

Chapter 9



# Local Government in Slovenia

*by*

*Stanka Setnikar-Canka*

*Stane Vljaj*

*and*

*Maja Klun*

**Decentralization: Experiments and Reforms**



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# Local Government in Slovenia

*Stanka Setnikar-Canka, Stane Vljaj and Maja Klun<sup>1</sup>*

## 1. Legal and Constitutional Basis

The development of local democracy requires regulations that will support organizational, financial, material and territorial reforms in local self-government; local populations must manage their own affairs either directly or through bodies of local self-government. From the view of democratic management, it would be ideal for the people of a community to address their affairs directly—that is, to participate in all decision making. In practice, this is impossible in a modern local community as such issues are too various, complicated and frequent to include the entire population. If local self-government is to be democratic, however, it must respond to the needs of the local population. This is only possible if the population directly influences the formation of the most important local bodies—that is, representative bodies elected by the local community—which make the most important decisions on behalf of the inhabitants based on their interests. The operation of such self-government, the stabilization of relations among representative bodies and utilization of direct democracy is also vital.

The Constitution of the Republic of Slovenia establishes local government autonomy and states that its citizens exercise local government powers and functions through representative bodies and other organizations. The Law on Local Self-government, enacted in 1993 and revised six times since, defines the operations, rights and authority of local self-governments and their relationship to the state.

The constitution defines self-government on both municipal and regional levels, but to date only the former exists in practice. Laws creating regions as the second level of local self-government, regulating regional development and redefining the status of municipalities are in preparation. The areas of local self-government competence are defined and revised regularly through legislation that conforms with the European Charter of Local Self-government, which was ratified by Slovenia in 1996 and enacted in 1997.

### 1.1 Legal Basis for Self-government

The Constitution of the Republic of Slovenia protects the autonomy of local self-government and states that the Slovene people exercise such authority and functions through self-governing units (municipalities and regions). A municipality may comprise a single settlement or a number of settlements, the inhabitants of which are bound together by common needs and interests.

The Law on Establishing Municipalities and Determining Their Territory and the Law on Local Self-government stipulate that municipal councils, local community councils or citizens' assemblies must participate in decisions to change or create the territorial structure of a municipality. In accordance with the Law on Referendums and People's Initiatives, a municipality may be established following a local referendum that ascertains public opinion in the affected area. On the basis of initial research and the referendum, the National Assembly (parliament) legally recognizes such new administrative units and approves the demarcation of their territories.

A municipality generally has at least five thousand inhabitants, although exceptions may be made due to geographic location or for national, historical or economic reasons. In 1994, 147 new municipalities were established, and another 45 were added in 1998. Slovenia's administrative structure currently is comprised of 192 municipalities, eleven of which are urban municipalities. The breakdown of municipalities by population is presented in Annex 9.2.

Narrower constituencies of a municipality may be established on its territory (local, village and ward communities). Prior to establishing these subunits or altering their territories, the municipal council must determine by means of a town meeting or referendum the interests of the population of the areas in which a constituent part is to be created.

A municipality's duties include local matters affecting its inhabitants, which the municipality independently may determine. The state may invest such functions in municipalities and wider local self-government bodies through legislative acts, subject to their consent and to the provision of the financial means necessary for performing such duties. The constitution provides that the municipality may raise its own revenues. Municipalities that are unable to meet all required expenditures in performing their duties due to poor economic development are eligible for additional financial assistance from the state. The services provided by municipal local governments are presented in section 2.3.

The constitution also introduces the concept of "urban municipalities." The urban municipality is a compact settlement or group of settlements in a unified area where towns and villages are linked by the daily commuting of the population. A town or city may acquire the status of an urban municipality if it has at least twenty thousand inhabitants, is the place of employment of fifteen thousand individuals and is the geographic, economic and cultural center of the area. The National Assembly founds urban municipalities through legislative acts and determines their territories and names. Statistics on the number of urban municipalities in Slovenia and their populations are presented in Annex 9.2.

Specific duties and functions relating to urban development may be assigned by the state to urban municipalities (described in section 2.3). An urban municipality may perform regional administrative functions if so determined by the municipalities of the region. In addition to local matters of public importance, urban municipalities must also perform specific tasks that fall under national jurisdiction and that apply to the development of towns.

Finally, the Law on Local Self-government provides for the establishment of special status municipalities due to specific conditions with regard to location or level of development. Procedures for establishing such municipalities will be outlined in the Law for the Promotion of Regional Development, which is currently under preparation.

## 1.2 Legal Basis for Regional Self-government

As mentioned above, the constitution also provides for the establishment of regional self-government bodies. Such regional governments will be established on the basis of the Law on Regions, which is under preparation and which will introduce legal norms and procedures for founding regions and will facilitate their functioning. The Slovene government has submitted draft legislation to this effect to the National Assembly for preliminary review.

Regions will become the second level of local self-government and will serve as obligatory, multipurpose facilitators of cooperation among several municipal self-government bodies. In accordance with the constitution and the Law on Local Self-government, the region performs duties of wider interest determined by the municipalities themselves related to community services; economic, cultural and social development of the territory; and strengthening and developing local self-government. The region will also perform duties assigned by the state. The law on the transfer of duties from state jurisdiction to regional jurisdiction will determine the method of funding the implementation of these duties.

Currently, the constitution allows municipalities to independently and voluntarily form regions by integrating into communities or forming alliances of two or more municipalities in order to regulate and perform local tasks of broader interest.

## 1.3 Relationship between the State Administration and Local Government

There are fifty-eight state administrative units in Slovenia, which are territorial bodies with their own fields of operation, competence, functions and authority. They have jurisdiction over one or several municipalities with regard to competencies delegated by the state. Advisory committees are formed in order to ensure cooperation and coordination between municipal bodies and administrative units. Members of these committees are appointed and dismissed by municipal councils.

The Law on Administration and the Law on Local Self-government determine the competence of state authorities. Administrative units of the ministries at the local level monitor local communities in their own specialized areas. Ministries and state administrative units may comment on matters of municipal competence when an act is not in accordance with the constitution or law and may suggest an appropriate solution. If the municipal body fails to

harmonize its decision with such legislation, the supervisory body must advise the government to initiate proceedings with the Constitutional Court. The supervisory body, however, does not have the power to invalidate or amend decisions made by municipal bodies; this is possible only through the Constitutional Court or administrative courts. In some cases, the supervisory body may temporarily perform the duties of the municipal body in order to ensure the regular provision of civil services to its inhabitants.

The regulation of municipal bodies is different concerning duties assigned by the state. In such cases, ministries review the work of municipal bodies and ensure the appropriate and uninterrupted performance of state duties. In order to ensure quality, the supervisory body may dictate reorganization of the project, job conditions or other instructions. If the ministry discovers that the municipal body did not perform the duties invested in it, a decree is issued ordering the implementation of specific measures or, after issuing numerous warnings, the ministry advises the government to initiate procedures to withdraw duties assigned to the municipality. In such cases the municipality may appeal the allegations in court.

Monitoring the effectiveness of municipal bodies is primarily the responsibility of the mayor, as the official who proposes the most important municipal acts and administers the municipal budget. The mayor is obliged to ensure the lawfulness of his or her proposals and has the right to prevent the municipal council from issuing regulations that are unconstitutional or illegal. The municipal council also is responsible for ensuring the legality of its own actions.

