
SUMMARY

On 17 November 2017, the European Parliament, the Council and the European Commission proclaimed the European Pillar of Social Rights at the Gothenburg Social Summit, setting out 20 principles in three areas:

- (i) **Equal opportunities and access to the labour market:** access to education, the right to equal treatment irrespective of gender, the prevention of poverty and discrimination, and an active labour market policy;
- (ii) **Fair working conditions:** secure and adaptable employment, adequate minimum wages, protection in case of dismissals, work-life balance, the right to the protection of health and safety at work, strengthening social dialogue and the involvement of workers;
- (iii) **Social protection and inclusion:** adequate education and childcare and the protection of children from poverty, access to social protection and unemployment insurance, the right to an adequate minimum income and social benefits so as to help prevent poverty, the right to decent pensions and long-term care, affordable health-care services of good quality, adequate services for the inclusion of persons with disabilities, the accessibility of housing (to prevent homelessness) and access to other essential services.

At the Porto Social Summit of 7 May 2021, the European Parliament, the Council and the Commission, together with representatives of national governments, European cities, social partners and civil society, signed the EPSR Action Plan and set three strategic objectives up to 2030:

- (i) **at least 60% of all adults should participate in education and training every year;**
- (ii) **at least 78% of the population aged 20 to 64 should be in employment; and**
- (iii) **the number of people at risk of poverty or social exclusion should be reduced by at least 15 million (including at least 5 million children).**

The strategic objectives and rights set out in the EPSR are complemented by action plans, resolutions, recommendations and strategies developed by the European institutions in cooperation with national governments in recent years. Some of these documents have already been finalised, while others are still being coordinated and will be completed by the end of 2022.

