

# **Atypical Employment in Slovakia: Past and Recent Trends**

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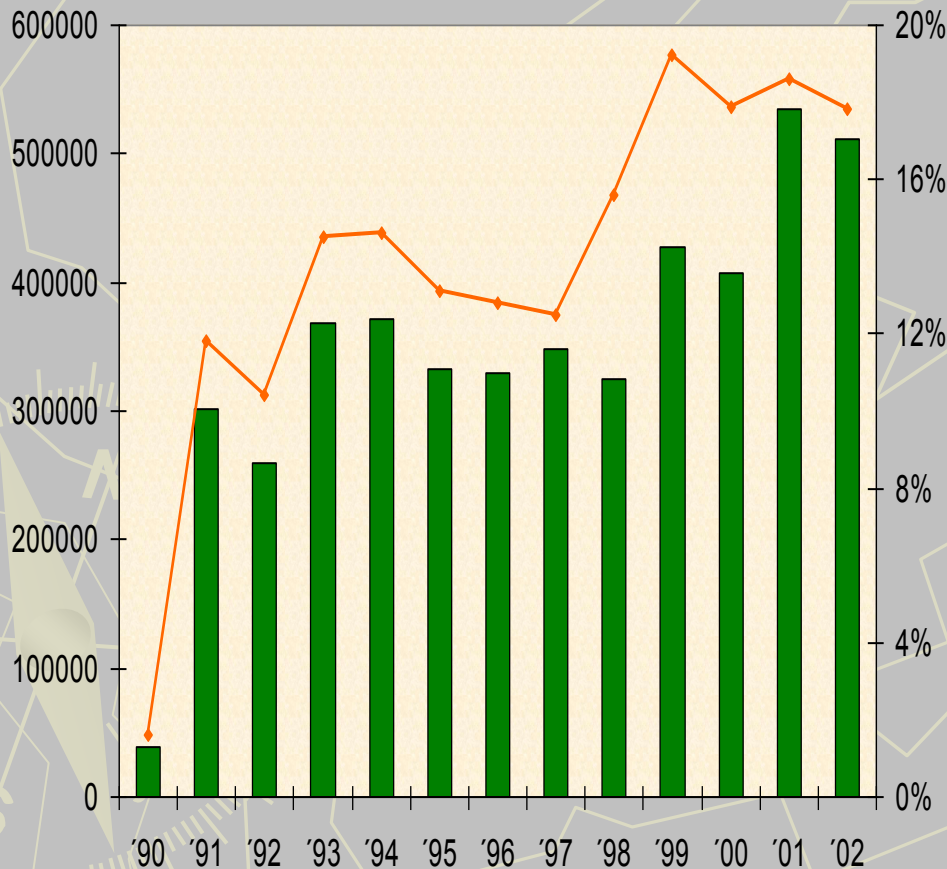
## Historical context of atypical forms of work

Labour market features in the late 80 s and during 90 s :

- ▶ rigid labour regulation
- ▶ prevalence of permanent employment and full-time work
- ▶ modest presence of non-standard employment such as flexible working time and part-time,
- ▶ absence of atypical types of work such as temporary agency work, work from home, on-call work
- ▶ low liberty of labour contract
- ▶ low level of work organization adjustment to employees life cycles, their needs relating to family duties, education and care of dependent or aged family members as well as employers requirements
- ▶ rising tension between labour demand and labour supply

