Please note that the translation provided below is only provisional translation and therefore does NOT represent an official document of the Republic of Croatia. It confers no rights and imposes no obligations separate from those conferred or imposed by the legislation formally adopted and published in Croatian language.

Please note that this translation is a final purified text version published in the Official Gazette no. 137/2004.

# LEGISLATION COMMITTEE OF THE CROATIAN PARLIAMENT

2415

Pursuant to Article 7 of the Act on Amendments to the Labour Act (Official Gazette, No. 30/04), the Legislation Committee of the Croatian Parliament, at its 18<sup>th</sup> session of 21 September 2004 adopted a consolidated text of the Labour Act.

The consolidated text of the Labour Act includes the Labour Act (Official Gazette, No. 38/95), the correction of the Labour Act published in the Official Gazette, Nos. 54/95 and 64/95, and its amendments published in the Official Gazette, Nos. 17/01, 82/01, 114/03 and 30/04 and the correction of the Act on Amendments to the Labour Act, the Official Gazette, No. 142/03 in which the date of its entry into force was indicated.

Classification: 11-01/04-01/01 Zagreb, 21 September 2004

> President of the Legislation Committee of the Croatian Parliament

Florijan Boras, LLB, m.p.

# LABOUR ACT (consolidated text)

### I. GENERAL PROVISIONS

### Subject matter of the Labour Act

#### Article 1

This Act regulates employment in the Republic of Croatia, unless otherwise specified by another law or treaty concluded and ratified in accordance with the Constitution, and proclaimed.

#### **Prohibition of discrimination**

# Article 2

(1) Direct and indirect discrimination of a person seeking employment and employed person (worker, civil service employee, civil servant or other worker – hereinafter: the worker) on the grounds of race, colour, gender, sexual orientation, marital status, family responsibilities, age,

language, religion, political or other belief, national or social background, financial status, birth, social status, membership or non-membership in a political party or trade union, and physical or psychological difficulties shall be prohibited.

(2) Within the meaning of this Act, direct discrimination shall mean any treatment based on some of the grounds referred to in paragraph 1 of this Article whereby a person from paragraph 1 of this Article is,has been, or could be placed in a less favourable position than other persons in a comparable situation.

(3) Within the meaning of this Act, indirect discrimination exists when an apparently neutral provision, criterion or practice places or would place a person from paragraph 1 of this Article in a less favourable position than other persons, on the basis of his or her particular characteristics, status, orientation, belief or system of values which constitute grounds for prohibition of discrimination referred to in paragraph 1 of this Article.

(4) Discrimination referred to in paragraph 1 of this Article shall be prohibited in relation to:

1. employment requirements, including the criteria and requirements for the selection of candidates for the performance of a particular job, in any branch of activity and at all levels of the professional hierarchy,

2. promotion,

3. access to all types and levels of occupational training, additional training and retraining,

4. employment and working conditions and all the rights arising from employment and related to employment, including equal pay,

5. termination of labour contracts,

6. membership and participation in workers' or employers' associations or in any other professional organisation, including benefits arising from this membership.

(5) The provisions of collective agreements, employment rules and labour contracts introducing discrimination on any of the grounds referred to in paragraph 1 of this Article shall be null and void.

(6) Regulating, by a collective agreement, workers' obligation to pay bargaining fees under Article 197 of this Act shall not be considered discrimination on the ground of non-membership in a trade union referred to in paragraph 1 of this Article.

## **Exemptions from prohibition of discrimination**

#### Article 3

(1) Any distinction, exclusion or preference in respect of a particular job shall not be considered discrimination when the nature of the job or conditions in which it is performed are such that characteristics related to particular grounds from Article 2, paragraph 1 of this Act constitute a genuine and determining occupational requirement, provided that the objective aimed to be achieved is legitimate and that the requirement is proportionate.

(2) Any measures provided by this Act or a separate regulation and the provisions of this Act or separate regulations, collective agreements, employment rules and labour contracts relating to special protection and assistance for specific categories of workers, and in particular those governing the protection of disabled persons, elderly workers, pregnant women and women exercising any of the maternity protection rights, as well as the provisions relating to special rights

for parents, adoptive parents and guardians shall not be considered discrimination nor may be grounds for discrimination.

#### Harassment and sexual harassment

### Article 4

(1) Harassment and sexual harassment shall constitute discrimination pursuant to Article 2 of this Act.

(2) Harassment shall mean any unwanted conduct based on any of the grounds referred to in Article 2, paragraph 1 of this Act intended to, or actually undermining the dignity of a person seeking employment and worker and creating an intimidating, hostile, degrading or offensive environment.

(3) Sexual harassment shall mean any verbal, non-verbal or physical conduct of a sexual nature intended to, or actually undermining the dignity of a person seeking employment and worker and creating an intimidating, hostile, degrading or offensive environment.

### **Compensation for damages for discrimination**

#### Article 5

In case of discrimination referred to in Articles 2 and 4 of this Act, a person seeking employment may claim compensation for damages under general provisions of the law of civil obligations, whereas a worker may claim compensation for damages under the provisions of Article 109 of this Act.

### Burden of proof in case of a dispute

### Article 6

If, in case of a dispute, a person seeking employment or worker presents the facts that give rise to a reasonable doubt that the employer acted contrary to the provisions of Article 2 of this Act, the employer shall have the burden of proof to show that there was no discrimination or that he or she acted in compliance with the provisions of Article 3 of this Act.

#### Basic obligations and rights arising from employment

#### Article 7

(1) The person who employs (hereinafter: "the employer") shall assign the worker a job and pay him or her for the work carried out, whereas the worker shall perform personally the job assigned, following the employer's instructions given according to the nature and type of work.

(2) The employer has the right to specify the location and manner for carrying out the work, while respecting the rights and dignity of the worker.

(3) The employer shall provide the worker with safe working conditions in accordance with a special law and other regulations.

#### Definition of terms: worker and employer

# Article 8

(1) Within the meaning of this Act, a worker is a natural person who, in employment, carries out certain tasks for the employer.

(2) Within the meaning of this Act, an employer is a natural or legal person for whom the worker, in employment, carries out certain tasks.

#### Duty to respect regulations related to employment

### Article 9

(1) In employment, the employer and the worker shall comply with the provisions of this Act and other laws, treaties concluded and ratified in accordance with the Constitution and proclaimed, other regulations, collective agreements and ordinances related to employment.

(2) Before the worker commences work, the employer shall introduce him or her with employment regulations, and inform him or her about the organisation of work and occupational health and safety regulations.

(3) The occupational health and safety regulations, collective agreements and employment rules shall be made available to workers in an appropriate manner.

#### Application of general provisions of the law of civil obligations

### Article 10

The general provisions of the law of civil obligations shall apply to the conclusion, validity and termination of labour contracts or to other issues related to labour contracts, collective agreements or agreements between the workers' council and the employer, which are not regulated by this or another Act, in accordance with the nature of such contracts.

## Freedom of contract and its limitations

# Article 11

(1) Employers, workers and the workers' councils, as well as trade unions and employers' associations may stipulate working conditions which are more favourable for the worker than those prescribed by this or another Act.

(2) Employers, employers' associations and trade unions may stipulate, in a collective agreement, less favourable working conditions than those prescribed by this Act, only if they are explicitly authorised to do so by this or another Act.

#### Application of the right that is most favourable for the worker

## Article 12

If a right arising from employment is differently regulated in the labour contract, employment rules, the agreement between the workers' council and the employer, collective agreement or law, the most favourable right shall apply to the worker, unless otherwise specified by this or another Act.

# **II. THE CONCLUSION OF A LABOUR CONTRACT**

#### **Commencement of employment**

### Article 13

(1) Employment commences by a labour contract.

(2) If the employer and the worker conclude a contract for the performance of work which, in view of the nature and type of the work to be carried out and the employer's powers in respect of this work, has characteristics of the work for which employment should commence, the employer shall be deemed to have concluded a labour contract with the worker, unless he or she proves the contrary.

#### **Open-ended labour contract**

#### Article 14

(1) Labour contracts shall be concluded for an indefinite period ("open-ended labour contracts"), unless otherwise specified by this Act.

(2) Open-ended labour contracts shall be binding on the parties thereto until one of the parties cancels it or until it terminates in another way, as prescribed by this Act.

(3) If a labour contract does not specify the period for which it was concluded, it shall be considered to have been concluded for an indefinite period.

#### **Fixed-duration labour contract**

# Article 15

(1) As an exception, a labour contract may be concluded for a definite period ("fixedduration contract") in case of employment the termination of which is previously determined by objective terms, i.e. by a specific time limit, performance of a specific task or occurrence of a specific event.

(2) The employer must not conclude one or more consecutive fixed-duration labour contracts on the basis of which employment commences with respect to the same work for a continuous period exceeding three years, except in order to substitute a temporarily absent worker or if this is permitted by the law or collective agreement.

(3) An interruption of work shorter than two months is not considered to be an interruption of the three-year period referred to in paragraph 2 of this Article.

(4) A fixed-duration labour contract shall terminate upon the expiration of the term stipulated therein.

(5) If a fixed-duration labour contract was concluded contrary to the provisions of this Act or if the worker continued working for the employer after the expiration of the period for which the contract had originally been made, the worker shall be considered to have concluded an open-ended labour contract.

(6) The employer shall inform the workers working for him or her under fixed-duration labour contracts about the available jobs in respect of which these workers might conclude openended labour contracts, and provide them with further training and education under the same conditions as those provided to workers working under fixed-duration labour contracts.

### The form of a labour contract

### Article 16

(1) A labour contract shall be concluded in written form.

(2) A failure on the part of the contractual parties to conclude a labour contract in written form shall not affect the existence and validity of this contract.

(3) If a labour contract was not concluded in written form, the employer shall give to the worker a written certificate on the conclusion of the contract before the work commences.

(4) If the employer fails to conclude a labour contract in written form with the worker within the time limit referred to in paragraph 3 of this Article, or fails to give him or her a written certificate on the conclusion of the contract, it shall be deemed that the employer has concluded an open-ended labour contract with the worker.

(5) The employer shall give the worker a copy of the registration form for the mandatory pension and health insurance scheme within 15 days from the day of conclusion of the labour contract or delivery of the written certificate on the conclusion of the contract, i.e. the commencement of work.

(6) Labour contracts for seamen and fishermen must be registered with county offices responsible for labour affairs.

(7) The labour minister shall establish, by an ordinance, the content and manner of registration of labour contracts for seamen and fishermen.

# Mandatory contents of a written labour contract or a written certificate on the conclusion of a labour contract

### Article 17

(1) A labour contract concluded in written form or a certificate on the conclusion of a labour contract referred to in Article 16, paragraph 3 of this Act shall contain provisions on:

1. parties, their permanent residence or seat;

2. the place of work, and if there is no permanent or main place of work a remark stating that the work is carried out at various locations;

3. the name, nature or type of work for which the worker is employed; or a short list or description of tasks;

4. the date of commencement of work;

5. in case of a fixed-duration labour contract, the expected duration of the contract;

6. the duration of the paid annual leave to which the worker is entitled, and when such information is not available at the time the contract is concluded or the certificate issued, the manner in which the duration of this leave shall be determined;

7. the notice periods with which the worker and the employer must comply, and when such information is not available at the time the contract is concluded or the certificate issued, the manner in which the notice periods shall be determined;

8. basic salary, salary supplements and the periods in which payments to which the worker is entitled shall be made;

9. the duration of a normal working day or week;

(2) Instead of the provisions referred to in subparagraphs 6, 7, 8 and 9, paragraph 1 of this Article, a contract or certificate may make reference to respective laws, other regulations, collective agreements or employment rules governing these issues.

# Mandatory contents of a fixed-duration labour contract concluded for permanent seasonal jobs

#### Article 18

(1) If an employer predominantly operates on a seasonal basis, he or she may conclude fixed-duration labour contracts for permanent seasonal jobs to provide for the performance of these permanent seasonal jobs.

(2) In case of the conclusion of a contract referred to in paragraph 1 of this Article, the employer shall be the one who is obliged to register the worker for extended pension insurance and to pay contributions for extended pension insurance, in accordance with the pension insurance regulations.

(3) In addition to the provisions referred to in Article 17 of this Act, a contract from paragraph 1 of this Act must also contain additional provisions on:

1. the conditions and period for which the employer will pay contributions for extended pension insurance,

2. the time limit within which the employer shall offer the worker to conclude a labour contract for the performance of work in the following season,

3. the time limit, which may not be shorter than eight days, within which the worker shall declare himself or herself about the offer from subparagraph 2 of this paragraph.

(4) If the worker declines the offer to conclude a labour contract from subparagraph 3, paragraph 2 of this Article without legitimate reasons, the employer has the right to claim reimbursement of the paid contributions from the worker.

(5) Instead of the provisions under paragraph 3, subparagraph 1 of this Article, the contract may make reference to respective collective agreements or employment rules governing these issues.

#### Mandatory contents of a written labour contract in a separate place of work

### Article 19

(1) In addition to the provisions from Article 17, paragraph 1, subparagraphs 1 to 8 of this Act, a labour contract concluded in written form or a certificate on the conclusion of a labour contract for the performance of work in the worker's home or on other premises other than the place of work of the employer shall also contain the provisions on:

1. the duration of a normal working week,

2. daily, weekly or monthly period of the worker's obligatory presence in the place of work,

3. time limits, time and manner of supervision of work quality performed by the worker,

4. machines, tools and equipment necessary for the performance of the work, which the employer is obliged to provide, install and maintain,

5. use of the worker's own machines, tools and other equipment and the coverage of costs thereof,

6. coverage of other costs to the worker concerning the performance of work,

7. occupational training methods and further training of workers.

(2) The contract referred to in paragraph 1 of this Article is, correspondingly, subject to the provision of Article 17, paragraph 2 of this Act.

(3) The salary of a worker with whom the employer concluded a contract referred to in paragraph 1 of this Article shall not be established in an amount lower than the salary of a worker performing the same or similar job on the employer's premises.

(4) The contract referred to in paragraph 1 of this Article may not be concluded for the performance of jobs from Article 40, paragraph 1 of this Act, nor of other jobs for which this Act or another law provides so.

(5) The employer shall provide safe working conditions to the worker and the worker shall comply with all safety and health rules, in accordance with special laws and other regulations.

(6) The employer shall notify the state administration body responsible for labour inspection of the conclusion of every contract referred to in paragraph 1 of this Article, within fifteen days of the date when the contract was concluded.

(7) The contract referred to in paragraph 1 of this Article is not subject to the provisions of this Act concerning the working hours schedule, shortened working hours, overtime work, rescheduling of working hours, night work and breaks. These issues may be regulated by a labour contract or collective agreement establishing conditions of work with the employer.

(8) The quantity of work and time limits for the completion of work carried out under the contract referred to in paragraph 1 of this Article shall not prevent the worker from exercising his or her right to daily and weekly rest and annual leave.

# Mandatory contents of a written labour contract or a written certificate on the conclusion of a labour contract for workers sent abroad

### Article 20

(1) If a worker is sent to work abroad for a period exceeding one month, and during the work abroad the labour contract is subject to foreign regulations, either the labour contract must be concluded in written form or the worker must be given a written certificate on the conclusion of a labour contract before he or she goes abroad which, in addition to the provisions under Article 17, shall also contain provisions on:

1. the duration of the work abroad;

2. the currency in which the salaries shall be paid;

3. other payments received in money and in kind to which the worker will be entitled during the work abroad; and

4. the conditions for repatriation.

(2) Instead of the provisions under subparagraphs 2 and 3, paragraph 1 of this Article, a contract or certificate may make reference to respective laws, other regulations, collective agreements or employment rules governing these issues.