A municipality may file an administrative dispute against a supervisory body if the municipality maintains that the supervising body has not acted legally or appropriately. The municipality may submit a request to the Constitutional Court to consider the constitutional and legal character of decisions and regulations issued by a state body if such legislation restricts its autonomy as defined by the constitution and law.

## 2. Local Politics, Decision Making

### 2.1 The System of Local Elections

The Law on Local Elections and the Law on Local Self-government regulate local elections. The former addresses procedures for the elections of municipal councils and mayors, regional councils and councils of town, village and ward communities. General municipal council elections are held every four years, although they may be called earlier. The president of the National Assembly announces regular elections, and the mayor calls early elections.

All inhabitants of a local community of legal age who are citizens of Slovenia have the right to vote. The election law establishes a majority electoral system for municipalities with less than

twelve council members and a proportional electoral system for municipalities with more than twelve council members. Citizens vote for individual candidates in accordance with the majority system, and for lists of candidates where the proportional system is utilized.

The council is the representative body of the municipality and is directly elected by inhabitants, in line with modern standards of democracy. In addition to the council, which makes the fundamental decisions in a municipality, the mayor, elected directly with a four-year mandate, also has the status of an official body of the municipality. The mayor is elected by simple majority. Since a candidate rarely receives the required majority in the first round of elections, a second round generally is held between the two candidates with the most votes. Candidates and lists of candidates can be endorsed by political parties or by the voters in an electoral unit.

The Law on Local Elections establishes that voters nominate candidates by petition or at voters assemblies. During the latter, candidates are selected after being proposed by voters. Each voter may propose at most the same number of candidates as there are seats on the council. Nominated individuals are selected if at least thirty citizens—or if the electoral unit has fewer than five hundred residents, at least fifteen citizens—voted at the assembly in the electoral unit.

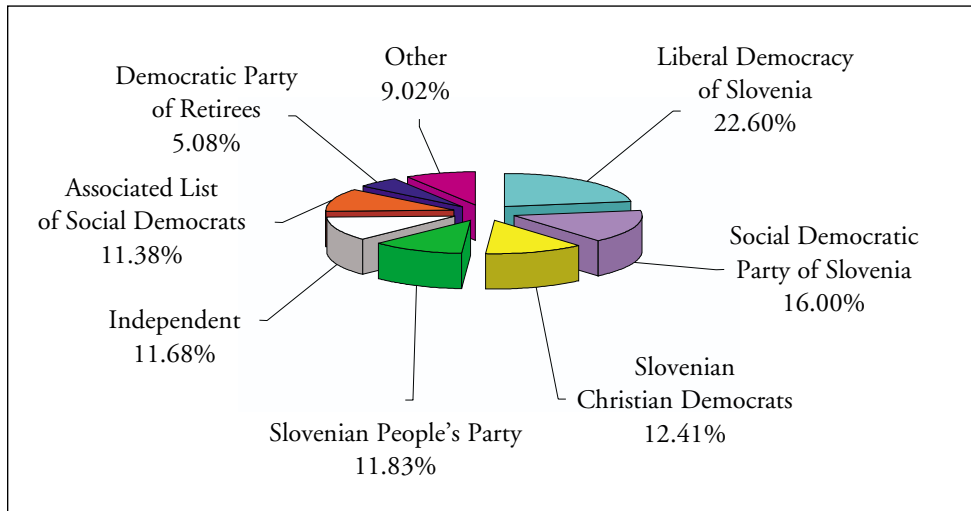
The Law on Local Self-government stipulates that the National Assembly may dissolve a municipal council and announce early elections if the council fails to achieve a quorum after being called at least three times in a six-month period, or if the municipal council fails to enact a budget for two consecutive years. Legislation also allows the National Assembly, on proposal of the government, to dissolve a municipal council in the event that it passes unconstitutional or illegal acts, fails to execute the rulings of competent courts, does not fulfill its legal duties or otherwise violates the law and fails to correct such violations.

A proposed amendment to the Law on Local Self-government would allow the National Assembly to relieve the mayor and deputy mayor of their duties and appoint a temporary manager in the event that a municipal council is dissolved. Until the election of the new bodies of the municipality, the temporary manager would conduct the responsibilities of the mayor. If a municipal council is dissolved, the National Assembly would announce early elections for the mayor and municipal council.

The Law on Political Parties regulates the financing of election campaigns and determines the method of providing financial support for parties, but not for individual candidates. According to the law, parties acquire funds from membership fees, private contributions from organizations and individuals, revenue from assets, donations and bequests and profits from the income of enterprises owned by a particular party. A party whose candidates are elected to the National Assembly is eligible for financial support. The cost of conducting local elections is otherwise covered by the municipalities. The Law on Election Campaigns regulates matters concerning campaigning through the public media and other forms of communication, organizing election rallies and financing election campaigns.

The term of office of elected members of the municipal council is four years. According to the law, resignation is possible, although procedures are not specified. Current legislation does not provide for the recall of the mayor or members of the municipal council.

*Figure 9.1*  
**Political Representation in Municipal Councils in Slovenia**



The political participation of both genders in Slovenia is not a question of “fair” representation but a matter of different perceptions and approaches. Women have the same rights as men to stand as candidates and establish themselves in politics. Nonetheless, women are represented poorly in politics. There is no regulation that establishes quotas for women in parliament or other bodies of authority.

## 2.2 Forms of Direct Democracy

The Constitution of the Republic of Slovenia and the Law on Local Self-government define the forms of citizen participation in decision making on local public affairs, including citizens’ assemblies, local referendums and people’s initiatives.

A citizens’ assembly is called, in accordance with municipal statutes, by the mayor, by the municipal council or the council of a constituent part of the municipality, or by five percent of the voters in a municipality or one of its constituent parts. In accordance with the law and the municipality’s statutes, citizens discuss individual matters in the competence of the municipality and make proposals or pass decisions at these assemblies.

Various types of referendum can be held in local communities. Preliminary referendums are called by the National Assembly to establish a municipality and define or alter its territory, change the name or seat of a municipality and establish regions. The municipal council may, following a request by voters, call an advisory referendum on an issue of special importance to the local community or on acts concerning the municipality's affairs, with the exception of those concerning the budget, municipal taxes and other duties. The outcome of a referendum is binding for all municipal bodies until the expiry of their mandates. All citizens who have the right to elect members of the municipal council have the right to participate in referendums. A decision is adopted by referendum if supported by a majority of those who voted.

The issuance or cancellation of a general act within the competence of the municipal council or other municipal bodies may be enacted through people's initiatives by no less than five percent of a municipality's voters. The body to which such an initiative is addressed must decide on the matter within the deadline defined by municipal statutes or no later than within three months.

### 2.3 Distribution of Powers among Different Levels of Local Government

The Law on Local Self-government clearly determines the responsibilities that are performed independently by the municipality. Such duties are defined in each municipality's statutes and by law. In addition to the duties performed by all municipalities, urban municipalities also have functions related to the development of the town or city.

The basic needs of the population that the municipality is obligated to address include:

- primary education;
- primary health care;
- provision of essential utilities;
- municipal services;
- postal and banking services;
- library facilities;
- premises for local administration;
- public transportation
- public space maintenance and use.

