

PROJECT “PUBLIC AND PRIVATE SERVICES: GUARANTEE OF QUALITY SYSTEM”

1. Legal system for securing quality in public services

Public employment services have been operating since 2004 in new institutional and legislative environment, which has created conditions for starting the process of their modernization and increase in efficiency and quality of provided services. In comparison with the previous legal status, there is an integration of employment and social services performance, separation of material and security function from functions of employment services related to placing job seekers on labour market, extension of the scope of employment services to other groups of job seekers on the labour market, creation of competitive environment on the market with employment services through development of private employment services, establishment of new active measures on labour market and financial mechanisms and aiming of such tools to disadvantaged segment of job seekers. Mentioned changes make new demands on system of work and procedures applied by public employment services in relation to the fulfilment of their direct role as mediator between demand and supply of work.

Public employment services occupy second place in the evaluation of methods used for looking for a job, immediately after the method of looking for a job through relatives and acquaintances. Job seekers, irrespective of gender and level of education, rely on the help of public employment services when looking for a job. The period of registration when looking for a job is a factor, which more significantly influences strategy of reliance on services of the Office of Labour, Social Affairs and Family. The rate of reliance on public employment services is higher in case of long-term registered unemployed persons in comparison to those registered in records of the Office for less than a year.

Certain changes in looking for a job according to surveys have been registered in more noticeable use of services of private employment services providers. In spite of growing trends in providing private employment services, extent of their use is lower in comparison to the use of public employment services.

Among **private job mediators** the biggest number is represented by fee charged mediators of employment (hereinafter referred to as “FME”). Part of them has been performing activities in the course of the 2005 on the basis of a licence issued by National Labour Office pursuant to the NR SR Act No. 387/1996 Coll. on Employment, as amended, final effect of these licences terminated on 31 December 2005. Some of them continued in performance of fee charged mediation of employment on the basis of a new licence issued by the Office of Labour, Social Affairs and Family (hereinafter referred to as the “Centre”) pursuant to the Act on Employment Services. The growth of the number of FME has been notified in 2004 and continued also in 2005. More favourable conditions for mediators have been created in particular by extension of the labour market, job opportunities after the Accession of the Slovak Republic to the European Union on May 1, 2005.

Legal regulations for the activity of new type of agencies – agencies for temporary employing (hereinafter referred to as “ATE”) and agencies for supported employing were created by adopting the Act on Employment Services. Since 2004, in particular the interest for

the activity of ATE (i.e. personnel leasing) became more and more intensive. Several FME – primarily as legal persons – perform at the same time also the activity of ATE.

Within the meaning of the Act on Employment Services, agencies for supported employing (hereinafter referred to as “ASE”) provide services to clients, which are disabled citizens (DC), long-term unemployed citizens (UC) and employers interested in employing DC and UC or employing them. In 2005, the activity of ASE has been oriented more significantly on activities related to projects ESF and EQUAL, for which there have been provided financial means; these projects are at present in the process of approval.

Fee charged mediators of employment, agencies for temporary employing and agencies for supported employing may provide employment services as legal or natural persons under the conditions stated by the Act No. 5/2004 Coll. on Employment Services and on Amendment and Supplementation of Certain Acts as amended (hereinafter only the “Act on Employment Services”) and on the basis of a licence issued by the Central Office of Labour, Social Affairs and Family, in case of

- Fee charged mediation of employment
- Agencies for temporary employing
- Agencies for supported employing
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2. Systems for issuance of licences to private providers of services

Fee charged mediation of employment

Mediation of employment for a fee may be carried out by a legal person or by a natural person who was licensed for such activities by the Centre under the conditions established by the Act on Employment Services (hereinafter referred to as “the mediator”). For the purposes of this Act, carrying out the FME activities is considered a self-employment. The Centre shall issue the licence to fee charged mediation of employment for an indefinite period. On the basis of a written request of FME the Centre shall change, suspend, cancel or issue a duplicate of the licence to fee charged mediation of employment.

- Act No. 71/1967 Coll. on Administrative Proceedings governs the performance of activities pursuant to the Act on Employment Services (Administrative Procedure Code). The applicant shall pay the administrative fee without request for payment at submitting the application, with the maturity date as of the submission. The fee is related to performance of action or realization of proceeding.
 1. Revenue stamp
 2. Form of cash
 3. Non-cash form to the account of the Centre

In case of FME with cancelled licence for performance of activities on the basis of the proposal of:

- The competent tax office, having ascertained that a violation of legal regulations in the field of taxation has taken place,
- The competent Office, having ascertained that a violation of legal regulations in the field of employment services has taken place,
- The National Labour Inspectorate, having ascertained that a violation of labour law regulations and regulations in the field of occupational safety and health protection has taken place
- The citizen aggrieved in consequence of the mediator’s activities

the Centre shall issue the new licence for performance of FME at earliest after three years from cancellation of previous licence for performance of FME activities.

- A charge has to be paid for issuance of FME licence or a duplicate. Issuance of the licence to fee charged mediation of employment:
 - 1. For natural persons500 SKK
 - 2. For legal persons1 000 SKKExtension of validity of the licence to fee charged mediation of employment
 - 1. For natural persons 250 SKK
 - 2. For legal persons 500 SKKChange of the licence to fee charged mediation of employment
 - 1. For natural persons 250 SKK
 - 2. For legal persons 500 SKKIssuance of duplicate licences 100 SKK.