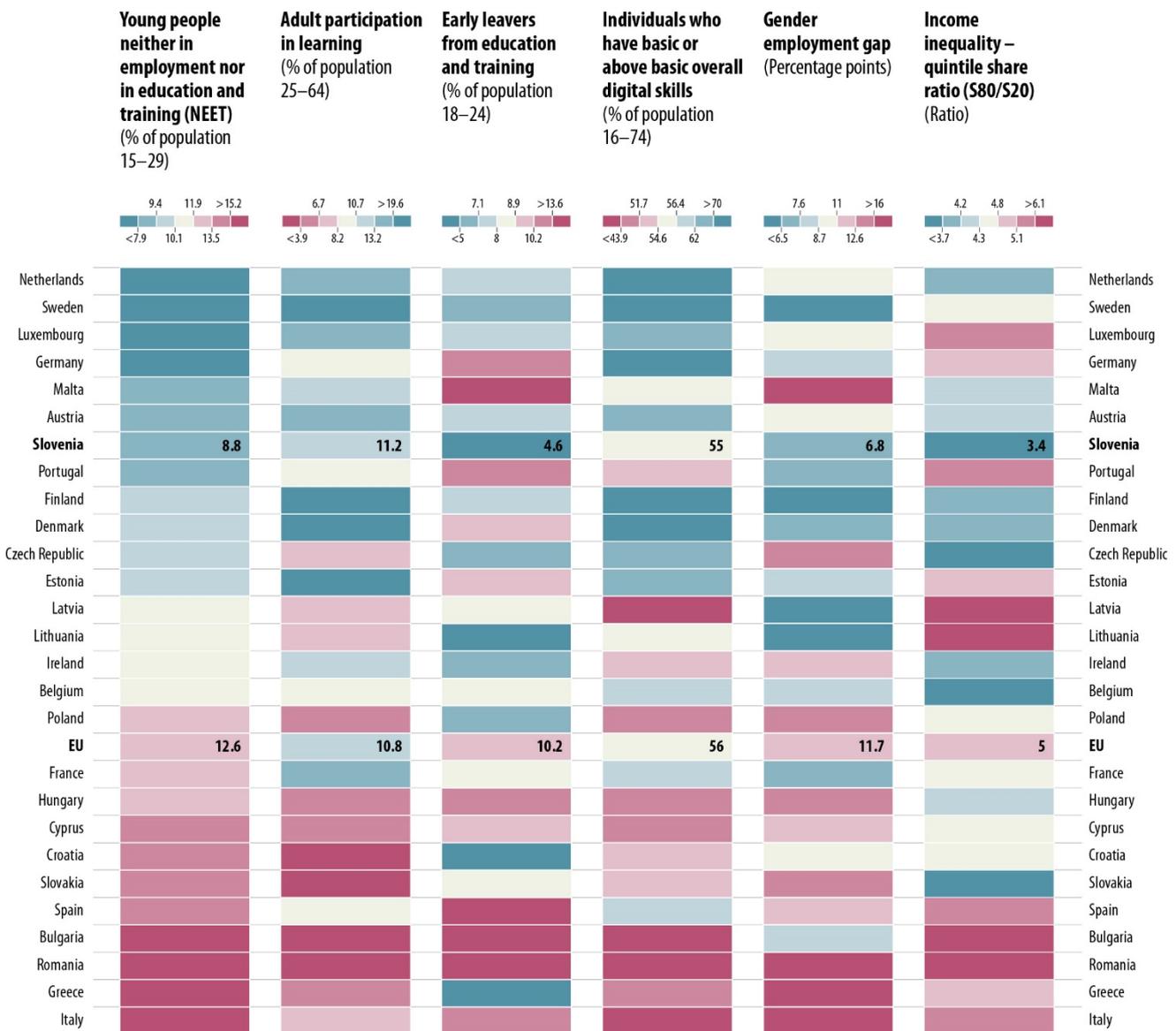
According to most EPSR headline indicators, Slovenia ranks high among EU Member States, although a more detailed analysis of EPSR principles and rights shows that challenges exist in different areas. In order to ensure the implementation of EPSR principles, European institutions have developed 17 headline and dozens of secondary indicators that are being monitored in the context of the European Semester. Slovenia is among the top four EU Member States for six headline indicators and above the EU average for all other headline indicators, except for the indicator regarding the unmet need for medical care, where it lags behind most EU Member States, and the basic digital skills indicator, where it is just below the EU average (see Figures 1–3). Compared to other EU Member

States, Slovenia has one of the lowest levels of inequality (the income quintile share ratio or S80/S20) and people at-risk-of-poverty and social exclusion (AROPE) in the EU and the lowest level of children (0–17 years old) at-risk-of poverty and social exclusion among all Member States. It also has a low proportion of early leavers from education and training (18–24 years old). Slovenia is also among the best performing countries in terms of disability employment gap and the housing cost overburden rate. A more detailed analysis of EPSR areas in Slovenia showed that, despite the high rankings according to some headline indicators, certain challenges remain, and highlighted areas and rights where action is needed. Challenges arise in the areas of social inclusion of certain vulnerable groups, the efficiency and sustainability of social protection systems and, in particular, in the monitoring and development of equality and inclusion programmes for groups that are under-represented in social rights monitoring indicators. In addition to the unmet need for health-care, which seems to be the biggest challenge in Slovenia under the EPSR, there are several others, which are defined below by individual areas.

