The administration of employment in Slovakia

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ABSTRACT
The main objective of this article is to describe basics of administration of the employment in Slovak Republic. The intended outcome is to find out, using what authorities, what instruments and in what way the state tries to accomplish that as many individuals as possible have the job. The article is divided into three chapters. In the first chapter we define the concept of the administration of the employment in general. The content of the second chapter consists of description, which authorities operates in the sector of the employment, what objectives they have and what is their activity. Third chapter focuses on characteristic of providing employment services.

KEY WORDS: administration, office of labour, social affairs and family, active labour market measures, employment services.

I. Administration in general
Firstly, to be able to describe the administration of employment in Slovak Republic, it is necessary to briefly characterize the terminology related and connected to the administrative law in general.

Apparently, the very first term is administration, which is an essential part of the administrative law. In jurisprudence there are two main opinions on how to explain administration. On one hand, administration is generally considered as intentional activity leading to achieve the certain objective.\(^1\) On the other hand, concept administration covers just the activity of the state heading to execute the public interest, therefore we can replace it with the term public administration.\(^2\) In 1905, the Czech author J. Pražák attempted to define the term public administration by means of the general term administration. According to that, administration is the activity, permanent objective of which is to manage some affairs.\(^3\) In addition, relatively long definition of public administration was developed by the Czech prof. Průcha, who stated that it is possible to characterize public administration

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\(^2\) Author’s note.

as an administration of society, administration of state itself as well as of its territorial units, as parts of territorial organization of a state, i.e. as administration of public affairs in society organized to a state, which is because of execution of executive power in a state, including specific place for autonomy power. Slovak author P. Škultéty describes the public administration as administration of public affairs, which is realized as demonstration of the executive power of a state. Besides these positive definitions there appear also negative ones, which may be summarized into one: public administration is a complex of activities, which are not possible to be regarded as legislature or judiciary. The fact, that coming up with a definition of public administration is a problem, proves E. Forsthoff, known for his quote that public administration is not possible to define, only to describe.

The concept of public administration is easier to characterize having look at these two legal principles: formal (organizational, institutional, static) and materialistic (functional, dynamic). Basically, the meaning of the public administration is that either it is some kind of an activity or some institution (authority). From the view of the formal principle, public administration is considered as complex of the authorities (bodies), which are, as representatives of the public power, determined to represent a state. On the other hand, there is a public administration considered as an executive activity of a state as a main public subject, performed by its bodies, as well as an executive activity of other public subjects leading to manage public affairs and be realized as demonstration of the executive power in a state.

The most important bodies established to administer employment in Slovakia are Ministry of Labour, Social Affairs and Family of the Slovak Republic (hereinafter “ministry”), Central Office of Labour, Social Affairs and Family (hereinafter “central office”), local offices of labour, social affairs and family (hereinafter “local offices”) placed in 47 different districts of Slovakia, inspectional bodies as National Labour Inspectorate and local inspectorates, municipalities (including towns) and autonomous regions (self-governed units in some issues such as social care of pensioners, health service, higher-schools education etc.) and Social Insurance Agency, but also many others. Considering materialistic meaning, the administration is formed by the activity of the ministry, generally dealing with legislative process, central office manages, controls, coordinates and methodically guides the performance of state administration in the area of social affairs and employment services performed by local offices, which, besides other activities, keep the registry of individuals and legal entities for the purpose of providing grants etc.

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9 See supra note 6.
10 Author’s note.
11 Ibid. 5, p. 14.
II. State bodies administering the employment in Slovakia

1. Ministry of Labour, Social Affairs and Family of the Slovak Republic

The ministry is a legal entity. Its activities cover the whole territory of Slovak Republic. It is based on a monocratic principle, therefore the head of the institution is the minister, who manages it and is responsible for its activity. The minister is named by the president of Slovak Republic, whose decision is based on the prime minister’s suggestion. Naming secretaries of the ministry is a competence of the government. During the absence of the minister, ministry is under control of one of the two secretaries whose tasks determines the minister. Ministry prepares generally binding regulations, which subsequently submits to the government.

The ministry deals with supporting the employment, social care and well-being of a pension system. It constantly modernize a legislation in the field of labour with a goal to raise the employment. It helps to create balanced labour market respecting both, the protection of employees and requests of employers.

The ministry is divided into a sections and departments. Section is a basic level of managing and deciding, it is controlled by the general director of section. Department is a lower organizational unit, managed by the department director. There are six sections, most related to the topic of the article seems to be the Section of Labour. This one sets up reasonable measures oriented towards raising the employment, which help job applicants, employees and employers. Important part of its activity represents a protection of employees at work and combatting illegal work and illegal employment. Section of Labour coordinates creation of state policy of development of regional employment, labour market policy, employment services and minimal wage.

