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Factsheet for case **HR-2020-14/518**

Tourism company Valamar sets up the employment retention programme „PAUSE, RESTART“

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Country	Croatia, applies nationwide
Time period	Temporary, 01 April 2020 - 30 June 2020
Type	Social dialogue
Category	Employment protection and retention – Income support for people in employment (e.g. short-time work)
Case created	12 April 2020 (updated 28 April 2020)

Background information

Valamar Riviera is the largest tourism company in Croatia. Since the beginning of the global pandemic crisis, the company actively monitors the situation and continuously takes the necessary action to preserve employees' and customers' health, jobs and insure the business continuity. Following the tightening of general prevention measures by the competent authorities, Valamar closed in March 2020 all hotels and restaurants. With the aim of preserving jobs and business continuity in the conditions where touristic activities were completely suspended, Valamar made the decision to launch the "PAUSE, RESTART" program. It started on 1 April and will last at least 30 to possible 90 days.

Content of measure

The program covers all employees, therefore there will be no layoffs for about 2,800 workers in Valamar. Government support will be used. All employees who cannot work due to the situation will be referred to PAUSE from April 1. During the PAUSE, employees will be provided with a salary compensation in the amount of minimum 60% of regular salary, but not less than HRK 4,250 net (€ 567). This measure will apply equally to employees and management including permanent and seasonal workers. During the PAUSE, a part of employees and management in charge of the crisis will work primarily on maintenance, conservation and facility security duties, while a part of the staff will communicate with guests and partners. The wages of

management will be reduced by up to 30% until all employees return to work. Other employees who will work full-time will continue to receive their regular full pay.

The Management Board cancelled the General Assembly and with the consent of the Supervisory Board proposed to the General Assembly a withdrawal of dividend payment and to direct these sources into funds for increase liquidity and support measures for the preservation of all jobs. Until the situation improves, Valamar Riviera cannot provide regular services but the company's goal is not to lose any employee. Valamar will do everything to be ready for the RESTART business. It is a strong and stable company and one can hope that with the adequate support by the government, shareholders, investors, partners and employees, it will survive and prepare for continuity of business. To prepare on time for RESTART, Valamar directs its efforts to the development of a new business plan and the preparation of facilities for the start of touristic season.

Use of measure

Targeted at the whole company, 2,800 employees.

Actors, target groups and funding

Actors	Target groups	Funding
Company / Companies	Employees Seasonal workers	Companies National funds

Social partners

Role of social partners	Negotiated
Form of involvement	Direct consultation

Social partners actively participated in the preparation of the measure.

Sectors and occupations

This case is sector-specific (only private sector).

Economic area	Sector (NACE level 2)
I - Accommodation And Food Service Activities	I55 Accommodation
	I56 Food and beverage service activities

This case is not occupation-specific.

Sources

- 25 March 2019: Valamar pokrenuo program „PAUZA, RESTART“ (valamar-riviera.com)