

SLOVAK REPUBLIC



Key policies to promote longer
working lives

Country note 2007 to 2017

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KEY POLICIES TO PROMOTE LONGER WORKING LIVES IN THE SLOVAK REPUBLIC¹

(Situation 2007 to mid-2017)

The Slovak Republic, despite recent increases, could do more to raise its effective retirement ages, which are well below the EU average: in 2016, 60.8 for men and 59.5 for women compared with the respective EU averages of 63.4 and 62. (See more indicators in Table 1). In particular, as indicated in Table 2, the Slovak Republic could take action to develop phased retirement; maintain age-neutral employment protection measures; and better monitor the implementation of good practice in collective labour agreements – and by individual employers – in managing an age-diverse workforce. That said, the Slovak Republic has in fact taken action to raise the statutory age of retirement; reward longer careers; launch public awareness campaigns fostering the socio-economic potential of older workers; promote lifelong learning and development of the adult vocational education and training system; provide employment/hiring subsidies to firms; and strengthen workplace safety.

1. Rewarding work and later retirement

1.1. Enhancing incentives to continue working at an older age

Introduction

The pension system in the Slovak Republic consists of three pillars. The first and by far most important is the insurance-based mandatory defined benefit (DB) pay-as-you-go (PAYG) scheme administered by a statutory public body, the Social Insurance Agency. Participation in the statutory optional defined contribution (DC) funded pension scheme introduced in 2004 – the second pillar – currently depends on the decision of labour market entrants up to the age of 35 years to opt in. Prior to 2015 at least ten years of contributions were needed to be eligible for a pension benefit in DC plans, but since then there has been no minimum contribution period for pension entitlements in this pillar. The third pillar is the voluntary supplementary DC-funded scheme. Tax incentives for savers were introduced in 2014. Employers who contribute to their employees' voluntary pension insurance, usually under terms specified in collective agreements, can benefit from a tax deduction of up to 6% of the employee's gross wage. In addition, the Slovak Republic introduced a minimum pension from July 2015 for people who have at least 30 years of contributions.

Raising the statutory age of retirement

According to the OECD (2017a), in 2016 the statutory age of retirement was 62 for men and women with at least 15 years of contributions. Until recently, the age of retirement differed by gender. The age of 62 was reached for men in 2006 and only in 2015 for women. However, for women with children the pension age remains lower. A woman with five or more children, for instance, can retire at the age of 58.25 in 2016.

1. This note has been produced by the Ageing and Employment Policy Team with a contribution from Nicola Duell.

As of January 2017, the statutory pension age is indexed with increases in life expectancy at retirement age. The age increase (in terms of days) will be calculated as the change in 5-year averages of life expectancy at the applicable pensionable age. In 2017, the statutory retirement age was 62 years and 76 days and in 2018, 62 years and 139 days.

Facilitating phased retirement

Phased retirement (e.g. via reduction in working time) is possible in accordance with the provisions of the Labour Code. People entering the labour market today will be offered flexible retirement arrangements only at ages higher than 66 (OECD, 2017a).

Better combining of pensions (or partial pensions) and work income

An early retiree may not perform any standard legal employment. However, from July 2018 early retirees will have the opportunity to work through specific employment agreements (with limited numbers of working hours outside the usual scope of employment contracts) while receiving an early pension benefit.

On the other hand, combining work and retirement is possible after the retirement age (OECD, 2017a).

For individuals who combine pension benefit withdrawal with work, the benefit is recalculated automatically every year or upon request when the individual eventually fully retires, adding one half of the points earned during that period.

Rewarding longer careers

It is possible to defer claiming the pension after the normal pension age. The benefit is increased by 0.5% for each month of deferral (6% per year).

1.2. Towards restricted use of early retirement schemes

Restricting access to publicly funded early retirement schemes

Retiring a few years early is allowed, and pension benefits are reduced in line with what is justified by actuarial principles. Currently, benefits are reduced by 0.5% for each 30 days of yearly benefit withdrawal (equivalent to 6.5% per year). Three conditions must be met: a maximum of two years before reaching retirement age; fifteen years of contributions; and a benefit level not higher than 1.2 times the adult subsistence income level (that level being EUR 239.40 in the period 2017-2018). Finally, since January 2011 it is not possible to receive an early old-age pension benefit and also have mandatory pension insurance.