- Pursuant to the Act on Employment Services the mediator may perform the fee charged mediation of employment in case he/she has a blameless reputation, as minimum completed secondary education and has a licence for this activity. In case of legal person the blameless reputation condition and the condition of having at least completed secondary education shall be fulfilled by the person acting on behalf of the fee charged mediator of employment. For the purposes of fee charged mediation of employment, blameless reputation shall be proven by presentation of a statement of criminal records, predated 3 months at most.

- Legal person or natural person applying for issuance of a licence for fee charged mediation of employment (hereinafter referred to as the “Applicant”) shall submit the application to the Centre by post or personally at the filling room, and on respective form.

The application shall show the following particulars:

- a) In case of the legal person: name, registered office, identification number and type of economic activity; in case of the natural person: name, surname and permanent address,
- b) In case of the natural person: document in proof of the mediator’s education, in the case of legal person: document in proof of the education of the responsible individual,
- c) Range of employments mediated by the mediator,
- d) Territorial scope of the mediator’s mediating activities,
- e) Subjects cooperating with the mediator in his mediation of employment abroad,
- f) Address of the location of work within an fee charged employment mediation,
- g) The estimated sum payable fee charged mediation of employment,
- h) Range of cooperating subjects,
- i) Personnel securing the performance of FME,

The following documents shall be submitted with the application:

- 1. In case of the natural person, documents in proof of accomplished level of education and blameless reputation; in case of the legal person, documents in proof of accomplished level of education and blameless reputation of the responsible individual,
- 2. Project for performance of FME including calculation of estimated revenues and expenditures:
 - Project structure:

- I. Project manager
- II. Project name (FME)
- III. Project objectives
- IV. Project target groups (job seekers and persons interested in job, employers, offices for labour, social affairs and family, cooperating subjects in SR and abroad)
- V. Marketing information
- VI. Project forms, instruments and methods
- VII. Calculation of estimated revenues and expenses for the calendar year, or its part
- VIII. Calculation of estimated amount of payment for FME,
- IX. Project sources, for example human or financial resources
- X. Procedure for implementation of FME
- XI. Expected impact of FME activities on the situation on labour market, unemployment rate

3. Contract for lease of premises or document confirming ownership of premises
4. Demonstration of facilities for performance of FME,
5. If the mediator mediates the fee charged employment abroad, there shall be submitted template of written agreement on fee charged mediation of employment authorization for representing in the form of written power of attorney, if the applicant
6. Authorises a lawyer or other person with representation,
7. Document demonstrating payment of administrative fee.

The sum of payment for mediation of employment shall be negotiated between the mediator and legal person or natural person, for whom an employee is being mediated. The mediator may collect a fee from natural person for services connected to employment mediation (hereinafter referred to as “the fee”). The mediator may collect a lump sum payment, but not more than 20% of monthly wage or monthly salary agreed between the natural person and the employer in case the employment was mediated for at most six months; 30% of monthly wage or monthly salary at most, agreed between the natural person and the employer in case the employment has been mediated for more than six months. The mediator shall collect this fee only after the employment mediation.

Obligations and rights of the mediator of fee charged mediation of employment

- The mediator shall:
 1. Conclude written agreement with the citizen on the fee charged mediation of employment abroad, showing mainly the following particulars:
 - a) Name, address, identification number and type of economic activity of the foreign employer,
 - b) Duration of the employment,
 - c) Type of work, wage or salary, and other working conditions,
 - d) Methods and conditions of health insurance and social insurance,

- e) Scope of the mediator's responsibility for his failure to comply with the conditions of the agreement,
 - f) Sum of the fee payable for the mediation of employment.
2. The mediator shall inform the citizen for whom employment abroad is mediated about the rights and obligations linked to the employment abroad.
 3. When mediating the employment for abroad, to comply with legal provisions on FME valid in states for which the licence has been issued.
 4. To maintain a register of citizens for whom employment was fee charged mediated, showing mainly the following particulars:
 - a) Name, surname, date of birth, street and municipality or municipal district of the permanent residence address of the citizen whose employment was fee charged mediated,
 - b) Name, address, identification number and field of economic activities of the employer with whom an employment was fee charged mediated,
 - c) The state where employment was fee charged mediated,
 - d) Date of fee charged mediation of employment and duration of the fee charge mediated employment.
 5. Ensure protection of personal data pursuant to the NR SR Act No. 428/2002 Coll. on Protection of Personal Data.
 6. Generate conditions for the control of compliance with legal regulations in the field of employment services, and submit the required information and documents to the controlling authorities.
 7. Request in writing on extension of validity of licence for fee charged mediation of employment, issued after the January 1, 2004 by the Centre, issuance of duplicate licence or change of licence for fee charged mediation of employment.
 8. To comply with the sum of payment for mediation of employment negotiated between the mediator and legal person or natural person, for whom an employee is being mediated.
- The Centre may suspend the mediator's activities before lapse of validity of the licence for fee charged mediation of employment until removal of the faults, or cancel the licence by proposal of the authorities.

Agency for Temporary Employing

Pursuant to the Act on Employment Services the agency for temporary employing is a legal person or a natural person employing a citizen in an employment relationship (hereinafter referred to as "temporary employee") toward his/her temporary assignation to the using employer.

