

Slovenia

Wage guarantee in case of insolvency

Phase	Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (ZFPPIPP); Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia Act (ZJSRS)
Native name	Zakon o finančnem poslovanju, postopkih zaradi insolventnosti in prisilnem prenehanju (ZFPPIPP); Zakon o javnem štipendijskem, razvojnem, invalidskem in preživninskem skladu Republike Slovenije (ZJSRS)
Type	Wage guarantee in case of insolvency
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Article

Article 21 of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (ZFPPIPP); Articles 13, 14, 16, 16a, 17, 18, 19, 24 and 28 of the Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia Act (ZJSRS)

Description

The Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia (hereafter the Guarantee Fund) protects claims of the employees whose employment has been terminated due to bankruptcy proceedings, a valid decision on compulsory composition, an insolvency procedure in one of the other EU Member States or European Economic Area (the job was being carried out or generally being carried out in the Republic of Slovenia), or the company being deleted from the court register without liquidation under the provisions of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (ZFPPIPP). All employees are eligible, irrespective of the type of their employment contract. In case of insolvency, unpaid wages, severance pay, and social contributions for the last six months are priority claims in the insolvency procedure.

Coverage by the Guarantee Fund includes the right to receive payment (total amount not exceeding four and a half minimum wages) of:

- unpaid wages for the period of the last three months prior to the termination of the employment relationship (maximum of three minimum wages prescribed by the Minimum Wage Act, lowered by taxes and contributions); ?* unpaid wage compensation for sick leave for the last three months before the termination of the employment relationship (maximum of three minimum wages prescribed by the Minimum Wage Act, lowered by taxes and contributions);?
- wage compensation for unused annual holidays to which the employee was entitled in the current year (maximum of one half of minimal wage prescribed by the Minimum Wage Act, lowered by taxes and contributions);
- severance payment, as provided by the law on employment relations (maximum of one minimum wage prescribed by the Minimum Wage Act, lowered by taxes and contributions).

The Guarantee Fund is financed (with regard to covering payments to the employees) by the state budget, by employers (0.06% of the payroll costs) and by the Guarantee Fund through means of transfer and enforcement of claims from the insolvent employer.

The deadline for filing the request to enforce the above mentioned rights is 90 days after the termination of the employment relationship. The Guarantee Fund has to meet all its obligations within 30 days after the final decision.

Commentary

For data on fund applications and disbursement, view the Guarantee Fund's [Annual Reports](#).

Additional metadata

Cost covered by	Companies National government
Involved actors other than national government	Other
Involvement (others)	Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia

Thresholds

Affected employees: No, applicable in all circumstances
Company size: No, applicable in all circumstances
Additional information: No, applicable in all circumstances

Sources

- Kresal, B. (2010), Anticipating and Managing Restructuring: Slovenia, University of Ljubljana, Ljubljana~~~ Deutsch, A. (2011), Europäische Beispiele für die Insolvenzentgeltsicherung, Federal Ministry of Labour, Social Affairs and Consumer Protection/IEF, Vienna~~~ Sargant, M. (2007), Implementation Report Directive 80/987 EEC amended by Directive 2002/74/EC [protection of employees in the event of the insolvency of their employer], Human European Consultancy/Middlesex University Business School~~~ [Zakon o finančnem poslovanju, postopkih zaradi insolventnosti in prisilnem prenehanju \(ZFPPIPP\) \(SL\)](#)~~~ [Zakon o javnem štipendijskem, razvojnem, invalidskem in preživninskem skladu Republike Slovenije \(ZJSRS\) \(SL\)](#)~~~ [The Public Scholarship, Development, Disability and Maintenance Fund of the Republic of Slovenia, Letno poročilo 2021 \[Annual Report 2021\], February 2022.](#)~~~

Citation

Eurofound (2015), Slovenia: Wage guarantee in case of insolvency, Restructuring legislation database, Dublin