



Improving the Provision of Active Labour Market Policies in Estonia

Contract number SRSS/S2019/036

# Institutional and regulatory set-up of active labour market policy provision in Slovenia

Research note

June 2021

# Table of contents

Introduction	3
1 Institutional set-up	4
1.1. The ministry in charge of employment policy and its role	4
1.2. The public and private employment services and their role	5
1.3. The management of public employment service	7
1.4. Institutions involved in drawing up the budget for ALMPs	8
2 Co-operation practices and accountability framework	10
2.1. Co-operation practices between the Ministry and the public employment service	10
2.2. Co-operation practices with other key stakeholders	10
2.3. Ensuring coherence between ALMPs and broader national strategies and objectives	11
2.4. The accountability framework	12
3 The regulation of key aspects of active labour market policy provision	13
3.1. The main legal documents	13
3.2. Stakeholders in charge of regulations	15
4 Summary of good practices in the system	17
References	18

## TABLES

Table 1. Regulation of ALMP provision in Slovenia	16
---	----

# Introduction

This note provides a short overview of the institutional and regulatory framework of labour market policy (ALMP) provision in Slovenia. The note has been drafted in the framework of the technical support project "[Improving the Provision of Active Labour Market Policies in Estonia](#)".<sup>1</sup> The project was funded by the European Union via the Structural Reform Support Programme and conducted by the OECD in co-operation with the European Commission's Directorate-General for Structural Reform Support (DG-Reform).

The main actors of the ALMP system in Slovenia are the Ministry of Labour, Family, Social Affairs and Equal Opportunities and the Employment Service of Slovenia. The former is in charge of ALMP design and the latter of ALMP implementation. Nevertheless, the Employment Service of Slovenia provides also inputs to policy design, which are highly valued by the Ministry. In addition, ALMPs can be provided by domestic and foreign legal entities established in Slovenia, trade union confederations, employers' associations and the Slovene Human Resources Development and Scholarship Fund.

In Slovenia, the general framework of ALMP provision is stipulated in one main act that is passed by the Parliament. There are several additional regulations providing more details to enable the implementation of the act. As the regulation of ALMP provision is quite detailed, it might be difficult to make fast changes to respond to major developments on the labour market.

The first Section of this note provides an overview of the key stakeholders of the ALMP system in Slovenia, focusing particularly on the institutions that design and implement ALMPs. The second Section discusses how the key stakeholders co-operate in the Slovenian framework, how they ensure that the views of relevant stakeholders are taken into account and how the accountability framework is set up. The third Section presents the legal framework that regulates ALMP provision and frames the institutional set-up. The final Section summarises the good practices that the Slovenian system exhibits.

The current note is based on the legal acts and regulations of ALMP provision in Slovenia, inputs provided by the Ministry of Labour, Family, Social Affairs and Equal Opportunities and the Employment Service of Slovenia, and their presentations in the webinar "[Institutional and regulatory set-up of providing active labour market policies in Estonia: possibilities for improvement?](#)" in September 2020. The note was prepared by Anne Lauringson, Marius Lüske and Theodora Xenogiani in the OECD's Directorate for Employment, Labour and Social Affairs. A dashboard of key indicators of organisational and regulatory set-ups of ALMP systems and their capacity enabling to compare Slovenia with other OECD and EU countries is presented in Lauringson and Lüske (forthcoming<sup>[1]</sup>).

---

<sup>1</sup> See the final report: OECD (2021<sup>[6]</sup>).

# 1 Institutional set-up

This section provides an overview of the role of the two most important stakeholders in the system of ALMP provision in Slovenia – the Ministry of Labour, Family, Social Affairs and Equal Opportunities and the Employment Service of Slovenia (the public employment service, PES). In addition, the section includes a more detailed discussion on the management of public employment service and highlights the role of different institutions in drawing up the budget for ALMPs.

## 1.1. The ministry in charge of employment policy and its role

### **Key roles**

The ministry in charge of employment policy in Slovenia is the Ministry of Labour, Family, Social Affairs and Equal Opportunities (MoLFSA).

