The amendments of multiple labour law regulations, mainly the Labour Code (hereinafter referred to as the “LC”) and the Act On Employment Services will enter into force on May 1, 2018. These amendments will bring lots of significant changes for employers, in particular regarding the remuneration of employees and the employment of third-country nationals (non-EU citizens).

**AMOUNT OF BASIC WAGE IN JOB ADVERTISEMENTS**

> The employer will be obliged to indicate the amount of basic salary for the specific position when publishing the job advertisement and must not fall below this amount upon conclusion of the employment contract.

**HOLIDAY AND CHRISTMAS BONUS**

> The employer may grant the employee with payment for work in the event of summer holidays, which is paid in June (so called 13th wage) and payment for work in the event of Christmas holidays, which is paid in December (so called 14th wage). These payments will be exempted from income tax, health care and social security contributions under certain conditions, however, only up to EUR 500, as follows:

> In the case of 13th wage, it is required (i) to be paid at least in the amount of the employee’s average monthly earnings, and (ii) the employment relationship must have lasted continuously for at least 24 months on April 30 of the respective calendar year. 13th wage paid under the above mentioned conditions up to the amount of EUR 500 is exempted from the health care contributions since 2018 and will be exempted from the income tax starting in 2019 and from social security contributions from 2021.

> In the case of 14th wage, it is required (i) to be paid at least in the amount of the employee’s average monthly earnings, (ii) the employment relationship must have lasted continuously for at least 48 months on October 31 of the respective calendar year, and (iii) the 13th wage was paid to the employee in the relevant tax period. 14th wage paid under the above mentioned conditions up to the amount of EUR 500 is exempted from the health care contributions and income tax since 2018 and will be exempted from social security contributions from 2019.

**MANDATORY WAGE SURCHARGES**

> The new regulations provide for an increase of already existing mandatory wage surcharges for work on public holidays and for night work and introduce new types of mandatory wage surcharges for work on Saturdays and Sundays.

> The wage surcharge for work on public holidays increases (from at least 50% of the employee’s average earnings) to at least 100% of the employee’s average earnings.

> The wage surcharge for night work increases (from at least 20% of minimum hourly wage) to at least 30% of the minimum hourly wage (35% in case of hazardous work) from May 1, 2018 until April 30, 2019 and to at least 40% of the minimum hourly wage (50% in case of hazardous work) as of May 1, 2019. Lower surcharges (of at least 25% of minimum hourly wage) can be agreed upon, if the nature of the work and/or the conditions of the operation require primarily night work. Such agreement can be concluded in a
collective agreement or in an individual employment contract in case of small companies employing less than 20 employees in the absence of a trade union (however, under the condition that no hazardous work is performed).

> The new surcharge for work on Saturdays shall be at least 25% of the minimum hourly wage from May 1, 2018 until April 30, 2019 and at least 50% of the minimum hourly wage as of May 1, 2019. Lower surcharges (of at least 20% and 45% of the minimum hourly wage respectively as of May 1, 2019) can be agreed upon, if the nature of the work and/or the conditions of the operation require work on Saturdays on a regular basis (e.g. in shopping centres) under the conditions mentioned above (as for the wage surcharge for night work).

> The new surcharge for work on Sundays shall be at least 50% of the minimum hourly wage from May 1, 2018 until April 30, 2019 and at least 100% of the minimum hourly wage as of May 1, 2019. Lower surcharges (of at least 40% and 90% of the minimum hourly wage respectively as of May 1, 2019) can be agreed upon, if the nature of the work and/or the conditions of the operation require work on Sundays on a regular basis (e.g. in shopping centres) under the conditions mentioned above (as for the wage surcharge for night work).

> For managerial employees lump sum wage can be agreed upon already including potential work on public holidays, night work, and work on Saturdays and Sundays; in that case the employee is not entitled to the wage surcharges.

> An employee who performs work from home or telework is not entitled to the wage surcharge for work on public holidays, night work, and work on Saturdays and Sundays.

**PAYMENT OF WAGE FOR OVERTIME WORK**

> In a collective agreement or in an employment contract it may be exceptionally agreed that wage earned for overtime work shall be settled when substitute time-off is taken. In that case, the overtime work is considered to be worked off in the period when the wage for overtime work was settled.

**TIME-OFF IN LIEU FOR WORK ON PUBLIC HOLIDAYS**

> Time-off in lieu for work on public holiday can be taken within the period of three months following the month, in which the work on public holiday was performed.

**STANDBY DUTY ON PUBLIC HOLIDAY**

> The employer may order or agree with an employee on standby duty outside the workplace even on a day when an employee does not work because of public holiday (for which the employee is entitled to wage compensation or for which his/her monthly wage is not reduced). In that case, the employee is entitled to compensation for standby duty and in addition to wage or wage compensation.
AGREEMENTS ON WORK PERFORMED OUTSIDE OF THE EMPLOYMENT RELATIONSHIP

Employees performing work based on agreements on work performed outside of an employment contract are also entitled to wage surcharge for work on Saturdays and Sundays, for night work and wage surcharge under difficult working conditions. In case of work on public holidays, they are entitled to a remuneration agreed for every hour of work in addition to at least the minimum hourly wage.

POSTING OF EMPLOYEES

For employment relationships between an employee and an employer with its registered seat outside the EU during their temporary posting in Slovakia, certain provisions of the LC on posting of employees shall apply accordingly, regulating (i) the so-called hard core of working conditions, (ii) the right of the posted employee to require payment of certain wage claims from the supplier of the service on the territory of the SR, if they were paid under minimum statutory amount, (iii) the right of the posted employee to seek legal protection from the labour inspectorate or a court of the SR, and (iv) the obligation of the posting employer and supplier of the service on the territory of the SR to cooperate in providing the necessary information. Certain exceptions apply in the case of intra-company transfers.

The employer to whom the third-country national is posted from the territory of another EU member state is obliged to secure adequate accommodation. In addition, the scope of documents submitted to the Slovak Office of Labour, Social Affairs and Family is extended.

EMPLOYMENT OF THIRD-COUNTRY NATIONALS

In regions with an unemployment rate below 5%, the possibility to fill a vacant position in shortage occupations will be facilitated (no mandatory notification on vacancies to the Slovak Office of Labour, Social Affairs and Family), in case the workforce of the employer contains less than 30% third-country nationals (in relation to the total number of employees).

A precondition for receiving the confirmation regarding the possibility to fill a vacant position and for having the employment permit granted for a third-country national is that the respective employer did not breach the prohibition of illegal employment during a period of two years before submitting an application for temporary residence or an employment permit.

PROMOTION OF LABOUR MOBILITY

The maximum monthly amount of the allowance for commuting to work and the allowance for promotion of labour mobility are increased. As their access will also be facilitated, a wider range of employees will be entitled thereto.

A new allowance for relocation for job purposes paid by the Slovak Office of Labour, Social Affairs and Family is introduced and shall serve for reimbursement of costs incurred in connection with the change of residence in case of taking a new job. The distance between the former and the new residence must be at least 70 km. The allowance will be granted for a period of up to 2 years and the act determines its maximum amount.
AMENDMENTS IN THE LABOUR LAW LEGISLATION AS OF MAY 2018

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