In addition to the duties of municipalities, those with city status must:

- regulate local public transportation;
- regulate public spaces and the construction of facilities;
- perform tasks in the area of geodesic services;
- administer a public network of primary, secondary, vocational and higher education institutions and libraries in their territories;
- ensure secondary public health service in their territories, including the administration of hospitals;

- provide a network of civil services;
- establish telecommunications centers and specialized information documentation centers, as well as local radio and television stations and press;
- support cultural activities (theaters, museums, archives) and sport and recreation facilities;
- administers all housing matters in accordance with the Housing Law, including maintenance of registers and contracts, monitoring of rents and issuance of construction permits and building inspections.

## 2.4 Internal Structure of Local Government Decision Making

Municipal bodies that exercise local self-government include the municipal council, the mayor, the supervisory board and the elections commission.

The municipal council is the highest decision-making body on all matters concerning the rights and duties of the municipality. The council passes general acts, approves the municipal budget and supervises the performance of the mayor and the municipal administration to ensure implementation of council decisions. The municipal council performs the following functions:

- adopts statutes, decrees and other municipal acts according to which the rights and obligations of organizations and individuals in the municipality are regulated;
- adopts land and other development plans;
- adopts the budget and final financial report of the municipality;
- gives consent when particular duties are transferred from state jurisdiction to the municipality;
- appoints and dismisses members of the supervisory committee, members of commissions and committees of the council, representatives of the municipality in the advisory committee of the head of the state local administrative unit and other representatives of the municipality in public enterprises, institutions, foundations, et cetera and appoints, upon proposal of the mayor, the deputy mayor(s) and the secretary of the municipal administration;
- communicates its opinion on the appointment of the head of the administrative unit;
- decides on the acquisition and divestment of municipal property (if the mayor is not authorized to do so by municipal act);
- decides on other matters determined by law and by the statutes of the municipality.

The municipal council is comprised of between seven and forty-five members proportionate to the number of inhabitants in the municipality who are elected by citizens on the basis of general and equal voting rights at free and direct elections by secret ballot. Members of municipal councils are elected according to the majority or proportional system depending on the number of members of the municipal council (the majority system applies in cases of up to twelve members, and the proportional system for more than twelve); representatives of minority communities are elected according to the majority system.

The mayor represents the municipality, and he or she is its legal representative. The mayor proposes the municipal budget, decrees and other acts within the jurisdiction of the council and is responsible for the implementation of council decisions. The mayor is the head of the municipal administration. On the basis of the Act on the Organization and Field of Operation of the Municipal Administration, the mayor determines the structure of the municipal administration, appoints and employs municipal administrative staff and organizes and heads the municipal office. Neither the mayor nor the municipal council has the right to demand the resignation of another municipal body.

The supervisory board regulates the management of municipal assets, ensures the purpose and efficiency of budgetary expenditures and monitors financial operations. Supervisory board members are appointed and dismissed by the council and may not be members of the council, municipal administrators, public employees or members of the management of budgetary organizations.

The council appoints the municipal elections commission, which is responsible for ensuring the legality of municipal council elections, approving candidates, establishing polling stations, appointing elections boards, assessing election results, et cetera.

## 2.5 Ethnic Issues, Multicultural Government

Due to the constitutional provisions on representation of members of recognized ethnic communities, the law on Local Self-government stipulates that in ethnically mixed areas, the Italian or Hungarian communities must have at least one representative on the municipal council. The transitional provisions of the Law on Local Elections stipulate that one-tenth of all municipal councilors represent minority groups. In addition to these two ethnic groups, the Roma community also has representatives in municipal councils in areas where this community is indigenous. Such councilors specifically are responsible for representing ethnic groups on acts that relate to the exercising of special rights of the Italian or Hungarian minorities.

## 2.6 Local Government Associations and International Contacts

According to the provisions of the Law on Local Self-government, local authorities cooperate among themselves on the principles of free will and solidarity. They may collect funds and designate common bodies and organizations for the performance of common duties.

Municipalities may also integrate into other communities or form alliances of two or more municipalities in order to regulate and perform matters of interest to a broader territory. Their statutes determine the manner of integration and the status of these communities. Such communities and alliances and their common bodies and organizations have status equal to that of municipal administrations and organizations in relations with the state administration. Local governments may cooperate freely with foreign local communities and with local

community international organizations. Municipalities collaborate on local self-government development and local service implementation.

The Slovenian municipalities appointed a working group, the Permanent Conference of Local Communities, that in April 1997 initiated changes and additions to the Law on Local Self-government. The Local Government Office stated that certain provisions of the current Law on Local Self-government caused unnecessary difficulties in practice and therefore needed to be changed or amended. However, this mostly addressed provisions that were difficult to implement because they systemically were incompatible with the nature of exercising of local authority.

### 3. Local Administration, Service Provision

#### 3.1 Structure and Operation of Local Administration

There are no legal provisions concerning the internal structure of municipal administration. The organization of services and departments within an office depends on the size of the municipality. In small municipalities, the structure of the office is based on functional principles; a single municipal authority is created. In large municipalities, departments are formed that are responsible for particular spheres (public activities, economic activities, finance, et cetera). Urban municipalities are organized according to the departmental principle.

The municipal council adopts standing orders on its work and on the organization of the municipal administration. Within a month after adopting this resolution, the mayor issues an act on the systemization of jobs in the municipal administration in accordance with the Local Administration Act and the Law on State Administration Employees. These acts represent the basis for the employment and legal status of workers and specify conditions for acquiring jobs. The mayor, or the secretary of the municipal administration with the authorization of the mayor, decides on the appointment or employment of senior administrative staff, administrative staff and expert technical staff. The exceptions are, of course, the deputy mayor(s) and secretary of the municipal administration, whose appointments are the responsibility of the municipal council upon nomination by the mayor.

It may be determined by statute or decree on the organization of the municipal administration that the secretary heads the municipal administration. The secretary of the municipal administration is a functionary whose duty is expert guidance of the municipal administration. The secretary is appointed and dismissed by the municipal council upon nomination by the mayor and reports to the mayor.

There are four categories of personnel in the municipal administration: functionaries, senior administrative staff, administrative staff and expert technical staff. The Law on Local Self-

government categorizes members of the municipal council, the mayor, the deputy mayor and the municipal secretary as municipal functionaries. Senior administrative staff (advisors to the mayor, senior advisors) are appointed by the municipal council upon nomination by the mayor but do not hold the status of functionaries. Administrative staff (clerks, other public staff) are appointed by the mayor as prescribed in the employment structure. Expert technical staff (expert employees, administrators, junior clerks) are not appointed but are posted to their relevant positions by mayoral decree.

Regulations on employment and salaries for employees in the state administration are applicable to all municipal administration employees. The legal status and employment conditions for local community personnel are regulated by the provisions of the Law on Employment and the Law on Salary Ratios in Public Institutions, State Bodies and Local Community Bodies. Provisions of executive regulations issued by the government also are applicable to local governments, particularly the Decree on Common Grounds for the Internal Organization and Systemization of Jobs in Administrative Bodies, the Decree on the Quotients for Determining Basic Salaries and Allowances for Employees in the Services of the Government of the Republic of Slovenia and in Administrative Bodies, and Regulations on the Promotion of State Administrative Personnel.

### 3.2 Control, Audit and Supervision of Local Governments

Municipalities appoint boards, the responsibilities of which are to:

- supervise the management of municipal assets;
- supervise the appropriate and efficient use of the budget;
- supervise the financial operations of users of the budget.