The main act regulating ALMP provision is the Labour Market Regulation Act (LMRA), which highlights the role of the MoLFSA as well as other institutions related to ALMPs. The LMRA assigns the responsibility to adopt a strategic plan for ALMP provision to the Government (the Guidelines for ALMP Implementation), the Plan for Implementing ALMPs to the Minister of the MoLFSA (basically an annual plan) and the Catalogue of ALMPs as an implementing document of the annual plan to the MoLFSA. In practice, the MoLFSA prepares these three documents, taking into account inputs from the Slovenian public employment service.

The LMRA sets out 2 labour market services (lifelong career guidance, and job brokerage) and 5 ALMP measures (training and education, substitution in the workplace and job sharing, employment incentives, job creation, promoting self-employment). The Minister is tasked with setting the norms and standards for the provision of labour market services and the methodology for pricing. The MoLFSA can propose and develop additional ALMPs in the event of major labour market challenges (e.g. an economic crisis) to maintain jobs, prevent long-term unemployment and encourage up-skilling. The MoLFSA can expand the priority groups of ALMPs in the ALMP Catalogue in case needed, beyond what is stipulated in LMRA.

According to the provisions of the LMRA, the MoLFSA is responsible for implementing financial control and inspection regarding the implementation of LMRA. In addition, the MoLFSA is responsible for monitoring the effectiveness and efficiency of labour market measures, based on indicators set at the level of programmes and sub-programmes.

Moreover, the MoLFSA is responsible for initiating amendments in the LMRA if necessary.

The MoLFSA has also strategic responsibilities related to ALMPs. For example, the Ministry annually presents a national report on the implementation of ALMPs to the Government and the social partners. Furthermore, the MoLFSA prepares the section of the National Reform Program (NRP) that relates to labour market policies. Among other things, the NRP aims to set employment guidelines in the national framework of policies and measures.

### ***Unit in the Ministry responsible for issues regarding ALMPs***

The Directorate for Labour Market and Employment is in charge of designing employment policy, the unemployment insurance scheme, ALMPs, enforcement of occupational standards and certification systems. In addition, the Directorate has responsibilities related to the regulation of free movement of labour and adult learning. The Directorate's priorities include pursuing the objectives of developing a labour market and employment policy based on the European Employment Strategy.

The Directorate sets priorities regarding the most pressing employment challenges to address on an annual basis, taking into account available statistics, analyses and research. The key instruments for tackling the challenge of unemployment relate to ALMPs.

The Employment Division in the Directorate for Labour Market and Employment is more specifically in charge of issues concerning ALMPs. About 3-4 staff members focus on ALMP design and one on ALMP financing.

## **1.2. The public and private employment services and their role**

### ***The set-up of PES***

The Employment Service of Slovenia (ESS) fulfils the role of the public employment service. The ESS is an independent legal entity that has the status of a public institute and that operates uniformly across the entire country.

The ESS is a centrally organised institution that has its headquarters (Central Office) in Ljubljana, 12 Regional Offices and 59 Local Offices across Slovenia. The Central Office ensures a uniform implementation of ALMPs, providing the Regional and Local Offices with the IT infrastructure and the guidelines and methodologies for processes. Many support activities are centralised in the Central Office (for example analytics, legal affairs, HR, financing and accounting). The Regional Offices support the Local Offices to implement ALMPs and co-operate with employers and service providers. The Local Offices implement ALMPs and have front-line officers to counsel job seekers, mediate vacancies, provide career guidance and carry out further task involving a direct contact with jobseekers.

According to the LMRA, the ESS reports directly to the MoLFSA. The ESS has an annual contract with MoLFSA, which details budget, tasks and personnel of the ESS. While the ESS manages its own HR policy, the HR plans are validated by the MoLFSA. Based on the State Administration Act and the Public Employees Act, the Minister of the MoLFSA approves and adopts the plan for the personnel in the ESS. In practice, this means that the official number of MoLFSA staff also includes ESS staff.

### ***The role of PES***

According to the LMRA, the ESS implements ALMP measures<sup>2</sup>, labour market services and unemployment insurance benefits. The task of the Central Office of the ESS is to co-ordinate the work of its twelve regional offices across Slovenia and to achieve a uniform provision of labour market policies, following labour market regulations and the contract between the ESS and the MoLFSA.