(3) The employer shall issue the worker a copy of the registration form referred in Article 16, paragraph 5 of this Act before the worker is sent abroad.

### Minimum age for employment

# Article 21

(1) A person under fifteen years of age shall not be employed.

(2) As an exception and upon previously obtained approval of a labour inspector, a person under fifteen years of age may for remuneration participate in film making, the preparation and giving artistic, theatrical or other similar performances in a manner, to an extent and on assignments which do not threaten his or her health, morals, schooling or development.

(3) The labour inspector issues the approval referred to in paragraph 2 of this Article on the basis of an application by the legal representative.

#### Legal capacity of minors to conclude labour contracts

#### Article 22

(1) If a minor over fifteen years of age is authorised by his or her legal representative to conclude a specific labour contract, this minor shall have legal capacity to conclude and rescind the contract in question and to carry out all the legal actions related to the fulfilment of rights and obligations from this contract or in relation to this contract.

(2) The authorisation under paragraph 1 of this Article shall not apply to legal transactions for the performance of which the legal representative needs approval from a body responsible for social welfare.

(3) A dispute between legal representative or one or more legal representatives and the minor over granting authorisation to conclude a labour contract is to be resolved by a decision of the body responsible for social welfare, taking into account the minor's best interests.

(4) The legal representative may withdraw or limit the authorisation referred to in paragraph 1 of this Article or terminate employment on the minor's behalf.

(5) The minor's guardian may give authorisation referred to in paragraph 1 of this Article to the minor only on the basis of a previous approval issued by a body responsible for social welfare.

(6) The authorisation referred to in paragraph 1 of this Article shall be issued in written form.

# Prohibition of employment of minors in certain jobs

### Article 23

(1) A minor shall not be employed in jobs that may threaten his or her health, morals or development.

(2) The labour minister shall list, in an ordinance, the jobs referred to in paragraph 1 of this Article.

(3) The labour minister shall list, in an ordinance, the jobs in which minors may work only upon examination of their health capacities to perform these jobs.

(4) The ordinances referred to in paragraphs 2 and 3 of this Article shall be adopted by the labour minister, with prior consent of the health minister.

(5) The labour inspector shall prohibit a minor from working in jobs referred to in paragraph 1 of this Article.

(6) Upon the request of the minor, his or her parents or guardian, the workers' council, trade union or labour inspector, the employer shall, in the case referred to in paragraph 1 of this Article, offer the minor worker to conclude a labour contract for the performance of other appropriate job and, if there is no such job, he or she may terminate the minor's employment in the manner and under the conditions prescribed by this Act.

# Authority of labour inspector to prohibit the employment of a minor in certain jobs

### Article 24

(1) If the labour inspector suspects that the job performed by a minor threatens his or her health or development, he or she may at any time demand from the employer that the minor worker

be examined by an authorised physician who should indicate, in his or her expert opinion, whether the job performed by the minor threatens his or her health or development.

(2) In the case referred to in paragraph 1 of this Article, the labour inspector shall set a time limit within which the employer has to obtain an expert opinion on whether or not the job performed by the minor threatens his or her health or development.

(3) The costs of the medical examination and expert opinion referred to in paragraph 1 of this Article shall be covered by the employer.

(4) On the basis of an expert opinion given by an authorised physician, the labour inspector may prohibit a minor from performing a specific job.

(5) The initiative for conducting the proceedings referred to in paragraph 1 of this Article may be given to the labour inspector by the minor, his or her parent or guardian, the workers' council or trade union.

(6) In the case referred to in paragraph 4 of this Article, the employer shall offer the minor worker to conclude a labour contract for the performance of other appropriate job and, if there is no such job, he or she may terminate the minor's employment in the manner and under the conditions prescribed by this Act.

#### Special conditions for concluding labour contracts

#### Article 25

(1) If a law, other regulation, collective agreement or employment rules prescribe special conditions for the commencement of employment, a labour contract may only be concluded by a worker who meets these conditions.

(2) The labour minister shall, with prior consent of the health minister, list in an ordinance the jobs that a worker may perform only upon examination of his or her health capacities to perform these jobs.

(3) The ordinance from paragraph 2 of this Article shall establish the manner for examination of health capacities, the intervals at which such examination must be repeated, the contents and procedure for issuing a certificate on health capacities, and other issues important for examination of health capacities to perform the jobs under paragraph 2 of this Article.

(4) A foreign national or stateless person may conclude a labour contract under the conditions prescribed by this Act and a special law that regulates the employment of these persons.

#### Obligation of a worker to notify the employer of illness or other circumstances

### Article 26

(1) When concluding a labour contract, the worker must notify the employer of any illness or other circumstances which prevent him or her from, or essentially interferes with his or her fulfilment of the obligations arising from the labour contract, or which endangers the life or health of persons with whom the worker comes into contact during the performance of the labour contract. (2) For the purpose of determination of a worker's health capacities to perform certain jobs, the employer may send the worker to undergo a medical examination.

(3) The costs of the medical examination referred to in paragraph 2 of this Article shall be covered by the employer.

# Information that must not be requested

### Article 27

(1) When concluding a labour contract, the employer must not request from the worker the information that is not directly related to his or her employment.

(2) The questions not to be asked referred to in paragraph 1 of this Article need not be answered.

#### **III. PROTECTION OF LIFE, HEALTH, PRIVACY AND DIGNITY OF WORKERS**

#### Employers' obligations in the protection of life, health and morals of workers

#### Article 28

(1) The employer shall provide for and maintain the machinery, instruments, equipment, tools, place of work, access to the place of work, as well as organise work in a manner that guarantees the protection of life and health of workers in accordance with special laws and other regulations and in accordance with the nature of the job being performed.

(2) The employer shall inform the worker of the dangers of the job performed by the worker.

(3) The employer shall train the worker for the work in a manner that guarantees the protection of life and health of the worker and prevents accidents.

(4) If the employer assumed the obligation to provide accommodation and food for the worker, in the fulfilment of this obligation he or she must take into account the protection of life, health and morals of the worker, as well as his or her religion.

### The protection of workers' privacy

### Article 29

(1) Personal information about workers may be collected, processed, used and sent to third parties only if so provided for by this Act or another law, or if necessary for the exercise of rights and obligations arising from employment or related to employment.

(2) If personal information referred to in paragraph 1 of this Article has to be collected, processed, used or sent to third parties for the exercise of rights and obligations arising from employment or related to employment, the employer must establish in advance, by employment

rules, the information that he or she will collect, process, use or send to third parties for this purpose.

(3) Personal information about workers may be collected, processed, used and sent to third parties only by the employer or by the person specifically authorised by the employer for this purpose.

(4) Inaccurate personal information must be corrected without delay.

(5) Personal information for the storage of which there is no longer any legal or factual basis must be erased or removed in any other way.

(6) The employer shall appoint a person who would, in addition to him or her, be authorised to supervise whether the personal information about workers is collected, processed, used and sent to third parties in accordance with the law.

(7) The person referred to in paragraph 6 of this Article must enjoy the confidence of employees, and carefully safeguard the information that he or she obtains during the course of his or her duty.

#### The protection of workers' dignity

### Article 30

(1) The employer shall protect workers' dignity during work, by providing working conditions in which they will not be exposed to harassment or sexual harassment. This protection also includes taking preventive measures.

(2) Workers' dignity shall be protected from harassment or sexual harassment perpetrated by employers, superiors, co-workers and persons with whom workers come into regular contacts during their work.

(3) The procedures and measures for the protection of workers' dignity are governed by collective agreements, agreements between workers' councils and employers or employment rules.

(4) Harassment and sexual harassment constitute a violation of employment obligations.

(5) An employer employing more than 20 workers shall appoint a person who would, in addition to him, be authorised to receive and deal with complaints related to the protection of workers' dignity.

(6) The employer or person referred to in paragraph 5 of this Article shall, within the time limit prescribed by the collective agreement, the agreement between the workers' council and the employer or employment rules, and within a maximum of eight days from the day of filing the complaint, examine the complaint and take all the necessary measures appropriate for a particular case, to stop the harassment or sexual harassment, if he or she has established that harassment has occurred.

(7) If the employer has failed to take measures for the prevention of harassment or sexual harassment within the time limit referred to in paragraph 6 of this Article, or if the measures taken

by him or her are clearly inappropriate, the worker who is a victim of harassment or sexual harassment has the right to stop working until he or she is offered protection, provided that he or she sought protection in the court having jurisdiction within following eight days.

(8) If circumstances occur, which make it improbable to expect that the employer will protect a worker's dignity, the worker is not obliged to file a complaint with the employer and has the right to stop working, provided that he or she sought protection in the court having jurisdiction and notify the employer thereof, within eight days of the date when he or she stopped working.

(9) During the period of interruption of work referred to in paragraphs 7 and 8 of this Article, the worker is entitled to salary compensation in the amount he or she would have received if he or she had actually worked.

(10) All information collected in the procedure for the protection of workers' dignity is confidential.

(11) The worker's resistance to the behaviour constituting harassment or sexual harassment must not be grounds for discrimination against the worker.

(12) In the case of a dispute, the burden of proof shall lie with the employer.

# **IV. TRIAL PERIOD**

### Stipulation and duration of a trial period

# Article 31

(1) On concluding a labour contract, a trial period may be stipulated.

(2) The trial period referred to in paragraph 1 of this Article may not last longer than six months.

(3) If a trial period has been stipulated, the notice period may not be shorter than seven days.

# V. EDUCATION AND TRAINING FOR WORK

### **Obligation to provide education and training for work**

# Article 32

(1) In accordance with possibilities and needs of the work, the employer shall make it possible for the worker to receive schooling, education, training, and further training.

(2) The worker shall, in accordance with his or her abilities and needs of the work, take part in work-related schooling, education, training and further training.

(3) When changes are made or a new method or organisation of work introduced, the employer shall, in accordance with needs and possibilities of the work, make it possible for the worker to receive work-related training or further training.

# Definition of trainee and the period for which labour contracts may be concluded with trainees

# Article 33

(1) A person employed for the first time in the occupation for which he or she received schooling may be employed by the employer as a trainee.

(2) A trainee referred to in paragraph 1 of this Article is trained for independent work in the occupation for which he or she received schooling.

(3) A labour contract may be concluded with a trainee for a definite period.

# The methods for training a trainee

# Article 34

(1) The methods for training trainee for independent work must be regulated by employment rules or labour contract.

(2) For the purposes of training for independent work, a trainee may be sent to work for another employer on a temporary basis.

# **Duration of traineeship**

# Article 35

The training of an apprentice (the "traineeship") may not last longer than one year unless otherwise specified by the law.

# **Occupational examination**

# Article 36

(1) After completing his or her traineeship, a trainee takes an occupational examination, if so prescribed by a law, another regulation, collective agreement or employment rules.

(2) If the content and methods for taking an occupational examination are not laid out by a law, another regulation or collective agreement, the content and methods for taking an occupational examination shall be regulated by employment rules.

(3) The employer may give regular notice of dismissal to a trainee who has not passed the occupational examination.

# Unpaid internship

# Article 37

(1) If a law or another regulation provides that an occupational exam or work experience is a prerequisite for the performance of jobs within a certain occupation, the employer may admit a

person who completed schooling for such an occupation to occupational training without commencing employment with him or her ("unpaid internship").

(2) The period of unpaid internship referred to in paragraph 1 of this Article shall be counted as part of the traineeship and work experience prescribed as a prerequisite for working in a certain occupation.

(3) Unpaid internship referred to in paragraph 1 of this Article may not exceed the traineeship period.

(4) Unless otherwise prescribed by this Act or another law, unpaid interns are subject to the provisions of this Act and other laws governing employment, with the exception of the provisions on concluding labour contracts, on salary and salary compensation, and on terminating labour contracts.

(5) A contract on unpaid internship must be concluded in written form.

### **VI. WORKING HOURS**

#### **Full-time working hours**

### Article 38

(1) Full-time working hours shall not exceed 40 hours a week.

(2) Unless working hours are specified by a law, collective agreement, agreement between the workers' council and the employer or labour contract, full-time working hours are considered to be 40 hours a week.

### Part-time working hours

#### Article 39

(1) A labour contract may also be concluded for part-time working hours.

(2) If the previous duration of employment with the same employer is important for the acquisition of certain rights, the periods of part-time employment shall be considered to be full-time employment.

#### Short-time working hours

#### Article 40

(1) Working hours are shortened in proportion to the harmful effects of working conditions on the worker's health and working ability in jobs in which, despite the application of occupational safety and health measures, it is impossible to protect the worker from harmful effects.

(2) The jobs referred to in paragraph 1 of this Article, as well as the duration of working hours in such jobs are established by a collective agreement or employment rules.

(3) If the jobs referred to in paragraph 1 of this Article, as well as the duration of working hours in such jobs are not established by a collective agreement or employment rules, the minister responsible for labour shall, upon the proposal of a person who may be a party to the collective agreement under this Act, and with prior consent of the minister responsible for health, adopt an ordinance which regulates these issues.

(4) The worker who works in jobs referred to in paragraph 1 of this Article must not work overtime in such jobs and must not accept additional employment in such jobs with another employer.

(5) It may be established by a labour contract or collective agreement that a worker who does not work full-time in jobs referred to in paragraph 1 of this Article may work part-time, but no longer than the full-time limit, in some other jobs of different nature than the jobs referred to in paragraph 1 of this Article.

(6) When it comes to exercise of the right to salary and other rights arising from employment or related to employment, short-time working hours referred to in paragraphs 1 and 5 of this Article are considered to be equal to full-time working hours.

# **Overtime work**

### Article 41

(1) In the case of force majeure, an extraordinary increase in the scope of work and in other similar cases of a pressing need, the worker shall, at the employer's request, work longer than the full-time working hours ("overtime work"), but for at most 10 hours a week.

(2) If overtime work by a particular worker lasts more than four consecutive weeks or more than twelve weeks during one calendar year, or if overtime work by all workers of a certain employer exceeds 10 percent of the total working hours in a particular month, a labour inspector must be notified of such overtime work.

(3) If the labour inspector believes that overtime work may have harmful consequences on the workers' health and working ability, he or she shall set a time limit within which the employer must obtain an expert opinion on this from an authorised physician.

(4) The labour inspector shall prohibit overtime work if such work has harmful consequences on the workers' health and working ability or if, as a result of its excessive usage, the employment of unemployed persons is hindered.

(5) Overtime work by minor workers is prohibited.

(6) A pregnant woman, a mother of a child under three years of age and a single parent of a child under six years of age may work overtime only if he or she gives a written statement about voluntary consent to such work.

(7) The labour inspector shall prohibit overtime work by a minor and a person referred to in paragraph 5 of this Article who has not given a written statement about voluntary consent to overtime work

#### Schedule of working hours

# Article 42

(1) If daily and weekly schedules of working hours are not regulated by a regulation, collective agreement, agreement between the workers' council and the employer or labour contract, the schedule of working hours shall be determined by the employer in a written decision.

(2) The employer must notify the workers of the schedule or changes to the schedule of working hours at least one week in advance, except in cases of urgent overtime work.

### **Rescheduling of working hours**

#### Article 43

(1) If the nature of the job requires so, full-time or part-time working hours may be rescheduled so that during one period they last longer, while during another they last less than full-time working hours.

(2) If working hours are rescheduled, the average working hours during one calendar year or other period established by a collective agreement must not exceed full-time working hours.

(3) Rescheduled working hours are not considered as overtime work.

(4) If working hours are rescheduled, they shall not exceed 52 hours a week.

(5) A collective agreement may provide that rescheduled working hours for seasonal jobs may exceed 52 but not 60 hours a week.

(6) If a worker works part time with two or more employers, the worker's consent is required for rescheduling part-time working hours.

