



**SLOVAKIA: CHANGES TO THE LABOR CODE AND SUPPORT FOR EMPLOYERS DURING THE COVID-19 PANDEMIC**

The Slovak government has already adopted several measures to adapt to the COVID-19 pandemic. In order to address the extraordinary issues businesses and employees are currently facing, the Slovak Parliament has recently passed a Bill amending the Labor Code as well as several other laws with the aim of regulating the rights and obligations of employers and employees during the state of emergency and in the period of two months following its recall. Furthermore, employers in Slovakia whose activities have been jeopardized by the spread of COVID-19 will be able to apply for support from the state.

**THE NEW RULES INTRODUCED BY THE LABOR CODE AMENDMENT**

**Extensive work from home arrangements**

- Employers can unilaterally order employees to work from home, provided that the agreed type of work allows it.
- Employees can also unilaterally decide to work from home, provided that the agreed type of work allows it, and if there are no serious operational reasons on the side of the employer that would prevent working from home.

**Flexible rules on working time and taking of vacation**

- The employer needs to notify the employees about the working time schedule at least 2 days in advance, unless the employer agrees with the employee on a shorter notification period. The working time schedule needs to cover a period of at least one week.
- The employer can order vacation to the employee at least 7 days in advance (previously 14 days), and in case of any outstanding vacation from the previous calendar year at least 2 days in advance. If the employee consents, the notification period could be even shorter.

**New obstacles to work on the side of the employee**

- The Amendment explicitly recognizes the measures of quarantine and isolation as obstacles to work on the employee's side. In such cases the employer needs to excuse the employee's absence.
- An employee being absent from work due to a quarantine measure, isolation or personal all-day care-giving to a sick family member or another person, is protected from unilateral termination of employment.
- An employee returning to work after being absent from work due to a quarantine measure, isolation or personal all-day care-giving to a sick family member or another person, has the right to be assigned to the very same workplace and the same work task he/she performed prior to the obstacle to work. If this is not possible, the employer needs to assign the employee other work tasks according to his/her employment contract.

**Salary reimbursements in special cases of obstacles to work on the employer's side**

- The situation where the employee cannot perform work entirely or partly because the employer's activities have had to be stopped or limited due to the decision of authorities or due to the declaration of a state of emergency, constitute an obstacle on the employer's side.
- In such cases, the employee is entitled to salary reimbursement in the amount of 80% of his/her average earnings, but no less than the amount of the minimum salary.

**SUPPORT FROM THE STATE TO EMPLOYERS**

The Slovak government has approved contributions to **two categories** of employers:

- Employers who mandatorily had to close their operations based on a resolution of the Public Health Authority of the Slovak Republic; and
- Employers whose revenues declined by at least 20% during the declared state of emergency.

In order to become eligible for the contribution from the state, the employer must fulfil several **conditions**, in particular:

- Pay to the employee a salary reimbursement of at least 80% of the employee's average earnings;
- Commit not to terminate, for at least 2 months after the month in which the state contribution was granted, the employment of its employees for redundancy (by unilateral notice or mutual agreement);
- No outstanding payments of tax, social security and health insurance;
- No illegal employment case in the period of 2 years prior to the filing of the application;
- No unsatisfied claims of employees arising from employment.

The contribution will not be granted to employees who started the employment after 1 March 2020, who are in their notice period, or who receive a payment from the social security due to an obstacle to work (e.g. sick leave). The **maximum total contribution** per employer for the entire duration of the project is **EUR 800,000**.

**Support to employers with closed operations**

An employer who had to close their operations based on a resolution of the Public Health Authority of the Slovak Republic may apply for a contribution of 80% of the salary reimbursement of the employee, capped at **EUR 1,100 per employee** per month.

In case the employer paid to the employees, based on a collective bargaining agreement, a salary reimbursement in the amount of 60% of their average earnings, the cap will be decreased to EUR 880 per month.

**Support to employers whose revenues have declined by at least 20%**

Employers whose revenues have declined by at least 20% can ask for a contribution for the paid salary of the employee. The maximum amount of the contribution per employee is determined by the scope of the decline of revenues:

Decline of revenues	March 2020	April 2020 and following months of state of emergency
at least 20%	EUR 90	EUR 180
at least 40%	EUR 150	EUR 300
at least 60%	EUR 210	EUR 420
at least 80%	EUR 270	EUR 540

The maximum monthly contribution per employer is **EUR 200,000 per month**.

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**We will continue to keep you updated on any major developments that may impact your business. In the meantime, do not hesitate to contact us if you have any questions or comments.**

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