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### Personal management in local communities

**Keywords:** employee, volunteer, motivation, salary, tax

**Summary**

*This article is about motivation between employees and volunteers in local communities. Relationships between employers and employees are regulated by law. Employee provides his knowledge, skills and experience to employer to achieve planned organization targets and to create profit. According to Slovak law the salary includes not just only basic salary but also bonuses, tax, employee and employer healthcare and social insurance payments. The focus is on personnel policy of organization with an emphasis on achieving organizational goals and the successful allocation on the market. The emphasis is on motivation, which is necessary for personal feedback in organizations irrespective of size of organization. Article discusses the right work habits and shows how to encourage voluntary work. In the state, public organizations and local communities there are people - volunteers who want to work without financial or non-financial rewards. Focus of this article is on a human being, going through many changes and processes in his personal and professional life.*

**Introduction**

Nowadays, people specialize in particular fields of research, work, different studies in which they achieve great results and new discoveries. There is a new need for getting to
know the whole not only its parts. The importance must be attached to the connecting of the particular knowledge and researches. The complexity is significant, as Jan Kosturiak (2010) states in his book Reflections for each day: There are lots of examples. Go to the doctor – specialists. One will treat you for your nerves, another for your eye, the third one for your ear and the last one for your knee; according to his specialisation. The result? In Germany, my colleague was operated on for his knee meniscus, when he suffered from borreliosis. In the U.S. one of my acquaintances was treated for his allergy, when his eyes where constantly filled with tears because of a tooth decay. My little daughter Zuzka was examined, since she walked with a limp (one of the explanations was, that she does not want to go to school). When she finally became paralysed, they found out, it was encephalitis. The nature does not know physics, chemistry, maths but it still functions as a whole. A human body does not consists only of ears, nose, bones, muscles and inner organs as well as a company is not a construction comprising logistics, business, marketing, development, administration and production machines. It is us, people, who built a world fragmented into pieces in order to examine its elements. However, when analysing, we sometimes penetrate into a particular field too deep to be able to understand the whole.

When we want to plan and set some operative and strategic goals in an enterprise, it is necessary to consider a human being in his complexity, who will realize those aims. At present, there is a tendency to “fast growing” of specialists, employees and whole companies as well. Everybody wishes to skip the most essential period of the growth and development and wants to be successful, have the best position on the market; he wants to earn lots of money etc. We forget the fact that successful people went through the phase of growth and development first. The same concerns big and successful companies. When a company is put on market, it is necessary to invest lots of time, knowledge and financial means or its allocation. Its managers have to solve difficult tasks whereby in its initial phase their remunerations are not high enough. Many times it is only a symbolic reward. The investments in the form of time, financial means in the first years of the company development will bear the fruit in the form of money later.

A man is confronted with a great deal of duties, issues and responsibilities in a professional area and this to such an extent that their work performance reveals it. Almost everyone who I meet daily is complaining about a big pile of duties, which they are not able to manage in time. Only last week, I was giving a consultation to a partner of an important company dealing with global investments. He was afraid that the responsibility which was due to a new manager position offered to him by the company would bring about stress above the sensible level and would in this way threaten his family attachments. I have also spoken to a human resources worker who is trying hard to keep a cool
head while dealing with at least 150 applications, which she receives by mail each day. The reason is that the company is planning to double number of employees in the region from 1100 to 2000. At the same time the worker wants to preserve her own social life at weekends. In our millennium a paradox has occurred: life quality is higher but the stress level is higher too. People take more duties than they are able to manage using their own tools. As if their eyes were too large. And most of us is frustrated by it to a certain extent and has no idea how to improve the situation [Allen, 2008].

**Employees and volunteers in local communities**

Staff and volunteers motivation - the supporters of local communities in relation to the job and trade is in a very difficult position. The biggest problem is the unclear definition of the employees and volunteers status in local communities associations. An employee performs work in local community associations, entire to obtain remuneration, ie. wage. Volunteer work in local community associations is carried out without any financial reward in his spare time. Employees and volunteers motivation is very important and plays an important role in achieving the local community objectives.

In local community associations labor market can be defined as the place where employer demand meets available potential employees and volunteers, where employees and volunteers offer their skills and knowledge on the job market, ie. work. The employer offers his permises and capital. Bringing together supply and demand on both sides there is a space providing funds, time manpower recovery to create goods and services that may be offered to its members.

