

Permanent scheme for claiming reimbursement of wage compensation for employers in Slovenia

Due to increasingly frequent natural disasters and other unpredictable events in the region, the **Act on the Enforcement of Partial Reimbursement of Salary Compensation for Reduced Working Hours** (ZUDPNP; UL RS, No. 47/2025, hereinafter referred to as the Act), introduces a new form of reduced working hours, with the simultaneous partial referral of workers to temporary waiting. The purpose of the Act is to encourage the **preservation of jobs** in the event of a **natural or other disaster or crisis situation**, or temporary circumstances, based on a government decision. The Act entered **into force on July 12, 2025**, 15 days after its publication in the Official Journal of the Republic of Slovenia on June 27, 2025.

When can employers claim assistance?

The Act is intended to **preserve jobs** and prevent layoffs in cases where employers are temporarily unable to provide full-time work due to crisis situations, natural disasters, or other circumstances.

Organizations that employ **full-time** workers, have no tax debts, and have been diligent in filing tax returns for the last 5 years are eligible. The company must not be in bankruptcy or liquidation and must not be a state budget beneficiary.

When the organization assesses that it cannot provide at least 90% of the work to at least 30% of its employees due to:

1. **External factors** such as natural disasters, crisis situations, other accidents, OR
2. **Government decision**, in the event of a deterioration in the business environment for **certain economic activities** in Slovenia. The proposal will be submitted by the Ministry of Labor. We expect that the introduction of the scheme on this basis will depend on employers' organizations and will only apply to **larger employers in the Republic of Slovenia** who have been unable to prevent the decline in orders through reasonable measures and are facing a limited provision of work for their employees.

Details on external factors as a condition for applying the scheme

- A. Crisis situations** are circumstances in the regional or wider **environment** that cannot be managed by conventional means and measures, in which fundamental social values are threatened for **military, economic, social**, or other reasons, and which may also extend across borders.
- B. Natural disasters** include **earthquakes, floods, landslides, avalanches, heavy snowfall, strong winds, hail, ice storms, frost, drought, wildfires**, mass outbreaks of **infectious human, animal, or plant diseases**, and other disasters caused by natural forces. This also includes unfavorable weather conditions in accordance with regulations on agriculture and **the elimination of the consequences** of natural disasters caused by the natural disasters listed above.
- C. Other disasters** include road, rail, and air traffic accidents, **fires, mining accidents, dam failures**, accidents caused by activities at **sea, nuclear accidents and other ecological and industrial accidents** caused by human activity and behavior, as well as **war, states of emergency, the use of weapons** or means of mass destruction, **terrorist attacks using conventional means**, and other forms of

mass violence. An ecological disaster is any other environmental disaster caused by an uncontrolled or unforeseen event resulting from human intervention in the environment and which consequently endangers human life or health.

An employer will be able to use the scheme if they are unable to provide work for at least **30% of their employees** due to (1) natural disasters, crisis situations, or other disasters, or on the basis of (2) a decision by the Government of the Republic of Slovenia for activities that may be most affected by the economic crisis.

Employer's obligations when applying the scheme

Before introducing a measure under the Act, the employer must **consult with the trade union** or **workers' council**, if any, and obtain their written opinion. In the case of smaller organizations, the employer shall inform the employees in the usual manner of the intended order to wait for work for up to 30% of the employees at the same time. The employer is obliged to **issue a written order to each employee** individually, specifying:

- **The extent of reduced** working hours, which may not be less than 50% of full-time working hours – the employee must work at least 20 hours per week and the employee may be on standby between 5 and 20 hours per week,
- The **period** of reduced working hours for an **individual employee** may not exceed **6 months within 24 months** from the first order
- **Working hours distribution** or the method of distributing working hours
- **Duration of breaks** during work
- **The amount of reimbursement** of work-related **expenses**
- The possibility and manner of requesting

the employee to resume full-time work

- The amount of salary compensation
- **A warning to the employee** regarding their rights and obligations in relation to training or education, and a warning that the employee must register in the register of employees included in the reduced working hours scheme at the Employment Service of Slovenia within five working days of the reduction in working hours being ordered, be included in the reduced working hours scheme at the Employment Service of Slovenia and notify the employer thereof.

The employer is obliged to adopt a **prescribed written order for each employee individually** and to deliver it to them. The employer must notify the Service of the acceptance of an individual written order **within 15 days**. The Service issues a decision, according to which the employer submits a monthly request for partial reimbursement of wage compensation. The right to submit a request for reimbursement expires 7 months after the Service issues the decision.

