## DOES ACTIVATION ACTIVITY HAVE A MEANING ON THE LABOUR MARKET?

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#### Abstract

The main objective of the presented article is to identify the main problems which disrupt the process of activation activity and to form various proposals for their elimination. For the realisation of this objective, the following tasks have been identified: to define key terms, to identify issues of activation activity on the basis of professional literature, questionnaire and the structured interview and to suggest the improvement of activation activity on the labour market. We have used different research methods in the article: theoretical general methods of scientific knowledge – analysis of available bibliographic references, synthesis at formulating of revealed conclusions, statistical and mathematical methods as well. This study is significant for the field of sociology, social politics and social work.

## Key words

Activation Activity. Activation Allowance. Material Need. Unemployment. Labour Market.

**JEL Classification:** J64, R58

### Introduction

During the whole 1960s, developed countries were trying to eliminate the poverty but the opposite event happened – the number of poor people increased as the consequence of the crisis. Absolute poverty is a phenomenon that occurs when the income of an individual person can't cover the costs for basic life needs of a household. So-called poverty threshold or subsistence minimum is calculated on the basis of this definition.

The term "social exclusion" was replaced in the early 1990s in the social & science debate by the term "poverty". It also refers to the gradual disintegration of the society as a whole. It relates to the individual person who is unable to deduce his social identity from work and who can't find its place in the society anymore. As work is the basis of social identity, exclusion from the world of work is the primary cause of social exclusion. Exclusion from the labour market leads to the poverty. Poverty becomes one of the factors of social exclusion as it prevents the access to goods and services. Unemployment becomes a factor of social exclusion. Long-term unemployed people do not have a sufficient income to ensure a "normal" life but they also do not have the opportunity to create a social identity acknowledged by the society.

Extension of social security services, increase of social benefits and of minimum wage were the 3 means used by governments to reduce the poverty. Set of these measures, which originated on the basis of social state philosophy, prevented the spread of the most extreme poverty (Pacione, 2003; Montoussé, Renouard, 2005; Scott, Marshall, 2009).

Slovak Republic introduced the institute of activation activity in the fight against the long-term unemployment. Activation activity is the measure of Ministry of Labour, Social Affairs and Family, which should have led to the activation of long-term unemployed citizens receiving material need benefit and contributions to this benefit. This type of employment enables the individual person to become only a member of a favoured group that often lives on the periphery of the society.

The main goal of the presented report is to identify the main problems which disrupt the process of activation activity and to create various proposals for their elimination. For the implementation of this objective, the following tasks have been identified:

- to define key concepts related to the issues of activation activities.
- the evaluation and interpretation of the data from the questionnaire with activation workers,
- the interpretation of data from structured interviews with employees of the municipality office.
- to define the deficiency of activation activity and to create measurements proposal to improve activation activities on the labour market.

Research methods used in this report: General theoretical methods of scientific knowledge – analysis, synthesis, questionnaire, structured interview, statistical and mathematical methods – arithmetic average, minimum, maximum, variation range, median, standard deviation, spread and variation coefficient (Grmanová, 2006).

This report is relevant to the terminology of the social sphere – especially in the field of sociology, social policy and social work for the unemployed,

respectively with the unemployed.

## 1. Terminology excursion

Activation activity is carried out since 2004; it follows the previously implemented community service. Activation activity is carried out in the form of small community services for the municipality or in the form of volunteering. Activation activity is carried out by every citizen who is unemployed for more than 12 months, who is registered at the office of labour, social affairs and family and who receives the material need allowance (Act No. 5/204 Coll.; Inštitút zamestnanosti, 2016).

Material need is the situation when the income of citizen (and income of people reviewed together with this citizen) does not reach the minimum subsistence income specified by the particular regulation and the citizen cannot ensure or increase his income with his own efforts (Act No. 417/2013 Coll. on material need, as amended).

As we want to present the problematics of activation activities, we need to point out that activation centres are established on all offices of labour, social affairs and family. The website of Office of Labour, Social Affairs and Family (2016) defines the following tasks of activation centres:

- searching, contacting and communicating with institutions which carry out activities of public benefit,
- signing contracts between the authority and the organizer,
- selection of appropriate citizens in material need for the implementation of agreed work activities on the basis of activities mentioned in the agreement,
- service for all citizens in material need who must serve 32 hours (regardless of whether they are jobseekers) to retain the entitlement on the material need allowance
- ensuring the fulfilment of the agreed activities of citizens (Internetový sprievodca trhom práce, 2016).