Industrial relations between workers and employers are strictly defined by law. In the profit sector the relationship is governed by the law. In local communities associations there comes in an important factor which makes the employee the volunteer (simultaneously) ad the same time. From this point of view there is a specific funding system, motivation and assessment of staff and volunteer work. There comes in a specific situation when the employee performs part of his work for the financial compensation eligible for remuneration and part of his work he performes as the volunteer for non-financial - moral benefits. Already existed situation requires from the management point of view a new system for motivation, remuneration and staff funding in relation to the employer and it also provides a new space for communication in this area. That’s why there’s going to be created a new area for possibilities how to motivate and ethically renumerate staff and volunteers for their involvement and participation in organizations.

In the Act No. 311/201 Coll. Labour Code Section 7 there is defined the term “employer” and in Section 11 there is defined the term “employee”. An employer shall be a legal or natural person employing at least one natural person in labour relations and, if so
specified by a special regulation, also in similar labour relations [Zákony III/2010, 2010]. Employee means a natural person who in labour relations and, if specified by special regulation, in similar labour relations, performs dependent work for the employer [Zákony III/2010, 2010].

Through work man must earn his daily bread and contribute to the continual advance of science and technology and above all to elevate unceasingly the cultural and moral level of the society where he lives in community with those who belong to the same family. And work means any activity by man, whether manual or intellectual, whatever its nature or circumstances; it means any human activity that can and must be recognized as work, in the centre of many activities which man is capable of and to which he is predisposed by his very nature, by virtue of humanity itself [Jan Pavol II, 1997].

The market situation defines the position of employers and employees by laws. The labor market is very sensitive to any internal and external influences. These effects are significantly influenced by political decisions coming on the market via laws. During decades, there has been built a great distrust of mutual relationship among the employer and the employees. We have to submit that this distrust has significantly affected the results and the character of work. By acknowledging local community development as both a responsibility and an opportunity, there is hope that more inclusive financial policies and products will reach the people spawn further innovation in the world of local economic development [Pinsky, 2011].

In the employer organizations there has dominated the opinion that the employees have used property, information and organizations material for their private enrichment. On the other hand the employees have perceived, their employers as those who haven’t given them sufficient wages for their work which they did and that’s why in many cases they require above standard social program in the organization. Over time, status and conditions for both sides has been changed. It has been mostly influenced by political decisions which directly influence both sides-employers and employees. There must exist important and clear rules for both sides on the labor market. There is necessity of conversation and interaction almost in all the professions. Communication is transmission and exchange of information. Information written or said on person is carried by formal communication channels in both of the directions. It means, upwards, downwards and laterals as well. One of the mean problems of business firm conversation is acceptance failure or misunderstandness. This could be the result of many factors including the character of message [Berryová, 2009]. These rules are conditioned by correct information and mutual trust and respect.

In the market economy the employee is a worker who provides his knowledge, skills, and experience, which means he provides his work to his employer for fixed marked
Price for employee effort is called wage. According to Act No. 311/2001 Coll. Labour Code: Employees shall have the right to wages for executed work, to the ensurance of safety and protection of health at work, to rest and recovery after work. Employers shall be obliged to provide employees with wages and to create working conditions allowing employees the performance of work according to their skills and knowledge, the advancement of creative initiative and deepening of qualifications. Employees and employers shall be obliged to a proper discharge of their obligations arising from labour relations [Zákony III/2010, 2010].

The labor cost of the employee includes basic labor official, contractual wage. The basic wage may be time or task. Time wage is defined by time and task wage is defined by individual tasks. In addition to basic wages there may be added bonuses, which are defined by the collective agreement or by an employer’s internal rules. Payroll levies consist of tax payments and tax levies imposed by law.

