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Factsheet for case SI-2020-11/445

Monthly basic income for self-employed

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Country	Slovenia, applies nationwide
Time period	Temporary, 13 March 2020 - 31 May 2020
Type	Legislation or other statutory regulation
Category	Income protection beyond short-time work – Extensions of income support to workers not covered by any kind of protection scheme
Case created	10 April 2020 (updated 05 May 2020)

Background information

The legal provisions contained in the 'Intervention measures to mitigate the effects of the SARS-CoV-2 (COVID-19) infectious disease epidemic on citizens and the economy Act (ZIUZEOP)' endows self-employed, clerics and farmers, who cannot carry out their activities or that can do it on a much smaller scale, with the right to a basic income for the time of the epidemic. Those ones concerned are eligible if they prove that their income declined during the crisis and if they have no outstanding debt with Financial Administration.

Content of measure

Monthly basic income is determined at € 50 for March and €700 for April and May 2020. Eligible persons have to make a request to the Financial Administration in which they demonstrate a 25% lower income in March than in February and 50% lower income in April and May than in February. Later on, beneficiaries will have to return support received if in the first half of 2020 their income exceeds 80% of the income in the same period of 2019, and if in the second half of 2020 it exceeds 120% of the income in the same period of 2019. The financial administration is appointed to manage claims for basic income. The measure addresses self-employed, clerics and farmers who have no other insurance deriving from other types of employment. The measure is limited to the period between 13 March and 31 May 2020. After 31 May no new claims will be possible.

Use of measure

While the law (ZIUZEOP) was in under discussion in the Parliament, non-governmental organizations proposed that the referential period should not be one month (February), but a more extended period (six months, one year or more years). The argument was that this rule is going to exclude many self-employed persons, as they typically receive their fees irregularly and many may have no money inflows in February. None of their proposals was integrated into the final law.

Two cultural organizations (the Association of Slovene Film Directors and the Association of Cultural Workers) organized on-line surveys on how many of their self-employed members do not qualify for monthly basic income. An on-line survey of the first association showed that 84% of film directors and screenwriters are not eligible, while the other association came up with the figure of one-quarter of respondents. It is mainly due to the irregularity of their income and the fact that the government has suspended the payment of subsidies to the already done or agreed work (Association of Slovene Film Directors, email, 13 April 2020). These associations stress that not eligible is the most socio-economically deprived group of self-employed.

Actors, target groups and funding

Actors	Target groups	Funding
National government	Self-employed	National funds

Social partners

Role of social partners	Consulted
Form of involvement	Other

Trade unions and employer organizations have submitted proposals to the law. Employer organizations had no remarks linked to this measure. The Chamber of Craft and Small Business of Slovenia expressed its concerns about February 2020 as a referential period. Trade unions proposed that eligible persons prove 25% lower income in January-April 2020 than in January-April 2019. The proposal was not accepted. The law was adopted under an accelerated procedure with no involvement of the Economic and Social Council. Its functioning is momentarily blocked because the new government, which came to power on 13 March 2020, has not yet appointed its members in the Economic and Social Council.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 30 March 2020: The positions of the representative trade union confederation (www.zsss.si)
- 31 March 2020: The Chamber of Craft and Small Business of Slovenia, The right direction, but the law needs some change (www.ozs.si)
- 06 April 2020: Financial Administration, 'Preglednica ukrepov' [Table of measures] (www.gov.si)
- 10 April 2020: Intervention measures to mitigate the effects of the SARS-CoV-2 (COVID-19) infectious disease epidemic on citizens and the economy Act (ZIUZEOP)), Official Gazette RS, no. 49, 2020 (Zakon o interventnih ukrepih za zajezitev epidemije COVID-19 in omilitev njenih posledic za državljane in gospodarstvo (ZIUZEOP)) (www.pisrs.si)
- 11 April 2020: Maja Šučur, 'Na čigavi strani je ministrstvo' [On whose side is ministry], Dnevnik, 11 April 2020 (www.dnevnik.si)