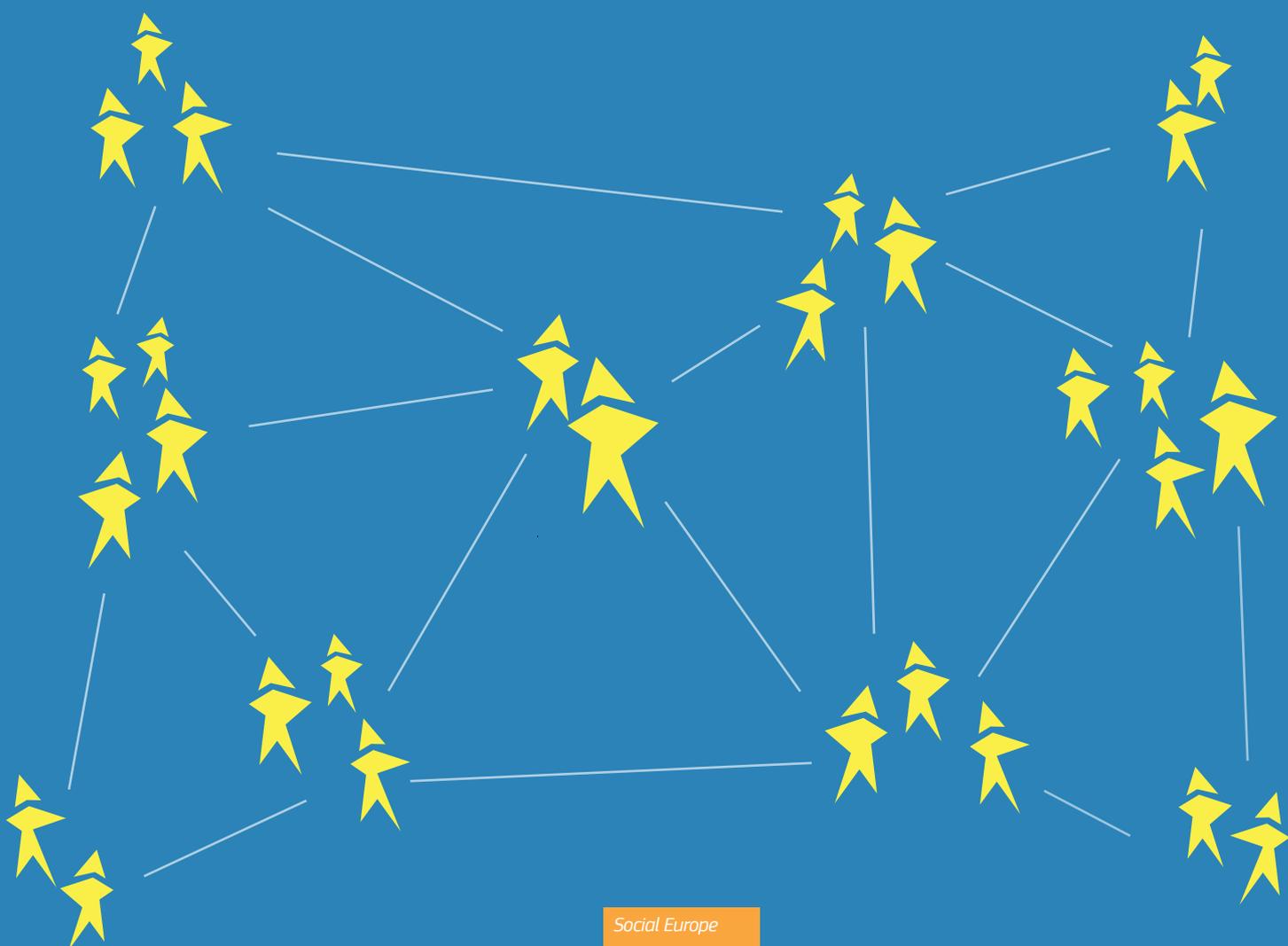




EUROPEAN SOCIAL POLICY NETWORK (ESPN)

In-work poverty in Slovenia

Nada Stropnik



Social Europe

EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion

Directorate C — Social Affairs

Unit C.2 — Modernisation of social protection systems

Contact: Giulia Pagliani

E-mail: Giulia.PAGLIANI@ec.europa.eu

European Commission

B-1049 Brussels

European Social Policy Network (ESPN)

**ESPN Thematic Report on
In-work poverty**

Slovenia

2019

Nada Stropnik

The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

For more information on the ESPN, see:

<http://ec.europa.eusocialmain.jsp?catId=1135&langId=en>

***Europe Direct is a service to help you find answers
to your questions about the European Union.***

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

This document has been prepared for the European Commission, however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

© European Union, 2019

Reproduction is authorised provided the source is acknowledged

Quoting this report: Stropnik, Nada (2019). ESPN Thematic Report on In-work poverty – [Slovenia], European Social Policy Network (ESPN), Brussels: European Commission.

Contents

SUMMARY/KEY FINDINGS/SUGGESTIONS	4
1 ANALYSIS OF THE COUNTRY'S POPULATION AT RISK OF IN-WORK POVERTY	5
2 ANALYSIS OF THE POLICIES IN PLACE.....	8
2.1 Policies directly influencing IWP.....	8
2.1.1 Minimum wage policy	8
2.1.2 Labour market policy	9
2.1.3 Maternity/paternity/parental leave income compensation	10
2.1.4 Cash social assistance	10
2.1.5 Family benefits.....	11
2.1.6 Personal income tax policy.....	11
2.2 Policies indirectly influencing IWP	12
2.2.1 Subsidies for early childhood education and care	12
2.2.2 Social housing and housing benefit	13
2.2.3 Life-long learning	14
3 POLICY DEBATES, PROPOSALS AND REFORMS ON IN-WORK POVERTY AND RECOMMENDATIONS.....	14
3.1 Minimum wage.....	15
3.2 Segmented labour market	15
3.3 Tax burden on salaries	16
3.4 Recommendations	16
4 ASSESSING DATA AND INDICATORS.....	17
REFERENCES	18

Summary/Key findings/Suggestions

The in-work poverty¹ (IWP) rate in Slovenia fluctuated around 6.5% (between 6.1% and 7.1%) in 2012-2017 (Eurostat, 2018a). It was 6.6% in 2017, which placed Slovenia in the best third of EU countries. There is a huge difference in the rate of IWP between employees and the self-employed. In 2017, the rates were 4.2% and 26.8%, respectively. Single-person households (particularly with dependent children), as well as those who experience short spells of unemployment during a year, are at considerably higher risk of IWP. The impact of household work intensity is also huge.

In 2018, the minimum wage was just above the 2017 at-risk-of-poverty threshold, and was received by 4.8% of all persons in employment (Draft Act Amending the Minimum Wage Act, 2018; SI-Stat, 2018). The Act Amending the Minimum Wage Act (2018) increased the minimum wage from €638 per month, net of social security contributions and taxes, to €667 in 2019 and €700 in 2020. A calculation formula will be introduced in 2021 that will keep the net minimum wage 20% above the minimum costs of living. The Act excluded all remaining bonuses and allowances from the minimum wage calculation. It is considered that salaries in general are too low in Slovenia and cause IWP. Reducing the share of low-wage earners among all employees remains a challenge.

In 2012-2017, labour market policy was focused on stimulating permanent employment contracts, discouraging non-standard contracts, and detecting and punishing disguised employment/'bogus' self-employment. In-work benefits are almost the same for persons working full time as for those working part time, and they are the same as between employees on permanent and fixed-term contracts. A high earnings-compensation rate for maternity/paternity/parental leave alleviates the risk of IWP. The minimum income policy rewards work effort through activity supplements, bringing the minimum income for a person employed for more than 128 hours per month very close to the minimum wage. Cash social assistance beneficiaries are allowed to exempt a part of their income from the means-test. Child allowances differ by income group and birth order and are particularly high for the lowest income brackets, but the order in which social benefits are claimed prevents the poorest families from receiving the whole amount of both cash social assistance and child allowances. Fiscal consolidation measures (Public Finance Balance Act, 2012), implemented in June 2012 and finally abandoned at the end of 2018, did not affect families at risk of poverty. Tax reliefs for the personal income tax payer and their dependants frequently result in no personal income tax being paid by low-income earners. Subsidies enjoyed by low-income users of social services may prevent or alleviate the risk of IWP. Early childhood education and care is accessible and affordable for persons at risk of poverty. There are housing benefits, but social housing is in short supply. The participation rate in life-long learning is low among persons with basic education or less: 2.7% in 2012 and 2.9% in 2017 (Eurostat, 2018c).

Addressing IWP has been a policy priority in Slovenia. In the Slovenian Development Strategy 2030, the in-work at-risk-of-poverty rate (age 18 and over) is a performance indicator under the goal of an inclusive labour market and high-quality jobs (GRS, 2017, p. 24). Since 2012, measures have been taken and discussed in three areas that affect the extent of IWP: the minimum wage, the segmented labour market, and net salaries (vs gross salaries). There is a comprehensive active inclusion approach to the prevention and alleviation of IWP, to the extent that legislation and other measures support access to good-quality employment, enabling services and an adequate income. Nevertheless, there is always room for improvement, in terms of both regulation and practice. We recommend that an analysis be carried out of the changed position of minimum wage earners following the increases in the minimum wage in 2019 and 2020, and that personal income tax policy be revised accordingly. We also recommend further measures to protect the 'bogus' (dependent) self-employed, particularly through solving the problem of understaffing in the Labour Inspectorate.