Legal or natural person may execute the activities of an agency for temporary employing if it is licensed by the Centre to execute the relevant activities. In accordance with the Act on Employment Services the competence of the Office of Labour, Social Affairs and Family comprises of establishment of ATE as needed. For the purposes of this Act carrying out the ATE activities is considered a self-employment. The Centre shall issue the licence for the activities of agency for temporary employment for an indefinite period. On the basis of a written request by ATE the Centre shall change, suspend, cancel or issue a duplicate of the licence for activities of ATE.

Act on Administrative Proceedings governs the performance of activities pursuant to the Act on Employment Services (Administrative Procedure Code). The administrative fees shall be

paid without request for payment and shall be due at submission related to performance of action or realization of proceeding, unless otherwise stated for individual items, i.e.:

1. Revenue stamp
2. Form of cash
3. Non-cash form to the account of the Centre

A charge has to be paid for issuance of licence for ATE, extension of licence for ATE issued by the Centre or issuance of duplicate licence.

d) Issuance of the licence to execute activities of an agency for temporary employing:

1. For natural persons 1 500 SKK
2. For legal persons 3 000 SKK

e) Extension of validity of the licence to execute activities of an agency for temporary employing

1. For natural persons 750 SKK
2. For legal persons 1,500 SKK

f) Change of the licence to execute activities of an agency for temporary employing

1. For natural persons 750 SKK
2. For legal persons 1 500 SKK

j) Issuance of duplicate licences stated under letters d) and f) 100 SKK

ATE of which the licence to execute activities of ATE has been cancelled on the basis of the proposal:

- The competent tax office, having ascertained that a violation of legal regulations in the field of taxation has taken place,
- The competent Office, having ascertained that a violation of legal regulations in the field of employment services has taken place,
- The National Labour Inspectorate, having ascertained that a violation of labour law regulations and regulations in the field of occupational safety and health protection has taken place
- The citizen aggrieved in consequence of the agency's activities

the Centre shall issue new permission for performance of ATE activities at earliest after three years from cancellation of previous permission for performance of ATE activities.

Pursuant to the Act on Employment Services, the activities of ATE may be carried out by:

1. **Natural person**, if he/she has a blameless reputation, completed secondary education at least, and that he/she is licensed to execute the relevant activities.

2. **Legal person**. In case of legal person the blameless reputation condition and the condition of having at least completed secondary education shall be fulfilled by the person acting on behalf of the agency for temporary employing. For the purposes of fee charged mediation of employment, blameless reputation shall be proven by presentation of a statement of criminal records, predated 3 months at most.

Legal person or natural person applying for issuance of licence to execute activities of agency for temporary employing (hereinafter referred to as "the Applicant") shall submit the application to the Centre by post or personally at the filling room, and in respective form.

The application shall show the following particulars:

- a) In case of the legal person: name, registered office, identification number and type of economic activity; in case of the natural person: name, surname, date of birth and address of permanent residence,
- b) In case of the natural person: document in proof of the mediator's education, in the case of legal person: document in proof of the education of the person acting on behalf of the legal persons,
- a) Territorial scope of activities to be performed by the legal person or natural person,
- d) Range of employments for which temporary employees would be assigned
- e) Address of the location of performance of ATE.

The following documents shall be submitted with the application:

1. In case of the **natural person**: there have to be submitted documents demonstrating accomplished level of education and blameless reputation, in case of **legal person**: there have to be submitted documents demonstrating achieved level of education and blameless reputation of a person acting on behalf of the legal person. Achieved education shall be proven by authentic copy of the document on education, blameless reputation shall be proven by presentation of a statement of criminal records, predated 3 months at most.
2. Project for execution of activities of ADZ including calculation of expected revenues and expenditures. Basic information on project serves as help for project elaboration:

I. Project manager

II Project name (ATE)

III Project objectives

IV Project target groups (job seekers and persons interested in job, employers, offices for labour, social affairs and family, cooperating subjects in SR and abroad)

V. Marketing information VI. Project forms, instruments and methods VII. Calculation of estimated revenues and expenses for the calendar year, or its part VIII. Project sources, for example human or financial resources IX. Procedure for implementation of ATE activities X. Expected impact of ATE activities on the situation on labour market, unemployment rate

3. Contract for lease of premises or document confirming ownership of premises.

4. Demonstration of facilities for performance of ATE activities, for example in the form of list of tangible fixed assets.

5. Range of subjects cooperating.

6. Personnel performing activities of ATE, stating name, surname, title, achieved education, specialization, and address of permanent residence of each member of the personnel.

7. Authorization for representing in the form of written power of attorney, if the applicant authorises a plenipotentiary with representation (lawyer or other person).

8. Written undertaking to comply with Article 58 of the NR SR Act No. 311/2001 Coll. of Labour Code.

9. Document demonstrating payment of administrative charges.

The agency for temporary employing is entitled to collect an agreed fee from the using employer for the temporary assignation of the temporary employee. **A fee shall not be collected from the temporary employee for his/her temporary assignation.**

The Centre shall consider comprehensively the application for issuance of licence to execute activities of ATE. In case the submission fails to comply with determined requisites, the

Centre shall help to the job seeker to remove within determined period. At the same time he shall inform him, that in this case he will stop the procedure.