**Motivation by rewards**

Staff motivation by wage rewards may be fixed in the employment contract or in the collective agreement or in internal organisation regulations. Rewards are paid according to the employer instruction and make an important part of employee motivation. The employer can motivate his employees to better job performance which may have direct and indirect share in creating the employer profit by means of rewards. An organization can motivate their employees either volunteers who are actively involved in public activities or in local associations. To supervise, manage somebody doesn’t mean to whip out as much as you can because of the endless rise of work effort. Unfortunately, the trade and economics world usually understands it in this way. To manage others is possible only for those who are able to manage themselves, those who are self-confident and who are open to their colleagues. When somebody wants to supervise others, they must be able to emphasise and think about the possibilities how to revive life that is hidden in each person [Assländer, Grün, 2008]. That's why it is necessary in corporate culture to perceive person with regard to their inner life, personal and personable development. Individual are pro-
moted not on the basis of their absolute performance, but on the basis of their relative position in the organization. Furthermore, the compensation at one level does not necessarily serve to motivate individuals currently working at that level, but instead motivates all of those below that level who strive to be promoted [Lazear, Shaw, 2007]. "Cash is better than kind" is a popular presumption in economic thinking. However, ubiquitous provision of fringe benefits as part of the incentive packages, in practice, obviously does not conform to this argument. Explicit benefits, including professional allowances, working facilities, family benefits, insurance policies, club memberships, etc., and implicit benefits, including shortened working hours, discretion in decision making, freedom in the workplace, prestige, education, etc., are norms rather than exceptions [Zou, 1997]. It is possible only when man won't be only the subject of continued income making but the organization itself will be interested in their formation.

Generally rewards can be divided into six basic categories:

1st According to the forms:
   a) Monetary
   b) Non-monetary

2nd Depending on the nature:
   a) Linked to the nature of work
   b) Linked not to the nature of work

3rd According to the time period:
   a) Single
   b) Regular (weekly, monthly, quarterly, half yearly, yearly)
   c) Extra
   d) Special

4th According to the assessment:
   a) Personal assessment
   b) Assessment based on performance
   c) Assessment of results
   d) Assessment based on time duration
   e) Assessment based on the quality of work

5th Remuneration according to share:
   f) Share in economy
   g) Share in property
h) Share in activities
i) Share in sales revenues from customers
j) Share in contracts
k) Share in incomes
l) Non defined share

6th Others:
a) Bonuses (for overtime, for work under difficult conditions, for night work, for work on holidays, for work on Saturdays or Sundays and others)
b) Contributions
c) Premiums (monthly, quarterly, half yearly, yearly, premiums in anniversary, premiums from reserves and others)
d) Other benefits

Research on motivation has repeatedly found that extrinsic rewards can decrease an individual’s intrinsic motivation to engage in a behavior [Deci and Ryan, 1985]; [Harackiewicz, Manderlink, and Sansone, 1984]; [Harackiewicz and Sansone, 2000]; [Lepper, Greene, and Nisbett, 1973]. This overjustification effect suggests that when individuals experience both intrinsic and extrinsic rewards for a behavior, the behavior is overjustified and the individual attributes the behavior to the extrinsic reward [Deci, Ryan, 1985]. This results in a drop in intrinsic motivation after the receipt of the rewards. Non-marketing messages have been found to reverse the effects of extrinsic rewards on intrinsic motivations by making intrinsic motivations more salient [Fazio, 1981]. We believe that the benefits stressed in marketing communications, either intrinsic or extrinsic, will have an impact on motivations to donate that may mitigate the effects of offering a reward for the donation [Johnson, Grimm, Ellis, 2010]. The pure altruism of ethical theory is impossible to practice, while the broadly understood self-love clearly is practicable, and can give one a reasonable involvement with the well being of significant and even remote others [Manch, 2007].

**Tax on income from dependent activity**

Income from dependent activity is specified in Act No. 595/2003 Coll. On income tax, as amended, where income from dependent activity is defined in Section 5 subsection 1a as income derived from an existing or a former employment, service, public office, or memberships, or a similar relationship, in which the taxable party performing his/her work for the payer of the income must follow the orders or instructions of such a payer. This category shall also include any income for the work of pupils and students during their practical training [Zákony I/2010, 2010].
Income tax is a tax on income which the recipient is not able to shift. There is no one to whom the tax could be shifted, certainly not on the employer who always receives a long period uniform interest long period rate. In fact, vice versa, there are indirect taxes on wages, which are transferred to the recipient in the form of lower income from wages. As an example might be the part of the social "insurance" or contributions for unemployment benefits, which are imposed on the employer. Most employees believe, that this part of the tax, which the employer pays, doesn’t concern them. This is completely invalid. As we have seen, the employee cannot shift the tax forward on consumers. Because it is levied in proportion to the payed wages, the tax is indeed moved back to a salaried employee. The amount paid by the employee is the tax which is levied at the expense of the net salary of the employee [Rothbard, 2005].

