durable goods, housing and dwelling environment. Severely materially deprived people have very limited living conditions in terms of a lack of resources and experience at least 4 of the following 9 items of deprivation: they cannot afford: a) pay on time rent / mortgage and bills related to housing, b) keep the home adequately warm, c) face unexpected expenses d) eat meat, fish or equivalent meal every other day, e) a week's vacation away from home, f) a car, g) a washing machine, h) a colour TV, i) a telephone (including a mobile phone).

In terms of age, children were at greater risk of poverty and social exclusion than other age groups, this being true in most EU 27 countries, including Slovakia. In 2011, at least one of the three forms of poverty and social exclusion was suffered by 27% of children under 18 years of age (23.5% of children above 18 years of age and 20.5% of persons above 65 years of age). In Slovakia, 26% of children up to 18 years of age were at risk of poverty and social exclusion, compared to 19.7% of people above 18 years of age. The proportion of children at risk of poverty and social exclusion in Slovakia even rose against the year earlier (by 0.7 p.p.), while the proportion of people above 18 years of age at risk of poverty and social exclusion fell slightly (by 0.1 p.p.), where this was mostly due to a fall in the proportion of people at risk of poverty and social exclusion above 65 years of age (by 2.2 p.p.).

As regards the individual elements that define the risk of poverty and social exclusion, the highest share of people with disposable income below the poverty threshold in 2011 was recorded in Bulgaria (22.3%), Romania (22.2%), Spain (21.8%) and Greece (21.4%) and the lowest in the Czech Republic (9.8%), with low shares below 13% also recorded in the Netherlands (11%), Austria (12.6%), Slovakia (13%), Denmark (13%). The proportion of people in the EU 27 who are severely materially deprived varies greatly, ranging from 1.2% in Luxembourg and Sweden through to 43.6% in Bulgaria. A high proportion of materially deprived people is also recorded in Latvia (31.4%) and Romania (29.4%). The proportion of people living in households with low work intensity is highest in Belgium (13.7%) and lowest in Cyprus (4.6%) and Luxembourg (5.8%).

Table 5.1 Selected key indicators of the Europe 2020 strategy

M-in E 2020 in line (		SR								EU							
Main Europe 2020 indicators / year			2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
	total	64.5	66	67.2	68.8	66.4	64.6	65.1	65.1b	68	69	69.9	70.3	69	68.5	68.6	68.5
Employment rate of 20 – 64-year-olds (EU target = 75%, SR target = 72%)	women	56.7	57.5	58.7	60.3	58.2	57.4	57.6	57.3b	60	61.1	62.1	62.8	62.3	621	62.3	62.4
(E0 target = 75%, SK target = 72%)	men	725	74 6	76	77.4	74.6	71.9	72.7	72.8b	76	76.9	77.8	77.9	75.8	75 1	75	74.6
B . 6 1 1 11 :	total	6.3	6.6	6.5	6	4.9	4.7	5	5.3	15.8	15.5	15	14.8	14.3	14	13.5	12.8p
Rate of early school leaving (EU target = 10%, SR target = 6%)	women	5.9	5.8	5.8	4.9	4.1	4.9	4.6	4.6	13.8	13.4	12.9	12.8	12.4	121	11.6	11p
(EO target = 10%, SK target = 0%)	men	6.7	7.3	7.2	7.1	5.7	46	5.4	6	17.8	17.5	17	16.8	16.2	15 9	15.3	14.5p
	total	14.3	14.4	14.8	15.8	17.6	22.1	23.4	23.7	28	28.9	30	31	32.2	33 5	34.6	35.8
% of 30-34 year olds with completed 3 <sup>rd</sup> education (EU target = 40%, SR target = 40%)	women	14.6	15.3	16.1	17.6	19.8	26.2	27.4	28.2	30	31.5	328	34.2	35.6	37.1	38.5	40
(LO target = 40%; SK target = 40%)	men	14	13 6	13.4	14	15.5	18.2	19.6	19.4	26	26.3	27 2	27.9	28.8	29 9	30.8	31.6
Population at risk of poverty and social exclusion (%)		32	26.7	21.3	20.6	19.6	20.6	20.6		25.6e	25.2e	24.4	23.6	23.1	23.6	24.2e	
- Persons living in households with very low work intensity		6.6	6.2	6.4	5.2	5.6	7.9	7.6		10.3e	10.5e	9.6	9	9	10	10e	
- Persons living at risk of poverty after social transfers		13.3	11.6	10.6	10.9	11	12	13		16.4e	16.5e	16.5e	16.4	16.3	16.4	16.9e	
- Severely materially deprived persons (%)		22.1	18.2	13.7	11.8	11.1	11.4	10.6		10.7e	9.8e	9.1	8.4	8.1e	8.3	8.8e	

Source: EUROSTAT, data is updated as at 9.5.2013

Notes: Data on poverty are calculated by SO SR based on the EU SILC survey, reference year for income is the preceding year

e-estimate, p-preliminary data, b-change in time series

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Table 1 Basic indicators of economic development of the Slovak Republic

Indicator	Measure ment unit	2008	2009	2010	2011	2012
GROSS DOMESTIC PRODUCT 1)						
Gross domestic product at current prices	billion €	66.8	62.8	65.9	69.1	71.5
index, same period of previous year = 100	%	108.8	93.9	104.9	104.9	103.4
Gross domestic product at constant prices <sup>2)</sup>	billion €	62.4	59.4	62.0	63.9	65.2
index, same period of previous year = 100	%	105.8	95.1	104.4	103.2	102.0
INFLATION 3)						
Annual inflation rate						
last month of the period	%	4.4	0.5	1.3	4.4	3.2
on average for the period	%	4.6	1.6	1.0	3.9	3.6
ECONOMIC ACTIVITY ACCORDING TO LFS <sup>4)</sup>						
Number of working persons	thousand persons	2 433.8	2 365.8	2 317.5	2 315.3	2 329.0
index, same period of previous year = 100	%	103.2	97.2	98.0	99.9	100.6
Number of unemployed persons	thousand persons	257.5	324.2	389.0	364.6	377.5
index, same period of previous year = 100	%	88.2	125.9	120.0	93.7	103.5
Unemployment rate	%	9.6	12.1	14.4	13.6	14.0
EMPLOYMENT						
Average number of employed persons						
In economy, in total <sup>5)</sup>	thousand persons	2 280.0	2 176.6	2 151.9	2 192.5	2 192.3
index, same period of previous year = 100	%	102.6	95.5	98.9	101.9	99.9
AVERAGE MONTHLY WAGE						
of employee in economy in total <sup>6)</sup>	€	723.03	744.5	760	707	205
index, same period of previous year = 100	<b>€</b> %	108.1	103.0	769 103.2	786 102.2	805 102.4
i i i i i i i i i i i i i i i i i i i	%	108.1	103.0	103.2	98.4	98.8
real – index, same period of previous year = 100	%	105.5	101.4	102.2	98.4	98.8

Source: SO SR Statistical report on basic development tendencies in the national economy in Q4 2012 ESA 95 method, data from 2011 are refined quarterly estimates

- 2) at constant prices at chain-linked volumes with reference year 2005
- 3) calculated of consumer prices, since 2005 with annual update of weights
- 4) LFS Labour Force Survey; on average for the period; in 2012 re-calculated for population as of 1.1.2012 according to the CIHA 2011; indices are calculated of comparable data
- 5) from quarterly statistical statements; employed persons are employees and entrepreneurs (without contributing family workers); without women on maternity leave; since 2007 including professional soldiers; indices are calculated of comparable data
- 6) from quarterly statistical statements; without business income, since 2007 including salaries of professional soldiers; indices are calculated of comparable data; data adjusted by statistical estimate of non-registered wages

**Table 2 Consumer price indices** 

Same period of previous year = 100						
COICOP classes	Constant weightings	2012				
	in °/ <sub>oo</sub>	March	June	September	December	year
Total for the SR	1 000.000	103.8	103.6	103.6	103.2	103.6
of which:						
Food and non-alcoholic beverages	163.454	103.7	103.9	105.2	105.6	104.2
Alcoholic beverages and tobacco	49.242	105.0	102.6	102.7	104.2	103.9
Clothing and footwear	43.947	101.9	102.0	101.7	101.8	101.9
Housing, water, electricity, gas and other fuels	277.235	104.5	104.4	103.0	102.9	104.0
Furnishing, household equipment, and routine household maintenance	65.372	100.4	100.6	100.5	100.7	100.6
Health	43.417	103.8	105.2	105.6	105.5	105.1
Transport	84.893	108.3	106.7	108.1	101.2	106.4
Post and telecommunication	36.594	99.8	99.8	100.8	100.8	100.2
Recreation and culture	82.958	101.4	101.5	102.1	102.9	101.7
Education	16.815	105.8	106.0	106.0	106.0	105.9
Hotels, cafés and restaurants	62.480	103.5	103.5	103.3	103.2	103.3
Miscellaneous goods and services	73.593	104.1	103.9	103.9	103.6	103.9

Source: SO SR Statistical report on basic development tendencies in the national economy in Q4 2012

**Table 3 Apartment construction and loss** 

Indicator		Num	ber of apartm	Apartment loss		
		Construction begun in 2012	Under construction as at 31.12.2012	Completed in 2012	Total in 2012	of which through demolition in 2012
		12.000	£2.702	17.077	1077	1.051
Apartments total	a)	13 090	62 783	15 255	1 255	1 054
	b)	102.7	97.0	104.4	102.4	97.1
of which (sector):						
	a)	812	3 396	1 545	11	8
public	b)	69.7	76.8	100.1	68.8	72.7
private	a)	12 278	59 387	13 710	1 244	1 046
	b)	106.1	98.5	104.9	102.8	97.4
of total apartments:						
Apartments in family	a)	9 047	41 782	9 479		
houses	b)	96.0	99.0	108.2		

Source: SO SR Statistical report on basic development tendencies in the national economy in Q4 2012

a) number

b) indices, same period of previous year = 100



Table 1 Employment rate by age and education in 2012 (yearly average in %)

Indicator	Total	Men	Women
15 years and over	50.9	59.1	43.3
15 – 64 years	59.7	66.7	52.7
20 – 64 years	65.0	72.8	57.3
By age groups			
15 – 19 years	2.5	2.8	2.2
20 – 24 years	34.9	42.1	27.4
25 – 29 years	68.0	78.3	57.2
30 – 34 years	72.2	85.3	58.4
35 – 39 years	79.0	86.3	71.3
40 – 44 years	81.6	84.3	78.9
45 – 49 years	82.0	83.4	80.5
50 – 54 years	77.4	80.0	75.0
55 – 59 years	62.6	71.4	54.5
60 – 64 years	19.6	31.5	9.4
65 years and over	1.7	2.7	1.1
By education (15 – 64 years)			
elementary	15.3	16.0	14.7
vocational	63.9	71.4	52.4
secondary (no certificate)	69.7	78.6	58.2
vocational with certificate	78.3	87.6	66.0
completed secondary			
comprehensive	40.8	43.0	39.5
completed secondary vocational	71.1	79.1	63.9
higher vocational	73.4	77.0	71.6
university	75.0	81.0	70.2

Source: SO SR, LFS

Data is recalculated for population as at 1. 1. 2012.

Table 2 Unemployment rate by age and education in 2012 (yearly average in %)

Indicator	Total	Men	Women
Total	14.0	13.5	14.5
By age groups			
15-19 years	63.1	65.1	60.0
20-24 years	30.9	31.7	29.3
25-29 years	17.9	15.9	20.6
30-34 years	13.3	11.4	16.1
35-39 years	11.0	10.2	12.0
40-44 years	10.4	10.6	10.2
45-49 years	10.4	9.7	11.0
50-54 years	10.9	10.7	11.1
55-59 years	12.6	13.0	12.2
60-64 years	5.3	4.8	6.6
65 years and over	3.8	2.1	6.2
By education			
elementary	44.5	48.1	40.8
vocational	17.0	15.7	19.5
secondary (no certificate)	12.8	11.4	14.9
vocational with certificate	9.7	7.3	13.6
completed secondary			
comprehensive	16.0	17.0	15.3
completed secondary	10.4		111
vocational	10.4	9.8	11.1
higher vocational	4.7	5.7	4.1
university	6.9	5.9	7.8

Source: SO SR, LFS

Data is recalculated for population as at 1.1.2012.

Table 3 Number of jobseekers – school graduates by the end of 2012

Indicator	number of jobseekers
school graduates in total	26 304
of which:	
University graduates (education levels 7.8,9)	3 202
Secondary vocational school graduates (education	9 667
levels 6.7)	
Secondary comprehensive school graduates	1 815
(education level 5)	
Vocational schools graduate with certificate	7 116
(education level 4)	
Vocational school graduates without certificate	4 504
(education levels 2.3)	

Source: LSA&F Headquarters

**Table 4 Tools of active labour market measures** 

	Year 2011		Year 2012		
ALMP tool	Number of created- filled jobs, or number of persons enrolled, or number of supported jobs	Amount of contracted funds (€)	Number of created- filled jobs, or number of persons enrolled, or number of supported jobs	Amount of contracted funds (€)	
§ 32	6 524	71 150.60	6 212	68 037.76	
§ 43 (7)	924	11 855.72	1 294	16 563.71	
§ 43 (10)	184	4 548.66	184	6 453.30	
§ 43 (11)	0	0.00	0	0.00	
§ 46	1 367	182 565.62	1 785	684 191.08	
§ 47	0	0.00	0	0.00	
§ 48b	11	3 248.80	290	81 652.14	
§ 49	12 271	41 883 191.90	8 690	29 389 692.77	
§ 49a	195	108 223.85	209	167 599.30	
§ 50	523	1 196 439.60	599	1 457 117.78	
§ 50a	4 357	18 522 206.65	2 451	10 431 464.48	
§ 50c	187	1 087 714.05	139	863 400.24	
§ 50d	558	359 832.61	-	-	
§ 50i	3 724	11 897 397.90	-	-	
§ 50j	10 420	30 717 763.57	5 499	16 940 943.32	
§ 51	17 295	17 200 025.22	16 442	16 952 732.76	
§ 52	22 542	4 231 553.87	18 844	3 530 060.67	
§ 52a	5 794	6 451 017.17	5 254	6 100 426.89	
§ 53	17 778	5 152 572.03	16 136	4 918 369.69	
§ 53a	61	61 591.95	66	63 091.27	
§ 53b	20	1 120.00	0	0.00	
§ 54	1 354	252 083.32	320	1 247 812.66	
§ 55a	0	0.00	0	0.00	
§ 56	2 025	17 463 549.82	2 026	17 656 995.37	
§ 56a	305	627 464.12	453	884 807.85	
§ 57	523	4 613 433.38	536	4 741 475.46	
§ 59	549	3 487 484.65	601	4 098 860.86	
§ 60	5 222	13 369 714.47	6 013	15 771 944.10	
Total	114 713	178 957 749.53	94 043	136 073 693.46	

Source: LSA&F Headquarters Explanatory notes: — did not occur

### Overview of the application of active labour market measures

### Recruitment services (§ 32)

# Reimbursement of part of the travel expenses of jobseekers related to attending a job interview or selection proceedings with an employer in 2012

For the purpose of recruitment services, LSA&F offices reimburse part of the jobseekers' travel expenses related to attending an interview or selection proceedings with an employer.

In 2012, a total of 6 212 jobseekers were supported by this measure, which is 312 persons fewer than in 2011. The state budget paid out for this purpose  $\in$ 68 037.76, which was  $\in$ 3 112.84 less than in 2011.

Of the total number of 6 212 jobseekers in 2012:

- 3 150 were women (51%),
- 2 911 were disadvantaged jobseekers (47%),
- 1 002 were graduates (16%),
- 456 were jobseekers aged above 50 years (7%).

### Information and advisory services (§ 42)

An important part of the work at LSA&F offices, associated with recruitment services in 2012, was the provision of information and advisory services in choosing a profession, in deciding for a job, including changing job, in choosing the employer and adapting an employee to a new job. The clients of the LSA&F offices were provided these services on the individual or group basis, in the 1<sup>st</sup> zone of the three-zone system of the employment services system. The information and advisory services were also provided to the clients at the information and advisory centres, at the employer's place or at schools.

In the framework of the information and advisory services primarily the following information was provided to jobseekers and job applicants:

- conditions for the registration, retention and deregistration of a jobseeker and job applicant and their rights and obligations,
- eligibility criteria for unemployment benefit and material-need benefit,
- labour market (current situation, assumptions of development),
- vacancies in the region, the SR or abroad,
- possibilities of recruitment for payment, on temporary employment agencies and supported employment agencies,
- types of occupation and predispositions and requirements for them,
- health and qualification requirements for a job,
- possibilities and conditions of participation in ALMM,
- offer of participation at information exchanges, job fairs and selection proceedings,
- implementation of national projects,
- work with a PC and the Internet,
- possibilities of using services provided in the information and advisory centres,
- information and advisory centres for disabled persons,
- offer of expert advisory services,
- actively applying for a job specimen documents (job application, cover letter and CV), principles of communication with an employer, preparation for selection proceedings or for a job interview,
- labour relations.

### Services of information and advisory centres

The clients could prepare and print out their job applications, CVs and cover letter at the information and advisory centres. The staff assisted on an individual basis those clients lacking computer skills, or who faced the problems with creating, e.g. a job application. In providing information and advisory information the staff used a variety of leaflets, publications, occupation characteristics, questionnaires and information from Headquarters' websites and from the Labour Market Integrated System.

### Disabled jobseekers

LSA&F offices secured the provision of information and advisory services by implementing activities for disabled persons, which were designed to deal with their situation in the conditions of the current labour market.

In total the disabled jobseekers received 6 003 information items concerning jobs in the region and the SR (8 317 less than in 2011), 1 704 information and offers of participation at the labour fair and selection proceedings (2 245 less than in 2011), 526 information concerning the possibility of using services provided via the information and advisory centres for disabled persons (1 296 less than in 2011), 635 information on health and qualification requirements for a job (3 762 less than in 2011).

Employers received information and advisory services concerning:

- selection of a suitable employee for the desired job position,
- possibilities and conditions of participating in individual active labour market measures,
- call for submitting projects with regard to employing disadvantaged jobseekers and conditions of participation in partnerships,
- labour market situation,
- employer's obligations when employing disabled persons,
- employing foreigners and EU citizens,
- illegal work and illegal employment,
- collective redundancies and labour relations,
- possibilities of using services of temporary employment agencies, supported employment agencies and paid recruitment services.

Employers were provided a total of 3 648 services (13 558 fewer than in 2011), of which 3 321 were individual services (13 818 fewer than in 2011) and 327 were group activities (260 fewer than in 2011).

Persons at risk of job loss received advice and information on:

- current situation and forecast labour market development,
- employers and job vacancies in the region, the SR or abroad,
- selection proceedings and job fairs,
- conditions for jobseeker or job applicant registration
- eligibility criteria for unemployment benefit and material-need benefit,
- possibilities and conditions of participation in the active labour market policy programmes,
- career and job choices,
- possibilities of early retirement,
- dealing with labour relations.

Persons at risk of job loss received a total of 1 094 services (25 193 fewer than in 2011), of which 1 094 were individual services (25 039 fewer than in 2011), while no group activities were provided (154 fewer than in 2011).

Preventive advisory activities for elementary and secondary schools – career choice:

Information and advisory services provided by LSA&F offices with regard to the career choice for the primary school students were aimed at the choice of appropriate occupation – comprehensive description of professions, dispositions, health and qualification requirements of individual occupations, using the software application "Labour Market Integrated System" and information on the possibilities of further education at secondary schools.

Information and advisory services with regard to the career choice for the secondary school students were aimed at information on the possibilities of further education at universities and higher education schools, on the professions preferred under the conditions of the regional labour market, on the conditions of correct communication with a potential employer and on the services provided by the LSA&F offices.

Concurrently the LSA&F offices provided the primary and secondary school students, at the information and advisory centres, with the information concerning the world of work, occupations (descriptions of professions and types of jobs), using print outs (e.g. a publication World of Work, leaflets on professions) and electronic information sources (DVD on professions, an interactive DVD on occupations World of Work and the Labour Market Integrated System).