1

1 Analysis of the country's population at risk of in-work poverty

Under the EU's agreed definition of in-work poverty (IWP), a person is at risk of IWP if they are in employment and live in a household that is at risk of poverty. A person is in employment when they worked for more than half of the income reference year.² Employed individuals can be waged employees or self-employed. In all but two EU countries (exceptions: Ireland [last 12 months] and the UK [current year]), the income reference year is the calendar year prior to the survey. A household is at risk of poverty (or 'income poor') if its equivalised disposable income is below 60% of the national equivalised disposable household median income. The population covered is those aged 18-64.

The IWP rate in Slovenia fluctuated around 6.5% (between 6.1% and 7.1%) in the years 2012-2017 (Eurostat, 2018a).³ It was 6.6% in 2017. The country's ranking in the EU improved, from 11 to 10 and finally to 9 (in 2016, and most probably in 2017 too).⁴

IWP rates were higher for men than women (7.7% and 5.3%, respectively, in 2017). In 2012-2013 and 2016, the rates were similar for the three age groups: the youngest (18-24), middle (25-54) and oldest (55-64). In 2014, the IWP rate was as high as 9.9% for the youngest age group, while in 2015 and 2017 it was highest in the oldest age group (8.6% and 7.5%, respectively). In 2017, the IWP rate was 5.4% for the youngest age group and 6.5% for the middle one. The rates by education level, and the differences between them, were stable in 2012-2017. In 2017, the IWP rate was 12.0% for persons with lower secondary education or below (levels 0-2); 7.7% for persons with upper secondary and post-secondary non-tertiary education (levels 3 and 4); and 3.4% for those with tertiary education (levels 5-8). The IWP rate was lower for persons born in Slovenia (5.7% in 2017) than for all those born abroad (14.0%, but decreasing over the period), and 12.7% for persons born in other EU countries.

In 2012-2017, the IWP rate was between 4.1% and 4.7% for waged employees, and between 22.6% and 27.8% for the self-employed. In 2017, the rates were 4.2% and 26.8%, respectively (see Figure 1A).⁵ In the observed period, the IWP rate was higher for waged employees, but lower for the self-employed, in Slovenia than the EU-28 average (Figure 1B). There was a notable difference in Slovenia between IWP rates for persons with permanent contracts (3.6% in 2017) and those with temporary contracts (9.9%). Although the rate for full-time employed persons remained more or less the same (5.8% in 2017), the rate for persons employed part time increased by 5 percentage points in 2012-2017. The difference between IWP rates for these two groups also increased, amounting to 9.4 percentage points in 2017.

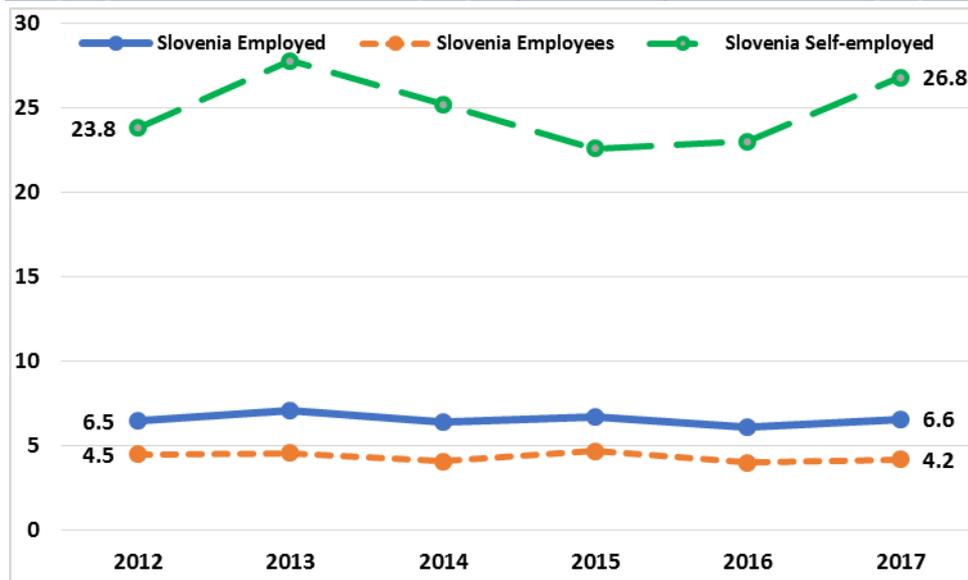
² It is very important to keep this definition in mind. Quite often the IWP rates are interpreted as if they referred to persons who had worked for the whole year (and even full time).

³ The same source (Eurostat, 2018a) applies for all IWP rates quoted in this section.

⁴ The data for Croatia and Ireland were not known at the time of writing this report.

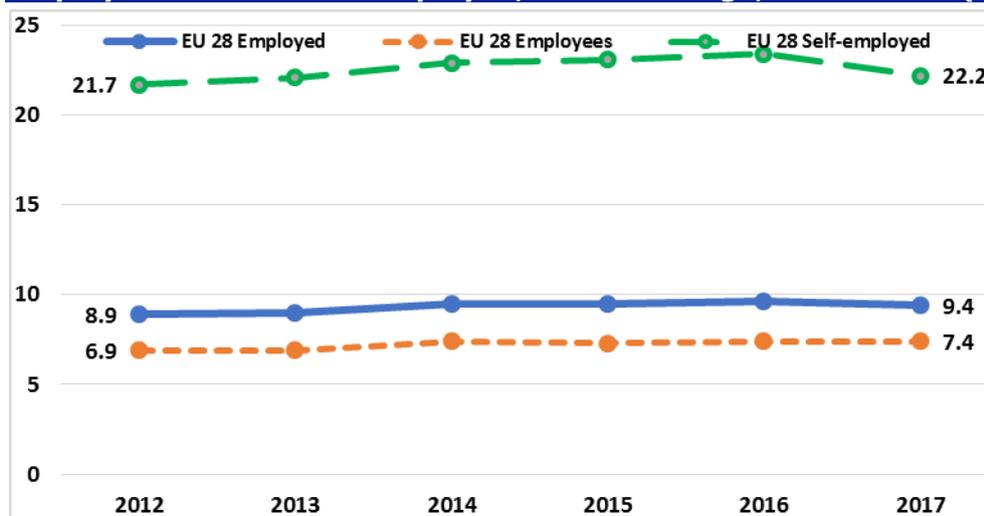
⁵ Conversely, there is almost no difference between these two groups of employed persons as regards material and social deprivation (defined as the lack of at least five out of 13 selected items). In 2017, the material and social deprivation rate was 6.4% for waged employees and 5.4% (less!) for the self-employed. The rates had fallen by 4.1 and 3.1 percentage points, respectively, since 2012 (Eurostat, 2018a).

Figure 1A. Evolution in in-work at-risk-of-poverty rate for the employed, employees and the self-employed, Slovenia, 2012–2017 (%)



Source: Eurostat, *ilc_iw01*.

Figure 1B. Evolution in in-work at-risk-of-poverty rate for the employed, employees and the self-employed, EU-28 average, 2012–2017 (%)



Source: Eurostat, *ilc_iw01*.

For households with two or more adults, the situation was stable in 2012-2017. In 2017, the IWP rate was 3.8% for such households without dependent children, and 5.9% for those with dependent children. The situation of households with a single adult was quite different. The situation was much worse for single persons with dependent children, in particular. Their IWP rate was 19.0% in 2017, which was 4.2 percentage points higher than in 2012. The impact of household work intensity was huge and relatively stable. In 2017, the IWP rate was 28.3% for households with low work intensity; 20.3% for those with medium work intensity; 7.7% for those with high work intensity; and 4.0% for those with very high work intensity. Interestingly, IWP rates were several percentage points lower for households with very high work intensity and dependent children than for those without dependent children.

Labour market developments may have had impact on IWP. The unemployment rate fell from 10.1% in 2013 (its highest point in the period examined) to 6.6% in 2017 (SI-Stat Data Portal, 2018). This positively influenced the proportion of the total population in

employment, as well as the duration of employment (more persons were employed for the whole calendar year).

There were increases in non-standard employment and self-employment from 2012 to 2017. The number of part-time employees (aged 20-64) increased by 17% and their proportion in all employment by 13%. In the years 2012-2017, the share of part-time employment in total employment was between 8.5% and 9.6%.⁶ The number of temporary contracts (for persons aged 20-64) increased by 8% and their proportion in all employment by 4%. In the years 2012–2017, the share of temporary contracts in total employment was between 13.4% and 14.6%.⁷ The number of self-employed people (aged 15-64) increased by only 2%. In the years 2012-2017, the share of self-employment in the total employment was between 11.5% and 12.3%.⁸ However, there were fluctuations in individual years, so that one cannot speak of a pronounced increasing trend in these three groups (part-time workers, those on temporary contracts, and the self-employed).