The employer must submit an application for partial reimbursement of wages electronically on the Employment Service of Slovenia's Employer platform **within 15 days** of ordering reduced working hours, with the following attachments:

- **A written order** and **evidence** of the reasons for the inability to provide work
- Evidence that, due to **external factors** or **on the basis of a decision by the Government of the Republic of Slovenia**, it is not possible to provide work

The Employment Service of Slovenia issues a **decision** according to which it is possible to claim reimbursement of salary compensation for those waiting for work at home within

seven months at the latest.

Justified compensation to the employer

The employer is entitled to reimbursement of **60% of the wage compensation** paid for hours of employee downtime, but **not exceeding 50% of the average wage** in Slovenia. Wage compensation is determined as the gross wage, excluding non-refundable employer contributions.

The request for reimbursement is **submitted** to the Employment Service of Slovenia **on a monthly basis via electronic means**. A list of **employees** who are entitled to partial reimbursement of compensation and **an extract from the records of the employee's working hours** in accordance with the law governing records in the field of labor and social security must also be attached.

Partial compensation means that the employer is entitled to partial reimbursement of the salary of an employee who is waiting for work at home, namely **in the amount of:**

- **60%** of the **gross** hourly compensation (gross I.) paid to the employee for waiting for work,
- or a maximum of 50 % of the average annual salary in the Republic of Slovenia of the previous year, currently **EUR 1,197.46** per month per employee.

Restrictions on employers implementing the scheme

During the period of receiving the reimbursement, the employer may not dismiss employees for business reasons, order overtime, or reallocate working hours if the work could be performed by employees on reduced working hours. The ban on dismissals also applies after the end of the reimbursement period, for as long as the measure lasted or at least one month.

If the employer provides false information or

does not meet the conditions, they must return the funds received together with interest. The employer must notify the Employment Service of Slovenia and return **the assistance** under this scheme **in full** if, during the period of receiving the reimbursement or **within one year** after the end of receiving the reimbursement, any of the following occurs:

- Adoption of a resolution by the general meeting on profit sharing
- **Payment of dividends** or income paid as dividends
- **Purchase of own shares** or own business shares
- Payment of business performance bonuses to management

If the aforementioned actions occur in the employer's organization **in the second or third year** after the Institute's decision is issued, the employer must return **50% of the aid received under this scheme**.

Obligations and rights of employees participating in the scheme

During reduced working hours, employees retain **all rights arising from their employment relationship**, receive wages for work performed and compensation of at least 80% of the average monthly wage of a full-time employee over the last three months, have the right to breaks and the opportunity to participate in training and education, for which they may receive an allowance and a monetary reward.

Under this scheme, the employer is obliged to pay the employee compensation for waiting time in the amount of **80% of the monthly salary for full-time work** for the last 3 months of work, calculated on an hourly basis.

An employee who has been **assigned work** with reduced working hours must, within five

working days of being assigned such work, **register** with the Employment Service of Slovenia **in the register of workers included in the reduced** working hours scheme under this Act, and notify their employer thereof.

During this time, employees can participate in **training and education** programs offered by the Employment Service of Slovenia. For each hour of actual attendance in the training or education program, employees are entitled to compensation of between EUR 1.0 and EUR 4.0 (valid for 2025) and reimbursement of transportation costs, generally in the amount of EUR 0.23/km (for 2025).

Employees are entitled to a cash reward of EUR 100 gross for successfully completing an education and training program.

Practical examples

(situations are hypothetical)

Example 1: Ana works in the production department of a company that has been affected by flooding of a nearby river. Ana's employer cannot provide her with enough work, so she only works 20 hours instead of the usual 40 hours per week:

- › Ana's average gross salary in the 3 months prior to waiting for work: €1,280.00
- › Number of hours waiting per week: 20 hours
- › Compensation received by Ana:
 $80\% \times 20\text{h}/40\text{h} \times \text{gross salary} = €512.00$
- › Partial reimbursement of compensation to the employer amounts to: $60\% \times \text{compensation paid to the employee} = €307$
- › The employer bears the cost of labor for the time spent waiting for work in the amount of $= (512 \times 1.171) - 307 = €292$, as it bears the entire employer's social contributions (17.1%).

Example 2: Marko works in an office. Due to the war in Ukraine, the company, which imports and exports grain, has seen a significant reduction in its workload. The Slovenian government has issued a decision confirming the occurrence of temporary circumstances in this activity. Marko therefore only works half of his full working hours:

- › Marko's average gross salary in the 3 months prior to waiting for work: €6,300.00
- › Number of hours waiting per week: 20 hours
Compensation received by Marko:
 $80\% \times 20\text{h}/40\text{h} \times \text{gross salary} = €2,520$
- › $60\% \times \text{compensation paid to the employee} = €1,512$, which is more than the upper limit of 50% of the average Slovenian salary, i.e. €1,197
- › The employer bears the labor costs for the waiting time in the amount of $= (2,520 \times 1.171) - 1,197 = €1,754$, as it bears the entire employer's social contributions (17.1%).

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