(7) The work of minors in rescheduled full-time working hours is prohibited.

(8) A pregnant woman, a mother with a child under three years of age and a single parent with a child under six years of age may work rescheduled full-time working hours only if he or she gives a written statement about voluntary consent to such work.

(9) The labour inspector shall prohibit work in rescheduled full-time working hours by a minor and person referred to in paragraph 8 of this Article who has not given a written statement about voluntary consent to rescheduled full-time working hours.

(10) If the rescheduling of working hours is not provided for in a collective agreement or in an agreement between the workers' council and the employer, the employer must request consent for the rescheduling of working hours from a labour inspector.

(11) The labour inspector may give consent for a maximum period of one calendar year.

### VII. REST PERIODS AND LEAVES

#### Break

### Article 44

(1) A worker who works at least six hours a day is entitled to a rest period ("break") lasting at least 30 minutes each working day, unless otherwise specified by a special law.

(2) The time of the rest period referred to in paragraph 1 of this Article shall be included in the working hours.

(3) If the special nature of the job does not allow interruption of work for the purpose of taking a rest period referred in paragraph 1 of this Article, the taking of this rest period shall be regulated by a collective agreement, agreement between the workers' council and the employer, employment rules or labour contract.

### **Daily rest**

### Article 45

(1) The worker has the right to a daily rest period between two consecutive working days of a minimum of 12 hours without interruption.

(2) By way of derogation from the provision of paragraph 1 of this Article, an adult<sup>1</sup> worker who performs a seasonal job in industry has the right to a rest period between two consecutive working days of a minimum of at least 10 hours without interruption, but for a maximum period of sixty days in one calendar year.

(3) By way of derogation from the provision of paragraph 1 of this Article, an adult worker who performs a seasonal job in agriculture, commerce and other non-industrial activities has the right to a rest period between two consecutive working days of at least 10 hours without interruption.

(4) The minister responsible for labour is authorised to determine which activities, within the meaning of paragraphs 1 and 2 of this Article, are to be classified as industry and which as agriculture, commerce and other non-industrial activities.

### Weekly rest

### Article 46

A worker has the right to a weekly rest period on Sunday, lasting at least 24 consecutive hours, and if his or her work on Sunday is indispensable, then he or she must be provided with one day of rest for each working week, in the period determined by a collective agreement, agreement between the workers' council and the employer or labour contract.

<sup>&</sup>lt;sup>1</sup> i.e. who has attained the age of majority

# Minimum duration of annual leave

### Article 47

(1) A worker is entitled to paid annual leave for a minimum of eighteen working days, for each calendar year.

(2) A minor worker is entitled to annual leave for a minimum of twenty four working days, for each calendar year.

(3) A worker who performs jobs in which, even by application of occupational safety and health measures, it is not possible to protect the worker from harmful effects, is entitled to annual leave for a minimum of thirty working days, for each calendar year.

(4) The jobs referred to in paragraph 3 of this Article and the minimum duration of annual leave for these jobs, shall be established by a collective agreement or employment rules.

(5) If the jobs referred to in paragraph 3 of this Article and the minimum duration of annual leave for these jobs are not established by a collective agreement or employment rules, the minister responsible for labour may, upon the proposal of a person who may be a party to a collective agreement under this Act, and with prior consent of the minister responsible for health, adopt an ordinance which regulates these issues.

### Determining the duration of annual leave

### Article 48

(1) The duration of annual leave for a period longer than the minimum period prescribed under Article 47 of this Act may be established by a collective agreement, employment rules or labour contract.

(2) Holidays and non-working days established by law are not included in the duration of annual leave.

(3) A period of temporary inability to work, which was confirmed by an authorised physician, is not included in the duration of annual leave.

(4) If work is organised in fewer than six working days a week, when determining the duration of annual leave, it shall be considered that working hours are distributed over six working days, unless otherwise specified by a collective agreement, employment rules or labour contract.

### Nullity of waiver of the right to annual leave

# Article 49

An agreement under which a worker waives his or her right to annual leave or accepts payment of compensation in lieu of annual leave shall be null and void.

### Time limit for acquiring the right to annual leave

### Article 50

(1) A worker who is employed for the first time or who has a period of interruption of work between two consecutive employments longer than eight days acquires the right to annual leave after six months of uninterrupted work.

(2) Temporary inability to work, military service or other situations of justifiable absence from work determined by law are not considered as interruption of work within the meaning of paragraph 1 of this Article.

#### **Right to a proportion of annual leave**

### Article 51

(1) A worker has the right to one-twelfth of annual leave, as determined under Article 48 of this Act, for each full month of work in the following cases:

- if, in the calendar year in which his or her employment commenced, he or she did not acquire the right to annual leave because the six-month time-limit referred to in Article 50, paragraph 1 of this Act did not expire;

- if employment terminates before the expiration of the six-month time-limit referred to in Article 50, paragraph 1 of this Act;

- if employment terminates before 1 July.

(2) When computing the duration of annual leave in the manner referred to in paragraph 1 of this Article, at least one-half of a day of annual leave is rounded up to a whole day of annual leave.

#### Annual leave in the case of termination of employment

#### Article 52

(1) A worker who has fully availed himself or herself of his or her right to annual leave for the current calendar year when working with a previous employer is not entitled to annual leave.

(2) On termination of a labour contract, the employer shall provide the worker with a certificate on the use of annual leave.

#### Salary compensation during annual leave

#### Article 53

(1) While on annual leave, the worker is entitled to salary compensation in an amount determined by a collective agreement, employment rules or labour contract. The salary compensation may not be lower than the worker's average monthly salary in the preceding three months (taking into account the corresponding monetary value of the salary).

(2) The salary compensation referred to in paragraph 1 of this Article must be paid to the worker in advance, prior to taking annual leave, unless otherwise specified by a collective contract or agreement between the workers' council and the employer.

(3) The employer is not entitled to claim from the worker a refund of the salary compensation paid for annual leave taken before the conditions referred to in Article 51 of this Act have been met.

### Taking portions of annual leave

# Article 54

(1) A worker has the right to take annual leave in two portions.

(2) If the worker takes annual leave in portions, he or she must use the first portion, lasting at least twelve working days without interruption, in the calendar year for which the right to annual leave is realised.

(3) The worker must take the second portion of annual leave by 30 June of the following year at the latest.

### Carrying over annual leave to the next calendar year

#### Article 55

(1) The worker has the right to take annual leave or the first portion of annual leave, which was interrupted or not taken in the calendar year in which it was granted due to illness or maternity leave, by 30 June of the following year, provided that he or she worked for at least six months in the year which preceded the year in which he or she returned to work.

(2) A member of the crew of a ship, a worker working abroad or a worker who was doing the military service may take annual leave in its entirety in the following calendar year.

#### Schedule for taking annual leave

### Article 56

(1) A schedule for taking annual leave is prepared by the employer, in accordance with the collective agreement, employment rules, labour contract and this Act.

(2) When the schedule for taking annual leave is prepared, account must be taken of the needs concerning the organisation of work and the possibilities for rest and leisure available to workers.

(3) A worker must be informed about the schedule and the duration of annual leave at least 15 days before annual leave is to be taken.

(4) A worker has the right to take one day of annual leave whenever he or she wishes, provided that he or she informs the employer thereof at least three days in advance, unless the collective agreement specifies a different period of advance notice.

#### Paid leave

### Article 57

(1) During the calendar year, a worker has the right to be free from work obligations and receive salary compensation ("paid leave") for a maximum of seven working days for important personal needs, and, in particular, those related to marriage, childbirth, serious illness or death of a member of the immediate family.

(2) Members of the immediate family referred to in paragraph 1 of this Article include: a spouse, blood relatives in the direct line and their spouses, brothers and sisters, step-children and adopted children, parentless children in foster care, step-father and step-mother, adoptive parent and person to whom the worker is obliged to provide statutory maintenance, and a person with whom the worker lives in a de facto relationship.

(3) The worker has the right to paid leave when receiving occupational or general schooling, training or advanced training, as well as education for the needs of the workers' council or trade union work, under the conditions, for the duration and for remuneration determined by a collective agreement, agreement between the workers' council and the employer or employment rules.

(4) For the purpose of acquiring the rights arising from employment or related to employment, the periods of paid leave are considered as time spent at work.

(5) Workers – voluntary blood donors are entitled to one day off work on account of voluntary blood donation, which may be taken during the calendar year, subject to work obligations.

### **Unpaid leave**

### Article 58

(1) The employer may grant the worker unpaid leave, at his or her request.

(2) During unpaid leave, the rights and obligations arising from employment or related to employment are suspended, unless otherwise specified by the law.

#### VIII. NIGHT WORK

#### **Definition of night work**

#### Article 59

(1) Work between the hours of 10 in the evening and 6 in the morning of the following day and, for agriculture, between 10 in the evening and 5 in the morning of the following day, is considered night work, unless this Act or another law, another regulation, collective agreement or agreement between the employer and the workers' council specify otherwise for specific cases.

(2) If work is organised in shifts, a change in shifts must be guaranteed so that workers work during consecutive nights for at most one week.

# Prohibition of night work for women in industry

# Article 60

(1) Night work of women in industry is prohibited, unless this kind of work is approved by the minister responsible for labour, as an exception, in cases of grave danger for the protection of national interests.

(2) The prohibition referred to in paragraph 1 of this Article does not apply to employers who employ only members of their families.

(3) The prohibition of night work referred to in paragraph 1 of this Article does not apply to women who perform managerial and technical jobs, or to women employed in the health and social services who generally do not perform work of manual nature.

(4) Before giving approval referred to in paragraph 1 of this Article, the minister responsible for labour must obtain opinion from trade union and employers' associations.

(5) In exceptional cases, a woman can be scheduled for night work without prior approval of the minister responsible for labour if such work is indispensable due to force majeure or to prevent damage to raw materials.

(6) The labour inspector must be informed within a period of 24 four hours about night work referred to in paragraph 5 of this Article.

(7) The labour inspector may prohibit night work referred to in paragraph 5 of this Article if he or she determines that the work in question is not indispensable and that there is no force majeure or danger of damage to raw materials.

(8) The minister responsible for labour is authorised to determine, by an ordinance, which activities are classified as industry, within the meaning of paragraph 1 of this Article.

# Exemptions from prohibition of night work for women in industry

# Article 61

(1) Due to the need to better utilise resources for work, to increase employment or for similar important economic or social reasons, the minister responsible for labour may decide that night work be defined differently than under Article 59 of this Act, so that exemptions for prohibition of night work are made for women:

1. working in certain industrial branches or activities or in specific occupations, provided that the employers' associations and trade unions make an agreement about this or give their consent to this;

2. employed by one or more employers who are not covered by a decision referred to in subparagraph 1 of this paragraph, under the condition:

- that the employer and the workers' council make an agreement on this, and

- that an opinion about this is required from the employers' association and trade unions of industrial branches or activities or of a specific occupation;

(2) In case of an employer who is not covered by a decision made in compliance with the provision of paragraph 1, subparagraph 1 of this Article, or with whom no agreement from paragraph 1, subparagraph 2, item 1 of this Article has been made, the state administration office in the county responsible for labour affairs according to the place of the employer's seat, may give approval for exemptions from prohibition of night work for women, under the condition:

- that an opinion about this has been required from the worker's council, as well as the employers' association and trade union of industrial branches or activities or of a specific occupation and

- that the state administration office in the county responsible for labour affairs satisfies itself as to the appropriateness of the occupational safety and health measures that have been undertaken, social services and equal opportunities for, and equal treatment of female workers, and

- that such approval is given for a specific limited period, which may not exceed two years and that it may be renewed through the procedure and under the same conditions as those applied when it was originally given.

(3) A pregnant woman, a mother with a child under two years of age and a single mother with a child under three years of age may not be exempted from prohibition of night work, unless she herself requests so.

(4) An appeal against approval referred to in paragraph 2 of this Article shall be decided by the ministry responsible for labour.

#### Night work of minors

#### Article 62

(1) For minors employed in industry, work between the hours of 7 in the evening and 7 in the morning of the following day is considered to be night work.

(2) For minors employed outside industry, work between the hours of 8 in the evening and 6 in the morning of the following day is considered to be night work.

(3) Night work of minors shall be prohibited unless such work is indispensable due to force majeure.

(4) The prohibition of night work referred to in paragraph 3 of this Article may, in cases of grave danger, for the protection of national interests be temporarily suspended by a decision of the minister responsible for labour.

(5) The minister responsible for labour is authorised to determine, by an ordinance, which activities are classified as belonging to industry, within the meaning of paragraph 1 of this Article.

### **IX. THE PROTECTION OF MOTHERHOOD**

#### Jobs that women must not perform

#### Article 63

(1) A woman must not perform very difficult physical labour, underground or underwater works and other works that exceptionally endanger the woman's life and health, in view of her psychological and physical characteristics.

(2) The minister responsible for labour shall, with prior consent of the minister responsible for health, define the jobs referred to in paragraph 1 of this Article by an ordinance.

(3) The prohibition of underground work referred to in paragraph 1 of this Article does not relate to women who perform managerial jobs, jobs in health care and social welfare, students and trainees who during their schooling or occupational training must spend a part of their time in the underground parts of mines and to women who occasionally must enter the underground parts of mines in order to carry out work which is not of a physical nature.

# Prohibition of unequal treatment of pregnant women

# Article 64

(1) The employer must not refuse to employ a woman because she is pregnant, to cancel her labour contract or transfer her to other job, except under the conditions of Article 65 of this Act.

(2) The employer must not ask for any kind of information on the woman's pregnancy nor must he order another person to ask for such information, except if the female worker personally requests a specific right envisaged under law or another regulation for the protection of pregnant women.

### Transfer of a pregnant woman or a nursing mother

# Article 65

(1) The provisions of Article 64 of this Act do not prevent a temporary transfer of a pregnant woman or a nursing mother to other job, based on her personal request or in accordance with the employer's decision, if her state of health requires so, as confirmed by an authorised physician.

(2) If a woman referred to in paragraph 1 of this Article performs job that endangers her life or health, or the life or health of her child, the employer must transfer her to another appropriate job.

(3) In the event of a dispute between the employer and a female worker, only an authorised physician has the authority to determine whether the transfer to another job referred to in paragraph 1 of this Article is appropriate.

(4) If an employer who employs five workers or less is not able to ensure the transfer of a woman referred to in paragraph 1 of this Article to another job, the woman has the right to take a leave with a salary compensation under special regulations.

(5) The minister responsible for labour, with prior consent of the minister responsible for health, shall prescribe by an ordinance the conditions and procedure for acquiring the rights under paragraph 4 of this Article and the manner for calculating the salary compensation and mode of its payment.

(6) The employer may reverse the temporary transfer referred to in paragraph 1 of this Article as soon as the woman's state of health permits her to return to the job that she performed previously.

(7) The temporary transfer referred to in paragraph 1 of this Article must not result in the reduction of the woman's salary.

(8) A female worker referred to in paragraph 1 of this Article may only be transferred to another place of work with her consent.

#### **Maternity leave**

### Article 66

(1) A female worker has the right to maternity leave during her pregnancy, childbirth and care for her child.

(2) A female worker may take maternity leave 45 days before the expected date of childbirth and may remain on such leave until her child is one year of age.

(3) The expected date of childbirth shall be determined by an authorised physician.

(4) For twins, the third or any subsequent child, a female worker may remain on maternity leave until the child(ren) is (are) three years of age.

(5) A female worker is obliged to take maternity leave in the period from 28 days before the childbirth until the child is six months of age ("mandatory maternity leave"). The right to mandatory maternity leave as established by the provisions of this Act is to be exercised without interruptions.