# Unemployment development in Slovakia 1990 - 2002

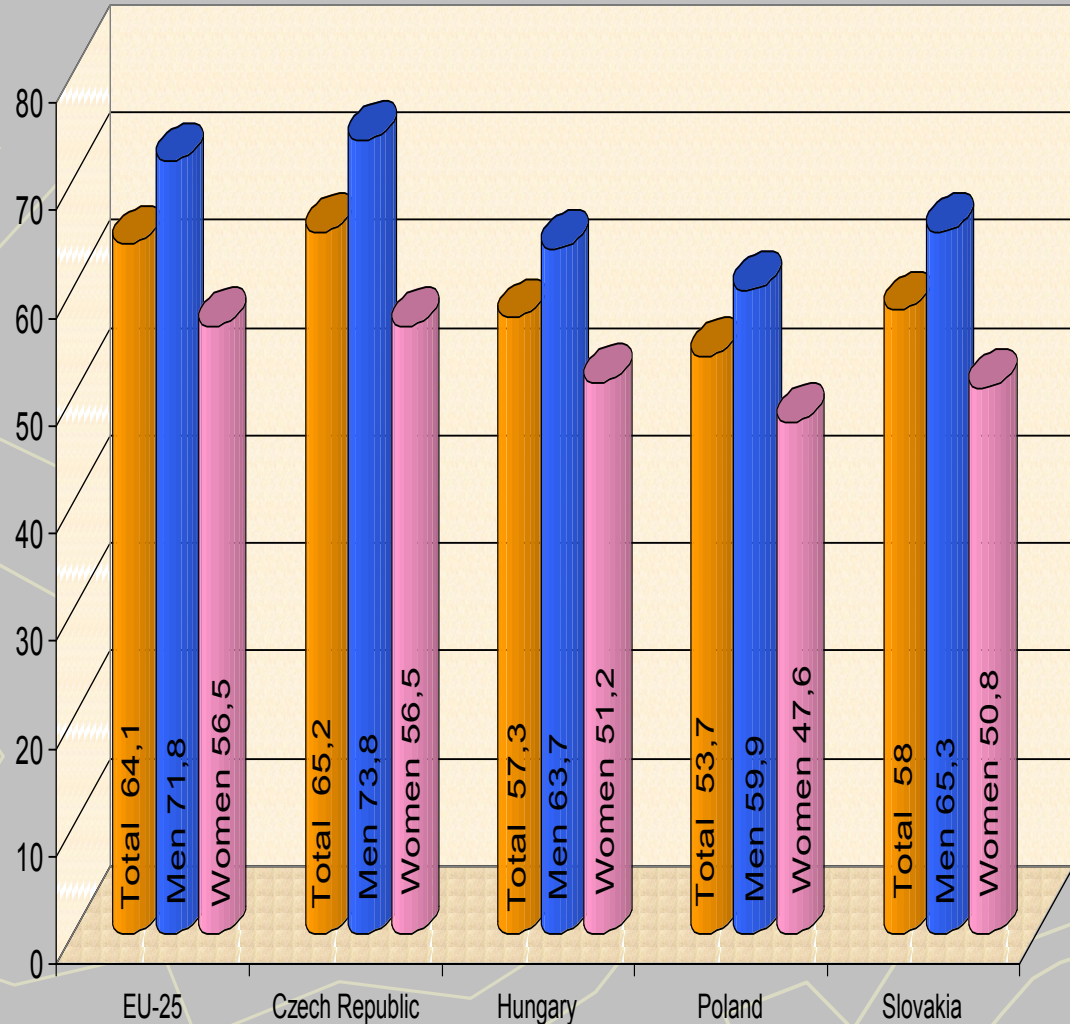
Figure Registered unemployment in Slovakia (1990-2002)



- ▶ Slovakia has experienced high unemployment rate since 1990; unemployment rate has increased from 1,6% in 1990 to 18,6% in 2001
- ▶ Unemployment rate is double the European average
- ▶ Youth unemployment is extremely high; about 40% of total number of people at the age of 15-24 are unemployed
- ▶ High unemployment incidence in Slovakia associates with low level of labour market flexibility including insufficient atypical employment expansion

# Employment rates in Slovakia and V-4 (Eurostat, 2005 q2)

- ▶ Employment rate in Slovakia is under European average
- ▶ Significant gender gap in employment rates; gender disparity between male and female employment rates is more than 14%
- ▶ Employment rate is below Lisbon and Stockholm employment targets to 2010
- ▶ Enhancing labour market flexibility is one of the tools to rise employment rate



# Theoretical concept of atypical employment

- ▶ Slovak legislation doesn't strictly determine an atypical work concept
- ▶ Legal framework recognize atypical employment as departure from what is considered to be "typical" or normal.
- ▶ Employment situation that are typical in this sense are those where the workers:
  - a) sell labour to an employer for a remuneration which depends on hours worked or the work done;
  - b) work full time, according to a known schedule;
  - c) work continuously for one employer;
  - d) are protected by labour legislation, collective agreements or laws with social security guarantees;
  - e) work in a place of work and with schedule determined by employer within the terms of contract of employment.

# Statistical sources of atypical employment

Statistical data of employment forms are provided by Statistical Office of the Slovak Republic

## Main sources are:

1. **Business Reporting** - quarterly employment and wage reports monitoring inter alia number of employees working on fixed-term contract, part-time basis and amount of hours worked
2. **Labour Force Sample Survey** - quarterly reports mapping atypical employment since year 2003 (part-time work, temporary, occasional, seasonal work, shift work, night work, work from home)
3. **Ad hoc module “Work organization and working time arrangements”** - single shot survey of atypical work carried out in the year 2004

## **Current legal regulations of atypical employment in Slovakia**

- ▶ **Responding to requirements of labour market flexibility and in order to alleviate unemployment and boosting employment Slovak Government entered into force (on 1 April 2002) New Labour Code ( further amended in July 2003). New Labour Code replaced previous one of 1965.**
- ▶ **The most important changes brought by new Labour Code may be summarized as follows:**
  - 1. Liberalization of labour relations - several types of non standard labour relations was legally designated:**
    - **part-time contract concluded for less than 40 hours per week**
    - **part-time employment contract concluded for less than 20 hours per week**
    - **agreement on performance of work concluded for less than 20 hours per week**
    - **agreement on performance of work with a student for less than 100 hours per week**
  - 2. The overtime limits was increased up to 400 hours per year (previous regulation - 150 hours)**



