



Legal Alert

6th April 2020

Weinhold Legal

EMPLOYMENT PROMOTION PROJECT DURING CORONAVIRUS PANDEMIC

In our previous Alerts we provided a summary of the Slovak Government's current measures in connection with the spread of COVID-19 and the possibility of mitigating their negative impact from the labour law perspective. In this Alert we will provide a brief summary of the conditions of an employment promotion project during the coronavirus pandemic, approved by the Slovak Government on 31st March 2020, in the form published by the Ministry of Labour, Social Affairs and Family on 5 April 2020 at this [address](#) (in Slovak only).

SUPPORT OF THE EMPLOYERS WHO STOPPED BUSINESS OPERATIONS (MEASURE 1)

Those employers (except for public authorities) who have stopped business operations during the state of declared extraordinary situation, state of emergency or state of exception ("**state of emergency**") on the basis of measures adopted by Public Health Authority of the Slovak Republic can apply for this support. Should these employers manage to preserve jobs and cannot allocate work their employees they will be able to claim compensation in respect of their employees' salaries up to 80 % of the employee's average earning. The

maximum amount of support per employee is EUR 1,100.

The maximum total contribution for one applicant is EUR 800,000 for the whole period of implementation of this project.

Offices of Labour, Social Affairs and Family shall start accepting applications for contributions to employees' wages from employers who had to stop their business operations from 6 April 2020, 12:00 p.m. (noon).

SUPPORT OF EMPLOYERS AND SELF-EMPLOYED PERSONS WHOSE TURNOVER HAS DECREASED (MEASURE 2)

Persons entitled to apply for this support are:

- ▶ employers (except for public authorities) who are not obliged to stop or limit business operations on the basis of measures adopted by Public Health Authority of the Slovak Republic during the state of emergency and who manage to preserve jobs despite a decrease in turnover;
- ▶ self-employed persons who have stopped or limited performance of their business operations during the state of emergency on the basis of measures adopted by Public Health Authority of the Slovak Republic, or self em-



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ployed persons whose turnover has decreased.

The calculation of contribution to employers (legal person or self-employed person) to cover part of their employee's salary compensation or the flat-rate contribution to compensate for the loss of income for the self-employed persons is based on the decrease in turnover, whereas the applicant may choose one of the following methods of calculation:

1. sales for the given month compared with sales for the same month in 2019 (e.g. sales in March 2020 vs. sales in March 2019);
2. sales for the given month compared with the average monthly sales in 2019, subject to the condition that the applicant carried out gainful activity for the whole year 2019 (e.g. sales in March 2020 vs. 1/12 sales for 2019);
3. sales for the given month compared with sales for February 2020, provided that the applicant did not carry out gainful activity for the whole year 2019 or started to carry it out on 1 February 2020 at the latest.

The amount of support is shown in the table below.

Decline in Sales	Marec 2020
less than 10 %	EUR 0

10 % - 19,99 %	EUR 90
20 % - 29,99 %	EUR 150
30 % - 39,99 %	EUR 210
40 and more %	EUR 270

Decline in Sales	April 2020
less than 20 %	EUR 0
20 % - 39,99 %	EUR 180
40 % - 59,99 %	EUR 300
60 % - 79,99 %	EUR 420
80 and more %	EUR 540

From Wednesday, 8 April 2020, 12 p.m. (noon) employers and self-employed individuals with decreased income will be able to apply for contributions.

GENERAL CONDITIONS FOR BOTH SUPPORT PROGRAMS

The applicant is entitled to apply for support for the period starting from the date of the adoption of the measure of Public Health Authority of the Slovak Republic on stopping or limitation of business operations (12th March 2020) until the end of the cal-



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endar month in which this measure will be cancelled.

The conditions for receiving the contribution by the employer or self-employed persons are that:

- ▶ the employer is unable to assign work to the employee due to obstacles to work on the side of the employer pursuant to Section 142 Labour Code and
- ▶ the employer will not dismiss the employee after cancellation of the state of emergency.

Further information on both measures should be available on the website www.pomahamelu-dom.sk, or via the information line of the Ministry of Labour, Social Affairs and Family at +421 2 2211 5656 on weekdays from 6:00 to 22:00, starting on April 6, 2020, 12:00 p.m. (noon).

This information in this bulletin is correct to the best of our knowledge and belief at the time of going to press. Specific advice should be sought, however, before investment and other decisions are made.

Nor should the information in this bulletin be considered an exhaustive description of the given matter and its possible ramifications. We also note that legal opinion varies regarding some of the issues raised in this bulletin due to ambiguities in the relevant provisions. Thus, it is possible that an interpretation other than the one presented here will prevail in future.

For more information, please contact your usual partner/manager or these Weinhold Legal attorneys:



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