



EMIN Context Report SLOVENIA

Developments in relation to Minimum Income Schemes

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May 2017

What is EMIN?

The European Minimum Income Network (EMIN) is an informal Network of organisations and individuals committed to achieve the progressive realisation of the right to adequate, accessible and enabling Minimum Income Schemes. The organisations involved include the relevant public authorities, service providers, social partners, academics, policy makers at different levels, NGOs, and fosters the involvement of people who benefit or could benefit from minimum income support.

EMIN is organised at EU and national levels, in all the Member States of the European Union and also in Iceland, Norway, Macedonia (FYROM) and Serbia.

EMIN is coordinated by the European Anti-Poverty Network (EAPN). More information on EMIN can be found at www.emin-eu.net

What is the Context Report?

In 2014 individual Country Reports were produced under the EMIN project which outlined the state of development of Minimum Income Schemes in the country concerned. These reports also set out a road map for the progressive realisation of adequate Minimum Income Schemes in that country. These Country Reports can be found on www.emin-net.eu (EMIN Publications). This Context Report gives an update on developments in relation to Minimum Income Schemes in Slovenia since the publication of the Country Report.

Acknowledgements: Special thanks to Nada Stropnik, PhD, (Institute for Economic Research, Ljubljana, Slovenia), an expert in the European Social Policy Network for sharing her rich knowledge and expertise on minimum income scheme in Slovenia.

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For the period 2017-2018 EMIN receives financial support from the European Union Programme for Employment and Social Innovation “EaSI” (2014-2020) to develop its work in the EU Member States and at EU level. For further information please consult: <http://ec.europa.eu/social/easi>

The information contained in this report does not necessarily reflect the official position of the European Commission.

Definitions used in the EMIN Project

Minimum Income Schemes are defined as, income support schemes which provide a safety net for those of working age, whether in or out of work, and who have insufficient means of financial support, and who are not eligible for insurance based social benefits or whose entitlements to these have expired. They are last resort schemes, which are intended to ensure a minimum standard of living for the concerned individuals and their dependents.

EMIN aims at the progressive realisation of the right to adequate, accessible and enabling Minimum Income Schemes.

Adequacy is defined as a level of income that is indispensable to live a life in dignity and to fully participate in society. Adequate Minimum Income Schemes are regularly updated to take account of the evolution of the cost of living.

Accessible is defined as providing comprehensive coverage for all people who need the schemes for as long as they need the support. Accessible Minimum Income Schemes have clearly defined criteria, they are non-contributory, universal and means-tested. They do not discriminate against any particular group and have straightforward application procedures. They avoid:

- institutional barriers such as bureaucratic and complex regulations and procedures and have the minimum required conditionality,
- implementation barriers by reaching out to and supporting potential beneficiaries
- personal barriers such as lack of information, shame or loss of privacy.

Enabling is defined as schemes that promote people's empowerment and participation in society and facilitates their access to quality services and inclusive labour markets.

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Section 1: Evolution in laws and regulations regarding national (or regional/local) minimum income schemes

This section indicates changes to the main minimum income scheme in the country since the EMIN1 project ended in 2014, in particular changes to schemes that were dealt with in the EMIN1 project. In countries where several minimum income schemes coexist, please give priority to minimum income schemes for the working-age population. The **country report** from the EMIN 1 project is available at <https://emin-eu.net/emin-publications/>

Changes in the legislation and regulations governing minimum income schemes in your country with regard to

- *Eligibility conditions (lack of sufficient resources, age requirements, residence...)*
- *Conditionality of the benefits (willingness to work, other conditions related to personnel attitude of recipients...)*
- *Levels of payment, uprating*
- *Links with other benefits*
- *Governance of the schemes?*

The policy decisions on minimum income in Slovenia are adopted at the national level and implemented and organized at the local level, in particularly with the Centres for Social Work¹. The amount of minimum income is equal to the amount of **Financial Social Assistance (FSA)**.

Financial Social Assistance - (FSA) (denarna socialna pomoč) can be provided to individuals and families who are unable to secure their material security, for reasons beyond their control. Financial social assistance (FSA) is regulated by the **Social Assistance Benefits Act** (Zakon o socialno varstvenih prejemkih²) and the **Exercise of Rights to Public Funds Act** (Zakon o uveljavljanju pravic iz javnih sredstev),³ both acts became active in January 2012.

Financial social assistance (FSA) is developed to provide funds to meet the minimum needs enabling basic subsistence. Every person is entitled to financial social assistance if his/her monthly income is below the minimum income amounts stipulated by law, and also met with the other statutory conditions.⁴ Financial social assistance (denarna socialna pomoč) involves two type of assistance:

- Ordinary FSA ;
- Emergency Financial Social Assistance – EFSA (izredna denarna socialna pomoč).

¹ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

² Social Assistance Benefits Act (Zakon o socialno varstvenih prejemkih), Official Gazette of the Republic of Slovenia, no. 61/2010.

³ Exercise of Rights to Public Funds Act (Zakon o uveljavljanju pravic iz javnih sredstev), Official Gazette of the Republic of Slovenia, no. 62/2010.

⁴ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

The Emergency Financial Social Assistance is granted in exceptional circumstances, when a person is in a situation of temporary material deprivation, caused by extraordinary living expenses which a person cannot cover with own income.⁵ Specific types of Emergency FSA involve:

- Special Emergency Financial Social Assistance after the Death of a Family Member (*posebna oblika izredne denarne socialne pomoči po smrti družinskega člana - posmrtnina*);
- Special Emergency Financial Social Assistance for Covering Funeral Expenses (*posebna oblika izredne denarne socialne pomoči kot pomoč pri kritju stroškov pogreba - pogrebnina*).