Supervision involves assessing activities and ensuring their conformity with legislation and specified budgetary objectives.

If commissioned by a municipal body, audits are performed by independent licensed auditors and by the Accounts Court of the Republic of Slovenia. The Accounts Court performs audits in accordance with its program; that is, it performs audits upon the initiative of the municipal body, rather than annually. The most common cases brought to the Court of Auditors in the last four years follow.

1. Fees paid to local elected officials were too high. Amounts were highest in 1994 and have decreased since. The amount of overpaid fees in the last four years totaled approximately USD 705,000 in only twenty-two local authorities. The Court of Auditors estimated that only ten percent of that amount was paid back to local budgets. The main problem is that the Court of Auditors does not have the power to impose obligatory changes on local governments. In such situations, the legal framework in Slovenia does not provide for the repayment of income tax or contributions to the pension fund.
2. Reserves were lower than stipulated by law. According to the Law on the Financing of Local Government, local governments should keep at least 0.5 percent of revenues as reserves to cover unpredicted local community costs.

3. Local property was mismanaged. Local authorities do not update rental contracts for municipal property or charge regular rents. The Court of Auditors found that some local governments do not collect all charges or fees that they are entitled to according to law and therefore lose additional revenue.
4. Local authority borrowing was inappropriate; they borrowed too much or for purposes not permitted by law, or they made guarantees to nonpublic companies and institutions. An amendment to the Law on Financing of Local Government will determine a wider range of purposes for which a local community may borrow.

Two laws guarantee citizen influence on the management of local public services: the Law on Local Self-government and the Law on Commercial Public Services. The Law on Local Self-government provides that municipalities establish a consumer protection council as a mandatory body. This is a committee of citizens who participate in the decision-making process of the municipal council when it considers matters pertaining to commercial (municipal services, road maintenance, gas pipelines, public transport, et cetera) and social (schools, kindergartens, homes for the elderly, et cetera) public services. The body submits comments and proposals regarding the performance of local commercial companies.

The Law on Commercial Public Services stipulates that bodies submit comments and proposals pertaining to the performance of public services to the competent authorities of the Republic of Slovenia and of the local community, which must inform them of measures taken on such proposals. The Law on Commercial Public Services also regulates the protection of the rights of individual consumers. In the event of a breach of contract by the provider of a commercial public service, a consumer may request a competent authority of the Republic of Slovenia or of the local community to issue a decision on the consumer's complaint and to order the provider or contractor to act accordingly.

### 3.3 Local Service Delivery

Annex 9.4 shows that the role assumed by local authorities in the provision of social care, education, health care and housing management differs from field to field. Some social programs and services are provided directly by local communities; others are provided indirectly through public institutes or private individuals. Since there are no special regulatory mechanisms for coordinating local social services management, cooperation takes place mostly in the provision of specific services, such as coordination of groups for dealing with child neglect and abuse (the police, the justice system, social affairs and the education system). Associations of public institutes that operate at a local level have also been founded, which join institutions on the basis of common interests, such as the Community of Kindergartens, the Community of Social Institutes and the Community of Social Work Centers. Together with public and private community services and voluntary organizations, local communities occupy an increasingly important position in the provision of services for the needs of individuals and families.

Provisions of health care services is established by the Law on Health Service. The Health Care Plan, which is currently being considered by parliament, specifies the network of public health care services at the local and national levels. In accordance with the Law on Health Care and Health Insurance, the Health Insurance Institute of Slovenia finances health care, the rates of which are fixed by parliament. The Health Insurance Institute signs contracts directly with health care service providers at all levels.

Responsibility for health care is divided between the state and local communities as follows:

- primary health care (basic health care services and pharmaceutical practices) is the responsibility of the local community and is provided by medical clinics, medical centers, pharmacies and private medical workers;
- at the secondary level, health care services are the responsibility of the state through hospitals and health resorts;
- medical prevention is entirely the responsibility of the local community;
- emergency medical services are the responsibility of either the state or local government.

The Law on Health Service stipulates that primary-level medical institutions be founded by the local community. The duties of a local community are:

- to develop and implement programs to strengthen the health of the population on its territory and to secure budgetary funds for such programs;
- to ensure the execution of sanitation and epidemiological, statistical and sociomedical services for its territory that are not included in the national program;
- to develop and carry out activities to maintain a healthy environment;
- to ensure health care for the members of the civil protection forces, general rescue teams, national defense forces and municipal communication units, unless this has been organized in some other manner;
- as the founder of public health care centers, to provide investment and other funds prescribed by the law and the founding act;
- to run a coroner's office.

Local authorities may sign concession contracts with private doctors to provide medical services in private or public medical centers. The supervision of health care is conducted through internal mechanisms of medical centers; the Medical Chamber of Slovenia, which addresses professional issues; the Ministry of Health, which regulates administration; and the Health Insurance Institute of Slovenia, which monitors financial activities.

Preschool education is regulated by the Law on the Organization and Funding of Education and the Law on Kindergartens. Kindergartens, preschools and nurseries founded by the local community provide a public service. The local community manages these institutions or appoints public or private subcontractors, including nonprofit associations, to provide programs for preschool children (this can be accomplished by several local communities together, if they so agree). This network must be organized in a manner that allows parents and children access to

and a choice of the most suitable program. The Law on Kindergartens also contains a provision guaranteeing all children the right to a place in a public program. Where there are no kindergartens in the place of residence or where there are not enough vacancies to satisfy public demand, the local community must secure additional vacancies in a public kindergarten or publish a call for concession bids to establish new programs within thirty days. The parents of children who are unable to attend kindergarten due to illness may exercise the right to preschool education administered at home.

Preschool educational programs are funded by state funds, the resources of the local community, payments made by parents, donations and other sources. Fees are regulated by the Regulations on Payment for Kindergarten Programs. The amount is determined by the local community that, in accordance with the law, must secure public funding for kindergarten students. The cost includes education, care and food, and parents pay between fifteen and eighty-five percent of the price. The remaining costs are covered from the local community's public funds. The amount to be paid by individual parents is determined according to income level, property value and number of children enrolled in such programs.

Family support services in social care are organized in compliance with the Law on Social Care. Two proposed programs, the National Program of Social Care and the Program of Development of Care for the Elderly, are currently being discussed by parliament. These programs will specify public social care services, including family support at the local level. The program of social care for the elderly contains not only institutional care, but also a plan for the development of services in the home environment that will reach fifteen percent of the elderly population. Such care envisages housing, day centers, residential homes for the elderly, home assistance, long distance services and the founding of home assistance centers as a part of the network of public social and health care services. These new initiatives, which local communities are already developing, will complement current services. Both programs place special emphasis on pluralization of social services delivery within the local community.

The local community funds such programs on the basis of the Law on Local Self-government, which stipulates that it is the responsibility of local government to provide services for the socially underprivileged, the disabled and the elderly. On the basis of this law, municipalities allocate funding for benefits not prescribed by the Law on Social Care, such as the purchase of schoolbooks, heating benefits, et cetera. Users pay the full commercial price for most forms of home assistance; depending on the financial situation of the user, such services may be subsidized by the municipality.