## **Current legal regulations of atypical employment in Slovakia (contunue)**

- 3. Legal definitons of working time, shift work (morning, afternoon and hight shift work), continuously working time and working readiness**
- 4. Legal regulation of temporary assignation was introduced (relationship among employer, temporary employment agency and employee)**
- 5. New ceiling for weekly working time up to 58 hours incliuding overtime was established (previous overtime ceiling -150 hours)**
- 6. Legal stipulation work from home and home workers claims specification**

# Recent development of atypical employment in Slovakia

The more common forms of atypical employment in Slovakia are:

- ▶ *Temporary employment*
- ▶ *Part-time work*
- ▶ *Flexible working time*
- ▶ *Overtime work*
- ▶ *Shift work*

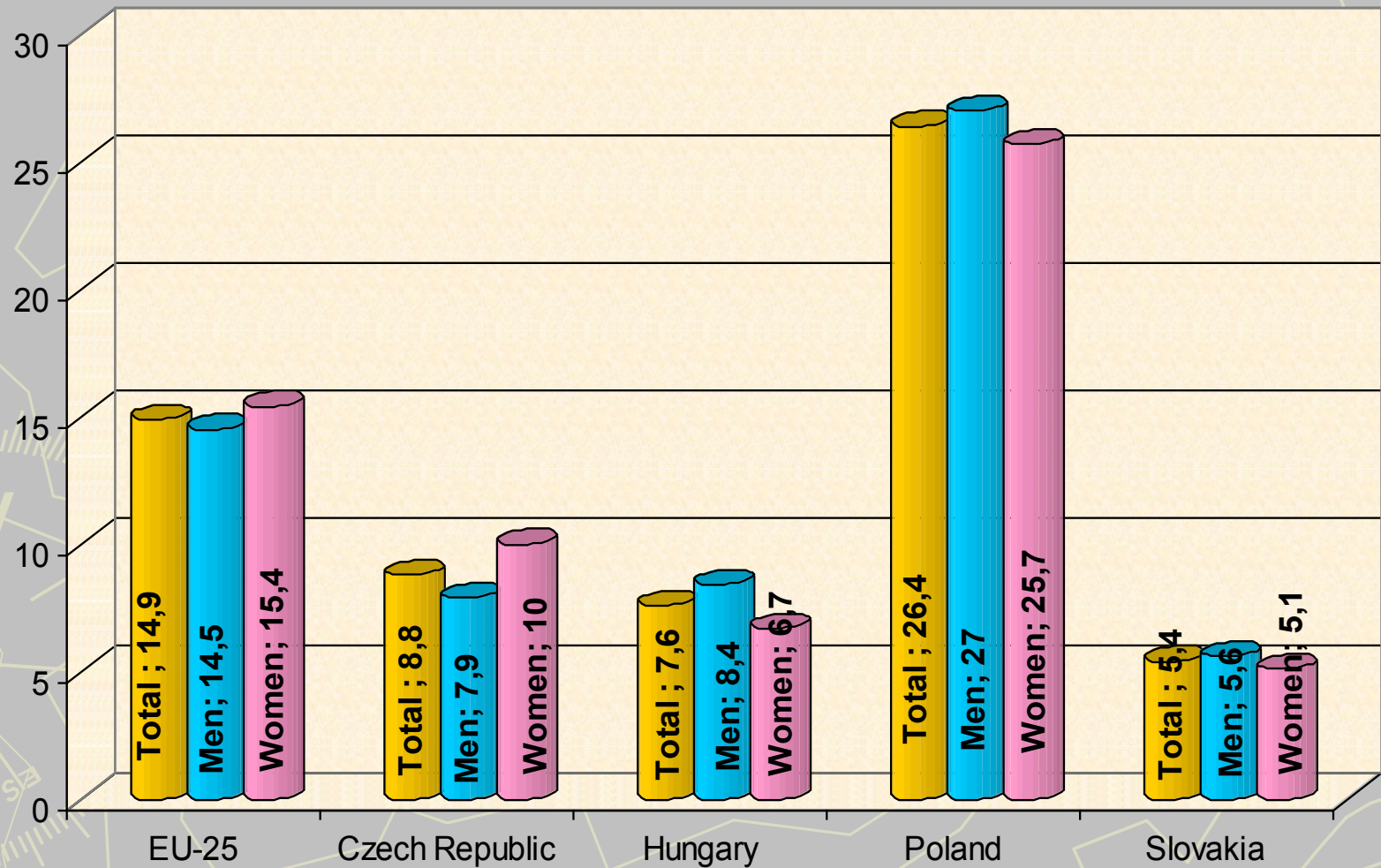
The less common forms are:

- ▶ *Working from home*
- ▶ *Teleworking*
- ▶ *On-call working*
- ▶ *Remote working*
- ▶ *E-working*