Obligations of the Agency for Temporary Employing

1. To provide the temporary employee with protection related to working conditions and employment conditions.

2. To comply with Article 58 – temporary assignation of the NR SR Act. No 311/2001 Coll. of the Labour Code, as amended.

(1) The agency for temporary employing pursuant to a special regulation may agree in writing with the employee on assigning him/her temporarily to perform work at another legal person or natural person (hereinafter referred to as “using employer”).

(2) The agency for temporary employing shall undertake, in the employment contract concluded between the agency for temporary employing and the employee, to ensure temporary performance of work for the employee at the using employer, and shall agree on the conditions of employing.

(3) Written temporary assigning agreement concluded between the agency for temporary employing and the employee shall mainly include the name of registered office of the using employer, date of inception of the temporary assignation, agreed duration of the temporary assignation, type of work and location of performance of work, wage conditions and the conditions for unilateral termination of the performance of work before lapse of the specified duration of temporary assignation. The same particulars shall be included in the employment contract concluded between the agency for temporary employing and the employee, if the employment contract is concluded for a fixed term.

(4) The using employer to whom the employee was temporarily assigned shall, in the name of the agency for temporary employing, during the temporary assignation charge him with work tasks, organise, manage and check his work, issue instructions to this end, create favourable working conditions referring primarily to his working time and ensure safety and health protection at work equally as with other employees. Executive employees of the using employer may not execute legal action in the name of the agency for temporary employing, with respect to the temporarily assigned employee.

(5) During the temporary assignation the agency for temporary employing who temporarily assigned the employee shall provide the employee with wages, wage compensation and the reimbursement of travelling expenses. Working conditions and wage conditions of temporarily assigned employees must be equal to those of other employees of the using employer, who perform the same work as the temporarily assigned employee, taking into account his/her qualification and duration of professional experience (hereinafter referred to as “comparable employee”), unless regulated otherwise.

(6) Working conditions and employing conditions are defined as:

- a) Working time,
- b) Wage conditions,
- c) Occupational safety and health protection,
- d) Compensation for damages in case of an accident at work or occupational diseases,
- e) Compensation in case of insolvency and protection of claims of temporary employees,
- f) Maternity and parents’ protection,
- g) The right to collective bargaining.

(7) The wage conditions pursuant to paragraph 5 need not to be as favourable when applying to an employee assigned by the agency for temporary employing who fulfils tasks at the using employer less than six months and when applying to an employee who, while between two assignations, is paid by the agency for temporary employing.

(8) The wage conditions pursuant to paragraph 5 need not to be as favourable for the

employee assigned by the agency for temporary employing, providing that adequate protection of the temporarily assigned employee is guaranteed in the framework of the collective agreement.

(9) If the agency for temporary employing, who temporarily assigned the employee, compensated the employee for damage having occurred to him/her while performing work at the using employer or in direct connection therewith, shall be entitled to a refund by the using employer, unless agreeing otherwise with the latter.

(10) The temporary assignation shall terminate upon expiration of the period for which it was agreed. Prior to the expiration of this period, temporary assignation shall terminate by agreement of the parties to the employment relationship, or by unilateral termination by the participants on the basis of agreed conditions.

(11) The using employer shall submit to the agency for temporary employing information on the working conditions and employing conditions of the comparable employee at the using employer.

(12) The using employer, to whom the employee was assigned by the agency for temporary employing, shall

- a) Inform the temporary employees about all of his vacancies, in order to offer them the same opportunity for acquisition of permanent employment than to other employees,
- b) Ensure the temporary employees access to his social services, unless prevented by objective reasons,
- c) Enable the temporary employees the same access to education, as to his other employees,
- d) Provide information to employees' representatives about the use of temporary employees within informing about his employment situation.

(13) Temporary employees shall be taken in account for the purpose of employees' representatives election

3. Ensure protection of the temporary employee's personal data pursuant to the Act on Protection of Personal Data.

4. Enable exercising the right to freedom of association and right to collective bargaining by the temporary employee.

5. Enable access of the temporary employee to vocational education or acquisition of professional skills in order to enhance his/her employability, including while the temporary employee is still awaiting his/her temporary assignation to the using employer.

6. Establish conditions for the controlling authorities enabling them to control compliance with generally binding legal regulations in the field of employment services, and submit to them the required information and documents.

7. Submit annual reports of activities to the Centre.

8. The agency shall not execute deductions from the wage of the temporary employee, except for deductions specified pursuant to a special regulation.

Agency for Supported Employing

The activities of the agency for supported employing may be performed by legal person or natural person under the conditions stated by the Act on Employment Services, if it has a licence issued by the centre. For the purposes of this Act carrying out the ASE activities is considered a self-employment. The Centre shall issue the licence for the activities of agency for supported employment for an indefinite period.

- Act on Administrative Proceedings governs the performance of activities pursuant to the Act on Employment Services, as amended (Administrative Procedure Code).