The proportion of low-wage earners⁹ increased in Slovenia between 2010 and 2014 by 1.4 percentage points: from 17.1% of all employees (excluding apprentices) to 18.5% (Eurostat, 2018b). Both percentages were higher than the arithmetic EU average, but positioned Slovenia below the median.

The Minimum Wage Act (2010) increased the minimum wage considerably by setting it at a level that, net of social security contributions and taxes, equalled the minimum costs of living for a single person. Nonetheless, this means that a person receiving the minimum wage and maintaining a child is not able to make ends meet without social assistance, family benefits and other kinds of support. The income of households living on the minimum wage remained below the poverty threshold. In January 2018, the minimum wage was increased to €842.79 gross (€638.42 net of social security contributions and personal income tax; see Minimum Wage Amount, 2018) and exceeded the 2017 at-risk-of-poverty threshold by a mere €2.42. It obviously did not allow a decent level of living in spite of full-time work.

With each increase in the minimum wage, the number of minimum wage earners has increased as well, as has their proportion in total employment. In June 2018 there were 42,279 minimum wage earners in Slovenia (34,701 in the private sector and 7,578 in the public sector), accounting for 4.8% of all persons in employment (Draft Act Amending the Minimum Wage Act, 2018; SI-Stat, 2018). There is also a peculiarity in the Slovenian collective agreements, namely the existence of quite a few salary bands that are below the current minimum wage amount (the lowest being around €350 per month). The employees concerned are (or at least should be) paid a minimum wage nonetheless, since according to Slovenian legislation no worker can be paid less than the minimum wage (although there have also been such cases in practice).

There is a general opinion in Slovenia that not only is the minimum wage too low, but salaries in general too.¹⁰ This is due to a relatively low level of labour productivity (i.e., added value), but also to a relatively high difference between gross and net salaries. It has been a continuous major challenge to increase net wages without putting the entire burden on employers. The only short-term way to raise salaries has been considered to be through cutting social security contributions and/or personal income tax. However,

⁶ Eurostat (2018c), Part-time employment and temporary contracts – annual data [lfsi_pt_a] (accessed 29 November 2018).

⁷ Eurostat (2018c), Part-time employment and temporary contracts – annual data [lfsi_pt_a] (accessed 29 November 2018).

⁸ Eurostat (2018c), Self-employment by sex, age and educational attainment level (1 000) [lfsa_esgaed], and Employment and activity by sex and age – annual data [lfsi_emp_a] (accessed 29 November 2018).

⁹ Low-wage earners are defined as those employees earning two-thirds or less of the national median gross hourly earnings in a particular country.

¹⁰ See, for instance, the position of the two biggest trade unions in Slovenia (SPA, 2018) and that of all trade unions that participated in the protest organised in December 2018 (Hanžič, 2018).

this would have negative consequences for the government budget and/or social security funds.

IWP in general (not only in relation to the Eurostat indicator) has been an issue that is quite often highlighted and discussed in professional and public discourse, and in the media in Slovenia. Three causes have been stressed: the duration of (un)employment; salary levels; and regularity of payment. The factors contributing to IWP are considered to include: household work intensity; number of dependent family/household members; and sickness (MLFSAEO, 2017; Hočvar, 2016; Celin, 2014; Intihar, 2013; Zabukovec, 2013).

Two main challenges regarding IWP in Slovenia arise from this analysis.

1. The minimum wage should be at least kept above the at-risk-of-poverty threshold for a single person. This is guaranteed from 2021 on by the Act Amending the Minimum Wage Act (2018) (see Section 3.1 of this report).
2. The share of low-wage earners among all employees should be reduced.

Both challenges are closely related to labour productivity, raising which is a challenge in itself.

2 Analysis of the policies in place

2.1 Policies directly influencing IWP

The IWP rate is the primary indicator showing whether or not payment for work keeps people above the poverty threshold.¹¹ This section thus deals with policies that directly affect the lower end of the earnings distribution. The progress achieved on minimum wage policy (see Section 2.1) promises to alleviate IWP, particularly for single-person households and from 2021 on. The effectiveness of labour market policy in promoting permanent employment and discouraging non-standard employment has been proven (see Section 2.1.2). The designs of the maternity/paternity/parental leave income compensation and cash social assistance undoubtedly contribute to alleviating the risk of poverty, including IWP (Sections 2.1.3 and 2.1.4). The order in which social benefits are claimed should be changed, so that the poorest families receive the whole amount of both cash social assistance and child allowances.

2.1.1 Minimum wage policy

The minimum wage amount has been indexed regularly after the adoption of the Minimum Wage Act by the National Assembly in 2010. The minimum wage was also increased by an additional amount in 2018, taking it to €842.79 gross (€638.42 net of social security contributions and personal income tax) (Minimum Wage Amount, 2018).¹² The proposal was submitted by the Minister of Labour, Family, Social Assistance and Equal Opportunities in spite of opposition by employers and the Minister of Economic Development and Technology. The minister's argument was that the minimum wage should not be below the at-risk-of-poverty threshold for a single person. The government also supported the goals of the Draft Act Amending the Minimum Wage Act (2018) that

¹¹ We are aware of the fact that the name of the indicator does not properly reflect its definition and may even be misleading. For instance, a person may be in employment in the last seven months of a calendar year and have decent earnings, but due to not having earned any income in the first five months may end up with an annual income below the at-risk-of-poverty threshold. The same person may have spent the first five months living with their parents, say, and not been materially deprived at any point in the calendar year.

¹² In 2017, the gross monthly minimum wage amounted to €804.96 (€613.66 net).

was adopted in December 2018.¹³ All political parties agreed that that the minimum wage was too low.

2.1.2 Labour market policy¹⁴

In Slovenia amendments to labour market legislation have been adopted, and other measures introduced, to stimulate permanent employment contracts, discourage the use of non-standard contracts, and detect and punish disguised employment/'bogus' self-employment.

The new Labour Relationships Act (2013) is aimed at reducing the inappropriate usage of fixed-term contracts by the following means.

- (Further) restricting successive fixed-term contracts for the same work, where the total continuous duration would be longer than two years (except in some explicitly determined cases) (Article 55).
- Transforming illegal fixed-term contracts, where detected, into permanent ones (Article 56).
- Introducing high severance pay on termination of fixed-term employment contracts, particularly those for a period of one year. Analysis has shown that, by relaxing the conditions for dismissals, the 2013 Act also stimulated employers to conclude permanent employment contracts more frequently than before (MLFSAEO, 2016, p. 17). In 2014, almost half of formerly (in 2013) fixed-term contracts were changed into permanent contracts (MLFSAEO, 2016, p. 5).

The Act Amending the Labour Market Regulation Act (2013) introduced:

- exemptions from payment of the employer's unemployment insurance contribution in the first two years of a worker's permanent employment (Article 29); and
- employer's unemployment insurance contributions at a rate five times higher (0.30%) than the standard one (0.06%) in the case of a fixed-term employment contract (Article 39).

The implementation of these two Acts in April 2013 checked the spread of non-standard work (MLFSAEO, 2016).

There are active labour market policies (ALMPs) that stimulate permanent employment:

- a refund, for two years, of employer's contributions in respect of employees (younger than 26 or mothers with children younger than 3) in their first permanent employment (ESS, 2017); and
- an exemption, for two years, from the payment of employer's social security contributions for signing a permanent employment contract with a person under the age of 30 who has previously been unemployed for three months (IMAD, 2014, p. 62).

Based on the paper *For Decent Work* (MLFSAEO, 2016), the Act Amending the Labour Inspection Act (2017) was adopted, with the aim of increasing the effectiveness of the Labour Inspectorate and stimulating employers to conclude permanent employment contracts. In cases where the elements of an employment contract are proven to exist, the employer has to offer an adequate employment contract to the worker within three days of receiving the inspector's decision.

By applying the 'every-work-counts' concept from February 2015, the Act Amending the Public Finance Balance Act (2014) introduced a higher hourly rate for student work.

¹³ See Section 3.1 of this report.

¹⁴ This section is largely based on Stropnik, Majcen and Prevolnik-Rupel (2017, pp. 21-22).

In-work benefits are the same for employees on both permanent and fixed-term contracts, and they are almost the same for persons working full time or part time (Labour Relationships Act, 2013). All employees are entitled to the same number of days of annual leave, while the pay for annual leave is proportionate to the hours worked. The transportation to work allowance is awarded according to the same criteria, and a meal subsidy is the same for all employees.

2.1.3 Maternity/paternity/parental leave income compensation

Persons on maternity/paternity/parental leave are counted as being in employment. Since the total leave lasts 13 months, it is important that leave users receive full salary compensation.¹⁵ Wide eligibility is also very important. To be eligible for maternity/paternity/parental leave and wage compensation, a person has to have been covered by parental protection insurance (which is part of social security) just prior to the first day of the leave, or for at least 12 months in the last three years before the start of the leave. This mandatory insurance covers all workers, both employees and the self-employed (Parental Protection and Family Benefits Act, 2014). Between June 2012 and the end of 2018, due to financial consolidation measures, the compensation rate for paternity and parental leave was lowered to 90% and the compensation ceiling was lowered from 2.5 times to 2 times the average wage in Slovenia (Public Finance Balance Act, 2012). In August 2013, the same ceiling was set for maternity leave salary compensation, which had previously been unlimited (Act on Emergency Measures in the Field of Labour Market and Parental Care, 2013).

