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**TYPE OF CONTRACTS AND EXCESSIVE HOURS OF WORK
IN THE CASE OF SLOVENIA**

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I. Introduction

1. There is a common agreement that new jobs need to be created to reduce unemployment. According to the Lisbon strategy, the EU employment rate should be raised to 70 per cent by 2010. In this case we talk about the quantity of employment. Somehow in the last few years the measurement of the quantity as such has become insufficient, since more and more demands on the quality of work are perceived. It can be also said that job characteristics are the matter of subject the labour market experts are dealing with.

2. According to Mr. Beatson, job characteristics can be divided into extrinsic job characteristics, such as financial rewards, working time, reconciliation between work and family life, job security and opportunities for advancement, and intrinsic job characteristics, such as job content, job intensity, risk of illness or injury, and relationship with the others. The extrinsic job characteristics can be measured relatively easily, while the intrinsic characteristics are very hard

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or impossible to measure. Mr. Beatson concludes that it is impossible to rank jobs in terms of quality as defined by a set of job characteristics. It is due to individual level decisions people make in assessing the relative importance of combinations of these characteristics. That means that the quality of work cannot be described scientifically or objectively.

3. It can be said that both more and better jobs are looked for. It means that a sufficient number of posts should be created and that these posts should be of a high quality. This implies better policies, fair remuneration, a work organisation adapted to the need of both businesses and individuals. It includes a balance between working and personal life and facilitating occupational and geographical mobility. It is based on high skills, fair labour standards and decent levels of occupational health and safety. Besides, it implies a high level of social protection, real opportunities for all and the guarantee of fundamental and social rights.

II. The Slovenian labour market trends

4. In the last two decades, major changes have occurred in the Slovenian labour market. The changes were mainly due to the transition from socialist towards capitalist social system. During the 45-year long socialist time the employment was very stable, secure and safe. Employed people typically worked in full-time jobs for wage or salary, worked regular hours and could expect to remain in the same job for a long period. At the same time almost everyone was employed in the public sector, the private sector was very neglected due to the state's wish to control everything and everyone. The situation changed in the beginning of the 1990s with a strong decaying of gigantic factories; especially those whose market was mainly oriented towards ex Yugoslavia were affected. The result was a huge increase in the number of people without jobs. On the other hand, the number of self-employed people increased significantly since the new social system allowed and stimulated all kinds of business initiatives. At the same time some changes in the working pattern appeared with the consequence that many people worked flexible or irregular hours. There were changes from ongoing employment arrangements to temporary work or fixed-term contract arrangements. The use of fixed-term and short-term employment relationships allowed enterprises to shift the responsibility from the employer to the employee in insecure circumstances by rendering a proportion of the staff easily, fast and flexible. These changes have coincided with the other labour market changes such as growth in the service industries, higher unemployment rate and initiation of information technology.

III. Flexible employment

5. The concept of flexible work means the speed with which both the employer and the employee can react to the changes in the different work circumstances. There are different categories of work flexibility:

- Functional flexibility: the capability of the employer to adopt to different kinds of task; in reality it means eliminating the boundaries among the occupations.
- Financial flexibility: the capability of the system of wages and salaries to remunerate well done tasks. But there are some doubts about profit-sharing, gain-sharing and similar systems; they are not necessarily connected with the motivation of employees, but could be more like control of the expenses.
- Working mobility: it means displacing employees from one task to another, from one occupation to another, also from a geographical point of view.
- Flexibility in models and work organisation:

- numerical flexibility: adaptation of the number of employees or working hours to the needs,
- working time: can be understood as variable working hours, annualised hours contract, overtime, etc.,
- geographical, locational flexibility: working outside of enterprise's premises (for example, working at home, telework, etc.).

6. And what are the reactions of the employees to the flexible employment? It can be expected that the employees find all kinds of flexy work positive and more desired, except part-time and fixed-term employment. Employees wish to have steadier and more stable forms of employment; the main reason is definitely material security. Due to the wish to reconcile private with working life, staggered working time is naturally the most desirable form of flexy employment. According to cultural and historical characteristics, it was expected that Slovenians are not very mobile from the geographical point of view. However, the results of the survey on the labour market flexibility showed the opposite. Six out of ten employees are prepared to commute to work; there are some more men than women among them; younger people are more prepared to commute than elderly ones and more educated persons are more in favour of commuting than persons with low education. In general, slightly over 80 per cent are prepared to spend up to two hours daily for commuting to and from work premises. There have been also some trends on teleworking perceived. According to the definition we use, telework is work performed by a worker at home, in the dwelling. Teleworkers are persons who usually or sometimes perform their basic activity at home, in the dwelling, by using a personal computer and a mobile phone, a fixed phone or a fax machine. If teleworkers work 8 hours or more per week, this is regular telework. If they work up to 7 hours per week, this is supplementary work.