(6) As an exception, a woman may, at her own request, begin to work before her child is six months of age, but not before 42 days have lapsed since the childbirth.

(7) If the child is born prematurely, the maternity leave referred to in paragraph 2 of this Article is extended for the length of time that the child was born premature.

(8) After the expiry of mandatory maternity leave referred to in paragraphs 5 and 6 of this Article, if agreed so by the parents, the right to maternity leave can be exercised by the child's father.

(9) If the child's father exercises the right referred to in paragraph 8 of this Article for a minimum period of three months, the maternity leave from paragraphs 2 and 4 of this Article shall be extended for two months.

#### Short-time working hours for parents

### Article 67

(1) When the mandatory maternity leave referred to in Article 66, paragraphs 5 or 6 of this Act expires, the female worker has the right to work one half of normal working hours until her child is one year of age, whereas for twins, the third or any subsequent child, she may work one half of normal working hours until the child(ren) is (are) three years of age.

(2) The right referred to in paragraph 1 of this Article may be exercised by the worker who is the child's father if the mother is working full-time during this period.

(3) When the child turns one year of age, one of the child's parents has the right to work one half of full-time working hours until the child turns three years of age if the child, according to the opinion of an authorised physician, needs greater care and attention due to the state of his or her health and development.

(4) The minister responsible for health shall prescribe by an ordinance the conditions and procedure for acquiring the right to work short-time working hours for the care of the child who needs greater care and attention.

#### Break for nursing a child

#### Article 68

(1) A woman who, after the end of maternity leave or work in short-time working hours, continues to nurse her child, has the right to a break of one hour twice a day during full-time work for this purpose.

(2) The woman may exercise the right referred to in paragraph 1 of this Article until her child has turned one year of age.

(3) The period of the break referred to in paragraph 1 of this Article is included in working hours.

(4) Salary compensation for the break referred to in paragraph 1 of this Article is calculated according to special regulations.

(5) The minister responsible for labour, with prior consent of the minister responsible for health, shall prescribe by an ordinance the conditions and procedure for exercising the rights under paragraph 1 of this Article and the manner for calculating the salary compensation referred to in paragraph 4 of this Article and mode of its payment.

# Rights that may be exercised by the father of the child

# Article 69

(1) If the mother dies, abandons the child or, if because of illness or for other important reasons she is unable to take care of the child, the father of the child may exercise all the rights provided for by this Act for the purpose of the protection of motherhood and child rearing.

(2) The minister responsible for health shall prescribe by an ordinance the conditions and procedure for determining whether a mother is unable to take care of her child because of illness or for other important reasons.

# Suspension of employment until the child turns three years of age

# Article 70

After the maternity leave has expired, one of the parents is entitled not to work until the child has turned three years of age, during which time his or her rights and obligations arising from employment are suspended, whereas his or her right to health insurance and health care, as well as the right to pension and disability insurance is exercised in accordance with the regulations governing these areas.

# Rights of the mother upon the death of her child

# Article 71

If a female worker gives birth to a stillborn child or if her child dies before the maternity leave has expired, she has the right to remain on maternity leave for as long as it is necessary for her to recover from giving birth and the psychological condition resulting from the loss of the child, as indicated in the expert opinion of an authorised physician. This period shall last for a minimum of 45 days, during which time she shall enjoy all the rights under maternity leave.

# Salary compensation during maternity leave and work in short-time working hours

# Article 72

(1) During maternity leave, a worker on leave has the right to salary compensation in accordance with special regulations.

(2) When working short-time working hours, under this title of the Act, a worker has the right to salary compensation for the other half of normal working hours, in accordance with special regulations.

# The rights of parents of children with serious developmental problems

# Article 73

(1) One of the parents of a child with serious developmental problems (a child with severe physical or mental impairment or severe psychological illness) has the right to take a leave for the purpose of taking care of the child, or to work one half of full-time working hours until the child turns seven years of age.

(2) After ceasing to exercise the rights referred to in paragraph 1 of this Article, one of the parents of a child with serious developmental problems has the right to work one half of full-time working hours.

(3) The right to work one half of full-time working hours is granted to one of the parents of a child with serious developmental problems who has attained the age of majority, if the serious physical or mental impairment occurred before the child attained the age of majority or until the completion of regular education.

(4) The parent exercising the rights referred to in paragraphs 1 to 3 of this Article has the right to salary compensation under special regulations.

(5) The salary compensation referred to in paragraph 4 of this Article is paid from the funds allocated for social welfare.

(6) The minister responsible for social welfare, with prior consent of the minister responsible for health, shall prescribe by an ordinance the conditions and procedure for acquiring the rights under paragraphs 1 and 2 of this Article and the manner for calculating the salary compensation and mode of its payment.

(7) The parent referred to in paragraph 1 of this Article who is working one half of normal working hours may not be ordered to work a night shift, nor to work overtime, nor may he or she be assigned to another place of work without his or her consent.

(8) After ceasing to exercise the rights referred to in paragraphs 1 and 2 of this Article, the worker has the right to continue working full-time in the job he or she was performing prior to exercising this right and if the need for such job no longer exists, the employer shall offer him or her to conclude a labour contract for the performance of other appropriate job.

### The rights of an adoptive parent or person who takes care of the child

# Article 74

(1) The rights specified by this Act for the purpose of the protection of motherhood and child rearing may be exercised, under the same conditions, by an adoptive parent or by a person in whose custody the child was placed in accordance with a decision issued by a body responsible for social welfare.

(2) If a child is older than the age provided for in this Act, in order to exercise the rights referred to in 1 of this Article, one of the adoptive parents of a child under twelve years of age is entitled to an adoption leave of 270 continuous days from the date of adoption, provided that the adoptive parent's spouse is not the child's biological parent.

(3) The person referred to in paragraph 1 of this Article have the right to maternity or adoption leave for a total minimum duration of 270 days.

(4) While on adoption leave, the adoptive parent has the right to receive salary compensation according to separate regulations.

#### Assumption of work in full-time working hours

#### Article 75

If prior duration of employment is important to acquire specific rights arising from employment or related to employment, the periods of maternity leave, of work in short-time working hours by parents or adoptive parents, and the adoption leave shall be considered as work in full-time working hours.

### Advance notification of the exercise of a right

### Article 76

(1) A worker who intends to exercise his or her right to maternity leave, adoption leave or the right to suspension of the labour contract up to the third year of the life of his or her child, shall notify his or her employer of this intention as soon as possible, and not less than one month in advance.

(2) A worker may cease to exercise his or her right referred to in paragraph 1 of this Article, and the employer must take him or her back to work and assign him or her to the job he or she performed before exercising the rights referred to in paragraph 1 of this Article within a month from the day on which the worker notified the employer of his or her intention to cease exercising their right.

(3) If the need for performing the job at which the worker worked no longer exists, the employer shall offer the worker to conclude a labour contract for the performance of other appropriate job.

(4) A worker who has exercised the right referred to in paragraph 1 of this Article has the right to additional occupational training if changes have been introduced in the technology or method of work.

### Prohibition of dismissal

#### Article 77

(1) During pregnancy, maternity leave, the exercise of the right to short-time working hours by parents or adoptive parents, adoption leave and leave for taking care of the child with serious developmental problems, and during a period of fifteen days after the cessation of pregnancy or the cessation of the exercise of these rights, the employer may not dismiss from work a pregnant woman or a person exercising one of the rights mentioned.

(2) A dismissal shall be null and void if, on the day of dismissal, the employer was aware of the circumstances referred to in paragraph 1 of this Article or if the worker notifies his or her employer, within a period of fifteen days following the receipt of the notice of dismissal, of the circumstances referred to in paragraph 1 of this Article, enclosing an appropriate certificate signed by an authorised physician or another authorised body.

(3) The circumstances referred to in paragraph 1 of this Article do not prevent termination of a fixed-duration labour contract, upon expiration of the period of time for which this contract was concluded.

# The right of a worker to cancel a labour contract by giving extraordinary notice

# Article 78

(1) A worker exercising the right to maternity leave or adoption leave, or a worker whose employment is suspended until his or her child turns three years of age, may cancel his or her labour contract by giving extraordinary notice.

(2) A labour contract may be cancelled as provided for under paragraph 1 of this Article no later than fifteen days prior to the date on which the worker is due to return to work.

(3) A pregnant woman may cancel her labour contract by giving extraordinary notice.

### The right to return to previous or appropriate job

### Article 79

After the expiry of maternity leave, adoption leave or work in short-time working hours, the worker who has exercised one of the these rights has the right to be assigned to the same job he or she performed before exercising this right, and if the need for such job no longer exists, the employer shall offer him or her to conclude a labour contract for the performance of other appropriate job.

# X. THE PROTECTION OF WORKERS WHO ARE TEMPORARILY OR PERMANENTLY UNABLE TO WORK

# Prohibition of dismissal if temporary inability is caused by an injury at work or an occupational disease

### Article 80

(1) The employer must not dismiss a worker who has suffered an injury at work or has contracted an occupational disease as long as he or she is temporarily unable to work due to medical treatment or recovery.

(2) The prohibition referred to in paragraph 1 of this Article shall not affect the termination of a fixed-duration labour contract.

#### Prohibition of harmful effects on the promotion or exercise of other rights

### Article 81

An injury at work or an occupational disease must not have a harmful effect on the promotion of a worker or the exercise of other rights and privileges arising from employment or related to employment.

#### The right to return to previous or other appropriate job

#### Article 82

A worker who was temporarily unable to work due to an injury or an injury at work, a disease or an occupational disease and who, after treatment or recovery, is considered to be able to work by an authorised person or body, has the right to return to the job he or she previously performed or to other appropriate job, and if the need for such job no longer exists, the employer shall offer him or her to conclude a labour contract for the performance of other appropriate job.

### The obligation to inform the employer of temporary inability to work

### Article 83

(1) The worker shall inform the employer of his or her temporary inability to work as soon as possible, and shall provide the employer with a medical certificate about his or her temporary inability to work and its expected duration within a maximum of three days.

(2) An authorised physician shall issue the worker with a certificate referred to in paragraph 1 of this Article.

(3) If, due to a legitimate reason, the worker was unable to fulfil the obligation referred to in paragraph 1 of this Article, he or she shall do this as soon as possible, and within a maximum of three days after the reason that prevented him or her from doing so ceased to exist.

(4) The minister responsible for labour, with prior consent of the minister responsible for health, shall regulate, by an ordinance, the contents and method for issuing the certificate referred to in paragraph 1 of this Article.

### The right to employment in other jobs

### Article 84

(1) If an authorised person or body establishes that a worker has an occupational inability to work or that he or she is in immediate danger of disability, the employer shall, taking into consideration the expert opinion of the authorised person or body, offer the worker to conclude a labour contract for the performance of job which he or she is able to perform and which must, to the greatest possible extent, correspond to the job previously performed by the worker.

(2) In order to provide such job, the employer shall adjust the work to the abilities of the worker, alter the schedule of working hours, and do his or her very best to provide appropriate job to the worker referred to in paragraph 1 of this Article.

(3) The offer of other job referred to in paragraph 1 of this Article must be made in writing.

# Dismissal in case of occupational inability to work or immediate danger of disability

### Article 85

(1) The employer may dismiss a worker who has an occupational inability to work or who is in immediate danger of disability only with prior consent of the workers' council.

(2) If no workers' council has been established with the employer, the consent referred to in paragraph 1 of this Article is given by the competent employment service.

(3) The workers' council or the competent employment service shall give consent to the employer to cancel a labour contract if the employer proves that he or she has done his or her very best to provide appropriate job to the worker referred to in paragraph 1 of this Article or if the employer proves that the worker has refused an offer to conclude a labour contract for the performance of job suited to his or her abilities in accordance with the expert opinion of the authorised person or body.

(4) If the workers' council or the competent employment service refuses to give its consent to a dismissal, such consent may be replaced by a judicial decision or arbitration award.

### Severance pay in case of injury at work or occupational disease

### Article 86

(1) A worker who has suffered an injury at work or has contracted an occupational disease, and who is not admitted to work after the completion of treatment and recovery, has the right to severance pay in an amount that is at least double than the one he or she would get otherwise.

(2) A worker who has unjustifiably refused to accept employment in the job offered to him or her does not have the right to severance pay in a double amount.

# Precedence for occupational training and schooling

# Article 87

A worker who suffers an injury at work or an occupational disease is to be given precedence for occupational training and schooling organised by the employer.

### **XI. SALARIES**

### **Establishing salaries**

# Article 88

(1) An employer bound by a collective agreement must not calculate and pay to the worker a salary amounting to less than the amount established by the collective agreement.

(2) If the basis and criteria for salaries have not been established by a collective agreement, an employer employing more than 20 workers shall establish them in employment rules.

(3) If the salary has not been established by the methods described under paragraphs 1 and 2 of this Article, and the labour contract does not contain sufficient data on the basis of which it can be established, the employer shall pay the worker an appropriate salary.

(4) An appropriate salary is a salary regularly paid for equal work, and if it is impossible to establish such a salary, then a salary established by the court according to the circumstances.

### Equal pay for women and men

# Article 89

(1) An employer shall pay equal salaries to women and men for equal work and for work of equal value.

(2) Within the meaning of paragraph 1 of this Article, two persons of different genders are considered to perform equal work and work of equal value if:

- they perform the same work in the same or similar conditions or they could substitute one another at the workplace,

- the work one of them performs is of a similar nature to that performed by another, and the differences between the work performed by them and conditions under which it is performed have no significance in relation to the overall nature of the work or they appear so rarely that they have no significance in relation to the overall nature of the work,

- the work one of them performs is of equal value as that performed by another, if one takes into account the criteria such as qualifications, skills, whether the work is of manual nature or not, and the responsibilities and conditions under which the work is performed.

(3) The salary referred to in paragraph 1 of this Article includes the basic salary and all additional payments of any type made by the employer to the female or male worker for the work performed, either directly or indirectly, in cash or in kind, under a labour contract, collective agreement, employment rules or other regulation.

(4) Any provision in a labour contract, a collective agreement, employment rules, or any other legal act contrary to paragraph 1 of this Article shall be null and void.

### **Payment of salaries**

Article 90

(1) Salary is paid after the work has been performed.

(2) Salary shall be paid in money.

(3) Salary shall be paid at intervals not longer than one month.

(4) Unless otherwise specified by the collective agreement or labour contract, salary for the previous month shall be paid no later than within the fifteenth day of the current month.

(5) Within the meaning of this Act, salary means a gross salary.

#### Documents on salary, salary compensation and severance pay

# Article 91

(1) When making the payment of a salary, salary compensation or severance pay, the employer shall give a payroll account to the worker from which it is evident in which way salary, salary compensation or severance pay calculations were made.

(2) The employer who fails to make the payment of a salary, salary compensation or severance pay on their maturity dates, or who fails to pay them in the full amount, shall provide the worker with a payroll account for the amount owed by him or her by the end of the month in which the salary, salary compensation or severance pay were due.

(3) The payroll accounts referred to in paragraph 2 of this Article are enforceable documents.

### The right to an increased salary

### Article 92

A worker has the right to an increased salary for arduous working conditions, overtime and night work, and for work on Sundays, holidays, and other days that are not working days according to the law.

#### Salary compensation

### Article 93

(1) A worker has the right to salary compensation for periods in which he or she does not work due to legitimate reasons established by the law, another regulation or collective agreement.

(2) The period referred to in paragraph 1 of this Article for which compensation is to be paid at the expense of the employer is established by the law, another regulation, collective agreement or labour contract.

(3) A worker has the right to salary compensation during a period of time when work is interrupted due to the fault of the employer or due to other circumstances for which the worker is not responsible.