The core activities of the ESS are:

---

<sup>2</sup> According to the LMRA, ALMP measures can be implemented by the MoLFSA, the ESS and the Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia.

- Providing labour market services (lifelong career guidance<sup>3</sup> and job brokerage)
- Implementing ALMP measures
- Providing unemployment insurance benefits
- Issuing work permits for employing foreign workers
- Generating knowledge relevant for the ESS activities (conducting analyses)
- Providing information on the labour market situation and trends

The ESS tasks are laid down in more detail in the ESS Business Plan, which is adopted by the Administrative Board of the ESS (the executive management body). In addition to the laws and regulations directly regulating employment policy and ALMPs, there are several other regulations that guide the activities of the ESS:

- Pension and Disability Insurance Act
- Healthcare and Health Insurance Act
- Employment and Work of Foreigners Act
- Vocational Rehabilitation and Employment of Disabled Persons Act
- Legislation for schools and education (related to career guidance, counselling and training)
- Labour regulations (related to redundant workers, trainee periods, employment contracts, inspections etc.)
- Welfare regulations (related to maternity benefits, calculations of income thresholds, cadastral income, revaluation etc.)

The ESS is also a crucial partner for the MoLFSA regarding ALMP design. As the ESS is one of the key providers of ALMPs, its proposals and recommendations on ALMP design provided to the MoLFSA are considered valuable and are taken into account to the extent possible. The MoLFSA and the ESS meet quarterly to discuss topics regarding ALMP design and implementation, during which the ESS can make proposals for change.

Ideally, the capacities of the ESS in terms of staff, infrastructure and processes are taken into account in the preparation of new ALMPs and other activities. Nevertheless, there have been cases where the final stages of labour market policy design could have taken better consideration of the capabilities and processes of the ESS. For example, the final stages to design the new short-time working scheme (a passive labour market policy) developed in spring 2020 did not involve the ESS and thus the ESS had to find solutions quickly after the adoption of the scheme (e.g. how to register the employers applying for the scheme).

### ***The role of private employment services***

The ESS co-operates with private employment services to mediate vacancies to jobseekers and organise joint events, e.g. job fairs. In 2016-2018, a small part of employment services (some life-long career guidance workshops) were contracted out to private providers.

---

<sup>3</sup> Include the following: providing labour market information; independent career guidance; basic and in-depth career counselling; rehabilitation counselling; EURES counselling; counselling for migrants, long-term unemployed and youth; developing career guidance skills.

### 1.3. The management of public employment service

The LMRA defines 3 bodies within the ESS: the ESS Council, the Expert Council and the Director. The first two play an important role for the strategic management of the ESS, while the latter performs the executive management.

#### ***The strategic management of PES***

##### *ESS Council*

The strategic management body of the ESS is the ESS Council, which consists of 13 members, representing employers and trade unions (three members each), the government (six members) and the ESS workers' council.

The representative of the workers' council is elected by the staff of the ESS. The social partners appoint their representatives to the ESS Council themselves (trade unions and employers appoint their own representatives). The Government appoints 3 members from the MoLFSA, 3 from the Ministry of Finance, 1 from the Ministry of Education and 1 from the Ministry of Higher Education. The Council is operational if at least 7 members are appointed. All appointments are for 4 years.

The ESS Council elects the President and the Vice-President of the Council. These posts rotate (are re-elected) every 2 years among the 3 main parties – the Government, the trade unions and employers. This means that the President and the Vice-President take turns in representing the 3 social partners; these positions cannot not be held by the ESS worker's council. Nevertheless, the President and the Vice-President do not have any additional rights, responsibilities or more information compared to the other members. They get only some information earlier than other members for organisational matters. Further details on the procedure of appointments, election and working modalities are regulated in the Statute of ESS.

The main tasks of the ESS Council according to LMRA are:

- Making suggestions on ALMP design (on employment policy)
- Making suggestions on ALMP implementation (target groups, procedures)
- Monitoring the work of the ESS
- Adopting the Statute of the ESS with the prior consent of the Government
- Based on the proposal of the Director of ESS and with the prior consent of the Minister of MoLFSA, adopting an act on the classification of jobs
- Approving the strategic/annual plan and the annual report (including the financial report) of ESS
- Further rights and responsibilities specified in the Statute of ESS

The main representative from the MoLFSA in the ESS Council has a veto right for the decisions of the ESS Council if the representative considers the decision to be unlawful or inconsistent with adopted employment policy. The representative has to inform the Minister of the MoLFSA in this case in writing, so that the Minister can decide whether to enforce the respective decision or not.

