

## **PAY SYSTEM OF CIVIL OFFICERS IN SLOVENIA<sup>1</sup>**


**ABSTRACT:** The right to salary is the basic right of civil servants. The peculiarity of the salary system in the Republic of Slovenia is reflected in the fact that the salary system in the public sector refers to the entire public sector, which consists of budget users (state bodies and self-governing local communities, public funds, public agencies, public institutes and other subjects of public law that are indirect beneficiaries of the state budget or local community budget). The wage system in the public sector is based on the Law on the wage system in the public sector and the regulations and collective agreements adopted on its basis. The law on the wage system in the public sector establishes fundamental and unique rules for the functioning of the wage system and a unique methodology for the calculation and payment of wages for all public sector activities. In addition to the basic salary, under the conditions established by the normative framework, civil servants have the right to bonuses and part of the salary based on work performance. Part of the salary for work performance was also known in the previous salary system, but the regulations differed slightly in certain industries. The new system standardized the schedule and introduced three types of work performance. One of the basic principles of the current salary system in the public sector is precisely the principle

---

\* LLM, Teaching Assistant, Faculty of Law, University of Pristina – Kosovska Mitrovica, Serbia, e-mail: jovana.petrovic@pr.ac.rs

\*\* LLD, Assistant professor, The Faculty of Law for Commerce and Judiciary in Novi Sad, The University of Business Academy in Novi Sad, Serbia, e-mail: galic.bora@gmail.com

<sup>1</sup> The paper was written within the project of the Faculty of Law, which is financed by the Ministry of Education and Science of the Republic of Serbia.

 © 2023 by the authors. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

of salary incentives. In the paper, the author points out the positive effects of the introduction of the new payment system in the Republic of Slovenia, but also its shortcomings.

**Keywords:** *civil servants, official salaries, Slovenia, salary system.*

## 1. Introduction

The definition of the public sector, especially in terms of separation from the private sector, is not entirely clear in theory and practice. In general, the public sector could be defined as a set of all public organizations that perform social and economic public activities, whereby it is an activity that operates according to non-market principles, which is mainly reflected in their budget financing or financing from public funds. The public sector exists to meet the needs of communities and individuals that cannot be met by market mechanisms (Setnikar-Cankar, Klun & Pevcin, 2005, p. 136). The basic element of every organization is employees or their workplaces, which also applies to the public sector. The theory designates those persons who work in public administration as civil servants (Kristan & Bojnec, 2014, p. 39). It is characteristic of the public sector that the state intervenes intensively in determining wages, mainly for reasons of responsibility for the implementation of appropriate macroeconomic policy (Hacek & Baclija, 2007, p. 49). It is considered that salaries in the public sector have important reasons for special regulation under public law. If the salary system in the public sector were completely left to free public law regulation, it would mean that each employer could independently regulate salaries. This would mean that there would be no horizontal equality between public sector employees performing the same job in different institutions. Hegel believed that “civil servants should be adequately paid for their work, in order to create a professional and competent administration, which will be able to effectively perform public affairs above political interests” (Hegel & Knox, 1957, p. 294). Bentham, on the other hand, in accordance with the utilitarian philosophy of the state and law, paid more attention to the costs of public administration, emphasized the importance of honorable work and considered ways to minimize the costs allocated to salaries in public administration (Bentham, 1962). Discussions about payment systems continue today through these views of two great philosophers. In Slovenia, a unique system of wages in the public sector has been implemented, which contains rules for determining the wages of employees in the public sector (Virant, 2009, p. 28). However, the salary

system in the public sector of Slovenia is very complex and refers to the entire public sector that consists of budget users, both those who are direct users and those who are indirect users of the state budget or local community budget.