(4) A worker who refuses to work because the prescribed occupational safety and health measures regulations have not been implemented has the right to salary compensation equal to the salary he or she would have received had he or she worked for the period until the prescribed measures are implemented, unless the worker has been assigned to other appropriate job during this period.

(5) Unless otherwise specified by this Act or another law, another regulation, collective agreement, employment rules or labour contract, a worker has the right to salary compensation equal to the sum of the average salary paid to him or her over the preceding three months.

# **Prohibition of offsetting**

## Article 94

(1) The employer must not, without the consent of the worker, settle his or her claim against such worker by withholding payment of salary or part of salary, or by withholding payment of salary compensation or part of salary compensation.

(2) A worker may not give the consent referred to in paragraph 1 of this Article before the claim arises.

# Protection of salary in case of forced withholding

# Article 95

Not more than one half of the worker's salary or salary compensation may be withheld by force of law in order to fulfil a statutory maintenance obligation, whereas for other obligations, not more than one-third of the worker's salary or salary compensation may be withheld by force of law.

# XII. INVENTIONS AND TECHNICAL INNOVATIONS MADE BY WORKERS

## An invention made at the workplace or in relation to the work

# Article 96

(1) A worker shall inform his or her employer of his or her invention made at the workplace or in relation to the work.

(2) The worker shall treat all the information about the invention referred to in paragraph 1 of this Article as confidential business information and shall not pass it on to a third party without prior approval of the employer.

(3) The invention referred to in paragraph 1 of this Article is the property of the employer, and the worker has the right to compensation established by the collective agreement, labour contract or special contract.

(4) If compensation is not established in the manner referred to in paragraph 3 of this Article, an appropriate compensation shall be established by the court.

#### An invention related to the employer's activity

# Article 97

(1) A worker shall inform his or her employer about an invention that was not made at the workplace or in relation to the work, if such invention is related to the employer's activity, and shall make the employer a written offer to transfer to the employer his or her rights in relation to such invention.

(2) The employer shall respond to the worker's offer referred to in paragraph 1 of this Article within a period of one month.

(3) The provisions of the law of civil obligations governing the right of pre-emption shall apply, as appropriate, to the transfer of the right to an invention referred to in paragraph 1 of this Article.

# **Technical innovations**

#### Article 98

(1) If the employer agrees to apply a technical innovation proposed by a worker, the employer shall pay to the worker the compensation established by the collective agreement, labour contract or special contract.

(2) If compensation is not established in the manner referred to in paragraph 3 of this Article, an appropriate compensation shall be established by the court.

# XIII. PROHIBITION OF COMPETITION BETWEEN A WORKER AND HIS OR HER EMPLOYER

# Statutory prohibition of competition Article 99

(1) A worker must not, without the approval of his or her employer, conclude business transactions, for his own account or for the account of others, in the field of activity of his or her employer ("statutory prohibition of competition").

(2) If the worker fails to comply with the prohibition referred to in paragraph 1 of this Article, the employer may claim compensation for damages from the worker or may require that the business transaction be considered as concluded for the employer's account, or that the worker give the employer the profit earned from such transaction or transfer to the employer any claims for profits earned from such a transaction.

(3) The employer's right referred to in paragraph 2 of this Article shall cease to exist three months after the date on which the employer learnt that the business transaction had been concluded, and in any case five years after the date on which the transaction was concluded.

(4) If, at the time of commencement of employment, the employer was aware of the fact that the worker was engaged in certain business activities, and did not require from the worker to stop engaging in such activities, it shall be considered that the employer gave the worker approval for engaging in such activities.

(5) The employer may revoke the approval referred to in paragraphs 1 and 4 of this Article, complying in this respect with the time limit prescribed or agreed upon for cancelling a labour contract.

#### **Contractual prohibition of competition**

## Article 100

(1) The employer and the worker may stipulate that, for a certain time after the termination of the labour contract, the worker must not enter into employment with another person who is competing on the market with the employer, and that the worker must not conclude business transactions that constitute competition with the employer, neither for his own account nor for the account of others ("contractual prohibition of competition ").

(2) The contract referred to in paragraph 1 of this Article must not be concluded for a period longer than two years after the date of the termination of employment.

(3) The contract referred to in paragraph 1 of this Article may be an integral part of the labour contract.

(4) The contract referred to in paragraph 1 of this Article must be concluded in written form.

(5) The contract referred to in paragraph 1 of this Article is not binding on the worker if the aim of the contract is not to protect the legitimate business interests of the employer or if, taking into account the area, time and aim of the prohibition and in relation to the legitimate business interests of the employer, the contract disproportionately limits the work and promotion of the worker.

(6) The contract referred to in paragraph 1 of this Article shall be null and void if it is concluded by a minor worker or by a worker who, at the time the contract is concluded, is receiving a salary amounting to less than the average salary in the Republic of Croatia.

(7) In the case from paragraph 6 of this Article, the nullity of contractual prohibition of competition may not be invoked by the employer.

# Salary compensation in case of contractual prohibition of competition

# Article 101

(1) Unless this Act specifies otherwise for a specific case, the contractual prohibition of competition is binding on a worker only if the employer has undertaken a contractual obligation to pay compensation to the worker for the duration of the prohibition, amounting to at least half of the average salary paid to the worker in the period of three months prior to the termination of the labour contract.

(2) Salary compensation referred to in paragraph 1 of this Article shall be paid by the employer to the worker at the end of each calendar month.

(3) The amount of salary compensation referred to in paragraph 1 of this Article is adjusted to reflect the changes in the average salary in the Republic of Croatia.

(4) If part of the worker's salary is intended to cover certain costs related to the performance of work, the compensation may be proportionately reduced.

#### Termination of contractual prohibition of competition

# Article 102

(1) If a worker cancels his or her labour contract by giving extraordinary notice because the employer has seriously violated an obligation from the labour contract, the contractual prohibition of competition shall cease to apply if the worker declares in writing, within a month of the date of termination of the labour contract, that he or she does not consider himself or herself bound by this contract.

(2) A contractual prohibition of competition shall cease to apply if the employer cancels the labour contract without having just cause under this Act, unless the employer notifies the worker, within fifteen days of the cancellation of the contract, that it shall pay to the worker, for the duration of the contractual prohibition of competition, compensation amounting to the average monthly salary paid to the worker in the period of three months prior to the termination of the labour contract.

(3) The amount of salary compensation referred to in paragraph 2 of this Article is adjusted to reflect the changes in the average salary in the Republic of Croatia.

# Waiver of the contractual prohibition of competition Article 103

(1) The employer may be released from the obligation to pay the compensation referred to in Article 101 of this Act, if he or she notifies the worker in writing that he or she waives the contractual prohibition of competition.

(2) A waiver of the contractual prohibition of competition referred to in paragraph 1 of this Article releases the employer from any obligation to pay compensation after three months following the date on which the statement on waiver was submitted to the worker.

# **Contractual penalty**

# Article 104

(1) Where only a contractual penalty has been provided for the case of violation of a contractual prohibition of competition, the employer may, in accordance with the general provisions of the law of civil obligations, claim only the payment of this penalty and not the fulfilment of the obligation or compensation for greater damages.

(2) The contractual penalty referred to in paragraph 1 of this Article may also be agreed upon for the case when the employer does not undertake to pay salary compensation for the duration of the contractual prohibition of competition.

# XIV. COMPENSATION FOR DAMAGES

#### Worker's liability for damages caused to the employer

## Article 105

(1) A worker who, at the workplace or in relation to the work, either intentionally or due to utmost negligence, causes the employer to suffer damage shall compensate the employer for such damage.

(2) If the damage has been caused by several workers, each worker shall be liable for the part of the damage caused by him or herself.

(3) If it is impossible to determine which part of the damage was caused by each worker, all the workers are considered to be equally liable and shall compensate for the damage in equal parts.

(4) If several workers have caused damage by a premeditated criminal offence, they shall be jointly liable for the damage caused.

## Predetermined amount of compensation for damages

# Article 106

(1) If determining the amount of damages would cause disproportionate costs, the amount of compensation for damages for certain harmful acts may be determined in advance.

(2) The harmful acts and compensation referred to in paragraph 1 of this Article may be provided for in the collective agreement or employment rules.

(3) If the damage caused by a harmful act referred to in paragraph 2 of this Article is much greater than the predetermined amount of compensation, the employer may claim compensation for the amount of the damage actually suffered and established.

# Liability of a worker to refund compensation for damages ("recourse liability")

# Article 107

A worker who at the workplace or in relation to the work, either intentionally or due to utmost negligence, causes damage to a third party, and compensation for damages has been paid by the employer, shall pay to the employer the amount of compensation paid to the third party.

# Reduction of compensation for damages or the exemption of a worker from paying compensation for damages

# Article 108

Collective agreements or employment rules may establish the conditions and methods for reducing compensation for damages or exempting a worker from the obligation to pay compensation for damages.

# Liability of the employer for damages caused to a worker

#### Article 109

(1) If a worker suffers damage at work or in relation to work, the employer shall compensate the worker for the damage according to the general provisions of the law of civil obligations.

(2) The right to compensation for damages referred to in paragraph 1 of this Article also refers to the damages caused by the employer to the worker by a violation of the worker's rights arising from employment.

(3) The salary compensation granted to the worker on the ground of wrongful dismissal is not considered to be compensation for damages.

XV. TERMINATION OF A LABOUR CONTRACT

## Methods for terminating labour contracts

#### Article 110

A labour contract terminates:

1. upon the death of the worker,

2. upon expiration of the period for which a fixed-duration labour contract has been concluded,

3. when the worker has turned 65 years of age and 20 years of employment service, unless otherwise agreed by the employer and the worker,

4. upon the submission of a legally effective decision on retirement due to general inability to work,

5. under an agreement between the worker and the employer,

6. by cancellation (notice),

7. by a decision of the court having jurisdiction.

# Form of an agreement to terminate labour contracts

# Article 111

An agreement to terminate a labour contract must be made in written form.

# **Cancellation of labour contracts (Notice)**

# Article 112

An employer and a worker may give notice that they wish to cancel a labour contract.

#### **Regular notice**

# Article 113

(1) An employer may give notice that he or she wishes to cancel a labour contract, subject to a prescribed or agreed notice period ("regular notice") if he or she has a legitimate reason for doing so, in the following cases:

- if the need for performing certain work ceases due to economic, technological or organisational reasons ("notice due to business reasons"),

- if the worker is not capable of fulfilling his or her employment-related duties because of some permanent characteristics or abilities ("notice due to personal reasons"), or

- if the worker violates obligations employment obligations ("notice due to the worker's misconduct").

(2) Notice due to business and personal reasons is allowed only if the employer cannot place the worker in alternative employment.

(3) In making a decision about a notice due to business or personal reasons, the employer must take into account the length of service, age and maintenance obligations lying upon the worker.

(4) Notice due to business or personal reasons is allowed only if the employer cannot train or qualify the worker for work at another job, or if the circumstances are such that it is not reasonable to expect from the employer to train or qualify the worker for work at another job.

(5) The provisions of paragraphs 2 to 4 of this Article do not apply to the notice of dismissal if the employer employs twenty and less than twenty workers.

(6) A worker may cancel his or her labour contract, subject to a prescribed or agreed notice period, without specifying any reasons for doing so.

(7) The employer who has given notice to a worker for economic, technological or organisational reasons must not employ another worker at the same job for the following six months.

(8) If, within the time limit referred to in paragraph 7 of this Article, a need arises for employing a worker to perform the same job, the employer shall offer a labour contract to the worker whom he dismissed for business reasons.

#### **Extraordinary notice**

#### Article 114

(1) Employers and workers have just cause to cancel an open-ended or fixed-duration labour contract, without having an obligation to comply with a prescribed or agreed notice period ("extraordinary notice") if, due to an extremely grave violation of an employment obligation or due to any other highly important fact and recognising all the circumstances or interests of both contracting parties, continuation of the employment is not possible.

(2) A labour contract may be cancelled by giving extraordinary notice only within fifteen days of the day when the person concerned came to know about the fact on which the extraordinary notice is based.

(3) A party to the labour contract who, in the case referred to in paragraph 1 of this Article cancels his or her labour contract by giving extraordinary notice, has the right to claim compensation for damages for non-performance of the obligations from the labour contract from the party who is responsible for the cancellation.

# Reasons not constituting just cause for dismissal

# Article 115

(1) Temporary absence from work caused by an illness or personal injury is not considered to be just cause for dismissal.

(2) Filing an appeal or complaint, or taking part in the proceedings against the employer on the ground of a violation of a law, another regulation, collective agreement or employment rules, as well as the worker's turning to the competent executive bodies, are not considered to be just cause for cancelling a labour contract.

(3) The worker's turning to responsible persons or competent state administration bodies or filing a bona fide application with these persons or bodies, regarding a reasonable suspicion about corruption, is not considered to be just cause for dismissal.

# Cancellation of a fixed-duration labour contract

## Article 116

A fixed-duration labour contract may be cancelled by giving a regular notice only if such a possibility was envisaged by the contract.

# **Pre-cancellation procedure**

# Article 117

(1) Prior to giving regular notice due to the worker's conduct, the employer shall draw the worker's attention, in writing, to his or her employment obligations and inform him or her about the possibility of dismissal if further violations occur, unless circumstances exist due to which the employer cannot be reasonably expected to do so.

(2) Prior to giving a regular notice or extraordinary notice due to the worker's conduct or work, the employer shall give the worker an opportunity to present his or her defence, unless circumstances exist due to which the employer cannot be reasonably expected to do so.

#### Form, reasons and service of notice of dismissal and the course of the notice period

# Article 118

(1) A notice of dismissal must be made in written form.

(2) The employer must give reasons for dismissal in written form.

(3) A notice of dismissal must be submitted to the person being dismissed.

(4) The notice period starts running on the day of submission of the notice of dismissal.

(5) The notice period does not run during pregnancy, maternity leave, leave for taking care for the child with serious developmental problems, exercise of the right to work short-time working hours by the parent or adoptive parent, adoption leave, temporary inability to work, annual leave, paid leave, military service, and other cases of the worker's justifiable absence from work, as prescribed by this Act or by another law.

# **Burden of proof**

# Article 119

(1) When the employer cancels a labour contract, and existence of just cause is a requirement for the validity of a dismissal under this Act, the employer must demonstrate the existence of such just cause for dismissal.

(2) The worker must demonstrate the existence of just cause for cancellation only if he or she cancels his or her labour contract by giving extraordinary notice.

# Minimum notice period

## Article 120

(1) In case of a regular notice, the notice period is at least:

- two weeks, if the worker has continuously worked for the same employer for less than one year;

- one month, if the worker has continuously worked for the same employer for one year;

- one month and two weeks, if the worker has continuously worked for the same employer for two years;

- two months, if the worker has continuously worked for the same employer for five years;

- two months and two weeks, if the worker has continuously worked for the same employer for ten years;

- three months, if the worker has continuously worked for the same employer for twenty years;

(2) In case of a worker who has continuously worked for the same employer for twenty years, the notice period referred to in paragraph 1 of this Article is extended by two weeks if the worker has reached 50 years of age, and by one month if the worker has reached 55 years of age.

(3) In case of a worker whose labour contract is cancelled because of violation of an employment obligation ("notice due to the worker's misconduct"), the notice period is twice as short as notice periods established in paragraphs 1 and 2 of this Article.

(4) If a worker, upon the employer's request, ceases to work before the expiration of the prescribed or agreed notice period, the employer shall pay him a salary compensation and recognise all other rights as if the worker had actually worked until the expiration of the notice period.

(5) During the notice period, the worker has the right to be absent from work not less then four hours per week with salary compensation, for the purpose of seeking new employment.