The ESS Council has to meet at least two times a year according to the legislation. In practice, the Council meets 3-5 times a year. The discussions during those meetings are in-depth regarding the annual business plan, business and financial report, ALMP plan and annual report. The decisions taken by the Council do not require further approval by other bodies, such as the Minister of the MoLFSA, the Government or the Parliament.

The documents for the meetings of the ESS Council are mostly prepared by ESS staff. The level of detail as well as how much time in advance these are shared with the members of the ESS council depend on the specific documents and topics.

### *Expert Council*

According to the LMRA, the Expert Council is the professional advisory body of the ESS, whose composition and method of appointment are determined by the ESS Statute.

The main tasks of the ESS Council according to the LMRA are:

- Discussing and accepting the methodology of working with unemployed persons and employers
- Discussing other issues in the field of activities of the ESS
- Providing opinions to the Board of Directors and the Director (the executive management) on the organisation of work and conditions for development of activities
- Addressing interdisciplinary issues relevant to the development of the labour market
- Addressing other labour market issues at the initiative of the Board of Directors or the Director
- Performing other tasks specified in the Statute of ESS

The Expert Council has an advisory role rather than a decision making role. Most importantly, the Council advises the Director and the Board of Directors of the ESS, but it can also forward some recommendations to the ESS Council as well as the MoLFSA.

The Expert Council meets 2 to 5 times a year. The discussions during these meetings are very detailed and in-depth. The documents for the meetings of the Expert Council are mostly prepared by ESS staff. These documents are typically very precise, for example when they concern the need for changes to the legislation, procedures or policies.

### ***The executive management of the PES***

The executive management in the ESS is conducted by the Director of the ESS (supported by the other members of the Board of Directors of the ESS).

The Director of the ESS is appointed for 5 years directly by the Government, following a proposal by the Minister of the MoLFSA. The Government also dismisses the Director, following a proposal by the Minister of the MoLFSA. As this is a decision by politicians, there have been periods when the Director of the ESS has been changed very frequently.

According to the LMRA, the Director organises and manages the work and operations of the ESS, represents the ESS and is responsible for the legality of the operations of the ESS. The rights and responsibilities of the Director and the additional conditions for his/her appointment are laid out in the statute of the ESS.

## **1.4. Institutions involved in drawing up the budget for ALMPs**

ALMPs provided by the ESS can be financed from the state budget, the ESF and other EU sources. The financial resources for ALMPs generally assume a contract between the MoLFSA and the ESS. In practice, the ESS receives most of the funding for the implementation of ALMPs through the MoLFSA. However, the ESS may also receive funding from other sources (e.g., Ministry of Education). In these cases, the ESS signs contracts directly with the other institutions, not with the MoLFSA.



The ESS can propose financial changes to the budget (in case of a surplus or decrease deficit of funds for an individual ALMP). These amendments as well as other changes to the contract between the ESS and the MoLFSA occurring during a year are concluded in an annex to the contract.

## 2 Co-operation practices and accountability framework

This section provides a short overview on the co-operation practices between the key institutions tasked with ALMP design and implementation and discusses how the views of other stakeholders (above all the social partners) are taken into account. In addition, the section discusses briefly the accountability framework of the Slovenian ALMP system.

### 2.1. Co-operation practices between the Ministry and the public employment service

Co-operation between the MoLFSA and the ESS takes place at all levels. At director level, meetings between the two institutions are held as needed. The staff in the Ministry and the ESS co-operate on a daily basis (mostly by mail or telephone). There are no formal frameworks for this co-operation.

Both organisations also use frequent ad-hoc communication, which provides quick access to specific information needed. This co-operation also supports dialogue and the exchange of views on ALMP design and implementation.