## **2. A brief review of the official system of the Republic of Slovenia**

The Republic of Slovenia has adopted a system of employee relations that contains elements of both the career and contract systems and has developed its own combined system of employee relations. This Slovenian solution is unique in the regional environment. In order for a person to be employed in the civil service, he must meet the requirement regarding the appropriate degree and education that is adequate for the career level. Probationary work is mandatory for a period of ten months at the beginning of the career, or for a period of six months if one starts working in a higher position. The law prescribes the recruitment procedure, the employer, that is, the state body, can decide at its discretion which of the three recruitment procedures to apply: an internal competition within a specific body, an internal competition in the entire administration or a public advertisement for a vacant position. An important feature of the Slovenian model is that employment is done on the basis of an employment contract. The decision on employment is at the discretion of the head of the state body, and it is possible to review it in court. Promotion in the civil service is based on the criteria of work successes and achievements.

The Slovenian Law on Public Servants recognizes a special category of public servants who work in state bodies and local self-government bodies. Within this category, the Law recognizes two groups: civil servants (*uradniki*) who perform administrative tasks, and professional-technical civil servants (*strokovno-tehnični javni uslužbenici*), who perform accompanying personnel and material-financial tasks. Pursuant to the provisions of Article 78, paragraph 1 of the Law on Public Servants, the positions of civil servants and professional-technical public servants in Slovenia are classified into the mentioned categories in accordance with the demands of the position, which refers to the demands of the job and the demands of working conditions and other circumstances that relate to working conditions.

All positions of civil servants have titles. When a civil servant is hired, that person is first appointed to the lowest position within the workplace (The Law on Public Servants, 2007). The Law on Public Servants established 16 positions within five categories of civil servants. Senior management jobs, that is, positions, represent a special group of official jobs. Pursuant to Article

80, paragraph 2 of the Law on Public Servants, civil servants in positions perform management, coordination and organization of work processes.

Senior administrative staff belong to the first instance. They are appointed to assist in the management and coordination of work in administrative bodies and administrative units, to manage organizational units in wider areas of work of administrative bodies, to manage administrative units and to perform the most demanding and specialized tasks. They are appointed by the Government of the Republic of Slovenia and must have appropriate education. They are proposed by the head of the administrative body, to whom they are responsible. Senior administrative workers in state bodies are the undersecretary, assistant chief, adviser to the chief and adviser to the Government of the Republic of Slovenia. The second level includes employees who perform professional tasks that ensure the performance of administrative functions in the field of work of administrative bodies. The administrative officer is appointed by the head of the administrative body. Second-level administrative staff are consultant, assistant, clerk, senior clerk, senior assistant, and senior advisor. The third level provides general, technical and other employment opportunities. This includes professional-technical employees hired by the head of the administrative body, to whom the employees are responsible. Employees belonging to the third level are senior professional associate, independent professional associate, financial officer, office clerk, administrative assistant, administrator and manipulator.

### 3. Payment system

In Slovenia, the Law on the Salary System in the Public Sector was adopted in 2008.<sup>2</sup> This law also regulates the salaries of civil servants and is a *lex specialis*. If an area is not regulated by official legislation and the Law on the Salary System in the Public Sector, the Law on Public Servants, the Law on State Administration and the Law on Labor Relations shall be applied suspensively. The Regulation on Salaries and Other Benefits of Civil Servants for Work Abroad applies to civil servants working abroad.

It is interesting that the Law on the Salary System in the Public Sector introduces a special method for determining the salary ratio between different

---

<sup>2</sup> The Law on the Salary System in the Public Sector was adopted in 2002, but until the actual use of the entire salary system in the public sector in practice (August 1, 2008), it underwent numerous changes and additions, which are the result of almost six years of coordination or negotiations with social partners on the entire normative framework of the salary system in the public sector.

groups of jobs in the public sector (The Law on the Salary System in the Public Sector, 2009), (e.g. state administration, health, education) based on the job classification method. It is about the so-called “reference” jobs (benchmark job), which “serve as a basis for determining the value of the job and the salary of the employee in the specified job in different sectors, in order to ensure the internal fairness of the salary system in the entire public sector” (Rabrenović, 2019, p. 95).