## Temporary employment

- ▶ Employment in Slovakia can be constantly seen as uniform permanent employment; 94,6% of total employees holding indefinite duration employment contracts
- ▶ Merely 5,4% of total number of employees are temporarily employed;
- ▶ Slovakia has a lowest rate of temporary employment among Visegrad countries (e.g. HU-7,6%, CZ-8,8%, PL-26,4%)
- ▶ Temporary employment has a moderate gender dimension (5,6% for men and 5,1% for women)
- ▶ Temporary contracts are considerably concentrated among young people (one out of three temporary employed is person at the age of 15 - 24 )
- ▶ The proportion of employees with temporary contracts is highest for the lower educational level
- ▶ A majority of temporarily employed individuals report that their status is involuntary (65% of temporary employed report they unable to find permanent job)
- ▶ More than 80% of all temporary contracts have a duration under one year

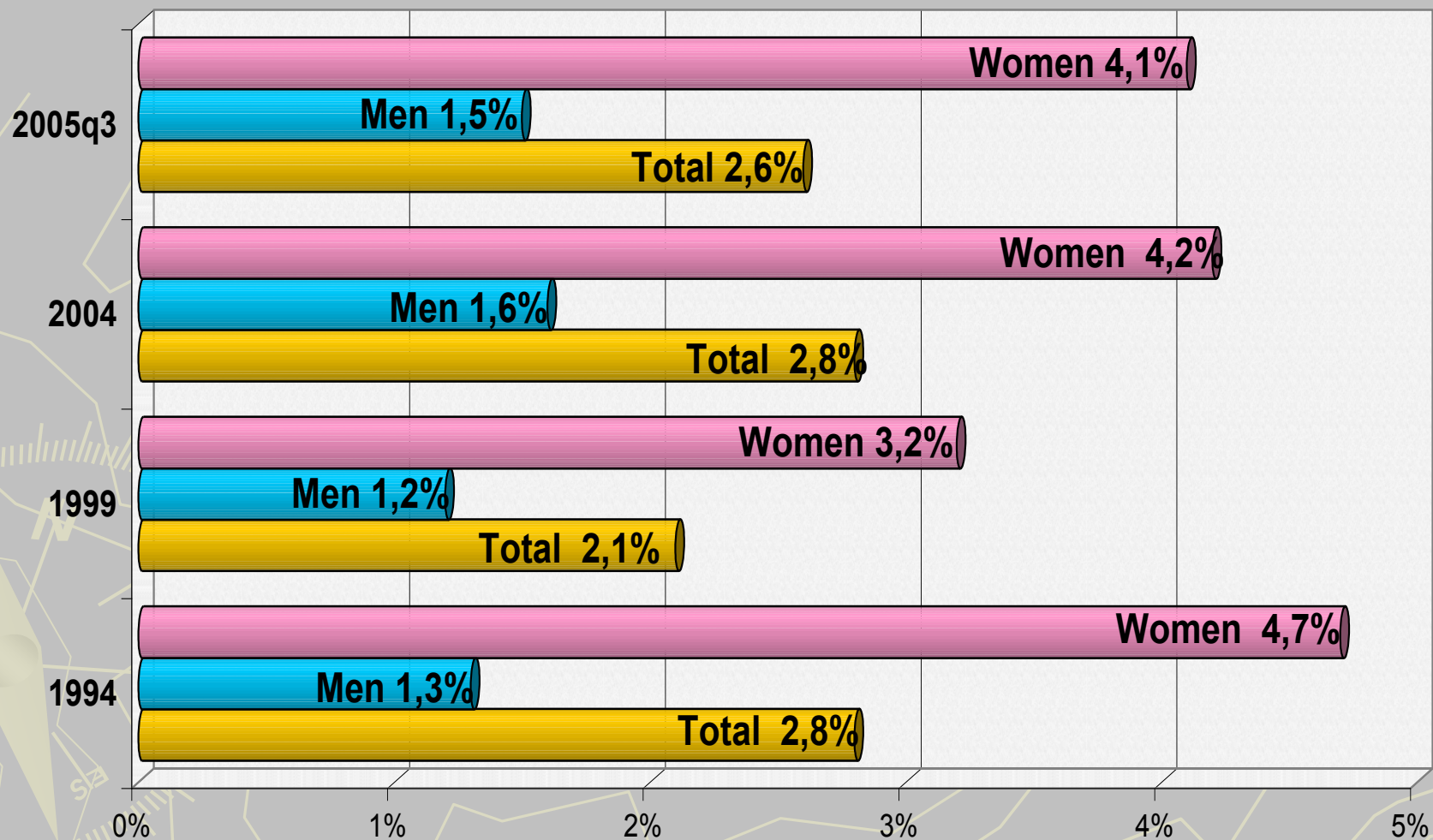
# Share of employees with temporary employment in Slovakia and V-4 (Eurostat, 2005 q3)