- Pursuant to the Act on Administrative Charges, as amended, the administrative charges shall be paid without request for payment and shall be due at submission related to performance or realization of proceeding, unless otherwise stated for individual items, i.e.:
 1. Revenue stamp
 2. In cash directly to the treasury of the Centre,
 3. Non-cash form to deposit account of the Centre

A charge has to be paid for issuance of licence for ASE, extension of licence for ASE issued by the centre or issuance of duplicate licence:

Issuance of the licence to execute activities of an agency for supported employing

1. For natural persons 1 500 SKK
2. For legal persons 3 000 SKK

Change of the licence to execute activities of an agency for supported employing

1. For natural persons 750 SKK
2. For legal persons 1 500 SKK

Issuance of duplicate licences specified above 100 SKK

- For the purposes of this Act an agency for supported employing is defined as a legal person or natural person providing disabled citizens, long-term unemployed citizens and employers with service facilitating the acquisition or retention of an employment, or facilitating the acquisition of employees from among disabled citizens and long-term unemployed citizens (hereinafter referred to as “supported employing“).

The agency for supported employing executes the following main activities:

- (a) Provision of professional consultancy aimed to support and assistance in the acquisition and retention of jobs, advisory activities in the field of labour law and finance in connection with claims of disabled citizens arising from their disability, and provision of professional consultancy to long-term unemployed citizens at acquisition and retention of jobs,
- b) Identification of abilities and professional skills of disabled citizens and long-term unemployed citizens, taking the requirements of the labour market in account,
- c) Seeking out and mediating suitable employment for disabled citizens and for long-term unemployed citizens,
- d) Provision of professional consultancy to employers in the field of acquiring employees from among disabled citizens or long-term unemployed citizens, and of resolving problems during their employment,
- e) Selection of suitable disabled citizen or suitable long-term unemployed citizens for a job, based on the employer’s requirements and claims,
- f) Provision of professional consultancy to employers modifying at adjustment of the workplace and working conditions while employing specific disabled citizen pursuant to Article 9 (1)(a) of the Act on Employment.

- **Activities specified in paragraphs a) to f) may be executed by the agency for supported employing for the job seeker who is a disabled citizen or a long-term unemployed citizen, on the basis of written agreement with the competent Office for Labour, Social Affairs and Family (hereinafter referred to as “the Office”). The agency for supported employing may collect agreed payments from the employer for the**

execution of activities specified in paragraphs d) to f).

- In accordance with the Act on Employment Services the competence of the Office comprises of establishment of ASE as needed. The selection of an agency for supported employing by the Office is subject to special regulation – the Act on public procurement and on amending and supplementing certain acts, as amended by later legislation.

The written agreement of ASE with respective Office shall include in particular:

- a) Type of services provided by the agency for supported employing,
 - b) Number of job seekers who are disabled citizens and of job seekers who are long-term unemployed citizens, who will be provided with services by the agency for supported employing,
 - c) Date of commencement of the services and date of termination of the services,
 - d) Location of provision of the services,
 - e) Costs of the services,
 - f) Method of payment of the costs of services,
 - g) Commitment of the agency for supported employing to notify any change in the numbers of job seekers who are disabled citizens and of job seekers who are long-term unemployed citizens, receiving the services,
 - h) Method of documenting the costs linked to the provision of the supported employing services.
- Pursuant to the Act on Employment Services, the activities of ASE may be carried out by:
 1. **Natural person**, if he/she has a blameless reputation, completed secondary education at least, and that he/she is licensed to execute the relevant activities.
 2. **Legal person**. In case of legal person the blameless reputation condition and the condition of having at least completed secondary education shall be fulfilled by the person acting on behalf of the agency for supported employing. For the purposes of this Act, blameless reputation shall be proven by presentation of a statement of criminal records, predated 3 months at most.

Submission of the application for issuance of licence to execute activities of the agency for supported employing Legal person or natural person applying for issuance of licence to execute activities of agency for supported employing shall submit the application to the Centre by post or personally at the filling room, in respective form.

• **The application shall show the following particulars:**

- a) In case of the **legal person**: Name, registered office, identification number and type of economic activity; in case of the **natural person**: Name, surname and permanent address,
- b) In case of the **legal person**: Document in proof of the attained level of education of the individual acting on behalf of the legal persons, in case of a **natural person**: document in proof of the attained level education of the applicant,
- c) Territorial scope of activities to be performed by the agency for supported employing.

• **The application for the licence to execute activities of the agency for supported employing shall be accompanied with:**

- a) The project of activities of the agency for supported employing, including the calculation of estimated revenues and expenses, recommended basic information serving as a tool for project elaboration:

1. Project manager
 2. Project name
 3. Project objectives
 4. Project target groups
 5. Marketing information
 6. Project forms, instruments and methods
 7. Calculation of estimated revenues and expenses for the calendar year, or its part
 8. Project sources, for example human or financial resources
 9. Procedure of implementation of ASE activities
 10. Expected impact of ASE activities on the situation on labour market, unemployment rate,
- b) Contract for leasing or document on ownership of the applicable premises,
 - c) Proof of material conditions enabling to carry out the activities of the ASE, for example in the form of list of tangible fixed assets,
 - d) Range of cooperating subjects,
 - e) Human resources providing for the execution of activities by qualified employees.
 - f) Type of services to be provided by the ASE,
 - g) Address of the location of work of ASE.

• **The following documents shall be submitted with the application:**

1. In case of a **legal person**, there shall be submitted document proving the attained level of education and document proving blameless reputation of an individual acting on behalf of the legal person, in case the applicant is a **natural person**, he/she has to submit document proving the attained level of education and blameless reputation. Achieved education shall be proven by authentic copy of the document on education, blameless reputation shall be proven by presentation of a statement of criminal records, predated 3 months at most, or its authentic copy,
2. Authorization for representing in the form of written power of attorney, if the applicant authorises a plenipotentiary with representation (lawyer or other person).
3. Document demonstrating payment of administrative charges.