The following public institutes (founded by the state) provide social services for the needs of a local community:

- social work centers;
- homes for the elderly;
- homes for the mentally and physically handicapped;

- homes for children and young people deprived of a normal family life;
- institutions for training and care of children and young people with mental handicaps.

Social services have hitherto been provided exclusively by public social care institutes, but on 12 December 1997 the new Regulations on Concessions in Social Care came into force, which stipulate:

- procedures to be followed when awarding concessions;
- conditions for applicants for concessions;
- other regulations concerning concessions.

Local communities may, in compliance with the Law on Social Care, award a concession for personal assistance and family assistance at home, which means that the local community must provide a public service network for these two services. The concessions for all other services are awarded by the ministry responsible for social care. Each subcontractor must satisfy all technical, personnel and professional standards established by the state that apply to social service providers. The state also ensures the professional monitoring of the provision of these services.

The state and local communities also fund various programs that complement public services; these are generally provided by nongovernmental organizations (NGOs). The number of NGOs operating in the area of social care (around two thousand) has increased since the 1992 amendment of the Law on Social Care, which defines charity organizations, self-help organizations and organizations for the disabled as providers of social services.

The state administers the Housing Fund of the Republic of Slovenia, which enacts the national housing program and encourages the construction, renovation and maintenance of housing. The criteria for social housing allocations are established by standing orders drafted jointly by the Ministry of Labor, Family and Social Affairs and the Ministry of the Environment and Physical Planning. The resources of the Housing Fund are available to citizens who are first-time buyers or builders or whose housing has become unsuitable, residents trying to resolve housing problems by investing in renovation or extensive maintenance work, and nonprofit housing organizations. The Housing Fund currently does not grant loans for social housing. However, the Ministry of the Environment and Physical Planning is planning to promote the construction of social housing, whereby it would be possible to obtain loans from the Housing Fund.

The Law on Housing stipulates that it is the duty of local communities to provide social housing, the construction of which is funded from municipal budgets and from commercial loans, meaning that the number of new social apartments depends on the economic standing of an individual municipality. Local communities have the following responsibilities and duties in the area of housing:

- to adopt and implement municipal housing programs;
- to secure funds for the construction and acquisition of social housing and to cover the difference between the rent determined by contract and other costs incurred under the Housing Law;
- to monitor the average rent in the municipality by category, type and location of housing;

- to secure conditions for the development of various forms of construction and renovation work by applying appropriate land planning policies;
- to adopt guidelines for the design, construction and renovation of apartments based on local standards;
- to maintain a housing register.

Nonprofit organizations are being founded that address housing management. A nonprofit organization that provides social housing can be registered legally with the Ministry of the Environment and Physical Planning. The conditions and rent for nonprofit housing are determined by the state. Eligibility for social housing is based on income; young families, families with many children and the disabled are given priority.

Employment and adult education services are established in accordance with the Law on Employment and Insurance in the Event of Unemployment. The form, content, conditions, rules and procedures for carrying out programs, training and employment measures are stipulated by the Regulations on the Execution of Active Employment Policy Programs and the Regulations on the Execution of Active Employment Policy Measures. The latter also prescribes the research, development and execution of experimental programs in the labor market.

The National Employment Office is an independent legal entity with the status of a public institute that receives funding from the state budget. The Law on Employment and Insurance in the Event of Unemployment lays down the foundations for the National Employment Office. There are five government representatives on its fifteen-member management board, its supreme body. The board proposes elements for the adoption of an employment development policy; employment policies, programs and implementation measures; scholarship policies; et cetera.

The National Employment Office performs professional tasks related to job placement, employment programs, vocational counseling, the awarding of grants, and education and training for the unemployed and the disabled. The office is organized and functions on three levels: the main office, which includes the head office and the central service; ten regional units; and fifty-nine local offices throughout Slovenia. Local employment offices directly provide clients with jobs, employment advice, careers guidance, on-going training and other employment services. Regional units conduct professional and operational tasks and are in charge of advising and monitoring the work of local employment offices. Local authorities work together with regional employment units on the formulation of local development programs and joint funding.

The active employment policy for 1998 placed local communities among the four largest target groups. The promotion of local employment initiatives, which is already taking place in cooperation with the Ministry of Economic Affairs and other government departments, was intended to develop a network and mechanisms for setting up local social and development partnerships, especially in regions in which the local economy is in decline. Forty-eight agreements on local development coalitions have been signed and five regional centers founded to date.

Public work programs include home assistance to the elderly. The service providers employing people on a public work program vary.

Funding comes from the national budget, the budgets of the municipalities that requested the particular public work project and contributions by users. Active employment and adult education programs are implemented and funded by the state (the Ministry of Labor, Family and Social Affairs and the National Employment Office). Unemployment insurance funds are provided mostly by the national budget (around eighty-five percent), as contributions are extremely low (0.14 percent of a worker's gross wage and 0.06 percent of the total gross wages paid by the employer). Individual active employment policy programs receive partial funding from local communities; up to fifty percent of the funding for public works and between five and ten percent of the funding for business workshops, et cetera, are provided by municipalities. A number of public and private learning centers provide officially recognized educational programs for adults.

The system of adult education and employment guarantees multilayer links between the central and local authorities. The Ministry of Labor, Family and Social Affairs consults its social partners and the representatives of employers and workers on all important issues relating to employment and adult education policies. The ministry and the National Employment Office also work in close cooperation, as the latter is well informed of the situation in individual communities through its local offices, which deal directly with the unemployed and with commercial companies. When a crisis situation develops (the bankruptcy of a large company, for example) cooperation occurs between the representatives of the company and the trade union, local authorities, the National Employment Office, the Ministry of Labor, Family and Social Affairs and the Ministry of Economic Affairs.

In the past, private employment agencies only were allowed to perform professional services on the basis of concession grants. Amendments to the Law on Employment and Insurance in the Event of Unemployment will attempt to improve the overall efficiency of the employment system. The new provisions will allow private agencies to conduct job placement, develop employment plans and implement active employment measures.

## 4. Local Finance, Economic Development

### 4.1 Revenues

Local government finances are highly centralized in Slovenia. The central government determines almost all local revenues; only ten percent of public revenues are allocated to municipalities.

The 1994 Law on Financing of Local Government regulates the local budget, types of taxes that local authorities may collect, reserves, local government borrowing, financial equalization and financial transfers. The types of taxes that local authorities may impose include gift and inheritance tax,

tax on gambling machines, tax on the use of goods and property tax. Local authorities are not entitled to introduce any new taxes, and rates are determined by the central government with the exception of property tax; from 1996, local councils can raise this tax by up to five times its assessed legal basis. The Tax Office assesses, levies and collects taxes on behalf of local governments.

In August 1998 an amendment to the Law on Financing of Local Government was adopted. The amendment introduced significant changes to the current law.

1. The concept of guaranteed expenditure was changed to relevant expenditure—that is, support for the performance of local government duties that are determined by the constitution and law. The amount for local relevant expenditure per capita is determined by a formula introduced by the amendment, which considers local population figures, the size of the territory and the length of local roads.
2. Previously the law determined how local revenues were allocated to support guaranteed expenditures and other expenditures. The amendment determined that all tax and nontax revenues should be used for local expenditures in general.
3. The extent of local borrowing was regulated by the amendment. Individual local government loans may have a value equal to ten percent of the previous year's local revenue or more if the loans are used to finance housing, water supply or waste disposal. Interest payments cannot exceed three percent of actual revenues.
4. The amendment established a new ratio for shared income tax. Previously, seventy percent of such revenues were allocated to the state and thirty percent to the local government. The amendment changes these proportions to sixty-five percent and thirty-five percent respectively.
5. The amendment established a scale for special grants. Dependent upon revenues from income tax, local governments can receive special grants totaling up to seventy percent of the amount of resources necessary to fund a project.