These two types of extraordinary FSA aim to provide financial assistance to relatives of the deceased and to partially cover funeral costs.⁶

Beneficiaries of financial social assistance (FSA) are:

- Slovene citizens with permanent residence in Slovenia;
- Foreigners holding a permanent residency and with permanent residence in Slovenia;
- Persons granted international protection and their family members who have on the basis of the right to family reunification a residence permit in Slovenia and have their permanent or temporary residence in Slovenia;
- Persons entitled to financial social assistance and supplementary allowance on the basis of international agreements ratified by the Republic of Slovenia.⁷

The amount of Financial Social Assistance (*denarna socialna pomoč*) depends on the domestic unit and their financial situation (income and property). Financial social assistance (FSA) is granted for a limited period of time, depending on the circumstances forming the basis for the allocation and the amount of social assistance. It is granted for the period:

- from 1 to 3 months: when the application is submitted for the first time;
- from 1 to 6 months: in the case of repeated applications and if the circumstances forming the basis for the allocation and determination of the amount of social assistance during the first or earlier applications remain unchanged;
- for 1 year: if the social situation of the beneficiary is not expected to improve due to the age (over 63 years for women and over 65 for men), illness, disability or other circumstances;
- permanent: a person who is permanently unemployable or permanently unable for work or aged over 63 years for women and over 65 for men and has no assets (defined by Exercise of Rights from Public Funds Act⁸) or is in institutional care and

⁵ Ibid.

⁶ Anne van Lacker (eds.) (2016): Country report Slovenia. Description and assessment of the Minimum Income Scheme.

⁷ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

⁸ Exercise of Rights from Public Funds Act (Zakon o uveljavljanju pravic iz javnih sredstev), (Official Gazette of the Republic of Slovenia, no. 62/10, 40/11, 40/12).

also members of his or her family meet the same criteria for financial social assistance.⁹

Supplementary Allowance:

Another measure is **supplementary allowance** (*varstveni dodatek*), which provides funds for living expenses that arise during a longer period and are not the costs to meet the minimum needs.

The amount of Supplementary Allowance (*varstveni dodatek*) is calculated according to the Basic Minimum Income for each family member based on the same determining factors as for FSA. The amount for a single person or first person in the family is fixed as 1.63 of the amount of the Basic Minimum Income. For every other person in the family fulfilling the conditions the amount is 1.34 of the Basic Minimum Income.¹⁰

Conditions for supplementary allowance (*varstveni dodatek*):

- Above age 63 (women) or 65 (men);
- No age restriction in case of permanent incapacity for work or permanent unemployed.

A single person living alone whose monthly income does not exceed 476.87 EUR and who fulfils the other conditions determined by law is entitled to a Supplementary Allowance.¹¹

If a single person also derives income, the amount of Supplementary Allowance is defined as the difference between the Supplementary Allowance and the person's income.¹²

Supplementary Allowance for a family is defined as the difference between the ceiling of the Supplementary Allowance of a family and the family's income.¹³

The savings of a single person in the amount of up to 2 500 EUR or up to 3 500 EUR in the family are not taken into account for the acquisition of the supplementary allowance.¹⁴

⁹ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

¹⁰ Anne van Lancker (eds.) (2016): Country report Slovenia. Description and assessment of the Minimum Income Scheme.

¹¹ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/uvcljavljanje_pravic/socialna_zakonodaja/varstveni_dodatek/

¹² Anne van Lancker (eds.) (2016): Country report Slovenia. Description and assessment of the Minimum Income Scheme.

¹³ Anne van Lancker (eds.) (2016): Country report Slovenia. Description and assessment of the Minimum Income Scheme.

¹⁴ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/uvcljavljanje_pravic/socialna_zakonodaja/varstveni_dodatek/

Financial Social Assistance

The amount of **Financial Social Assistance (FSA)** (*denarna socialna pomoč*) depends on the income level, number of family members, property and savings, and whether social services (housing, food etc.) are provided to the beneficiary and whether there is any misconduct from the beneficiary (e.g. failure to register with the Employment Service, imprisonment). The amount is fixed by reference to the amount of the Basic Minimum Income (*osnovni znesek minimalnega dohodka*), which amounts to EUR 292.56 (from 1 August 2016).

The amount of the Financial Social Assistance (*denarna socialna pomoč*) and the Supplementary Allowance (*varstveni dodatek*) for the family is determined by the sum of the amounts of Minimum Income for each family member (Family Minimum Income). The family income is deducted from the Family Minimum Income.¹⁵

Financial Social Assistance (*denarna socialna pomoč*):

Monthly amounts for:

- first adult, or a single person or an adult who is in institutional care: 292.56 EUR;
- first adult, or a single person who is economically active in the range of 60 to 128 hours per month: 374.48 EUR;
- first adult, or a single person who is economically active in a range of more than 128 hours per month: 456.39 EUR;
- a single person between the age of 18 and 26, registered with the Employment Service with a permanent residence at the same address as his/her parents or actually residing with them: 204.79 EUR;
- a single person who is permanently unemployable or permanently incapable of work or who is older than 63 years (women) or 65 years (men) and who has his/her registered residence at the same address as a person who is not a family member as defined by this law and has sufficient own means of subsistence or is actually residing with him/her: 222.35 EUR;
- every next adult person: 166.76 EUR;
- every next adult person economically active in a range of more than 128 hours per month: 248.68 EUR;
- every next adult person who is economically active in the range of 60 to 128 hours per month: 207.72 EUR;
- first, oldest child: 222.35 EUR;
- every next child: 193.09 EUR;
- increase of the minimum income for the family for each child in a single-parent family for 20% of the Basic Minimum Income: 58.51 EUR.¹⁶

If a single person has certain assets that are lower than the amounts specified above, he or she is entitled to the difference to the amount of financial social assistance specified in the

¹⁵ Anne van Lancker (eds.) (2016): Country report Slovenia. Description and assessment of the Minimum Income Scheme.

¹⁶ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

table.¹⁷ If economically active individuals (from 60 to 128 hours and more than 128 hours per month) earn less than 374.48 EUR or 456.39 EUR a month, then the state covers the difference up to these two amounts of financial social assistance (FSA). This means that a person who is economically active for more than 128 hours a month and receives his/her wage, which is lower than 456.39 EUR (the level of financial social assistance for economically active person for more than 128 hours a month) the state pays to a person the difference to the amount set for the financial social assistance (FSA).

The beneficiary of social assistance, who is unemployed, and is not receiving unemployment benefits under the law that governs the labour market, and received the financial social assistance more than 9 times in the last 12 months is obliged to accept any job offered to him or her by the Employment Service of Slovenia. The beneficiary of social assistance, who refuses the offer of employment or terminates the employment, loses the right to financial social assistance.¹⁸

Financial social assistance is paid monthly to one person for the whole family.¹⁹

The Emergency Financial Social Assistance – EFSA: Since 1 August 2016 the EFSA amounts to 292.56 EUR for a single person per month (the income ceiling for a single person) or a maximum of 874.76 EUR for a family (for example, family of four with two school-age children and two unemployed adults). In a calendar year the EFSA amounts to a maximum 1 462.80 EUR for a single person (5 times census) or a maximum of 4 373.80 EUR for a family (for example, for a family of four with two school-age children and no job).²⁰

After receiving the Emergency Financial Social Assistance, the beneficiary is obliged to provide an evidence of the allocation of funds within limited period of time. The financial assistance needs to be spent within 30 days after receiving it. If the beneficiary does not provide evidence of the allocation of funds within a specified period or in the case that financial assistance has not been used for the purpose submitted in the application, the person loses the right to new application for EFSA for 14 months. If the beneficiary spent the financial assistance for the purpose for which it wasn't granted, he or she is obliged to return the rest of the funds.²¹

Financial Social Assistance (FSA) (*denarna socialna pomoč*) and Supplementary Allowance (*varstveni dodatek*) are granted by the Social Work Centres (*Center za socialno delo*).²²

¹⁷ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

¹⁸ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

¹⁹ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

²⁰ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

²¹ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

²² Anne van Lancker (eds.) (2016): Country report Slovenia. Description and assessment of the Minimum Income Scheme.

Applications shall be filed on a special form. Social Work Centres collect the information, even the information considered confidential, directly from the person and ex-officio from databases maintained by the authorised bodies and organisations.²³

During the period of receiving the benefits, the beneficiary shall notify the competent Social Work Centre of any changes likely to affect the receipt of the benefits (changes in relation to family members, income, type of periodic income, etc.) within eight days from the date s/he became aware of them.²⁴

The Ministry of Labour, Family, Social Affairs and Equal Opportunities (*Ministrstvo za delo, družino, socialne zadeve in enake možnosti*) is competent for the appeals against the decisions of the Social Work Centres.²⁵

*Evolution with regard to **adequacy** of minimum income?*

The Social Assistance Benefits Act (Zakon o socialno varstvenih prejemkih) was amended in 2016. The amended act entered into force as of 1st February 2017 and enables people to receive financial social assistance (denarna socialna pomoč) and supplementary allowance (varstveni dodatek) without triggering inheritance conditions for their real-estate up to EUR 120 000. "The latter conditions had been applied since 2012 and severely influenced the take-up of the measure: from 46 752 in December 2011 to 10 220 in January 2016. The amendment will have a positive impact on the old-age income however for a limited proportion of elderly population."²⁶ The amendment (annotation of the property, inheritance conditions) applies to all, who receive cash social assistance and supplementary allowance after the 1st of January 2012, thus abolishes retroactively.²⁷ The data show the increased coverage: on average in 2016 10 678 persons monthly received supplementary allowance, after the change in February 2017 12 412 people received supplementary allowance, in March 13 870, in April 14 765 and in May 15 277 people.²⁸ In comparison with the year 2011, before the change regarding the supplementary allowance, when there were 46 746 recipients of the supplementary allowance²⁹, the increased coverage can be estimated as rather small.

Since 1 August 2016 the financial social assistance (FSA) has been equal to 292.56 EUR.³⁰

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ European Commission (2017): Country Report Slovenia 2017, <https://ec.europa.eu/info/sites/info/files/2017-european-semester-country-report-slovenia-en.pdf>

²⁷ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/medijsko_sredisce/novica/archive/2017/1/select/sporocilo_za_javnost/article/1966/8092/

²⁸ Data provided by the Ministry of Labour, Family, Social Affairs and Equal Opportunities on the request of the author of the this report.