Equal opportunities and access to the labour market

The high participation of young people in education and low educational inequalities in Slovenia are a good basis for ensuring equal opportunities and participation in the labour market and society. However, the participation of adults in education and training is declining and the participation of the unemployed in active labour market policy programmes is also low. The public education system in Slovenia provides good access to education for almost all groups of the population, especially for young people, as the share of those enrolled in upper secondary and tertiary education is well above the EU average. However, Slovenia is less successful in intercultural learning and in the social inclusion of vulnerable groups of children (especially Roma and immigrants), which is also reflected in relatively high levels of intolerance. The COVID-19 epidemic has worsened the educational opportunities of students from socio-economically disadvantaged backgrounds, especially children with special needs, as the school system has not been able to adequately adapt to their specific needs in the emergency situation. The levels of numeracy and literacy among adults have been low for several years, especially among people with low levels of education and older people. Adult participation in lifelong learning is above the EU average but has been declining since 2011 and is particularly low among the unemployed and immigrants. The level of basic digital skills among adults is just below the EU average, but far from the levels in the best performing countries. Women's high participation in tertiary education and their high educational attainment compared to men are not sufficiently reflected in their political participation and participation in corporate governance, where women's representation is below the EU average. Gender gaps are also seen in the employment rates and a number of other indicators, but are smaller than the EU average. The gender pay gap widened between 2010 and 2019, but remains among the smallest in the EU. Although the disposable income of the population increased over the period 2015–2020 and the distribution has been fairly even over the years, the financial vulnerability of low-income households remains sizeable. The potential of active labour market policies to provide new skills necessary for the world of work and life has not been sufficiently exploited. The relatively modest amount of funds allocated to active employment policy in 2000–2019 is one of the reasons for the decline in the participation of certain adult groups in education. In Slovenia, the percentage of the registered unemployed who are given the opportunity to improve their employment prospects is one of the lowest in the EU. Active employment policy programmes during the epidemic were not adjusted to prevent the long-term consequences of the COVID-19 crisis, which disproportionately affected young and low-educated people in the labour market.

Figure 1: Headline indicators for equal opportunities and access to the labour market, in 2019



Source: Eurostat (2021), the EU statistics data portal.

Note: Countries are classified into seven groups (four countries per group) on a colour scale from dark blue (the best ranked Member State) to dark purple (the worst ranked Member State) according to the values of the first indicator in the figure. The EU average is rarely in the middle of the colour scale, as the gap between the best and the worst ranked Member States (notably Italy, Greece, Romania and Bulgaria) is extremely wide for some indicators.

The challenges in the area of equal opportunities and access to the labour market therefore mainly relate to: (i) ensuring better access to education and training and the inclusion of vulnerable groups of children and young people in education; (ii) increasing the employment rate of women and their participation in political and social decision-making; (iii) increasing the employment rate of young people (aged 15–29) and older people (aged 55–64) through more appropriate active employment and training policies; (iv) improving adults’ skills for a green and digital transition; and (v) increasing the involvement of people over 65 in lifelong learning, which would contribute to their greater inclusion in society and to quality ageing.