In 1998 tax revenue represented 41.2 percent of the total revenue of local authorities (the structure is shown in table 9.1). Property tax, an exclusively local tax, represented 0.4 percent, and income tax, 37.4 percent of all local revenues, or ninety-one percent of all local tax revenues in 1997. Property tax is not used by all local governments and is prohibitively low. The reason for this is that the definition of the tax base for property is poor, there are numerous exemptions, and taxpayers are individuals and not companies. In practice property tax is primarily imposed on weekend houses in municipalities where tourism is well developed. Local councils can raise taxes by up to five times its assessed legal basis, but this base is low and, therefore, revenues collected from this source are not high.

The government is preparing a new law on property taxation to give local authorities the opportunity to collect higher revenues. The new tax on real estate will replace the current property tax and contributions for the use of buildings and land. It will be imposed on all buildings and land in Slovenia and on companies as well as individuals. The primary problem in relation to this new program is that exact ownership records of houses and land do not yet exist. Nevertheless, revenues from property tax and contributions for the use of buildings and land increase gradually every year.

*Table 9.1*  
**Revenues of Local Governments in Slovenia, 1997 and 1998**

Revenue Type	1997 [%]	1998 [%]	Real Growth 98/97 [%]
Tax Revenues	42.6	41.2	2.9
Income Tax (shared)	39.0	37.4	1.9
Property Tax	0.4	0.4	5.6
Gift and Inheritance Tax	0.2	0.2	-8.7
Tax on Gambling	0.2	0.2	19.9
Tax on Use of Goods	2.8	3.0	16.6
Nontax Revenues	35.6	37.3	11.5
Administrative Fees	0.0	0.0	-3.7
Fees on Gambling Machines	0.9	0.7	-12.2
Fines	0.1	0.2	23.3
Local Fees	0.3	0.4	15.3
Communal Fees	2.7	2.7	8.3
Revenues from Administrative Bodies	1.9	1.8	1.9
Contributions for the Use of Buildings and Land	10.3	12.0	24.5
Fees on Farming Land and Forests	0.6	1.1	81.6
Other Revenues	18.8	18.4	4.3
General Grants	18.8	18.4	4.4
Special Grants	3.0	3.1	11.3
<b>Total</b> (borrowing excluded)	100.0	100.0	9.0

SOURCE: Ministry of Finance.

Local governments also may collect nontax revenues. Rates and fees vary among local governments. Nontax revenues represented 35.7 percent of local revenues in 1997. In small local governments, these revenues represented only five percent of funds available for public spending, whereas in large ones, this proportion was as high as forty percent. Contributions for the use of buildings were an important share of these revenues, representing twelve percent of all local revenues and thirty percent of all nontax revenues in 1998. Other fees and contributions represented only 6.8 percent.

Other important nontax revenues are derived from property sales, rental fees, leases and residential funds. Because there is no systematic record of revenues from these sources, the data is grouped in a common category, constituting 18.8 percent of all local revenues and 52.6 percent of all nontax revenues in 1997. Such revenues are the only independent source of funds for municipalities, and their spending is not centrally determined. Unfortunately most municipalities are not able to collect or use these sources in an effective manner, predominantly due to a lack of financial management expertise.

Transfers include grants for the financing of current expenditures and of investment expenditures. These grants are managed and allocated monthly by the Ministry of Finance based on projections of guaranteed spending and, in the future, on projections of relevant expenditures and local proper revenues. Proper revenues comprise all tax and nontax revenues, excluding those from managing local property (property sales, rents and leases; current revenues from residential funds; interest). They are calculated according to rates established by the state or by local government. The actual amount is then determined by agreement among the Ministry of Finance, the Tax Office and each municipality. A local government receives financial equalization if its proper revenues are not sufficient to cover assessed relevant expenditures. The Ministry of Finance guarantees additional funds to those local governments whose actual revenues are lower than originally assessed.

Transfers from the state represented 18.4 percent of local revenues in 1998. Since these transfers were allocated together with revenues from income tax, independence over the spending of this type of funding was almost impossible. In the future, they will be transferred to local authorities separately.

In addition to general grants, special grants also may be allocated by individual ministries on the basis of a local authority's application for financial support for specific projects (such as general infrastructure, heating plants and water supply). Local authorities submit appropriate documentation for the whole investment plan with corresponding permits and confirmation that a certain amount of their proper funds have been allotted to the project. The terms on which local communities can obtain funds are established by systematic laws or by regulations of individual ministries for specific areas of funding. Specific grants comprised 3.1 percent of local revenues in 1998.

According to the Law on Financing of Local Government, municipalities can borrow from any national credit institution. Municipalities must inform the Ministry of Finance of such loans, but state authorization is not required. The amount of municipal borrowing is also limited. Legislation does not permit borrowing from foreign public agencies or on a foreign capital market. If diverse foreign bodies or banks have approved a certain amount of funds, they are regarded as part of the overall balance of public spending on the state level. Such funds then are made available to individual ministries, which can grant nonreturnable funds or funds in the form of loans at a much lower interest rate than domestic banks. Municipalities have the right

to issue local bonds according to the Law on Financing of Local Government, but there is no law regulating such activities, and thus this method remains unused. In 1998 local governments borrowed SLT 1.68 billion, or 1.2 percent of all local revenues.

Local governments collect revenues from different sources. “Controlled revenues”—those determined by the central government—must be spent on expenditures determined by the central government, and local governments do not have any influence in raising these revenues. Controlled revenues represented 45.3 percent of all local revenues (borrowing excluded) in 1998, or 66.8 percent if transfers from the central budget are included.

The Law on Financing of Local Governments allows local governments to identify, determine and levy the rates of other sources of “discretionary revenues” within the framework established by law. Therefore, discretionary revenues provide some financial independence for local governments. Such revenues represented only 18.6 percent of local revenues in 1998. The most important source of discretionary revenues is contributions for the use of buildings and land. The only tax that is part of discretionary revenues is property tax. Comparing 1996 to 1998, the proportion of discretionary revenues increased, thus providing greater financial independence for local governments. On the other hand, this also means greater responsibility and the need to improve financial management at the local level.

## 4.2 Expenditures

The majority of local expenditures are determined by the central government. Municipalities must provide “guaranteed” or, according to the new law, “relevant” expenditures at the local level. According to the amendment to the Law of Financing Local Government, municipalities will spend not only limited revenues but also nontax revenues for relevant expenditures. “Other” expenditures generally foster public and private business and support cultural associations, sport clubs, et cetera. In 1998 local expenditure increased in all fields of spending, as illustrated in table 9.3.

*Table 9.2*  
**Local Government Expenditure as a Percentage of GDP  
and of General Government Expenditure in Slovenia, 1994–97**

	1994	1995	1996	1997	1998
Local Expenditure as % of GDP	5.4	4.6	4.9	4.8	4.9
Local Expenditure as % of General Government Expenditure	11.5	10.1	10.8	10.5	9.2

SOURCE: Ministry of Finance.