The primary school pupils were provided a total of 229 services (209 less than in 2011), of which 0 were individual services (198 less than in 2011), the group activities were attended by 8 708 pupils (1 091 fewer than in 2011). The secondary school students received in total 99 services (which was 682 fewer than in 2011), of which 0 were individual services (140 less than in 2011) and the group activities were attended by 1 624 students (18 594 fewer than in 2011).

Over the course of 2012, a total of 320 disabled pupils and students of primary and secondary schools participated in the individual and group meetings, which was 10 more than in 2011. Neither in 2011 nor in 2012 was provided any individual advice to any disabled student. *Group advice*, in 2012, was provided at primary schools to 192 disabled pupils (46 more than in 2011) and at secondary schools to 128 disabled students (36 fewer than in 2011).

#### Other clients

In the context of informing the general public on possibilities of registering as a job applicant, the LSA&F office staff provided individual advice to other clients – parents on the maternity or parental leave, disabled persons and recipients of material-need benefits not registered as jobseekers, pensioners, deregistered jobseekers who failed to find job in the labour market.

Other clients were provided in total 74 041 services (81 610 fewer than in 2011), of which 74 041 were individual services (80 367 fewer than in 2011).

### Information exchanges

During the year the LSA&F offices held 26 information exchanges for primary school pupils and their parents, secondary school students, educational consultants, jobseekers and job applicants, where secondary schools and employers of the given region were introduced and presented. Information on professions, study fields and development in the labour market were given primarily to the present students leaving primary schools.

Information exchanges were held by 23 LSA&F offices (Banská Bystrica, Brezno, Čadca, Dolný Kubín, Dunajská Streda, Humenné, Kežmarok, Komárno, Košice, Lučenec, Levice, Liptovský Mikuláš, Martin, Nové Zámky, Partizánske, Považská Bystrica, Prešov, Rimavská Sobota, Rožňava, Ružomberok, Senica, Veľký Krtíš and Žilina). These information exchanges were attended by 482 secondary schools (6 schools more than in 2011), 498 primary schools (387 schools fewer than in 2011), 15 061 primary school pupils (compared to 2011 it was 857 pupils fewer) and 146 employers (which was 8 employers fewer than in 2011). The offices at Brezno, Kežmarok and Partizánske, due to the great interest, held 2 information exchanges.

#### Professional advisory services (§ 43)

Professional advisory services are aimed at addressing the issues associated with finding career for jobseekers, at creating harmony between their personal qualities and requirements of a certain job, at affecting the decisions and behaviour of jobseekers, as well as at their social and labour adaptation.

In the context of providing professional advisory services 1 478 jobseekers (370 fewer than in 2011) became entitled to financial allowances in the amount of €23 017.01.

### Education and training for the labour market of jobseekers and job applicants (§ 46)

LSA&F offices provide education and labour market training for jobseekers and job applicants based on assessment of their skills, work experience, professional skills, educational attainment and health capacity to work.

Over the course of 2012, 1 785 persons participated in the education and training for the labour market, which is 418 persons more than in 2011. The negotiated amount for education and training for the labour market stood at €684 191.08, which is €501 625.46 more than in 2011. A major share was taken by the Banská Bystrica region (558 persons), forming 31% of the total number of persons assigned for education and training for the labour market.

### Labour market education and training for employees (§ 47)

The aim of this measure is to support education of an employer's staff with regard to the creation of new jobs and retention of the existing jobs, in particular in the case of employees with secondary and lower education. Employer's promotion of education motivates the employers towards the further

education of their staff and concurrently it prevents collective redundancies and helps create new jobs. Education and training for the labour market of employees is done by the employer by way of general or specific training aimed at increasing employees' education level, work potential and labour market adaptability.

In 2012 no use was made of the contribution for education and training for the labour market of employees.

# Benefit during education and training for the labour market and during employment training for a disabled person (§ 48b)

A jobseeker participating in the education and preparation for the labour market and a disabled person who is a jobseeker and participates in employment training, lasting longer than one calendar month, is entitled to a benefit during education and training for the labour market or a benefit during employment training. The benefit is granted per calendar month in an amount of the subsistence minimum provided to an adult, applicable to the first day of the calendar month in which the jobseeker took up the education and training for the labour market or in which the disabled person, a jobseeker, took up the employment training.

In 2012 the benefit was granted to 290 jobseekers (compared to 2011 it is an increase of 279 jobseekers), in a total amount of €81 652.14. The increase in the total benefit granted against 2011 was €78 403.34. The benefit was granted mostly in the Banská Bystrica region.

### **Contribution for self-employment (§ 49)**

The contribution is provided to cover the costs related to self-employment. In terms of supporting job creation it facilitates the jobseekers in entering the labour market as entrepreneurs.

In 2012 this contribution assisted in creating and filling 8 690 jobs, which is 3 581 fewer than in 2011. Of the total number of recipients, the contribution was granted to 4 046 disadvantaged jobseekers (47% of the total number of jobseekers supported), the greatest share is accounted for by the long-term registered jobseekers (2 533 persons, i.e. 29% of the total number of jobseekers supported). The contribution was taken by 3 352 women (38.6% of the total number of jobseekers supported). The total contracted amount was  $\epsilon$ 29 389 692.77, which was  $\epsilon$ 12 493 499.13 less than in 2011. Most jobs were created in the Žilina region, 1 577 jobs, representing 18% of the total number of jobs created by self-employment.

### Contribution for initial employment of a disadvantaged jobseeker (§ 49a)

The contribution for initial employment of a disadvantaged jobseeker is granted in the amount of subsistence minimum provided to an adult and is granted to a disadvantaged jobseeker performing the initial employment for no longer than three calendar months and no more than 30 hours per week. A disadvantaged jobseeker is concurrently entitled to reimbursement of travel costs, accommodation costs, services for families with children, cost of insurance against damage caused by a disadvantaged jobseeker, and injury insurance cost.

In 2012, 209 disadvantaged jobseekers were included for such initial employment, which is 14 jobseekers more than in 2011. The most jobseekers included in the scheme came from the Prešov region (72 disadvantaged jobseekers). The total contracted amount was  $\epsilon$ 167 599.30, an increase of  $\epsilon$ 59 375.45 against 2011.

### Contribution for supporting employment of a disadvantaged jobseeker (§ 50)

The contribution for supporting employment of a disadvantaged jobseeker is provided to an employer who recruits a disadvantaged jobseeker for a newly-created job. The average duration of supporting the job ranges from 15 to 18 months, provided that the job is retained for at least two years.

In 2012, 599 jobs were created and filled, which is 76 jobs more than in 2011. The greatest demand for this contribution was in the Prešov region (266 jobs). The total contracted amount was  $\in$ 1 457 117.78, which is an increase of  $\in$ 260 678.18 against 2011. The proportion of women employed through this measure was 62% of the total number of jobseekers employed.

### Contribution for supporting retention in employment of low-wage employees (§ 50a)

Contribution for supporting retention in employment of low-wage employees recruited for employment from the jobseeker register is provided to an employer to pay health insurance and social security contributions paid by the employer and employee. The contribution is linked to a job, for which the employer recruits a jobseekers registered in the jobseeker register for at least three months. The contribution is granted for at most 24 calendar months. Based on the monitored data from the LSA&F offices employers demand this contribution for the reason of the 24-month duration of this contribution, the level of the contribution in comparison with the contribution under § 50 and the possibility of using this tool not only for employing disadvantaged jobseekers.

In 2012, 2 451 jobs were supported, which is a decrease of 1 906 jobs compared to 2011. The greatest demand for this contribution was in the Košice region (565 jobs supported). The total contracted amount of funds was  $\in$ 10 431 464.48, which is  $\in$ 8 090 742.17 less than in 2011.

### Contribution to support job creation and retention of employment in a social enterprise (§ 50c)

The contribution is provided to those employers holding the status of a social enterprise. The qualifying condition for granting the contribution is to conclude a temporary employment contract for at least half of the set weekly working time with a disadvantaged jobseeker.

In 2012, the creation of 139 jobs in a social enterprise was supported, meaning a decrease of 48 jobs against 2011. The largest number of supported jobs was in the Nitra region (57). The total contracted amount of funds was  $\in$ 863 400.24.

# Contribution to support employment for implementing flood protection measures and dealing with consequences of emergency (§ 50j)

The contribution is granted to an employer who recruits for a created job a jobseeker registered in the jobseeker register for at least three months, provided that the employment is agreed within the set weekly working time and for a type of work related to the implementation of flood protection measures or to dealing with the consequences of emergency.

The contribution is granted on a monthly basis in the amount of 95% of the total price of work of the employee, at most in the amount of the total price of work calculated of the double of subsistence minimum provided to an adult, as applicable to the first day of the calendar month for which the contribution is granted. The contribution is provided for calendar months during which the agreed type of work is being performed in the created job. The employer, who is a municipality or a legal entity, the founder authority of which is the municipality, and who creates the job in the district in which the average registered unemployment rate, as calculated of the available number of jobseekers, published by the LSA&F headquarters for a calendar year preceding the calendar year in which the agreement is concluded, is greater than 25%, is granted the contribution for no longer than six calendar months. The employer is concurrently granted a lump-sum contribution to cover part of costs incurred for work tools needed for implementing the flood protection measures or for dealing with consequences of emergency, in an amount up to 95% of documented costs, at most €40 per a job created.

In 2012, 5 499 jobseekers were supported, in a total amount of contracted funds of €16 940 943.32. Most jobseekers were supported in the Prešov region – 1 261 jobseekers, i.e. 23% of the total number of jobseekers using this tool.

### Contribution for conducting school-leaver practice (§ 51)

The aim of school-leaver practice is to ensure the acquisition of professional skills and practical experience with an employer that would correspond to the attained education level of a graduate, as well as to acquire and enhance professional skills or practical experience that would expand the graduates' options in the labour market, and thus directly influence the employability of jobseekers. School-leaver practice is a successful and effective ALMM tool. Among the employers the greatest demand for school-leaver practice is expressed from the side of the state and public organisations which prefer graduates from economic schools with certificate or graduates from high schools. Likewise businesses performing their activities in this field express high interest. School-leaver

practice help graduates find jobs within their profession. It allows them the first contact with practice while acquiring the required skills.

In 2012, 16 442 jobseekers were included for school-leaver practice, which was 853 jobseekers fewer than in 2011. The largest number of jobseekers included for school-leaver practice came from the Prešov region, 3 660 jobseekers, i.e. 22% of the total number of those included. In 2012 the total contracted amount of contribution reached  $\[ \in \]$  16 952 732.76, which was  $\[ \in \]$  292.46 less than in 2011.

An important indicator in evaluating this measure is the placement of jobseekers after attending school-leaver practice. In 2012, 14 358 jobseekers completed their school-leaver practice, of which 13% of jobseekers (1 846 graduates) were recruited within 1 month after completion, **2 242** jobseekers (15.6%) within 3 months, **1 011** jobseekers (7%) within 6 months and 1 220 jobseekers (8.5%) after the period of 6 months.

# Contribution for activation activity in form of minor community services for a municipality or in form of small community services for a self-governing region (§ 52)

Activation activity in the form of small community services for a municipality or in the form of small community services for a self-governing region stands for the promotion of retaining work habits of the long-term unemployed receiving material-need benefits and allowances related to material-need benefits. Small community services for a municipality or a self-governing region are performed by a long-term unemployed person continuously for no longer than six calendar months, in the scope of at most 20 hours per week except the starting week, with the possibility of repetition at most during next twelve calendar months. The LSA&F office provides to a municipality or a self-governing region a contribution that may be used for covering part of expenses outlaid on personal protective equipment, accident insurance for the long-term unemployed, part of expenses for work tools and part of further costs related to the performance of the small community services for a municipality and for covering part of the total labour cost the employee organising the activation activity.

In 2012, 18 844 jobseekers were performing the activation activity in the form of small community services for a municipality or in the form of small community services for a self-governing region, which was 3 690 jobseekers fewer than in 2011. The most jobseekers included under this contribution came from the Banská Bystrica region, 5 891 jobseekers, representing 31% of the total number of the supported jobseekers. The total contracted amount of funds was  $\epsilon$ 3 530 060.67, which is  $\epsilon$ 701 493.20 less than in 2011.

#### Contribution for activation activity in form of voluntary service (§ 52a)

Voluntary service is a form of activating jobseekers by performing a voluntary activity the aim of which is to gain practical experience for the labour market needs. During the performance of voluntary service the LSA&F office provides the jobseeker a contribution in the amount of subsistence minimum granted to an adult, to cover essential meal, accommodation and travel costs from the place of residence or temporary residence to the place where voluntary services are performed.

In 2012, 5 254 jobseekers were included for the activation activity in the form of voluntary services, which is 540 jobseekers fewer against 2011. The greatest demand for this contribution came from the Banská Bystrica region, with 1 284 enrolled jobseekers. Women formed a 75% share in the number of persons enrolled through this measure, in the number of 3 936 women. The total amount of contracted funds was  $€6\ 100\ 426.89$ , which was  $€350\ 590.28$  less than in 2011.

### Contribution for commuting to work (§ 53)

The contribution is provided monthly to cover part of travel cost incurred in commuting from the place of residence or temporary residence of an employee to the place of employment, as specified in the employment contract, and back, or to cover part of travel cost for commuting from the place of residence or temporary residence of a person to the place of performing self-employment and back.

In 2012, 16 136 persons benefited from the contribution, which is 1 642 fewer than in the previous year. The greatest number of recipients (3 104 persons) came from the Prešov region. The proportion of women in the total number of recipients was 54.0%. The total contracted amount of funds was  $\in$ 4 918 369.69, which is  $\in$ 234 202.34 less than in 2011.

#### Contribution for relocation for work (§ 53a)

The contribution for relocation for work is provided to jobseekers as a reimbursement of part of the expenses related to moving from the place of residence to a new place of residence within the Slovak Republic, in connection with obtaining employment. The claim to this contribution is granted to a person registered as a jobseeker for at least 3 months and as long as the new place of residence in the Slovak Republic is at least 50 km far from the original place of residence.

In 2012, the contribution was granted to 66 persons (an increase of 5 persons against 2011) in a total amount of €63 091.27. The highest demand for the contribution was recorded in the Žilina region. The proportion of women in the total number of recipients was 64%.

#### Contribution for transport to work (§ 53b)

The contribution for transport to work may be granted by the LSA&F office to an employer on the basis of a concluded written agreement, provided that the employer daily ensures the transport of its staff to work and back for the reason that provably there is no public transport at all or that it is not corresponding to the scope of the employer's needs.

In 2012 the contribution for transport to work was not used.

#### Implementation of pilot projects (§ 54)

Pilot projects are deemed to be active labour market measures intended for verifying the new active measures in the labour market and are funded from the European Social Fund and co-financed from the state budget, or that are funded from the state budget.

In the framework of this measure 320 persons were supported via pilot projects in the total amount of €1 247 812.66.

#### Employment training for a disabled person and eligible costs (§ 55a, § 55b, § 55c)

Employment training of disabled persons in the form of training or preparation for work is defined in § 55a, § 55b and § 55c of the Employment Services Act. The articles include a new, as yet unclaimed, tool for a disadvantaged group of disabled persons the aim of which is to promote targeted employment training for disabled persons, their recruitment and retention in the open labour market, and this by expanding, strengthening or developing their specific skills and work experience. The aim is, also in this form, to promote the employers' motivation to employ disabled persons in creating conditions of sustainable paid employment and thereby also improvement in financial and existential independence of disabled persons from benefits. Employment training for a disabled person involves obtaining the required professional skills and practical experience by training for employment at an educational facility, employer's workplace or sheltered workshop or sheltered workplace.

In 2012 the contribution for employment of a disabled person was not used.

# Contribution for the establishment of a sheltered workshop or sheltered workplace or their preservation ( $\S$ 56)

The contribution for the establishment of a sheltered workshop or sheltered workplace is provided by the LSA&F office to an employer who recruits a disabled person for the created job in the sheltered workshop or sheltered workplace. The level of the contribution under § 56 depends on the average unemployment rate registered in the district in which the employer establishes a sheltered workshop or sheltered workplace and on the employer's legal form and line of business. The application for the contribution includes a business plan, calculation of the estimated costs for establishing a sheltered workshop or sheltered workplace and a calculation of total labour cost for the disabled persons. The duration of preservation of the created job at a sheltered workshop or sheltered workplace is at least 2 years in small or medium-sized enterprises and at least 3 years in other businesses.

Given the financial advantageousness for non-business entities, the creation of 2 026 jobs was supported in 2012. The total contracted amount was  $\in$ 17 656 995.37, an increase of  $\in$ 193 446 against 2011. The greatest demand for the contribution was recorded in the Prešov region, where 365 jobs were created.

#### Contribution for retention of a disabled person in employment (§ 56a)

The aim of this measure is to keep disabled persons in employment by means of granting an employer a contribution to partially reimburse its reduced productivity of disabled employees. The contribution is provided to employers employing disabled persons in more than 25% of their average registered number of employees.

In 2012 this measure supported 453 disabled persons, which is 148 persons more than in 2011. The share of supported women was 42% in the total number of the persons supported. The largest demand for the contribution came from the Nitra region, where 141 persons were supported. The total amount of the contribution provided was  $\in$ 884 807.85, which is  $\in$ 257 343.73 more than in 2011.

#### Contribution for a disabled person to run or perform self-employment (§ 57)

A disabled person is granted a contribution for starting up or performing self-employment if they start up or perform self-employment in a sheltered workshop or sheltered workplace to cover costs related to self-employment.

By means of this measure 536 jobs for self-employment of disabled persons were supported in 2012, which was 13 jobs more than in 2011. The contribution was used most in the Žilina region, where 115 jobs were created. Women using this tool accounted for 43% of the total number of jobs created. The total contracted contribution was  $\in$ 4 741 475.46, an increase of  $\in$ 128 042.08 against 2011.

## Contribution for renewal or technical evaluation of tangible assets of sheltered workshop or sheltered workplace (§ 57a)

An employer who operates a sheltered workshop or sheltered workplace or a disabled person who runs or performs self-employment in a sheltered workshop or sheltered workplace may be granted, upon a written request, a contribution for renewal or technical evaluation of tangible assets of a sheltered workshop or a sheltered workplace by a LSA&F office. The renewal of tangible assets stands for the purchase of new tangible assets. Technical evaluation of tangible assets means technical evaluation under separate regulations.

#### Contribution for activity of a work assistant (§ 59)

The aim of this measure is to create conditions for performance of employment for disabled persons. The contribution for activity of a work assistant is provided to an employer or a self-employed disabled person.

The LSA&F offices supported 601 jobs of work assistants in 2012, which was 52 more than in 2011. Most jobs (132) were supported in the Trenčín region. The share of women in the total number of jobs supported was 62%. The total amount of contracted funds was €4 098 860.86, which is €611 376.21 more than in 2011.

## Contribution for reimbursement of operating costs of a sheltered workshop or sheltered workplace and for reimbursement of employee transportation costs (§ 60)

The contribution for reimbursement of operating costs of a sheltered workshop or sheltered workplace and for reimbursement of employee transportation costs is granted to a legal entity or natural person upon written request made not later than by the end of the first calendar month of the quarter following the quarter for which the contribution is sought.

In 2012, 6 013 jobs were supported by means of this measure, which is an increase of 791 jobs against 2011. The total contracted amount for reimbursement of costs was  $\in$ 15 771 944.10 (of which  $\in$ 15 749 992.3 was for operating costs and  $\in$ 21 951.8 for employees' transportation costs).

