

LEGAL UPDATE

Representative Higher-Level Collective Bargaining Agreements

effective from 1 January 2025

Reintroduction of Representative Higher-Level Collective Bargaining Agreements

On 23 October 2024, the Slovak parliament adopted [Act No. 289/2024 Coll.](#), amending Act No. 663/2007 Coll. on the Minimum Wage and related legislation. This Act introduces several changes, one of the most significant being amendments to Act No. 2/1991 Coll. on Collective Bargaining (the “**Act on Collective Bargaining**”).

Current Framework for Collective Bargaining Agreements

Under the existing Act on Collective Bargaining, the Slovak Republic recognizes two types of collective bargaining agreements (the “**CBAs**”):

1. **Company-Level CBAs**, concluded between an individual employer and a trade union.
2. **Higher-Level CBAs**, applicable to:
 - o employers who are direct parties to the agreement,
 - o employers in the same sector who are members of the employers' organization that negotiated the higher-level CBA.

Key Change

Effective from 1 January 2025, **representative higher-level collective bargaining agreements** (the “**RCBAs**”) are being re-introduced.

An RCBA is a higher-level CBA that meets specific statutory requirements for **representative status**. Once a higher-level CBA achieves this status, it becomes **binding for all employers** in the relevant business sector across Slovakia, even if they are **not members** of the employers' organization that signed the original agreement.

The application of an RCBA to a specific employer is determined based on the **statistical classification of economic activities (SK NACE)**, which assigns codes to sectors and subsectors. Employers bound by an RCBA will include those whose business activities are classified within the designated sector or subsector (e.g., SK NACE 24 for *Manufacture and Processing of Metals* or SK NACE 24.4 for *Manufacture of Precious and Other Non-Ferrous Metals*).

Exceptions

Certain employers may be exempt from the binding effect of an RCBA, such as:

- employers in bankruptcy,
- employers with fewer than 20 employees,
- employers with more than 10% of their workforce composed of individuals with disabilities,
- employers who have been in business for less than 24 months
- employers who have received support during short-time working (so called “*Kurzarbeit*”) for at least three months as of the date of publication of the notice.

These are only examples, and additional exemptions may apply based on specific statutory conditions.

Publication of the Notice on the Establishment of the RCBA

Effective from 1 January 2025, a party or parties to a Higher-Level CBA may notify the Ministry of Labour, Social Affairs and Family (the “**Ministry**”) that they have entered into a CBA that represents a specific industry or part of an industry and has representative status. The Ministry will then verify the received notification, and thereafter, **a separate notice will be published** in the [Commercial Bulletin](#). This notice will identify the CBA and the sector or part of the sector it regulates.

Employers who may be affected by the potential application of a CBA (if representative status is established), as listed in the Commercial Bulletin, have then **the right to submit a statement** to the Ministry. Additionally, representative associations of employers and representative associations of trade unions, as part of a tripartite commission, are entitled to comment on the information in the Ministry's notice, the employers' statements, or the number of employees used to assess representativeness.

The Ministry's notification regarding the fulfilment or non-fulfilment of the representativeness conditions may also be challenged in court.

If the Ministry determines that all conditions of representativeness have been satisfied, it shall immediately request the publication of the notice in the Collection of Laws of the Slovak Republic.

Establishing Representative Status

The representative status of an RCBA and its binding force for non-member employers are established through its **publication in the Collection of Laws of the Slovak Republic**, which is publicly accessible [here](#). The date of publication determines when the RCBA becomes binding for relevant employers in the sector.

TO DO LIST FOR EMPLOYERS:

- **Monitor the Commercial Bulletin:** Regularly review the Commercial Bulletin for any notices applicable to their respective business sector, in order to make statements to the Ministry or seek judicial protection.
- **Evaluate exceptions from the scope of RCBA:** Since there are multiple exceptions, we recommend checking whether they are covered by the relevant exception or eligible to be within the scope of the relevant RCBA.
- **Evaluate Sector Classification:** Determine whether the company's activities fall within the sector defined by the SK NACE classification associated with an RCBA.
- **Monitor Collection of Laws:** Regularly review the Collection of Laws of the Slovak Republic for any RCBA applicable to their respective business sector.
- **Ensure Compliance:** If bound by an RCBA, ensure full compliance with its terms, even if your organization was not involved in its negotiation.

10 December 2024. This legal update is intended for informational purposes only and does not constitute comprehensive guidance. It should not be regarded as legal advice. For further details or specific advice regarding the recent amendment to the Labour Code, please feel free to reach out to our experts:

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