Introducing specific provisions for arduous/hazardous work

Some categories of workers engaged in arduous/hazardous work (AHW) can benefit from specific pension rules. According to Gerbery and Bednárik (2016), a previous job classification that went by risk factors was abolished in 1999, but is still used as the basis for calculating pension entitlements for workers whose jobs were considered AHW before 2000. All work in the Slovak Republic is classified according to its impact on health, based on an evaluation of health risks and assumed changes in health status. There are four broad categories; AHW is represented by the third and fourth categories of the classification, covering work and working environments that increase the probability of occupational disease, poisoning or other work-related health damage. The period of validity of these pension entitlements was extended until 2023.

A key component of special retirement rules for AHW is the possibility of earlier retirement than other workers and without penalties. In the Slovak Republic, people in AHW can retire – depending on the occupation - between 56 and 59 if they have at least 25 years of work in AHW. People in AHW also benefit from a higher assessment base and higher rewards for additional years in the relevant jobs.

People performing AHW can additionally benefit from the third pension pillar. In particular, certain arduous/hazardous work and artistic professions are mandatorily covered by contributions paid by their employers to their voluntary pension insurance. However, according to Gerbery and Bednárik (2016), recent changes introduced in 2013 have tightened eligibility conditions: the minimum period of service required has been increased (from five to ten years), as has the qualifying age (now 55).

New claims regarding pension rules specifically for workers in AHW have emerged recently (Gerbery and Bednárik, 2016). According to the Metal Trade Union Association, increases in the general retirement age should be accompanied by new early retirement schemes for people performing AHW. The trade union argues that older employees are less able to perform hazardous work and should therefore be given adequate exit options. As recently published statements show, the Slovak Government agrees with the union's arguments and plans to begin by discussing models of early retirement and their parameters.

1.3. Preventing welfare benefits from being used as alternative pathways to early retirement

Unemployment (insurance and assistance) benefits

Entitlement to an unemployment benefit and its duration do not differ between age groups;² rather, entitlement is conditional on participation in unemployment insurance, among other things. In fact, the eligibility criterium in the Slovak Republic is very strict – for instance, the required period of insurance contributions prior to unemployment is the longest of any country in the EU (at least two years of contributions in the last three years for a standard contract, and four years for a fixed-term contract).

On the other hand, the level of unemployment benefits in the country is relatively high. If that situation reduces inequality and poverty, it also results in little incentive to work and does not stimulate active job-search (Kahanec and Sedlákov, 2016).

Social aid

Individuals with low pension benefits receive the assistance in material need, but 25% of the pension amount does not depend on eligibility for the assistance. Social aid includes a monthly benefit, a monthly housing allowance and a monthly protection allowance.

Disability benefits

An invalidity (disability) pension is granted to people with a long-term reduction in their capacity to work who do not meet the conditions for the old-age pension and have not been granted early retirement, provided they have made sufficient insurance contributions. However, in cases where a reduction in capacity is the result of a work accident or occupational disease, the condition relating to insurance contributions need not be met. Disability benefits can also serve to facilitate part-time work for older workers. For example, disability benefits are not reduced if combined with income from work (Eurofound, 2016).

2. www.oecd.org/els/soc/benefits-and-wages-country-specific-information.htm (accessed 27 February 2018).

For protection in case of an eventual decrease in the pension sum due to the transition from disability to the old-age pension, a person can continue receiving disability benefits after reaching statutory pensionable age if the benefit amount is higher than newly calculated old-age pension.

2. Encouraging employers to retain and hire older workers

2.1. Preventing discrimination in employment on the basis of age

Implementing current or new legislation

The Slovak Republic Constitution stipulates the principle of equality before the law and non-discrimination in general on all grounds, including on the basis of age. In addition, the prohibition on the grounds of age is guaranteed by several significant human rights documents that are binding for the Slovak Republic. In particular, in 2014 the government established the Council of the Slovak Republic for the Rights of Seniors and adjustment of public policies to the country's ageing population. The Council is chaired by the Minister of Labour, Social Affairs and Family (MoLSAF). Various other high-level ministries and representatives of organisations supporting older people's rights, including the social partners, are involved in the Council's activities and participate in regular meetings.

In addition, the Anti-discrimination Act guarantees equal opportunities and prohibits discrimination on the basis of age as well as on other grounds. Ensuring equal opportunities consists mainly in developing assistance programmes and providing education and consultancy. The Anti-discrimination Act is subsidiary to the Labour Code. Thus, full-force application of the Anti-discrimination Act is possible only in cases where a particular legal form relating to equal treatment is missing in the Labour Code.