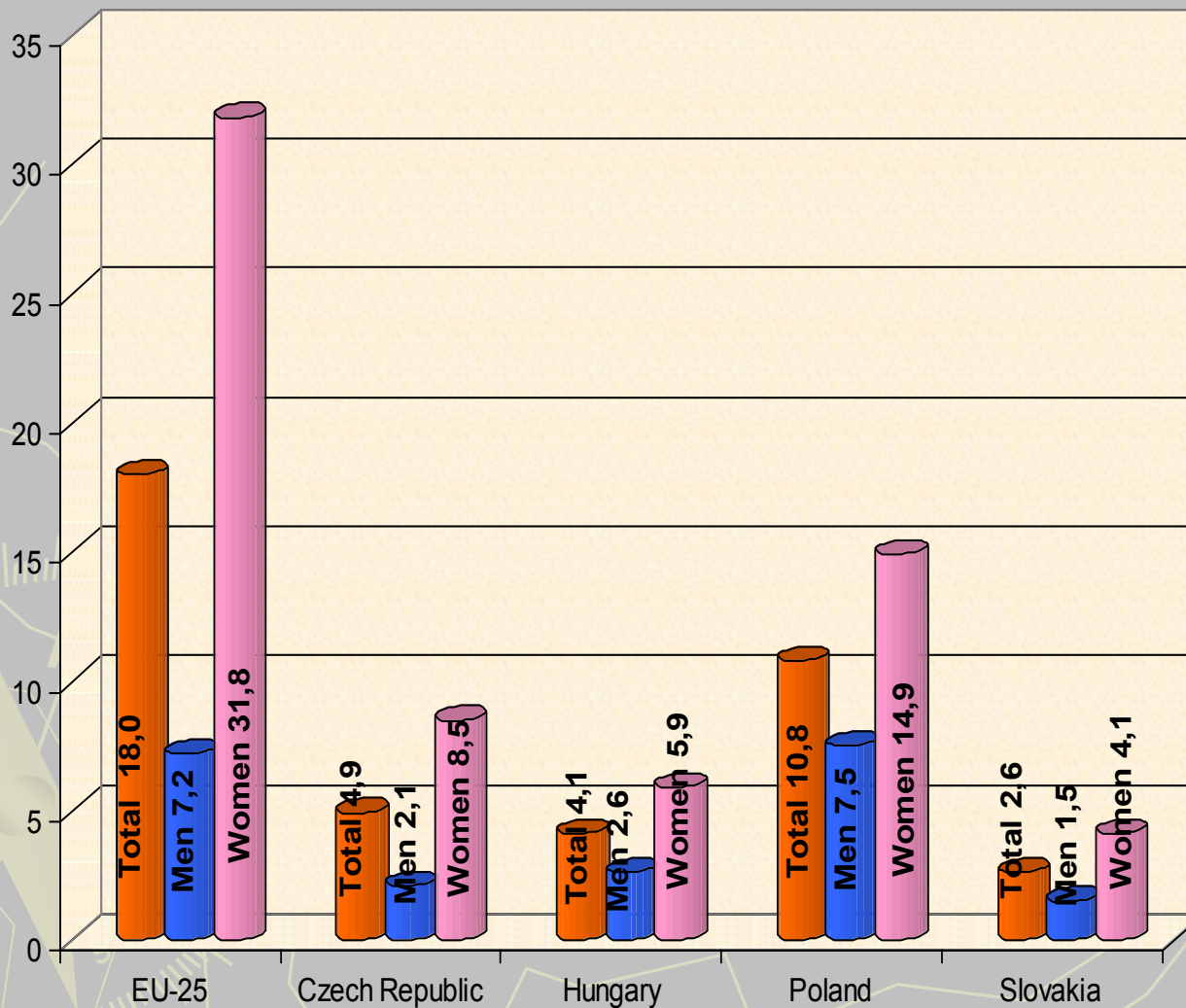
# Part-time work

- ▶ **Persisting extremely low level of part-time work (2,6% of total employment) in Slovakia**
- ▶ **Strong gender dimension of part-time work: two of three part-time workers are women**
- ▶ **High proportion of old workers among part-time workers (around 40% for workers aged more than 50 years)**
- ▶ **Part-time work is typical for workers with lower secondary and upper secondary education (70% among part-time workers attained secondary education)**
- ▶ **The proportion of part-time employment is highest in service sector (80% of part-time workers are involved in services sector)**