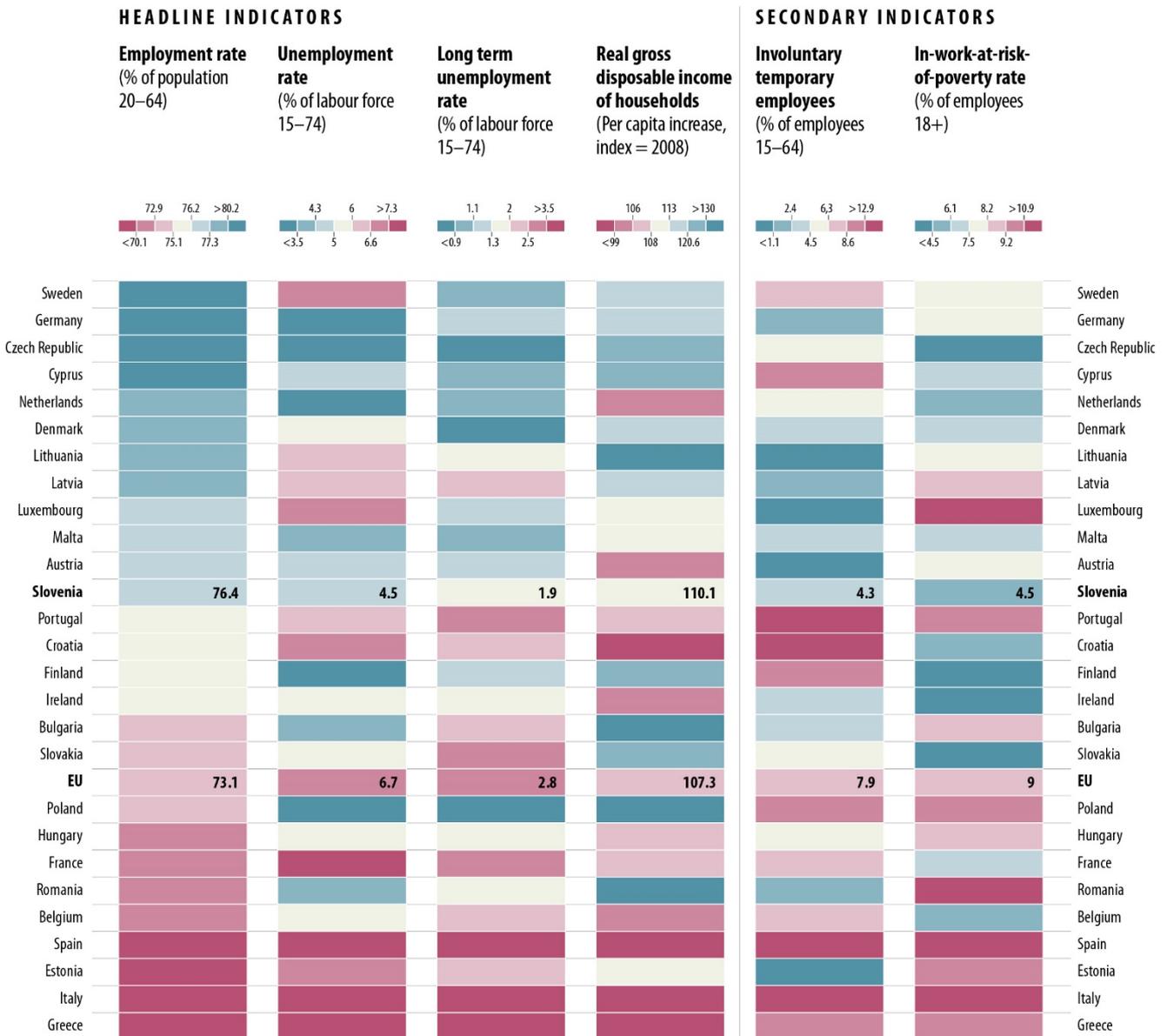
The predominance of standard employment ensures relatively good social inclusion. However, not enough attention is paid to creating better quality jobs for all types of employment. Standard employment (full-time and permanent) is the dominant employment type in Slovenia, providing workers with relatively good protection against the at risk of poverty and ensuring social security (so-called secure employment). Social insurance schemes already largely cover existing non-standard employment types, but access to insurance benefits and equal treatment can be difficult, as can adjustments with regard to emerging employment types (e.g. platform work). As far as fair working conditions are concerned, precarious work remains an insecure form of work used too often both in Slovenia and in the EU. The insecurity in this type of work is not a consequence of the voluntary and free choice of workers and is so intense that it poses a threat to the decent work and life of the worker. The risk of precariousness in Slovenia is most common among student workers, temporary agency workers, economically dependent self-employed workers, platform workers and persons working mainly through civil law contracts, as well as workers with employment contracts of less than three months. In 2019, temporary agency work was more widespread in Slovenia than the EU average (3.5%, EU: 2.1%), as was temporary employment of less than three months (3.0%, EU: 2.6%). The share of economically dependent self-employed workers among self-employed was also higher than the EU average (4.5%, EU: 2.8%, the latest data from 2017).