Table 5 Average contracted amount of funds per created/filled job, or enrolled person, or supported job (in  $\mathfrak E$ )

ALMM tool	2011	2012
§ 32	11	11
§ 43 (7)	13	13
§ 43 (10)	25	35
§ 43 (11)	0	0
§ 46	134	383
§ 47	0	0
§ 48b	295	282
§ 49	3 413	3 382
§ 49a	555	802
§ 50	2 288	2 433
§ 50a	4 251	4 256
§ 50c	5 817	6 212
§ 50d	645	-
§ 50i	3 195	-
§ 50j	2 948	3 081
§ 51	995	1 031
§ 52	188	187
§ 52a	1 113	1 161
§ 53	290	305
§ 53a	1 010	956
§ 53b	56	0
§ 54	186	3 899
§ 55a	0	0
§ 56	8 624	8 715
§ 56a	2 057	1 953
§ 57	8 821	8 846
§ 59	6 352	6 820
§ 60	2 561	2 623

Source: LSA&F Headquarters as at 31.12. 2012

Explanatory notes: — did not occur

Table 6 Average gross monthly wage in business and non-business sector by education – 2012

(in €)

Education	В	usiness sec	ctor	Non-business sector		
Education	Total	Men	Women	Total	Men	Women
Total SR	919	1 016	779	754	851	717
Elementary	602	690	518	421	481	403
Vocational	705	775	554	471	563	417
Secondary (no certificate)	656	720	557	502	585	456
Vocational with certificate	826	916	661	668	800	583
Completed secondary comprehensive	868	1 002	759	690	806	663
Completed secondary vocational	891	997	790	689	722	683
High an acception of	1 02	1 244	892	832	826	834
Higher vocational	8					
University 1 <sup>st</sup> degree	1 08	1 343	902	766	843	745
Offiversity 1 degree	9					
University 2 <sup>nd</sup> degree	1 58	1 780	1 300	913	1 000	876
University 2 degree	6					
University 3 <sup>rd</sup> degree	2 17	2 483	1 501	1 15	1 193	1 091
Offiversity 5 degree	9			2		

Source: Trexima, Information system on average earnings Q4 2012

Table 7 Average gross monthly wage in business and non-business sector by main SK ISCO-08 class and gender -2012

(in €)

Main SK ISCO-08 class	Bu	ısiness sec	tor	Non-business sector			
Walli SK ISCO-08 class	Total	Men	Women	Total	Men	Women	
Total SR	919	1 016	779	754	851	717	
Legislators, managers and managerial staff	2 114	2 331	1 650	1 357	1 573	1 174	
Scientific and knowledge workers	1 447	1 635	1 228	839	904	817	
Technicians, medical staff, teaching staff	1 051	1 171	925	752	806	738	
Lower administrative staff (officials)	754	833	720	649	673	646	
Operating staff in services and trade	577	645	537	552	731	451	
Qualified workers in agriculture, forestry	600	631	553	491	499	481	
Craftsmen and qualified workers in affiliated professions	786	836	574	573	583	486	
Servicing of machines and equipment	726	772	604	623	634	413	
Ancillary and unqualified staff	521	591	451	401	464	381	

Source: Trexima, Information system on average earnings Q4 2012

Table 8 Average gross monthly wage in business and non-business sector by age - 2012

(in €)

Age group	<b>Business sector</b>	Non-business sector
Total	919	754
up to 20	529	407
20 – 24	641	551
25 – 29	857	687
30 – 34	1 008	736
35 – 39	1 013	750
40 – 44	970	772
45 – 49	916	751
50 – 54	886	763
55 – 59	871	768
60 +	940	817

Source: Trexima, Information system on average earnings Q4 2012

Table 9 Average gross monthly wage in business and non-business sector by region – 2012  $(in \ \in)$ 

Region	<b>Business sector</b>	Non-business sector
Total	919	754
Bratislava	1 256	878
Trnava	867	736
Trenčín	806	722
Nitra	787	707
Žilina	828	750
Banská Bystrica	778	719
Prešov	703	713
Košice	886	737

Source: Trexima, Information system on average earnings Q4 2012

Table 10 Average gross monthly wage and selected wage components of employees by gender -2012

(in €)

GEND	ED /	AVERAGE	OF WHICH COMPONENTS OF AVERAGE GROSS MONTHLY WAGE					
WAC COMPO	<b>SE</b>	GROSS MONTHLY WAGE	basic wage	bonuses and remunerations	increments and additional payments	wage compensations	other wage components	
Total	€	878	588	97	61	103	28	
10tai	%	100	67	11	7	12	3	
Men	€	994	651	126	67	114	35	
IVICII	%	100	66	13	7	12	4	
Women	€	756	522	67	54	92	20	
vv oillell	%	100	69	9	8	12	3	

Source: Trexima, Information system on average earnings Q4 2012

Table 11 Proportions of employees in the bands of average monthly gross wage – 2012

		Proportions of employees by main ISCO classes (%)								
Wage band of the average monthly gross wage (€)	Total	1	2	3	4	5	6	7	8	9
less than 200	0.91	0.11	1.05	0.68	0.57	2.05	0.47	0.17	0.19	2.68
200.01 - 250	0.49	0.09	0.50	0.22	0.42	1.37	0.18	0.13	0.08	1.69
250.01 - 300	0.72	0.14	0.59	0.22	0.63	1.62	0.39	0.39	0.28	2.72
300.01 - 350	3.04	0.29	0.77	0.65	1.76	4.70	5.37	2.87	1.84	12.2
350.01 – 400	5.00	0.41	1.00	1.01	3.24	9.86	7.33	3.88	5.12	18.1
400.01 – 450	5.43	0.76	1.19	1.65	5.02	12.95	9.95	4.64	6.85	11.3
450.01 - 500	5.80	1.10	1.83	2.39	7.94	12.29	10.49	5.40	7.10	9.90
500.01 - 550	6.11	1.34	2.48	3.47	9.27	11.06	11.84	5.89	8.00	8.42
550.01 - 600	6.23	1.64	3.51	4.67	8.90	9.14	10.44	6.54	8.01	7.33
600.01 - 650	6.37	2.24	4.68	5.48	8.41	7.20	9.05	7.40	8.30	5.97
650.01 - 700	6.44	2.91	5.19	6.01	7.86	5.68	8.20	7.72	9.12	4.61
700.01 - 750	5.89	2.63	4.96	6.02	6.64	4.43	5.80	7.38	8.38	3.60
750.01 - 800	5.33	2.26	5.19	6.29	5.75	3.65	5.03	6.76	6.81	2.90
800.01 - 850	4.81	2.26	5.55	6.35	5.17	2.82	4.22	5.69	5.54	2.20
850.01 – 900	4.29	2.16	5.52	6.20	4.53	2.03	3.15	4.77	4.43	1.74
900.01 – 950	3.83	2.40	5.03	5.85	3.85	1.57	2.38	4.21	3.56	1.27
950.01 – 1 000	3.29	2.59	4.67	5.03	3.06	1.23	1.90	3.66	2.96	0.90
1 000.01 – 1 100	5.18	4.74	7.62	7.87	4.73	1.90	1.82	6.02	4.43	0.95
1 100.01 – 1 200	3.86	4.70	5.62	5.98	3.21	1.51	1.07	4.81	2.74	0.64
1 200.01 – 1 300	3.00	4.70	4.65	4.82	2.31	0.98	0.55	3.55	1.90	0.37
1 300.01 – 1 400	2.36	4.69	3.90	3.76	1.64	0.56	0.13	2.59	1.35	0.20
1 400.01 – 1 500	1.87	4.36	3.30	3.07	1.25	0.35	0.08	1.82	0.97	0.12
1 500.01 – 1 600	1.51	3.72	2.79	2.47	1.04	0.25	0.08	1.22	0.80	0.06
1 600.01 – 1 700	1.17	3.24	2.35	1.92	0.70	0.16	0.03	0.83	0.48	0.05
1 700.01 – 1 800	0.95	2.89	2.06	1.54	0.49	0.13	0.02	0.60	0.30	0.02
1 800.01 – 1 900	0.75	2.73	1.69	1.18	0.35	0.07	0.02	0.39	0.18	0.02
$1\ 900.01 - 2\ 000$	0.62	2.50	1.50	0.88	0.27	0.08	0.02	0.21	0.12	0.00
2 000.01 – 2 100	0.52	2.38	1.28	0.73	0.16	0.05	-	0.16	0.07	-
2 100.01 – 2 200	0.43	2.10	1.08	0.56	0.14	0.05	-	0.09	0.03	-
2 200.01 – 2 300	0.38	1.97	1.02	0.44	0.12	0.05	0.02	0.06	0.02	-
11 or more times	3.42	29.94	7.43	2.59	0.56	0.22	-	0.15	0.03	-

Source: Trexima, Information system on average earnings Q4 2012

Note: data for all employees, regardless the work time

Main classes of statistical classification of employment (SK ISCO-08)

<sup>1 –</sup> legislators, managers and managerial staff, 2 – Scientific and knowledge workers, 3 – Technicians, medical staff, teaching staff, 4 – Lower administrative staff, 5 – Operating staff in services and trade, 6 – Qualified workers in agriculture, forestry, 7 – Craftsmen and qualified workers in affiliated professions, 8 – Servicing of machines and equipment, 9 – Ancillary and unqualified staff

Table 12 Average hourly earnings by region in business sector - Q4 2012

Region	€/hour
Bratislava	7.16
Trnava	4.94
Trenčín	4.76
Nitra	4.60
Žilina	4.90
Banská Bystrica	4.56
Prešov	4.12
Košice	5.24

Source: Trexima, Information system on average earnings Q4 2012

Table 13 Average hourly earning by field in business sector – Q4 2012

SK NACE rev. 2 category	€/hour
A Agriculture, forestry and fishing	4.13
B Mining and quarrying	5.48
C Manufacturing	5.28
D Electricity, gas, steam and cold air supply	8.60
E Water supply; sewerage, waste management and remediation activities	5.15
F Construction	4.79
G Wholesale & retail trade; repair of motor vehicles and motorcycles	4.84
H Transportation and storage	4.95
I Accommodation and catering services	3.33
J Information and communication	9.93
K Financial and insurance activities	9.53
L Real-estate activities	5.52
M Professional, scientific and technical activities	6.65
N Administrative and support services	3.70
O Public administration and defence; compulsory social security	8.12
P Education	5.31
Q Health care and social assistance	5.26
R Arts, entertainment and recreation	4.20
S Other activities	4.34

Source: Trexima, Information system on average earnings Q4 2012

Table 14 Average hourly earnings by business size in business sector – Q4 2012

Business size (number of employees)	€/hour
1 – 9	4.65
10 – 19	4.61
20 – 49	4.81
50 – 99	5.20
100 – 249	5.32
250 – 499	5.62
500 – 999	5.69
1 000 +	6.01

Source: Trexima, Information system on average earnings Q4 2012

Table 15 Average hourly earning by age in business sector – Q4 2012

Age group	(€/hour)
up to 20	3.19
20 – 24	3.75
25 – 29	4.95
30 – 34	5.84
35 – 39	5.90
40 – 44	5.69
45 – 49	5.36
50 – 54	5.26
55 – 59	5.16
60 +	5.64

Source: Trexima, Information system on average earnings Q4 2012

Table 16 Average hourly earning by gender in business sector – Q4 2012

- N	m . 1	Gen	Share (%)	
Indicator	Total	Men	Women	Women Men
Average hourly earnings (€/hour)	5.35	5.84	4.65	80

Source: Trexima, Information system on average earnings Q4 2012

### Table 17 Monthly labour costs per employee in the SR in 2011, by industry

in €/employee/month

					of wh	nich		proyectmoni
CIZ NIA CIE Dani 2	Total	40401	of '	which	02 112	1	hich	subventions
SK NACE Rev. 2 category	labour costs	total direct labour costs	wages	wage compensat ions	total indirect costs	compulsory social security contributions	optional social security contributions	
National average	1 172	853	748	96	320	280	7	-1
A Agriculture, forestry and fishing	950	689	603	80	261	234	4	0
B Mining and quarrying	1 320	942	814	117	378	321	17	-
C Manufacturing	1 166	845	736	100	321	280	8	-1
D Electricity, gas, steam and cold air supply	2 003	1 366	1 131	176	637	447	42	0
E Water supply	1 199	842	714	113	366	284	18	-10
F Construction	1 088	791	683	91	298	253	4	0
G Wholesale & retail trade	1 121	828	738	83	293	265	3	0
H Transportation and storage	1 073	772	672	93	307	262	10	-6
I Accommodation and catering services	681	500	447	51	182	167	1	-1
J Information and communication	2 115	1 575	1 397	161	542	469	11	-2
K Financial and insurance activities	2 139	1 576	1 366	180	563	465	18	-
L Real-estate activities	1 162	850	754	87	311	280	5	-
M Professional, scientific and technical activities	1 512	1 127	1 009	109	386	344	5	-1
N Administrative and support services	859	633	569	61	226	204	2	-1
O Public administration and defence	1 222	876	791	83	346	297	7	0
P Education	981	715	604	110	268	248	4	-1
Q Health care and social assistance	1 062	779	679	88	284	264	4	-1
R Arts, entertainment and recreation	926	678	606	69	248	227	3	0
S Other activities	882	647	572	67	238	220	1	-4

Source: SO SR, statistical survey on total labour costs

Note: - did not occur



Table 1 Expenditures of the basic fund of sickness insurance (BFSI) and sickness insurance benefits in 2012

Benefits paid (€ '000)	January	February	March	April	May	June	1 <sup>st</sup> half of 2012
Sickness benefit	25 263.0	28 453.7	29 387.2	28 420.7	24 248.1	23 220.2	158 992.8
Nursing benefit	1 175.6	871.9	1 004.7	926.3	811.8	688.4	5 478.6
Equalisation benefit	3.6	3.5	3.6	6.8	5.8	5.2	28.4
Maternity benefit	9 811.0	10 643.0	9 891.9	10 483.9	10 073.0	10 578.5	61 481.2
Total	36 253.1	39 972.0	40 287.4	39 837.6	35 138.6	34 492.3	198 632.1
Accounted benefits §122 (8)	0	0	0	0	0	0	0
Total expenditures of BFSI	36 253.1	39 972.0	40 287.4	39 837.6	35 138.6	34 492.3	225 981.1

Benefits paid (€)	July	August	September	October	November	December	2012
Sickness benefit	21 303.3	21 153.0	20 750.3	20 567.1	22 984.8	23 913.3	289 664.6
Nursing benefit	650.8	589.1	652.36	614.8	866.2	718.2	9 570.1
Equalisation benefit	6.0	6.0	3.4	3.0	3.8	2.9	52.5
Maternity benefit	10 474.7	11 189.4	11 479.8	11 280.1	11 678.8	11 289.2	128 873.3
Total	32 433.8	32 937.6	32 885.8	32 465.0	35 533.6	35 923.7	428 160.5
Accounted benefits §122 (8)	0	0	0	0	0	-0.4	-0.4
Total expenditures of BFSI	32 433.8	32 937.6	32 885.8	32 465.0	35 533.6	32 370.6	428 160.1

Number of case of accounted benefits	January	February	March	April	May	June	1 <sup>st</sup> half of 2012
Sickness benefit	115 037	129 649	134 904	127 909	110 508	101 140	719 147
Nursing benefit	14 974	10 545	14 200	13 284	11 745	9 602	74 350
Equalisation benefit	71	64	76	100	109	93	513
Maternity benefit	24 127	24 362	23 894	23 583	23 399	23 388	142 753
Total	154 209	164 620	173 074	164 876	145 761	134 223	936 763

Number of case of accounted benefits	July	August	September	October	November	December	2012
Sickness benefit	95 816	91 775	89 218	93 867	103 902	106 925	1 300 650
Nursing benefit	9 369	7 749	7 774	7 778	11 232	10 190	128 442
Equalisation benefit	89	93	69	59	85	58	966
Maternity benefit	23 627	24 414	24 785	24 965	25 066	25 044	290 654
Total	128 901	124 031	121 846	126 669	140 285	142 217	1 720 712

Average monthly amount of benefit (€)	January	February	March	April	May	June	1 <sup>st</sup> half of 2012
Sickness benefit	220.9	219.8	218.8	223.00	220.2	230.4	222.2
Nursing benefit	79.4	82.3	71.1	70.0	69.4	71.9	74.0
Equalisation benefit	50.4	54.4	48.1	68.5	53.1	56.0	55.1
Maternity benefit	406.9	437.0	414.1	444.8	430.7	452.6	431.0

Average monthly amount of benefit (€)		August	September	October	November	December	2012
Sickness benefit	223.2	231.3	233.8	219.9	221.9	224.5	222.7
Nursing benefit	69.7	76.3	84.4	79.3	77.4	70.8	74.5
Equalisation benefit	55.8	64.9	49.8	55.3	44.45	49.4	54.4
Maternity benefit	443.8	458.5	463.5	452.0	466.4	451.0	443.4

Table 2 Number of beneficiaries of solo paid pensions and pensions overlapping with widow's/widower's pension as at 31.12.2012

Type of pension	Number of solo paid pensions (individually)	Number of pensions overlapping (with widow's/widower's pension)	Total number of pensioners
Old-age	693 078	287 786	980 864
Early retirement	23 608	796	24 404
Invalidity (including 7 800 disabled from youth)	228 370	7 231	235 601
Widow's – solo	35 367	X	35 367
Widower's – solo	5 697	X	5 697
Orphan's	26 923	X	26 923
Spouse pension	1 030	X	1 030
Social	2 319	X	2 319
TOTAL	1 016 392	295 813	1 312 205

Table 3 Number of pension beneficiaries and amount of solo pension benefit by gender

Type of pension	Number of beneficiaries as at 31.12.2012	Average amount as at 31.12.2012
Old-age	980 863	375.9
men	343 630	427.8
women	637 233	333.4
Early retirement	24 404	374.5
men	18 491	392.2
women	5 913	316.0
Invalidity	227 801	260.9
men	119 481	285.1
women	108 320	233.0
Widow's (women) solo	35 367	229.7
Widower's (men) solo	5 697	175.9
Orphan's	26 923	128.2
men	7 260	123.4
women	19 663	130.0
Total	1 301 055	X

Table 4 Distribution of pension beneficiaries by amount of pension benefit

	N	umber of pension	n beneficiaries	: men and v	women total	
Amount of pension (€)	Old-age solo + old-age overlapping with widow's and widower's	Early retirement solo + Early retirement overlapping with widow's and widower's	Invalidity solo* + invalidity overlapping with widow's and widower's	Widow's – solo	Widower's – solo	Orphan's
up to 130	8 370	53	18 653	1 428	1 663	14 249
130.1 - 200	17 105	95	61 932	7 712	2 352	10 466
200.1 - 265	59 647	2 893	43 405	19 494	1 282	1 496
265.1 - 325	185 357	6 261	51 727	4 491	266	472
325.1 – 425	433 741	8 518	42 616	1 833	111	183
425.1 - 530	191 311	4 231	11 687	343	22	37
530.1 – 665	59 476	1 711	4 263	62	0	20
over 665.1	25 857	642	1 318	4	1	0
Total	980 864	24 404	235 601	35 367	5 697	26 923

<sup>\*</sup> including the disabled from youth pensions

Table 5 Overview of funds spent in pension benefits as at 31.12.2012

	Basic fund of old-age insurance (BFO-AI)(€ '000)	Basic fund of invalidity insurance (BFII) (€ '000)	Total
Type of pension	Expenditures	Expenditures	Expenditures
Old-age	4 165 740	X	4 165 740
Early retirement	128 032	X	128 032
Invalidity	X	722 918	722 918
Widow's	428 324	105 520	533 844
Widower's	34 746	11 423	46 169
Orphan's	3 362	39 439	42 801
Total	4 760 204	879 300	5 639 504
Accounted benefits §112 (9) 461/2003 Coll.	137	189	326
sub-total	4 760 341	879 489	5 639 830
Benefits paid by state			
spouse pension			292
social pension			6 063
increase for immobility			5 526
increase for the sole source of income			151
increase for resistance, rehabilitation and deportation			8 413
bonus for political prisoners			3 021
bonuses for civil service			365
disabled in youth			22 429
Christmas allowance – add. payment 2006			1
Christmas allowance – add. payment 2007			2
Christmas allowance – add. payment 2008			16
Christmas allowance – add. payment 2009			74
Christmas allowance – add. payment 2010			158
Christmas allowance – add. payment 2011			1 015
Christmas allowance – 2012			60 509
Christmas allowance – total paid out 2012			61 775
Total			109 858
Grand total*)			5 749 688

