

SITUATION OF FREELANCERS IN SLOVENIA

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In Slovenia freelancers are not considered workers but employers or self-employed. Therefore they are not subject to Labour legislation but to Civil and obligatory law. The wages and work conditions are negotiated individually and submit to market competition. Creative workers get state subsidy for social security when they earn less than € 21.000 per year. The subsidy covers minimal social security. Freelancers realise that when they are about to retire with minimal pension. As employers, they have to cover themselves first 30 working days of sick leave and then they receive minimal reimbursement from social security found for limited time.

As they act as independent contractors, all provisions on training and education are on they own.

Labour market in Slovenia consists of full time and part time employees, self-employed and students. Self-employed or freelancers are in the worst competitive position.

Employed workers are covered by labour law and collective agreements and therefore protected. Investment in their education and training is on employer's side as well as sick leave, holydays, travel and food expenses and other provisions. These expenses are employer's business expenses as the cost of work cut from his gross income before taxes.

Students work cost is extremely low as it is considered student income to fill the gap and improve their living while studying. There are no social security provisions which represent 48% of gross wage and practically no other cost for employer but student agency provision of 10%. The institute of student work is widely exploited and misused as there is no effective control. Actually a lot of workers uses student work to get job and pays 10% to the student who gives him a paper. Even employees use this mechanism to earn extra money for additional tasks. There are no exceptions in ministers, government bodies and state institutions.

Freelancers are in the position to compete students cost of work and carry all the expenses as employers and employees. That includes accounting and legal fees, headquarters costs, training, investments in equipment, taxes etc. We calculated these expenses reaches 52% on gross wage of the employee in the same rang.

The situation gets even worse if we consider that freelancers in culture sector deals with institutions and organisations that gets state subsidy for their production. Therefore they are not entirely on free market and the quality of their outcome is not essential. This makes unequal situation in negotiating freelance contract as professionalism and quality doesn't matter but only lower cost of work. In this way we have already lost a number of professionals and what is more worrying professional skills and knowledge.

In 2009 a project group at the Ministry of Culture was formed. It carried out an analysis on expenses of the self – employed and its' social status in 2010. On this basis SUKI has proposed draft Act on self – employed in culture sector (see attached SPK Act) in March 2011.

RECENT TREND:

Freelancers adapted to the situation that lasted last twenty years and is legacy of old socialist system where everybody had the right to job but freelancers were expelled from that workers' paradise.

In recent time freelancers are establishing private institutions as this is the only way to apply for state funding. On the other hand these freelancers are working for their institutions for free perhaps even without contract and it seems they expect other freelancers would do the same as the goal is production of creative ideas and its' realisation. Being paid for artistic work became shameful as alternative culture stands beyond commercialisation.

It was also heard that freelancers working for public institutions claim higher fees to compensate their free work for private institutions. Social dumping became widely acceptable attitude.

It can be spotted that freelancers are rather scared of any changes even it's clear that present situation is not sustainable. Since they found their way to survive in this hostile landscape they would have to adapt to something new and that's energy consuming no matter if conditions would improve.

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