2.1.4 Cash social assistance

Low-income earners with dependants are likely to be entitled to cash social assistance. At the end of 2018, the monthly minimum wage amounted to €638.42 (net of social security contributions and personal income tax), while the minimum income for a single person working more than 128 hours per month amounted to €593.05 due to the activity supplement.¹⁶ Cash social assistance beneficiaries are allowed to exempt a part of their income from the means-test. Each month an amount equivalent to 0.5 the basic minimum income is disregarded if the income comes from casual work or if it is occasional/non-periodical income, as an incentive for people to seek employment and remain attached to the labour market (Social Assistance Benefits Act 2010: Articles 22 and 23).

The Social Assistance Benefits Act (2010) and the Exercise of Rights to Public Funds Act (2010) became effective on 1 January 2012. Although the minimum income was increased, the interaction with other benefits resulted in a decline in many families' disposable income. According to the Exercise of Rights to Public Funds Act (2010), which specified the order in which benefits are claimed, child allowances (the first benefit to be claimed) are counted in family income when the decision on the (amount of) cash social assistance is taken. The revision to the Exercise of Rights to Public Funds Act (Act Amending the Exercise..., 2013) – i.e. not taking into account the whole amount of child allowance received¹⁷ – has not had any significant positive impact for social assistance beneficiaries. This system has been heavily criticised because many of the worst-off

¹⁵ The compensation amounts to 100% of the person's average monthly earnings (or other base on which parental protection contributions were paid) during the 12 months prior to the leave being taken.

¹⁶ An activity supplement (as part of the minimum income) is granted to the beneficiaries of cash social assistance who work for at least 60 hours per month or participate in ALMPs. There is an additional weighting of 0.26 for 60-128 hours of work per month and 0.51 for more than 128 hours of work per month. Before June 2018, the weights were 0.28 and 0.56, respectively (Social Assistance Benefits Act, 2010).

¹⁷ Since 1 January 2014, the supplements for children in single-parent families and pre-school children not attending subsidised early childhood education and care programmes, as well as an amount equal to 20 % of the child allowance for the first child in the lowest income bracket (per child), are not counted in the family income (Act Amending the Exercise of Rights to Public Funds Act, 2013, Article 4).

families do not receive the whole amount of both cash social assistance and child allowances, which is absurd and points to the need for revisions to the current Act.¹⁸

Since September 2014, the minimum income for a single-parent family has been increased by 20% of the basic amount of minimum income (amounting to €58.51 since August 2016) for each child living with the family (it was previously increased by 10% of the basic amount of minimum income, or €29.26) (Act Amending the Social Assistance Benefits Act, 2013). An increase in the basic weekly amount of minimum income from €297.53 to €385.05 (by 11.34%) became effective in June 2018 (Act Amending the Social Assistance Benefits Act, 2018, Article 1).

2.1.5 Family benefits

Cash benefits for families with children include a birth grant, a parental allowance (for parents not entitled to the parental leave and income compensation), a child allowance, and a large family allowance.¹⁹ Fiscal consolidation measures (Public Finance Balance Act, 2012), implemented in June 2012 and finally abandoned at the end of 2018, did not affect families who were already experiencing poverty and social exclusion, or were at high risk of becoming poor or excluded, because they were exempt from cuts in entitlements. Family benefits – along with cash social assistance – are among the most important reasons why the risk of poverty for children did not explode after the outbreak of the crisis. However, in the period from June 2012 to the end of 2018, family benefits were not updated for inflation.

Child allowances differ by income group and birth order and are particularly high for the lowest income brackets, both in absolute terms and relative to other social transfers and the minimum wage. Due to more severe income and property conditions for entitlement, the Exercise of Rights to Public Funds Act (2010) made social benefits (including child allowance) more targeted from January 2012, resulting in a reduction in many families' disposable income. The Act Amending the Exercise of Rights to Public Funds Act (2013) relaxed the conditions. Since May 2014, the child allowance has been increased by 30% for a child living in a single-parent family (prior to that, it was increased by 10%) (Parental Protection and Family Benefits Act, 2014, Article 72).

Some fiscal consolidation measures were abandoned in January 2016. Child allowances were returned from 90% to 100% of their normal level for beneficiaries with a *per capita* income between 42% and 64% of the net average wage (Act Amending the Exercise of Rights to Public Funds Act (2015)). The same Act, however, also introduced an additional condition regarding an increase in the employment rate²⁰ for reversing the other cuts in family benefits (the birth grant and large family allowance were temporarily granted only to families with a *per capita* income below 64% of the net average salary). Starting with children born in 2018, the birth grant has been again been payable for each child and amounts to €280 (Act Amending the Parental Protection and Family Benefits Act, 2018).

2.1.6 Personal income tax policy

Tax reliefs (reductions in the taxable base) for personal income tax payers and their dependants frequently result in no personal income tax being paid by low-income

¹⁸ A draft Act Amending the Exercise of Rights to Public Funds Act – aimed at reversing the order of the first two social benefits to be claimed – entered the parliamentary procedure in 2018, but its second reading was rejected due to the prime minister's resignation in March 2018.

¹⁹ The basic acts regulating family benefits are the Parental Protection and Family Benefits Act (the current one, replacing the former act with the same name, was adopted in 2014, and amended in 2015 and 2018), and the Exercise of Rights to Public Funds Act (2010) that became effective on 1 January 2012.

²⁰ The financial consolidation measures should have been in force until the year that follows the year in which economic growth exceeded 2.5% of GDP **and** the annual increase in the employment rate in the age group 20-64 years exceeded 1.3 percentage points.

earners. This is particularly true if they have extra children, because tax reliefs for children increase progressively according to birth order (Personal Income Tax Act, 2011).

Personal income tax policy increased redistribution towards low-income individuals through an additional general income tax relief for the lowest personal income tax brackets. From the personal income tax year 2018 this relief is no longer a lump sum, but depends on income for persons with a net annual tax base between €11,166.37 and €13,316.83 (Act Amending the Personal Income Tax Act, 2017, Article 7).

Since the personal income tax year 2014, the indexation of tax allowances and personal income tax brackets has been set in the Budget Implementation Acts and is not obligatory unless consumer prices rise by more than 3% per year (Act Amending the Personal Income Tax Act, 2013, Article 118). Consequently, there was no indexation in the personal income tax years 2014-2018. However, the Act Amending the Public Finance Balance Act (2015) widened the second personal income tax bracket²¹ (taxed at a 27% marginal rate) in order to ease the tax burden for middle-income earners in the tax years 2016 and 2017.

The Act Amending the Personal Income Tax Act (2016) – though primarily aimed at reducing the personal income tax burden for persons earning around 1.6-5.6 times average Slovenian wages – also increased the net disposable income of persons with annual income between €10,866.38 and €11,166.37. The annual income threshold to which the higher of the two additional personal tax allowances applies was raised by €300. The Act first applied to income earned in 2017.

The Act Amending the Personal Income Tax Act (2017) returned the special tax allowance applied to income from student work to the level of the general tax allowance. In the tax years 2013-2017, this special tax allowance amounted to 75% of the general tax allowance.

2.2 Policies indirectly influencing IWP

Subsidies enjoyed by low-income users of social services are not reflected in IWP figures, since they increase disposable household income indirectly, rather than gross or net income as such. However, these subsidies can prevent or alleviate the risk of IWP.

2.2.1 Subsidies for early childhood education and care

Means-tested subsidies for early childhood education and care²² (ECEC) are very high for low-income families in Slovenia. Families with a monthly *per capita* income lower than or equal to €185.43 are exempt from paying parental fees; those with a *per capita* income between €185.44 and €309.05 pay 10% of the fee; those with a *per capita* income between €309.06 and €370.86 pay 20%, etc. (Exercise of Rights to Public Funds Act, 2010, Article 24; implemented in 2012). Parents pay only 30% of the fee for their respective income bracket for the second child in ECEC (Public Finance Balance Act, 2012),²³ while these services are free of charge for each subsequent child (Pre-School Institutions Act, 1996). This means that ECEC is affordable for persons at risk of IWP and its cost does not act as an obstacle to their employment; ECEC is also widely accessible.

There is an entitlement to ECEC on a full-time basis in pre-school daycare centres (comprising nursery and kindergarten classes) from the end of parental leave. All families with children included in approved ECEC programmes provided by public and private pre-

²¹ Its upper limit was increased from €18,960.28 to €20,400.00 of the net annual tax basis.

²² For more, see Stropnik and Prevolnik-Rupel (2017).

²³ Until 2012, families on social assistance were exempt from paying fees altogether. From 2008 to 2012, ECEC programmes were free of charge for the second and subsequent child from the same family concurrently included in subsidised ECEC; parents paid only for the older/oldest child (and at the rate for one lower income bracket) (Stropnik, 2014).

school daycare centres/providers are entitled to a subsidy. There are nine income brackets, with parental fees ranging from 0% to 77% of the programme cost. Families are exempt from paying parental fees if the net income per family member is below 18% of the net average wage in Slovenia (this applied in respect of 3% of all the children concerned in the 2018-19 school year; MESS, 2019, own calculations). For 14% of the children concerned the parents paid 10% of the cost, for 11% of children they paid 20% of the cost, etc.

