

SK | COVID-19: Measures for employers

Even before the first COVID-19 cases were confirmed in Slovakia, the Government adopted the first measures to prevent spreading of the novel coronavirus. These measures have significantly impacted the business sector and affected all employers. The good news is that there are first measures to help employers overcome the crisis.



Amendments in the Labour Code

On 2 April 2020, Slovak Parliament approved amendments of the Labour Code to increase employers' flexibility in cases of declaration of emergency event, emergency state and serious state of emergency. The **most important changes** are:

- the employer is entitled to order the employee to work from the employee's household if it is possible with regard to the agreed type of work
- the employer is obliged to notify the employee about the working time schedule at least two days in advance, unless a shorter period of time is agreed with the employee and this working time schedule is to be effective for at least one week. This measure provides employers with more flexibility, previously it was necessary to notify the employee about their work schedule at least a week in advance
- The employer may order an employee to draw holiday at least seven days in advance and at least two days in advance for last year's unused vacation. The time limit may be shortened with the employee's consent
- if the employee cannot perform work entirely or partially due to ceasing or limitation of the employer's activity (i.) caused by the decision of the competent public authority or (ii.) as a result of the declaration of emergency event, emergency state and serious state of emergency, this constitutes an obstacle to work on the employer's part, for which the employee is entitled to the **wage compensation amounting to 80% of his/her average earnings, but at least in the amount of the minimum wage. An agreement with neither employees' representatives nor the employee is required**

The above-mentioned amendments shall apply during the emergency event, emergency state and serious state of emergency and during two months after their cancellation.

Financial aid for employers - conditions for granting

On 31 March 2020, the Government of the Slovak Republic adopted a plan to maintain employment during the declaration of emergency event, emergency state and serious state of emergency and to eliminate their consequences.

Stated below are the means which are deemed by the Government to support employers in their decision to maintain employment even when they are unable to allocate work to employees. Compliance with the conditions below is to be demonstrated by the applicant's affidavit. Should the Labour Office, which is the authorised body for examining applications for contributions, subsequently find out, that the applicant did not meet the conditions at the date of submission of the application, the applicant is obliged to return the granted contribution to the Labour Office.

1. Employers, that

- at the time of declaration of emergency event, emergency state and serious state of emergency based on the Measure of the Public Health Authority of the Slovak Republic, closed or restricted their sites (except public administration entities) and
- retain jobs even in the event of an obligation to interrupt or limit their operation, will be eligible for a state contribution

Amount of the contribution: payment of the employee's wage amounting to 80% of his / her average earnings, up to a maximum of EUR 1,100.

2. Employers and self-employed persons, that

- at the time of the declaration of emergency event, emergency state and serious state of emergency suffered a loss of sales although no closure or limitation of the operation was ordered by any authority, and
- despite the loss of sales retain jobs, will be eligible for a state contribution.

Amount of the contribution: contribution to the employer or self-employed person as an employer to cover the part of employee's wage compensation or a flat-rate contribution to cover the loss of income from the self-employed person's operation in relation to the sales decrease compared to the same period in 2019 (alt. with the 2019's average):

Sales decrease	March 2020	April 2020 and following months in emergency state
≥ 20 %	EUR 90	EUR 180
≥ 40 %	EUR 150	EUR 300
≥ 60 %	EUR 210	EUR 420
≥ 80 %	EUR 270	EUR 540

The maximum total contribution per one eligible applicant in point 2 above is EUR 200,000 per month.

3. Contribution eligibility conditions

- payment of an employee's wage compensation in the amount of 80% of their average earnings
- commitment that two months after the month for which the contribution is requested, the employment relationship will not be terminated or no legal action resulting in the termination the employment relationship for organizational reasons will be taken
- submission of data on the number of employees as of 31 March 2020
- declaration that as of 31 December 2019 the business was not in crisis (applies also to self-employed persons)

4. Other facts to be declared via an affidavit by the employer or self-employed person

- compliance with tax obligations under specific legal regulation
- compliance with the obligation to pay advance payments for public health insurance, social insurance and mandatory contributions to retirement pension savings
- non-violation of the prohibition of illegal employment in two years prior to the submission of the contribution application
- absence of due financial liabilities with respect to the Labour Office
- employer is not in bankruptcy, liquidation, forced administration or does not have a fixed payment schedule under specific legal regulation

- employer does not have registered unsatisfied claims of its employees resulting from employment
- employer is not sentenced with a legally valid and effective penalty of prohibition to receive subsidies or subventions or with a penalty of prohibition to receive aid and support provided from the European Union funds, if the employer is a legal person
- declaration that as of 31 December 2019 the employer was not a company in difficulties
- loss of sales for employers and self-employed persons, whose sales declined at the time of the time of declaration of emergency event, emergency state and serious state of emergency

Provided that the employer paid to its employees a wage compensation amounting to 60% of their average earnings, such payments will take into account for respective period in the reimbursement of the actually paid wage compensation and this up to EUR 880 (i.e. decrease of the EUR 1,100 ceiling by 20%).

The maximum total amount of the compensation for one applicant is EUR 800,000 for the project implementation period.

For more information please contact



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**We will come
through this together**

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Please do contact us

- we will help you identify the best measure and contribution for you
- we will draft all necessary documents
 - affidavits and application, and
 - to obtain a financial contribution

Experienced lawyers, both in the Czech Republic and Slovakia, are keen to help.

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