## Part-time employment in Slovakia as share of total employment

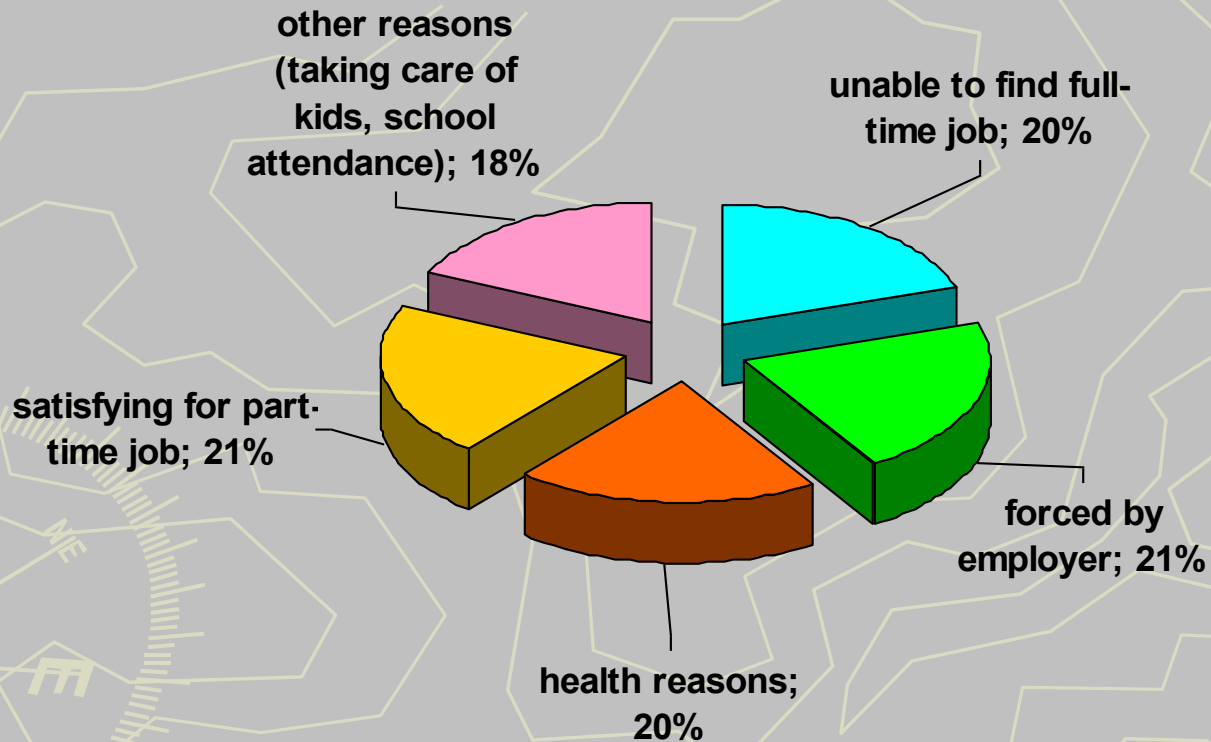


## Part - time work in EU-25 and V-4



- ▶ Slovakia has a lowest rate of part-time work among EU -25 countries and Visegrad countries
- ▶ Moreover 40% part-time employees are working on part-time basis involuntary and prefer full-time employment