The Public Finance Balance Act (2012, Article 76) introduced a subsidy (paid from municipality budgets) that is received by a registered childminder caring for a child on the childcare centres' waiting list. The subsidy amounts to 20% of the cost of the ECEC programme in which the child would be included if there were enough vacancies.

2.2.2 Social housing and housing benefit

Social housing is in short supply in Slovenia. In March 2017 there was a shortage of some 9,100 housing units (Boštele, 2018). Central and local authorities have no interest in the construction of non-profit housing because non-profit rents are fixed by administrative procedure, have eroded in real terms (they have not changed since 2003) and do not cover the maintenance costs²⁴ (MISP, 2014: 8). Local communities have even been selling worn-out non-profit housing units in order to raise funds to maintain the rest of the stock, thus exacerbating the shortage (Piano, 2017). In the capital city, only 1 in 10 applicants is granted non-profit housing. Public calls for applications are published biennially. Around a third of those selected in 2014 were still waiting to be awarded a non-profit housing unit in 2017 (Piano, 2017). The target for Slovenia's Housing Fund, to build 5,000 public housing units in the years 2020-2025, will only be achieved with a shift in rent policy from non-profit rents to rents that cover costs (including maintenance and reconstruction). Affordability of such housing would be achieved by a housing supplement to be introduced by the foreseen amendments to the Housing Act (Križnik, 2018).

Housing benefits are paid directly to house-owners. Housing benefits are granted to individuals or families whose total income does not exceed 1.3 times their respective minimum income (without activity supplements) plus the (estimated) non-profit rent. The amount of benefit depends on the size of the apartment and the individual's or family income. It is the difference between the income threshold for the individual/household and their income, but must not exceed 80% of the respective non-profit rent (MLFSAEO, 2018).

There is a good solution compensating for the lack of shortage of non-profit housing. Means-tested rent subsidies (housing benefits) – covering the difference between the market (for-profit) rent and non-profit rent – are available to those who are entitled to non-profit housing but have to rent at market prices, (the tenant has to have permanent or temporary residence registered at the address of the for-profit housing unit). The Act Amending the Housing Act (2017) entitles these tenants to a subsidised non-profit rent. This means that, for beneficiaries renting at market prices, the housing benefit consists of a subsidised non-profit rent and the difference between the market- and non-profit rent. However, the Human Rights Ombudsman (2016, p. 267) warned that, according to the current Housing Act (2003), the rent subsidy (when renting at market prices) can only be granted by reference to the irregular calls for allocation of non-profit housing (due to lack of housing): however, this issue should be solved by the amendments to the Housing Act.

²⁴ The study quoted by Križnik (2015) showed that the non-profit rent should be increased by 47% in order to cover the costs.

The Resolution on the National Housing Programme 2015-2025 (2015) is aimed at improving the housing situation for various vulnerable groups. Urgent measures envisaged include:

- the gradual introduction of a new rent policy that would facilitate the maintenance of public rented housing, stimulate new investment in rented housing stock, and revise housing subsidies;
- the replacement of each public rented housing unit sold by at least one unit;
- an increase in the housing stock to meet the needs of the most vulnerable population groups, and to adapt it in order to achieve a minimum financial burden for users.

2.2.3 Life-long learning

On the basis of the Labour Force Survey we can conclude that the situation regarding life-long learning deteriorated in Slovenia in the period 2010-2017. In 2010, more than 16% of persons aged 25-64 participated in education and training in the four weeks before the survey. In 2012, the proportion fell below 14% and remained around 12% in the following five years (Eurostat, 2018c).²⁵ The EU average trend was in the opposite direction, but the participation rate was higher in Slovenia in all years. However, this was due to a high participation rate by persons with tertiary education. The participation of persons with basic education or less was 2.7% in 2012 and 2.9% in 2017.²⁶

The Adult Education Survey provides information on the participation in education and training of persons aged 25-64 in the 12 months before the survey. Although participation in Slovenia lagged behind the EU in 2011 (36.2% vs 40.3%), it had exceeded it by 2016 (46.1% vs 45.1%) (Eurostat, 2018c).²⁷ The participation rate among people with basic education or less increased as well, but was considerably lower in Slovenia than in the EU (14.7%²⁸ vs 24.0% in 2016),²⁹ which has unfavourable results in terms of IWP.

Developing life-long learning was one of the European Social Fund priority areas for Slovenia in the years 2007-2013. However, a recent analysis concluded that the goal of a 19% participation rate in education and training in the four weeks before the survey cannot be achieved by 2020. A possible reason was found in the reduced importance of organised forms of informal education, as opposed to those provided via the internet. Conversely, the goal to have 45% of persons aged 25-64 participating in education and training in the twelve months before the survey was reached in 2016 (Slovenian Institute for Adult Education, 2018).

3 Policy debates, proposals and reforms on in-work poverty and recommendations

Addressing IWP has been a policy priority in Slovenia, although not so much as to be mentioned in the National Reform Programmes. In the *Slovenian Development Strategy 2030*, adopted by the government in December 2017, the in-work at-risk-of-poverty rate (age 18 and over) is a performance indicator under the goal of promoting an inclusive

²⁵ Eurostat (2018c), Participation rate in education and training (last 4 weeks) by sex and age [trng_lfse_01] (accessed 7 December 2018).

²⁶ Eurostat (2018c), Participation rate in education and training (last 4 weeks) by sex and educational attainment level [trng_lfse_03] (accessed 7 December 2018).

²⁷ Eurostat (2018c), Participation rate in education and training by age [trng_aes_101] (accessed 7 December 2018).

²⁸ It was 13.2% in 2011 (Eurostat, 2018c).

²⁹ Eurostat (2018c), Participation rate in education and training by educational attainment level [trng_aes_102] (accessed 7 December 2018).

labour market and high-quality jobs (GRS, 2017, p. 24). The target for 2030 is for the IWP rate to be no more than 5% (the baseline value was 6.1% in 2016) (p. 37). In this way the strategy is linked to the goal under the United Nations *2030 Agenda for Sustainable Development* to “end poverty in all its forms everywhere” (GRS, 2017, p. 65; UN, 2015).

The in-work risk of poverty is relatively low in Slovenia compared with other countries. The government’s National Social Report for 2012 (MLFSA, 2012, p. 12) made little reference to the problem (i.e. in one single sentence, it was only stated that employed people are also entitled to cash social assistance). Since then, however, measures have been taken and discussed in three areas that are important for the extent of IWP:

- the minimum wage,
- the segmented labour market and
- net salaries (vs gross salaries).

3.1 Minimum wage

IWP is regularly monitored/analysed in Slovenia (see Section 4). The efforts to alleviate IWP are evident from the facts that: 1) the minimum wage amount has been indexed regularly following the adoption of the Minimum Wage Act by the national assembly in 2010; 2) the minimum wage was increased in 2018 (Minimum Wage Amount, 2018);³⁰ and 3) the Act Amending the Minimum Wage Act (2018) was adopted in December 2018.

The Act Amending the Minimum Wage Act (2018) increased the minimum wage by roughly 5% in both 2019 and 2020: from €842.79 per month in 2018 to €886.63 in 2019 and €940.58 in 2020.³¹ A calculation formula was laid down (to be introduced in 2021) that will keep the net minimum wage 20% above the minimum costs of living.³² The Act excluded all remaining bonuses and allowances³³ from the minimum wage calculation; from 1 January 2020 they will be paid in addition to it.

The trade unions keep demanding that managers look for other ways of increasing the competitiveness of their enterprises rather than through low wages. Managers and employers’ associations claim that each increase in the minimum wage results in dismissals and bankruptcies – although this has not been proved in practice.³⁴ They also warn of a domino effect of an increase in the minimum wage. Following the proposal for an increase in the minimum wage and the employers’ strong opposition, as well as the agreement between the government and public sector trade unions on higher salaries, concluded in the end of November 2018, private sector trade unions organised a protest rally on 5 November 2018. They reproached employers for making savings by failing to pay decent salaries, and demanded higher salaries for all employees.

3.2 Segmented labour market

The debate on non-standard types of employment (particularly fixed-term employment contracts) and ‘bogus’ self-employment has been continuous in Slovenia. The issue is widely and frequently covered by the media. All employment except that based on full-

³⁰ See Section 2.1.1 in this report.

³¹ The respective amounts net of social security contributions and taxes are around €638, €667 and €700 per month.

³² There is a legal obligation to calculate the minimum costs of living every six years (Social Assistance Benefits Act, 2010 with amendments, Article 8).

³³ These were the length-of-service increment, the allowance for unfavourable working conditions, and merits that make up part of the minimum wage.

³⁴ Some experts claim that it is better to close down a business that cannot afford to pay a decent minimum wage, and that there is no empirical proof that an increase in the minimum wage amount leads to a fall in employment; whereas other experts tend to support the employers’ line of reasoning.

time permanent contracts is called 'precarious employment'. In January 2018, a group of members of parliament submitted a draft Act Amending the Employment Relationship Act, proposing full labour law protection for the 'bogus' (dependent) self-employed³⁵ (i.e. treating them as if they had an employment contract). Unfortunately, the parliamentary procedure was stopped due to early suspension of the parliaments' mandate in June 2018 (National Assembly, 2018).