²⁹ Dremelj, Polona, Simona Smolej, Ružica Boškić, Tamara Narat, Liljana Rihter, Nadja Kovač, Barbara Kobal (2013): Ocena učinkov nove socialne zakonodaje (The evaluation of the impact of the new social transfers legislation). Ljubljana: Social Protection Institute of the Republic of Slovenia.

³⁰ The Ministry of Labour, Family, Social Affairs and Equal Opportunities: http://www.mddsz.gov.si/si/delovna_podrocja/sociala/denarna_socialna_pomoc/

In regard to minimum income it is relevant also to give brief information about minimum wage in Slovenia. The minimum wage is regulated by the **Minimum Wage Act (2010)** and **The Act amending the Minimum Wage Act** (Official Gazette of RS, no. 92/2015). The Minimum Wage Act determines the adjustment of the minimum wage to the increase of prices of basic necessities for life once a year based on the official data from the Statistical Office of the Republic of Slovenia. The indicators to set the minimum wage are: increase in consumer prices, the wage trends, economic conditions or economic growth and employment trends.³¹ The minimum wage is determined by the Minister of Labour, Family, Social Affairs and Equal Opportunities based on consultation with social partners.

The **minimum wage** was adjusted of 1.8% in January 2017. This means that the minimum wage for full-time work (40 hours per week) in 2017 amounted to gross wage of 804.96 EUR (614 EUR net wage), while in 2016 this amounted to gross wage of 790.73 EUR (604 EUR of net wage).³² Raising the minimum wage the same percentage as the average wage in Slovenia the state will ensure the preservation of the relationship between the minimum wage and the average wage. In case of part-time work, the employee is entitled to a proportional part of the minimum wage.

The Act amending the Minimum Wage Act (Official Gazette of RS, no. 92/2015) excludes three additions to work: allowance for night work, supplement for Sunday work and allowance for work on holidays and statutory holidays. In addition, the reimbursement of costs for which employer is obliged to cover (e.g. reimbursement for meals during the work, costs for travel to and from work, costs of business trip) are not counted in the minimum wage. This includes also other remuneration from employment relationships (e.g. holiday allowance, jubilee awards).³³

According to the Statistics on Income and Living Conditions the at-the-risk-of-poverty in Slovenia in 2015 was 14.3%. The annual at-the-risk-of-poverty for a single member household amounted to 7 399 EUR; net disposable income of persons living below the poverty threshold was thus below 617 EUR per adult (equivalent) per month. The poverty threshold for a family of four (two adults and two children under the age of 14 years), amounted 1 295 EUR per month, threshold for a two-member household without children amounted 925 EUR per month.³⁴

The minimum wage in Slovenia (614 EUR net wage) is still slightly less than the at-the-risk-of-poverty.

The minimum income for a single person (292.56 EUR) is far from adequate in Slovenia, when taking into account the risk of poverty (income below 617 EUR per adult per month).

Calculations on the relation between minimum income and poverty threshold in 2015:³⁵

³¹ Minimum Wage Act (Zakon o minimalni plači), Official Gazette of the Republic of Slovenia, no. 13/10, 92/15.

³² The Association of Free Trade Unions of Slovenia, <https://www.zsss.si/wp-content/uploads/2017/01/info-minimum-wage-SI.pdf>.

³³ Minimum Wage Act (Zakon o minimalni plači), Official Gazette of the Republic of Slovenia, no. 13/10, 92/15.

³⁴ Statistical Office of the Republic of Slovenia, <http://www.stat.si/StatWeb/News/Index/6070>.

³⁵ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

Table 2: Minimum income: absolute and relative amounts, by selected household types; Slovenia 2015

Household type	Minimum income (€)		Minimum income as % of at-risk-of-poverty threshold (based on 0.6 national median income) ^(a)		Minimum income as % of minimum unemployment benefit ^{(b)(c)}	Minimum income as % of maximum unemployment benefit ^{(b)(d)}	Minimum income as % of minimum wage ^(e)
	None of the adults work	Both parents work more than 128 hours/month	(1)	(2)	(1)	(1)	(2)
	(1)	(2)					
Divorced singles without children	270.82	422.48	45.5	70.9	98.8	38.8	68.6
Married couples without children	433.31	660.80	48.5	74.0	79.1	31.0	53.6
Married couples with two children aged 7 and 14 years	839.54	1,067.03	61.3	77.9	153.2	60.1	86.6
Divorced single parents with one child aged 2 years	541.64	693.30	50.5	64.7	197.6	77.5	112.6

Notes:

(a) The 2014 median income amounts to EUR 7,146, i.e., EUR 595.50 per month (SDRS 2015). At-risk-of-poverty thresholds for selected households (based on 60% of the national median income) have been taken into account in the comparison. The applied equivalence scale gives a weight of 1 to the first adult in the household, 0.5 to the second and each subsequent person aged 14 years and over, and 0.3 to each child below 14 years of age.

(b) Both the father and the mother receive a minimum unemployment benefit.

(c) A minimum unemployment benefit amounts to EUR 350.00 gross (ESS 2015), which is EUR 274.05 net of social security contributions (taken into account in the comparison). Unemployment benefit can be received for 2-25 months, depending on the contributory period and the age of the beneficiary (ESS 2015).

(d) A maximum unemployment benefit amounts to EUR 892.50 gross (ESS 2015), which is EUR 698.83 net of social security contributions (taken into account in the comparison). Unemployment benefit can be received for 2-25 months, depending on the contributory period and the age of the beneficiary (ESS 2015).