The common methodology is determined by a special collective agreement concluded between the government on the one hand and the representative trade union on the other. That methodology defined the rules for classifying jobs and titles into salary classes, taking into account the following criteria: the complexity of the work tasks or the conditions that must be met to acquire the title, required qualifications (required professional education, necessary additional knowledge and experience), responsibility and authority, psychophysical and psychological efforts and environmental influences (The Law on the Salary System in the Public Sector, 2009).

The salary system of civil servants in Slovenia is identical for all ministries. It determines the method of salary calculation, so Article 5 of this law specifies that the salary consists of a basic salary, an allowance for achievements and abilities, and a bonus. The employee’s work performance is evaluated on a monthly basis, during three months or twice a year, and the result of the work performance affects the amount of the bonus for achievements and abilities. When it comes to advancement, the criteria that are evaluated are the annual performance rating and length of service. At least three years must pass between two promotions. The basic salary is determined by classifying the job or title into one of the pay grades from the pay scale attached to the Law on the Pay System in the Public Sector. The value of salary grades is adjusted once a year during the planning of the national budget, taking into account the number of civil servants and officials in accordance with the adopted work program, their basic salaries with planned advancement, the level of salaries and allowances. It is important that the level of coordination is the same for civil servants and civil servants. Article 8 the Law on the Salary System in the Public Sector presents salary grades and levels of required professional education, with the explanation that the basic salaries of civil servants are also determined based on the classification of jobs and titles into salary grades. Salary grades express the degree of complexity of jobs and titles according to the required professional training or qualification, and the lowest possible salary grade without promotion for a particular salary grade continues to be determined by the collective agreement for the public sector.

In the event that a civil servant performs tasks with a lower professional qualification than prescribed, he has the right to a basic salary that is two salary grades lower than the basic salary of the job he performs. If a civil servant who performs such tasks has more than 23 years of service, he is entitled to a basic salary that is one pay grade lower than the basic salary of the job he performs (The Law on the Salary System in the Public Sector, 2009).

When determining the amount of the basic salary, already achieved advancements in salary grades are taken into account. When calculating the salary for work in Slovenia, the basic salary, work allowance, seniority allowance, permanent allowance, specialization allowance, master's or doctoral degree and bilingualism allowance are taken into account. The salary for work in Slovenia is changed if the civil servant advances during the transfer abroad or one of the allowances considered (Article 5. Regulation on salaries and other benefits of civil servants for work abroad). When accepting a job, transferring to another job, i.e. being appointed to a title or a higher title, a civil servant is classified in the salary grade in which the job position in which the civil servant entered the employment relationship is located, i.e. on which the employment relationship was based, or in the salary class in which the title to which he was appointed is classified. If, as a result of being transferred to a post or title in a higher salary grade, the civil servant would be placed in a lower or the same salary grade that he reached by promotion in the post or title before that transfer, the salary grade in the new post or title in such a way as to be paid the grade that has already been achieved in the position or title before the transfer or appointment is increased by one salary grade (The Law on the Salary System in the Public Sector, 2009).

### ***3.1. Advancement to a higher salary grade and earning a salary***

It should be emphasized that advancement in salary grades is based on the time the employee has spent at a certain workplace and a positive performance evaluation, as well as the opportunities the employee has for advancement in the salary system. An official who has the possibility of promotion to a higher rank can advance by five pay grades within his title, while an official who does not have the possibility of promotion to a higher rank can advance by ten pay grades. Officials can advance by one or two salary grades every three years, if they meet the conditions (The Law on the Salary System in the Public Sector, 2009).