Table 6 Expenditures of the basic accident insurance fund (BAIF) in 2012

(€ '000)

Type of benefit	January	February	March	April	May	June	1 <sup>st</sup> half of 2012
additional injury benefit	281	293	293	301	299	279	1 746
injury rent	1 851	1 813	1 939	1 815	1 811	1 849	11 079
lump-sum settlement	33	31	12	16	32	22	146
survivor's injury rent	27	27	27	34	27	27	169
lump-sum compensation	-18	105	51	40	21	183	382
professional rehabilitation and rehabilitiation 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	1 218	987	1 137	1 309	1 455	1 090	7 196
compensation for medical costs	12	8	6	8	8	8	51
funeral expenses reimbursement	4	5	12	4	2	10	36
claims from previous years	28	42	67	17	0	38	192
accounted benefits under §112 (8)	0	-13	-17	-19	-9	-14	-72
Total	3 435	3 299	3 527	3 524	3 647	3 493	20 996
18% transfer of funds to BAIF for receiving accidntal rent	172	190	184	190	184	186	1 106
Total expenditures of BAIF	3 607	3 489	3 711	3 713	3 831	3 679	22 030

Type of benefit	July	August	September	October	November	December	2012
additional injury benefit	255	297	270	275	272	264	3 378
injury rent	1 891	1 873	1 902	1 857	1 876	1 799	22 277
lump-sum settlement	23	9	14	18	23	11	242
survivor's injury rent	27	27	25	28	27	27	328
lump-sum compensation	76	27	15	38	79	74	690
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	1 213	1 316	1 028	948	910	925	13 536
compensation for medical costs	5	8	8	13	9	12	106
funeral expenses reimbursement	11	5	7	7	3	11	80
claims from previous years	62	34	0	0	26	84	398
accounted benefits under §112 (8)	-8	-9	-5	-14	-9	-8	-125
Total	3 553	3 586	3 264	3 169	3 216	3 198	40 910
18% transfer of funds to BAIF for receiving accidntal rent	203	203	188	220	200	194	2 306
Total expenditures of BAIF	3 748	3 788	3 452	3 390	3 416	3 392	43 216

Table 7 Average amount and number of paid benefits of accident insurance in 2012

Type of accident benefit	Total number of benefits paid as	Average amount of accident insurance
	at 31.12.2012	benefit (€)
Compensation for loss of earnings during work incapability*	3	1 121.13
Compensation for loss of earnings after work incapability	64	1 107.26
Compensation of loss in pension income	0	0
Reimbursement of subsistence of survivors costs	1	1 926.58
Pain compensation	8	5 471.62
Compensation for difficulties with social reintegration	20	16 755.61
Compensation for medical expenses	26	51.97
Funeral expenses reimbursement	0	0
Lump-sum compensation for survivors	0	0
Compensation for loss of earnings during work incapability after 1.1.2004	0	0
Pain compensation under §99 of the Social Insurance Act**	8 613	682.68
Compensation for difficulties with social integration under §99 of the Social Insurance Act	1 666	4 596.89
Compensation for medical expenses under §100 of the Social Insurance Act	1 044	101.87
Funeral expenses reimbursement under §101 of the Social Insurance Act	60	1 335.8
Lump-sum settlement under §90 of the Social Insurance Act	102	2 377.33
Lump-sum compensation under §94 of the Social Insurance Act	58	11 896.81
Additional injury benefit under §85 of the Social Insurance Act	27 672	122.07
Professional rehabilitation	0	0
Rehabilitation benefit	0	0
Retraining	0	0
Retraining benefit	0	0
Injury rent	81 524	278.83
Survivor's injury rent	2 767	119.56

Table 8 State benefits related to accident insurance

	Amount of paid benefits (€ '000)
Compensation for occupational accidents and occupational diseases of employees of cancelled employers founded by the state or the National Property Fund of the SR	410
Benefits resulting from employer's liability for damage from occupational accidents and occupational diseases arising before 1 April 2002 at the employer who had the status of the civil authority under a separate regulation	43
Injury benefits provided to individuals as specified under § 17 (2) and (3) of the Social Insurance Act	2
Liability of the state for injury to health incurred by soldiers under compulsory military service (indemnity under §293 (6))	9

<sup>\*</sup> Benefits in rows 1-10 are paid under legal regulations in force until 31. 12. 2003

<sup>\*\*</sup> Benefits in rows 11-23 are paid under the Social Insurance Act (including the retraining injury rents)

Table 9 Expenditures of the basic fund of employer insolvency insurance (BFGI) in 2012

	Ехр	enditures of BFEII	(€ '000)
Period	for employer insolvency insurance benefit	payment of old- age pension saving contributions	Total
January	348.8	2 073.7	2 422.5
February	1 007.8	0	1 007.8
March	510.1	7 099.2	7 609.3
April	582.8	2 591.2	3 174.0
May	508.9	972.8	1 481.7
June	729.9	1 262.3	1 992.2
July	222.0	3 913 6	4 135.5
August	320.4	381.9	702.3
September	639.4	3 357.9	3 997.3
October	473.9	2 201.2	2 675.1
November	1 060.0	1 928.0	2 988.0
December	269.4	1 021.6	1 290.9
2011	6 673.3	26 803.3	33 476.6

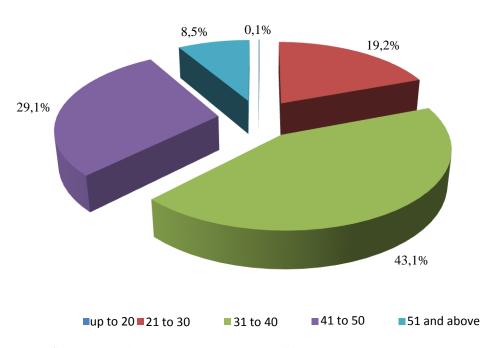
Table 10 Unemployment benefits paid, number of cases and average amount of benefit in 2012

Month		er of paid nent benefits	0	nmount of nt benefit (€)	Total amount of funds spent on unemployment benefit (€ '000)		
	2012	2011	2012	2011	2012	2011	
January	45 534	42 388	318.5	285.0	14 365	11 970	
February	50 397	49 552	308.1	281.1	15 411	13 816	
March	50 587	50 761	293.8	263.2	14 722	13 204	
April	49 380	51 045	304.9	281.1	14 934	14 243	
May	47 170	47 627	299.1	281.2	13 979	13 266	
June	47 644	48 362	309.6	289.9	14 596	13 895	
July	44 878	45 746	310.6	290.8	13 852	13 149	
August	46 252	46 379	320.2	300.9	14 733	13 817	
September	45 296	46 209	331.3	310.1	14 951	14 205	
October	45 067	45 456	317.7	299.8	14 246	13 481	
November	45 329	45 942	331.2	313.6	14 901	14 267	
December	46 493	46 738	327.2	306.7	15 139	14 196	
Total	564 027	566 205	X	X	175 828	163 509	
Average	47 002	47 184	314.4	291.9	14 652	13 626	

Table 11 Number of unemployment benefit recipients by age and gender in 2012

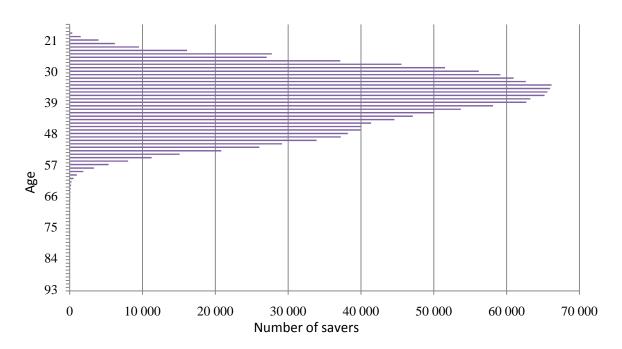
Age	men	women	total
under 19	6	4	10
20 - 24	4 630	3 589	8 219
25 - 29	10 695	9 617	20 312
30 -34	10 830	11 003	21 833
35 to 39	9 520	11 823	21 343
40 -44	7 622	9 715	17 337
45 -49	8 080	9 861	17 941
50 to 54	9 592	9 708	18 300
55 -59	9 161	6 922	16 083
over 60	2 370	63	2 433
unknown	45	40	85
Total	71 551	70 798	143 896

Graph 1 Breakdown of savers in the 2<sup>nd</sup> pillar by age as at 31. 12. 2012



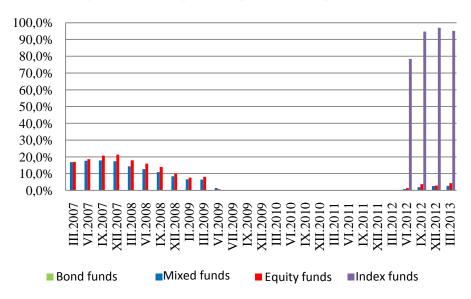
Source: Social Insurance Agency; prepared by: MoLSAF SR

Graph 2 Age structure of savers in the 2<sup>nd</sup> pillar as at 31. 12. 2012



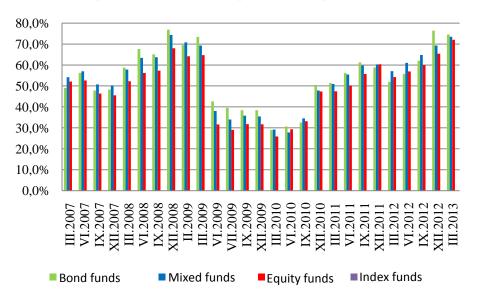
Source: Social Insurance Agency; prepared by: MoLSAF SR

Graph 3 Share of equities in pension fund portfolios



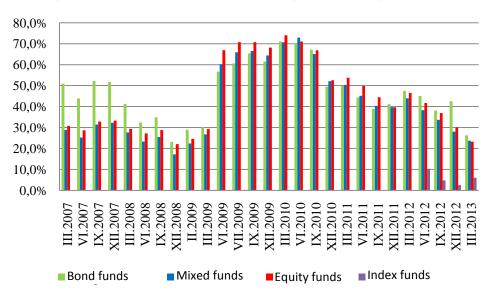
Source: Monthly administration of old-age saving pension funds, prepared by: MoLSAF SR

Graph 4 Share of bonds in pension fund portfolios



Source: Monthly administration of old-age saving pension funds, prepared by: MoLSAF SR

Graph 5 Share of financial investments in pension fund portfolios



Source: Monthly administration of old-age saving pension funds, prepared by: MoLSAF SR

Table 12 Data on the amount of assets and annual appreciation of funds of supplementary pension funds

Name of fund	Net value of assets (€)	Annual appreciation
Contributory supplementary pension funds	1 236 761 452	7.37%
Global stock pension fund AXA d.d.s., a.s., contributory supplementary		
pension fund	13 822 570	4.32%
Contributory supplementary pension fund AXA d.d.s., a.s., contributory	140 104 442	C 500/
supplementary pension fund	148 104 442	6.50%
AXA d.d.s., a.s.	161 927 012	6.32%
Supplementary pension company of Tatra banka, a.s., Conservative contributory supplementary pension fund	7 332 602	4.04%
Supplementary pension company of Tatra banka, a.s., Growth	7 332 002	4.0470
contributory supplementary pension fund	55 845 918	4.63%
Supplementary pension company of Tatra banka, a.s., Balanced		
contributory supplementary pension fund	305 694 433	5.68%
Supplementary pension company of Tatra banka, a.s., Secured		
contributory supplementary pension fund 2017	15 141 525	10.73%
Supplementary pension company of Tatra banka, a.s.	384 014 478	5.69%
Conservative contributory supplementary pension fund ING Tatry -		
Sympatia, d.d.s., a.s.	61 363 224	3.29%
Growth contributory supplementary pension fund ING Tatry – Sympatia,	15 264 314	19.46%
d.d.s., a.s.  Balanced contributory supplementary pension fund ING Tatry –	13 204 314	19.40%
Sympatia, d.d.s., a.s.	396 176 697	7.49%
ING Tatry – Sympatia, d.d.s., a.s.	472 804 235	7.33%
Stabilita stock contributory supplementary pension fund, STABILITA,	472 004 233	7.5570
d.d.s., a.s.	612 629	7.67%
Stabilita contributory supplementary pension fund, STABILITA, d.d.s.,		
a.s.	217 403 098	11.20%
STABILITA, d.d.s., a.s.	218 015 728	11.19%
Pay-out supplementary pension funds	64 364 125	4.37%
	04 304 123	4.5770
Pay-out supplementary pension fund, AEGON, d.d.s., a.s.		2.15
Pay-out supplementary pension fund AXA d.d.s., a.s.	538 939	0.42%
Supplementary pension company of Tatra banka, a.s., Pension pay-out supplementary pension fund	16 709 257	1.36%
Pension payout supplementary pension fund ING Tatry – Sympatia, d.d.s., a.s.	12 430 432	5.95%
Stabilita payout supplementary pension fund, STABILITA, d.d.s., a.s.	34 685 498	5.32%
Source: National Pank of Clovakia	54 005 <b>4</b> 70	3.3270

Source: National Bank of Slovakia

Calculation: MoLSAF SR

Explanatory notes: d.f. - pension fund

 $d.d.f.-supplementary\ pension\ fund$ 

Table 13 Trend in the number of recipients of re-socialisation benefit in 2011 and 2012

month	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	TOTAL
number of recipients 2011	200	219	287	260	287	259	251	223	285	265	247	261	3 044
number of recipients 2012	239	262	256	277	259	260	251	270	222	268	211	191	2 966

Source: SBM MIS

Table 14 Trend in fund drawing for re-socialisation benefit in 2011 and 2012

month	I	II	Ш	IV	V	VI	VII	VIII	IX	X	XI	XII.	total
Amount of funds in 2011	10 144	10 858	14 724	13 032	14 163	12 534	12 641	11 721	14 684	13 547	12 698	13 418	154 162
Amount of funds in 2012	12 171	13 402	13 743	14 011	12 691	13 352	13 119	14 264	11 799	14 480	11 022	9 901	153 955

Source: SBM MIS

Table 15 Help provided to maltreated, sexually abused and bullied children in 2012

sexually a	Help provided to maltreated, sexually abused and bullied children		Physical abuse	Psychological abuse	Sexual abuse	Bullying	Abuse for commercial purposes (pornography, prostitution)	Total
	Total		182	122	219	20	2	545
Number of	of whom	up to 6 years	50	16	26	1	0	93
registered children		up to 15 years	107	84	158	17	2	368
		up to 18 years	25	22	35	2	0	84
Number of proposals by the authority to begin prosecution		total	34	10	23	1	0	68

Source: LSA&F Headquarters

Table 16 Children placed by court decree in a facility for execution of a court order (temporary foster care, child-raising measure, institutional care and protective care)

Facilities for execu decr		2011	2012
Crisis centres		248	278
Social reintegration co	entres	43	60
Diagnostic centres		50	75
Social services homes	,	227	183
Children's homes		4 263	4 263
Do advection homes	institutional care	518	565
Re-education homes	protective care	52	52

 $Source: LSA\&F\ Headquarters$ 

Table 17 Different forms of care in the children's homes

Form of care	2011	2012
Professional families	604	683
Separate groups	290	273
Other groups	152	153

Source: LSA&F Headquarters

Table 18 Number of children and young adults placed in the different forms of care in the children's homes as at 31 December for individual years

Number of children placed in the different forms of care	2011	2012
in a professional family	1 139	1 333
in a separate group	2 573	2 500
in other groups	910	868

Source: LSA&F Headquarters

Table 19 Total number of children consigned to different forms of substitute family care in individual years

year	Substitute personal care	Foster care	Guardian- ship	Total		
2011	5 833	2 249	579	8 661		
2012	6 217	2 151	590	8 958		

Source: LSA&F Headquarters

Table 20 Basic statistics on APS0 activities for 2011 and 2012

year	Number of cases	Number of clients	Number of consultations	Number of written reports	Number of preventive and tuitional events	Number of methodological events	Number of methodological consultations	Number of employees
2011	8 670	14 543	51 785	3 649	318	467	2 050	81
2012	8 983	16 373	52 173	4 289	177	385	1 999	81

Source: LSA&F Headquarters

Table 21 Activities of the advisory and psychological services offices in 2011 and 2012

	2	011	20	12
Issue	Number of cases	Number of consultations	Number of cases	Number of consultations
Family	2 196	11 480	2 392	12 165
Divorce, post-divorce	2 119	10 747	2 249	10 381
Partnership, marriage	1 181	6 977	1 288	6 393
Personality	938	5 271	949	5 937
Substitute family care	1 017	10 052	977	9 627
Other/Miscellaneous	583	2 098	524	1 944
Drugs and other addictions	210	1 164	196	1 094
Professional family	288	3 679	340	4 455
Crisis intervention	138	317	68	177
Total	8 670	51 785	8 983	52 173

Source: LSA&F Headquarters

Table 22 Home-care service provided by municipalities

	2010	2011
Number of persons provided with home-care service	15 704	14 727
Number of home-care service employees	6 400	6 274
Current expenditure on providing home-care services (€)	26 288 703	24 217 914
Amount of income from payments for home-care services (€)	3 834 014	4 933 411
Expenditure – income difference from providing home-care service $(\mathfrak{E})$	-22 454 689	-19 284 503

Source: LSA&F SR Report 11-01

**Table 23 Transport service** 

year	Number of transport service clients	Current expenditures (€)			
2010	3 325	160 081			
2011	3 207	199 588			

Source: LSA&F SR Report 11-01

Table 24 Number of social services facilities and their capacity

		Ni	ımber of p	laces as at	t 31.12.	2010		Nı	ımber of p	laces as a	t 31.12.	2011
Type of facility	Number of facilities as at 31.12, 2010			which car			Number of facilities as at 31.12.2011			which car		
	Nur facili 31.1	Total	whole year	weekly	daily	tempo- rarily	Nur facili 31.1	Total	whole year	weekly	daily	tempo- rarily
Social services facilities total	911	38 751	34 418	651	2 226	1 397	969	38 945	34 357	67	2 262	1 363
Bratislava region	105	4 937	3 745	195	663	307	119	4 985	3 671	194	645	280
Trnava region	85	4 655	4 271	50	124	210	83	4 640	4 242	49	127	222
Trenčín region	104	4 814	4 430	93	132	151	109	4 781	4 491	86	141	61
Nitra region	96	5 279	5 078	10	99	80	100	5 306	5 101	40	96	25
Žilina region	100	4 439	4 079	73	163	119	137	4 532	4 171	80	191	42
Banská Bystrica region	184	5 330	4 750	118	349	113	169	5 286	4 639	99	419	129
Prešov region	128	4 733	3 943	63	392	335	136	4 920	3 948	67	452	453
Košice region	109	4 564	4 122	49	304	82	116	4 495	4 094	59	191	151
of which												
facility for the elderly	236	12 976	12 976	0	0	0	243	11 999	11 989	0	0	0
assisted living facility for the elderly												
social services homes for adults with physical disability	25	680	651	1	28	0	26	784	720	16	35	13
social services homes for adults with combination of disabilities	210	11 819	11 263	145	407	4	231	12 694	12 075	137	439	0
social services homes for adults with sensory disability	1	8	8	0	0	0	2	28	9	19	0	0
social services homes for adults with mental and behavioural disorders	70	4 635	4 236	86	306	0	67	4 289	3 912	82	295	0
specialised facility	21	851	781	0	64	6	44	1 234	1 090	2	130	12
day-care centre	11	150	20	0	130	0	13	207	15	4	179	0
social services homes for children with physical disability	4	191	61	74	56	0	4	200	90	54	56	0
social services homes for children with physical disability and mental and behavioural disorders	41	1 402	492	271	626	0	40	1 279	523	230	520	0
social services homes for children with mental and behavioural disorders	10	330	150	40	135	0	7	187	79	38	69	0
temporary childcare facility	9	83	64	0	0	19	4	23	23	0	0	0