The Centre shall consider comprehensively the application for issuance of licence to execute activities of ASE. In case the submission fails to comply with determined requisites, the Centre shall help to the applicant to remove them within determined period. At the same time he shall inform him, that in this case he will stop the procedure.

The Centre shall issue the licence for the activities of agency for supported employment for an indefinite period.

On the basis of a written request the Centre shall change, suspend, cancel or issue a duplicate of the licence to execute activities of the agency for supported employing. The duplicate licence shall be issued by the Centre in case of a loss, robbery or depreciation of the licence to execute activities of ASE or in case of loss of document confirming the change, suspension or cancellation of licence to execute activities of ASE.

ASE of which the licence to execute the activities of ASE has been cancelled on the basis of the proposal of:

- The competent tax office, having ascertained that a violation of legal regulations in the field of taxation has taken place,

- The competent Office, having ascertained that a violation of legal regulations in the field of employment services has taken place,
- The National Labour Inspectorate, having ascertained that a violation of labour law regulations and regulations in the field of occupational safety and health protection has taken place
- The citizen aggrieved in consequence of the APZ's activities

the Centre shall issue the new licence for performance of ASE activities at earliest after three years from cancellation of previous permission for performance of ASE activities.

3. Subcontractor services for which there does not have to be issued a licence

In Slovakia there are no subcontractor services for which there does not have to be issued a licence.

4. Presentation of concrete examples and/or good practices

Fee charged mediation of employment

FME do not express essential reservations toward the valid legislation in this area. They pointed out certain problems related to the possibilities of more flexible change of valid licence for FME in case of extension of business contacts, their territorial scope or range of mediated employments, eventually other changes of valid licence. This "obstacle" has been removed by passing the amendatory act on employment services.

Part of the mediators evaluates the acceptance of regulation of MPSVR SR positively, this regulation increased fee for services related to employment mediation from the previous uniform amount (10%) to differentiated amount depending on the length of employment (20% for up to 6 months at most, 30% for more than 6 months at most from monthly wage or monthly salary).

Reservations of mediators relate to that part of the legal regulation according to which the mediator may pay a lump sum, i.e. may not collect any advance payment from the citizen (registration fee). As we already mentioned, in case the citizen is not bind by an advance payment, his interest for mediation is not binding and the mediator has expenses (losses) connected to providing the required employment and his client meanwhile either loses interest for employment or his interest was not serious. Advance payments collected by mediators in past, served to cover partially these expenses (losses). This is a reason for asking for reestablishment of this possibility. Results of control activities of mediators and notification of citizens confirm, that advance (advance payment, registration fee etc.) is still being collected in many cases.

Mediators express critical statements to boundedness to collect fees for acceptance of agreement between natural person and his/her employer because of difficulty when levying entitled charges. In many cases when the employment is mediated, the citizen without a serious reason fails to enter the job or enters to job, but he "forgets" to pay the fee for mediation of employment.

Average level of fees for services related to mediation of employment has been in the course of the 2005 around SKK 5000. But this sum arises only from the determined average fees; significant part of mediators did not mention the average fee for 2005 in the report. The lowest fee was in the amount of SKK 300, the highest in the amount of SKK 14 000 (the

amount of fee depends on the length of employment and monthly wage or salary). Some of the mediators state that they do not collect the fee for mediation from the citizen; their income represent fees of employers, eventually agencies for mediated labour force. Some of the mediators do not collect the fee for mediation from the job seekers. The fee for mediation in case of au pair has been around 600 SKK.

Cooperation with citizen – client of the mediator of fee charged mediation of employment

Significant part of employments (almost 75%) was mediated for abroad. In spite of this fact, mediators draw attention to at present insufficient knowledge of foreign languages of our citizens, many of them organize language courses to gain at least minimum knowledge of foreign languages required by foreign employers also for worker profession or auxiliary works (more than 87% of all mediated employees). Insufficient knowledge of foreign languages, but also lack of professionalism is a frequent obstacle for mediation of bigger number of employments. It is difficult to position unqualified labour force (representing significant potential in regions with higher unemployment rate). Certain critical conditions relate to labour discipline, excessive expectations of the Slovak citizens regarding income when working abroad (in particular in case of insufficient qualification), unwillingness to travel for work and failing to comply with the high labour demands of the foreign employer etc.

Mediators also mention, that they meet with considerable distrusts from the citizens caused by activities of illegal mediators in this area.

Agency for Temporary Employing

Knowledge, experience and problems with activities

Job seekers or citizens are looking for ATE on the basis of advertising with the following personal contacts. ATE create their own database of clients with characteristic for employee rating, they inform citizens about the possibilities and conditions of temporary employing at using employer. Clients of ATE are in particular job seekers, who are unemployed individuals and seek for the possibility of exercising at the labour market also in this form. Clients are also persons interested in employment who have decided by this way to change the employment, eventually there is a threat of loss of employment. The clients are various job seekers; each requires individual approach and explanation of matters. Employment in the form of ATE is more suitable for clients who do not have a large amount of financial means, which is required when looking for a job in the form of fee charged mediation of employment. Absence of knowledge of languages, non-orderliness, frequent sickness rate, fluctuation and insufficient interest to work negatively influence the temporary employment of citizens. Young people are not persistent in serial production. ATE evaluate interest for temporary employment from citizens as short-time solution for seeking for a “better job”.