7. So far there are very few internationally comparable data on teleworking since there has been no commonly agreed definition yet. Within the SIBIS project the research on teleworking was made in some countries. As expected, the greatest number of teleworkers was recorded in the Netherlands (21%), in Scandinavian countries and in the United States. On the other hand, more traditionally oriented south of Europe is less in favour of new forms of employment. There are between 1.5 and 2.5 per cent of teleworkers among all persons employed in those countries.

IV. Types of contracts

8. The highest share (in Slovenia about 70%) in the labour costs is represented by salaries and wages and this is the main reason why the employers want to reduce it. The flexibility of employment is a concept which at least partly tries to reduce the costs. There are different types of contracts or work agreements which are strongly connected with employment flexibility:

- Part-time working: this is the most widespread form of work flexibility as almost every fifth employed person in the EU works part-time and it seems the trend has been increasing. There are two different possibilities to measure this phenomenon: it can be determined if the usual hours are fewer than 35 hours or it can be declared by the respondent. The Netherlands, the United Kingdom and Scandinavian countries are parts of Europe where the highest proportion of employed persons work part-time. This proportion is not that high in Mediterranean countries and especially not in the new EU member states. The same geographical distribution can be noticed regarding female part-time work; the only difference is that the number of women part-timers is much higher than in the case of men. The highest proportion of female part-time work is in the

Netherlands; in the third quarter of 2004 it covered almost three fourths of all women employed.

- Non-permanent employment: employment with the fixed-term contract is less favourable from the employee's point of view than from the employer's one. It represents a laxer sort of employment, it is not safe or in other words, it does not guarantee any work after the contract expires. In some countries seasonal workers represent a large share of employees with temporary contracts, in some others could be work via public works or via employment agency. In Slovenia, for example, the work via employment agencies is not very widely spread with the exception of student work. It is stimulated by the government with the low taxation for both employers and students. But on the other hand, working via employment agencies, which is one of the ways of flexy work, has been increasing significantly. In 2004 (3rd quarter) there were almost 14% of all employees with temporary contracts in the EU. These kinds of contracts are more significant for women in all EU countries. The highest share of fixed-term contract employees was registered in Spain and the lowest in Estonia.
- Shift work and work during non-standard hours: the technology of work demands 24-hours work in certain activities; the situation is similar in the case of the more and more expensive technologies which can be remunerative only in the case of high productivity. On the other hand, there are also services which have to be available 24 hours a day, such as medical service, media, police, fire brigade, etc. A consequence is a shift work and / or work during non-standard hours. Shift work usually involves work during non-standard hours in the early morning, at night or at the weekend and the weekly rest does not always coincide with the normal rest days.

Due to different labour legislation, the data on shiftwork and work during non-standard hours differ significantly among EU member states. In spring 2004 the highest proportion of shift workers in comparison with all employed persons was registered in Poland (34%) and the lowest in Denmark (6%). Shift work is in general more characteristic in new member states, probably due to the remnants of hard industry these countries had during the time of the Iron Curtain.

The data on evening, night and weekend work differ strongly among the EU member states. Of all persons employed in the EU in the second quarter of 2004, there were between 10% and 40% of persons working during weekends, between 5% and 29% of workers performing evening work and between 1% and 14% night-workers.

- Staff leasing: this kind of flexy-work arrangement applies in the case when the type of expert knowledge or experience needed by the user enterprise is matched by the economic activity of the service provider. The service provider enables companies to more efficiently manage their time, while enhancing their profit margins; beside staff, the service includes also payroll administration, insurance and taxation. Using the staff leasing the user enterprise avoids having costs for permanent or non-permanent employment of persons performing special and periodical tasks.

There is an estimation that the number of employees working via staff leasing is not that low. Unfortunately, there have been no figures on this topic yet.

V. Work contracts in Slovenia

9. In Slovenia, the labour market has been very traditional. Almost everyone who is looking for a job would like to find a permanent and a full-time job with a constant working time. There are also other possibilities which are not very well known, such as part-time work, a combination of two part-time employments at two different employers, a combination of several types of work

contracts at several employers, etc. In reality four different types of work contracts exist in Slovenia:

- Work contract: it is a basis for a work relationship between an employee and an employer according to which the employee enters into the organised working process during which he or she personally, for pay and following the employer's instructions performs work under the employer's supervision. The employer is obliged to register the employee into pension, disability and health insurance for the case of unemployment.
- Specific task contract: according to this kind of contract the employee is obliged to perform a specific appointed task, usually a physical one, while the employer is obliged to pay for it. This kind of contract is usually made for craft, construction, agricultural or similar physical tasks. The weak point of this contract is the fact that a person placing an order is not obliged to register the employee into any of the above mentioned insurance schemes.
- Authorship contract: it is similar to a specific task contract; the only difference is that this contract concerns individual intellectual work from the field of literature, science and arts. The weak point of this contract is the same as at the specific task contract.
- Business-cooperation contract: as a rule this contract is made by two corporations. The content of the contract is an order of work.