### Report on the Social Situation of the Slovak Republic for 2012 Appendix to Chapter 3

	ıt	Number of places as at 31.12.2010						Nı	ımber of p	laces as a	t 31.12.2	2011
Type of facility	Number of facilities as at 31.12, 2010	Total	of which care provided				Number of acilities as at 31.12.2011	Total	of	which car	e provi	ded
			whole year	weekly	daily	tempo- rarily	Numbe facilities 31.12.2	Total	whole year	weekly	daily	tempo- rarily
assisted living facility	31	314	314	0	0	0	26	292	292	0	0	0
emergency housing facility	39	984	984	0	0	0	44	1 095	1 083	0	0	0
shelters	68	1 645	1 090	0	0	552	70	1 658	941	0	59	641
rehabilitation centres	14	376	25	0	327	0	17	429	53	38	338	0
home-care service facilities	88	1 662	1 068	34	77	476	89	1 683	1 142	54	75	412
night shelters	23	489	121	0	70	298	27	700	191	0	67	256
halfway house	10	156	114	0	0	42	15	164	130	0	0	29
TOTAL	911	38 751	34 418	651	2 226	1 397	969	38 945	34 357	674	2 262	1 363

Source: Selected data of the Statistical Office of the SR - Social services facilities in the SR

**Table 25 Residents of social services facilities** 

						of wh	ich			
Type of facility	Resid	lents	long-term	long-term disabled		persons in retirement age		nen	wor	nen
	of wl	hich	of wh	of which		of which		vhich	of which	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
social services facilities total	36 350	40 050	27164	27652	22243	23396	15033	17323	21317	22727
Bratislava region	4573	4883	2844	2770	2743	2666	1661	1890	2912	2993
Trnava region	4361	4446	3395	3549	2855	2799	1746	1775	2615	2671
Trenčín region	4468	4427	3320	3366	3299	3173	1606	1597	2862	2830
Nitra region	4931	5000	4145	4101	2886	2952	2186	2127	2745	2873
Žilina region	4322	7368	3594	3587	2747	4042	1870	3858	2452	3510
Banská Bystrica region	4796	4796	3536	3682	2845	2913	1946	1955	2850	2841
Prešov region	4530	4728	3394	3593	2293	2466	2073	2151	2457	2577
Košice region	4369	4402	2936	3004	2575	2385	1945	1970	2424	2432
of which	•	•								
old people's homes/facility for the										
elderly	12659	11849	6982	6431	11633	10753	3874	3544	8785	8305
social services homes for adults										
with physical disability	664	720	664	720	541	561	240	263	424	457
social services homes for adults										
with combination of disabilities	10943	12048	10943	12048	6376	7018	4768	5131	6175	6917
social services homes for adults										
with sensory disability	7	26	7	26	0	0	5	18	2	8
social services homes for adults										
with mental and behavioural	4416	4125	4416	4125	1501	1525	2202	2272	2112	1962
disorders	4416	4135	4416	4135	1591	1535	2303	2272	2113	1863
specialised facility	644	985	644	985	411	678	235	377	409	608
day-care centre	121	155	121	155	51	78	37	53	84	102
social services homes for children with physical disability	187	119	187	119	0	0	109	64	78	55

			of which									
Type of facility	Resid	Residents		long-term disabled		persons in retirement age		nen	women			
	of which		of wh	ich	of wh	nich	of v	vhich	of w	of which		
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011		
social services homes for children with physical disability and mental and behavioural disorders	1338	1192	1338	1192	0	0	750	663	588	529		
social services homes for children with mental and behavioural disorders	309	182	309	182	0	0	193	111	116	71		
Home-care service station/temporary childcare facility	42	19	0	0	0	0	13	8	29	11		
protected living facility/assisted living facility	239	251	82	125	17	11	145	154	94	97		
home for single parents/emergency housing facility	931	1008	9	13	14	73	358	375	573	633		
shelters	1524	1454	110	84	179	157	976	930	548	524		
rehabilitation centres	372	376	306	318	37	40	207	201	165	175		
home-care service facilities	1461	1546	1019	1097	1339	1370	437	430	1024	1116		
night shelters	378	3846	6	4	42	1116	301	2624	77	1222		
halfway house	115	139	21	18	12	6	82	105	33	34		
TOTAL	36 350	40 050	27 164	27 652	22 243	23 396	15 033	17 323	21 317	22 727		

Source: Selected data of the Statistical Office of the SR-Social services facilities in the SR

Table 26 Number of social services facilities by founder for 2010 to 2011 and number of places by founder in 2011

		as	at 31.12.2010*			as a	at 31.12.2011*	
Type of facility / founder	TOTAL facilities / of which	Mun icipa lity	Self-governing region	Non-public providers	TOTAL facilities / of which	Mun icipa lity	Self-governing region	Non-public providers
TOTAL	911	217	367	327	969	236	392	341
old people's homes/facility for the elderly	236	77	87	72	243	86	86	71
social services homes for adults with physical disability	25	4	7	14	26	6	8	12
social services homes for adults with combination of disabilities	210	20	102	88	231	24	115	92
social services homes for adults with sensory disability	1	0	1	0	2	0	2	0
social services homes for adults with mental and behavioural disorders	70	0	62	8	67	1	58	8
specialised facility	21	1	12	8	44	1	26	17
Day-care centre	11	7	1	3	13	5	2	6
social services homes for children with physical disability	4	0	2	2	4	0	4	0
social services homes for children with physical disability and mental and behavioural disorders	41	1	24	16	40	1	22	17
social services homes for children with mental and behavioural disorders	10	0	8	2	7	0	6	1
temporary childcare facility	9	1	7	1	4	0	3	1
assisted living facility	31	2	14	15	26	0	14	12
emergency housing facility	39	8	11	20	44	10	12	22
shelters	68	15	16	37	70	16	17	37
rehabilitation centres	14	0	5	9	17	0	10	7
home-care service facilities	88	65	4	19	89	67	2	20
night shelters	23	15	1	7	27	18	0	9
halfway house	10	1	3	6	15	1	5	9

Source: Selected data of the Statistical Office of the SR-Social services facilities in the SR

**Table 27 Expenditures of social services facilities** 

				of which				of which						
Type of facility/founder	Total expenditure (€) in 2010	current expenditure	wage expenditure	compulsory social insurance	acquisition of assets	health care expenditu re	Total expenditure (€) in 2011	current expenditure	wage expenditure	compulsory social insurance	acquisition of assets	health care spending		
TOTAL	271 180 737	98 489 789	119 386 662	40 448 153	9 650 532	425 257	285 849 461	103 833 087	122 841 320	41 862 386	11 421 653	465 354		
facility for the elderly	97 799 535	38 469 079	41 074 603	14 060 657	3 357 758	125 181	95 853 041	38 719 940	38 687 129	13 275 849	3 892 165	64 873		
social services homes for adults with physical disability	5 879 492	2 261 078	2 556 30	863 175	100 470	36 418	7 703 531	3 076 712	3 350 870	1 112 665	51 282	67 239		
social services homes for adults with combination of disabilities	83 833 914	30 057 577	37 711 987	12 791 675	2 061 615	188 933	99 909 652	34 911 641	43 242 622	14 740 241	4 114 922	224 950		
social services homes for adults with mental and behavioural disorders	37 316 098	12 274 047	17 712 444	6 037 582	572 235	23 436	34 116 461	11 266 360	15 660 224	5 306 740	1 086 130	54 409		
specialised facility	4 996 465	1 977 014	2 161 109	733 398	97 465	23 564	8 637 886	2 752 258	4 067 577	1 373 871	308 053	22 013		
day-care centre	392 231	133 006	194 729	63 813	632	0	683 854	290 656	289 070	98 927	4 427	540		
social services homes for children with physical disability	1 707 483	408 132	890 264	294 480	114 546	61	1 222 205	40 497	585 732	206 177	2 980	255		
social services homes for children with physical disability and mental and behavioural disorders	11 133 621	3 239 595	5 701 425	1 949 505	209 554	2 523	10 985 647	3 344 248	5 483 339	1 886 155	239 747	6 874		
social services homes for children with mental and behavioural disorders	3 467 722	972 220	1 634 406	566 723	288 195	209	653 199	148 161	336 577	116 334	31 238	93		
temporary childcare facility	190 075	48 178	101 758	35 249	0	420	142 932	33 480	79 891	28 118	0	278		
assisted living facilitites	1 135 603	77 935	472 461	155 672	9 437	420	1 364 987	504 686	633 731	208 933	15 361	447		
emergency housing facilititie	2 122 968	911 168	868 425	287 836	50 646	623	2 564 412	1 136 760	1 039 628	342 923	22 503	117		
shelters	3 949 938	1 748 264	1 619 068	522 264	49 794	5 157	4 316 547	1 960 675	1 682 773	558 362	81 740	430		
rehabilitation centres	2 099 161	607 708	1 114 536	365 922	10 856	139	3 029 964	943 252	1 519 866	513 268	46 058	7 509		
home-care service facilities	13 509 312	4 247 058	5 055 742	1 549 131	2 442 583	8 102	13 121 170	4 038 086	5 597 617	1 902 774	154 174	12 652		
night shelters	1 284 459	526 406	360 440	119 380	264 900	10 071	1 096 900	484 401	390 975	126 561	68 120	2 672		
halfway house	362 660	131 324	156 885	51 691	19 846	0	447 073	181 274	193 699	64 488	2 775	3		

Source: Selected data of the Statistical Office of the SR – Social services facilities in the SR

Table 28 Employees of social services facilities (total) for 2010 and 2011

Type of facility	Average registered number of employees recalculated (persons) 2010	Average registered number of employees recalculated (persons) 2011		
facility for the elderly	6 474	6 015		
social services homes for adults with physical disability	413	516		
social services homes for adults with combination of disabilities	6 009	6 858		
social services homes for adults with sensory disability	0	0		
social services homes for adults with mental and behavioural disorders	2 663	2 365		
specialised facility	371	631		
day-care centre	30	47		
social services homes for children with physical disability	144	88		
social services homes for children with physical disability and mental				
and behavioural disorders	819	728		
social services homes for children with mental and behavioural disorders	244	48		
temporary childcare facility	24	13		
assisted living facility	78	161		
emergency housing facility	158	163		
shelters	291	283		
rehabilitation centres	155	220		
home-care service facility	792	869		
night shelter	82	83		
halfway house	22	21		
TOTAL	18 769	19 109		

Source: Selected data of the Statistical Office of the SR – Social services facilities in the SR

Table 29 Selected social services facilities established or founded by a municipality or higher-tier unit

Providers of social services facilities or founder by a municipality or a higher-tier unit, total as at 31. 12. 2011	Number of providers	Number of clients	Providers' employees (in recalculated balances)	Providers' incomes (€)	Providers' expenditure (€)
low-threshold day-care centre	6	282	10	21 646	158 102
assistance to personal care for a child and support for reconciliation of work and family life	16	78	54	172 337	178 803
temporary childcare facility	5	10	20	112 008	136 290
low-threshold day-care centre for children and					
family	10	1 484	44	100 581	137 681
accompanying and reading service	0	0	0	0	0
interpreting service	0	0	0	0	0
arranging interpreting service	0	0	0	0	0
arranging personal assistance	4	5	9	9 016	17 109
lending aids	15	329	17	14 269	22 043
monitoring and signalling of required assistance	5	91	16	82 733	100 332
crisis assistance via telecommunication technology	0	0	0	0	0
assistance in performing custodian rights and					
obligations	9	10	17	2 925	22 469
daycare centre	208	36 405	639	678 239	1 449 761
integration centre	5	50	10	0	160 440
canteen	71	15 011	495	4 402 308	4 888 456
laundrette	26	3 995	37	132 857	141 324
personal hygiene centre	22	7 343	33	15 253	116 696

Source: LSA&F SR Report 10-01

Table 30 Number of persons on waiting lists for care at selected facilities

		Number of persons as at 31.12.2010	Number of persons as at 31.12.2011	
S		2	2	
homes	for children	with mental and behavioural disorders	49	40
		with physical disability and mental and behavioural disorders	177	136
services		with physical disability	234	311
al se	for adults	with mental and behavioural disorders	1 339	1 027
Social		with sensory disability	43	55
N		with combination of disabilities	2 205	2 306
Facili	ties for the elderly	7 307	5 251	
Assist	ed living facilities	17	27	
Rehab	pilitation centres	11	12	
Specia	alised facility	124	113	
TOTA	AL in the SR	11 508	9 280	

Source: LSA&F SR Report 10-01

Table 31 Selected types of social services provided by non-public providers of social services

Non-public providers of selected social services as at 31. 12. 2011	Number of	f providers	Number	of clients	Providers' employees (in recalculated balances)	Providers' income (€)	Providers' expenditure (E)
	2010	2011	2010	2011	2011	2011	2011
home-care service	67	70	1 881	1 794	930	3 244 168	3 372 346
low-threshold day-care centre	6	6	1 082	1 336	61	141 454	147 149
assistance to personal care for a child and support for reconciliation of family and work life		1	0	3	1	4 588	5 098
temporary childcare facility	1	2	12	12	12	41 464	41 504
low-threshold day-care centre for children and family	10	11	3 641	5 225	162	294 311	299 797
transport services	20	22	1 259	1 157	38	148 080	181 362
accompanying and reading service	5	5	95	134	27	23 533	24 192
interpreting service	9	9	2 977	3 091	33	103 430	96 629
arranging interpreting service	4	0	0	0	0	0	0
arranging personal assistance	4	4	268	449	3	28 917	24 876
lending aids	9	16	646	744	18	20 336	21 285
monitoring and signalling of required assistance	0	2	39	47	9	45 247	45 991
crisis assistance via telecommunication technology	3	0	33	33	10	2 700	2 700
assistance in performing custodian rights and obligations	0	0	0	0	0	0	0
day-care centre	10	6	62	92	24	56 737	63 017
Integration centre	2	2	1	21	25	9 045	17 454
canteen	5	12	1 316	1 269	71	586 084	589 630
launderette	12	3	363	457	1	112	4 406
personal hygiene centre	20	3	3 398	3 528	1	60 525	84 143
basic social advice	34	49	7 013	9 926	207	266 854	276 769
specialised social advice	39	46	10 288	12 105	305	1 554 493	1 591 971
social rehabilitation	8	9	1 818	2 030	224	125 443	137 157
TOTAL	268	278	36 192	43 453	2 162	6 757 521	7 027 476

Source: LSA&F SR Report 7-01

Table 32 Number of employees, amount of wages and selected wage components (€) for 2012 at social services facilities, by aggregated occupations

						of which							
Category of employees	Number of employees	of which women	Total wage – amount	Total wage	Functional wage	Tariff wage	extra for management	personal extras	wage compensation	shifts	remunerations	paymen t for overtim e	premium payments and additional payments
	(persons)	(persons)	(€)	[€/m]	[€/m]	[€/m]	[€/m]	[€/m]	[€/m]	[€/m]	[€/m]	[€/m]	[€/m]
TOTAL	14 293	12 410	80 251 788	580	437	363	6	57	5	5	35	3	38
Professional and administrative staff	1 230	1 012	10 664 968	849	656	479	39	135	1	0	77	1	14
Child raisers	97	92	678 576	684	507	448	6	48	2	2	46	0	14
Assistant child raisers	99	79	672 678	644	489	438	1	44	0	4	24	0	38
Staff providing health care	1 837	1 790	12 339 216	676	493	419	7	51	8	7	37	5	62
Assistant health care staff	1 137	1 046	6 011 409	531	380	325	0	37	9	9	27	3	62
Staff carrying out social agenda	201	178	1 247 699	658	508	418	8	76	1	4	36	0	28
Staff carrying out social work	1 164	1 030	7 204 894	625	488	412	5	63	5	2	37	1	19
Ergotherapists	181	155	1 063 776	596	479	407	1	63	6	1	27	0	9
Psychologists	41	38	231 232	595	490	411	3	73	2	0	27	0	1
Special pedagogues	56	45	402 185	690	525	458	5	49	1	10	33	0	32
Professional home-carers	3 309	3 058	15 826 188	516	378	326	0	37	5	8	28	2	53
Craft and manual employees	2 624	1 915	12 207 038	468	363	307	0	47	5	2	28	2	20
Catering facility staff	1 379	1 285	6 867 077	512	385	327	2	50	1	5	29	3	38
Not specified	938	687	4 834 852	611	476	375	10	84	4	3	35	7	24

Source: WAGES (LSA&F SR) 1-02

Table 33 Social protection expenditures in EU Member States, 2010

	Social protection	Social protection		Social benefits	s by purpos	e (% EU 2	27=100%)	
	expenditu res (% of GDP)	expenditu res (PPP per capita)	Old-age and survivors	Sickness, health care	Invalidity	Family and children	Unemploy- ment	Housing, social exclusion
EU 27	29.4	7 185	100.0	100.0	100.0	100.0	100.0	100.0
EU 15	30.2	8 135	112.1	113.7	113.2	113.3	115.8	115.9
EA 17	30.4	8 030	112.1	112.1	99.6	111.5	125.3	98.2
Belgium	29.9	8 697	105.3	114.5	112.7	115.1	265.5	120.7
Bulgaria	18.1	1 936	31.2	22.4	27.3	38.9	15.5	11.4
Czech Republic	20.1	3 940	57.8	60.5	54.0	47.1	38.5	26.7
Denmark	33.3	10 292	121.6	111.0	270.9	225.4	180.8	202.9
Germany	30.7	8 894	110.5	135.3	126.9	167.6	118.4	94.4
Estonia	18.1	2 838	39.9	37.0	55.7	64.7	28.6	12.5
Ireland	29.6	9 248	66.7	188.5	75.6	206.6	263.8	118.9
Greece	29.1	6 224	97.0	86.5	51.3	69.5	88.2	86.6
Spain	25.7	6 284	83.8	86.6	79.4	66.9	208.8	45.1
France	33.8	8 891	121.9	119.6	94.0	126.8	139.3	168.9
Italy	29.9	7 337	136.9	88.2	75.9	58.1	49.7	9.7
Cyprus	21.6	5 099	73.8	57.8	31.9	90.5	60.3	252.1
Latvia	17.8	2 242	38.1	22.6	30.8	34.0	39.7	19.2
Lithuania	19.1	2 684	36.5	32.7	46.5	55.5	27.2	40.7
Luxembourg	22.7	14 896	170.3	183.2	303.2	470.9	197.6	211.5
Hungary	23.1	3 628	53.0	44.0	54.8	83.1	34.4	40.8
Malta	19.8	4 054	70.8	57.6	31.9	45.3	26.8	39.9
Netherlands	32.1	10 405	123.7	169.8	145.7	72.7	122.6	319.5
Austria	30.4	9 352	145.2	112.7	126.1	171.3	124.3	53.3
Poland	18.9	2 899	55.8	33.9	38.2	21.8	15.4	12.6
Portugal	27.0	5 275	82.9	67.1	74.7	51.7	67.9	26.7
Romania	17.6	1 998	32.3	24.8	32.9	34.5	15.4	13.7
Slovenia	24.8	5 168	75.3	80.5	66.7	81.5	33.6	49.6
SR 2010	18.6	3 335	44.8	49.0	51.3	57.1	39.9	33.5
SR2011e	18.2	3 251	43.6**	30.5**		9.9**	4.7**	2.4**
Finland	30.6	8 542	104.8	103.0	182.5	167.0	164.6	140.3
Sweden	30.4	9 240	122.9	111.0	234.3	170.7	99.2	142.9
United Kingdom	28.0	7 676	101.4	115.6 S. FR. IT. LT. 1				190.9

p (preliminary data) – EU-27, EU-15, EA-17, DE, ES, FR, IT, LT, LU, NL, SK, SE and UK

