

# Employment Flash

March 2020

## Closure of stores and other operations... What are the impacts on employers?

*Due to the declaration of an emergency situation in the territory of the Slovak Republic, the Public Health Authority of the Slovak Republic has issued several measures concerning the prohibition of organizing and arranging mass sports, cultural, social or other events, restrictions on Slovak border-crossing points, mass transportation, and prohibiting the operation of various facilities such as swimming pools, cinemas, ski resorts, etc., and only pharmacies, grocery stores, restaurants, fast food stalls, drugstores, and newsstands are allowed in shopping centres over the weekend. The measures will have a significant impact on employment. How specifically?<sup>1</sup>*

In our opinion, the employers concerned can be divided into two groups:

1. **Employers where employees' representatives are active** (i.e. a trade union, a work council, an employee trustee); and
2. Employers where employees' representatives are not active.

**Employers where employees' representatives are active** have the possibility to conclude a written agreement with employees' representatives defining the serious operational reasons due to which the employer will not be able to assign work. In such a case, the employer can then apply the agreement and refer to obstacles on the part of the employer,

where the employee is entitled to wage compensation of at least 60% of his/her average earnings (or as agreed with employees' representatives, however at least 60%).

However, such an agreement with employees' representatives cannot be replaced by a unilateral decision of the employer (for example, as is the case in the Czech Republic).

Serious operational reasons may include, for example, a situation in which in one shift more than half of the employees do not commence the shift for a variety of reasons (e.g. leave to take care of a sick relative, sick leave, mandated quarantine, etc.) and the rest of the shift due to the small number of employees will not be able to operate various equipment, the employer will thus not be able to assign work to the employees present and may apply the agreement with the employees' representatives. Similarly, a situation in which the closure of operations is ordered directly by the State may be considered a serious operational reason.

**Employers where employees' representatives are not active** cannot assign work due to other obstacles on the part of the employer, but they have the right to send their employees home, providing them with wage compensation equal to 100% of their average earnings.

<sup>1</sup> Due to lack of time, this text should not be read as a comprehensive or thoroughly substantiated assessment of the statutory provisions applicable to obstacles for work. We have only focused on the impacts of the current situation on employers and employees.

### Authors:

Jan Koval | Partner

Štěpán Štarha | Partner

Zuzana Hargašová | Associate



# HAVEL & PARTNERS

CONNECTED THROUGH SUCCESS

## Our team

220 lawyers and tax advisors | 400 employees

## Our clients

2,000 clients | 100 of the Fortune 500 global companies  
50 companies in the Czech Top 100 league | 7 companies in the Czech Top 10 league

## International approach

Legal advice  
in more than 90 countries of the world  
in 12 world languages  
up to 70% of cases involve an international element

[www.havelpartners.cz](http://www.havelpartners.cz)

### PRAGUE

Florentinum, Reception A  
Na Florenci 2116/15  
110 00 Prague 1  
Czech Republic  
Tel.: +420 255 000 111

### BRNO

Titanium Business Complex  
Nové sady 996/25  
602 00 Brno  
Czech Republic  
Tel.: +420 545 423 420

### BRATISLAVA

Zuckermandel Centre  
Žižkova 7803/9  
811 02 Bratislava  
Slovak Republic  
Tel.: +421 232 113 900

### PILSEN

Nepomucká 144  
326 00 Plzeň  
Czech Republic  
Tel.: +420 371 005 320

### OLOMOUC

Salm Palace  
Horní náměstí 371/1  
779 00 Olomouc  
Czech Republic  
Tel.: +420 581 000 310

### OSTRAVA

Smetanovo náměstí 979/2  
702 00 Moravská Ostrava a Přívoz  
Czech Republic  
Tel.: +420 255 000 111