Measures to prevent emerging risks in the field of occupational safety and health are taken less frequently in Slovenia than in the EU; the work-life balance opportunities have not yet been fully exploited; the frequent social dialogue interruptions hamper the effectiveness of labour market policies and working conditions. The area of occupational safety and health is not sufficiently adapted to the changing forms of work and the new conditions accelerated by the COVID-19 crisis (including a more widespread teleworking and a higher volume of work) nor is it sufficiently adapted to the ageing of the population and workforce and the digital and green transition. Measures to prevent psychosocial risks and musculoskeletal disorders triggered by high work intensity are also below average, leading to a sharp increase in absenteeism in Slovenia in 2010–2020, reaching the highest level in the EU. Existing high-quality and accessible public early childhood education and care systems help reduce the amount of care work performed by working women, but without government subsidies these services may not be financially accessible to low-income families. In addition, employers are not fully aware of the benefits of paternity leave. The burden on women has also been high due to inadequate legislation on long-term care. The five social agreements concluded up to 2015 in the framework of the Economic and Social Council have made an important contribution to the development of a more coherent policy in Slovenia. In recent years, however, deadlocks in the social dialogue have become more frequent. During the COVID-19 crisis, disagreements between the social partners deepened, particularly over the content of several packages of measures to mitigate the effects of the epidemic, the proposal for new tax legislation and the preparation of a national recovery and resilience plan.

The increase in the minimum wage since 2010 has helped to reduce the risk of in-work poverty. Until March 2010, the minimum wage was well below the at-risk-of-poverty threshold and from March 2010 until the end of 2018 it was just below this threshold (except in 2013 and 2014, when it was slightly above it). Despite the increase in the minimum wage in 2019–2021, the gap with the at-risk-of-poverty threshold has been widening again since 2019. Slovenia has the highest proportion of employees earning less than 105% of the minimum wage in the EU. The high proportion of workers earning near the minimum wage can lead to a less stimulating work environment. Due to the COVID-19 crisis, the government offered partial subsidies for a minimum wage increase in 2021 and significantly mitigated

the impact of the crisis on unemployment through intervention measures to preserve jobs. Due to government measures, the increase in the unemployment rate in Slovenia in 2020 was lower than the EU average, with the largest increase among young people (15–24 years), as they are more exposed to temporary work.

Figure 2: Headline and secondary indicators of fair working conditions, in 2019



Source: Eurostat (2021), the EU statistics data portal.

Note: Countries are classified into seven groups (four countries per group) on a colour scale from dark blue (the best ranked Member States) to dark purple (the worst ranked Member States) according to the values of the first indicator in the figure. The EU average is rarely in the middle of the colour scale, as the gap between the best and the worst ranked Member States (notably Greece, Italy and Spain) is extremely wide for some indicators.

The main challenges in the area of fair working conditions are the following: (i) ensuring social security coverage for employees in non-standard employment, tackling the problem of disguised employment relationships and precarious work; (ii) creating new and better jobs; (iii) strengthening occupational health and safety measures to reduce psychosocial risks and other illnesses triggered by high labour intensity, also taking into account changed circumstances (such as a worker’s right to disconnect); (iv) establishing

and strengthening social dialogue at the ESC level and increasing the participation of professionals and civil society in decision-making on all major social development issues; (v) developing measures to promote employment among young people and the long-term unemployed; and (vi) maintaining affordable and high-quality public education and childcare services and raising awareness among fathers and employers of the right to paternity leave.