As referred to in the Labour Code, an employer must not breach the principle of equal treatment in respect of access to employment during the recruitment process. Older employees are also protected from unreasonable termination of employment. In addressing reasons for termination, the Labour Code stipulates that an employer must not terminate an employment relationship unilaterally, except in cases of structural change, disability and breach of work discipline.

Launching public awareness campaigns

The key document in the area of active ageing is the “National Programme for Active Ageing (NPAA) for the period 2014-2020” adopted by the government in December 2013. Its objectives are mainly to create favourable working conditions for the ageing population, and remove obstacles to persons older than 50 for longer and better working lives. The NPAA contains provisions claiming that older people should work in non-discriminatory, safe and healthy conditions, and should be encouraged to participate in lifelong learning activities that can contribute to later retirement. This strategic document has been developed under the auspices of MoLSAF. It involves all relevant ministries and stakeholders, and is based on the principles of active ageing and utilisation of older people's potential. The document aims to change the attitudes of society towards active ageing and increase society's interest in three main areas: i) protection of human rights and support of the active civic participation of older people; ii) the employment and employability of older and their participation in the labour market; and iii) ensuring an independent, secure and dignified life for older people.

In line with action to prevent age discrimination in the labour market and ensure equal treatment for older people in employment, labour inspectors have received training under a project called “Improving the quality of public services provided by labour inspectors through training”. The project's goal is to have labour inspectors effectively provide the protection contained in current Slovak legislation. The outcomes will be monitored by the NPAA.

In addition, several campaigns and debates have been promoting active ageing and intergenerational solidarity. Examples are the public awareness campaign “Old Age Concerns Us” (2012) and activities developed during the European Year of Active Ageing and Solidarity between Generations 2012 (e.g. “Generations@school”). Public debates at schools and universities will be ongoing, and there will be continuous scheduling of events organised by cities and municipalities to raise public awareness at the local and regional levels.

2.2. Taking a balanced approach to employment protection by age

Implementing age-neutral measures

In 2013 there were no differences in employment protection by age.³ Proposals are under discussion to implement measures to better protect workers aged 50 and over in their pre-pension age, e.g. through prohibiting termination of employment and increasing the length of notice period in the years before retirement age. However, the experience of Poland shows that older workers protected against dismissal during the four years preceding retirement age are not likely to be hired or able to change of jobs elsewhere (OECD, 2015). The OECD has recommended aligning employment protection across all age groups. This should, however, be combined with reinforced ALMPs for older jobseekers, to facilitate their quick reintegration into employment.

2.3. Discouraging mandatory retirement by employers

By law in general and by sector/occupation, private/public sector, region

In the Slovak Republic, an employer may not force an employee to retire when they reach a specific age (e.g. an official age enabling employees to draw pension benefits). The Labour Code enables the employers to dismiss employees only on the grounds specified in the Labour Code (age is not grounds for dismissal). However, there are exceptions for special categories of state employees (judges, armed forces members, police, public prosecutors, university teachers and fire and rescue brigade members).

2.4. Encouraging the social partners to implement better retention and hiring mechanisms targeted at older workers

For all older workers

The government has promoted incentives to generate partial employment or part-time jobs for older workers as well as company plans to better employ older workers. According to the NPAA, one of the fundamental principles of public policy is employment based on the rights of older people to work and have income from an activity, business or other self-employment activity before and even after reaching retirement age. Part of the application of this principle is the creation of flexible and “age-friendly” working conditions. This principle is also included in the National Employment Strategy of the Slovak Republic until 2020.⁴ The social partners have been included in this process: they provide guidance and counselling, and express their standpoint.

The Labour Code refers to flexible forms of employment that provide opportunities for older workers and have a positive impact on their employment (e.g. job sharing, working from home and teleworking,

3. www.oecd.org/els/emp/Slovak%20republic.pdf (accessed 27 February 2018).

4. www.employment.gov.sk/files/slovensky/praca-zamestnanost/podpora-zamestnanosti/national-employment-strategy-slovak-republic-until-2020.pdf (accessed 30 January 2018).

flexible working time, employment for a specified period). Nevertheless, research in the application of these forms of employment has indicated that employers as well as older employees apply them only to a limited extent: the interest, motivation and opportunity for employers to implement these forms of work are, in the main, missing.

