

# **SALARY SYSTEM IN THE SLOVENIAN PUBLIC SECTOR**

**Slovenian Ministry of Public Administration**  
**[www.mju.gov.si](http://www.mju.gov.si)**

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**September 2011**

## BASIC INFORMATION

- new salary system in force since 2008
- Unified salary system for 160.000 employees – applicable to entire public sector
- Centralized salary system – central pay formation
- Social dialogue – negotiations at central level (30 unions representing public sector employees and government negotiating team)

## BASIC PRINCIPLES

- Equal pay for equal job
- Transparency of the salary system
- Wage incentives

## LEGAL FRAMEWORK

- Public sector Wage System Act (basic principles, pay scale (1-65 salary grades), basic criteria for classification of work posts into different salary grades, structure of pay, promotion, performance appraisal, the list of possible allowances, limitations regarding performance related pay)
- Collective Agreements (list of work posts with corresponding salary grades for different public sector areas: central public administration, health care, social care, culture, education, etc.; typical jobs, size of allowances/bonuses and criteria for PRP are stipulated by General Collective Agreement applicable for all public sector)
- Government Decrees (regulating salaries of the top management, salaries of the employees working abroad, additional payment for extra workload, performance appraisal procedure etc.)

## SALARY STRUCTURE

- Basic salary – salary grade
- Allowances / Bonuses
- PRP

# BASIC SALARY

- Basic salary for each work post is mostly stipulated by collective agreement regulating certain public sector area; e.g. Collective Agreement for Central Public Administration: Work post: Senior Adviser = salary grade: 33; Secretary = salary grade: 44; etc.
- Salary grades for holders of public function (functionary) are determined by law; e.g. Prime minister = (the highest) salary grade: 65; salary grades for directors are determined on the basis of criteria set out in government regulations with regulations of the competent ministers
- Catalogue of all posts in public sector with corresponding salary grades (the list of work posts, titles and functions according to the Public Sector Wage System Act, collective agreements and Government Decree) is published on the web site;
- The scale of basic salaries (salary grades from 1 to 65) is attached to the Public Sector Wage System Act.

## ALLOWANCES / BONUSES

- a position bonus (5 – 12% of the basic salary)
- a bonus for the active employment period
- a mentorship bonus
- a bonus for a specialisation, master's degree or doctorate, if such is not a condition for occupying the position
- a bonus for bilinguality
- bonuses for disadvantageous working conditions
- bonuses for dangers and special burdens
- bonuses for work during less convenient hours

# PRP

- For regular work performance - up to two basic monthly salaries per year
- +
- Work performance from increased work load) - up to 20% of basic salary



## OECD's RECOMMENDATIONS (I)

- Keep the central control necessary for ensuring coherency and transparency
- Aim further reforms at the development of a more flexible system with more room for managers to adapt salary structures to business needs
- Opt for an incremental reform strategy and abstain from a new big comprehensive reform
- Revise the present budgetary system and practices leading to a systematic use of top-down budgeting and the establishment of a coherent affordability restriction for decentralised setters

## OECD's RECOMMENDATIONS (II)

- Avoid using any form of automatic indexed salary adjustments
- Establish and empower a professional central public employer's office
- De-link personnel plans from budgeting by introducing affordability restrictions for decentralised HRM

## OECD's RECOMMENDATIONS (III)

- Reduce the present legislation on salaries and other employment conditions in order to increase the scope for the government and the managers of budget users to pursue active HRM
- Renew a constructive social dialogue with objective of restoring a mutually respected balance between the role of democratically elected government institutions, the role of the social partners and the place of freely agreed collective agreements.
- Opt for a two-tiered bargaining model of the type used in Nordic countries

# THANK YOU!

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