VI. Excessive hours of work and working time arrangements

10. In 1993, when the single labour market in the EU was declared, the European Parliament adopted a Directive on common general regulation about the working time in the EU. An EU employee has thus a right to have at least eleven hours of rest a day. The maximum weekly working time can not exceed 48 hours while the yearly leave has to last at least four weeks.

11. In Slovenia, about nine per cent of employees usually work more than 48 hours a week. On average, these people weekly perform 55.5 hours; the greatest share among them is represented by the occupational groups of professionals and technicians; in two thirds of the cases they work in the service sector. The excessive hours of work are more significant for men than for women; in 2004 70% of all employees working more than 48 hours were men. In spring 2004 in general 9.2 overtime hours were worked by employees.

12. One of the possible aspects of work flexibility is also the satisfaction of employees with the current situation regarding work arrangements. In 1999, the survey on work flexibility was conducted as a part of the Consumer Survey. The full-time employees were asked about the preference of working part-time. The results showed that only a minority would choose the part-time employment. The majority – 84% - was satisfied with the full-time employment which usually lasted 40 to 45 hours a week. The same survey also showed that if the employed persons had the possibility to choose between shorter working time with the same wage and the same working time with higher wage, the majority (85%) would decide on the second option. This share was slightly lower in the case of employees older than 50 years.

13. On the other hand, a small survey was made by one of the Slovenian newspapers. The question was if the interviewed persons agreed on the extension of the working time for half an hour a day in order to take advantage of working power to come closer to more developed countries. 93% of respondents answered they didn't want to work more. It seems in Slovenia we consider ourselves developed enough, but we are ready to work more for personal gain.

14. The working time arrangements in Slovenia are still very traditional. More than 70 per cent of all employees still have a fixed start and end of a working day. This situation mainly applies to less skilled groups of occupation such as plant and machine operators, and assemblers and craft workers. Inversely, the higher skilled groups of occupations have mainly got staggered working hours. This was shown by the results of an ad hoc module which was part of the LFS in 2004 and this can be also proved by some statements of staff working in employment agencies. The main factor in relation to working time arrangement is family. Persons in the age group 20 to 30 without children are more ready to work more hours and to accept the so called 'European working time' (9 a.m. – 5 p.m.). In the age group of 30–40 people usually set up a family and thus they want to have more time for themselves and for the family; after 40 they are again more in favour of the EU working time. In the process of looking for a job, the candidates for the more demanding posts do not ask questions on working time since the managers are aware that they can not have fixed working time. But the questions on working time are almost always asked in the case when less demanding posts are looked for. There are also differences between the urban and rural job seekers. The urban population is more in favour of the EU working time than those coming from the rural areas since they want to spend as much time as possible working at home. There are many people in rural areas in Slovenia who cultivate the garden or run a small farm as a second job or as a hobby.

15. In Slovenia, in general people prefer having staggered working time to the EU working time. Employees like the feeling that they can have influence on the start and end of a working day since they can reconcile the working life with their own biorhythm. Most Slovenian enterprises have staggered working hours since research has shown that that kind of working time arrangement positively impacts labour productivity. Thus the productivity and contentment of the employees are high, which reflects in the better business results. On the other hand, the management has to pay attention to setting the limits of the start and end of working day and, which is even more important, the start and end of working time has to be adjusted with the working process. It can happen that at the boundary hours there is a staff shortage.

VII. Conclusion

16. The speed of changes in the economy directs the speed of changing the enterprises' targets and this reflects in the work organisation stability and especially in the stability of the posts. The dynamics and flexibility of employment and educational processes are the main processes which depend on the posts as such. Their connection can be called the 'domino effect'; the phenomenon itself is nothing special, but it has attracted the attention with the speed of reiteration. The changes in the labour market are extremely fast and they demand a fast and continuous adaptation of the employers. The systematisation of the posts became only provisional; it is impossible to distinguish a post from a post and it even seems the post in the classical meaning of the word has disappeared.

17. In Slovenia we are facing such changes, too. The new unconventional methods of human resources management, different kinds of educational seminars, distance studies, etc., have been put forward, even though there has been no systematic approach to solve this problem yet. The systematic introduction of these changes will probably be obstructed by the legislation, as it has to protect the existing and verified flows. There is an unambiguous conclusion: the flexible employment is a need and not only the possibility which can essentially assist to speed up the adaptation to market circumstances. It can be critical not to adapt to the changes quickly enough, especially if the enterprises would like to compete with the others and not only to copy the

solutions of the other EU member states or the USA. The know-how of the others should not be simply taken over, but it should be an impulse for searching better ways of work.

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