# Reasons for accepting part-time job

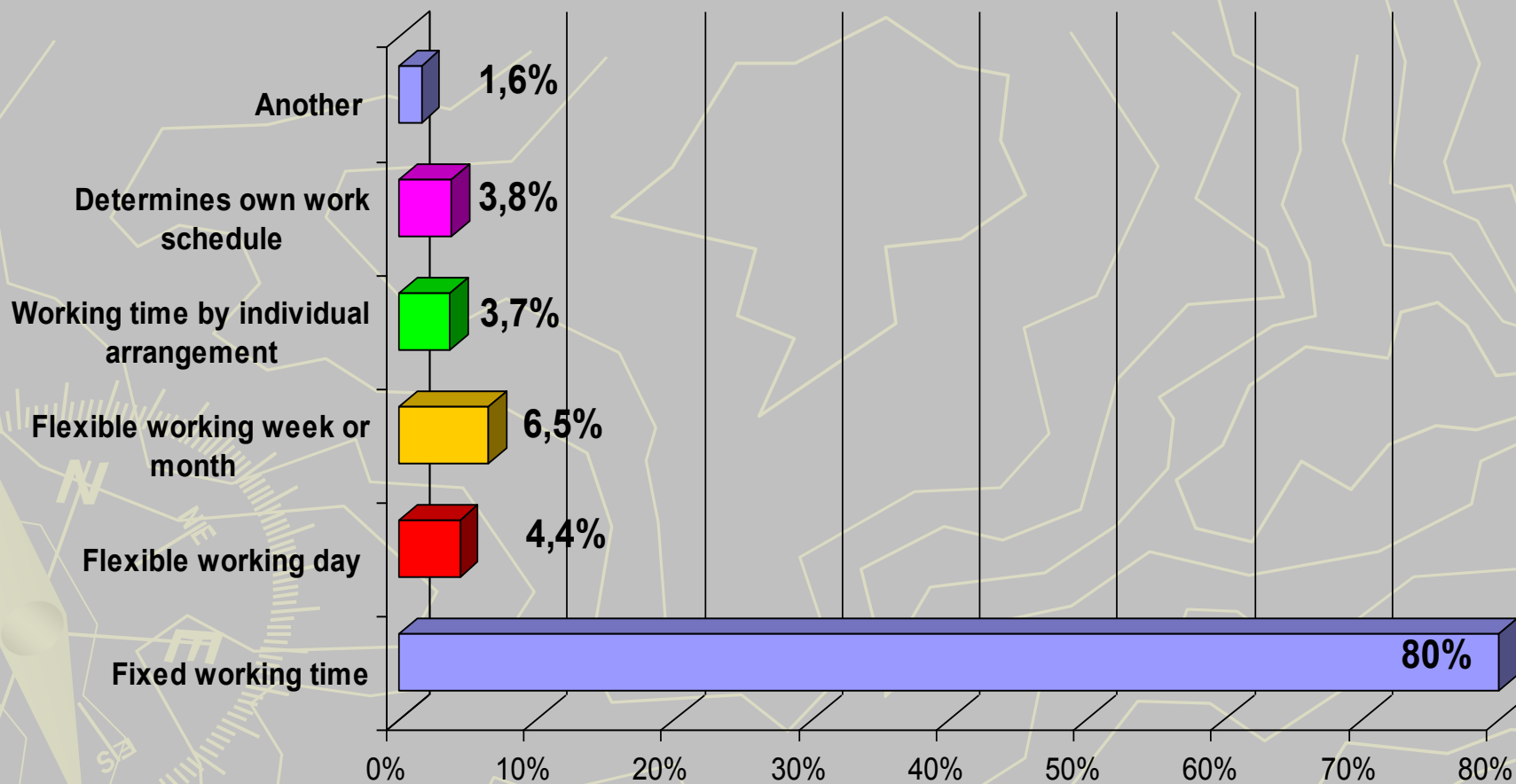




# Flexible working time

- ▶ According LFS data 80% of employed in Slovakia work under steady schedules ( fixed working time)
- ▶ 20% of employed work under flexible working time e.g. flexi working day, flexi week or month, working time by individual arrangement with employer or working time determined by own work schedule
- ▶ Flexible working time is one of widespread and common form of non-standard work in Slovakia
- ▶ Surprisingly slightly more men work under flexi working time than women (21% of employed men against 19% of employed women)
- ▶ Flexi working time is more frequent among workers in the public administration sector (37%), construction (31%) and transport and communications (24%); on the other hand flexi working time is less frequent in education sector (12%)

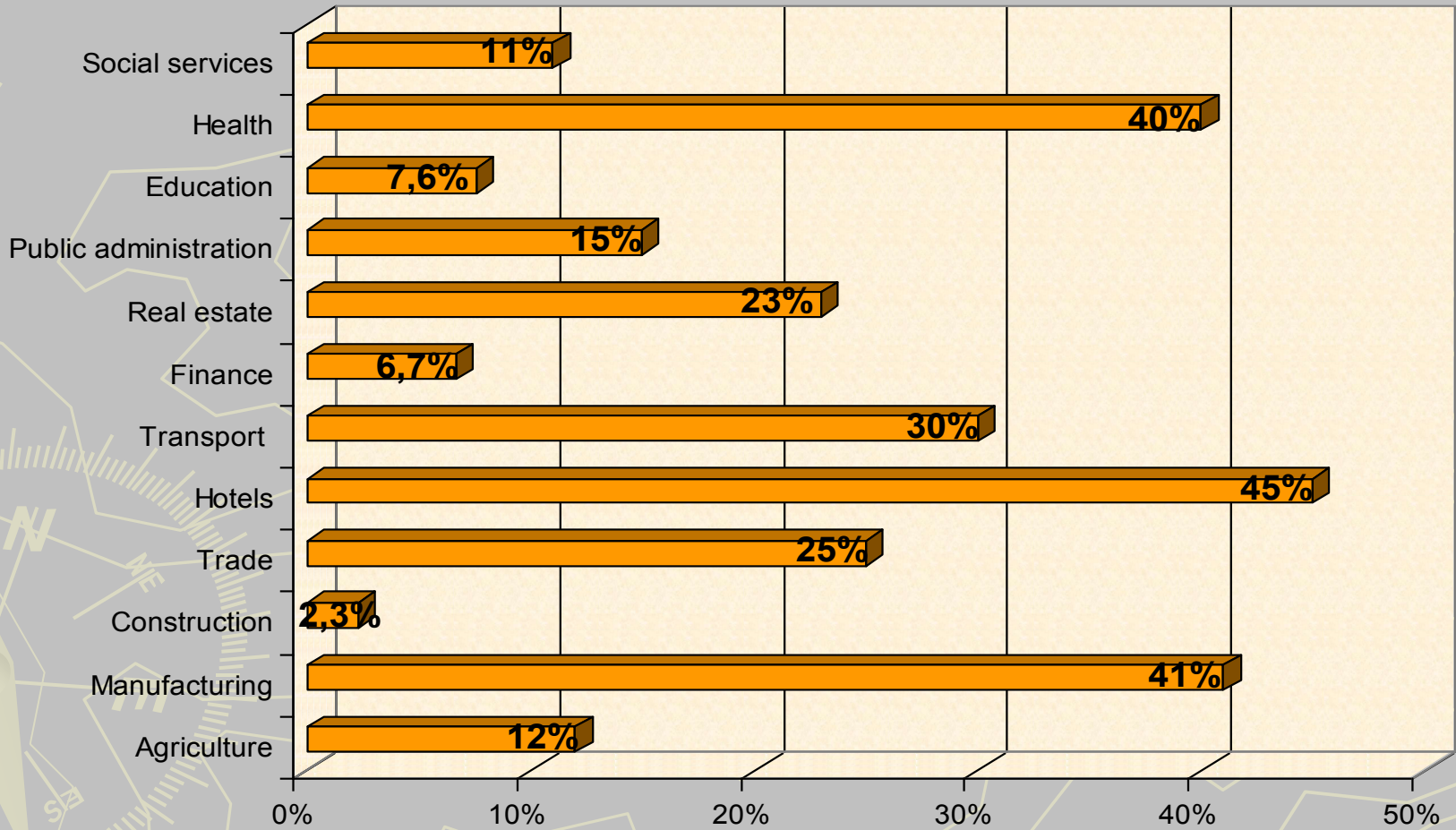
## Working time arrangement (LFS, 2004 2q)