Cooperation with employers, i.e. temporary users in care on temporarily assigned employees evaluate ATE as very good possibility, based on the business contracts. According to ATE the using employees endeavour to comply with agreed conditions. Negative experience is with employers in Czech Republic, who do not accept licences to execute activities for temporary employing issued in the Slovak Republic and require licence issued by the Ministry of Labour and Social Affairs of the Czech Republic.

Cooperation with trade unions is evaluated as non-problematic. The cooperation itself is given by specific situation, because within agencies there is a significant movement of employees. Agencies provide legal compensation for allowances, accommodation and pocket money, and this is a precondition for good relationship with trade unions.

From the side of state administrations the ATE would appreciate a better interpretation of legislation in the area of taxation of income in case of temporary employment abroad, since the workers at the tax offices do not provide sufficient information.

ATE see the obstacles within the meaning of valid legislation of the Act on travelling reimbursements: "Employer is entitled during temporary assignment for reimbursement in the extent and to the amount as in case of business trip, if he/she is temporarily assigned outside the municipality of the place of regular workplace or the movement, these reimbursements are not entitled for the employer, if he is assigned by the agency for temporary employing according to special regulation".

This provision disadvantages the employees assigned by ATE to the place of work execution, if the place of work execution is outside the registration office of ATE, or outside the residence of employee. There are also disadvantaged employees of companies, who fulfil work assignments on the basis on the contract for work and from this reason it raises claim for travelling reimbursement; this is impossible in case of employees of ATE within the meaning of above mentioned provision.

Suitable amendment of legislation should increase the motivation of a client of ATE to use services provided by ATE and thus contributing to possible decrease of unemployment.

Another negative feature in 2005 was the change of law, where the employer is obliged to register the employee to the Social insurance company one day before and to cancel it not later than termination of employment. To comply with these legal norms is in case of ATE more difficult, since there is a significant migration of employees, some of the citizens do not want to work and do not want to inform the employer about termination of employment. This is a reason why ATE require more appropriate time period for reporting and recalling employees to Social insurance company.

Obstacles for development of employment services through ATE in the Slovak Republic by existing agencies were not recorded. Significant obstacles were demonstrated when positioning to free employment places in the states of the European Union, who received restricting approach methods toward the citizens of the Slovak Republic when placing on the labour market.

Agencies for Supported Employment

Cooperation with employers

ASE cooperated with employers when employing disabled or long-term unemployed citizens, in consulting related to employment of disabled citizens, establishment of protected workshops or work places, with employers who do not fulfil obligatory rate of employment to disabled citizens, in advisory-consulting and information-consulting activities within the framework of activities stated in the Act on Employment Services. ASE addressed more than 500 employers. ASE use direct contact with employers with request to accept to employment of their clients, subsequently they agree the meeting, the aim of which is agreement of labour-law relation for the client of ASE.

ASE also state the fact that the employers do not show interest for offered education, motivation courses and assistance at selection of employees from the clients of ASE. They have prepared services focused on employers in 2006 and consider as necessary to make more intense their activities in this sphere.

Increase of quality of provided services – requirement, taken measures for achievement of goals

Offices of Labour, Social Affairs and Family and ASE reacted to this part only marginally. ASE see problems in realization of personal and virtual consultancy for immobile citizens, assistance to disabled citizens when filling the application, placing advertisements, looking for free job positions, low level of literacy of disabled citizens in the area of PC – low serviceability mainly in elder people. Also the number of required materials necessary for financial statement from projects demonstrates to be a problematic, which definitely have a negative impact on the quality of work of the client – insufficient time. It is necessary to improve financing of final users of the project, mainly in ESF – Fund of Social Development and EQUAL. Financial possibilities of ASE are limited, ASE are dependant on approved projects, requirement for more intense cooperation with offices and limiting the scope of cooperation, need of minimum financial security of ASE operation, contributions for promotion, since the responsibility for contact with job seeker lies on ASE, requirement for legislative basis of necessity of certification of remaining labour potential of disabled citizens. There is a requirement for education of workers of new ASE and in case of long-term unemployed citizens to strengthen self-confidence also by language and mathematic preparation, basic, ordinary skills considered by the company as standard, for example distinguishing geometrical shapes, colours, knowing weights and measures, speaking the official language. ASE showed interest at increasing the quality of provided services, they have prepared new projects focused on social and psychical training, orientation on the labour market, marketing of the labour market, communication skills, courses for accreditation, increase of quality of services by selection of qualified lecturers. ASE expressed a requirement for securing systematic financing of nongovernmental employment services with the aim to stabilize them personally and technically, to prefer projects focused on individual consulting of longer character in comparison to projects with mass participation, which is a proved procedure. ASE propose to realize intense and long-term public education of employers and their public responsibility at employing disabled citizens. ASE are interested at creating network of nongovernmental employment services, system of educational activities for nongovernmental employment services with the aim to improve the quality of provided services.

ASE use new forms of work with the client, they prepare video-curriculum for job seekers, comprising of photograph, personal data, education data, practice, characteristics and motivation. Each client is provided with individual attention within individual meeting, provision of information about possibilities of transport for work, place of recruitment, recruitment and interview.