(6) In case when a labour contract is cancelled by the worker, the collective agreement or labour contract may specify shorter notice period for the worker than for the employer, in comparison with the period specified in paragraph 1 of this Article.

(7) When a labour contract is cancelled by the worker, the notice period may not exceed one month, if the worker has an especially important reason for this.

# Dismissal accompanied by an offer to alter the terms of the labour contract

# Article 121

(1) The provisions of this Act applicable to dismissal are also applicable to cases when the employer cancels a labour contract and simultaneously offers the worker to conclude a labour contract under different terms ("dismissal accompanied by an offer to alter the terms of the labour contract").

(2) Where, in cases referred to in paragraph 1 of this Article, the worker accepts the employer's offer, he or she retains the right to challenge the permissibility of such cancellation of contract before the court having jurisdiction.

(3) The worker must declare himself or herself about the offer to conclude a labour contract under different terms within the time limit specified by the employer, which may not be shorter than eight days.

(4) In case of cancellation referred to in paragraph 1 of this Article, the time limit from Article 133, paragraph 1 of this Act starts as of the day when the worker informed the employer about his or her refusal to accept the offer to conclude a labour contract under different terms or, if the worker has not declared himself or herself about the offer received or if he or she declared himself or herself after the expiration of the time limit that was set for him or her, the time limit from Article 133, paragraph 1 starts as of the day of expiration of the time limit specified by the employer for declaration about the offer that was given.

#### Admitting the worker to work in case of wrongful dismissal

# Article 122

(1) If the court establishes that a dismissal was not permissible and that employment did not terminate, it shall order the employer to admit the worker to work.

(2) A worker who has challenged the permissibility of dismissal may move the court to issue an interim measure ordering his or her return to work pending a final judicial decision on the merits.

# Judicial rescission of a labour contract

# Article 123

(1) When the court establishes that a dismissal given by an employer was not permissible, and that it is not acceptable for the worker to continue employment, the court shall, upon the worker's request, determine the date of termination of employment and award him or her damages in an amount not less then three and not more then 18 average monthly salaries paid to the worker over the preceding three months, depending on the length of employment, age and maintenance obligations lying upon the worker.

(2) The court may render the decision referred to in paragraph 1 of this Article also at the request of an employer, if circumstances exist which reasonably demonstrate that, in view of all the circumstances and interests of both contracting parties, the continuation of employment is not possible.

(3) Both the employer and the worker may file a request for rescission of labour contract in the manner referred to in paragraphs 1 and 2 of this Article, until the conclusion of the trial before the court of first instance.

# Consultation with the workers' council regarding dismissal

#### Article 124

The employer shall inform the workers' council about his or her intention to cancel a labour contract, and shall consult with the workers' council about this decision, in cases, in the manner and under the conditions prescribed by this Act.

# Severance pay

# Article 125

(1) When the employer dismisses a worker following a two-year period of continuous employment, unless dismissal is given for the reasons related to the worker's conduct, the worker has the right to receive severance pay in an amount determined on the basis of the length of prior continuous employment with that employer.

(2) Severance pay for each year of employment with the same employer must not be agreed upon or determined in an amount lower than one-third of the average monthly salary earned by the worker in a period of three months prior to the termination of the labour contract.

(3) Unless otherwise specified by the law, collective agreement, employment rules or labour contract, the aggregate amount of severance pay referred to in paragraph 2 of this Article may not exceed six average monthly salaries earned by the worker in a period of three months preceding the termination of the labour contract.

# Redundancy social security plan

# Article 126

(1) The employer who, due to economic, technological or organisational reasons, intends to cancel at least 20 labour contracts in the period of 90 days, must prepare a redundancy social security plan.

(2) When preparing the plan referred to in paragraph 1 of this Article, the employer shall consult with the workers' council and the competent employment service, in the manner and under the conditions prescribed by this Act.

(3) The employer shall forward the relevant information to the workers' council and the competent employment service, on a timely basis and in writing. Such information includes the reasons for intended dismissals, the number and type of workers who are likely to be affected, and the time limit within which he or she intends to cancel labour contracts.

(4) The competent employment service shall provide its observations regarding the information referred to in paragraph 3 of this Article within eight days from receipt of the information, and if it fails to provide these observations within the prescribed time limit, it shall be considered to have no comments and proposals.

(5) In establishing the plan referred to in paragraphs 1 and 2 of this Article, the employer must declare himself or herself as to the opinions and proposals made by the workers' council and the competent employment service in respect of the measures it must undertake in order to prevent or minimise the expected cancellations of labour contracts, as well as in respect of the measures intended to mitigate the harmful consequences of cancellations of labour contracts.

## Mandatory contents of a redundancy social security plan

# Article 127

(1) A redundancy social security plan must state:

- the reasons why the redundancies occurred,

- the possibility of introducing changes in technology and organisation of work in order to provide for redundant workers,

- the possibility of assigning the worker to another job,

- the possibility of finding employment with other employers,

- the possibility of retraining or additional training for workers,

- the possibility of reducing working hours.

(2) If the measures referred to in paragraph 1 of this Article are not sufficient to ensure employment for the workers, their labour contracts may be cancelled in the manner and under the conditions prescribed by this Act.

(3) The employer must inform the workers and the competent employment service about any redundancy social security plan.

(4) The information referred to in paragraph 3 of this Article must be forwarded in writing, within a maximum of eight days following the adoption of the plan.

(5) The employer must not dismiss a worker before forwarding the redundancy social security plan to the competent employment service, and before the employment service has provided its observations about this plan within a period of eight days.

(6) In case of important economic or social reasons, the competent employment service may postpone the application of the plan referred to in paragraph 1 of this Article, either entirely or partially, but for a period not longer than three months.

#### Special rights of workers sent to work abroad

# Article 128

(1) The employer who assigns a worker to work abroad, in a business enterprise or other company owned by this employer shall, in the event of termination of the contract of employment concluded between this worker and the foreign business enterprise or company, except in case of dismissal due to the worker's conduct, compensate the worker for relocation costs and provide him or her adequate employment in the country.

(2) When determining the notice period and severance pay, the period spent by the worker referred to in paragraph 1 of this Article in employment abroad, is considered to be continuous employment with the same employer.

## Return of documents and issuing a certificate on employment

# Article 129

(1) Within eight days of the termination of employment, the employer shall return to the worker all of his or her documents and a copy of the notice of cancellation from the mandatory pension and health insurance scheme, and, issue to the worker, at his or her request, a certificate setting out the type of job he or she performed and the length of his or her employment.

(2) Except for the information from paragraph 1 of this Article, the certificate must not contain any other information that would make the conclusion of a new labour contract for the worker more difficult.

# **XVI. EMPLOYMENT RULES**

# **Obligation to adopt employment rules**

#### Article 130

(1) Any employer employing more than 20 workers shall adopt and publish employment rules regulating salaries, organisation of work, procedure and measures for the protection of workers' dignity and other issues important for his or her workers, except when such issues are regulated by a collective agreement.

(2) Specific employment rules may be adopted for particular departments of a business enterprise, company, institution, or for particular groups of workers.

(3) The minister responsible for labour may, subject to obtaining prior opinion from trade unions and employers' associations, prescribe, by an ordinance, the issues to be regulated by employers by the rules referred to in paragraph 1 of this Article.

# The procedure for adopting employment rules

#### Article 131

(1) Employers must consult with the workers' council on the adoption of employment rules in the case, in the manner and under the conditions prescribed under this Act.

(2) The rules referred to in paragraph 1 of this Article must specify the date of their entry into force.

(3) The rules referred to in paragraph 1 of this Article may not enter into force before the eighth day following their publication.

(4) The minister responsible for labour shall prescribe, by an ordinance, the manner of publication of rules referred to in paragraph 1 of this Article.

(5) Employment rules may be amended or supplemented in the manner prescribed by this Act for their adoption.

(6) The workers' council may move the court having jurisdiction to declare invalid the employment rules which are contrary to the law and any of their provisions.

(7) If no workers' council has been established with the employer, the right referred to in paragraph 6 of this Article may be exercised by a trade union representative.

# XVII. EXERCISE OF THE RIGHTS AND OBLIGATIONS ARISING FROM EMPLOYMENT

## Persons entitled to make decisions on rights and obligations arising from employment

# Article 132

(1) An employer that is a natural person may, by virtue of a written power of attorney, authorise another adult person with legal capacity to represent him or her in the exercise of his or her rights and obligations arising from employment or related to employment.

(2) When the employer is a legal entity, the powers referred to in paragraph 1 of this Article are vested in a chief executive or a body authorised by its articles of association, contract, or deed of incorporation, or other rules of this legal entity.

(3) The body referred to in paragraph 2 of this Article may, by virtue of a written power of attorney, delegate its powers to another adult person with legal capacity.

# Judicial protection of the rights arising from employment

# Article 133

(1) A worker who considers that his or her employer has violated any of his or her rights arising from employment may, within fifteen days following the receipt of a decision violating this right, or following the day when he or she became aware of such violation, require from the employer the permission to exercise this right.

(2) If the employer does not meet the worker's request referred to in paragraph 1 of this Article within fifteen days, the worker may within another fifteen days seek judicial protection before the court having jurisdiction in respect of the right that has been violated.

(3) If, in a dispute before the court having jurisdiction, the worker presents the facts which confirm the suspicion that, because of his or her actions taken under the provisions of Article 115, paragraph 3 of this Act, he or she was placed in a less favourable position than the other workers,

which resulted in a violation of any of his or her rights arising from employment, his or her right shall be considered to have been violated, unless the employer proves otherwise.

(4) A worker who has failed to submit a request referred to in paragraph 1 of this Article, may not seek judicial protection before the court having jurisdiction in respect of the right that has been violated.

(5) When a law, other regulation, collective agreement or employment rules provide for amicable dispute resolution, the deadline of fifteen days for filing a request with the court starts as of the date when the procedure for such resolution ended.

(6) The worker's failure to claim damages or make any other financial claim under the labour contract within the deadlines referred to in paragraphs 1, 2 and 5 of this Article, may not result in the loss of the right to such claim.

(7) The provisions of this Article do not apply to the procedure for the protection of workers' dignity referred to in Article 30 of this Act.

#### Judicial jurisdiction

#### Article 134

Unless otherwise specified by this Act or another law, the court having jurisdiction is, within the meaning of the provisions of this Act, the court that has jurisdiction for employment-related disputes.

# Arbitration

#### Article 135

(1) Parties to a labour contract may, subject to their mutual consent, assign the resolution of an employment-related dispute to arbitration.

(2) A collective agreement may regulate the composition, procedure and other issues relevant to arbitration.

## Transfer of contracts to a new employer

#### Article 136

(1) If, as a result of a status change or legal transaction, the whole company or part of the company (plant), is transferred to a new employer, all labour contracts of workers working in the company or part of the company which was subject to transfer are also transferred to the new employer.

(2) The worker whose labour contract has been transferred as provided for in paragraph 1 of this Article retains the rights in relation to the dismissal, notice periods, severance pay and other issues related to employment he or she acquired until the transfer date..

(3) The employer to whom labour contracts are transferred as provided for in paragraph 1 of this Article assumes, as of the transfer date, all the rights and obligations from the labour contract that has been transferred in unaltered form and scope.

(4) The employer who transfers the company or part of the company to a new employer shall inform the new employer, fully and accurately, about the rights of the workers whose labour contracts are being transferred.

(5) The employer shall inform the worker whose contract is being transferred about the transfer of his or her labour contract to the new employer. This information is to be given in written form.

(6) The labour contracts referred to in paragraph 1 of this Article are transferred to the new employer as of the date when the transfer of the company or part of the company takes legal effect.

(7) If transfer of the company or part of the company is made in the bankruptcy proceedings or rehabilitation proceedings, the rights that are being transferred to the new employer may be reduced in accordance with the collective agreement that has been concluded or agreement between the workers' council and the employer.

(8) If a workers' council has been established in the company or part of the company which is subject to transfer, it shall continue with its work, but for no longer than one year.

(9) If an agreement has been concluded between the workers' council and the employer in the company or part of the company which is subject to transfer, its application continues until the conclusion of a new agreement, but for no longer than one year.

(10) If the company or part of the company is transferred to a new employer only for a limited period, the employer transferring the company or part of the company is, together with the new employer, jointly liable for the obligations towards the workers that arose after the date of transfer of the company or part of the company, up to the value of the assets transferred to the new employer for a limited period.

(11) The provisions of paragraphs 1 to 10 of this Article shall apply, as appropriate, also to institutions and other legal entities.

(12) The person who, by transferring the company or part of the company or in any other way, fraudulently avoids fulfilling his or her obligations towards the worker, shall be ordered by the court having jurisdiction to fulfil his or her obligations upon the worker's request, even if the labour contract was not concluded with this person.

## Presumed consent to the employer's decision

#### Article 137

(1) If, in order to adopt a decision, the employer is obliged to obtain consent from the workers' council, trade union, labour inspector or employment service, the workers' council, trade union, labour inspector or employment service shall provide its observations about granting or denying such consent within fifteen days following the submission of the employer's request, unless this Act specifies otherwise for a specific case.

(2) If the workers' council, trade union, labour inspector or employment service fail to provide the employer with their observations about granting or denying their consent within the deadline referred to in paragraph 1 of this Article, they shall be presumed to have consented to the employer's decision.

## Statute of limitations in respect of claims arising from employment

# Article 138

Unless otherwise specified by this Act or another law, a claim arising from employment shall be barred by the statute of limitations three years after it arises.

# XVIII. PARTICIPATION OF WORKERS IN DECISION-MAKING

# **Right to participate in decision-making**

# Article 139

Workers employed with an employer, who employs at least 20 workers, with the exception of workers employed at state administration bodies, have the right to take part in decision-making on issues related to their economic and social rights and interests, in the manner and under the conditions prescribed by this Act.

#### **Right to elect a workers' council**

#### Article 140

(1) Workers have the right to elect, in free and direct elections, by secret ballot, one or more of their representatives (hereinafter: "the workers' council") which shall represent them before their employer in relation to the protection and promotion of their rights and interests.

(2) The procedure for the establishment of a workers' council is initiated upon the proposal of a trade union or at least 10 per cent of the workers employed with an employer.

# Number of members of the workers' council

# Article 141

(1) The number of members of the workers' council is determined in accordance with the number of workers employed with an employer in the following manner:

- up to 75 workers: 1 representative,

- 76 to 250 workers: 3 representatives,

- 251 to 500 workers: 5 representatives,

- 501 to 750 workers: 7 representatives,

- 751 to 1000 workers: 9 representatives.

(2) For each further 1,000 increment of workers, the number of members of the workers' council shall be increased by two.

(3) When members of the workers' council are elected, account must be taken of equal representation of all organisational units and groups of employees (by gender, age, qualifications, jobs they perform, etc.).

# General workers' council

# Article 142

(1) If the employer's operations are organised through several organisational units, workers may establish several workers' councils that enable adequate participation of workers in decision-making.

(2) In the case referred to in paragraph 1 of this Article, a general workers' council shall be established, composed of representatives of workers' councils elected in organisational units.

(3) The composition, powers and other issues important for the operation of the general workers' council shall be established by an agreement between the employer and workers' councils.

## **Electoral term**

# Article 143

(1) A workers' council is elected for a term of three years.

(2) Elections are regularly held in March.

# **Voting rights**

# Article 144

(1) All workers of an employer shall have the right to elect and be elected.

(2) Members of management and supervisory bodies and their family members, as well as workers vested with the authority to represent the employer before third parties or before workers employed with the employer do not have the right referred to in paragraph 1 of this Article.

(3) The provision of paragraph 2 of this Article shall not apply to workers' representatives on supervisory or other corresponding bodies.

(4) An electoral committee shall establish a list of workers having voting rights.