According to Section 10 Paragraph 3 of Act No. 417/2013 Coll. on the assistance in material need, change and amendment of certain acts, the citizen (the recipient of assistance in material need and household members) is obliged to participate for 20 hours monthly on carrying out:

- "small public service for the community, budgetary organization or contributory organization, which was founded by the municipality
- voluntary activity, or
- work on preventing emergency situation, work during announced emergency situation and

eliminating consequences of emergency situation".

According to the website of Office of Labour, Social Affairs and Family (2016), the organizer of activation activity for recipients in material need can be:

- higher territorial units, budgetary and contributory organizations established by higher territorial units,
- legal entity registered in the Slovak Republic which organizes and offers voluntary work for people with the agreement for its benefit in the public benefit,
- municipalities and budgetary and contributory organizations established by municipalities,
- higher territorial units, budgetary and contributory organizations established by higher territorial units.
- civil associations,
- foundations,
- non-profit organizations offering public services,
- schools and school institutions,
- church or religious society,
- hospitals and other institutions in the field of health service.
- social service institutions, etc.".

To define work activities precisely, classifier of authorized types of work activities has been created. This classifier is necessary for concluding an agreement with an organizer and for profiling individual citizens who will receive the offer to carry out activities. Classifier contains 25 codes and no additional codes can be added. Appropriate codes suitable for the organizer are chosen from the basic classifier and their character is concretized. It is concretized by selecting of specific activities which will be mentioned in the written agreement. Examples of authorized types of activities:

- maintenance and trimming of public greenery,
- maintenance and trimming of greenery, facilities in kinder gardens, elementary schools and high schools.
- maintenance of cleanliness in public facilities,
- removing of fallen leaves and snow,
- tiding up the slippery surface of pavements during winter,
- maintenance and repair of existing pavements, building of new pavements suitable for cycling,
- cleaning of canal outlets for rainwater in municipalities,
- cleaning of forests and green areas from fallen wood, wood clutter after calamities and logging,
- cleaning of water areas, river beds, river banks,
- help with the disposal of illegal dumping of communal and construction waste,
- performing of supervision at elementary schools,

- performing of supervision at pedestrian crossings during morning and afternoon rush hour at schools,
- transport of meals for socially-dependent citizens.
- cleaning of forest areas from calamity wood,
- activities of social type (assistance to seniors, ill) for dependent citizens (shopping, cleaning, social life, program of active aging, maintaining of mental health) retirement home, pensioners club, social institutions founded by municipality and higher territorial units,
- maintenance of public cemeteries,
- participation at the cultural and social events,
- helping in public libraries,
- maintenance of municipality facilities, historic landmarks, religious monuments, historic territories and historic sites,
- reparation of castles and other cultural landmarks,
- securing of public order, civil patrol, help in animal shelters,
- delivering of documents,
- administrative work.
- assistance at first aid training,
- assistance at public money collections,
- assistance in school canteens,
- maintenance works in school facilities.
- ironing in kinder gardens,
- painting works,
- excavation works,
- maintenance of sport facilities,
- maintenance of public lighting, town radio, etc.

Activation allowance is provided to support the increase or retention of knowledge, work habits and professional skills. This allowance should motivate the citizen in material need to participate actively on solving his social situation and the situation of people reviewed together with him. Activation allowance amount is 63.07€ (Masárová, Sika, Španková, 2011; MPSVR, 2016).

The current situation on the Slovak labour market, especially the labour surplus is one of the factors why the ban of illegal work and illegal employment is infringed. The main motives for working illegally include existential uncertainty, efforts to improve one's economic situation by accepting any paid work or receiving simultaneous "wages", i.e. remuneration for performing work illegally as well as drawing contributions from social security, in particular unemployment benefits or social assistance benefits (Pšenková, Gullerová, 2016).