<sup>\*</sup> including tax bonus

e-estimate

<sup>\*\* –</sup> in % of all benefits Source: Eurostat-ESSPROS

Table 34 Social protection income by type (% of total income) in EU, 2010

	<b>T</b>	Income		Structure of incom	ne (%)	
Income	Income (% GDP)	(PPP per capita)	Social security contributions of employers	Social security contributions of protected persons	General government	Other income
EU-27	29.9	7 319	36.3	20.1	39.8	3.8
EU -15	30.8	8 296	36.1	20.1	40.3	3.4
EA-17	30.8	8 150	37.2	21.9	38.1	2.8
Belgium	30.5	8 882	41.4	20.4	35.8	2.4
Bulgaria	17.4	1 870	26.3	17.2	54.6	1.9
Czech Republic	20.3	3 967	49.8	23.5	25.4	1.3
Denmark	36.7	11 342	10.8	19.7	64.6	4.9
Germany	32.5	9 412	32.9	28.6	36.7	1.8
Estonia	17.9	2 807	77.4	2.7	19.7	0.2
Ireland	27.5	8 593	16.7	15.0	65.0	3.3
Greece	29.5	6 306	31.9	21.1	35.6	11.3
Spain	25.7	6 285	42.9	12.3	43.5	1.2
France	32.7	8 605	43.0	20.8	34.0	2.1
Italy	30.1	7 388	37.9	14.9	45.6	1.6
Cyprus	24.8	5 853	23.4	16.2	51.7	8.7
Latvia	17.8	2 242	36.4	12.8	48.6	2.2
Lithuania	17.2	2 417	49.4	15.6	33.7	1.2
Luxembourg	24.7	16 187	26.5	23.5	43.9	6.1
Hungary	27.1	4 266	30.5	19.5	37.6	12.4
Malta	19.9	4 068	35.8	15.3	46.5	2.5
Netherlands	33.4	10 837	33.1	33.0	26.0	7.9
Austria	29.8	9 177	36.7	26.1	35.3	1.8
Poland	18.0	2 757	44.5	17.6	17.1	20.8
Portugal	27.8	5 425	30.0	14.4	45.8	9.7
Romania	16.2	1 837	32.1	13.8	53.3	0.9
Slovenia	25.1	5 239	26.3	38.2	33.2	2.3
SR 2010	20.4	3 657	40.2	18.4	28.0	13.4
SR 2011e	19.9	3 550	41.7	19.2	37.0	2.1
Finland	33.3	9 294	35.8	12.1	46.1	6.0
Sweden	32.7	9 918	37.4	9.4	51.2	2.0
United Kingdom	28.7	7 869	34.1	12.6	45.8	7.5

p (preliminary data) – EU-27, EU-15, EA-17, DE, ES, FR, IT, LT, LU, NL, SK, SE and UK e – estimate

Source: Eurostat-ESSPROS

Table 35 Pension expenditures and pension categories (% of total pension expenditures) in the EU, 2010

						Structur	e of pensio	ns by category	(%)	
	PPP per capita	€ per capita (constant prices 2000)	% GDP	old-age	expected old-age	partial old-age		early retirement due to decline in working capacity		early retirement due to labour market reasons
EU27	3 179	2 769	13.0	72.0	5.7	0.0	7.9	1.8	12.1	0.5
EU15	3 560	3 323	13.2	72.3	5.4	0.0	7.8	1.9	12.2	0.5
<b>EA17</b>	3 542	3 074	13.4	70.5	6.1	0.0	5.8	2.3	14.6	0.6
BE	3 529	3 256	12.1	66.7	0.0	0.0	13.1	0.0	16.5	3.6
BG	985	289	9.2	75.8	11.4	0.0	8.7	0.0	4.0	0.0
CZ	1 801	1 086	9.2	76.4	3.3	0.0	12.3	0.1	7.8	0.0
DK	3 810	4 387	12.3	70.6	12.6	0.0	16.8	0.0	0.0	0.0
DE	3 721	3 421	12.8	70.7	4.8	0.0	1.4	6.3	16.3	0.5
EE	1 408	644	9.0	74.2	10.9	0.0	13.7	0.0	1.2	0.0
ΙE	2 255	2 189	7.2	67.7	1.0	0.0	15.3	0.9	15.2	0.0
GR	2 976	2 118	13.9	57.1	21.1	0.0	5.7	0.0	15.4	0.6
ES	2 627	1 862	10.8	60.0	7.1	0.0	12.2	0.0	20.4	0.2
FR	3 793	3 658	14.4	82.9	0.0	0.0	5.3	0.3	10.9	0.6
IT	3 933	3 295	16.0	64.2	14.2	0.0	1.8	2.8	16.4	0.6
CY	1 842	1 252	7.8	79.8	0.0	0.0	4.6	0.0	15.5	0.0
LV	1 256	465	10.0	86.1	2.5	0.0	9.2	0.0	2.2	0.0
LT	1 206	540	8.6	76.8	2.0	0.0	15.1	0.0	5.3	0.8
LU	6 052	5 942	9.2	46.1	20.0	0.0	10.9	0.0	21.0	2.0
HU	1 724	638	11.0	64.0	12.4	0.0	10.8	0.0	11.8	1.0
MT	2 039	1 196	10.0	76.9	0.0	0.0	5.9	0.0	16.6	0.6
NL	4 182	3 795	12.9	70.9	3.7	0.0	15.8	0.0	9.7	0.0
AT	4 620	4 297	15.0	70.0	6.7	0.0	10.0	0.0	13.1	0.3
PL	1 818	858	11.9	59.6	16.0	0.0	8.8	0.3	14.8	0.5
PT	2 781	1 853	14.2	70.6	3.6	0.0	13.5	0.0	11.9	0.4
RO	1 075	179	9.5	79.6	0.2	2.1	7.2	4.5	6.4	0.0
SI	2 338	1 320	11.2	55.3	24.5	0.0	7.0	0.0	13.2	0.0
SK	1 512	705	8.4	69.4	3.2	0.0	12.2	0.0	11.0	4.3
FI	3 556	3 632	12.7	68.6	4.9	1.0	15.7	0.0	7.4	2.3
SE	3 676	3 840	12.1	74.5	6.2	0.0	15.1	0.0	4.3	0.0
UK	3 357	2 715	12.2	82.2	0.0	0.0	16.8	0.0	1.0	0.0

p (preliminary data) – EU-27, EU-15, EA-17, DE, ES, FR, IT, LT, LU, NL, SK, SE and UK Source: Eurostat- ESSPROS

## Table 36 Outreach social work in municipalities

Beneficiary:	Social Development Fund
Project title:	National project: Outreach social work in municipalities
Project ITMS code:	27120130525
Implementation time from-to:	12/2011 – 12/2015
Project objective:	The national project is aimed at supporting outreach social work. Its main objective is to promote social inclusion by means of increasing availability, quality and effectiveness of care services for persons at risk of social exclusion or for persons excluded, focusing on the improving their employability, preventing the incidence of socially pathological phenomena. The outreach work in marginalised Roma communities is considered an important tool of social inclusion of individuals, families, groups and community.
Accumulated state of fulfilment of indicators as at 31.12.2012	Number of municipalities with MRC settlements which use the results of the project: 201.  Number of persons in the target group involved in the supported projects: 45 070.  Number of persons in the target group involved in the supported projects – disabled persons: 1 639.  Number of interventions in favour of the target group: 146 004.

## Table 37 Improving employability of professional parents

Beneficiary:	Labour, Social Affairs & Family Headquarters
Project title:	Improving employability of professional parents
Project ITMS code:	27120230217 (SVK) / 27130230001 (BSK)
Implementation time from-to:	12/2008 – 11/2011
Project objective:	The aim of the project is to train persons for the professional performance of substitute care, and prepare individuals meeting qualification requirements, professional and pedagogical capacity, and who show interest in performing institutional care, interim measures and custody measures in a professional family. Training for professional performance of substitute care takes place at the LSA&F offices in the form of teams (from own human resources). The implementation includes training of children's homes staff – participation of 88 heads, 56 psychologists and 139 social workers.  The national project is being implemented with success, which is considerably affecting the fulfilment of project's aims. Supervision meetings of professional parents are concurrently held.
Accumulated state of	, ,
fulfilment of	
indicators as at	Number of newly created jobs filled by men: 81.
31.12.2012	Number of trained persons: 785.

**Table 38 Contribution for childcare service** 

Beneficiary:	Labour, Social Affairs & Family Headquarters
Project title:	Contribution for childcare service
Project ITMS code:	27120330001 (SVK) / 27130230002 ( BSK)
Implementation time from-to:	01/2009 - 06/2015
Project objective:	The key activity of the project is to provide the childcare allowance under § 5(1)(a) of Act No. 561/2008 Coll. on the childcare allowance and on the amendment of certain acts. The childcare allowance is a social benefit the aim of which is to contribute towards the parents' expenses related to the care of each child under three years of age, or under six years of age at the time when they are unable to look after the child themselves personally due to their work or study obligations. The parent ensures the care of the child by means of a legal entity or natural person, on the basis of which the parent is granted a monthly allowance in the amount of documented expenses, at most in the amount of parental allowance.
Accumulated state of fulfilment of indicators as at 31.12.2012	Number of persons in the target group involved in the supported projects – total: 9 047. Number of persons in the target group involved in the supported projects – men: 407. Number of persons in the target group involved in the supported projects – women: 8 640.

Table 39 Increasing employment and employability of disadvantaged jobseekers

Beneficiary:	Labour, Social Affairs & Family Headquarters
Project title:	Increasing employment and employability of disadvantaged jobseekers
Project ITMS code:	27120230111 (SVK)
Implementation time from-to:	01/2010 – 12/2013
Project objective:	To increase employment and employability by providing professional services, education, training and preparation for the labour market for the disadvantaged jobseekers:  • provision of professional advisory services focused on solution of problems related to employment of disadvantaged jobseekers;  • education and preparation for labour market for disadvantaged jobseekers with the aim of their employment in the labour market.
Accumulated state of fulfilment of indicators as at 31.12.2012	Number of persons in the target group involved in the supported projects – total: 3 193. Number of persons in the target group involved in the supported projects – men: 1 401. Number of persons in the target group involved in the supported projects – women: 1 792. Number of jobs created specifically for MRCs: 40. Number of successfully employed jobseekers – men: 511. Number of successfully employed jobseekers – women: 433.

# Table 40 Active ageing strategy

Beneficiary:	Education Centre of the MLSA&F SR
Project title:	Active ageing strategy
Project ITMS code:	27120230107 (SVK) / 27130230009 (BSK)
Implementation time from-to:	07/2010 – 06/2013
Project objective:	The national project is aimed at drawing up: socioeconomic analysis of demographic development in the Slovak Republic with a particular focus on the age group of 55-64; forecast of development in the labour supply in the Slovak Republic until 2020; analysis of motivation and demotivation factors of starting, keeping and retaining in employment older persons in the current laws and policies of the SR, including recommendations for legal regulations and policy of the SR to strengthen participation of older persons in the labour market; analysis of exogenous and endogenous factors affecting participation of the older persons in the labour market; representative empirical survey (involving economically active population, employers and other actors) concerning the attitudes and opinions as regards the issue of active ageing and old age; recommendations of tools for changing attitudes and opinions as regards the issue of active ageing on the basis of the empirical survey results; Strategy of Active Ageing, Action Plan of Implementing the Strategy of Active Ageing.
Accumulated state of fulfilment of indicators as at 31.12.2012	Number of persons in the target group involved in the supported projects – total: 32. Number of created monitoring systems, prepared analysis, researches, strategies, evaluations in the field of social inclusion: 3.

Table 41 Expenditure drawing of Chapter 22 – MoLSAF SR according to programme budgeting

Project code	Programme title	Approved budget	Revised budget	Outcome 31.12.2012	%
07C	Social inclusion	1 717 637 107	1 707 725 816	1 706 384 730	99.9
07C01	Material need assistance	301 994 504	292 909 916	292 360 764	99.8
07C0101	- Material-need benefit	275 984 962	268 768 394	268 669 906	100.0
07C0102	- Subsidy for special recipient performance	124 200	146 569	143 803	98.1
07C0103	– Subsidy for meals for a child in material need	14 920 871	12 876 442	12 475 744	96.9
07C0104	Subsidy for school supplies for a child in material needs	2 805 000	2 750 676	2 730 527	99.3
07C0106	- Substitute child maintenance	8 159 471	8 367 835	8 340 784	99.7
07C02	Family support	969 106 563	947 341 484	947 242 902	100.0
07C0201	- Child benefit	320 232 793	316 527 244	316 487 556	100.0
07C0202	- Parental allowance	356 800 000	343 553 306	343 543 417	100.0
07C0206	– Other allowances for family support	49 622 577	48 345 087	48 325 045	100.0
07C020A	State-paid insurance contributions for persons caring for a child	240 814 585	238 024 620	238 024 620	100.0
07C020B	- Childcare allowance	1 636 608	891 227	862 264	96.8
07C03	Compensation for social consequences of severe health disability	222 737 289	225 903 303	225 854 884	100.0
07C04	Social inclusion initiatives	4 077 495	3 174 329	3 153 079	99.3
07C040A	– Other initiatives	3 537 003	2 808 853	2 788 365	99.3
07C040C	- Improving employability through SDF	540 492	365 476	364 714	99.8
07C05	Care for vulnerable children	75 921 725	76 177 691	76 548 676	100.5
07C0501	- Substitute family care	13 306 519	13 185 298	13 170 736	99.9
07C0502	– Institutional care in state children's homes	52 715 206	53 675 485	54 098 046	100.8
07C0503	- Institutional care in non-state facilities	8 800 000	8 391 032	8 355 319	99.6
07C0504	- Prevention and rehabilitation (NGO)	1 100 000	925 876	924 575	99.9
07C06	Unsystematic social insurance benefits	45 430 517	47 160 517	47 160 517	100.0
07C07	Christmas allowance for pensioners	65 000 000	63 600 000	63 600 000	100.0
07C08	Social inclusion support	33 369 014	13 631 914	13 631 827	100.0
07C0801	- Support for social inclusion of persons at risk of social exclusion or of socially excluded persons by means of developing care services with particular regard to marginalised Roma communities – measure 2.1	13 407 138	6 120 636	6 120 636	100.0

Project code	Programme title	Approved budget	Revised budget	Outcome 31.12.2012	%
	- Support for creation of equal opportunities in access to the labour market and support				
07C0802	for integration of disadvantaged groups in the labour market with particular regard to marginalised communities – measure 2.2	8 479 014	4 557 146	4 557 059	100.0
07C0803	- Support for reconciliation of work and family life - measure 2.3	11 482 862	2 954 132	2 954 132	100.0
07C0A	Social services support	0	37 826 662	36 832 081	97.4
07E	Creation and implementation of policies	135 089 210	143 621 175	143 653 000	100.0
07E03	Managerial, conceptual and research activities	13 110 027	22 032 712	22 030 572	100.0
07E0301	– The apparatus of the Ministry	13 110 027	22 032 712	22 030 572	100.0
07E04	Implementation of state administration in the field of social affairs, family and employment	121 979 183	121 588 463	121 622 428	100.0
07E0401	- Specialised state administration	112 388 114	111 926 606	111 966 746	100.0
07E0402	Other state administration	9 591 069	9 661 857	9 655 682	99.9
	Interdepartmental programmes and subprogrammes of which the chapter is coordinator and participant				
06G	Human resources	144 371 882	193 447 490	193 923 438	100.2
06G04	Active labour market policy and increasing employment – MoSALF SR	8 748 718	46 984 623	47 462 327	101.0
06G0404	- National programmes for developing ALMP and increasing employment	2 282 335	41 734 228	42 413 789	101.6
06G040I	- Increasing employment via the SIA	547 433	277 445	286 505	103.3
06G040J	- Individual state assistance	5 918 950	4 972 950	4 762 033	95.8
06G15	Support for employment growth	110 333 674	131 371 905	131 370 149	100.0
06G1501	<ul> <li>Support for programmes promoting employment and of the solution of unemployment and long-term unemployment – measure 1.1</li> </ul>	79 859 628	104 004 257	104 002 501	100.0
06G1502	Support for job creation and retention by increasing adaptability of employees, businesses and business support – measure 1.2	30 474 046	27 367 648	27 367 648	100.0
06G16	Support for employment, social inclusion and building capacities in the Bratislava Region	3 306 642	3 555 376	3 555 376	100.0
06G1601	- Support for employment growth, improving employment with special regard to knowledge society - measure 3.1	1 439 352	1 413 430	1 413 430	100.0
06G1602	- Support for social inclusion, gender equality and reconciliation of work and family life in the Bratislava Region - measure 3.3	1 223 242	1 904 035	1 904 035	100.0
06G1603	<ul> <li>Building capacities and improving public administration in the Bratislava Region – measure 3.3</li> </ul>	624 048	237 625	237 625	100.0
06G1604	- Technical assistance in the Bratislava Region - measure 3.4	20 000	286	286	100.0
06G17	Building capacities and improving the quality of public administration	15 082 848	5 464 975	5 464 975	100.0
06G1701	- Improving the quality of services provided to public administration and non-profit	15 082 848	5 464 975	5 464 975	100.0

Project code	Programme title	Approved budget	Revised budget	Outcome 31.12.2012	%
	organisations – measure 4.1 and to NGOs in the field of employment policy and social policy – measure 4.2				
06G18	Technical assistance	6 900 000	6 070 611	6 070 611	100.0
06G1801	- Technical assistance - measure 5.1	6 900 000	6 070 611	6 070 611	100.0
	Sub-programmes dealt by the chapter as a participant of interdepartmental programme				
06Н09	Economic mobilisation – MoLSAF SR (coordinator MoE SR)	45 189	40 631	40 631	100.0
09706	Contributions of the SR to international organisations (MoLSAF SR (coordinator MoFA SR)	440 367	440 367	440 108	99.9
0A909	Digitisation of general government and development of electronic services at the central level MoF SR – MoLSAF SR	0	9 341 711	9 341 711	100.0
0AR05	MoSALF SR – Anti-drug policy (coordinator Government Office of the SR)	50 000	96 327	96 327	100.0
	Total expenditures for Chapter 22	1 997 633 755	2 054 713 517	2 053 879 945	100.0

Source: MoLSAF SR, General Budget Final Account



Table 1 Real assets of households

	Ownership (%)	Mean value	Median	Standard deviation
Real assets	95.5	79 632	61 977	80 767
Home	89.9	68 666	55 897	56 987
Other real-estate properties	15.3	36 459	16 404	58 893
Vehicles	61.2	7 434	5 000	10 129
Private business assets	10.7	34 849	4 599	82 239
Valuables	22.4	2 074	1 000	3 058

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

Table 2 Real assets of households by age and education of reference person

	Ownership (%)	Mean value	Median	Standard deviation
Age				
16-29	88.5	71 622	54 061	77 356
30-39	96.3	72 553	59 046	75 470
40-49	96.8	93 344	71 742	96 683
50-59	96.4	85 783	63 959	80 823
>60	96.9	72 606	56 673	68 768
Education attain	ied			
elementary	94.6	68 191	51 435	69 244
secondary	95.2	74 362	59 674	71 626
university	97.4	108 654	80 203	112 485

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

Table 3 Financial assets of households

	Ownership (%)	Mean value	Median	Standard deviation
Total financial assets	91.5	6 334	2 059	12 004
<b>Current accounts</b>	89	3 528	1 120	7 401
Saving accounts	26.3	7 823	3 784	10 734
Mutual funds	2.7	7 178	2 500	10 491
Debt securities	1	1 237	709 001	949 000
Publicly traded shares	0.8	3 152	605 004	675 000
Investment account	0.7	9 376	2 876	15 537
Receivables towards another household	9.7	3 147	1 121	8 696

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

Table 4 Financial assets of households by age and education of reference person

	Ownership (%)	Mean value	Median	Standard deviation
Age				
16-29	97.6	4 166	1 129	8 141
30-39	98.4	5 104	1 662	11 793
40-49	97.8	7 616	2 972	12 642
50-59	96.5	8 241	2 974	14 063
>60	75.6	5 761	2 079	11 194
<b>Education atta</b>	ined			
elementary	68.3	2 514	1 000	3 398
secondary	92.4	5 805	1 974	11 470
university	97.5	9 850	4 636	14 909