3.3 Tax burden on salaries

In the period since 2012 there have been continual discussions regarding the relatively high level of social security contributions and personal income tax paid from gross salaries, which results in one of the highest relative differences between gross and net salaries in the EU. There have been proposals to lower at least one of the two types of deduction. The most recent proposal for amendments to the Personal Income Tax Act was submitted to the national assembly in November 2018.³⁶ The aim of that proposal was to increase net salaries by lowering marginal personal income tax rates, increasing the general personal tax allowance, and increasing the upper limits of income brackets. A more than doubling of the current general personal income tax allowance was proposed in September 2018, but the proposal was rejected by the national assembly in November 2018.³⁷

3.4 Recommendations

We can speak of a comprehensive active inclusion approach to the prevention and alleviation of IWP in Slovenia, since legislation and other measures support access to good-quality employment, enabling services, and adequate income support. Nevertheless, there is always room for improvement, both in terms of regulation and practice. The Act Amending the Minimum Wage Act (2018) has laid down a formula for keeping the minimum wage above the at-risk-of-poverty threshold and excluded all bonuses and allowances from the calculation. It seems that it would not be realistic to ask for more at the moment.

However, the trade unions have just started requesting an additional tax relief for low-wage earners, since a higher amount of the minimum wage will result in some minimum wage earners having to start paying personal income tax, which would cancel out a part of the wage increase. We recommend that **an analysis be carried out of the changed position of minimum wage earners following the increases in the minimum wage in 2019 and 2020**, and that **personal income tax policy** be revised accordingly.

The proposed amendments to the Employment Relationship Act (see Section 3.2 of this report) aimed at full labour law protection for the 'bogus' (dependent) self-employed were very ambitious and they may be resubmitted to the current national assembly. We recommend further measures to **protect the 'bogus' (dependent) self-employed**, particularly **through solving the problem of understaffing in the Labour Inspectorate**.

³⁵ These are people who are economically subordinated to an employer while having self-employed status in law.

³⁶ See: https://www.dz-rs.si/wps/portal/Home/deloDZ/zakonodaja/izbranZakonAkt?uid=C7FA166794837DC6C125833F00384EE0&db=pre_zak&mandat=VIII.

³⁷ See: https://www.dz-rs.si/wps/portal/Home/deloDZ/zakonodaja/izbranZakonAkt?uid=C1257A70003EE6A1C125835400351672&db=kon_zak&mandat=VIII.

As set out in Section 2.1, we also recommend that **the order in which social benefits are claimed be changed, so that the poorest families receive the whole amount of both cash social assistance and child allowances.**

4 Assessing data and indicators

In our view, the currently available indicators and data are sufficient to capture and monitor the situation on IWP at both national and EU level. The monitoring and analyses of IWP in Slovenia are based on the EU-SILC (EU Statistics on Income and Living Conditions) indicators that are published by the national Statistical Office. The EU-SILC provides many disaggregations of those at risk of IWP in order to facilitate a better insight on this issue.

Every year, once the at-risk-of-poverty indicators become available, the national statistical office publishes them on its website along with short analyses, and presents them at a press conference. The IWP rate is highlighted (see, for instance, Intihar, 2018). The governmental Institute of Macroeconomic Analysis and Development devotes a sub-section of its annual development report to the at-risk-of-poverty rate of employed persons (see, for instance, IMAD, 2018, p. 111). The topic is widely covered by the media around the time of publication of fresh data³⁸ and around the International Day for the Eradication of Poverty, but also at other times in relation to issues such as precarious forms of work and social transfers.

The book *In-work Poverty* by Lekovšek et al. was published in 2013. It is the result of research funded by the Slovenian Research Agency (an independent public funding organisation) and the Government Office for Development. Smolej et al. (2013) report that their interviewees found the flexibilisation of work, bad financial situation of enterprises and the low minimum wage to be the main causes of IWP.

The working poor were identified as a risk group by the *Social Situation in Slovenia 2013-2014* report (Trbanc et al., 2015, p. 58), drafted by researchers at the Social Protection Institute of the Republic of Slovenia and financed by the Ministry of Labour, Family, Social Affairs and Equal Opportunities.³⁹ Consequently, more space was devoted to the issue of the working poor in the following year's report, *Social Situation in Slovenia 2014-2015* (Trbanc et al., 2016). The authors conducted interviews with employed people in poverty, who stated that even short episodes of unemployment affecting an adult in the household may lead to poverty status and a vicious circle of poverty. Persons on fixed-term contracts and the self-employed, in particular, are exposed to the risk of IWP.

A high risk of IWP among the self-employed was highlighted in the 2016-2017 monitoring report on the implementation of the 2013-2020 National Programme of Social Assistance and Care (Smolej Jež and Trbanc, 2017), which had not happened in previous years.

In their qualitative field research, Narat et al. (2016) from the Social Protection Institute of the Republic of Slovenia identified in-work poverty as one of the reasons for the risk of poverty among families with children. Their interviewees pointed to non-payment (or lengthy delays in payment) of salaries by their employer, along with low salaries (including the minimum wage), as reasons for IWP (p. 32). The authors included the in-work poor among new categories of those in poverty (p. 33). Narat (2017, p. 93) proposed adding IWP among households with children to the risk factors of child poverty in the Programme for Children and Youth 2006-2016 (2006).

³⁸ See, for instance, <https://www.24ur.com/veriga-dobrih-ljudi/delajo-pa-so-vseeno-revni.html> (accessed 2 December 2018).

³⁹ All research and analyses conducted by the Social Protection Institute of the Republic of Slovenia are financed by the Ministry of Labour, Family, Social Affairs and Equal Opportunities.

References

- Act Amending the Social Assistance Benefits Act [Zakon o spremembah in dopolnitvah Zakona o socialno varstvenih prejemkih (ZSVarPre-D)], *Official Gazette of the Republic of Slovenia*, No 90/2015. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2015-01-3501?sop=2015-01-3501> (accessed 7 December 2018).
- Act Amending the Exercise of Rights to Public Funds Act [Zakon o spremembah in dopolnitvah Zakona o uveljavljanju pravic iz javnih sredstev (ZUPJS-E)], *Official Gazette of the Republic of Slovenia*, No 90/2015. Available at: <http://www.uradni-list.si/1/objava.jsp?sop=2015-01-3503> (accessed 9 December 2018).
- Act Amending the Exercise of Rights to Public Funds Act [Zakon o spremembah in dopolnitvah Zakona o uveljavljanju pravic iz javnih sredstev (ZUPJS-C)], *Official Gazette of the Republic of Slovenia*, No 99/2013. Available at: <http://www.uradni-list.si/1/objava.jsp?urlid=201399&stevilka=3548> (accessed 7 December 2018).
- Act Amending the Housing Act [Zakon o spremembah in dopolnitvah Stanovanjskega zakona (SZ-1C)], *Official Gazette of the Republic of Slovenia*, No 27/2017. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2017-01-1441?sop=2017-01-1441> (accessed 7 December 2018).
- Act Amending the Labour Inspection Act [Zakon o spremembah in dopolnitvah Zakona o inšpekciji dela (ZID-1A)], *Official Gazette of the Republic of Slovenia*, No 55/2017. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2017-01-2522?sop=2017-01-2522> (accessed 5 December 2018).
- Act Amending the Labour Market Regulation Act [Zakon o spremembah in dopolnitvah Zakona o urejanju trga dela (ZUTD-A)], *Official Gazette of the Republic of Slovenia*, No 21/2013. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina?urlid=2013785> (accessed 5 December 2018).
- Act Amending the Minimum Wage Act [Zakon o spremembah Zakona o minimalni plači (ZMinP-B)], *Official Gazette of the Republic of Slovenia*, No 83/2018. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2018-01-4067?sop=2018-01-4067> (accessed 24 January 2019).
- Act Amending the Parental Protection and Family Benefits Act [Zakon o spremembah in dopolnitvah Zakona o starševskem varstvu in družinskih prejemkih (ZSDP-1B)], *Official Gazette of the Republic of Slovenia*, No 14/2018. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2018-01-0587?sop=2018-01-0587> (accessed 7 December 2018).
- Act Amending the Personal Income Tax Act [Zakon o spremembah in dopolnitvah Zakona o dohodnini (ZDoh-2S)], *Official Gazette of the Republic of Slovenia*, No 69/2017. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2017-01-3267?sop=2017-01-3267> (accessed 5 December 2018).
- Act Amending the Personal Income Tax Act [Zakon o spremembah in dopolnitvah Zakona o dohodnini (ZDoh-2R)], *Official Gazette of the Republic of Slovenia*, No 63/2016. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2016-01-2686?sop=2016-01-2686> (accessed 5 December 2018).
- Act Amending the Personal Income Tax Act (2013). Zakon o spremembah in dopolnitvah zakona o dohodnini (ZDoh-2M). *Official Gazette of the Republic of Slovenia*, No 96/2013. Available at: <http://www.uradni-list.si/1/objava.jsp?sop=2013-01-3441> (accessed 5 December 2018).
- Act Amending the Personal Income Tax Act (2008). Zakon o spremembah in dopolnitvah zakona o dohodnini (ZDoh-2A). *Official Gazette of the Republic of Slovenia*, No 10/2008. Available at: <https://www.uradni-list.si/1/content?id=84759> (accessed 7 December 2018).