(e) Both the father and the mother earn a minimum wage⁶ (EUR 790.73 gross; EUR 615.98 net of social security contributions); the net amount has been taken into account in the comparison.

Source: Stropnik, 2015: 13.

The main policy concept in Slovenia is that the minimum income must be less than the minimum wage in order to maintain the incentive to work. Problem is that the minimum wage is so low that many employees on minimum wage are pushed into poverty (the working poor), while beneficiaries of the financial social assistance are somehow stuck in the vicious circle of social exclusion and poverty.

According to Stropnik (2015) there has been no assessment of the impact of the minimum income scheme in reducing the level and depth of poverty in Slovenia. Also the minimum income is not adequate in Slovenia, “while its ratio to the minimum wage generally stimulates work effort. An insufficient amount of minimum income is a consequence of the state’s financial situation, a relatively low productivity that keeps the absolute amounts of the minimum and average salaries rather low compared to the cost of living, and the need to retain work incentive” (Stropnik 2015: 12)³⁶.

Evolution in terms of coverage or take-up of benefits?

The social policy legislation changes³⁷ in 2012 established the order of enforcement of rights: first the child allowance, followed by financial social assistance, supplementary allowance and stipend. Child allowance is the first benefit in order, which determines the allocation of other social benefits. This means that child allowance is regarded as income of the family and therefore influences the access to other benefits and its amount. This is problematic in cases where families due to child allowances exceed the family income census and are no longer entitled to other social security benefits. The analysis of the study implemented by

³⁶ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

³⁷ Exercise of Rights from Public Funds Act (Zakon u uveljavljanju pravic iz javni sredstev), Official Gazette of the Republic of Slovenia, no. 62/10, 40/11, 40/12.

the Social Protection Institute of Slovenia, pointed to problematic situations where children through child allowance maintain their parents (Dremelj et al. 2013: 29).³⁸

The Fiscal Balance Act (Zakon za uravnoteženje javnih financ, ZUJF) in 2012 brought changes with negative impact on the take-up of benefits, such as supplementary allowance. Pensioners, whose pension does not exceed 622 EUR, are entitled to the supplementary allowance (since 2012 part of social benefits, but before 2012 supplementary allowance was paid from pension system). The amount of supplementary allowance (varstveni dodatek) depends on the income, which according to the changes in legislation in 2012, also includes supplementary and attendance allowance (dodatek za pomoč in postrežbo), disability allowance (invalidnina) and annual allowance (letni dodatek k pokojnini). According to the research, among all pensioners in 2011, 69% were elder women who received supplementary allowance. In 2012 after the new legislation was adopted, the number of beneficiaries dropped significantly (from 46 752 in December 2011 to 13 016 in 2012).³⁹ Data are not segregated by gender, but nevertheless it can be expected that much more women (due to lower pensions) than men were affected by the reduction of supplementary allowance.⁴⁰

The criteria for the supplementary allowance which bridged the gap in pensions became more stringent since a legislative amendment in 2012 and excluded income derived from disability allowance and annual allowance. The supplementary allowance was a subject to the limitation of the right to inheritance until 1 February 2017, when this amendment was abolished. In the period between 2012 and 2017 the supplementary allowance needed to be reimbursed to the state after the death of beneficiary by beneficiary's descendants. Centers for Social Services were reporting that the elderly refused the right to supplementary allowance.⁴¹

*Evolution with regards to the **linkage** between minimum income schemes, (inclusive) **labour markets** and (quality) **services**?*

Unemployed persons, registered at the Employment Service of Slovenia, are supported to actively search for the job by Active Employment Policy measures, including the Employment Plan. The active employment policy measures include training and education, replacement at the workplace or job sharing, incentives for the employment, creation of jobs and

³⁸ Dremelj, Polona, Simona Smolej, Ružica Boškić, Tamara Narat, Liljana Rihter, Nadja Kovač, Barbara Kobal (2013): Ocena učinkov nove socialne zakonodaje (The evaluation of the impact of the new social transfers legislation). Ljubljana: Social Protection Institute of the Republic of Slovenia.

³⁹ Dremelj, Polona, Simona Smolej, Ružica Boškić, Tamara Narat, Liljana Rihter, Nadja Kovač, Barbara Kobal (2013): Ocena učinkov nove socialne zakonodaje (The evaluation of the impact of the new social transfers legislation). Ljubljana: Social Protection Institute of the Republic of Slovenia.

⁴⁰ Humer, Živa and Metka Roksanđić (2013). Protikrizni ukrepi in enakost spolov (Austerity measures and gender equality). Research report. Women's Lobby of Slovenia. Retrieved October 3, 2016 http://www.zenskilobi.si/images/DOKUMENTI/ANALIZE/PROTIKRIZNI_UKREPI_ENAKOSTSPOLOV.pdf.