# Shift work

- ▶ Analogous to flexy working time the shift work is more common type of atypical work in Slovakia
- ▶ The proportion of employees with shift work represents 24% of total employed
- ▶ No gender differences in shift work: 24% men and 24 % women are working on shift work
- ▶ Shift work directly connect to sector profile therefore the significant number of employees with shift work is concentrated in hotels and restaurants (almost one in two employees), in health sector and manufacturing sector (two in five employees)
- ▶ Typical shift worker in Slovakia is at the age of 25-49, with lower secondary or upper secondary educational attainment working as a technician, craftwork or machine operators

## Shift work by sector (LFS, 2004 q2)



## **Length of working week, overtime and night work**

- ▶ **Working hours worked weekly in Slovakia are considerably longer than in the EU -15; the length of working week in Slovakia is longer for 3,4 hours compared to the EU-15 ( 41,2 hours in SK against 37,8 in the EU -15)**
- ▶ **While Slovak men are usually work weekly about 50 minutes longer than their colleagues in EU-15, Slovak women work weekly about 7 hours longer than their counterparts in the EU -15**
- ▶ **The longest working week in Slovakia is recorded in construction sector (43,9), hotels and restaurants (42,9) and transport (42,7) ; on the other hand the shortest working week is in education sector (37,6)**
- ▶ **According LFS data 165 thousands workers worked overtime in 2005(q3), which represent 7,3% of workforce. Men are more exposed than women to overtime work (9,1% men and 5,6 % women with overtime work).**
- ▶ **Share of overtime work slightly fell down since 2003, nevertheless the share of men with overtime work increased about 2,6% while the share of women with overtime practically remains unchanged**

## Length of working week, overtime and night work (continue)

- ▶ According LFS data in 2005 every second worker in Slovakia work at night (22,5% of total workforce)
- ▶ Men are more exposed than women to night work (26,5% against 17,6%)
- ▶ Proportion of workers work at night of total workforce increased from 19,4% in 2003 to 22,5% in 2005
- ▶ While share of men working at night increased by 2,4% (from 24,1% in 2003 to 26,4% in 2005); share of women working at night grew by 3,8% (from 13,8% in 2003 to 17,6% in 2005)
- ▶ 70% of those working at night perform its regular and 30% occasionally

## Further types of atypical work

- ▶ According LFS data (2005 q3) 8,4 % of workforce work from home; of which 4% work form home regular and 4,4 % occasionally
- ▶ Insufficiency of statistical data and information concerning such types of atypical working schemes as job- sharing, on- call working, teleworking, e-working



# How onward in atypical employment: an open issues

An examination of various aspects of atypical employment in Slovakia leads to following conclusions:

1. Improved legal regulations of atypical employment only slightly contributed to increase labour market flexibility. For what reason?
2. It seems that obstacles of non standard employment widespreading lie not only in legislation field however in the broader conditions i.e. wage, working conditions, social security provisions
3. Employees are often suspicious considering atypical work synonymous with degrading of work or with precarious job
4. Atypical employment often associates to low wage, less favourable working conditions, less access to training opportunities and less chances for promotion
5. Atypical employment often connect to female work what bring potential risk of rising gender inequality on the labour market
6. Further atypical work schemes expansion in Slovakia will depend on improving working, social and pay conditions of non standard employment.