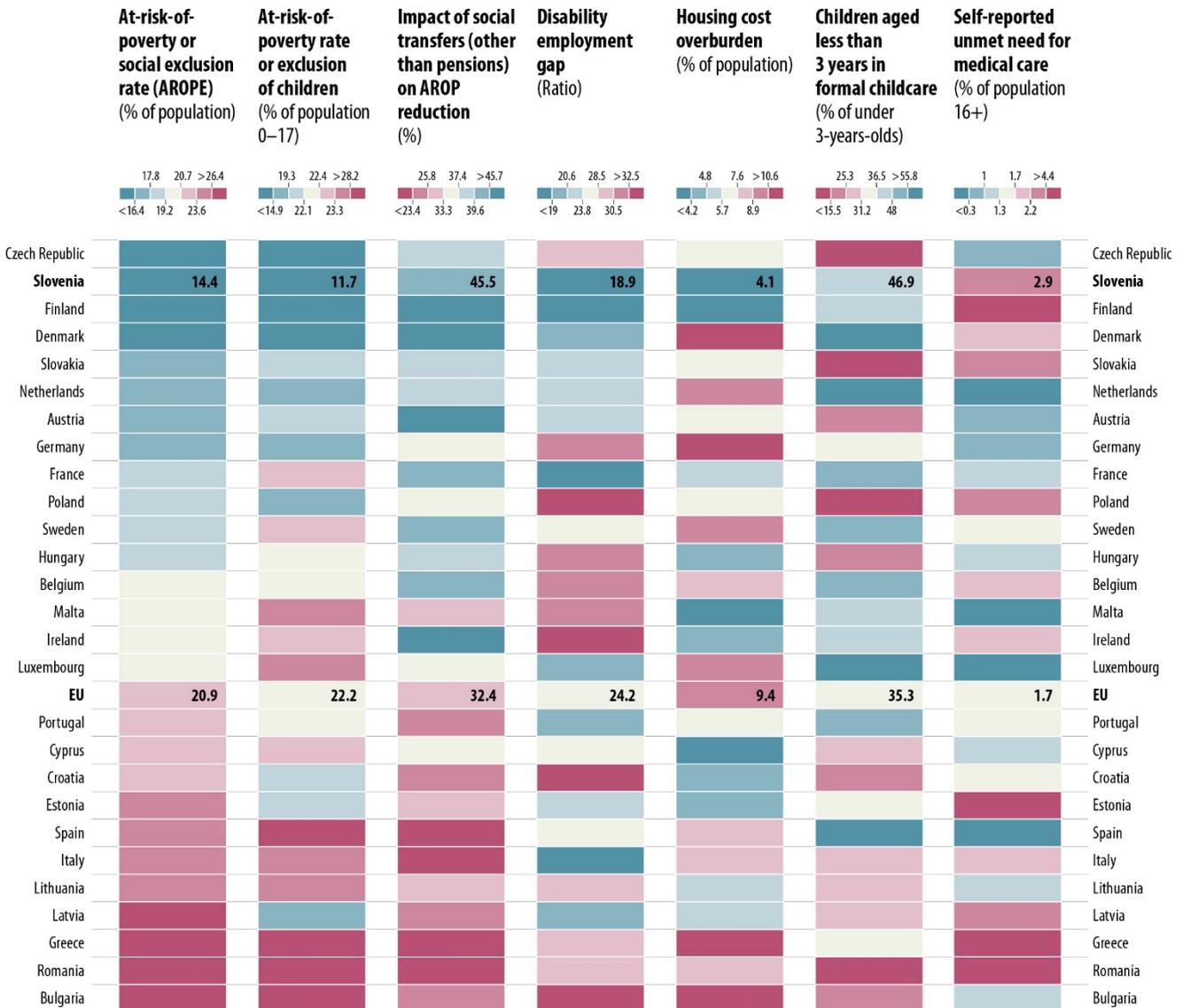
Social
protection
and inclusion

The adequacy of basic minimum income benefits in Slovenia is low, but social transfers (other than pensions) are more successful in reducing the risk of poverty than the EU average, except for older women, mainly due to low pensions. The national basic minimum income, which serves as the basis for social benefits, was very low in Slovenia in the period from January 2005 to August 2018, reaching on average less than half of the at-risk-of-poverty threshold. In addition, social legislation in Slovenia is extremely complex and subject to frequent amendments, professional support provided to recipients of social and other assistance is mostly inadequate, and there are significant backlogs in resolving complaints about procedures and the payment of benefits. Despite all the obstacles, social transfers halved the at-risk-of-poverty rate, which has been one of the lowest in the EU in recent years. The risk of poverty and social exclusion in Slovenia is above the EU average only for older women (especially widows), while Slovenia has the lowest risk of child poverty in the EU, mainly due to adequate social transfers paid to families with minor children. The risk is slightly higher for single-person households and the unemployed. Slovenia spends less than the EU average (as a % of GDP and PPS per capita) for most social protection schemes (old age and pensions; sickness and health; unemployment; persons with disabilities), and much less in the area of rent subsidies, which is related to the lack of rental and social housing. Homelessness in Slovenia and the EU increased due to economic and other crises, and the measures taken did not keep pace with the scale and complexity of the housing and social problems. Low-income households in particular also face high level of housing deprivation, and are more likely than the rest of the population to lack access to some other essential services (access to water, sanitation, energy, transport, financial services, etc.). Digital infrastructure coverage remains critical in areas where mobile operators have no financial interest to invest (especially in the Koroška region and in sparsely populated areas), while access to water supply is increasingly disrupted, also due to local pollution.

Access to health services is limited in Slovenia due to long waiting times. However, a broad basket of services is available to the population; in the area of long-term care, the most pressing problem is the backlog in the development of home care services. Expenditure on health and long-term care (as a % of GDP) is lower in Slovenia than the EU average. This is reflected in the high proportion of unmet needs, leading to increasing inequality in access to services. The capacity of the health-care system was already reaching its limits in 2019, and the situation was exacerbated by the COVID-19 epidemic. Although the number of all doctors (including specialists) has increased significantly since 