

# Slovakia: Pay increase in public sector by collective agreement

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*The **Higher-level Collective Agreement** in 2018 leads to a pay increase of 21% in total at the sectoral level.*

***The highest pay increase of employees in civil and public administration in the history of Slovakia.***

*The growth agreed for two years propping the stability and stands for a remedy of the unfair long-term pay for the public administration employees.*

*The increase is expected to affect more than 300 000 civil servants in the state and public administration, all **women-dominated sectors**.*

*The evidence of the influence of the GPG decrease is not available yet.*

*Nevertheless, the lowest pay levels paid mostly to women increased across the sector.*

# The sector and austerity

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Employees working as state or public services employees

1/5 of the workforce in Slovakia (416 thousand/2018)

2/3 of the public sector's employees are women, education and healthcare 80%

**The remuneration regulated by the wage tariffs** regulated by a law (fixed basis wages, graduated classes and degrees)

**The overall unadjusted GPG in the public sector was 14,8% (2018)**

Before crisis 2007 continual pay raise by 7% – 8% per year. In the aftermath of the crisis, **the increase dropped down to 0% – 1% due to the public budget cuts.**

The wages in public sector froze 2009 – 2013

**The crisis is still being felt in public sector and still undervalued**, leading to a lack of professionals such as nurses and social workers



KONFEDERÁCIA ODBOROVÝCH ZVÄZOV  
SLOVENSKEJ REPUBLIKY

The key role played by the Confederation of the Trade Unions of the Slovak Republic (KOZ) + relevant sectoral trade unions in education, healthcare and social services, public administration, justice and police

Female-dominated public sectors, **women create only 1/3 of the decision-making positions in trade unions' bodies**

**Committee for Gender Equality**, a body without a proper budget and decision competences that tries to raise the issues of the work-life balance, poverty of women, discrimination of women in the labour market, including the gender pay gap.

**Collective agreements are mostly gender-neutral** or include extra benefits for working mothers beyond the Labour Code

The topic of the GPG is not vocal but undermined with the widespread opinion of some of the trade unions stakeholders and regular members that the **pay differences between men and women are acceptable** because of the biological differences

The wage freeze and inflation during the period 2009 – 2017 caused the lowest wage tariff dropped down under the level of statutory minimum wage

In 2017, half of the wage tariffs and a high number of employees in the public sector had fallen below the minimum wage **the situation as unlawful and unsustainable**

**KOZ** repeatedly urged the government at the tripartite and sectoral and regional trade unions gatherings

Media coverage – problem resonated in the public

**Persisting pressure** on government to solve the situation

The Ministry of Finances stepped in the process due to financial coverage – propose wage tariffs valorisation, which was considered by both the KOZ and OSG unacceptable and incompetent

**The government did not expect such a decisive response** - beginning of the legislative process and the official collective bargaining resulting into **signing of the Higher-level collective agreement for the public employees**

- **A pay increase 10%** in 2019 and 10% in 2020 at the sectoral level;
- **The lowest wage tariff starts at the level of the minimum wage** of 520 EUR/2018; a percentage increase of each further tariff;
- **Simplified system of the civil and public servant's remuneration** (3 tariff systems merged into one);
- **The working years influence the wage level considerably**; the period taken into account has increased from 32 to 40 years, the tariff wage will grow throughout the period at the same rate on an average 0,5% per year;
- The tariff tables remained two-dimensional, taking into account work activity and length of professional experience;

#### **Additional benefits agreed:**

- Reduced working time 37,5 hour/week
- Increased basic holiday entitlement up to 5 weeks

**The increase could contribute to the equalisation of the man's and women's pay**

#### **Limits**

- The remuneration under the level of the minimum wage was **never recognised or communicated as a gender problem**
- The regional administration did **not receive an appropriate budget** to comply with the higher-level collective agreement
- Despite the wage increase, **no automatic compliance mechanisms** of the tariffs with the level of the minimum wage increase was established; **in 2020 the lowest wage tariffs fall below the minimum wage again**
- The 2-years wage increase requires 1,6 billion EUR inducing further pressure on the public finances; **in the current COVID-19-crisis the high cost might be challenged**

Factors contributing to the positive outcomes:

- **Clear and decisive position** of the trade union to push through the wage increase in the public sector;
- **Using mechanism and regulations**, in this case, the pay tariffs under the minimum wage, for systemic and considerable pay increase;
- **Competent and fearless leadership of the trade unions** backed by well-developed structures to force the improvement;
- **Persistent pressure on the relevant bodies**, keeping the problem on agenda and medialisation;
- Interconnection to the trade unions long-term **pressure to increase the minimum wage continuity each year**;
- **Above-standard mutual support** and communication of the trade unions and governmental bodies, usual counterparts in bargaining
- **A complex change of interrelated and intertwined laws**
- The faster growth of the basic salary in the first years of the career may attract more young people to work in public services

**THANK YOU FOR YOUR  
ATTENTION!**

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