⁴¹ Humer, Živa and Metka Roksanđić (2013). Protikrizni ukrepi in enakost spolov (Austerity measures and gender equality). Research report. Women's Lobby of Slovenia. Retrieved October 3, 2016 http://www.zenskilobi.si/images/DOKUMENTI/ANALIZE/PROTIKRIZNI_UKREPI_ENAKOSTSPOLOV.pdf.

promoting self-employment (The Market Regulation Act).⁴² The Labour Market Regulation Act determines that priority participation in the Active Employment Policy measures have persons, who are receiving unemployment cash benefit, financial social assistance or supplementary allowance.⁴³ If a person declines a job offer, he or she loses the right to financial social assistance. Persons who are under medical treatment or are considered as temporarily unemployable due to mental health problem, addiction of major social problems or other problems are exempted from the active job search (The Market Regulation Act).⁴⁴ The state also provides subsidies for employers, who employ financial social assistance beneficiaries. According to the Social Assistance Benefits Act, the condition for subsidy of the employer is that the beneficiary received the financial social assistance for at least 12 times in the last 16 months. The employer is obliged to employ a person for at least a year. According to the evaluation of the Active Employment Policy measures, the analysis showed positive effects »a year after the end of subsidy payment and zero impact two years after the end of subsidy. A macro-econometric analysis showed that the positive impact in the first year had turned into a negative one in the second year, most probably because employers dismiss a large proportion of formerly subsidized employees in the year following the end of subsidy« (Stropnik 2015: 15).⁴⁵ The data shows that out of all beneficiaries 49% of them received financial social assistance during the longer period (12 times in the last 18 months (the data for 1 June 2014)).⁴⁶ This data indicates considerable long-term dependency on financial social assistance and rather small possibilities to exit the dependency on FSA and entry into the labour market.⁴⁷

Financial social assistance beneficiaries are entitled to the payment of contributions for mandatory health insurance, payment of the difference up to the full costs of health services, social assistance services, early childhood education and care, schools meals, rent subsidies.⁴⁸

⁴² Market Regulation Act (Zakon o urejanju trga dela), Official Gazette of the Republic of Slovenia, no. 80/10, 40/12.

⁴³ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

⁴⁴ Market Regulation Act (Zakon o urejanju trga dela), Official Gazette of the Republic of Slovenia, no. 80/10, 40/12.

⁴⁵ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

⁴⁶ Trbanc, Martina, Andreja Črnak Meglič, Polona Dremelj, Simona Smolej Jež, Tamara Narat, Nadja Kovač and Barbara Kobal Tomc (2014): Socialni položaj v Sloveniji 2013–2014 (Social situation in Slovenia 2013–2014). Ljubljana: Social Protection Institute of the Republic of Slovenia.

⁴⁷ Ibid.

⁴⁸ Nada Stropnik (2015): ESPN Thematic Report on Minimum Income Schemes. Slovenia. European Commission.

Section 2: Use of reference budgets in relation to Minimum Income and/or poverty measures

Reference budgets or budget standards are priced baskets of goods and services that represent a given living standard in Slovenia.

In this section you will find information in relation the recent evolutions of the construction and use of reference budgets in Slovenia. Information is also given on the usefulness of these reference budgets for policy making or for awareness raising campaigns.

For further information on Reference Budgets see: Storms, B., Goedemé, T., Van den Bosch, K., Penne, T., Schuurman, N., and Stockman, S., Review of current state of paly on reference budget practices at national, regional and local level, pilot project for the development of a common methodology on reference budgets in Europe, Brussels, European Commission, 2014 <http://ec.europa.eu/social/BlobServlet?docId=12544&langId=en>

Recent initiatives to develop reference budgets or to adapt existing reference budgets?

- *For what purposes are they developed or used? By whom?*

Initiatives for developing reference budget in Slovenia are presented in the “Pilot project for the development of a common methodology on reference budgets in Europe” (2014). Nada Stropnik, PhD, (Institute for Economic Research, Ljubljana, Slovenia), an expert of Slovenia in the European Social Policy Network prepared the report for the above mentioned project. The Institute for Economic Research (IER) is an important institute, providing research on minimum costs of living.

In 2009 the Institute for Economic Research prepared a study of minimum costs of living for the Ministry of Labour, Family, Social Affairs and Equal Opportunities. The estimated amount of the minimum cost of living in Slovenia in 2009 amounted to 562.07 EUR (net amount).⁴⁹ The results of estimated minimum costs of living exceeded the amount of social transfers in 2009:

- Minimum wage was 459.23 EUR net;
- Average unemployment allowance was 431.17 EUR net;
- The minimum income / financial social assistance for the first adult was 226.80 EUR;
- Supplementary allowance limit was set at 436.98 EUR.⁵⁰

Due to the economic and financial crisis in Slovenia the new social policy legislation did not bring the changes planned at the Ministry of Labour, Family, Social Affairs and Equal

⁴⁹ Ministry of Labour, Family, Social Affairs and Equal Opportunities, http://www.mddsz.gov.si/si/medijsko_sredisce/novica/archive/2009/7/browse/1/select/sporocilo_za_javnost/article/1966/6165/

⁵⁰ Ministry of Labour, Family, Social Affairs and Equal Opportunities, http://www.mddsz.gov.si/si/medijsko_sredisce/novica/archive/2009/7/browse/1/select/sporocilo_za_javnost/article/1966/6165/

Opportunities (based on the study on minimum living costs by IER). Two types of minimum income in order to cover basic living costs were planned, the permanent financial social assistance (amount of 449.66 EUR) and temporary financial social assistance (308.06 EUR).⁵¹

In 2010 the minimum costs of living were adopted as the amount of net minimum wage in the Minimum Wage Act.⁵²

- *What actors were involved in the construction? Were people experiencing poverty part of the process? Have focus groups been used?*