Section of Labour includes Department of Labour Market Policy, Department of European Strategy of Employment, Department of Work Relationships and, finally, Department of the Labour Protection. Let’s focus on the first of aforementioned departments. Department of Labour Market Policy has tasks in the field of creation and realization of state policy of development of regional employment. To secure this function, it creates the suggestions of state policy in the field and performs an analysis of:

- progress and structure of regional employment,

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12 § 35 of Act No. 575/2001 Coll. on organization of government’s activity and organization of central state administration as amended.
14 § 4 of Act No. 575/2001 Coll. on organization of government’s activity and organization of central state administration as amended; Article 5 of Organizational Rules of Ministry of Labour, Social Affairs and Family of Slovak Republic.
15 § 37 of Act No. 575/2001 Coll. on organization of government’s activity and organization of central state administration as amended.
17 Article 2 of Organizational Rules of Ministry of Labour, Social Affairs and Family of Slovak Republic.
18 See supra note 16.
19 Articles 16 and 17 of Organizational Rules of Ministry of Labour, Social Affairs and Family of Slovak Republic.
influence of programs and projects of active labour market measures with a purpose to make the entry of disabled job applicants to labour market easier and reached goals with specific outcomes.

Besides these activities, the department is an appellate body in issues connected to its competence, which were decided by the central office in the first level.\(^{20}\)

To conclude, in cooperation with other central bodies of state administration the ministry successfully performs goals of Program ESO (in slovak *Efektívna, Spolahlivá a Otvorená verejná správa* - *Effective, Reliable and Open Public Administration*). It is so far the biggest planned reform of state administration in Slovakia since 1989 and its ambition is to make functioning more effective, provide quality, transparency and accessibility of public administration for every citizen.\(^{21}\) In a future, there is possibility for the local offices and Social Insurance Agency offices to unite them under one roof of district offices - it would be so-called third phase of ESO reform.\(^{22}\)

2. Central Office of Labour, Social Affairs and Family

The central office is connected to the budget of the ministry and it is in the relationship of subordination to the ministry.\(^{23}\) Similarly as in the case of ministry, the central office is a monocratic body, which head is the general director named and dismissed by the government after consideration of the minister's suggestion.\(^{24}\)

The central office is a superior authority to the local offices of labour, social affairs and family and, regarding territorial scope, its actions affect whole area of Slovakia. Materially, the central office mainly performs state administration in the field of the employment services and social affairs and fulfill tasks at sections of state social contributions, registry of unemployed individuals searching for work and registry of free work places, education and preparation for labour market and active labour market measures. The central office also manages, controls and coordinates activity of local offices in the area of employment services, draws up a draft of priorities of employment services for the following year and submits it to the ministry, determines minimal scope of employment services provided by a local office etc.\(^{25}\)

Moreover, the central office creates Advisory Commissions for the purpose of consultation in the field of social affairs and employment services. The members of such

\(^{20}\) Id.


\(^{23}\) § 4 of Act No. 453/2003 Coll. on state administration bodies in area of social affairs, family and employment services as amended.

\(^{24}\) Id.

\(^{25}\) Id.; § 12 of Act No. 5/2004 Coll. on employment services as amended.
Commissions are representatives of employers, employees, municipalities, autonomous regions and non-governmental organizations.\(^{26}\)

Internally, equally to the ministry, the central office is divided into sections, departments and personal bureau. According to the topic of this article, we deem as the most important – Section of Employment Services, formed by Department of Legal Activities of the Section, Department of Information and Guidance and Department of Active Labour Market Measures. The very last department contains another units of lower level – Division of Guidance and Education, Division of Active Labour Market Measures for Citizens and, finally, Division of Active Labour Market Measures for Employers (i.e. Division of Investment Aid for Investors).\(^{27}\)

3. Local offices of labour, social affairs and family

The local offices are placed among regional bodies of state administration.\(^{28}\) They are being created with a scope for territory of one or more districts within the territory of one region and they are the institutions of the first contact with a citizen. There are 47 local offices, which are also able to create their own separate work stations placed in a different municipalities.\(^{29}\)

The local offices are subordinated to the central office and via their budget connected to its budget. The local office is managed by the director, responsible for its activity as well. The director is named and dismissed by the government on the basis of suggestion by the minister.\(^{30}\)