The condition for promotion to a higher salary class of civil servants is the work performance shown during the promotion period. Work performance

is evaluated according to: work results, independence, creativity and accuracy in performing tasks, reliability in performing tasks, quality of cooperation and organization of work and other abilities related to performing tasks (The Law on the Salary System in the Public Sector, 2009). The Law on the Salary System in the Public Sector expressly states that the detailed conditions for evaluating employees in the state administration, local self-government and judicial institutions will be regulated by a Government decree (The Law on the Salary System in the Public Sector, 2009). Therefore, a civil servant, on the basis of the Law on the Salary System in the Public Sector, can be promoted to a higher salary grade in the workplace or in the title. This promotion is decided by the competent authority or manager. A civil servant can advance by one or two pay grades every three years if he meets the prescribed conditions. The promotion period is considered to be the time since the last promotion to a higher salary grade. For the promotion period, the time when the civil servant worked in jobs for which the same level of professional education is prescribed is taken into account. At least once a year, the competent authority or manager checks the fulfillment of the conditions for advancement. A civil servant or official who is promoted to a higher salary grade, title or higher title acquires the right to earn in accordance with the higher salary grade, title or higher title obtained on December 1 of the year in which he was promoted.

The purpose of introducing promotion was to introduce a difference in the salaries of civil servants at the same workplace depending on work experience, competencies and achieved work results, which are of such a nature as to justify a permanent increase in the basic salary, not just an occasional variable reward.

#### **4. Transparency of the wage system**

Regarding the implementation of the principle of ensuring the transparency of the salary system, it can be concluded that the Law on the Public Sector Salary System and past practice show that the system is transparent and that the law has fully achieved its purpose in relation to this principle. Publicity of wages is guaranteed (The Law on the Salary System in the Public Sector, 2009), and various analyses related to wages in the public sector are published on the website of the ministry responsible for wages in the public sector.

The Slovenian Ministry of Public Administration pays special attention to providing support to budget users to successfully implement the system, as well as ensuring the transparency of the system for the general public. To this end, the sector of the Ministry of Wages has established a website on wages

in the public sector, which publishes information on current regulations and collective agreements, the latest explanations regarding wages, a catalog of jobs, etc. Special attention is paid to methodological support for users through the “Salary Portal” internet application (Portal plač javnega sektorja, 2023), which provides an overview and analysis of data on salaries of employees in the public sector. Finally, the Ministry of Public Administration established the National Open Data Portal of Slovenia, based on the EU directive on open data and reuse of information in the public sector (Directive 2013/37/EU amending Directive 2003/ 98/EC on the re-use of public sector information Text with EEA relevance), which publishes data on the situation in the public sector, including data on employee salaries, i.e. gross wages paid to employees for full-time or part-time work, as well as for overtime, on-call and salary compensation at the expense of the employer.<sup>3</sup>

An important source of ensuring the transparency of the salary system is the catalog of functions, jobs and titles, which is a list of functions, jobs and titles in the public sector. The catalog is published by the ministry responsible for the salary system in the public sector and includes functions, jobs and titles for all salary subgroups, from A1 to J3. The catalog is not a legal document, but a list that includes: function serial number, position and title, function or job code, function or position title, job grade, title code, title title, salary grade of the function, job or title without promotion, the highest salary grade of a function, position or title that can be achieved through promotion.

The catalog must contain all functions defined by the Social Insurance Institution, jobs and titles defined by collective agreements, jobs and titles defined by regulations and general acts of the employer. The catalog cannot be changed without first changing the mentioned acts, because it is only the resulting list of what has already been agreed at the normative level. Such an arrangement prevents any unilateral interference in the set of functions, positions and titles, as well as in pay grades. To include e.g. new workplace/ title in the list, therefore it is necessary to change the collective agreement (negotiations), regulation or general act (coordination with social partners), taking into account the provisions of Article 13 of the Labor and Social Welfare Act, which determines the way of classifying jobs/titles into salary classes.