The NPAA has therefore introduced new goals to valorise these ways of working, such as encouraging employers to create a “split” job for people aged 50 and over and widening the possibility for jobseekers aged 50 and over to be recruited into part-time jobs until they are entitled to a retirement pension. These objectives will be pursued by the labour offices of the Public Employment Service (PES) and other related public offices, as well as by the social partners, until 2020.

Ensuring appropriate consultation with social partners and providing information to the public are two of the measures in an act currently being elaborated in the Slovak Republic. However, according to representatives of a number of NGOs working with older people, the recent raising of the retirement age has not been accompanied by sufficient public debate on its need (Eurofound, 2013). The act should be developed further, and implemented with measures benefiting from the input of employers’ and workers’ representatives and the Economic and Social Council of the Slovak Republic (the consulting body of the government and of the social partners at the national level).

Another government body (one that is self-advising) is the Council of the Government of the Slovak Republic for Seniors’ Rights and Adjustments to Public Policies on the Ageing Population. The council:

- (i) proposes, co-ordinates and controls measures aiming to eliminate the negative consequences of the ageing process on the economy, the labour market, the pension system and other areas of society
- (ii) submits to the government of the Slovak Republic initiatives to increase the level of support and protection of and respect for the rights of seniors
- (iii) co-operates with state administration bodies, self-governing bodies, civil associations of seniors and other legal entities and individuals the aim to promote the interests of seniors.

In September 2016, MoLSAF established a working group to evaluate measures for the employment and employability of older people. The working group mainly deals with “Employment and employability of older people” of the NPAA – particularly with age management. This working group is composed of representatives linked to the relevant subjects, such as from the Ministry of Health, the Ministry of Interior, the Federation of Employers’ Associations, the National Union of Employers, the Trade Unions Confederation, the Association of Industrial Unions, the Employment Institute, the Association of Towns and Communities, the Association of Adult Education Institutions, and the NGO Bagar.

Review of the use of seniority wages

Remuneration of employees in the Slovak Republic is guided by applicable laws in the sphere of remuneration, formulated on grounds of equality before the law as well as prohibition of discrimination on a variety of grounds, including age. The Labour Code is also providing an extended minimal leave for older employees.

Under Act No. 55/2017 on civil service amending and supplementing certain acts, and Act No. 553/2003 on remuneration of some of the employees working in the public interest amending and supplementing certain acts, contractual wage takes into account factors such as practice, i.e. length of service.

2.5. Encouraging good practice in collective labour agreements and/or by individual employers/industries in managing an age-diverse workforce

For all older workers

MoLSAF is encouraging implementation of a minimum set of desirable rules by employers (in the private and the public sectors) in the field of age management and indicators of fulfilment. These rules should be implemented in all organisations and companies where the state is acting as an employer or is the dominant shareholder. Employers' wider community compliance with the rules is recommended. A negotiation with the Trade Unions Confederation of the Slovak Republic is taking place to oblige particular organisations to apply these requirements within the collective agreements. A subsidy for employers voluntarily accepting these requirements is currently under discussion.

Sharing knowledge and experience across different age groups

No specific action has been taken, although individual employers may have implemented this type of measure.

3. Promoting the employability of workers throughout their working lives

3.1. Enhancing participation in training by workers in their mid- to late careers

Providing guidance services

The ageing workforce and persons of pre-retirement age are among the vulnerable groups in the labour market in the Slovak Republic. Since 2004, a citizen over 50 years old is considered a disadvantaged jobseeker. They should be provided with information and advisory services as well as other services assisting them in seeking suitable employment, and receive education and preparation for the labour market.

Promoting lifelong learning and development of the adult vocational education and training system

Training and education are particularly important in helping older workers adapt to changing demands and opportunities. In the Slovak Republic, the Labour Code enables access to education for older employees:

- i. All employers must take care that their employees' qualifications are maintained, refreshed and eventually increased.
- ii. Employers also must retrain employees who change working positions or type of work if necessary, especially in cases of an organisational change or other efficiency measures.

If the improvement of an employee's qualification is in compliance with the employer's need, the employer can offer the employee (based on an agreement) a reduction in working hours or material assets for the purpose of gaining or enhancing qualifications.