For the “Pilot project for the development of a common methodology on reference budgets in Europe” in Slovenia the food basket was analyzed. Slovenian food basket involves the healthy food, kitchen equipment, physical activity and the total budget for other functions of food. Food baskets were developed for different household types (one-person household, a couple, a couple with 2 school children and single parent with 2 school children). The content of the food basket was based on the Slovenian food pyramid and other sources (like food-based dietary guidelines, weekly menu, which was developed in the project). Three focus groups (all together 18 participants) were organized in Ljubljana in January 2015 to discuss food basket, national dietary guidelines, social participation, kitchen equipment and purchasing patterns. The authors of the study, Stropnik and Koch (2015), estimated upon focus groups analysis and the pricing of food and kitchen equipment, that the resulting budgets are high comparing to the amount of minimum income and average salary in Slovenia (other costs of living were not included in the study).⁵³

*“The latest calculation of the national food basket was done in 2009. A healthy food basket for a man aged 19-65 years cost €119.59, while the one for the child aged 10-14 years cost €105.09. These food baskets contain only food and beverages. For the purpose of comparison with the total healthy food ... we presumed equal food baskets for men and women and applied an evaluated food-and-non-alcoholic-beverages price index (March 2015 / April 2009) of 14.7%. For a family of four the national food basket would cost around €515 in March 2015, compared to €582.46 obtained in this study as the reference healthy food budget ...”.*⁵⁴

In 2015 the minimum income for a single person (not working) amounted to 269.20 EUR and 419.95 EUR if the person was working more than 128 hours per month. The minimum

⁵¹ Ministry of Labour, Family, Social Affairs and Equal Opportunities, http://www.mddsz.gov.si/si/medijsko_sredisce/novica/archive/2009/7/browse/1/select/sporocilo_zajavnost/article/1966/6165/

⁵² Bérénice Storms, Tim Goedemé, Karel Van den Bosch, Tess Penne, Nathalie Schuerman and Sara Stockman (2014): Review of current state of play on reference budget practices at national, regional, and local level. Pilot project for the development of a common methodology on reference budgets in Europe. European Commission.

⁵³ Nada Stropnik and Verena Koch (2015): The Slovenian food basket. Pilot project for the development of a common methodology on reference budgets in Europe. European Commission.

⁵⁴ Nada Stropnik and Verena Koch (2015): The Slovenian food basket. Pilot project for the development of a common methodology on reference budgets in Europe. European Commission.

income for a family of two adults with 2 children was 834.52 EUR (if not working) and 1 033 EUR (if working 128 hours per month) monthly.⁵⁵

- *How would you evaluate the development and/or current use of the reference budgets in your country? Are they useful tools for policy purposes? For public campaigning and awareness raising?*

The most problematic issue is that the latest study of the minimum costs of living was done in 2009. The Ministry of Labour, Family, Social Affairs and Equal Opportunities is obliged to present calculations of the national food basket every five years. It would be necessary to have more recent data on the minimum costs of living in Slovenia, which could also be a basis for awareness raising and campaigning regarding the minimum income in Slovenia.

Section 3: Implementation of Country Specific Recommendations on Minimum Income and follow up through the Semester process.

As part of the EU Semester process, a number of countries have received **Country Specific Recommendations (CSR)** on their MIS or more generally on poverty. **Country Reports** can give interesting indications for countries performance with regards to Minimum **Income**. Evidence can also be found in EAPN's assessment of **National Reform Programmes 2016**. In some countries under a Macroeconomic Adjustment Programme; the **Memorandum of Understanding** has reference to MI. In this section you find information about developments in response to these reports and recommendations as well as information on how EU funds are used to support developments in relation to Minimum Income Schemes.

Policy responses to the CSR, initiatives to implement them and to improve the MIS, if there are new evolutions in this respect in your country. Other developments in relation to Minimum Income Schemes as part of the Semester Process, please add them here.

As stated in the National Reform Programme 2017-2018⁵⁶ issued by the Government of the Republic of Slovenia the goal is to decrease social exclusion and poverty. By the year 2020 Slovenia aims to decrease poverty and social exclusion: 40 000 people less, who are poor and socially excluded as in 2008, when this number was 360,000. Government Reform report lists the following shares of socially excluded and the poor in Slovenia: 392 000 (2012), 410 000 (2013), 410 000 (2014), 385 000 (2015).⁵⁷

In 2016 an amendment of the Social Security Act was adopted, which allows the pilot implementation of the project social activation. The project includes the establishment of a comprehensive model of social activation development programs and development of

⁵⁵ Ibid.

⁵⁶ Government of the Republic of Slovenia (26 April 2017): National Reform Programme 2017-2018, http://ec.europa.eu/info/sites/info/files/2017-european-semester-national-reform-programme-slovenia-sl_0.pdf

⁵⁷ Government of the Republic of Slovenia (26 April 2017): National Reform Programme 2017-2018, http://ec.europa.eu/info/sites/info/files/2017-european-semester-national-reform-programme-slovenia-sl_0.pdf

computer applications to support the implementation of social activation programs. The social activation programs involve cooperation between Centers for Social Work and Employment Services aiming to include long-term recipients of cash social assistance and long-term unemployed for the purpose of entry the labour market by raising social and employment competencies.

Also the amount of minimum income has increased. From 1 January 2016, the basic minimum income amounted to 288.81 EUR, which means that the amount of financial social assistance, emergency financial social assistance, funeral grant, census for supplementary allowance for a single person from 1 August 2016 increased to 476.87 EUR (from 470.76 EUR). On 1 August 2016, the minimum income, as stated above, was amounted to 292.56 EUR.