# Lists of candidates

# Article 145

(1) Lists of candidates for worker representatives may be proposed by trade unions whose members are employed with a respective employer, or a group of workers enjoying the support of at least 10 per cent of the workers employed with a respective employer.

(2) In order to ensure that the workers' council does not have any vacant posts when the mandate of one of its members terminates, where only one representative is to be elected, at least one additional deputy must also be proposed, and where three or more representatives are to be elected, at least three deputies must also be proposed.

(3) The number of candidates on each list of candidates must be equal to the number of vacant posts to be filled.

# **Electoral committee**

#### Article 146

(1) An electoral committee is established to organise elections.

(2) The electoral committee shall have at least three members.

(3) The electoral committee shall have an odd number of members.

(4) Each trade union and group of workers that has submitted its list of candidates designates one member of the electoral committee.

(5) A worker who is a candidate for member of the workers' council shall not be a member of the electoral committee.

(6) An electoral committee shall be appointed by the workers' council when elections are called, and no later than five weeks before the expiration of the workers' council's mandate.

(7) If no workers' council has been established with an employer, an electoral committee shall be appointed at the workers' meeting.

# Work of the electoral committee

# Article 147

(1) The electoral committee shall organise and supervise voting.

(2) The electoral committee is responsible for the legality of elections and publishes the election results. Before publishing the election results, it may decide that a part of, or the whole election procedure be repeated, because of the established irregularities.

(3) A record of the electoral committee's work shall be kept and published after the elections.

(4) The electoral committee shall render decisions by a simple majority.

# **Conduct of elections**

#### Article 148

(1) Elections for workers' councils, nomination and election procedures must be open, free and fair, without any interferences and pressures whatsoever, and must be conducted in a way which guarantees that election results reflect genuine and freely expressed will of workers.

(2) Actions in violation of paragraph 1 of this Article may result in elections being declared invalid.

(3) Elections are valid when at least one third of the workers having voting rights have actually voted.

(4) The employer shall cover the election costs.

(5) The minister responsible for labour shall specify, by an ordinance, the procedure for the election of workers' councils.

## **Determination of election results**

#### Article 149

(1) Where one representative is to be elected, a candidate who has received the majority of votes cast shall be elected.

(2) If, in the case referred to in paragraph 1 of this Article, two or more candidates receive the same number of votes, a candidate who was employed with the employer for a longer continuous period shall be elected.

(3) Where three or more representatives are to be elected, the number of elected representatives shall be determined in the following way:

The total number of votes cast for each list ("the electoral list aggregate") is divided into numbers from 1 to, inclusively, the number of representatives to be elected. The results obtained in this way are ordered in descending order. The result that according to the order corresponds to the number of representatives to be elected is the common dividend. The number of votes cast for each electoral list aggregate is divided by the common dividend. The result indicates the number of elected representatives from the respective lists. If votes are distributed in such a way that it is not possible to establish from which of the lists a candidate is to be elected, the candidate on the list which has received a higher number of votes shall be elected.

(4) The lists that receive less than five percent of the votes shall not be included in the distribution of vacant posts.

(5) In the case referred to in paragraph 3 of this Article, elected candidates are those listed from ordinal number 1 to the ordinal number equivalent to the number of posts apportioned to their respective lists.

(6) Deputy representatives are those candidates who were not elected, beginning from the first non-elected candidate, up to the equal number of elected representatives from their respective lists. When the list of candidates is exhausted, deputies shall be elected from the list of deputy candidates.

(7) The electoral committee provides information about the elections that have been conducted to the employer and the trade unions that proposed the lists of candidates.

## Basic authorities of a workers' council

#### Article 150

(1) The workers' council protects and promotes the interests of workers employed with an employer, by advising, participating in decision-making and negotiating with the employer or the person authorised by the employer on the issues important for the workers.

(2) The workers' council pays attention to the compliance with this Act, employment rules, collective agreements and other regulations adopted for the benefit of the workers.

(3) The workers' council pays attention to whether the employer fulfils, in an orderly and complete manner, his or her obligations related to the calculation and payment of social security contributions, and for this purpose it has the right to inspect the relevant documentation.

(4) The workers' council shall not participate in the organisation or performance of strikes, lockouts or other industrial actions, nor shall it in any other way interfere with a collective labour dispute which may result in such an action.

# **Duty to inform**

# Article 151

(1) The employer has a duty to inform the workers' council at least every three months about:

- business situation and results,
- development plans and their impact on the economic and social position of workers,
- trends and changes in salaries,
- the extent of and the reasons for the introduction of overtime work,

- the number of workers working for them under fixed-duration contracts and the number of workers working under labour contracts in a separate place of work, as well as the reasons for hiring them,

- protection and safety at work and measures taken in order to improve working conditions,

- other issues bearing particular importance for the economic and social position of workers.

(2) The employer is obliged to inform the workers' council about the issues from paragraph 1 of this Article duly, accurately and integrally.

# Duty to consult before rendering a decision

# Article 152

(1) Before rendering a decision that is important for the position of workers, the employer must consult the workers' council about the proposed decision and must communicate to the workers' council the information important for rendering a decision and understanding its impact on the position of workers.

(2) Important decisions referred to in paragraph 1 of this Article include in particular decisions on:

- the adoption of employment rules,

- employment plan, transfer to another job and dismissal,

- the expected legal, economic and social consequences for the workers in the cases from Article 136 of this Act,

- the measures related to the protection of health and safety at work,

- the introduction of new technologies and change of organisation and methods of work,

- annual leave plans,
- working hours schedules,
- night work,
- compensation for inventions and technical innovations,

- the adoption of redundancy social security plans and other decisions which, under this Act or a collective agreement, must be rendered in consultation with the workers' council.

(3) The information related to the proposed decision must be forwarded to the workers' council integrally and in due time, so that the council may have an opportunity to put forward comments and proposals in order to enable the results of discussion to have material impact on decision-making.

(4) Unless otherwise specified by an agreement between the employer and the workers' council, the workers' council shall forward its observations about a proposed decision to the employer within eight days. In case of an extraordinary notice, this deadline shall be three days.

(5) If the workers' council does not provide its observations about the proposed decision within the deadline referred to in paragraph 4 of this Article, it shall be presumed that it does not have any comments and proposals.

(6) The workers' council may oppose to a dismissal if the employer does not have just cause for the dismissal, or if the dismissal procedure specified in this Act was not conducted.

(7) The workers' council must give reasons for its opposition to the employer's decision.

(8) If the workers' council opposes to an extraordinary notice of dismissal and the worker brings legal action to challenge the permissibility of dismissal and request the employer to retain him at work, the employer must admit the worker to work within eight days of the information about the initiation of legal action and retain him or her at work pending a final judicial decision on the merits.

(9) If the workers' council's opposition to an extraordinary notice of dismissal is manifestly not founded on the provisions of this Act, the employer may move the court to issue an interim measure releasing him or her from the obligation to admit the worker to work and to pay the worker salary compensation, pending a final judicial decision on the merits.

(10) If the employer terminates an employment by giving extraordinary notice of dismissal due to an extremely grave violation of an employment obligation by the worker, he or she may suspend the worker pending a final judicial decision on the permissibility of dismissal. In this case, the employer must pay the worker monthly salary compensation in the amount of one-half of the average salary paid to the worker in the preceding three months.

(11) A decision rendered by the employer contrary to the provisions of this Act governing consultations with the workers' council shall be null and void.

#### **Co-decision making**

## Article 153

(1) The decisions an employer may render only subject to prior consent of the workers' council are decisions on:

- dismissing a member of the workers' council,

- dismissing a candidate for the workers' council who was not elected, and a member of the electoral committee for a period of three months following the establishment of the election results,

- dismissing a worker with reduced ability to work or in immediate danger of disability,

- dismissing a male worker over sixty years of age or a female worker over fifty-five years of age,

- dismissing a workers' representative on the supervisory board,

- including persons referred to in Article 77, paragraph 1 of this Act in the redundancy social security plan,

- collecting, processing, using and sending to third parties the information about a worker;

- appointing a person authorised to supervise whether personal information about workers is collected, processed, used or sent to third parties in accordance with the provisions of this Act.

(2) If the workers' council fail to grant or deny its consent within eight days, it shall be presumed to have consented to the employer's decision.

(3) If the workers' council refuses to give its consent, the employer may, within 15 days of the receipt of the statement on refusal to give consent, ask that such consent be replaced by a judicial decision or arbitration award.

(4) The court of first instance is obliged to make a decision about the legal action brought by the employer in the case from paragraph 3 of this Article within 30 days from the day of filing the action.

(5) An agreement between the employer and the workers' council may also regulate other issues in which the employer may render a decision only subject to prior consent of the workers' council.

# Duty to inform workers

#### Article 154

The workers' council is obliged to regularly inform the workers and trade union about its work and receive their initiatives and proposals.

# **Relations with trade unions**

#### Article 155

(1) With a view to protecting and promoting the rights and interests of workers, the workers' council cooperates, with full trust, with all trade unions whose members are employed by the employer.

(2) A member of the workers' council may freely continue to work for a trade union.

(3) If no workers' council has been established with an employer, all the rights and obligations pertaining to workers' councils under this Act shall be exercised by a trade union representative.

(4) If several trade unions operate with an employer, and these trade unions have not reached an agreement concerning one or more trade union representatives who shall exercise the rights and obligations referred to in paragraph 3 of this Article, the dispute shall be resolved by the appropriate application of this Act's provisions governing the elections for workers' councils.

# Work of the workers' council

# Article 156

(1) If the workers' council consists of three or more members, it shall work in sessions.

(2) The workers' council shall adopt its own rules of procedure.

(3) Trade union members whose members are employed with the employer may attend sessions of the workers' council, but have no right to participate in decision-making.

(4) The workers' council may consult experts regarding issues falling within its competence.

(5) The costs of expert consultations referred to in paragraph 4 of this Article shall be covered by the employer, in accordance with the agreement between the employer and the workers' council.

# **Meetings of workers**

#### Article 157

(1) Meetings of workers employed with an employer must be held at least twice a year, at regular intervals, so that workers can be completely informed, and that they can discuss the situation and development of the business enterprise, institution, or another organisational form, and to discuss the work of the workers' council.

(2) If the size of a business enterprise, institution or another organisational form or other circumstances so require, the meetings referred to in paragraph 1 of this Article may be held in departments or other organisational units.

(3) Meetings of workers referred to in paragraph 1 of this Article shall be convened by the workers' council, upon prior consultations with the employer. The workers' council shall take care that the selection of time and place of such meeting is not prejudicial to the employer's business effectiveness.

(4) If no workers' council has been established with an employer, meetings of workers referred to in paragraph 1 of this Article shall be convened by the employer.

(5) Without prejudice to the workers' council's right to convene meetings of workers referred to in paragraph 1 of this Article, the employer may convene a meeting of workers, if he or she considers it necessary. In doing so, the employer shall take care that the workers' council's powers established by this Act are not restricted.

(6) The employer must consult the workers' council about the convening of the meeting from paragraph 5 of this Article.

# Judicial standing

# Article 158

(1) The workers' council may sue and be sued subject only to the authority or obligations set forth by this Act or another law, another regulation or collective agreement.

(2) The workers' council may not acquire assets.

(3) The workers' council and its members shall not have civil liability for its decisions.

# Conditions for the work of the workers' council

# Article 159

(1) The workers' council holds sessions and pursues its affairs during working hours.

(2) Each member of the workers' council has the right to salary compensation for six working hours per week.

(3) Members of the workers' council may transfer their entitlement to working hours referred to in paragraph 2 of this Article to each other.

(4) If the number of available working hours permits so, the function of the president or a member of the workers' council may be carried out on a full time basis.

(5) The employer must provide the workers' council with the necessary premises, personnel, resources and other working conditions.

(6) The employer must permit members of the workers' council to undergo training necessary for work in the council.

(7) The employer also covers other costs incurred as a result of the workers' council's activities under this Act, another regulation or collective agreement.

(8) Following the expiration of his or her term of service, the president or a member of the workers' council who had worked in the workers' council on a full time basis shall be assigned to the job he or she previously performed, and if the need for such job no longer exists, to another appropriate job.

(9) The conditions for work of the workers' council shall be specified by an agreement between the employer and the workers' council.

# Prohibition of unequal treatment of members of the workers' council

# Article 160

The employer must neither favour nor disfavour members of the workers' council as against other workers.

Prohibition of unequal treatment of workers by the workers' council

# Article 161

In pursuance of its activities, the workers' council must neither favour nor disfavour any individual worker or any group of workers as against other workers.

# Nondisclosure of confidential business information

# Article 162

(1) A member of the workers' council must not disclose confidential business information they became aware of in the course of the exercise of his or her powers under this Act.

(2) The obligation referred to in paragraph 1 of this Article shall continue to exist even after the expiration of their mandate.

# Agreement between the workers' council and the employer

#### Article 163

(1) The workers' council may conclude a written agreement with the employer, which may contain legal rules governing employment matters.

(2) The agreement referred to in paragraph 1 of this Article is directly applicable and binding on all workers employed with the employer who are parties thereto.

(3) The agreement referred to in paragraph 1 of this Article must not regulate salaries, working hours and other matters which are, as a rule, regulated by a collective agreement, except when parties to a collective agreement have authorised parties to the agreement under paragraph 1 of this Article to do so.

## Increase in membership and authority of the workers' council

## Article 164

(1) The number of members of the workers' council may be increased to exceed the number prescribed by this Act by virtue of an agreement between the workers' council and the employer. The extent of paid working hours during which members of the workers' council may attend to council matters may also be increased.

(2) The authority of the workers' council may be expanded by virtue of an agreement between the workers' council and the employer, or by virtue of a collective agreement.

# Invalidating elections, disbanding a workers' council and expulsion of its member

# Article 165

(1) In case of a gross violation of this Act's provisions on conducting the elections for workers' councils which affected election results, the workers' council, electoral committee, employer, trade unions whose members are employed with the employer or candidate, may move the court having jurisdiction to invalidate the elections that have been conducted.

(2) If the workers' council or any of its members severely violate obligations imposed on them by this Act, another regulation or collective agreement, trade unions whose members are employed with the employer may move the court having jurisdiction to disband the workers' council, or to expel a particular member. The same motion may be put forward by at least 25% of the employees or by the employer.

(3) Judicial jurisdiction and deadlines for rendering decisions invalidating elections, disbanding workers' councils and expelling any of their members are determined by appropriate application of the provisions of Article 227 of this Act.

# Workers' representatives on the supervisory board

# Article 166

(1) A worker's representative must sit on the supervisory board or other corresponding body in a business enterprise that employs more than 200 workers and in a business enterprise which is more than 25 per cent owned by the Republic of Croatia or by a unit of local and regional selfgovernment, as well as in public institutions, regardless of the number of workers employed in the enterprise or institution concerned.

(2) Workers' representatives on the supervisory board shall be appointed and recalled by the workers' council.

(3) If no workers' council has been established with an employer, the workers' representative shall be appointed as member of the supervisory board and recalled by the workers, by direct and secret ballot, in the manner prescribed by this Act for the election of a one-member workers' council.

(4) The member of the supervisory board appointed in accordance with paragraphs 2 and 3 of this Article has the same legal position as other appointed members of the supervisory board.

# XIX. TRADE UNIONS AND EMPLOYERS' ASSOCIATIONS

# **1. GENERAL PROVISIONS ON ASSOCIATIONS**

#### **Right to associate**

#### Article 167

(1) Workers have the right, without any distinction whatsoever, and according to their own free choice, to found and join a trade union, subject to only such requirements which may be prescribed by the articles of association or internal rules of this trade union.