# 2. Research of activation activity on the labour market – methodology, findings

The main goal of our research is to find out how activation activity functions in chosen municipalities and to suggest possible improvement in the activation activity on the labour market. We used the method of questionnaire survey for activation workers and the structured interview for employees of municipality offices who take care of activation workers. 60 activation workers from the municipalities of Dolná Súča, Horná Súča, Skalka nad Váhom and Malá Hradná were the sample for our questionnaire survey. Results of the questionnaire survey were noted by relative countability. We found out that 70% of respondents is actively looking for a job. When the gender was taken into consideration of looking for a new job, we found out that women are more active than men. Based on a different upbringing, socialization, expectations and own attitude, women behave in work environment differently than men (Živčicová, Masárová, Račková, 2015). When we were formulating the activation activity from the time point of view, we found out that 53% of respondents carries out activation work for less than 10 hours, 22% of respondents from 11 to 20 hours and 25% of respondents mentioned the option over 20 hours a week, which is actually in violation of the Act No. 5/2004 of employment services, as amended. With the next question, we were trying to find out if respondents are satisfied with the allowance volume they are receiving for the activation activity. 87% of respondents are not satisfied and 13% of respondents marked options on positive scale (mostly ves, certainly yes). The other responses showed us that 69% of activation workers are satisfied with the employee of the municipality office who takes care of them, 7% of activation workers could not answer the given question and remaining 24% of respondents chose the option on negative scale (mostly no, certainly no). When we used the classification by the age, we found out that the satisfaction of respondents with the activation allowance and with the employees of municipality office declines with the increasing age. The satisfaction with the organization of activation works was depending from the municipality. In Dolná Súča, Mala Hradná and Horná Súča, positive answers prevailed - mostly yes, certainly yes. In the municipality of Skalka nad Váhom, vague answers (I can not assess) or negative answers (mostly no) prevailed. When asked about the satisfaction with the level of protective work equipment, we registered 76% of positive answers, 8% of vague answers and 16% of negative answers. One of the questions was directed to the frequency of activation workers control. 50% of respondents answered that the control is performed once a day, 17% of answers was on the control of twice a day, 28% of answers was on the control of more times a day and 5% of answers was on the less frequent control. With one of the questions, we were trying to find out whether activation workers are informed about the fact that accident insurance is paid during activation work in the municipality. We were surprised by the answers as 68% of respondents are not familiar with the fact that accident insurance is paid during activation work. The level of awareness was affected by the highest achieved level of education. We decided to use the option of opened questions in the questionnaire survey. We received answers from only 39 out of 60 respondents and they were as follows: activation workers would like to

perform more various work and they would like to increase the activation allowance which is currently 63€. Some respondents were referring to the problem of alcohol "on the workplace" and to the necessity of more frequent controls of "co-workers" on alcohol presence. For the opened question regarding the usefulness of activation activity, respondents split into two groups. The first group rated the activation activity as beneficial; the second group did not see any meaning in the activation activity.

We evaluated the results of questionnaire survey with the statistical methods.

Table 1 Calculation of operative question with statistical methods (Part 1)

Statistical representation of operative questions 1 - 8							
Question Number	Statistic Set	Arithmetic Average	Minimum	Maximum			
1.	{42,18}	30	18	42			
2.	{32,13,15}	20	13	32			
3.	{3,5,0,11,41}	12	0	41			
4.	{25,16,4,7,8}	12	4	25			
5.	{20,29,8,3,0}	12	0	29			
6.	{35,10,5,7,3}	12	3	35			
7.	{30,10,17,3}	15	3	30			
8.	{19,41}	30	19	41			

Source: own work

Table 1 represents individual statistical sets, calculated arithmetic average and calculation of minimum and maximum. Questions No. 3 and 5 (satisfaction with the allowance volume and satisfaction with the organization of activation works) contain the lowest possible number of answers represented by number Zero. The highest noted minimum of 19 represents the question No. 8 (knowledge about paid accident insurance). The maximum amount of answers represents 42 in question No. 1. This question refers to active job

search, answer yes topped answer No to a large extent. The lowest noted maximum was in question No. 4. This question No. 4 (satisfaction with the employee of the municipality office who takes care of activation workers) allows choosing from 5 possible answers. The answer – certainly Yes (42%) – topped all other answers significantly. Question No. 2 refers to amount of hours performing activation activity, question No. 7 refers to satisfaction with protective work equipment, and question No. 7 refers to the frequency of activation workers control.

Table 2 Calculation of operative question with statistical methods (Part 2)

Statistical representation of operative questions 1 - 8								
Question	Variation Span	Median	Directive	Spread	Variation			
Number			Discrepancy		Coefficient			
1.	24	30	12	144	0,5657			
2.	19	15	8,524	72,659	0,5220			
3.	42	5	14,939	223,174	1,3919			
4.	21	8	7,616	58	0,7096			
5.	29	8	10,899	118,788	1,0155			
6.	32	7	11,730	135,593	1,0929			
7.	27	13,5	9,975	99,501	1,3023			
8.	22	30	11	121	0,5185			