Another measures, mentioned in the National Reform Program 2017-2018, is the amendment of the Social Assistance Benefits Act (Zakon o socialno varstvenih prejemkih) in 2016, which entered into force as of 1st February 2017 and enables people to receive financial social assistance (denarna socialna pomoč) and supplementary allowance (varstveni dodatek) without triggering inheritance conditions for their real-estate up to EUR 120 000.

In April 2017 the National Assembly of Slovenia passed legislative amendments which establish the old-age pension in the amount of 500 EUR (persons who have acquired the right to retirement or invalidity pension under the provisions of applicable law or applicable regulations).⁵⁸

- *Were EU funds being used to support developments in relation to Minimum Income Schemes?*

At the web page of the Ministry of Labour, Family, Social Affairs and Equal Opportunities one can find information of the activities related to activation of older persons (above 50 years) in the programs of active employment. There are activities provided for individuals (training at the job, informal education and training, etc.) and for employers, who are exempt from the payment of social contributions if they employ person, older than 50 years of age, who was registered as unemployed at the Employment Service for at least half a year.⁵⁹ In the period between 2016 and 2020 30 million Euros are planned for these activities in which 12 500 of older workers (above 45 years) will take part.

The Ministry of Labour, Family, Social Affairs and Equal Opportunities published on their web page calls for applications for short and long-term projects of social activation, for which the

⁵⁸ The Ministry of Labour, Family, Social Affairs and Equal Opportunities, http://www.mddsz.gov.si/si/medijsko_sredisce/novica/archive/2017/4/select/sporocilo_za_javnost/article/1966/8151/

⁵⁹ The Ministry of Labour, Family, Social Affairs and Equal Opportunities, http://www.mddsz.gov.si/si/medijsko_sredisce/novica/archive/2017/5/select/sporocilo_za_javnost/article/1966/8163/

Ministry plans 3 990 000.00 EUR (long-term projects) and 2 340 000.00 EUR (short term project) with co financing from the European Social Fund and Slovenian national budget.⁶⁰

In the period 2014-2020 Slovenia has 3.2 billion EUR available from the European Cohesion Policy, out of which 150 million EUR is planned for reducing poverty and increasing social inclusion.⁶¹

Section 4: Social and Political Environment and its impact on the fight against poverty and the evolution of Minimum Income Schemes

In this section there is a brief sketch of the 'mood', the atmosphere that exists in relation to poverty, people living on minimum income, and the impact on some specific groups such as migrants, Roma/Travellers, growing nationalist sentiments etc.

What kind of social and political environment exists within which the EMIN project will operate?

In media as well as in politics and in public discourse there are stereotypes that poor are lazy and passive, that they're not trying to do anything to improve their situation and rather only receiving social benefits. Even more, there is quite strong stereotype in the public discourse that poor people are exploiting the state by receiving the financial social assistance. Trends of individualisation related to neoliberal conditions are present also in Slovenia, which can be illustrated by quite common perceptions that everyone is responsible for her/himself and if some finds him/herself in difficult social and financial position, he/she can do the most to improve the situation. In these terms, poverty and social exclusion are not understood as structural problems, but are rather perceived as individual problems.

In the public discourse there are many prejudices and stereotypes that Roma are lazy and are only exploiting the state having many children and receiving high amounts from child allowances. There is a discourse of "us and them", us - Slovenes as working people and them - Roma, who are lazy, not working and living on financial social benefits.

Also in regard to migrants the populist discourse in media and public goes in the direction that migrants are taking away from the local Slovene population, for example, that they receive high cash social assistance, while the pensions of Slovene elderly are very low and by which it is impossible to get through the month.

⁶⁰ The Ministry of Labour, Family, Social Affairs and Equal Opportunities, http://www.mddsz.gov.si/si/medijsko_sredisce/sporocila_za_medije/archive/2017/3/select/sporocilo_za_javnost/

⁶¹ Government of the Republic of Slovenia (26 April 2017): National Reform Programme 2017-2018, http://ec.europa.eu/info/sites/info/files/2017-european-semester-national-reform-programme-slovenia-sl_0.pdf

In general, minimum income is not part of public debate, while universal basic income is from time to time mentioned in the media; however the public debate, media is more focused on social benefits.

Section 5: Developments in relation to the (Slovenia) EMIN Network

In this section you provide information in relation to the state of development of your National EMIN Network. In particular describing social dialogue/partnership with public authorities and other stakeholders.

Is there a formal or informal steering group for your National EMIN Network (who is involved)?

The steering group of EMIN Network in Slovenia hasn't been established yet.

Have there been any contacts with potential partners that can help to build alliances for the improvement of the MIS in your country?

- Nada Stropnik, PhD, Institute for Economic Research, Ljubljana, Slovenia, and an expert of Slovenia in the European Social Policy Network;
- Andreja Poje, MA, The Association of Free Trade Unions of Slovenia; Executive secretary of The Association of free trade unions of Slovenia (ZSSS) and president of Committee on equal opportunities (permanent working body of the ZSSS's Presidency);
- Marko Funkl, Movement for Decent Work and Welfare Society and Trade union of precarious workers;

Has any activity been organised with regards to MI? Communications or public awareness raising, since the completion of the EMIN1 project?

Slovenia did not take part of the EMIN1 project. The events are planned according to the activities of EMIN2 project.