The tax allowances are set up in Section 11 of Act No. 595/2003 Coll. On income tax, as amended. Tax allowances are defined as the part of the employees’ wages which are tax free. Tax allowances are defined in subsection 2 of this Act as follows [Zákony I/2010, 2010]:

If, in the respective tax period, a taxable party reaches a tax base which
a) is equal to or lower than 100 times the applicable subsistence minimum, the yearly tax allowance for the taxable party shall be an amount corresponding to 19.2 times the applicable subsistence minimum,

b) is higher than 100 times the applicable subsistence minimum, the yearly tax allowance for the taxable party shall be the amount corresponding to the difference between 44.2 times the applicable subsistence minimum and one quarter of the tax base; if this amount is less than zero, the yearly tax allowance for the taxable party shall be zero.

Taxation and its effect on employees

Taxation system takes from employees and gives it to others. Any tax increase increases the amount of resources, incomes and usually it also increases the number of people living from the work of employees. There is the production base decrease from which these people take out their livelihood. There is a limit behind which no load can be carried. This restriction results in a reduction of motivation can be brought by tax. The more the tax is levied on taxpayers, the lower is marginal benefit of their work. As soon as reward for the work is reduced, the bigger is marginal benefit of expendable time. Concurrently this is the greater motivation to move from position of taxpayers who bear the burden of tax into consumer tax group as the recipient of state subsidies. People will take more free time and will try harder to become members of the privileged groups of tax consumers.
In market economy net wage is made up by salaries, interest, rent and earthly gains. If taxes impact the income from these sources, efforts raise revenue will fall down. Under the prospect of taxing of wages, employees will be less motivated to work hard. Those ones whose interest or profit will be taxed, will consume more, rather than save or invest. Landowner who rents will be taxed by government and will be less motivated to attempt to use different parts of land as efficiently as possible. It can be stated that if any additional punishments exist in any human activity, usually the man will stop doing it. In some cases, people can begin to work more intensively to compensate the suffered damage. In this case, it is important to bear in mind the lost of "free time" which is a valuable consumer goods for the man. He will have less free time. Harder work from which the part of the revenue is taken away, represents a situation in which triumph the people who live from the work of staff and now they can get more from selected taxes. As the result of it, the workers' standard of living will decrease.

Income tax taxes earnings from investments represents threat for savings and investments by reducing return on investment below the level which is determined by time preferences of market. Lower net interest purchase leads employees to adjust the ratio of savings and investments according to earnings in new situation. Simply said, marginal savings and investments made in higher yields are now lower than the evaluation of consumption, which therefore fails. There is another reason behalf which the income tax will affect savings and investments rather than consumption. Employees believe that if the income tax confiscates a certain part of their earnings and they can decide about allocation of the remaining difference between consumption and investments. Since the time preferences have not changed, income tax will not affect the amount of consumption in relation to savings and investments. So it is not. Real earnings of taxpayer were reduced because of taxes payment decrease. the fair value of its cash assets.

The lower is level of real asset money of the employee, the higher is rate of time preference and the higher is ratio of consumption spendings to capital expenditure.

Insurance payments - an employment relationship under an employment contract

In addition, taxes are made by payroll deductions and insurance charges. This is a premium to social insurance and levies to health insurance. These levies are paid by the employer and the employee defined by statutory rate. Levies to Social insurance company is imposed by Act No 461/2003 Coll. Social Insurance, which governs the scope of social insurance, legal affairs in the implementation of social insurance organization and financing of social insurance, state supervision over the implementation of social insurance and proceedings in matters of social insurance. It also provides selection, registration and transfer of levies to superannuation.
Social insurance according to Section 2 of this Law is [Zákony III/2010, 2010]:

a) sickness insurance as insurance in case of loss or decrease of income from gainful activities and to make sure for an income due to temporary incapacity for work, pregnancy and maternity,

b) pension insurance, particularly

1. old-age insurance as insurance to make sure for an income in old age and in case of demise,

2. disability insurance as insurance in case of decrease in ability to carry out gainful activities due to long-term adverse health condition of insuree and in case of demise,

c) accident insurance as insurance in case of damaging to health or demise due to a working accident, service accident (hereinafter referred to only as „working accident“) and occupational disease,

d) guarantee insurance as insurance in case of insolvency of employer to meet claims of employee,

e) unemployment insurance as insurance in case of losing income of employee’s activities due to unemployment and to make sure for an income due to unemployment.