The formal framework (the LMRA and the ESS Statute) supports the co-operation practices only to the extent that it stipulates that the ESS should provide the Ministry the information necessary to analyse, monitor and evaluate ALMPs. In addition, according to the LMRA, the ESS reports quarterly to the MoLFSA.

To support the MoLFSA with sufficient information for policy design and strategy development, the ESS also provides weekly and monthly reports to the MoLFSA on the key statistics on registered unemployment and ALMP participation as well as monthly reports on key groups of jobseekers (long-term unemployed, older jobseekers, young jobseekers and social benefits recipients).<sup>4</sup>

### 2.2. Co-operation practices with other key stakeholders

Both the MoLFSA and the ESS co-operate with the social partners. In particular, the LMRA stipulates that the Ministry should notify the social partners about the Guidelines for the Implementation of ALMPs as well as about the Plan for the Implementation of ALMPs. The social partners may provide their opinion on these regulations, although the MoLFSA is not bound to consider these opinions. In practice, the MoLFSA largely takes the proposals of the social partners into account, where it is possible to do so. Expert meetings with the social partners are organised before discussing the policies at the Economic and Social Council (the

---

<sup>4</sup> These monthly reports are also published on the ESS website. Due to COVID-19, daily figures and comparisons are published online.

highest-level body representing the social partners in Slovenia).<sup>5</sup> The MoLFSA also informs the social partners about the Annual Report on the Implementation of State Measures on the Labour Market. The social partners discuss the Annual Report and provide feedback to MoLFSA.

The ESS co-operates more specifically with employers and employers' associations, both locally and nationally, and has co-operation agreements in place with some of these key co-operation partners. Furthermore, the ESS involves its co-operation partners in different events and discussions at the national level as well as promotes the ESS services among the potential co-operation partners.

The ESS is also involved in the ESF Transnational Co-operation, which aims to help develop better and more effective employment and social policies and to improve implementation of reforms in order to learn from experience and good practices from other member states.

According to the LMRA, the ESS should co-operate closely with the centres of social work to implement ALMPs. Nevertheless, this co-operation should be further improved (see OECD (2016<sup>[2]</sup>) and (2017<sup>[3]</sup>)).

### 2.3. Ensuring coherence between ALMPs and broader national strategies and objectives

Co-ordinating ALMPs with other policy fields and national objectives is not straightforward in Slovenia. The LMRA is quite detailed regarding ALMP provision and content. Yet, the national strategies are not on the same level of detail as LMRA. Different national strategies often stress the importance of ALMPs and their use to support national strategic objectives. Nevertheless, since the strategies do not provide any funds to support additional ALMPs, it comes down to analysing whether the existing ALMPs could be useful to achieve the strategic objectives.

A recent good example of good practice regarding policy co-ordination is a programme called “Promoting employment in green jobs”, which was launched in 2021. The programme is funded by the Climate Condition Fund, which is under the responsibility of the Ministry of the Environment and Infrastructure. Employers who apply for subsidies to employ an unemployed person need to offer green jobs, which support sustainable development and contribute to reducing the environmental impact of the company.

The ALMP Guidelines also follow the Development Strategy of Slovenia 2030 (SRS 2030), which is the main framework for the development of the country. The seventh goal "Inclusive labor market and quality jobs" envisages measures related to the implementation of ALMPs, among other activities.

There are several high-level documents and initiatives that influence the implementation of ALMPs and give additional attention to certain groups of unemployed people (older workers, low-skilled, long-term unemployed, young jobseekers). These documents and initiatives are for example the National Reform Programme and the European Semester together with the Country Specific Recommendations, Council Recommendation on establishing Youth Guarantee, the Council Recommendation on the integration of the long-term unemployed into the labour market and the Council Recommendation on A Bridge to Jobs – Reinforcing the Youth Guarantee and replacing the Council Recommendation of 22 April 2013 on establishing the Youth Guarantee.

---

<sup>5</sup> The Economic and Social Council has a strong advisory role in the legislation concerning socioeconomic and labour market affairs in general. Basically, the Economic and Social Council has been strongly and systematically involved in all legislation of socioeconomic affairs developed in the past two decades (Palinkaš, 2018<sup>[5]</sup>). Due to the prominent role of the Council, its opinions are also respected regarding ALMPs design and implementation. The Council has equal membership from all three parties: eight representatives from employers, eight representatives from trade unions and eight representatives from the Government.