The catalog is published on the website of the Ministry in charge of salary affairs in the public sector and allows interested parties to quickly view the scope of all existing jobs with the associated pay grades, which show data

---

<sup>3</sup> Read more at Ministrstvo za javno upravo, 2023.



on the lowest and highest possible basic salary that an employee can receive for performing work at a certain workplace.<sup>4</sup>

Although the new salary system, by establishing uniform rules related to the regulation of salaries for the entire public sector, introduced order and greater transparency into the salary system, including in terms of the calculation and payment of salaries and the provision of salaries to the public of civil servants and officials, on the other hand, a certain rigidity of this system is evident, which makes it difficult for budget users to adapt to the changing influences (requirements) of the environment. As also emerges from the OECD study on the salary system in the public sector of Slovenia, the salary system allows management too little autonomy to plan e.g. jobs, personnel policy, employee reward policy or determination of their salaries depending on work results, etc. The problem of system rigidity or lack of flexibility manifests both at the level of system operation and at the level of determining the individual salary of an employee. Considering the built-in automations and the relatively small room for maneuver to influence the determination of employees' wages, the question of the scope and mechanisms of sanctioning responsibility also arises. Expectations regarding responsibility may be higher if the area of decision-making autonomy is also greater, and conversely, management cannot be expected to be responsible for the entire scope of business if there is not a possibility of decision-making autonomy or influence on business.

## 5. Conclusion

The Law on the Salary System in the Public Sector of Slovenia stipulates that salary consists of three parts: basic salary, performance bonus and salary supplements. The basic salary is determined by the salary class in which the workplace or title is located and the number of promotions, i.e. the basic salaries of civil servants are the result of the classification of jobs into salary classes and the promotions achieved by civil servants in the workplace or in

---

<sup>4</sup> If, for example, in state administration bodies, due to a change in legal regulations, a new position must be included in the set of positions, then this position is first defined by the regulation on internal organization, systematization, positions and titles in state administration bodies and judicial bodies (with a job description and conditions for the performance of work), while to determine the salary grade of this position, it is necessary to amend the corresponding collective agreement, since jobs in state administration bodies are classified into salary grades by the collective, by agreement and not by Government regulation (the exception is soldiers – salary subgroup C4, which are classified according to the regulation and jobs in the field of security and intelligence services, which are classified into pay grades by an act of the authority).

the title. The basic salary represents a fixed part of the salary that the official receives in a particular position or title and depends on the criteria of the complexity of the job and the classification of the civil servant in a certain salary class. Allowances are a reflection of working conditions, where some allowances are related to the personal circumstances of a particular employee, and most allowances are paid depending on the conditions in which a certain job is performed (e.g. allowance for working at night, allowance for less favorable working conditions, allowance for hazards and special loads, overtime allowance, etc.).

One of the key issues that should be resolved in relation to the salary system in the public sector is the establishment of a clear boundary between the necessity of uniform and centrally set rules for the functioning of the salary system and the necessity of providing the necessary autonomy to the management, in order to optimize personnel and financial resources within the available resources and in general, the business of budget users. In any case, a prerequisite for the establishment of greater autonomy of persons otherwise responsible for the operations of budget users is the deregulation of the salary system, which will increase the role and responsibility of management due to a smaller scope of normative regulation.

***Petrović T. Jovana***

Pravni fakultet, Univerzitet u Prištini – Kosovska Mitrovica, Srbija

***Galić M. Borislav***

Pravni fakultet za privredu i pravosuđe u Novom Sadu, Univerzitet Privredna akademija u Novom Sadu, Srbija