Health insurance is governed by Act no. 580/2004 Coll. on health insurance and amending Act no. 95/2002 Coll. the insurance and amending certain laws. The subject matter of this Act pursuant to Section 1 is health insurance, the legal affairs arising in the health insurance premiums and the disbursement of public health insurance [Zákony III/2010, 2010]. Health insurance is [Zákony III/2010, 2010]:

a) compulsory health insurance and voluntary health insurance, which is provided to policyholders under the terms of this Act and health care services related to providing health care under the terms of a specific act,

b) private health insurance, pursuant to health care is provided to policyholders in the range defined in contract under the terms of a specific act.

Implementation of public health insurance is defined in Section 2 subsection 2 of this Act as the activity in the public interest, which manages public funds. Public health insurance is provided by health insurance companies under the terms of a specific act [Zákony III/2010, 2010]. The employer and the employee pay monthly levies to health insurance company in which the employee is insured.

Overview of levies to social and health insurance companies in Slovakia

Employee’s labor cost for work which he has done is not the only amount of the financial reward which he has received from his employer. It is a complicated system, clearly determined and precisely imposed by laws which cannot be influenced neither by the employee and by the employer.
Laws are dependent on political will. They can be affected only in the parliamentary elections or in referendum.

**Volunteer work opportunities**

In the labor market we often face high unemployment. Unemployed person finds himself in an indisposed living situation. There are short term and long-term unemployed people. Short term unemployed people may be defined as people who are out of work for less than one year. Long-term unemployed people are those who are unemployed for more than one year. The long-term unemployed people mean a high loss risk of working habits. Long-term isolation from work or prolonged dependence on public or private support threaten freedom and creativity of the human person and his family and social relationships and cause great suffering in psychological and spiritual plane. The first principal which has to be protected and to be valued is the man and his integrity: Because the man is the creator and the center and the object of economic and social life [Benedikt XVI., 2009]. If it helps put more people on a path to being productive global leaders, the world will be a better place [Cohan, 2011].

The work of volunteers and supporters in local community organizations is very important and irreplaceable. Freedom is manifested in creative activity of man. The person expresses his creative activity and it lives up to his freedom. Although volunteers may not be motivated by monetary incentives, it cannot be ruled out that their decision to join a voluntary association was prompted by other extrinsic motivations [Degli, 2009]. More freedom in realization of some act (i.e. it determines more by person himself and not by his relationship to individual situations or details), longer is act of penetrating the spiritual life of person. Human life can not be managed by fear or authoritative attitude. If anything in life (or in the world) is valuable, this can be done only through freedom [Słomski, 2006]. The man is not made by arbitrary way, he cultivates himself in an specific situation which does not depend on his will. He has got the same objective personality and this personality should be taken into account by him when he makes some activity [Dancák, 2010]. Many former volunteers feel at home in jobs or communities that uphold the values of their volunteer program [Weber, 2010]. Unemployed people as volunteers, who work without any financial reward can obtain far more that they can give. Although they receive no remuneration, they can invest in themselves, which means that this is their largest investment. As the volunteers, they do not loose their working habits, they are in permanent contact with people, improve their knowledge and skills acquired during the period of employment. The impact of volunteering activity is the impact in the community [Davis, 2001].
Classification of volunteers:

a) Permanent volunteer - regularly participates in activities and projects of civic associations, where in his free time he makes available his resources, to be used to achieve a predetermined goal. A volunteer works without financial and material reward. The experience, skills, knowledge, and new personal contacts are the indirect remuneration for him.

b) Occasional volunteer - at least two times a year, is actively involved in projects and activities of civic associations, where in his spare time he makes available his resources, to be used to achieve a predetermined goal. A volunteer works without financial and material reward. Unquestionable aspect is the indirect remuneration in the experience, skills, knowledge, communication skills and new contacts.

c) Possible volunteer - is more than 30 years, is passively engaged in activities and projects of the Association, where he spends his free time and perceives the work of members, experts, professionals and volunteers.

d) Potential volunteer - a person who is partially involved in short-term activities and projects of the Association, where he learns how to use his free time effectively and to develop his knowledge, skills and talent.

e) Youth volunteer – is a person who is at least 15 years old, not older than 30 years and with respectable character. If a volunteer has not attained the age of 18 years, guardian consent is required to perform voluntary service [Zákon č. 282/2008 Z. z., 2008].

Conclusions

Volunteering as such offers many opportunities for people self-realization and brings them profit that cannot be quantified or measured. Volunteering teaches people how to engage in public affairs and how to participate in the life of local communities.