From the view of material competence, local offices: offer appropriate jobs for job seekers, keep records of job seekers, free work places and employers in the territory, provide informative and advisory service, assign a citizen into the registry of job seekers, govern their work stations, use and perform active labour market measures or, if necessary, submit suggestions to create temporary employment agencies and sheltered employment agencies, etc.\(^{31}\)

To be able to solve relevant issues regarding employment, a local office establish Committee for Employment Issues. Its meetings take place at least once in a month. The activity of the Committe contains approving priorities for supporting employment within territory of an local office, drawing up analysis and prognosis about development of labour market, considering requests of natural persons and legal entities to provide a contributions that are not legally claimable or recommend local office to enter or to not enter into a contract. This Committee establish a commission for purpose to consider efectiveness and feasibility of an entrepreneurial intention.\(^{32}\)

\(^{26}\) § 7 of Act No. 453/2003 Coll. on state administration bodies in area of social affairs, family and employment services as amended.

\(^{27}\) Article 2 of Organizational Rules of Central Office of Labour, Social Affairs and Family.


\(^{29}\) Annex 1 of Act No. 453/2003 Coll. on state administration bodies in area of social affairs, family and employment services as amended.

\(^{30}\) Ibid., § 5.

\(^{31}\) § 13 of Act No. 5/2004 Coll. on employment services as amended.

\(^{32}\) Ibid., § 16-18.
4. **State administration bodies in the field of labour inspection**

Besides the ministry, state administration in the field of labour inspection is performed by the National Labour Inspectorate and regional labour inspectorates. Labour inspection is focused on the supervision over observance of:

- labour-law provisions governing labour-law relations, in particular their establishing, change and termination, wage conditions and working conditions of employees including working conditions for women, adolescents, home employees, persons with disability and persons under the age of fifteen and collective bargaining,
- legal provisions and other provisions for securing occupational safety and health protection,
- legal provisions governing prohibition of illegal work and illegal employment,
- obligations arising from collective agreements and finding liability for violations of these rules, providing free guidance for employers, entrepreneurs and employees.\(^{33}\)

i. **National Labour Inspectorate**

The National Labour Inspectorate is a state administration body with nation-wide competence that oversees tasks concerning labour inspection, and manages and supervises regional labour inspectorates, and unites and rationalizes their working methods.\(^{34}\) It is subordinated to the ministry and it shall be managed by, and the activities of which shall be the responsibility of the general director.\(^{35}\) It establish accreditation commission, which is a professional advisory body.\(^{36}\)

ii. **Regional labour inspectorates**

Regional labour inspectorate is a state administration body with a regional competence that oversee the performance of labour inspection with employers and natural persons who are entrepreneurs and are not employers. It notifies found cases of illegal work and illegal employment and participates on education of a labour inspectors. Additionally, it is obliged to perform inspection in 30 days from delivery of a complaint.\(^{37}\)

5. **Social Insurance Agency**

Social Insurance Agency (hereinafter „agency”) is a legal entity. In general, it is a public law body established to provide a social insurance. Its head is the general director named and dismissed by the slovak government.\(^{38}\)

Organs of the agency are General Director, Supervisory Board of the Social Insurance Agency and Director of a regional office. Supervisory Board is a control body of the agency,


\(^{36}\) § 5 of Act No. 125/2006 Coll. on labour inspection and on amendment of the Act. No. 82/2005 Coll. on illegal work and illegal employment and on amendment of certain acts as amended.

\(^{37}\) Ibid., § 7.

\(^{38}\) § 120–122 of Act No. 461/2003 Coll. on social insurance as amended.
has 11 members and its chairman is the minister. The members are voted and dismissed by the parliament, with an obvious exception of the chairman.

Act No. 461/2003 Coll. on social insurance as amended stipulates five basic types of social insurance:

- sickness insurance,
- accident insurance,
- pension insurance,
- guarentee insurance and
- unemployment insurance.

i. **Unemployment insurance**

We assume unemployment insurance is worth to focus on. The benefit from the unemployment insurance is provided on condition he/she had unemployment insurance for at least two years (i.e. 730 days) within the past three years before being included into the registry of unemployed job seekers. The unemployment insurance does not relate to the natural person who had been granted the old-age pension, the early old-age pension or the invalidity pension. The unemployment benefit is provided per days. The amount of unemployment benefit equals to 50% of the daily assessment basis times number of days in the month. The insuree is not entitled to the unemployment benefit in the period when being granted:

- sickness benefit,
- nursing benefit,
- maternity benefit or
- parental allowance.\(^{39}\)