In addition, the NPAA has accorded high priority to creating and developing new and existing opportunities for educating elderly people, in order to support their active life and increase their employability. In order to achieve this objective, various actions have been taken:

- i. The national project on "Further Education and Adult Counselling as an Instrument for Better Applicability in the Labour Market" (finished in 2015) aims at increasing people's motivation to further education and at focusing education programmes on labour market requirements.

- ii. The National Lifelong Learning Institute organised a workshop on a draft law on lifelong learning with a target group of seniors in May 2015. The workshop was attended by representatives of the Association of Third Age Universities in the Slovak Republic; the Centre for Further Education of the University of Bratislava; and the Union of Retirees in the Slovak Republic. Parties agreed that encouraging specific types of education for the elderly will continue only in non-legislative form.
- iii. Valuable information on the real level of competencies of the adult population in the Slovak Republic has incorporated the results of the OECD Programme for the International Assessment of Adult Competencies (PIAAC), which pointed to promotion of digital literacy for older people as a number one priority. Improving digital skills and inclusion of disadvantaged individuals, including older people, can be seen in “eGovernment”.⁵ Everyone should have access to the benefits of eGovernment even if they do not have the best technologies or do not use them enough. This can be achieved by implementing and promoting assisted living and telemedicine technologies.

Action is also taken on an ongoing basis through co-operation between the Ministry of Labour, Social Affairs and Family of the Slovak Republic and the Central office for Labour, Social Affairs and Family which are proposing demand-oriented requests that respond to the current situation in the labour market through recognising the necessity for seniors to acquire new knowledge and skills.

3.2. Providing effective employment assistance to older jobseekers

Promoting an all-age mainstreaming activation approach

The Slovak Republic promotes an all-age mainstreaming approach that will facilitate and improve the transition of all unemployed persons – regardless of their age – to jobs, as well as specific programmes to maintain the employability of persons in the labour market.

Most active labour market programmes (ALMPs) have been implemented through national programmes funded with resources from the EU, more specifically from the European Social Fund (ESF, through “Operation Programme Employment and Social Inclusion”, and in the period 2014-2020 through “Operation Programme Human Resources”.

Targeting workers most at risk of long-term joblessness

A number of ALMPs are targeting disadvantaged groups of persons, including older workers. Older jobseekers typically experience very long-term unemployment, as half of them are listed in the unemployment register for more than 25 months. As from 2004, the Act on Employment Services stipulates that those services should provide specific assistance and support to older people (50+) with their job placement.

MoLSAF introduced into the governmental legislative plan 2017 a “Proposal of an Act on Social Economy”. The reason is to support social economy subjects by developing the appropriate legislative environment. “Social economy” represents a sector of the economy that carries out certain business activities but with the main goal of fulfilling certain social targets and not just achieving profit for owners. These social objectives (from an economic point, positive externalities) are to promote employment of the long-term unemployed and other disadvantaged groups of jobseekers, including persons 50+; to strengthen regional cohesion; to create social capital; and to promote active citizenship.

5. https://joinup.ec.europa.eu/sites/default/files/inline-files/eGovernment_in_Slovakia_March_2017_v2_00.pdf
(accessed 8 March 2018)

Providing employment/hiring subsidies to firms

There are different employment/hiring subsidies to firms with a special emphasis on disadvantaged jobseekers and the long-term unemployed, including older workers:

- i. The national programme “A Chance for Employment”, implemented in September 2015, pays a financial contribution to employers that create a job within defined areas of public employment for a period of at least three months. The work contract can be agreed for the period of three to nine months, or for an indefinite period. The financial contribution is provided for three to nine months. As of September 2016, a total of 11 864 disadvantaged jobseekers were supported by this measure and approximately 43% were aged over 50. Among them, 40% were listed as long-term unemployed.
- ii. The national programme “Way Out of the Unemployment Circle” provides a financial contribution to employers who take on a disadvantaged jobseeker for part-time or full-time employment for at least a period of 15 months or for an indefinite period of time. The financial contribution is provided to an employer for the maximum period of 12 months or 15 months, depending on the period the employed jobseeker was listed in the Register of Jobseekers. As of September 2016, 6 073 disadvantaged jobseekers were supported by this project, about 30% of whom were long-term unemployed aged over 50.
- iii. The national programme “We Want to Be Active on the Labour Market 50+” provides financial support that specifically targets older workers. The financial contribution is provided to an employer who takes on a disadvantaged jobseeker over 50 for at least 12 months, and covers the costs of compulsory public health insurance, social insurance and compulsory contributions towards old-age pension saving, normally all paid for by the employer. If the employer fails to comply with the time requirement, they are obliged to return a partial sum equivalent to the period they failed to meet the requirements. As of September 2016, 247 jobseekers were participating in this project: 32% were jobseekers listed in the Register of Jobseekers for less than three months, 27% for more than three but less than six months, and 22 % for more than seven but less than eleven months.
- iv. A contribution towards supporting the development of local and regional employment is provided to a municipality or a self-governing region that serves as employer of disadvantaged jobseekers older than 50 years of age; of jobseekers with less than secondary-level education; or of long-term unemployed jobseekers listed in the Register of Jobseekers for at least three months. In all three cases, work must cover at least half of the established weekly working time.