## **PLATNI SISTEM DRŽAVNIH SLUŽBENIKA U SLOVENIJI**

**REZIME:** Osobenost platnog sistema u Republici Sloveniji ogleda se u tome da se sistem plata u javnom sektoru odnosi na ceo javni sektor koji čine korisnici budžeta (državni organi i samoupravne lokalne zajednice, javni fondovi, javne agencije, javni zavodi i drugi subjekti javnog prava koji su indirektni korisnici državnog budžeta ili budžeta lokalne zajednice). Sistem plata u javnom sektoru zasniva se

na Zakonu o sistemu plata u javnom sektoru i propisima i kolektivnim ugovorima donetim na osnovu njega. Zakonom o sistemu plata u javnom sektoru se utvrđuju temeljna i jedinstvena pravila za funkcionisanje sistema plata i jedinstvena metodologija za obračun i isplatu plata za sve delatnosti javnog sektora. Pored osnovne zarade, pod uslovima utvrđenim normativnim okvirom, državni službenici imaju pravo na bonuse i deo zarade po osnovu radnog učinka. Deo zarade za radni učinak bio je poznat i u prethodnom sistemu plata, ali se regulativa u pojedinim delatnostima neznatno razlikovala. Novi sistem je ujednačio raspored i uveo tri vrste radnog učinka. Jedan od osnovnih principa važećeg sistema plata u javnom sektoru je upravo princip podsticaja zarada. U radu autor ukazuje na pozitivne efekte uvođenja novog platnog sistema u Republici Sloveniji, ali i na nedostatke istog.

**Ključne reči:** državni službenici, službeničke plate, Slovenija, platni sistem.

## References

1. Bentham, J. (1962). *The Works of Jeremy Bentham*. New York: Russell & Russell
2. Biblija, V. (2018). Reforma državne uprave putem stručnog usavršavanja i osposobljavanja državnih službenika [Reform of state administration through professional development and training of civil servants]. *Pravni život*, 67(10), pp. 317-330
3. Virant, G. (2019). *Javna uprava [Public administration]*. Ljubljana: Fakulteta za upravo
4. Haček, M., & Bačlija, I. (2007). *Sodobni uslužbenški sistemi [Modern staff systems]*. Ljubljana: Fakulteta za družbene vede
5. Hegel, G. W. F., & Knox, T. M. (1957). *Hegel's Philosophy of right*. Oxford: Clarendon Press
6. Kristan, S., & Bojnec, Š. (2014). *Plačni sistem v javnem sektorju gozdarstva [Salary system in the public sector of forestry]*. Ljubljana: Fakulteta za management
7. Ministrstvo za javno upravo (2023). Odprti podatki Slovenije [Open data of Slovenia]. Downloaded 2023, January 12 from <https://podatki.gov.si/dataset/najvisja-izplacila-v-javnem-sektorju-po-mesecih>
8. Portal plač javnega sektorja [Public sector salary portal], Downloaded 2023, January 12 from <http://www.pportal.gov.si>

9. Rabrenović, A. (2019). *Evropski sistemi plata i nagrađivanja državnih službenika* [European salary and remuneration systems for civil servants]. Beograd: Institut za uporedno pravo
10. Setnikar-Cankar, S., Klun, M., & Pevcin, P. (2005). *Ekonomika javnega sektorja in proračunsko financiranje* [Public Sector Economics and Budget Financing]. Ljubljana: Fakulteta za upravo
11. Zakon o sistemu plač v javnem sektorju [Law on the Public Sector Salary System]. *Uradni list RS*, št. 108/09 – uradno prečiščeno besedilo, 13/10, 59/10, 85/10, 107/10, 35/11 – ORZSPJS49a, 27/12 – odl. US, 40/12 – ZUJF, 46/13, 25/14 – ZFU, 50/14, 95/14 – ZUPPJS15, 82/15, 23/17 – ZDOdv, 67/17, 84/18, 204/21
12. Zakon o javnih uslužbencih [Law on Civil Servants]. *Uradni list RS*, št. 63/07 – uradno prečiščeno besedilo, 65/08, 69/08 – ZTFI-A, 69/08 – ZZavar-E, 40/12 – ZUJF, 158/20 – ZIntPK-C, 203/20 – ZIUPOPdve, 202/21 – odl. US in 3/22 – ZDeb