## 2.4. The accountability framework

The main two reporting systems forming the accountability framework are the Annual Reports on labour market measures (including ALMP measures) prepared by the MoLFSA and the quarterly reports of the ESS. The Annual Reports are discussed by the social partners within the Economic and Social Council.

The Annual Report should include the following:

- Data on the implementation of ALMPs in the previous year, which also includes an analysis of the effectiveness and efficiency of individual measures and their contribution to the achievement of the objectives set within the state budget and national plans
- Information on planned actions in the current year
- Information on the achievement of the objectives of the European Employment Strategy
- A summary of the evaluations of the actions and programmes carried out

The ESS reports quarterly to the MoLFSA on its activities. According to the LMRA, the quarterly report of the ESS contains at least the following information:

- Reporting period
- Description of the activities performed
- Comparison of planned and implemented activities
- Comparison of financial realisation against plan
- A description of the causes of the deviations
- Measures to eliminate derogations
- An assessment of the results achieved
- An assessment of the effectiveness of achieving the planned objectives

Regarding the performance management of the ESS, the performance targets for the ESS are developed annually by the ESS Central Office in close co-operation with Regional Offices and the MoLFSA, taking the labour market context into account.

Nevertheless, further efforts are necessary to conduct regular assessments of the effectiveness of ALMPs (OECD, 2015<sup>[4]</sup>).

# 3 The regulation of key aspects of active labour market policy provision

This section gives an overview of the main legal regulations of ALMP provision and displays which organisations are tasked with adopting regulations concerning ALMPs.

## 3.1. The main legal documents

### ***Labour Market Regulations Act***

The main legal document regulating ALMP provision is the Labour Market Regulations Act of 28 September 2010, Text No. 4304 (LMRA). The LMRA sets the types of ALMPs, determines the providers of ALMPs, regulates the financing of policies and sets the framework for monitoring, evaluating and controlling ALMP implementation. Besides ALMP provision, the LMRA regulates the functioning of the unemployment insurance system.

The LMRA sets out two labour market services (lifelong career guidance, and job brokerage) and five labour market measures (training and education, substitution in the workplace and job sharing, employment incentives, job creation, promoting self-employment). It also stipulates which kind of activities can be performed under the different types of ALMPs, outlines the payment of allowances for participants in ALMPs and sets the broad target groups and general processes of provision.

Although the LMRA regulates the institutional set-up of ALMP provision and the content of ALMPs in quite high detail, it specifies several additional regulations to further define ALMP provision. The LMRA states that the documents regulating the implementation of ALMPs are 1) the Guidelines for ALMP Implementation, 2) the Plan for ALMP Implementation, and 3) the Catalogue of ALMPs.

### ***The Guidelines for ALMP Implementation***

The Guidelines for ALMP Implementation is a strategic document adopted by the Government after consulting the social partners for the planning period on the basis of the program of national development priorities and investments and other strategic documents of Slovenia. The guidelines specify in particular:

- The validity period
- The purpose and objectives of the implementation of ALMPs
- The indicative volume and sources of funding by policy
- The indicators for monitoring and evaluating the effectiveness of ALMPs
- The objectives of the strategic documents of the Republic of Slovenia and the EU to be achieved through the implementation of the ALMPs covered by the guidelines and their contribution to the achievement of these objectives.

When preparing the guidelines, the MoLFSA always consults with the ESS as the main provider of ALMPs (although this is not required by the law).<sup>6</sup> The ESS proposals regarding the implementation of ALMPs and designing the target groups are considered to be key by the MoLSFA.

The ESS also contributes to the content of this document, especially regarding provision of an overview of the labour market situation.

The guidelines are adopted for 5 years. So far, there has been no practice of modifying the guidelines during the validity of the document.