Increase of acceptance of nongovernmental employment services – requirements of ASE

Employment services provided by nongovernmental employment services are directly related to increase of their quality. ASE expect to gain the possibility to show qualities and advantages and also to use them in sufficient extent with respect to experience, longer operation at the labour market. Further, ASE expect increase of acceptability of ASE by offices with demonstration of possibilities to use services of ASE by providing information to clients and from offices by provision of required information.

Insufficiency of financial means causes serious problems for execution of activities of ASE. To remove it, within the EQUAL in October 2005 ASE registered trademark CENTRUM ZAMESTNANOST (Employment Centre) with the aim to improve the quality of provided services. ASE created Forum of employment centres and the Slovak union of supported employing, which will comply with long-term quality of services and stated criteria - extent and scope of activities, professional readiness, place and technical equipment and education of the staff.

Cooperation with employers in SR and abroad

Mediators usually base the cooperation with employers in SR and abroad on the agreement on cooperation, which is a guarantee of compliance with conditions towards them, as well as towards clients – citizens. Mediators have expressed higher satisfaction with cooperation with foreign employers in spite of the fact, that they have higher demands on labour force. When placing a free working position, the Slovak employers prefer advertisements in media than cooperation with mediators, except for those having a long-term proven cooperation. Mediators draw an attention to certain problems with employers, who do not comply with working terms agreed within the mediation. An obstacle for mediation of employment abroad is a lengthy provision of residence permit, or other obstacles which make it more difficult for our citizens to enter the labour market in some member states of EU (including those, which declare that the labour market is opened for new member states). Labour force from eastern countries, as for example Ukraine, Georgia or Afghanistan represent a big competition in case of foreign employers. Mediators in boarder regions with Hungary positively evaluate placing of our citizens in supranational companies executing activities on the Hungarian territory.

Cooperation with mediating agencies in SR and abroad

The cooperation is being used for extension of offer of free working positions. Many mediators have concluded an Agreement on cooperation with mediating agencies abroad, which included assistance to clients as well as control of foreign employer. Some of the mediators have their own delegate in foreign mediating agency, or an individual representation in respective country. Some of the FME stated, that they are members of international organizations associating mediating agencies performing their activities in the respective area (for example au pair). Mediators consider a disadvantage at cooperation with foreign mediating agency apart from others also disproportion between remuneration gained by the foreign agency from the employer for labour force (700 EUR) and provision to be paid to the Slovak mediator (35 EUR).

5. Further possible development of the present situation in individual countries

The year of 2005 showed, that the fee charged mediators of employment, agencies for temporary employing and agencies for supported employing significantly contributed in 2005 to improve the situation on the labour market.

More favourable conditions for mediators have been created mainly by extension of the labour market and labour opportunities after the Accession of the Slovak Republic to the European Union on May 1, 2004. Passing the Act on Employment Services have laid legal basis and created conditions for the activity of new types of agencies: ATE and ASE. There has to be stated, that since 2004 we have registered increased interest in particular for the activity of ATE, i.e. the form of so called personnel leasing. The activity of ASE in 2005 orientated significantly to the activities connected to ESF and EQUAL projects.

The interest for the activities of FME, ATE and ASE are documented by comparing the number of licences issued in 2005 and in 2004, which has been conditioned mainly by more favourable legislative conditions (change of fee for services connected to mediation of the employment): in case of FME there have been issued 188 new licences in 2005 (113 in 2004), in case of ATE 139 new licences (74 in 2004), in case of ASE 17 new licences (14 in 2004). From this data obtained from reports on activities arises that in 2005 27 846 employments

were mediated through private mediators of employment, including temporary assignments, which in comparison with 2004 (22 899 employments, including temporary assignments) represents growth by more than 21%.

We may state that within the interest of deepening the cooperation of state authorities of employment services and private mediators of employment, as well as extension of possibilities to get suitable job for the SR citizens it is necessary to draw an increased attention in the following period in particular to informing of private mediators about general and in particular legal conditions for performance of activities through periodical methodological meetings. First methodological days took place at the beginning of 2006 for the biggest group of ATE, ASE and FMU with registered office in Bratislava and Trnava region; because of a big interest other meetings have been planned in other regions of the SR in subsequent period.

Mediators also state, that they meet with considerable distrusts from the citizens caused by activities of illegal mediators in this area. Distrust of some citizens towards FME, ATE and ASE arises in particular from information or direct experience with illegal mediators, detection and subsequent impact of which was allowed by passing the Act No. 82/2005 Coll. on illegal work and illegal employment. Several unserious agencies operating on the labour market without licence damage the good name and cooperation with clients in case of agencies having valid licence issued by the Centre and complying with valid legal norms in the area of employment mediation. Within the interest of protection of rights of the Slovak citizens, prevention of their damage, discoveries of violation of legal regulations by private mediators, in the future there is necessary to perform controlling activities by respective control authorities for employment services, as well as close cooperation with prosecution authorities when providing information related to damaged citizens.

Considering the future activities of private mediators of employment on our labour market, we propose to look for new legislative possibilities directed to arising of new agencies, increase of activities of existing private mediators providing employment services, by way of increasing motivation of their activities when mediating employment for the Slovak citizens on domestic and foreign labour market.