- Act Amending the Public Finance Balance Act [Zakon o dopolnitvi Zakona za uravnoteženje javnih financ (ZUJF-E)]. *Official Gazette of the Republic of Slovenia*, No 102/2015. Available at: <http://www.uradni-list.si/1/objava.jsp?sop=2015-01-4084> (accessed 5 December 2018).
- Act Amending the Public Finance Balance Act [Zakon o dopolnitvi Zakona za uravnoteženje javnih financ (ZUJF-C)], *Official Gazette of the Republic of Slovenia*, No 95/2014. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO7048> (accessed 5 December 2018).
- Act Amending the Social Assistance Benefits Act [Zakon o spremembah in dopolnitvah Zakona o socialno varstvenih prejemkih (ZSVarPre-F)], *Official Gazette of the Republic of Slovenia*, No 31/2018. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2018-01-1406/zakon-o-spremembah-in-dopolnitvah-zakona-o-socialno-varstvenih-prejemkih-zsvarpre-f> (accessed 7 December 2018).
- Act Amending the Social Assistance Benefits Act [Zakon o spremembah in dopolnitvah Zakona o socialno varstvenih prejemkih (ZSVarPre-C)], *Official Gazette of the Republic of Slovenia*, No 99/2013. Available at: <http://www.uradni-list.si/1/objava.jsp?urlid=201399&stevilka=3549> (accessed 7 December 2018).
- Act on Emergency Measures in the Field of Labour Market and Parental Care [Zakon o interventnih ukrepih na področju trga dela in starševskega varstva (ZIUPTDSV)], *Official Gazette of the Republic of Slovenia*, No 63/2013. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/114178> (accessed 22 January 2019).
- Boštele, M., 'Zanimanje za neprofitna stanovanja narašča' ['Demand for non-profit housing increases'], *Delo*, 12 November 2018, p. 4.
- Celin, M., 'Ko dohodek ne zadoša več niti za hrano' ['When income is not sufficient even for food'], *Delo*, 13 January 2014, p. 4.
- Draft Act Amending the Minimum Wage Act, National Assembly, Ljubljana, 7 November 2018. Available at: <https://imss.dz-rs.si/imis/c69116359df852a28f24.pdf> (accessed 30 November 2018).
- ESS, 'Vračilo prispevkov delodajalca za prvo zaposlitev' [Refund of the employer's contributions for the first employment], Employment service of Slovenia, Ljubljana, 2017. Available at: http://www.ess.gov.si/delodajalci/financne_spodbude/ugodnosti_pri_zaposlovanju/vracilo_prispevkov_za_prvo_zaposlitev (5 December 2018).
- Eurostat, European Survey on Income and Living Conditions (EU-SILC), 2012-2017, Luxembourg, 2018a.
- Eurostat, Structure of Earnings Survey, 2010 and 2014, Luxembourg, 2018b.
- Eurostat, Database, Luxembourg, 2018c. Available at: <https://ec.europa.eu/eurostat/data/database> (accessed 29 November 2018).
- Exercise of Rights to Public Funds Act [Zakon o uveljavljanju pravic iz javnih sredstev (ZUPJS)], 2010, with amendments. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO4780> (accessed 7 December 2018).
- GRS, *Slovenian Development Strategy 2030*, Government of the Republic of Slovenia, Ljubljana, December 2017. Available at: http://www.vlada.si/en/projects/slovenian_development_strategy_2030/ (accessed 25 January 2018).
- Hanžič, S., 'Višje place za vse zaposlene' ['Higher salaries for all employees'], *Delo*, 6 December 2018, p. 3.

- Hočevar, B., 'Več kot 53.000 živilskih paketov za ogrožene' ['Over 53,000 food packages for those at risk'], *Delo*, 9 August 2016, p. 4.
- Housing Act [Stanovanjski zakon (SZ-1)], 2003 (with amendments). Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO2008> (accessed 7 December 2018).
- Human Rights Ombudsman, Letno poročilo Varuha človekovih pravic Republike Slovenije za leto 2015 [Annual Report by the Human Rights Ombudsman of the Republic of Slovenia: 2015], Varuh človekovih pravic Republike Slovenije, Ljubljana, 2016. Available at: http://www.varuh-rs.si/fileadmin/user_upload/pdf/lp/LP2015_VARUH.pdf (accessed 7 December 2018).
- IMAD, *Development Report 2018*, Institute of Macroeconomic Analysis and Development, Ljubljana, 2018. Available at: http://www.umar.gov.si/fileadmin/user_upload/razvoj_slovenije/2018/aPOR2018_splet_novo.pdf (accessed 30 November 2018).
- IMAD, *Economic Issues 2014*, Institute of Macroeconomic Analysis and Development Ljubljana, 2014. Available at: www.umar.gov.si/en/publications/economic_issues (accessed 5 December 2018).
- Intihar, S., 'In 2017 at-risk-of-poverty rate slightly lower (13.3%), at-risk-of-poverty threshold higher than in 2016', *First Release*, Statistical Office of the Republic of Slovenia, Ljubljana, 14 June 2018. Available at: <https://www.stat.si/StatWeb/en/News/Index/7464> (accessed 30 November 2018).
- Intihar, S., 2013, 'Mednarodni dan boja proti revščini 2013' ['International Day for the Eradication of Poverty 2013'], *Posebna objava [Special Release]*, Statistical Office of the Republic of Slovenia, Ljubljana, 15 October 2013.
- Križnik, B., 'Cilj: deset tisoč javnih stanovanj, a ne kakršnih koli' ['Aim: ten thousand public apartments, but not of any kind'], *Delo*, 26 February 2018, p. 4.
- Križnik, B., 'Resoluciji na stanovanjskem področju bo sledila revolucija' [The Housing Resolution will be followed by a revolution], *Delo*, 27 November 2015, p. 3.
- Labour Relationships Act [Zakon o delovnih razmerjih (ZDR)], 2013, with amendments. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO5944> (accessed 7 December 2018).
- Leskošek, V., Smolej Jež, S., Rihter, L., Boškić, R., Kresal, B., and Breznik, M., *Revščina zaposlenih [In-work Poverty]*, Sophia, Ljubljana, 2013.
- MESS, 'Predšolska vzgoja v številkah v šolskem letu 2017/18' ['Early childhood education and care in the school year 2017/18'], Ministry of Education, Science and Sport, Ljubljana, 2018. Available at: http://www.mizs.gov.si/si/delovna_podrocja/direktorat_za_pedsolsko_vzgojo_in_osnovno_solstvo/pedsolska_vzgoja/pedsolska_vzgoja_v_stevilkah/ (accessed 24 January 2019).
- Minimum Wage Act [Zakon o minimalni plači], *Official Gazette of the Republic of Slovenia*, No 13/2010. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO5861> (accessed 7 December 2018).
- Minimum Wage Amount [Znesek minimalne plače], *Official Gazette of the Republic of Slovenia*, No 5/2018. Available at: <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2018-01-0220> (accessed 29 November 2018).
- MISP, Stanovanjska problematika v Republiki Sloveniji; Spremljajoče gradivo k osnutku Nacionalnega stanovanjskega programa [Housing in the Republic of Slovenia; document supporting the draft National Housing Programme], Ministry of Infrastructure and Spatial Planning, Spatial Planning Directorate, Ljubljana, 4 June 2014. Available at: <http://www.mzi.gov.si/fileadmin/mzi.gov.si/pageuploads/>