In local community associations all people must realize that the success of the organization depends on their cooperation. There is a need to create conditions that will benefit for all. The specific features of the labor market are given by the fact that the worker is not only the supplier of the production labor factor and it is not possible to separate the worker as the human from his job performance. For the worker is important what kind of work he performs, which he is able to perform, the place where he works and in what kind of conditions and under which circumstances he works [Mises, 2006]. Here it is necessary to set objectives of the organization in order to respect the man as the bearer of the work and it is also necessary that staff has made every effort to ensure that the organization has benefited. Because from the point of sense and faith, work does not humble the man, but it dignifies him to earn his living honestly. Inappropriate for the man is abusing him as a thing to get rich, disregard him more than the...
value of his muscles and forces [Lev XIII., 1997]. That is why it is important to make an effort on labor market to function and relationship among the employer, the employee and the volunteer to be „healthy“.

We can say, that our objectives define what we expect from life. With experience which life gives us, we can can ensure social identity only to some level. Through changes, failure, disasters or crisis we can receive answer to our second question. Synthesis is attained when we choose our aims to harmonize with our lives [Assländer and Anselm, 2010]. Integration and integrity are important in the growth. There is no need to isolate and separate information and facts. When planning in our personal life or in the organization we must take into account the contributions to individuals and society. It is necessary to have comprehensive and realistic look at aims in the context of the development of human beings. One day we will have to replace the GDP growth by increase of happiness and quality of life. Once we will replace gold and platinum by drinking water and clean air. If we do not stop this malignant growth, we will not be here anymore [Košturiak, 2010]. From this perspective, it is good if there is talk about the man from the other side, if there exist and grow stronger argumentations, which seek not only to confirm the existence of the man, but also to point at the size and dignity of the man in the widest possible spectrum [Stolárik, 2010]. Looking forward, it should be noted that the future will belong to people and nations who are able to improve what their parents and grandparents left them [Košturiak, 2010].

Here is the space for all people who care about healthy labor relations whose human attitude will help to fulfill the organization goals and also will motivate and encourage themselves to personal growth, cooperation and responsibility for their organization and its culture. The chances of organizational success are greater when managers and employees have the same values. As more and more contemporary employees enter the workforce, there will be an increasing demand from managers who understand and share their values. The need for traditional managers will continue, but their numbers will decline [Howe, Mindell, 1979]. Technology and communications provide the means of global presence and the morality of humanism the eternal values of its action. Space and time become resources rather than hurdles for the new moral order [Cambell, Miller, 2005]. In the social world humans are expected to use ase (power or authority) to ensure the well being of nature and other human beings. In order to do this they must employ wisdom, knowledge, and understanding [Majumder, Byrne, Bongmba, Rothenberg & Dubler, 2008]. Theoretically, every individual possesses a unique blend of performative power and knowledge – the potential for certain achievements. Yet because no one can know with certainty the potential of others, eso (caution), ifarabale (composure), owo (respect), and suuru (patience) are highly valued in Yoruba society and shape all social
interactions and organization” [Appiah-Kubi, 1981]. If we want our society to grow and to develop, we must help each other to improve our mutual responsibility.

**Overview of levies to social and health insurance companies in Slovakia**

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<thead>
<tr>
<th>Overview of levies</th>
<th>Employer</th>
<th>Employee</th>
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</thead>
<tbody>
<tr>
<td>Public health insurance</td>
<td>advances - 10% from the employee’s earnings in the month</td>
<td>advances - 4% from the employee’s earnings in the month</td>
</tr>
<tr>
<td>Health insurance</td>
<td>1.4% from the employee’s salary base</td>
<td>1.4% from the salary base</td>
</tr>
<tr>
<td>Retirement pension -</td>
<td>14% from the employee’s salary base</td>
<td>4% from salary base</td>
</tr>
<tr>
<td>Individual pension</td>
<td>3% from the employee’s salary base</td>
<td>3% from salary base</td>
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<tr>
<td>Accident insurance</td>
<td>0.8% from the employee’s salary base</td>
<td>does not pay</td>
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<tr>
<td>Unemployment Insurance</td>
<td>1% from the salary base</td>
<td>1% from salary base</td>
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<tr>
<td>Guarantee insurance</td>
<td>0.25% from the employee’s salary base</td>
<td>does not pay</td>
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<tr>
<td>Reserve Fund</td>
<td>4.75% from the employee’s salary base</td>
<td>does not pay</td>
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<tr>
<td><strong>Total</strong></td>
<td>35.20%</td>
<td>13.40%</td>
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Source: Charges of insurance 01 07th 2010, Annex monthly ADVISERS

**References**