The unemployment insurance is the insurance to secure an income in case of lost income due to the unemployment. The decision regarding providing the benefit is made by the local office of the agency, and this entity pays the benefit as well. The same body also performs control activity, consultation and advisory activity in the social insurance affairs.\(^{40}\)

6. **Municipalities and autonomous regions**

Municipalities and autonomous regions represent non-state part of public administration, they are units of a territorial self-government.\(^{41}\) Their scope of action is administered by the rule that “autonomy is everything that is not a performance of a state administration.” Unless legal act stipulates that certain competence is a state administration performed by an autonomy units, what they perform is autonomous activity. An autonomous regions do not have a supervisory position to municipality because it would deny the very principle of the territorial self-government. The supreme authority of municipality is its mayor (in case of autonomous regions it is its chairman), who is elected by the inhabitans of the municipality. The voting principle is being applied here.\(^{42}\)


\(^{40}\) § 178 of Act No. 461/2003 Coll. on social insurance as amended.

\(^{41}\) Article 64 of Constitution of the Slovak Republic No. 460/1992 Coll. as amended; § 1 of Act No. 302/2001 Coll. on self-governance of higher-territorial units (autonomous regions) as amended.

\(^{42}\) Author’s note.
At section of the employment administration, municipalities and autonomous regions take care of special tasks. For instance, after the contract between a local office and municipality was signed, long-term unemployed may perform small services. The legal definition of such services is brought by the Act No. 5/2004 Coll. on employment services as amended and it says: it is a support of keeping working habits of long-term unemployed, who is a beneficiary of the contribution in material need. These works are intended to improve economic conditions, social conditions or cultural ones, creation and protection of environment of citizens, support of education etc.\(^43\) Concretively, these are activities such as helping with cleaning, mowing public areas, helping with construction works etc. For the purpose of organizing above mentioned small services, local office provides data about long-term unemployed citizens registered in its registry for municipality or autonomous region. Moreover, based on a written contract, local office provides a contribution for municipality, which can be used to cover part of the expenses for personal protection equipment, working tools or accident insurance.\(^44\)

There is also a possibility for local office to provide a contribution for development local and regional employment to a municipality or autonomous region. This contribution is meant for employer, who accepts a disadvantaged jobseeker to a newly created job and applies for the contribution in a written way.\(^45\)

### III. Employment services

Employment services is a system of institutions, supporting and helping tools for labour market participants during job seeking, change of the job and applying active labour market measures with a special consideration for disadvantaged jobseekers.\(^46\)

The Act No. 5/2004 Coll. on employment services as amended uses the term active labour market measures, but does not define it. Primarily, labour market policy can be characterized as a system of support and aid for citizens during the jobseeking at the labour market.\(^47\) It is being realized by various measures and tools. We can distinguish it to passive or active. Passive one is a sum of programs to keep an income of unemployed and it focuses to providing the unemployment benefit, material need benefit or providing an early retirement pension.\(^48\) Active labour market policy is a sum of programs oriented to improve an access of unemployed to labour market and jobs and to effective operation of labour market.\(^49\) Such policy has the goal to help those, who are endangered in losing their job and to help unemployed find a job earlier than they become a long-term unemployed.\(^50\)

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\(^{43}\) § 52 of Act No. 5/2004 Coll. on employment services as amended.

\(^{44}\) Id.

\(^{45}\) Ibid., § 50j.

\(^{46}\) Ibid., § 11.


\(^{49}\) Id.

\(^{50}\) See supra note 47.
Active labour market measures laid down by the Act No. 5/2004 Coll. on employment services as amended are:

- job mediation,
- education and preparation to labour market,
- contributions for citizens and
- contributions for employers.\(^{51}\)

Job mediation is an activity aimed to searching for a job and offering suitable job to a jobseeker and searching and offering suitable employee to employer. The part of it is a registrational activity, informative and guidance services, drawing up a lists of free work places, lists of jobs frequently searched and making these lists public. Job mediation is provided by the central office, local office and work station of local office as well as by a legal entities and natural persons, who perform job mediation for remuneration. Job mediation provided by the central office and local offices is for free. There is no legal claim to concrete work place brought via mediation.\(^{52}\)

Education and preparation for labour market is either theoretical or practical preparation of jobseeker or employee, which is demanded for his success at the labour market and which allows him to gain new professional knowledge and skills necessary for his new or the current job.\(^{53}\)

There are two kinds of contributions provided to local governments:

- contribution to support the development of local and regional employment and
- contribution for activation programs in the form of minor services for the municipality or self-governing region.