3.3. Enhancing job quality for older workers

Strengthening workplace safety and physical and mental health

According to OECD (2017b), rapid population ageing in the Slovak Republic puts increasing pressure on the health care system, which already suffers from a lack of efficiency and generates mediocre health care outcomes. The Occupational Safety and Health Protection Strategy in the Slovak Republic and the programme for its implementation until 2020 (hereinafter collectively the “OSHP Strategy”) are steps in the right direction. This strategy defines the basic goals and priorities and establishes the principal tasks in the OSHP area. The main goals of the OSHP Strategy include support for long-term sustainable decent work conditions; maintenance of the low number of occupational accidents achieved in 2012, especially fatal occupational accidents and accidents with lifelong consequences; the elimination of occupational health risks and hazards; and improvement of prevention and strengthening of the labour culture. The OSHP Strategy was prepared in connection with the established goals and instruments of EU strategy in the area of OSHP until 2020.

It is the responsibility of the employer to provide safe and healthy working conditions for the employees; all the costs thereof are borne by the employer. A strategy for occupational safety and health has to be elaborated, except for companies with ten or fewer employees.

Analysis and research are necessary for improving working conditions and reducing the number of occupational accidents, occupational diseases and other work-related health problems. For example, in 2013 the Institute for Labour and Family Research analysed ways to ensure higher effectiveness of older people at work, and proposed appropriate measures to be applied by employers for active ageing and improving safety and health at work for employees 50+.

Finally, the NPAA 2014-2020 includes particular measures for employees aged over 50. Under the measure titled “Non-discrimination, Safety and Healthy Working Conditions” involves controlling safety and health at work, with a particular focus on adequate working conditions (the ergonomic aspect). Such conditions include taking into account state of health, psychosocial load, and factors that cause stress and initiate health concerns.

Reducing the incidence of arduous/hazardous work

According to Gerbery and Bednárik (2016), in 2015 there were 101 474 people who performed AHW (approximately 4.1% of the employed population). In terms of risk factors, workers in AHW were affected mostly by excessive noise, chemicals, physical strain, biological factors and ionising radiation.

People performing AHW mostly have to rely on generally available end-of-career options designed for the whole workforce. Since they are more likely to be exposed to risk factors leading to accidents at work and occupational diseases, accident insurance plays an important role. This is the employer's insurance against health damage or death due to an accident at work or occupational disease. There are several cash and in-kind accident insurance benefits, but only a few can serve as a fully fledged end-of-career option. Injury annuity benefit represents one such option. People are entitled to injury annuity benefit if an occupational disease or a work accident has led to a significant reduction in work capacity. It is provided until (normal) retirement age or until early retirement is granted. Further, people with reduced work capacity due to an occupational disease or work accident may put in a claim for requalification if they are expected to become fit enough to return to work; this focuses on the acquisition of new knowledge and skills that will allow someone to engage in another work activity.

Balancing professional and family responsibilities

The issue of balancing work and the care responsibilities of older workers presents a very pressing issue under the changing models of work organisation and new labour market-related demands and trends. In general, family responsibilities and duties are considered and taken into account to a degree by employers in the Slovak Republic, mostly in relation to younger female workers caring for children. On the other hand, the lack of social/health services for elderly people in the Slovak Republic and pressing care responsibilities (elderly parents and family members) gradually created awareness of the need for better work-life balance and appropriate protection of older female workers. Toward that end, in accordance with the provisions of the Labour Code, at least phased retirement is possible in the Slovak Republic via reductions in working time.