2010, the needs of the population cannot be met due to growing demand. The biggest problem for many years has been the shortage of general practitioners (family doctors). Although the number of nursing staff has increased significantly in recent years, there was a shortage of around 5,000 such staff in 2019. Compared to other countries, Slovenia still has a very low number of graduate nurses (343 per 100,000 inhabitants, EU: 672), which prevents the faster transfer of certain tasks in order to minimise the burden on general practitioners. A very high unmet need for health-care due to long waiting times was found in 2019 for the 21 most common services (reported by 2.3% of the population, EU: 1.7 %). Access to long-term care has been deteriorating for many years, while private expenditure has been increasing rapidly. The main problem is underdeveloped formal home care services, although the situation for persons with disabilities improved with the adoption of

the Personal Assistance Act. In institutional care, many capacities are outdated and inappropriate. Due to low standards, there has been a serious shortage of medical and social care staff for years.

Figure 3: Headline indicators for the field of social protection and inclusion, in 2019*



Source: Eurostat (2021), the EU statistics data portal.

Note: * For the employment gap between persons with and without disabilities, the most recent data available is for 2018. Countries are classified into seven groups (four countries per group) on a colour scale from dark blue (the best ranked Member States) to dark purple (the worst ranked Member States) according to the values of the first indicator in the figure. The EU average is rarely in the middle of the colour scale, as the gap between the best- and the worst ranked Member States (notably Greece, Romania and Bulgaria) is extremely wide for some indicators.

The main challenges in the area of social protection and inclusion are: (i) providing accessible and sufficient social transfers to protect all low-income and other socio-economically vulnerable groups from poverty; (ii) improving access to unemployment benefits for youth ; (iii) reducing health-care waiting times and increasing the number of doctors and graduate nurses with a comprehensive approach to strengthening the resilience of the health-care system, which has been hit hard by the COVID-19 epidemic; (iv) ensuring adequate pension levels for all retirees to live with dignity; (v) improving access to long-term care and the deinstitutionalisation of services for all elderly persons and persons with

disabilities who are unable to fully care for themselves; (vi) increasing the supply of rental and affordable housing and preventing the rise of homelessness through mutual social and housing policies; (vii) ensuring access to a clean drinking water supply and adopting stricter measures to preserve this natural resource in the long term; and (viii) improving access to digital infrastructure, including in sparsely populated areas.