Source: own work

Table 2 represents the highest variation span of 42 - we found this out in question No. 3 (satisfaction with allowance volume). The lowest variation span of 19 was found out in question No. 2 (How many hours a week do you perform the activation activity?). Questions No. 3, 5 and 6 noted the highest directive discrepancy. These questions referred mainly to the satisfaction of respondents in various areas of activation works. The lowest value of directive discrepancy was noted in questions No. 2 and 4. Question No. 2 refers to the amount of hours carried out on activation work, question No. 4 refers to the satisfaction of activation workers with employees of municipality office. The highest spread was noted in question No. 3 (satisfaction with activation allowance volume) as we found a notable disparity in individual responses. The lowest spread was noted in question No. 4 (satisfaction of activation workers with employees of municipality office) because the answers were not significantly different (as they were different in other cases). Variation coefficient values stand out mostly in question No. 3 and 7 (satisfaction with activation allowance volume and control during the performing of activation work). Important part of the activation activity research was the structured interview with employees of municipality offices who take care of activation workers. These interviews were done in Dolná Súča (8.3.2016) and in Malá Hradná (12.3.2016). Employees of municipality offices work on the position of independent professional officer for culture, environment and regional development. Malá Hradná registers 6 activation workers (number of municipality residents is 371), Dolná Súča registers 16 activation workers (number of municipality residents is 2973). Activation workers in Malá Hradná spend most of their time working on protection and maintenance of environment - mowing, sawing trees, cleaning of public places, sweeping local roads, picking up garbage, cleaning and maintenance work, planting of greenery, cleaning of bus stops, cleaning of sewers. Employee of municipality office qualified the work productivity as low. One employee of municipality office in Dolná Súča expressed critical opinion about the work of activation workers. He brought to attention their incline to alcohol and the resulting problems during the work duty, respectively absence at work duty. He also pointed out their nonindependency and the loss of work tools. In Dolná Súča, activation workers maintain water courses, they take care of the municipality square, they refine the illegal junk yard, they trim the greenery at the cemetery and they help with the works around local retirement home. Filing of attendance depends on the printed sheet which is sent from the Office of Labour, Social Affairs and Family to the municipality office. Printed sheet contains the information about the number of hours and days on which activation workers have to carry out the activation work. On the basis of this printed sheet, activation worker registers the attendance to work in the morning and also registers the leaving from the work place.

#### Conclusion

We would like to conclude this report by providing our own insights into the researched issues. Activation activity should be contributing to the development. In the accordance with Habánik (2014), we understand the term "development" in general as a gradual heading towards the higher standard of living and quality of life in a particular area. Situation on the labour market has an impact on the living standards of citizens and employers in the region and it contributes to the overall level of the region (Masárová, Koišová, Gullerová, 2014).

On the basis of vocational literature, questionnaire survey and structured interviews on the researched issues, we see these problematic points: activation worker is not in the employment relation, the work is performed for maximum 20 hours per week, place of work is in the same municipality or town as is the permanent residency of the activation worker, the existence of one employer, respectively non-existence of competition among employers, dependence of the employer on the activation worker in communal elections, absence of output controls. When we evaluate all the named remarks, we find out that the activation work does not have a lot in common with the work on the opened labour market. On the basis of long-term research of objective issues, we would like to state that activation workers are not unemployed in most cases but they are unemployable for the permanent employment. The described fact implies the need and the solution of the given societal problem. Moreover, the production is nowadays based on sophisticated and highly effective technology which does not require a large amount of labour (Vojtovič, 2013). Our disposable labour force does not fit the requirements of the current labour market.

After the structured interview with employees of office of labour, social affairs and family, we came up to the conclusion that the most effective way would be to establish the work position at the particular municipal office or town office. Employee would be in the all-day contact with activation workers. Otherwise, the activation work seems as an inefficient use of financial resources from the state budget, respectively from the EU funds.

Complex solution could be formed by the Ministry of Labour, Social Affairs and Family by the means of individual offices of labour, social affairs and family which belong as institutions under the Ministry and

which solve the issues of unemployment (unemployability) of the disadvantaged jobseekers. In this case, we mean mainly long-term unemployed people who receive material need benefit and contributions to the benefit. Activation workers should be obliged to participate at the course of work as a part of quality of life. The work fulfils essential functions – it is an economic necessity, a means of

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self-realization and a biological necessity. Employees of offices of labour, social affairs and family should simulate various life situations with unemployed people so that they understand the value of work in the human life. Part of the course should be the detailed training in safety and health at work following the paying of accident insurance for activation workers.

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