Eurofound (2015) has moreover pointed to specific benefits introduced by companies – for example, the possibility of taking one or two days' leave, most often for taking care of a child or another dependent family member. Most of the employers who have taken this initiative believe in the importance of such an agenda and its contribution to staff loyalty as well as employee satisfaction. Examples of good practice (all in Bratislava) are:

- i. the IBM International Services Centre, which introduced various innovative practices such as mobile telework, work at home, job sharing, individual work time schedules and a condensed working week
- ii. ACCENTURE, which offers the services of a psychologist (paid for by the company) for employees in crisis situations at work or in their private lives
- iii. GlaxoSmithKline Slovakia, which has implemented creative, versatile and long-term support of reconciliation of work and family life, with targeted development of flexible forms of work organisation.

These examples notwithstanding, the fact remains that the concept of “work-life balance for older workers” in the Slovak Republic has only begun to be taken into account in the past few years. It is set to remain a topical issue in the years to come.

Table 1. Late Career Scoreboard, Slovak Republic, 2006 and 2016

| | Slovak Republic | | EU28 ^a | | OECD ^a | |
|---|-----------------|------|-------------------|------|-------------------|------|
| | 2006 | 2016 | 2006 | 2016 | 2006 | 2016 |
| Demographic situation | | | | | | |
| -- Old-age dependency ratio ^b | 0.18 | 0.23 | 0.28 | 0.32 | 0.23 | 0.28 |
| -- Effective labour force exit age ^c (years) | 59.2 | 60.8 | 62.0 | 63.4 | 63.6 | 65.1 |
| Men | | | | | | |
| Women | 55.1 | 59.5 | 60.5 | 62.0 | 62.3 | 63.6 |
| Employment | | | | | | |
| -- Employment rate, 50-74 (% of the age group) | 37.2 | 42.9 | 38.3 | 45.4 | 47.0 | 50.8 |
| of which 50-54 | 75.0 | 80.4 | 73.1 | 77.9 | 73.8 | 75.7 |
| 55-64 | 33.2 | 49.0 | 43.3 | 55.3 | 52.7 | 59.2 |
| 65-69 | 2.4 | 5.6 | 9.1 | 12.1 | 20.3 | 25.5 |
| 70-74 | 1.1 | 2.1 | 4.4 | 5.5 | 12.0 | 14.6 |
| -- Gender gap in employment, 55-64 ([men-women]/men) | 0.62 | 0.21 | 0.34 | 0.21 | 0.32 | 0.25 |
| Job characteristics | | | | | | |
| -- Incidence of part-time work, 55-64 (% of total employment in the age group) | 6.2 | 7.3 | 22.1 | 22.2 | 20.3 | 21.1 |
| of which voluntary 55-64 (% of part-time work in the age group) | 79.2 | 53.1 | 85.4 | 78.9 | 87.3 | 85.2 |
| Average number of weekly hours worked | 18.0 | 18.4 | 17.1 | 17.5 | 16.6 | 16.9 |
| -- Incidence of temporary work, 55-64 (% of employees in the age group) | 8.1 | 8.3 | 6.9 | 6.7 | 8.9 | 7.9 |
| -- Incidence of self-employment, 55-64 (% of total employment in the age group) | 14.6 | 16.1 | 24.1 | 19.7 | 38.0 | 32.8 |
| -- Full-time earnings, ^d 55-64 relative to 25-54 (ratio) | 0.96 | 0.94 | - | - | 1.09 | 1.10 |
| Dynamics | | | | | | |
| -- Retention rate ^e after 60 (% of employees t-5) | 21.6 | 31.9 | 37.1 | 48.8 | 40.3 | 50.3 |
| -- Hiring rate, ^f 55-64 (% of employees in the age group) | 8.6 | 7.5 | 6.1 | 5.8 | 9.2 | 9.1 |
| Joblessness | | | | | | |
| -- Unemployment rate, 55-64 (% of the labour force aged 55-64) | 9.7 | 9.0 | 6.1 | 6.4 | 4.3 | 4.6 |
| -- Incidence of long-term ^g unemployment, 55-64 (% of total unemployment in the age group) | 81.2 | 62.2 | 49.8 | 63.7 | 26.3 | 44.3 |
| -- Marginally attached workers, ^h 55-64 (% of population in the age group) | 2.6 | 1.2 | 2.4 | 1.9 | 1.2 | 1.2 |
| Employability | | | | | | |
| -- Share of 55-64 with tertiary education (% of population in the age group) | 13.3 | 13.9 | 17.2 | 22.9 | 20.0 | 26.2 |
| -- Participation in training, ⁱ 55-74 (% of employed in the age group) | 4.1 | 1.9 | - | 8.5 | - | - |
| Relative to employed persons aged 25-54 (ratio) | 0.77 | 0.56 | - | 0.66 | - | - |

a) Weighted averages with the exception of the share with tertiary education.