*Table 9.3*  
**Structure of Local Expenditure in Slovenia, 1997 and 1998**

Type of Expenditure	1997 [%]	1998 [%]	Real Growth 98/97 [%]
Administration (wages, costs, etc.)	12.9	13.0	7.7
Protection and Salvage Fund	0.4	0.4	0.0
Public Institutions	41.0	41.7	8.5
Primary Education	11.7	11.9	8.7
Research Activities	0.2	0.1	-35
Culture	5.4	5.3	3.7
Sport	3.3	3.4	11.8
Social Security	3.8	3.7	3.1
Kindergarten and Nursery Schools	14.8	15.1	8.3
Public Health	1.5	1.6	17.7
Other	0.4	0.5	49.9
Transfers to Local Economy	35.6	34.9	4.5
Public Sanitation	12.3	11.6	0.6
Housing	4.8	5.6	24.6
Roads	10.6	9.6	-3.5
Fire Protection	1.9	2.0	10.2
Other Transfers	6.0	6.1	8.7
Reserve Fund	0.8	0.5	-28.8
Transfers to Sublocal Communities <sup>a</sup>	1.1	1.2	12.4
Other	8.2	8.3	

SOURCE: Ministry of Finance.

a. Sublocal communities will not receive special transfers from 1999.

More than 55.1 percent of local revenues is spent on administration, protection and public institutions. If one considers public sanitation, roads and fire protection as public companies, then even more is spent on public purposes. Other transfers to local economies represent six percent of total local expenditures; this proportion varies from one percent to sixteen percent among individual local governments. Some local governments spend the most on fostering small and medium private enterprises, others on agriculture. Therefore, these figures do not provide the full picture on discretionary spending.

## 5. Next Steps in the Transition Process

A review of the current division of jurisdiction between the state and municipalities is being prepared and will constitute the basis for amendments and supplements to the Law on Local Self-government. These should provide municipalities with greater authority in physical planning, the environment, agriculture, small business and other areas. The goals of modifying and amending the law are listed below.

1. Cooperation between the municipal council and the mayor and among other municipal bodies will be improved. According to the proposed amendments, the municipal council remains the highest decision-making body in the municipality, and the mayor, who heads the council, is responsible for implementing its decisions and representing the municipality.
2. The rights and obligations of individual municipal officials will be detailed, and municipal functions will be entrusted only to directly elected officials. According to current proposals, all municipal officials are to be elected directly. In systemic terms this is regulated in such a way that deputy mayors are elected from among the members of the municipal council, and the municipal secretary is no longer an official.
3. Forms of cooperation among municipalities will be defined, ensuring that they will be able to address specific common tasks and interests in a more economical manner through communities and associations.
4. The special status of urban municipalities will be adjusted to ensure the implementation of constitutional provisions.

One of the most important goals of modifying the law is to minimize conflicts related to transferring duties from state jurisdiction to municipalities, as it is in the interest of the state to seek more rational and effective means of successfully addressing public needs. These transfers must have a suitable legal basis, which will allow the state:

- to transfer some tasks related to local public issues to municipalities, where the municipal bodies positively will effect the overall implementation of programs and the development of local self-government without unnecessarily burdening municipalities with administration;
- to determine which tasks can be addressed by all or selected municipalities, based on the geographic, economic, cultural or other characteristics and special features of individual municipalities;
- to organize direct cooperation with citizens in adopting decisions in a municipality;
- to supplement the system of supervising municipal bodies, primarily in carrying out mandatory tasks; the current system does not allow for effective action from the government and ministers in cases where harm is done to an individual, legal entity or a local community due to the illegal activities of municipal bodies.

The purpose of initiating amendment to the Law on Financing Municipalities is to harmonize the system of financing Slovenian local self-government with the directives of the European Charter of Local Self-government. The main goal of these amendments will be to facilitate

greater financial independence of municipalities. Foreseeable amendments include the following objectives.

1. Local finances will become uniform, and municipal revenues will no longer be separated into guaranteed income and other income.
2. Income for guaranteed use will be referred to as the “appropriate volume of funds for financing local affairs of public importance.” This should ensure the normal functioning of municipalities.
3. The government will provide additional assistance for municipalities in the form of general grants. Uniform criteria will be determined that will apply to all municipalities.
4. Special grants will be developed for those areas in which the government has special interest.
5. Mayors will have greater jurisdiction regarding municipal budgets.
6. To address excessive municipal debt, credit will only be granted on the basis of the adopted budget and with the approval of the Ministry of Financial Affairs.
7. Municipalities will improve the collection of data necessary for the preparation of relevant annual budgets.

## Recent Publications on Local Government in Slovenia (in English)

Council of Europe. *Structure and Operation of Local and Regional Democracy: Slovenia's Situation in 1997*. Strasbourg: Council of Europe Publishing, 1997.

*Local Self-government in Slovenia*. Ljubljana: 1998.

*Local Democracy*. Ljubljana: Office for Local Self-government, Republic of Slovenia, 1998.

*Report on the Current Situation in the Area of Local Self-government in the Republic of Slovenia*. Ljubljana: Office for Local Self-government, Republic of Slovenia, 1998.

*Regions: A Second Tier of Local Government*. Ljubljana: Office for Local Self-government, Republic of Slovenia, 1997.

Vlaj, Stane. *The Introduction of Local Self-government in the Republic of Slovenia: Current Situation and Outlook*. Ljubljana: 1995.

—. *The Reform of Local Self-government in the Republic of Slovenia, Sustainable Development of Rural Areas: From Global Problems to Local Solutions*. Klagenfurt: Institut für Geographie der Universität Klagenfurt, 1995.

## Contacts for Further Information on Local Government in Slovenia

### School of Public Administration

*Contact:* Dr. Stanka Setnikar-Cankar  
*Address:* University of Ljubljana, Kardeljeva pl. 5, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 168-63-74  
*Fax:* (386-61) 168-63-74

### Counselor to the Government: Mag. Stane Vlaj

*Address:* Tržaška 42, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 123-15-00, 123-23-12  
*Fax:* (386-61) 123-32-203

### University of Ljubljana

*Address:* Kardeljeva pl. 5, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 168-61-23  
*Fax:* (386-61) 168-61-23

### Mag. Maja Klun

*Address:* University of Ljubljana, Kardeljeva pl. 5, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 168-63-74  
*Fax:* (386-61) 168-63-74

### Office of the Government of Slovenia for Local Government

#### Minister: Mag. Božo Grafenauer

*Address:* Tržaška 42, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 123-15-00, 123-23-12  
*Fax:* (386-61) 123-32-203

#### State Under-secretary: Milan Železnik

*Address:* Tržaška 42, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 123-15-00, 123-23-12  
*Fax:* (386-61) 123-32-203

#### State Under-secretary: Vesna Juvan-Gotovac

*Address:* Tržaška 42, 1000 Ljubljana, Slovenia  
*Phone:* (386-61) 123-15-00, 123-23-12  
*Fax:* (386-61) 123-32-203

## Notes

- <sup>1</sup> This report was prepared with the assistance of Anita Hočevár-Frantar, Ministry of the Environment and Physical Planning; Vlasta Drnovšek and Helena Petek-Kos, Ministry of Health; Vladka Komel, Department of Employment, Ministry of Labor, Family and Social Affairs; Geni Rurić, Department of Social Care, Ministry of Labor, Family and Social Affairs; Jadranka Vouk-Železnik, Department of International Cooperation and European Affairs, Ministry of Labor, Family and Social Affairs.