- [Prostor/Stanovanja/Stanovanjska problematika v RS spremljajoce gradivo k osnutku NSP junij 2014 .pdf](#) (accessed 7 December 2018).
- MLFSA, *National Social Report 2012, Slovenia*, Ministry of Labour, Family and Social Affairs, Ljubljana, July 2012. Available at: <https://ec.europa.eu/social/keyDocuments.jsp?pager.offset=0&langId=sl&mode=advancedSubmit&policyArea=0&subCategory=0&year=0&country=0&type=0&advSearchKey=socialreporting#> (accessed 5 December 2018).
- MLFSAEO, 'Subvencija za najemnine' ['Rent subsidy'], Ministry of Labour, Family, Social Affairs and Equal Opportunities, Ljubljana, 2018. Available at: http://www.mddsz.gov.si/si/veljavljanje_pravic/socialna_zakonodaja/subvencija_za_najemnine/ (accessed 6 December 2018).
- MLFSAEO, 'Stopnja tveganja revščine v Sloveniji se je ponovno znižala' ['The at-risk-of-poverty rate has decreased again in Slovenia'], Ministry of Labour, Family and Social Affairs, Ljubljana, *News*, 21 June 2017. Available at: http://www.mddsz.gov.si/si/medijsko_sredisce/novica/8189/ (accessed 25 January 2019).
- MLFSAEO, *Za dostojno delo [For Decent Work]*, Ministry of Labour, Family, Social Affairs and Equal Opportunities, Ljubljana, March 2016. Available at: http://www.mddsz.gov.si/fileadmin/mddsz.gov.si/pageuploads/dokumenti_pdf/dpd/21_03_2016_Dostojno_delo_final.pdf (accessed 5 December 2018).
- Narat, T., 'Materialna prikrajšanost in kakovost življenja otrok' ['Material deprivation and the quality of life of children'], in A. Črnak Meglič and B. Kobal Tomc (eds), *Položaj otrok v Sloveniji danes: situacijska analiza [The position of children in Slovenia today: a situation analysis]*, Social Protection Institute of the Republic of Slovenia, Ljubljana, 2017, pp. 82-95. Available at: <https://www.irssv.si/upload2/PolozajOtrokVSloveniji.pdf> (accessed 1 December 2018).
- Narat, T., Boljka, U., Črnak Meglič, A., Dremelj, P., Nagode, M., Lebar, L., and Kobal Tomc, B., *Revščina in socialna izključenost družin z otroki: materialni in nematerialni obraz revščine [Poverty and social exclusion among families with children: material and non-material face of poverty]*, Social Protection Institute of the Republic of Slovenia, Ljubljana, February 2016. Available at: https://www.irssv.si/upload2/Revscina%20in%20socialna%20izkljucenost%20med%20druzinami%20z%20otroki_2015.pdf (accessed 1 December 2018).
- National Assembly, *Predlogi zakonov - konec postopka - Izbran document 2574-VII [Draft acts – End of procedure – Selected document 2574-VII]*, 2018. Available at: <https://www.dz-rs.si/wps/portal/Home/deloDZ/zakonodaja/izbranZakonAkt?uid=C1257A70003EE6A1C12582B9002A2F2F&db=konzak&mandat=VII&tip=doc> (accessed 24 January 2019).
- Parental Protection and Family Benefits Act [Zakon o starševskem varstvu in družinskih prejemkih (ZSDP-1)], 2014, with amendments. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO6688> (accessed 6 December 2018).
- Personal Income Tax Act – Unofficial consolidated text [Zakon o dohodnini – neuradno prečiščeno besedilo (ZDoh-2-UPB7)], *Official Gazette of the Republic of Slovenia*, No 13/2011. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO4697> (accessed 6 December 2018).
- Piano, B., 'Neprofitnih stanovanj močno primanjkuje' ['A great shortage of non-profit housing'], *Delo*, 25 September 2017, p. 4.
- Pre-School Institutions Act [Zakon o vrtcih (ZVrt)], 1996, with amendments. Available at: <http://pisrs.si/Pis.web/pregledPredpisa?id=ZAKO447> (accessed 6 December 2018).

- Programme for Children and Youth 2006-2016*, Ministry of Labour, Family and Social Affairs Ljubljana, 2006 (update in 2013: POM_06_12_posodobitev_medresorsko.doc). Available at: http://www.mddsz.gov.si/fileadmin/mddsz.gov.si/pageuploads/dokumenti_pdf/pom2_006_2016_en.pdf (accessed 1 December 2018).
- Public Finance Balance Act [Zakon za uravnoteženje javnih financ], *Official Gazette of the Republic of Slovenia*, 2012, with amendments. Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO6388> (accessed 6 December 2018).
- Resolution on the National Housing Programme 2015-2025 [Resolucija o nacionalnem stanovanjskem programu 2015-2025 (ReNSP15-25)] (2015). Available at: <http://www.pisrs.si/Pis.web/pregledPredpisa?id=RESO114> (accessed 7 December 2018).
- Resolution on the National Programme of Social Care for the Years 2013-2020 [Resolucija o nacionalnem programu socialnega varstva za obdobje 2013-2020], *Official Gazette of the Republic of Slovenia*, No 39/2013, 6 May 2013. Available at: <https://www.uradni-list.si/1/content?id=113130> (accessed 7 December 2018).
- Si-Stat Data Portal, Statistical Office of the Republic of Slovenia, Ljubljana, 2018. Available at: <http://pxweb.stat.si/pxweb/dialog/statfile1.asp> (accessed 7 December 2018).
- Slovenian Institute for Adult Education, *Analiza uresničevanja Resolucije o nacionalnem programu izobraževanja odraslih v Republiki Sloveniji 2013-2020 (ReNPIO13-20) za obdobje 2014-2016 [Analysis of the achieving of goals of the Resolution on the National Programme of Adult Education in the Republic of Slovenia for the years 2013-2020 (ReNPIO13-20) in the years 2014-2016]*, Ljubljana, 2018. Available at: <https://imss.dz-rs.si/imis/469d517d700fe17aad1.pdf> (accessed 7 December 2018).
- Smolej, S., Rihter, L., and Boškić, R., 'Revni zaposleni v Sloveniji: med statistiko in vsakdanjim življenjem' ['Employed poor in Slovenia: between statistics and everyday life'], in V. Leskošek, S. Smolej Jež, L. Rihter, R. Boškić, B. Kresal, and M. Breznik, *Revščina zaposlenih [In-work Poverty]*, Založba Sophia, Ljubljana, 2013, pp. 34-76.
- Smolej Jež, S. and Trbanc, M., *Spremljanje uresničevanja in doseganja ciljev Resolucije o nacionalnem programu socialnega varstva za obdobje 2013-2020: Poročilo za obdobje 2016-2017 [Monitoring of the implementation and goal achievement of the Resolution on the 2013-2020 National Programme of Social Assistance and Care: Report for the years 2016-2017]*, Social Protection Institute of the Republic of Slovenia, Ljubljana, 2017. Available at: https://www.irssv.si/upload2/koncno_porocilo_ReNPSV_IRSSV_2017.pdf (accessed 2 December 2018).
- Social Assistance Benefits Act [Zakon o socialno varstvenih prejemkih (ZSVarPre)], 2010, with amendments. Available at <http://pisrs.si/Pis.web/pregledPredpisa?id=ZAKO5609> (accessed 30 November 2018).
- SPA, 'Protest pred GZS: Bolj kot garaš, manjšo plačo imaš' ['A protest in front of the Slovenian Chamber of Commerce: The more one toils, the lower salary one has'], Slovenian Press Agency, Ljubljana, 5 December 2018. Available at: <https://siol.net/novice/slovenija/v-ljubljani-shod-za-visje-place-484669> (accessed 25 January 2019).
- Stropnik, N., *Slovenia – Investing in children – breaking the cycle of disadvantage – Slovenia*, Network of Independent Experts on Social Inclusion, Brussels, 2014. Available at: <https://ec.europa.eu/social/main.jsp?catId=89&langId=sl&newsId=2061&moreDocuments=yes&tableName=news> (accessed 7 December 2018).
- Stropnik, N., Majcen, B., and Prevolnik-Rupel, V., *ESPN Thematic Report on Access to social protection of people working as self-employed or on non-standard contracts*

- (Slovenia), European Social Policy Network, European Commission, Brussels, 2017. Available at: <http://ec.europa.eu/social/keyDocuments.jsp?pager.offset=20&langId=en&mode=advancedSubmit&year=0&country=0&type=0&advSearchKey=ESPNSensw> (accessed 4 December 2018).
- Stropnik, N. and Prevolnik-Rupel, V., *ESPN Thematic Report on Progress in the implementation of the 2013 EU Recommendation on "Investing in children" – Slovenia (2017)*, European Social Policy Network, European Commission, Brussels, June 2017. Available at: <http://ec.europa.eu/social/main.jsp?catId=1135&intPageId=3589> (accessed 7 December 2018).
- Trbanc, M., Črnak Meglič, A., Dremelj, P., Smolej Jež, S., Narat, T., Kovač, N., and Kobal Tomc, B., *Socialni položaj v Sloveniji 2013-2014 [Social situation in Slovenia 2013-2014]*, Social Protection Institute of the Republic of Slovenia, Ljubljana, 2015. Available at: [http://www.irsv.si/upload2/Koncno%20porocilo%20\(dopolnjeno-februar15\).pdf](http://www.irsv.si/upload2/Koncno%20porocilo%20(dopolnjeno-februar15).pdf) and http://www.mddsz.gov.si/fileadmin/mddsz.gov.si/pageuploads/dokumenti_pdf/social_a/Socialni_polozej_Koncno_porocilo_dopolnjeno-februar15.pdf (accessed 1 December 2018).
- Trbanc, M., Smolej Jež, S., Dremelj, P., Boljka, U., Lebar, L., and Narat, T., *Socialni položaj v Sloveniji 2014-2015 [Social situation in Slovenia 2014-2015]*, Social Protection Institute of the Republic of Slovenia, Ljubljana, 2016. Available at: http://www.mddsz.gov.si/fileadmin/mddsz.gov.si/pageuploads/dokumenti_pdf/social_a/Dopolnjeno_koncno_porocilo_Socialni_polozej_v_Sloveniji_2014-2015-SPLET.pdf (accessed 7 December 2018).
- UN, *Transforming our world: the 2030 Agenda for Sustainable Development*, United Nations, New York, 2015. Available at: <https://sustainabledevelopment.un.org/post2015/transformingourworld> (accessed 25 January 2019).
- Zabukovec, M., 'Po pomoč prihajajo tudi redno zaposleni' ['Those with regular employment also come to claim aid'], *Delo*, 8 May 2013, p. 4.