b) The ratio of the population aged 65 and over to the population aged 20-64.

c) Effective exit age over the five-year periods 2001-2006 and 2011-2016. The effective exit age (also called the effective age of retirement) is calculated as a weighted average of the exit ages of each five-year age cohort, starting with the cohort aged 40-44 at the first year, using absolute changes in the labour force participation rate of each cohort as weights.

d) Mean gross monthly earnings. Year 2006 refers to 2009 and 2016 to 2015.

e) All employees currently aged 60-64 with job tenure of five years or more as a percentage of all employees aged 55-59 five years previously. Year 2006 refers to 2008.

f) Employees aged 55-64 with job tenure of less than one year as a percentage of total employees.

g) Unemployed for more than one year.

h) Persons neither employed, nor actively looking for work, but willing to work and available for taking a job during the survey reference week.

i) Participation in formal and non-formal training in the last four weeks.

Source: OECD estimations from the *OECD Employment Database*, the *OECD Earnings Distribution Database*, *OECD Education at a Glance* and the *Eurostat Database on Education and Training*.

Table 2. Implementing ageing and employment policies in the Slovak Republic, 2007 to mid-2017

| | |
|---|----|
| 1. Rewarding work and later retirement | |
| 1.1. Enhancing incentives to continue working at an older age | |
| Raising the statutory age of retirement | ++ |
| Facilitating phased retirement | +? |
| Better combining of pensions (or partial pensions) and work income | + |
| Rewarding longer careers | ++ |
| 1.2. Towards restricted use of early retirement schemes | |
| Restricting access to publicly funded early retirement schemes | + |
| Introducing specific provisions for arduous/hazardous work | + |
| 1.3. Preventing welfare benefits from being used as alternative pathways to early retirement | |
| Unemployment (insurance and assistance) benefits | + |
| Social aid | + |
| Disability benefits | + |
| 2. Encouraging employers to retain and hire older workers | |
| 2.1. Preventing discrimination in employment on the basis of age | |
| Implementing current or new legislation | + |
| Launching public awareness campaigns | + |
| 2.2. Taking a balanced approach to employment protection by age | |
| Implementing age-neutral measures | + |
| 2.3. Discouraging mandatory retirement by employers | |
| By law in general and by sector/occupation, private/public sector, region | + |
| 2.4. Encouraging the social partners to implement better retention and hiring mechanisms targeted at older workers | |
| For all older workers | + |
| Review of the use of seniority wages | / |

| | |
|---|----|
| 2.5. Encouraging good practice in collective labour agreements and/or by individual employers/industries in managing an age-diverse workforce | |
| <i>For all older workers</i> | + |
| <i>Sharing knowledge and experience across different age groups</i> | / |
| 3. Promoting the employability of workers throughout their working lives | |
| 3.1. Enhancing participation in training by workers in their mid- to late careers | |
| <i>Providing guidance services</i> | + |
| <i>Promoting lifelong learning and development of the adult vocational education and training system</i> | ++ |
| 3.2. Providing effective employment assistance to older jobseekers | |
| <i>Promoting an all-age mainstreaming activation approach</i> | + |
| <i>Targeting workers most at risk of long-term joblessness</i> | + |
| <i>Providing employment/hiring subsidies to firms</i> | + |
| 3.3. Enhancing job quality for older workers | |
| <i>Strengthening workplace safety and physical and mental health</i> | + |
| <i>Reducing the incidence of arduous/hazardous work</i> | / |
| <i>Balancing professional and family responsibilities</i> | +? |
| ++ = Substantial action taken. + = Some action taken, but more could be done. +? = Some action taken, but requires further assessment. ? = Some action taken with negative impact. / = No relevant action taken. ✓ = No action needed. | |
| <i>Source:</i> Assessment based mainly on answers by the Slovak Republic to several OECD questionnaires. | |

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