### ***The Plan for ALMP Implementation***

The Plan for ALMP Implementation is an implementing document prepared on the basis of the Guidelines for ALMP Implementation for the budget period (basically annually). It is adopted by the Minister of the MoLFSA, after informing the social partners, who may give an opinion on its content. The Plan for ALMP Implementation defines ALMP measures in greater detail (more detailed descriptions of the implementation of the measures and a more detailed financial allocation during the period) than the Guidelines for ALMP Implementation. In particular, it defines:

- The purpose and objectives of the implementation of the ALMPs during the budget period
- The volume and sources of funds in accordance with the state budget
- The priority target groups of ALMP actions
- The providers of ALMPs
- The monitoring and evaluating framework of the ALMPs

Considering that this plan is primarily a financial instrument for the implementation of ALMPs (the scope and sources of funds in accordance with the state budget), the MoLFSA co-ordinates the document with the ESS (although this is not required by the law). More specifically, MoLFSA prepares a draft of document and then co-ordinates further with the ESS. Once the document is harmonized, it is shared with the Economic and Social Council (the social partners) for their opinion.

### ***The Catalogue of ALMPs***

The Catalogue of ALMPs is the implementing document of the Plan for ALMP Implementation. It describes in detail the implementation of each ALMP. The Catalogue of ALMPs is prepared by the MoLFSA and published on its website. The catalogue contains in particular:

- The set of programmes designed to achieve the objectives within the individual ALMP actions during the budget period; the programme consists of individual activities to achieve these goals
- The code of the programmes according to the financing source and state aid
- The purpose of the programmes
- The period of validity of the programmes
- The content and methods of implementation of the programmes
- The specifics of the implementation of individual programmes

---

<sup>6</sup> In addition to the ESS, ALMPs can also be implemented by MoLFSA itself and the Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia. Nevertheless, these organisations have a smaller role in ALMP implementation.

- The target groups of programmes
- The duration of inclusion of the target groups in the programmes
- The eligible programme costs
- The method of selection of contractors for the activities of individual programmes
- The necessary documentation

Although not regulated by law, in practice, the ESS proposals are largely taken into account in the preparation of this document, as the ESS is the main institution that implements the programmes and is able to identify which issues need to be changed in order to be effective.

The Catalogue is signed and approved by the Director General of the Directorate-General of the MoLFSA and published on the MoLFSA website. The Catalogue can be amended by the MoLFSA during the year, including on the initiative of the ESS. For example, there were eight changes to the Catalogue in 2019.

### ***Contract between the ESS and MoLFSA***

Another document regulating ALMP provision is the annual contract signed between the ESS and the MoLFSA (not stipulated in the LMRA but it is defined in the Act on Public Finances). The purpose of this contract is to determine further details for implementation, the method of financing ALMPs and the amount of financing provided from the integral part of the state budget.<sup>7</sup> The contract contains provisions on such elements like disbursement, payment claims, implementation, reporting and control. The contract is signed annually as the budget for the ESS is set annually. In addition, it provides an opportunity to redesign implementation details annually. On the other hand, this annual process might not support the development of long-term approaches to operational implementation in the ESS.

### ***Flexibility of regulation to adapt to changes on the labour market***

As the LMRA is quite detailed, it might take time to make major changes, as these require a parliamentary process. Furthermore, the legal system has a cascade of regulations that need to be changed to introduce more fundamental changes. Hence, the legal system does not allow a quick response to major changes on the labour market.

Nevertheless, the details of ALMP design are reviewed at least annually by the MoLFSA (the Plan for ALMP Implementation and the Catalogue of ALMPs). In practice, the Catalogue of ALMPs is usually supplemented or adjusted several times a year according to the needs of the labour market. For example, a new target group for labour market inclusion may be added to a given ALMP measure according to the needs of the labour market. The adjustment of the ALMP Catalogue can be a quick process as no prior agreement by other stakeholders is required (although the Plan for ALMP Implementation is shared with the social partners for opinions).

## **3.2. Stakeholders in charge of regulations**

Table 1 summarises, which of the key stakeholders (Parliament, Government, Ministry, etc.) adopts the regulation concerning the main aspects of ALMP provision (general aim of ALMP provision, general set-up of PES, etc.).

In Slovenia, the general framework of ALMP provision is stipulated in one main act that is passed by the Parliament. The regulations with further details to enable the implementation of this act are adopted by the

---

<sup>7</sup> Additional individual contracts are concluded for programmes financed from ESF funds.