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

**Table 5 Financial liabilities** 

	Credit burden (%)	Mean value	Median	Standard deviation
Total financial liabilities	26.8	12 445	3 150	18 905
Loan with collateral (main household home)	9.3	27 692	25 000	21 975
Loan with collateral (other real estate)	0.6	22 816	13 030	25 289
Outstanding balance on overdraft account	8	541	350	903
Outstanding balance on credit cards	5.1	855	472	878
Unsecured loan	12.6	4 263	2 000	6 941

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

Table 6 Financial liabilities of households by age and education of reference person

	Debt burden (%)	Mean value	Median	Standard deviation
Age				
16-29	38.1	12 226	2 780	18 465
30-39	42.8	16 770	6 839	21 115
40-49	35.8	13 424	4 250	19 912
50-59	24.5	6 702	1 952	13 783
>60	5.2	3 795	960	5 821
Education attained				
elementary	5.1	9 293	1 200	17 087
secondary	28.4	11 074	2 620	17 192
university	28.4	19 140	8 102	24 661

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

Table 7 Net wealth of households by total balance, age and education of reference person

	Positive net wealth (%)	Mean value	Median	Standard deviation
All households	98.8	78 919	61 000	82 580
Households with positive balance	100	79 990	61 664	82 570
Households with negative balance	0	3 704	940	6 547
Age				
16-29	95.9	63 495	46 671	78 529
30-39	98.3	67 701	52 582	76 911
40-49	98.2	93 442	69 540	96 078
50-59	98.9	89 347	66 686	84 155
>60	99	75 012	58 827	71 725
Education attained				
elementary	97.9	67 011	52 435	69 379
secondary	97.9	73 360	57 658	73 495
university	99.8	109 984	79 458	114 743

Source: Senaj, Matúš – Zavadil, Tibor: Survey results on the financial situation of Slovak household, occasional study of the NBS

Table 8 Real and financial assets and liabilities of households in EU Member States (median values conditional upon holding the specific asset / liability)

Country		s (€ '000) / nce (%)	Financial		Liabiliti	ies (€ '000) / od	ccurrence (%)
Country	total	home	total	deposits	total	mortgage debt	non-mortgage debt
EA	144.8	180.3	11.4	6.1	21.5	68.4	5
LA	91.1%	60.1%	96.8%	96.4%	43.7%	23.1%	29.3%
BE	220	250	26.5	10	39.3	69.3	5.2
DE	89.8%	69.6%	98.0%	97.7%	44.8%	30.5%	24.2%
DE	89.2	168	17.1	7.9	12.6	80	3.2
DE	80.2%	44.2%	99.3%	99.0%	47.4%	21.5%	34.6%
GR	114.3	100	4.4	3.6	14.6	41	4.3
GK	92.2%	72.4%	74.5%	73.4%	36.6%	17.5%	26.1%
ES	201.7	180.3	6	3.5	36	60	7.2
ES	95.3%	82.7%	98.3%	98.1%	50.0%	32.5%	30.7%
FR	124.1	193.8	10.7	6.5	18.4	55.9	5.2
r K	100.0%	55.3%	99.6%	99.6%	46.9%	24.4%	32.8%
IT	176	200	10	5.9	15	60	5.7
11	97.7%	68.7%	92.0%	91.8%	25.2%	10.8%	17.8%
CY	313.8	240.3	22.1	5.8	60.2	86.6	10.1
Ci	95.8%	76.7%	87.9%	81.2%	65.4%	44.8%	47.9%
LU	470.5	500	27.9	14.3	73.4	127.3	10
LU	93.6%	67.1%	98.4%	98.0%	58.3%	38.8%	36.9%
MT	201.1	186.6	26.2	13.2	15.7	35	4
IVII	94.8%	77.7%	97.2%	96.9%	34.1%	15.6%	25.2%
NIT	198.8	240	34.7	10.1	89.1	131	13.7
NL	89.8%	57.1%	97.8%	94.2%	65.7%	44.7%	37.3%
AT	107	200	13.5	10.6	13.8	37.5	3
AI	84.8%	47.7%	99.5%	99.4%	35.6%	18.4%	21.4%
PT	91.9	90	4.3	3.4	31.7	48.8	3.3
r i	90.1%	71.5%	94.5%	94.3%	37.7%	26.7%	18.3%
SI	105.9	110.9	1.7	0.8	4.3	6.6	3.1
31	96.2%	81.8%	93.9%	93.6%	44.5%	14.1%	38.9%
SK	61.8	55.9	2.5	2	3.2	25	1
SK	96.0%	89.9%	91.7%	91.2%	26.8%	9.6%	19.9%
рт	144.2	129.7	7.4	4.5	29.4	-	-
FI	84.3%	67.8%	100.0%	100.0%	59.8%	-	-

Source: Slovak households hold the most real-estate property and concurrently are least in debt. Comparison of wealth and income of euro area households, analytical commentary by the NBS, according to Eurosystem HFCS 2013

Table 9 List of selected indicators of social inclusion of the OMC (2010-2011)

		2010		di	fferen	ce			
Indicator	Total	Men	Wmn	Total	Men	Wmn	Total	Men	Wmn
Primary indicators									
Poverty risk rate by gender (whole population)	12.0	11.7	12.2	13.0	12.8	13.1	1.0	1.1	0.9
Poverty risk rate (0-5 years)	19.2	20.5	17.7	21.1	21.0	21.1	1.9	0.5	3.4
Poverty risk rate (6-11 years)	17.8	15.4	20.5	20.3	18.5	22.4	2.5	3.1	1.9
Poverty risk rate (12-17 years)	19.2	17.4	21.7	21.9	21.1	22.8	2.7	3.7	1.1
Poverty risk rate by gender (0-17 years)	18.8	17.7	20.2	21.2	20.2	22.2	2.4	2.5	2.0
Poverty risk rate by gender (18-24 years)	14.7	14.7	14.7	14.8	14.3	15.4	0.1	-0.4	0.7
Poverty risk rate by gender (25-54 years)	11.1	11.0	11.3	12.4	12.4	12.4	1.3	1.4	1.1
Poverty risk rate by gender (55-64 years)	8.1	8.8	7.5	10.0	10.2	9.9	1.9	1.4	2.4
Poverty risk rate by gender (18-64 years)	11.2	11.4	11.1	12.4	12.4	12.3	1.2	1.0	1.2
Poverty risk rate by gender (65+ years)	7.7	3.9	10.1	6.3	3.4	8.2	-1.4	-0.5	-1.9
Poverty risk rate – household of an individual (€)	3	3 670		3	784		11	4.0	
Poverty risk rate – household of an individual (PPP)		5 022		5	314		29	92.0	
Poverty risk rate – household of 2 adults and 2 children (€)	7	7 707		7	945		23	38.0	
Poverty risk rate – household of 2 adults and 2 children (PPP)	10	547		11	159		61	2.0	
Persistent poverty risk rate (whole population)	6.0	4.6	7.3	:	:	:	:	:	:
Persistent poverty risk rate (0-17 years)	9.3	7.7	11.6	:	:	:	:	:	:
Persistent poverty risk rate (18-64 years)	5.4	4.4	6.3	:	:	:	:	:	:
Persistent poverty risk rate (65+ years)	5.6	0.8	8.5	:	:	:	:	:	:
Relative drop in the median of incomes at poverty risk (whole population)	25.7	28.0	24.3	22.8	24.5	21.0	-2.9	-3.5	-3.3
Relative drop in the median of incomes at poverty risk (0-5 years)	26.1	34.0	34.1	25.5	25.5	27.2	-0.6	-8.5	-6.9
Relative drop in the median of incomes at poverty risk (6-11 years)	38.4	39.2	36.2	26.1	26.1	26.1	12.3	13.1	10.1
Relative drop in the median of incomes at poverty risk (12-17 years)	28.3	30.6	25.9	22.2	20.9	23.3	-6.1	-9.7	-2.6
Relative drop in the median of incomes at poverty risk (0-17 years)	33.8	33.8	34.0	25.5	24.2	26.1	-8.3	-9.6	-7.9
Relative drop in the median of incomes at poverty risk (18-64 years)	26.5	27.6	26.1	24.2	25.5	22.8	-2.3	-2.1	-3.3
Relative drop in the median of incomes at poverty risk (65+ years)	7.1	:	9.0	8.3	:	10.8	1.2	:	1.8
Long-term unemployment rate	9.3	9.0	9.6	9.2	9.4	9.0	-0.1	0.4	-0.6
Population living in households with very low work intensity (population 0-59 years)	7.9	7.4	8.4	7.6	7.5	7.8	-0.3	0.1	-0.6
Population living in households with very low work intensity (0-5 years)	11.0	11.0	11.1	8.9	9.6	8.1	-2.1	-1.4	-3.0
Population living in households with very low work intensity (6-11 years)	8.4	9.0	7.8	7.4	7.9	6.8	-1.0	-1.1	-1.0
Population living in households with very low work intensity (12-17 years)	5.8	5.1	6.7	6.1	6.4	5.7	0.3	1.3	-1.0
Population living in households with very low work intensity (0-17 years)	8.0	7.8	8.3	7.3	7.7	6.7	-0.7	-0.1	-1.6
Population living in households with very low work intensity (18-59 years)	7.9	7.3	8.4	7.8	7.5	8.0	-0.1	0.2	-0.4

		2010			2011		d	ifferen	ce
Indicator	Total	Men	Wmn	Total	Men	Wmn	Total	Men	Wmn
Early school leavers who do not continue in further education	4.7	4.6	4.9	5.0	5.4	4.6	0.3	0.8	-0.3
Material deprivation rate (whole population)	24.9	23.9	25.7	22.0	20.8	23.1	-2.9	-3.1	-2.6
Material deprivation rate (0-5 years)	29.6	30.6	28.4	24.9	27.1	22.5	-4.7	-3.5	-5.9
Material deprivation rate (6-11 years)	28.4	28.3	28.5	23.0	21.2	25.1	-5.4	-7.1	-3.4
Material deprivation rate (12-17 years)	28.7	28.8	28.6	23.5	23.0	24.1	-5.2	-5.8	-4.5
Material deprivation rate (0-17 years)	28.9	29.1	28.5	23.7	23.5	24.0	-5.2	-5.6	-4.5
Material deprivation rate (18-64 years)	23.3	22.5	24.0	21.3	20.7	21.9	-2.0	-1.8	-2.1
Material deprivation rate (65+ years)	28.2	24.2	30.7	23.5	16.9	27.6	-4.7	-7.3	-3.1
Secondary indicators									
Poverty risk rate by household type:									
individual under 65 years	2	23.4		1	25.1			1.7	
individual above 65 years		15.2		-	12.4		-:	2.8	
individual	19.1	22.2	17.9	18.7	23.7	16.8	-0.4	1.5	-1.1
two adults, at least one above 65 years		4.6			3.2		-		
two adults, both under 65 years			7.4		-				
one individual with at least one child		2	26.4						
two adults with one dependent child		12.0		-	13.2				
two adults with two dependent children	-	11.0			13.1				
two adults with three or more dependent children	2	29.8			32.6				
three or more adults with dependent children	-	14.0			15.5				
household with dependent children		15.0		-	16.8		1.8		
household without dependent children		8.1			7.9		-	-0.2	
Poverty risk rate by household work intensity									
household without children – low work intensity (0.2 – 0.45)	2	20.7		1	23.8			3.1	
household without children – medium work intensity (0.45 – 0.55)		8.3			7.8		-	0.5	
household without children – high work intensity (0.55 – 0.85)		1.4			1.3			0.1	
household without children – very high work intensity (0.85 – 1)		2.2			1.9		-	0.3	
household with children – low work intensity (0.2 – 0.45)		33.8		í	34.5			0.7	
household with children – medium work intensity (0.45 – 0.55)		18.2		1	25.1			6.9	
household with children – high work intensity (0.55 – 0.85)		8.2		-	11.1				
household with children – very high work intensity (0.85 – 1)		5.0			4.8		-	0.2	
Poverty risk rate by most frequent economic activity (18+)									
unemployed	41.1	42.3	39.7	42.6	42.3	42.9	1.5	0.0	3.2
employed	5.7	5.9	5.4	6.3	6.7	5.9	0.6	0.8	0.5
pensioners	6.7	3.9	8.2	6.3	3.6	7.7	-0.4	-0.3	-0.5

		2010			2011		di	ifferen	ce
Indicator	Total	Men	Wmn	Total	Men	Wmn	Total	Men	Wmn
other non-active person	16.5	15.1	17.6	18.5	17.0	19.7	2.0	1.9	2.1
Poverty risk rate by ownership type									
owner or free accommodation	10.9	10.7	11.1	12.4	12.4	12.5	1.5	1.7	1.4
lessee	23.3	22.8	23.7	18.9	17.6	20.2	-4.4	-5.2	-3.5
Variance around the at-risk-of-poverty threshold – 40% of national median equival. income	5.0	5.2	4.7	4.5	4.8	4.3	-0.5	-0.4	-0.4
Variance around the at-risk-of-poverty threshold – 50% of national median equival. income	7.8	7.9	7.7	7.7	7.8	7.6	-0.1	-0.1	-0.1
Variance around the at-risk-of-poverty threshold – 70% of national median equival. income	19.0	18.4	19.7	18.7	18.3	19.1	-0.3	-0.1	-0.6
Children living in jobless households (0-17 years)	10.2			9.6			-0.6		
Population living in jobless households (18-59 years)	9.2	8.9	9.5	8.6	8.2	9.1	-0.6	-0.7	-0.4
Population with low educational attainment (25-39 years)	74.3	38.7	35.7	77.7	38.1	39.6	3.4	-0.6	3.9
Population with low educational attainment (40-59 years)	159.9	59.1	70.8	145.4	53.1	92.3	-14.5	-6.0	21.5
Population with low educational attainment (55-64 years)	109.4	32.5	76.9	109.8	33.1	76.7	0.4	0.6	-0.2
Population with low educational attainment (25-64 years)	283.1	111.3	171.7	275.1	105.5	169.6	-8.0	-5.8	-2.1
Poverty risk rate in children (0-17 years) living in households with jobs	13.0			16.1			3.1	0.0	0.0
Rate of material deprivation	3.7	3.8	3.7	3.7	3.8	3.7	0.0	0.0	0.0
Housing cost burden rate (whole population)	7.6	6.8	8.3	8.4	7.9	8.9	0.8	1.1	0.6
Housing cost burden rate – poor	35.2	34.1	36.3	38.4	37.9	38.9	3.2	3.8	2.6
Housing cost burden rate – not poor	3.8	3.2	4.4	3.9	3.5	4.4	0.1	0.3	0.0
Context indicators									
Inequality of income distribution – S80/S20 – income quintile share ratio	3.8	4.0	3.7	3.8	3.9	3.7	0.0	-0.1	0.0
Inequality of income distribution – Gini coefficient	25.9	:	:	25.7	:	:	-0.2	:	:
Life expectancy									
Life expectancy at birth	75.3	71.6	78.8	75.9	72.2	79.4			0.6
Life expectancy at age 65 years	16.0								
Poverty risk rate anchored at a moment in time (2005)	2.6	2.8	2.5	2.7	2.9	2.6	0.1	0.1	0.1
Poverty risk rate before social transfers other than pensioners	19.8	19.9	19.7	19.5	19.4	19.7	-0.3	-0.5	0.0
Poverty risk rate before social transfers including pensioners	38.2	35.4	40.9	38.3	35.3	41.2	0.1	-0.1	0.3
Poverty of the employed	5.7	5.9	5.4	6.3	6.7	5.9	0.6	0.8	0.5

Source: Administrative data of LSA&F Headquarters, SO SR-LFS, EU SILC, Family accounts statistics, Statistical yearbook of the Slovak regions, Institute of Education Information and Prognoses, Infostat

Table 10 List of national indicators on poverty and social exclusion 2009-2010

Indicator	2010	2011
Unemployment of persons under 21 years, primary and secondary school graduates with completed education (Q4)	45.8	49.6
Extreme child poverty rate	12.0	7.8
Share of children in the bottom quintile of income distribution in the total number of children	28.3	28.8
Number of nurseries accounted for children aged 3-5 years	17.8	17.7
Nursery attendance of children aged 3-5 years	71.6	73.1
Children living in jobless households	10.2	9.6
Share of live births to young mothers in total number of live births	2.3	2.1
Success rate of young adults leaving children's homes in the labour market	37.4	34.2
Rate of unemployed persons without completed primary education	4.9	4.6
Share of very long-term unemployment in unemployment	26.6	30.6
Capacity of shelters	3.0	3.1
Poverty risk rate of workers	5.7	6.3
Share of persons in extreme income poverty in total population	2.5	2.4
Share of low-income household expenditure on food in total consumption expenditure	26.2	29.5
Inequality in expenditure on food	0.1	0.1
Share of low-income household expenditure on food and housing in total consumption expenditure	64.2	60.9
Adverse housing conditions	14.6	13.5
Share of households overburden with housing cost in all households	5.2	6.3
Share of households with housing-related payment arrears in total number of households	10.5	7.0
Depth of poverty	25.7	22.8
Rate of unavailability of medical examination, treatment, dental examination	26.4	28.1
Distribution of income – income quintile share ratio (S80/S20)	3.8	3.8

Source: Administrative data of LSA&F Headquarters, SO SR-LFS, EU SILC, Family accounts statistics, Statistical yearbook of the Slovak regions, Institute of Education Information and Prognoses, Infostat

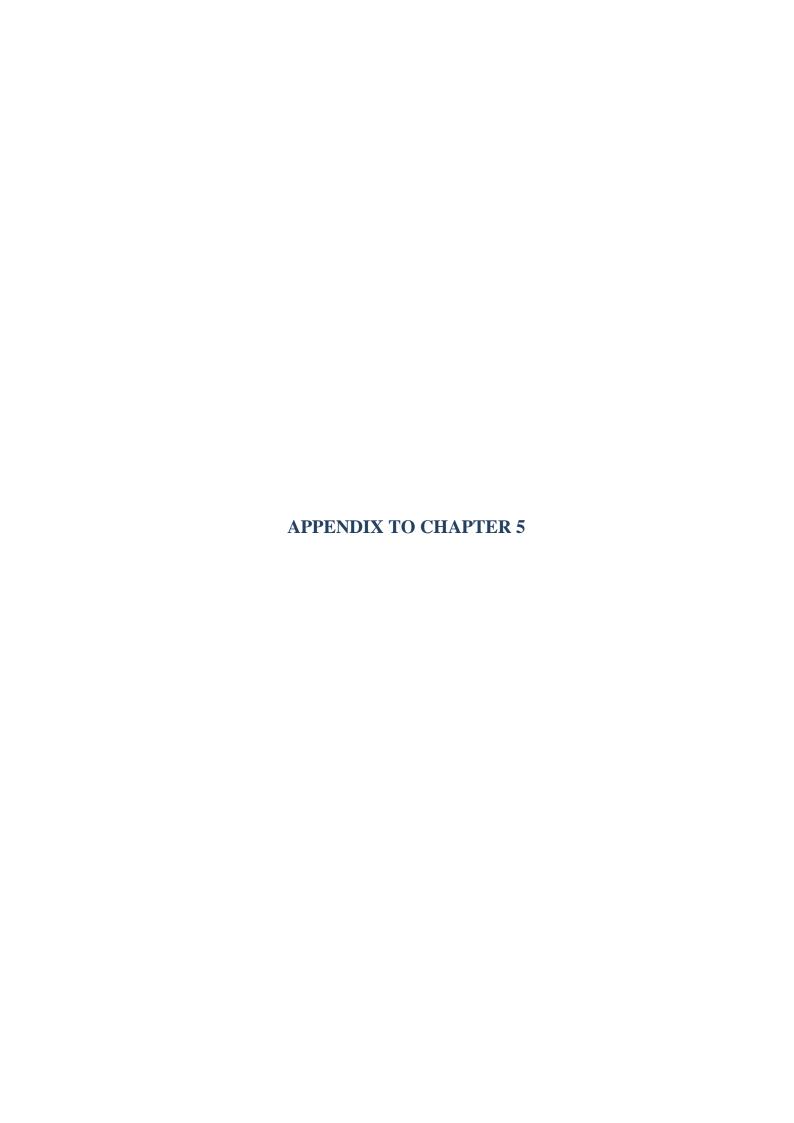


Table 1 Comparison of selected indicators in the context of the Europe 2020 strategy among the EU27 in the last year available – macroeconomic environment

	eu27	be	bg	cz	dk	de	ee	ie	gr	es	fr	it	cy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	fi	se	uk
GDP per capita in PPP (1)	100	119	46	80	125	121	67	129	79p	98	108	100	94	58	66b	271	66	85	131	129	64	77	49	84	73	114	127	109
Real GDP growth (%) (2)	-0.3	-0	0.8	-1.3	-0.5	0.7	3.2	0.9	-6.4p	-1.4	0f	-2.4	-2.4	5.6	3.7	0.3	-1.7	0.8	-1	0.8	1.9	-3.2p	0.7	-2.3	2.0	-0.2	0.8	0.3
Real GDP growth - forecast for 2013	-0.1	0	0.9	-0.4	0.7	0.4	3	1.1	-4.2	-1.5	-0.1	-1.3	-8.7	3.8	3.1	0.8	0.2	1.4	-0.8	0.6	1.1	-2.3	1.6	-2	1.0	0.3	1.5	0.6
Employment growth (%) (3)	-0.4	0.2	-4.3	0.4	-0.3	1.1	2.2	-0.6	-8.3p	-4.2	-0.1	-0.3	-4.1	2.6b	-6.7	2.3	0.1	2.1	-0.1	1.1	-1.6b	-4.2	1.9	-1.3	0.1	0.3	0.7	0.8f
Harmonised inflation rate (4)	2.6	2.6	2.4	3.5	2.4	2.1	4.2	1.9	1	2.4	2.2	3.3	3.1	2.3	3.2	2.9	5.7	3.2	2.8	2.6	3.7	2.8	3.4	2.8	3.7	3.2	0.9	2.8
General government balance (%GDP) (5)	-4	-4	-0.8	-4.4	-4	0.2	-0	-7.6	-10	-11	-4.8	-3	-6.3	-1.2	-3.2	-0.8	-1.9	-3	-4.1	-2.5	-3.9	-6.4	-2.9	-4	-4.3	-1.9	-0.5	-6.3
Public debt (% GDP) (6)	85.3	100	18.5	45.8	45.8	81.9	10	117.6	156.9	84.2	90.2	127	85.8	40.7	40.7	20.8	79.2	72	71.2	73.4	55.6	123.6	37.8	54.1	52.1	53	38.2	90