## Annex 9.1

### Major General Indicators

Note: All data from 1997.

Size of territory	20,256 square kilometers
Population density	98 inhabitants per square kilometer
Population	1,984,923
Major ethnic divisions	
Hungarians	0.4 percent
Italians	0.2 percent
National budget	44.6 percent of GDP
Local governments	4.8 percent of GDP
Pension fund	13.3 percent of GDP
Health insurance	6.8 percent of GDP
Unemployment rate	7.4 percent
Inflation rate	9.4 percent

## Annex 9.2

## Settlements, Population and Administrative Units

*Table 9A.1*  
**Municipalities by Size Categories in Slovenia, 1998**

Population Size Categories	Number of Municipalities in Size Category	% of Total Municipalities	Number of Inhabitants	% of Population
0–1,000	6	3.1	3,412	0.2
1,000–2,000	18	9.4	27,243	1.4
2,000–5,000	72	37.5	252,085	12.7
5,000–10,000	42	21.9	281,782	14.2
10,000–50,000	51	26.6	977,720	49.2
50,000+	3	1.6	443,813	22.3
<b>Total</b>	192	100.0	1,986,055	100.0

*Table 9A.2*  
**Population of Urban Municipalities in Slovenia, 1996**

Urban Municipality	Inhabitants	% of Total Urban Municipality Population
Celje	50,139	6.72
Koper	46,735	6.26
Kranj	51,559	6.91
Ljubljana	271,812	36.41
Maribor	132,250	17.71
Murska Sobota	21,265	2.85
Nova Gorica	40,697	5.45
Novo Mesto	51,057	6.84
Ptuj	32,329	4.33
Slovenj Gradec	16,788	2.25
Velenje	31,903	4.27
<b>Total</b>	746,534	100.00

SOURCE: Office for Local Self-government of the Government of Slovenia.

*Figure 9A.1*  
**Administrative Map of Slovenia**



## Annex 9.3

### Major Laws on Public Administration and Local Government

The following laws regulate public administration and local government in Slovenia (presented in order of adoption; date of adoption is given in brackets):

- Law on Local Self-government (Official Gazette of the Republic of Slovenia, no. 72/93, no. 57/94, no. 14/95)
- Law on Local Elections (Official Gazette of the Republic of Slovenia, no. 72/93)
- Law on the Procedure for the Establishment of Municipalities and for Determining Their Territory (Official Gazette of the Republic of Slovenia, no. 44/96)
- Law on the Establishment of Municipalities and on the Determining of their Territory (Official Gazette of the Republic of Slovenia, no. 60/94, 69/94)
- Law on the Financing of Municipalities (Official Gazette of the Republic of Slovenia, no. 80/94)
- Law on the Administration (Official Gazette of the Republic of Slovenia, no. 67/94)
- Law on the Organization and Jurisdiction of Ministries (Official Gazette of the Republic of Slovenia, no. 71/94)
- Law on Assuming State Functions (Official Gazette of the Republic of Slovenia, no. 29/95)
- Law on the Procedure of the Establishment of Municipalities and on the Determining of their Territory (Official Gazette of the Republic of Slovenia, no. 44/96)

## Annex 9.4

## Responsibilities of Administrative Tiers

*Table 9A.3*  
**Specific Functions of Local Government Units in Slovenia**

Functions	Competent Authority			Type of Competence				Exercise of Competence			
	State	Intermediate	Municipality	Exclusive	Shared	Compulsory	Discretionary	Direct	Indirect	In own right	For another authority
<b>I. EDUCATION</b>											
1. Preschool			X	X				X			
2. Primary	X		X		X			X			
3. Secondary	X			X				X			
4. Vocational and Technical	X			X				X			
5. Higher	X			X				X			
6. Adult	X		X		X			X		X	
<b>II. GENERAL ADMINISTRATION</b>											
1. Security, Police	X			X				X			
2. Fire Protection			X	X				X			
3. Civil Protection			X	X				X			
4. Justice	X			X				X			
5. Civil Status Register	X			X				X			
6. Statistical Office	X			X				X			
7. Electorate Register	X			X				X			

Table 9A.3 (continued)  
**Specific Functions of Local Government Units in Slovenia**

Functions	Competent Authority			Type of Competence				Exercise of Competence			
	State	Intermediate	Municipality	Exclusive	Shared	Compulsory	Discretionary	Direct	Indirect	In own right	For another authority
<b>III. SOCIAL WELFARE</b>											
1. Kindergarten and Nursery			X	X				X			
2. Family Welfare Services			X	X			X				
3. Welfare Homes	X		X		X			X	X		
4. Social Security	X		X		X			X	X		
<b>IV. HEALTH SERVICES</b>											
1. Hospitals	X			X				X			
2. Health Protection	X		X		X			X	X		
<b>V. CULTURE, LEISURE, SPORTS</b>											
1. Theaters	X		X		X			X	X		
2. Museum and Libraries	X		X		X			X	X		
3. Parks and Public Spaces	X		X		X			X	X		
4. Sports and Leisure	X		X		X			X	X		
5. Religious Facilities	X			X				X			
6. Other Cultural Facilities	X		X		X			X	X		

Table 9A.3 (continued)  
**Specific Functions of Local Government Units in Slovenia**

Functions	Competent Authority			Type of Competence				Exercise of Competence			
	State	Intermediate	Municipality	Exclusive	Shared	Compulsory	Discretionary	Direct	Indirect	In own right	For another authority
<b>VI. ENVIRONMENT, PUBLIC SANITATION</b>											
1. Water and Sewage	X		X		X			X	X		
2. Refuse Collection and Disposal			X	X				X			
3. Cemeteries and Crematoria			X	X				X			
4. Slaughterhouses	X			X				X			
5. Environmental Protection	X		X		X			X	X		
6. Consumer Protection	X		X		X			X	X		
<b>VII. TRAFFIC, TRANSPORT</b>											
1. Roads	X		X		X			X	X		
2. Transport	X		X		X			X	X		
3. Urban Road Transport	X		X		X			X	X		
4. Urban Rail Transport											
5. Ports	X		X		X			X	X		
6. Airports	X			X				X			
<b>VIII. URBAN DEVELOPMENT</b>											
1. Housing	X		X		X			X	X		
2. Town Planning			X	X				X			
3. Regional/Spatial Planning	X		X		X			X			

Table 9A.3 (continued)  
**Specific Functions of Local Government Units in Slovenia**

Functions	Competent Authority			Type of Competence				Exercise of Competence			
	State	Intermediate	Municipality	Exclusive	Shared	Compulsory	Discretionary	Direct	Indirect	In own right	For another authority
<b>IX. PUBLIC UTILITIES, ECONOMIC</b>											
1. Gas	X		X		X			X	X		
2. District Heating			X	X				X			
3. Water Supply			X	X				X			
4. Agriculture, Forests, Fishing	X		X		X			X	X		
5. Electricity	X			X				X			
6. Economic Promotion	X		X		X			X	X		
7. Trade and Industry	X		X		X			X	X		
8. Tourism	X		X		X			X	X		