Other contributions are related either to citizens or employers. Contributions for citizens are:

- compensation of a part of travel expenses,
- contribution for self-employment activity,
- contribution for graduate practice and
- contribution for commuting to work.

Contributions for employers are namely:

- contribution to support the employment of disadvantaged job seekers,
- contribution to support job retention and
- contribution for commuting to work.\(^{54}\)

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\(^{52}\) § 32 of Act No. 5/2004 Coll. on employment services as amended.

\(^{53}\) Ibid., § 44–47.

As the active labour market measures are considered also projects and programs such as national projects, projects to improvement of jobseekers position at labour market, pilot projects to overview new active labour market measures and pilot programs to support development of regional and local employment.55

Act No. 5/2004 Coll. on employment services as amended in its 8th part covers supporting the employment of persons with disabilities. For this purpose, it establish legal concepts as sheltered workshop, sheltered workplace and four sorts of contributions:

- contribution for establishing a sheltered workshop or workplace,
- contribution for retaining the employment of a person with a disability,
- contribution for activities of an assistant at work and
- contribution to cover the operating costs of a sheltered workshop or workplace and transportation costs of employees.56

Act No. 5/2004 Coll. on employment services as amended enacts directly which of the contributions are not legally claimable. Based on a positive review and recommendation of Commitee for Employment, contribution is provided.57

1. Local offices' procedure regarding performing job mediation

System of providing employment services contains three zones:

1. zone – registration of jobseeker and providing of informative services and guidance.
2. zone – job mediation.
3. zone – providing active labour market measures.

1. zone is formed by three agendas: First contact agenda, Deciding procedure agenda and Agenda of providing informative services. In the First contact agenda, local office receives citizens' applications to register themselves in the jobseekers registry, also profiling of citizens is being ran including typing data into the informatic system of employment services. Deciding procedure agenda deals with an announcing of assignment to jobseekers registry or denying it.

In the 2. zone, jobseekers are profiled according to the fact they have disabilities or not. It is a classical job mediation.

3. zone is just theoretical term for the workstation, where local office employees personally provide professional guidance services and participation at some of the active labour market measures.58

IV. Conclusion

As it seems obvious in this article, Slovak Republic has enough state bodies and other organizational instruments to secure the state interest in the field of employment. In opinion of the author, responsible authorities, especially on the lower levels of state involvement at the labour market, are trying to make every effort worth to help citizens as well as people of

55 § 54 of Act No. 5/2004 Coll. on employment services as amended.
57 Internal Standard No. IN - 039/2013 Contribution to self-employment activity as stated in § 49 of Act No. 5/2004 Coll. on employment services as amended.
58 Internal Standard No. IN – 042/2013 Methodical guidance regarding applying uniform procedure of local offices of labour, social affairs and family concerning job mediation.
other nationalities to keep their jobs or to find a new suitable ones for them. Though, on the other hand, there arises the fact, that no matter how thoroughly the state authorities try, it is always an activity of a state, i. e. it does not work effectively enough to be as succesful as people need. The state, as exceptionally enumorous entity performing activities at the labour market, should act more effectively, faster and with the solutions personally suitable for every employee and job applicant. Instead of that, on every level of state action appear several difficulties which make applicant’s desire to find a job harder. Moreover, there is developed wide net of helpful instruments, e. g. as various contributions, but it seems to be too difficult to orientate in. This effect is even stronger with everyday bureaucracy which need to be filled, sometimes even the same one couple of times again.

However, people are very sensitive in this matter and monitor activities of state, so responsible authorities are consistently pushed to come up with the solutions to improve the system and finally help people. One of the effective ways of improvement could be more connected cooperation between state and employers, profitable for both of them, where it is useful to omit a job applicant for a while, work together and just after certain time bring forward the most suitable option specifically for him.

Worth to think about is also a reducing the amount of paperwork for the job applicant, in particular in the beginning of his unemployment, when he needs a little bit of stabilization, presumably after tough times at work, and letting him to rest and come up with a solution, he thinks is the best for him and after that, according to his request, help him with bringing his solution to life. In contrast to the abovementioned, usual practice is to bother him with regular meetings at the local office and coming back with a simple stamp and signature to prove, that he had been looking for the job previously.

In the field of helping people secure and/or find a job there is still a long way to the goal, which may be to develop a system which does not require so big administrative involvement of state, but is majorly self-sufficient. To conclude, the state of Slovak Republic tries to improve, and at least does something useful for its citizens, even though it is very often activity not as effective as it is wanted to be by the majority of the people, but the state should learn from its mistakes and perform better.

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