Government, the Minister as well as by the Director General of the Directorate-General of the Ministry. In addition, some details are stipulated in the contract signed between the Ministry and the public employment service.

**Table 1. Regulation of ALMP provision in Slovenia**

	Act (passed by the Parliament)	A decree or order implementing the act, by the Government	A decree or order implementing the act, by the Minister	A decision by the PES supervisory body	A decision by the PES executive management	Other regulation
General groups eligible for ALMPs	X	X				
General aim of ALMP provision	X	X				
Set-up and purpose of PES	X					
List of specific ALMPs			X			The Catalogue of ALMPs by the Ministry
Aim of specific ALMPs			X			The Catalogue of ALMPs by the Ministry
Conditions of specific ALMPs (duration, sums)			X			The Catalogue of ALMPs by the Ministry
Target groups of specific ALMPs		X	X			The Catalogue of ALMPs by the Ministry
(Annual) budget for ALMPs	X	X	X			A contract between the Ministry and PES
(Annual) budget for each ALMP		X	X			A contract between the Ministry and PES

Note: PES – public employment service.

Source: Legal texts and regulations of Slovenia and input from the Ministry of Labour, Family, Social Affairs and Equal Opportunities and the Employment Service of Slovenia.



# 4 Summary of good practices in the system

The most promising good practice that the institutional and regulatory framework of Slovenia exhibits, is how the MoLFSA and ESS have managed to establish a good co-operation over the years. The close co-operation between these organisations is appreciated on both sides. The MoLFSA is able to design better ALMPs by having inputs from the ESS as the ESS has the first-hand experience of implementation.

The Slovenian system divides the responsibilities for policy design among several stakeholders, assigning higher level decisions to higher level bodies. The fundamental features of ALMP design are passed by the Parliament, the strategy (ALMP Guidelines) adopted by the Government, the implementation framework approved by the Minister and the finer details of ALMP implementation decided by the Ministry. Although the legal system does not define a role for the organisation implementing ALMPs (the ESS) to contribute to policy design, the practices of the stakeholders aim to ensure that also this expertise is taken into account in designing ALMPs.

Although the legal system has a series of regulations that need to be changed to introduce major changes, this process can be sufficiently quick in a case of an emergency and a strong political will. For example, it was possible to adopt necessary legislation for a new short-time working scheme (although a passive labour market policy, not an ALMP measure) to address the challenges posed by Covid-19 on April 10, 2020.<sup>8</sup>

In addition, although the legal system only defines a mild role for the social partners in policy design, as their proposals are not binding for the MoLFSA, these proposals are still often taken into account in practice. This practice aims to ensure that the views of different key stakeholders on the labour market feed into policy design.

---

<sup>8</sup> <https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/2020-01-0766/zakon-o-interventnih-ukrepih-za-zajezitev-epidemije-covid-19-in-omilitv-njenih-posledic-za-drzavljanv-in-gospodarstvo-ziuzeop>

# References

- Lauringson, A. and M. Lüske (forthcoming), *Institutional set-up of active labour market policy provision in OECD and EU countries: Organisational set-up, regulation and capacity*, OECD Publishing, Paris. [1]
- OECD (2021), *Connecting People with Jobs: Improving the Provision of Active Labour Market Policies in Estonia*, OECD Publishing, Paris, <https://doi.org/10.1787/31f72c5b-en>. [6]
- OECD (2017), *OECD Economic Surveys: Slovenia 2017*, OECD Publishing, Paris, [https://doi.org/10.1787/eco\\_surveys-svn-2017-en](https://doi.org/10.1787/eco_surveys-svn-2017-en). [3]
- OECD (2016), *Connecting People with Jobs: The Labour Market, Activation Policies and Disadvantaged Workers in Slovenia*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264265349-en>. [2]
- OECD (2015), *Slovenia Policy Brief. Employment. Active Labour Market Policies to Fight Youth and Long-Term Unemployment*, OECD Publishing, Paris, <https://www.oecd.org/policy-briefs/slovenia-active-labour-market-policies-to-fight-unemployment.pdf>. [4]
- Palinkaš, I. (2018), *The Legal and Institutional Framing of Collective Bargaining in CEE Countries: Between Europeanisation and Decentralisation*, Kluwer Law International. [5]