Source: Eurostat, (1) data for 2011; (2) - (6) data for 2012; p- preliminary data, e- estimate, b- change in determination, f- forecast

Table 2 Comparison of selected indicators in the context of the Europe 2020 strategy among the EU27 in the last year available – smart and inclusive growth

		eu27	be	bg	cz	dk	de	ee	ie	gr	es	fr	it	cy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	f	se	uk
Employment rate 20 – 64 years	total	68.5	67.2	63	71.5b	75.4	76.7	72.1	63.7	55.3	59.3	69.3	61	70.2	68.2	68.7	71.4	62.1	63.1	77.2	75.6	64.7b	66.5	63.8	68.3	65.1b	74	79.4	74.2
(1)	women	62.4	61.7	60.2	62.5b	72.2	71.5	69.3	59.4	45.2	54	65.0	50.5	64.8	66.4	67.9	64.1	56.4	46.8	71.9	70.3	57.5b	63.1	56.3	64.6	57.3b	72.5	76.8	68.4
	men	74.6	72.7	65.8	80.2b	78.6	81.8	75.2	68.1	65.3	64.5	73.8	71.6	76.1	70.2	69.4	78.5	68.1	79	82.5	80.9	72b	69.9	71.4	71.8	72.8b	75.5	81.9	80
Employment rate 55-64 years	total	48.9	39.5	45.7	49.3b	60.8	61.5	60.6	49.3	36.4	43.9	44.5	40.4	50.7	52.8	51.8	41	36.9	33.6	58.6	43.1	38.7b	46.5	41.4	32.9	43.1b	58.2	73	58.1
(2)	women	41.9	33.1	41.3	39b	55.8	54.8	61.2	42.7	26	36	41.7	30.9	38.2	52.5	48.3	34.3	32.2	15.8	49.1	34.1	29.2b	42	32.9	25	33.6b	59.7	69.6	51
	men	56.4	46	50.8	60.3b	65.9	68.5	59.8	55.8	47.6	52.4	47.4	50.4	63.5	53.1	56.2	47.4	42.6	51.7	68.1	52.5	49.3b	51.5	51.2	40.7	53.6b	56.6	76.3	65.4
Lifelong learning rate	total	9	6.6	1.5	10.8	31.6	7.9	12.9	7.1	2.9	10.7	5.7	6.6	7.4	7	5.2	13.9	2.8	7	16.5p	14.1	4.5p	10.6	1.4	13.8	3.1	24.5	26.7	15.8
(25-64 years) (3)	women	9.7	6.9	1.5	11.1	37.8	7.8	14.9	7.4	2.7	11.6	6.0	7	7.8	7.9	5.9	13.8	3	7.4	17p	15.2	5.1p	10.9	1.3	16.1	3.5	28.4	33.5	17.4
	men	8.4	6.2	1.4	10.5	25.4	8	10.6	6.7	3.1	9.9	5.4	6.1	7.0	6	4.3	14	2.6	6.7	16p	13	3.8p	10.3	1.4	11.5	2.7	20.7	20	14.3
Unemployment rate (4)	total	10.6	7.6	12.4	7b	7.7	5.6	10.4	15	24.5	25.2	9.9	10.8	12.1	15.2	13.5	5.2	11	6.5	5.3	4.4	10.2b	16.4	7.3	9	14b	7.8	8.1	8
	women	10.6	7.4	10.9	8.3b	7.7	5.3	9.5	11.1	28.3	25.5	10.1	12	11.2	14.1	11.7	5.9	10.7	7.4	5.2	4.4	11b	16.2	6.7	9.5	14.6b	7.1	7.8	7.5
	men	10.5	7.7	13.7	6.1b	7.7	5.8	11.2	18.1	21.6	24.9	9.8	10	12.8	16.3	15.4	4.6	11.3	5.9	5.3	4.4	9.5b	16.6	7.8	8.5	13.6b	8.5	8.5	8.5
Unemployment rate in young persons	total	22.8	19.8	28.1	19.5b	14.1	8.1	20.9	30.4	55.3	53.2	23.8	35.3	27.8	28.4	26.4	18.8	28.1	14.2	9.5	8.7	26.5b	37.7	22.7	20.6	34b	19	23.6	21
(15 – 24 years) (5)	women	22	18.9	26	19b	13.5	7.3	18	24	63.2	51.8	23.7	37.5	26.7	29.3	21.9	18.6	27.3	14.6	10	8.7	30b	39.2	23.2	21	32.5b	18	22.2	18
	men	23.4	20.4	29.5	19.9b	14.8	8.8	23.4	36.4	48.4	54.4	23.9	33.7	28.8	27.6	29.9	18.9	28.8	13.9	8.9	8.8	24.1b	36.4	22.3	20.3	35b	19.9	25	23.6
Economic activity rate in young	total	42.6	31.5	30.4	31.3b	64.1	50.7	41.7	40.5	29.2	38.8	37.8	28.7	39.0	40.1	29.3	26.8	25.9	51.1	69.9	59.9	33.6b	37.9	30.9	34.4	30.5b	51.6	52.6	59.2
persons (15 – 24 years) (6)	women	39.6	27.9	25.3	25.9b	64	48.1	38.2	39.7	27.2	37.4	34.5	24	35.5	36	26.1	24.7	23.7	48.3	71.4	55.3	28.4b	35.6	26.2	30	23.6b	52	53.4	56.7
	men	45.5	35	35.3	36.4b	64.1	53.2	45.2	41.3	31.2	40.2	41.1	33.1	42.8	44.1	32.4	28.8	28.0	53.7	68.5	64.5	38.5b	40.1	35.3	38.1	37.1b	51.2	51.8	61.7
Economically inactive young persons	Economically inactive young persons in		94.3	79.2	93.7b	85.3	92.1	88.3	88.2u	91.1	91	40.8u	85	90	89.2	92.6	96.9	89.3	88	82.8	90.7	90.8b	91.7	83.9	93.4	94.4b	81.7	78.8	84.6
education or training (7)																													

### Table 2 continued

Table 2 commune																													
		eu27	be	bg	cz	dk	de	ee	ie	gr	es	fr	it	cy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	f	se	uk
Young persons (15 – 24 years) not in	total	13.2p	12.3	21.5	8.9	6.6	7.7p	12.5	18.7	20.3	18.8	12.2	21.1	16.0	14.9	11.1	5.9p	14.7	11.1	4.3p	6.5	11.8p	14.1	16.8	9.3	13.8	8.6	7.8	14
employment, education or	-					L																							
training process (NEET) (8)	women	13.5p	12.2	21.5	9.8	6.7	8.4p	13.3	17.3	21.6	17.8	12.0	21	14.4	14.6	9.4	5.5p	15.7	12.2	4.7p	6.7	12.2p		18.6		13.1	8.6	7.8	15.
	men	12.9p	12.5	21.6	8.1	6.6	6.9p	11.7	20.1	19	19.6	12.5	21.2	17.8	15.2	12.8	6.3p	13.7	10.1	3.9p		11.5p		15.1	9.7	14.5	8.6	7.9	12.9
Rate of university educated	total	35.8	43.9	26.9	25.6	43	31.9	39.1	51.1	30.9	40.1	43.6	21.7	49.9	37	48.7	49.6	29.9	22.4	42.3p	26.3	39.1p		21.8		23.7	45.8	47.9	47.
population aged 30 – 34 years (9)	women	40	50.7	33.6	29.1	52.6	32.9	50.4	57.9	34.2	45.3	48.6	26.3	55.5	48.1	56.4	48.9	35.5	24	44.8p	26.6	46.5p		23.2	49.6	28.2	55.4	53.7	50.2
	men	31.6	37.1	20.5	22.4	33.7	31	28.1	44	27.6	35	38.5	17.2	43.6	26	40.7	50.4	24.7	20.7	39.9p	26	31.9p	24.3	20.5	29.5	19.4	36.7	42.4	44
Employment rate among	total	52.9	47.6	37.4	40.4t	61.4	57.5	50.6	44.1	48.6	49.2	55.5	50.9	57.9	52.2	36.6	63	38.8	49.6	62.3p	56	39.8b	63.2	53.1	47.2	30.7b	55.2	65.4	57.5
low-qualified persons (ISCED 0-2)	women	43.1	36.9	32	36.11	55.5	50.2	44.5	33.8	34.2	40.5	48.6	34.2	50.2	40.4	31.6	54.3	32.3	27.9	51.3p	51.2	30.2b	56.8	45	39.3	27.3b	49.8	57.3	48.
(10)	men	63.1	57.5	42.7	48.6t	67.1	67.6	54.6	52.5	61.5	57.2	63	66.7	67.2	59.2	40.7	73.1	47.9	72.8	74.4p	64.7	49.6	69	64.1	56.1	36b	59	72.8	67.
Employment rate among	total	16.8	12.1	27	25.5t	9.6	12.8	22.1	23.3	25.1	31.2	13.8	12.2	12.6	22.6	34.5	6.4	22.8	7.6	6.6p	7.7	17.8b	16	6.8	14	41.5b	11.6	12.3	10.3
low-qualified persons (ISCED 0-2)	women	16.7	12.4	27.2	24.6t	8.9	11.2	19.1	15.2	27.6	32	14.1	14.3	9.4	29.9	33.7u	6.9	22.9	8.8	6.2p	6.4	18.7b	15.6	4.3	14.1	38.5b	12.8	12.3	9.6
(11)	men	16.8	11.9	26.8	26.7t	10.1	14.4	23.6	27.1	23.8	30.6	13.5	11.1	15.2	19.2	34.9	6	22.6	7.1	6.8p	9.5	17.2b	16.3	9	13.8	44.7b	10.8	12.3	10.9
Long-term unemployment rate	total	4.6	3.4	6.8	3b	2.1	2.5	5.5		14.4	11.1	4.1	5.7	3.6	7.8	6.5	1.6	4.9	3	1.8	1.1	4.1b	7.7		4.3	9.4b	1.6	1.5	2.8
(12)	women	4.6	3.2	5.7	3.6b	2.1	2.3	4.9		17.5	11.6	4.1	6.5	3.2	6.9	5.7	1.8	4.7	2.6	1.7	1	4.6b	7.7		4.4	9.5 b	1.2	1.3	2.2
(/	men	4.6	3.5	7.7	2.6b	_	2.7		12.1	12.2	10.8	4.1	5.1	4.0	8.5	7.3		5.1	3.3	1.9	1.1	3.7b	7.8	_	4.1	9.3 b	2.1	1.7	3.2
Proportion of early	total	12.8p	12	12.5	5.5	9 1	10.5p	10.5	9 7	11.4	24.9	11.6	17.6	11.4	10.5	6.5	8.1p	11.5	22.6	8.8p	7.6	5.7p	20.8	17.4	4.4	5.3	8.9	7.5	13.5
school leavers	women	11p	9.5	13	4.9	7.4	9.8p	7.1		9.1	20.8	9.8	14.5	7	6.2	4.6u		10.7	17.6	7.3p	7.3	3.5p	14.3		3.2u	4.6	8.1	6.3	12.4
(13)	men	14.5p	14.4	12.1	6.1	10.8	11.1p		11.2	13.7	28.8	13.4	20.5	16.5	14.5	8.2	10.7p	12.2	27.5	10.2p	7.9	7.8p	27.1	18	5.4	6	9.8	8.5	14.6
Tax wedge (14)		39.6	50.5	12.1	39.3		45.6	39.2		38.6	37	47.1	44.5	10.5	14.5	0.2		47.6	27.3	33.2	44.2		32		38.5	36.9	36.7	40.7	28.2
Unemployment trap – individual (15)		74.81	91	82	80	89	73	64	76	60	83	77	78		90	68	87	80	56	84	67	82	79	54	90	44	72	74	65
Low-wage trap – individual (15)		47.22	60	22	49	74	54	24	52	25	29	49	41		33	26	59	38	21	74	41	61	21	31	46	27	52	40	52
Low-wage trap – couple with 2 childs earning) (15)	en (one	58.46	49	22	88	95	80	26	76	21	13	74	4		69	92	108	67	21	66	94	41	56	34	61	52	99	77	80
Population at risk of poverty and social exclusion	total	24.2e	21	49.1	15.3	18.9	19.9	23.1		31	27	19.3	28.2	23.7	40.4b	33.4	16.8	31	21.4	15.7	16.9	27.2	24.4	40.3	19.3	20.6	17.9	16.1	22.7
(%) (16)	women	25.2e	21.5	50.5	16.9	19.5	21.3	22.9		32.3	27.3	19.9	29.9	25.5	40.7b	33.6	18.0	31.4	22.2	16.6	18.5	27.7	25.1	41.1	21.1	21.7	18.5	18	24.1
	men	23e	20.4	47.7	13.7	18.2	18.5	23.2		29.6	26.6	18.6	26.4	21.8	40.1b	33.2	15.6	30.5	20.6	14.9	15.2	26.6	23.8	39.5	17.4	19.5	17.3	14.2	21.4
Population at risk of poverty and soc exclusion aged under 18 years (%) (1		27e	23.3	51.8	20	16	19.9	24.8		30.4	30.6	23	32.2	22.1	44.6b	33.4	21.7	39.6	25.8	18	19.2	29.8	28.6	49.1	17.3	26	16.1	15.9	26.9
Population at risk of poverty and social exclusion aged above 18 years	total	23.5e	20.3	48.6	14.3	19.6	19.9	22.7		31.1	26.2	18.3	27.3	24.1	39.5b	33.4	15.4	29	20.4	15.1	16.4	26.6	23.5	38.3	19.7	19.6	18.4	16.2	21.7
(%) (18)	women	24.8e	21.1	50.2	16.4	20.3	21.2	22.5		32.5	26.4	19.4	29.3	26.8	40.1b	33.4	16.9	29.8	21.6	16.4	18.3	27.3	24.5	39	21.9	20.6	19.2	18.6	23.5
	men	22.1e	19.6	46.8	12	19.0	18.4	23		29.6	25.9	17.1	25.2	21.2	38.7b	33.3	13.9	28.2	19.1	13.7	14.4	25.8	22.5	37.6	17.5	18.4	17.5	13.6	19.8
Poverty risk rate (19)	total	16.9e	15.3	22.3	9.8	13	15.8	17.5		21.4	21.8	14	19.6	14.5	19.1b	20	13.6	13.8	15.4	11.0	12.6	17.7	18	22.2	13.6	13	13.7	14	16.2
	women	17.6e	16	23.6	10.6	13	16.8	17.4		21.9	22.4	14.5	20.8	16.2	18.4b	20.1	14.5	13.6	15.8	11.1	13.5	17.6	18.4	22.5	15	13.1	14.2	15.7	17.6
	men	16.1e	14.6	20.8	8.9	13.0	14.9	17.6		20.9	21.1	13.5	18.3	12.7	20b	19.8	12.7	14.1	15	10.8	11.7	17.8	17.6	21.9	12.2	12.8	13.2	12.2	14.8
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#### Report on the Social Situation of the Slovak Republic for 2012 Appendix to Chapter 5

Table 2 continued

		eu27	be	bg	cz	dk	de	ee	ie	gr	es	fr	it	cy	lv	lt	lu	hu	mt	nl	at	pl	pt	ro	si	sk	f	se	uk
Persons in households with very low work intensity (%) (20)	total	10e	13.7	11	6.6	11.4	11.1	9.9		11.8	12.2	9.3	10.4	4.6	12.6b	12.3	5.8	12.1	8.3	8.7	8	6.9	8.2	6.7	7.6	7.6	9.8	6.8	11.5
	women	10.7e	14.3	10.9	7.4	12	11.8	9.1		12.8	12.6	9.7	11.6	5	12b	12.2	6.6	12.4	9.9	9.5	9.1	7.4	8.6	7.6	8.6	7.8	9.3	6.9	12.2
	men	9.4e	13.2	11.1	5.8	10.7	10.4	10.8		10.9	11.8	9	9.2	4.1	13.2b	12.5	5.1	11.8	6.7	7.9	7	6.4	7.9	5.7	6.7	7.5	10.2	6.6	10.7
Severely materially deprived (%)	total	8.8e	5.7	43.6	6.1	2.6	5.3	8.7		15.2	3.9	5.2	11.2	10.8	31.4b	18.5	1.2	23.1	6.3	2.5	3.9	13.0	8.3	29.4	6.1	10.6	3.2	1.2	5.1
(21)	women	9.1e	5.4	44.6	6.7	3.3	5.7	8.6		15.4	4	5.4	11.4	10.8	31.9b	18.8	1.1	23.5	6.4	2.6	4.3	13.2	8.7	29.5	6.4	11	3.2	1.2	5.1
	men	8.5e	5.9	42.5	5.6	2.0	5	8.8		14.9	3.7	5.1	10.9	10.8	30.7b	18.1	1.3	22.7	6.2	2.4	3.5	12.9	7.8	29.2	5.8	10.1	3.2	1.1	5

Source: Eurostat; (1) - (13) - data for 2012, (14) - data for EU 27 for 2011, other data for 2012; (15) - (21) - data for 2011: - Data unavailable, p - preliminary data, e - estimate, b - break in methodology, u - unreliable data

eu27 – European Union (27 Member States), be – Belgium, bg – Bulgaria, cz – Czech Republic, dk – Denmark, de – Germany, ee – Estonia, ie – Ireland, gr – Greece, es – Spain, fr – France, it – Italy, cy – Cyprus, lv – Latvia, lt – Lithuania, lu – Luxemburg, hu – Hungary, mt – Malta, nl – Netherlands, at – Austria, pl – Poland, pt – Portugal, ro – Romania, si – Slovenia, sk – Slovakia, fi – Finland, se – Sweden, uk – United Kingdom