(2) Employers have the right, without any distinction whatsoever, and according to their own free choice, to found and join an employers' association, subject to only such requirements which may be prescribed by the articles of association or internal rules of this association.

(3) The associations referred to in paragraphs 1 and 2 of this Article (hereinafter: "the associations") may be founded without any prior approval.

#### Non-compulsory membership of associations

# Article 168

(1) Workers and employers, respectively, may freely decide on their membership in an association and leaving such association.

(2) No one shall be discriminated against on the ground of his or her membership or nonmembership in an association or participation or non-participation in its activities.

# Temporary and permanent prohibition of activities by virtue of an executive authorities' decision

# Article 169

The operations of an association may not be prohibited nor may an association be disbanded by virtue of a decision by executive authorities.

#### **Higher-level association**

## Article 170

(1) Associations may create federations or other forms of association in order to pursue their interests together at a higher level ("higher-level association").

(2) Higher-level associations enjoy all the rights and freedoms granted to associations.

(3) Associations and higher-level associations have the right to freely join federations and cooperate with international organisations established for the purpose of the promotion of their common rights and interests.

## Authorities of associations

# Article 171

(1) An association may be a party to a collective agreement only if it was established and registered in accordance with the provisions of this Act.

(2) An association may represent its members in employment-related disputes with the employer, before a court, an arbitration body or a state body.

# Establishment of other legal entities

# Article 172

In pursuance of their goals and tasks as provided under their articles of association or internal rules, associations may establish other legal entities, subject to separate regulations.

# 2. ESTABLISHMENT AND REGISTRATION OF ASSOCIATIONS

# Establishment of an association

# Article 173

(1) A trade union may be established by at least ten adult persons with legal capacity.

(2) An employers' association may be established by at least three legal entities or adult persons with legal capacity.

(3) A higher-level association may be established by at least two associations referred to in paragraphs 1 and 2 of this Article.

(4) The name of an association or higher-level association must be clearly distinguishable from the names of the already registered associations or higher-level associations.

# Articles of association

#### Article 174

(1) An association or a higher-level association must have articles of association based and adopted according to principles of democratic representation and democratic exercise of its members' will.

(2) The articles of association regulate the purpose of the association, its name, seat, scope of activity, logo, bodies, method for the election and recall of members of these bodies, powers given to the association's bodies, procedure for acceptance to membership and termination of membership, methods for adopting and amending the articles of association, rules and other regulations, termination of the association's operations.

(3) The articles of association must include the provisions on the bodies authorised to conclude collective agreements and requirements and procedures for organising industrial actions.

(4) Entering into collective agreements must be specified in the articles of association as one of the purposes of an association.

(5) Authority to conclude collective agreements may be delegated to a higher-level association by virtue of the articles of association, deed of foundation, or deed of association with a higher-level association.

# Legal personality of an association

# Article 175

(1) An association and a higher-level association acquire legal personality as of the date of their registration in the register of associations.

(2) The articles of association state whether an association has branch offices or other internal organisational forms, and specifies the authorities with which such branch offices or other internal organisational forms are vested for the purpose of legal transactions.

(3) A branch office or other internal organisational form acquire authorities to engage in legal transactions referred to in paragraph 2 of this Article as from the date indicated in its deed of foundation, in accordance with the articles of association.

#### **Register of associations**

# Article 176

(1) Associations and higher-level associations which operate on the territory of a single county are registered in the register of associations at the state administration office in the county responsible for labour affairs.

(2) Associations and higher-level associations which operate on the territory of two or more counties are registered in the register of associations at the ministry responsible for labour.

(3) The following information shall be entered in the register: date of foundation, name, seat, scope of activity, name of executive body, names of persons authorised to represent it, termination of operations of an association or a higher-level association.

(4) The minister responsible for labour shall regulate, by an ordinance, the contents and methods for maintaining registers of associations.

#### Application for registration in a register of associations

#### Article 177

(1) An association is registered in a register upon the application of its founder.

(2) The application must be accompanied by the following documents: the deed of foundation, the minutes taken at the founding assembly, the articles of association, the list of founders and members of the executive body, and names and family names of the person or persons authorised to represent the association.

(3) The founders shall file an application for registration in a register of associations within thirty days following the date of the founding assembly.

(4) The body responsible for registration shall issue a certificate stating that an application for registration has been received at a register of associations.

# Decision on application for registration in a register of associations

# Article 178

(1) A decision shall be issued on an application for registration of an association in a register.

(2) The decision referred to in paragraph 1 of this Article shall include: date of registration and registration number, name of association, seat, scope of activity; and name and family name of a person or persons authorised to represent the association.

## Removal of deficiencies in the articles of association or foundation procedure

# Article 179

(1) If the body authorised for registration finds that an attached articles of association do not comply with this Act, or that the application does not contain the evidence of compliance with the requirements for the foundation of an association specified by this Act, it shall invite the applicants to bring the articles of association into conformity with this Act or to produce adequate evidence, and shall set a deadline for this purpose which may not be shorter than eight days and longer than fifteen days.

(2) If, within the deadline referred to in paragraph 1 of this Article, the applicants fail to remove the deficiencies in the articles of association or produce evidence of compliance with the requirements for the foundation of an association specified by this Act, the body authorised for registration shall issue a decision rejecting the application for registration in the register of associations.

# Time limit for issuing a decision on registration in a register of associations

#### Article 180

(1) The body authorised for registration shall issue a decision on an application for registration in a register of association within a maximum of 30 days following the filing of a compliant application.

(2) If the authorised body fails to issue a decision within the deadline referred to in paragraph 1 of this Article, it shall be considered that the association is registered as of the day following the expiration of this deadline.

(3) In cases referred to in paragraph 2 of this Article, the body authorised for registration shall issue a certificate of registration of an association, containing particulars set forth in Article 178, paragraph 2 of this Act, within seven days following the expiration of the deadline for issuing a decision.

#### **Rejection of application for registration**

#### Article 181

(1) If an association was not established in accordance with Articles 173 and 174 of this Act, the body authorised for registration shall issue a decision rejecting its registration in a register of associations.

(2) Reasons must be given for a decision rejecting an application for registration.

(3) An appeal lodged against the decision of the state administration office in the county responsible for labour affairs shall be decided upon by the ministry responsible for labour.

(4) If the ministry responsible for labour issues a decision in the first instance, such decision is final and may be challenged before an administrative tribunal.

# Registration in the event of change of information

## Article 182

(1) Any change of the name of an association, its seat, scope of activity, name of the body, persons authorised to represent it, and termination of its operations must be registered in the register of associations.

(2) A person authorised to represent an association must report any changes referred to in paragraph 1 of this Article to the body maintaining the register of associations within 30 days following the occurrence of the change.

(3) The registration of change of information referred to in paragraph 1 of this Article is subject to this Act's provisions applicable to the registration of associations in a register.

# **3. ASSETS OF ASSOCIATIONS**

# Collection and protection of assets from enforcement

#### Article 183

(1) Associations may acquire assets by collecting enrolment and membership fees, by purchase, from donations or in any other legal manner, without any prior authorisation.

(2) Real estate and moveable assets of associations necessary for convening meetings, carrying out educational activities, and libraries may not be subject to enforcement.

# **Division of association's assets**

# Article 184

(1) If an association splits, or a substantial number of its members create a separate association, the assets of this association is divided proportionate to the number of former members of the original association who join the newly founded entities, unless otherwise provided by the articles of association, a contract or other agreement.

(2) If an association ceases to operate, its assets are dealt with in the manner prescribed by its articles of association.

(3) If an association ceases to operate, its assets may not be allocated to its members.

# 4. OPERATION OF ASSOCIATIONS

#### The prohibition of control over the counterpart

## Article 185

(1) Employers and their associations must not exercise control over the establishment and operations of trade unions or their higher-level associations, nor must they finance or in any other way support trade unions or their higher-level association in order to exercise such control.

(2) The prohibition of the control referred to in paragraph 1 of this Article is also applicable to relations of trade unions and their higher-level associations with employers and their associations.

# Judicial protection of membership rights

## Article 186

A member of an association may seek judicial protection in the event of violation of his or her rights guaranteed by the articles of association or other rules.

## Judicial protection of the right to associate

# Article 187

(1) An association or a higher-level association may move the court to prohibit the operations violating the right of workers and employers to associate.

(2) An association or a higher-level association may claim compensation for damages suffered as a result of activities prohibited under paragraph 1 of this Article.

# Prohibition of unequal treatment on the ground of membership in a trade union or participation in trade union activities

# Article 188

(1) A worker must not be placed in a less favourable position than other workers on the ground of his or her membership in a trade union. It is, in particular, prohibited to:

- conclude a labour contract with a worker, under the condition that he or she does not join a trade union or that he or she leaves a trade union,

- terminate a labour contract or place a worker in a less favourable position than other workers in some other way because of his or her membership in a trade union or participation in trade union activities after working hours, or during working hours subject to the consent of the employer.

(2) The employer must not take into consideration membership in a trade union and participation in trade union activities when rendering a decision whether or not to conclude a labour contract on the assignment of a worker to a particular job or to a particular place of work, on specialist training, promotion, pay, social benefits and termination of a labour contract.

(3) An employer, a chief executive or another body, and an employer's representative, must not use coercion in favour of or against any trade union.

# Trade union representatives and commissioners

# Article 189

(1) Trade unions shall decide autonomously on the methods for their representation before the employer.

(2) Trade unions whose members are employed with a particular employer may appoint or elect one or more trade union representatives or commissioners to represent them before this employer.

(3) A trade union commissioner is a worker employed by the employer.

(4) Trade union representatives or commissioners have the right to protect and promote interests of trade union members in relations with the employer.

(5) The employer shall make it possible for a trade union representative or commissioner to exercise, duly and effectively, the right referred to in paragraph 2 of this Article, and shall provide them with access to information necessary for the exercise of this right.

(6) A trade union representative or a commissioner must exercise his or her right referred to in paragraph 3 of this Article at the time and in the manner which is not prejudicial to the employer's business effectiveness.

(7) The trade union must inform the employer about the appointment of a trade union representative or commissioner.

(8) A trade union representative has all the rights and obligations pertaining to trade union commissioners under this Act, except for trade union commissioners' rights and obligations arising from employment or related to employment.

#### Protection of trade union commissioners

## Article 190

(1) During the trade union commissioner's performance of his or her duty and six months after the termination of this duty it is not allowed:

- to cancel the trade union commissioner's labour contract,

- to assign the trade union commissioner to another job, or

- to place the trade union commissioner in a less favourable position than other workers in any other way,

if the trade union has not given its consent to that effect.

(2) If the trade union fails to give or denies its consent within eight days, it shall be presumed to have consented to the employer's decision.

(3) If the trade union refuses to give its consent to a dismissal, the employer may, within 15 days of the receipt of the trade union's observations, request that such consent be replaced by a judicial decision.

(4) The protection referred to in paragraph 1 of this Article shall be enjoyed by at least one trade union commissioner, whereas a maximum number of trade union commissioners with an employer who enjoy protection is determined by applying this Act's provisions governing the number of members of the workers' council, as appropriate.

## Trade union fees and bargaining fees

# Article 191

(1) At the request of and in accordance with the instructions of the trade union, and with the prior written consent of the worker-trade union member, the employer shall calculate and withhold from the worker's salary trade union fees and regularly pay such fees to the trade union's account.

(2) If the collective agreement provides for bargaining fees, the employer shall, at the request and in accordance with the instructions of the trade union, calculate and withhold from a non-union worker's salary bargaining fees and regularly pay such fees to the trade union's account.

# 5. TERMINATION OF AN ASSOCIATION'S OPERATIONS

### Methods for terminating an association's operations

## Article 192

(1) An association may cease operating:

1. upon a decision of the association's body authorised by the articles of association to decide on termination of its operations,

2. if the highest body of an association has not convened during a period which is twice as longer as the period specified by the articles of association,

3. if the number of its members falls below the number prescribed for the foundation of an association by virtue of this Act;

4. if the association's operations are banned by the court.

(2) In cases referred to in subparagraphs 2 to 4, paragraph 1 of this Article, a decision terminating the association's operations shall be rendered by the court having jurisdiction.

(3) Based on a final judicial decision, the body responsible for maintaining the register shall delete the association from its register.

#### Ban on an association's operations

#### Article 193

(1) The operations of an association shall be banned by a decision of a county court having territorial jurisdiction in the area where an association has its seat, if the operations of an association are contrary to the Constitution and the law.

(2) The proceedings to ban the association's operations shall be initiated upon a motion by the body authorised for registration or by the authorised public prosecutor.

(3) The judgement banning the operations of an association must include a statement of reasons indicating the activities because of which the association's operations were banned.

(4) The judgement banning the operations of an association must include a decision on the association's assets, in accordance with the articles of association.

(5) The enacting terms of a final judgement banning the operations of an association shall be published in the Official Gazette.

# **XX. COLLECTIVE AGREEMENTS**

## Parties to a collective agreement

## Article 194

Parties to a collective agreement may be, on the employer side, one or more employers, an employers' association, or a higher-level employers' association, and, on the trade union side, a trade union or a higher-level trade union association, which are willing and able to use pressure to protect and promote the interests of their members in the course of negotiations on the conclusion of collective agreements.

### Trade union collective bargaining committee

## Article 195

(1) If more then one trade union or higher-level trade union associations are present in the area in respect of which a collective agreement is to be concluded, the employer or employers, the employers' association or higher-level employers' association are permitted to negotiate a collective agreement only with a bargaining committee composed of representatives of these trade unions.

(2) Trade unions shall decide on the number of members and the composition of the bargaining committee referred to in paragraph 1 of this Article, by an agreement.

(3) If trade unions fail to reach an agreement about the number of members and the composition of the bargaining committee referred to in paragraph 1 of this Article, a decision about this shall be rendered by the Economic and Social Council or by the minister responsible for labour, if the Economic and Social Council has not been established.

(4) In the case from paragraph 3 of this Article, the number of members and the composition of the bargaining committee is established in a way that the bargaining committee does not have less than three and more than nine members, taking into account the number of members of the trade unions represented in the area for which the collective agreement is to be concluded.

(5) The employer, the employers' association, or the higher-level employers' association, depending on the area in respect of which a collective agreement is to be concluded, shall provide the Economic and Social Council, on the basis of the information available to them, with a certificate showing the number of members of the trade unions represented in the respective area, within 15 days of the day when they received a request to do so.

(6) The bargaining committee shall establish its own method of work and decision-making procedures.

### The subject matter of a collective agreement

## Article 196

(1) A collective agreement regulates the rights and obligations of the parties that have concluded this agreement. It may also contain legal rules governing the conclusion, contents and termination of labour contracts, issues related to workers' councils, social security issues, and other issues arising from or related to employment.

(2) The legal rules contained in the collective agreement are directly applicable and binding on all persons who are subject to the collective agreement, in accordance with this Act.

(3) A collective agreement may contain rules related to collective bargaining procedures and to the composition and methods of work of the bodies authorised for amicable collective labour dispute resolution.

## **Bargaining fees**

#### Article 197

(1) A collective agreement may provide for the non-union workers' obligation to pay a fee throughout the period of validity of the collective agreement and for the benefits negotiated by the collective agreement ("bargaining fee").

(2) If a collective agreement provides for bargaining fees, it shall enter into force only after being accepted, in a referendum, by the workers in the area for which this collective agreement is to be concluded.

(3) For the referendum to succeed, at least one third of the workers in the area for which the collective agreement is to be concluded must take part in it and the collective agreement must be accepted by the majority of the votes cast.

(4) The rules for conducting a referendum shall be established by an ordinance issued by the Economic and Social Council.

(5) The bargaining fee referred to in paragraph 1 of this Article may not exceed 65% of trade union fees paid by the union members to the trade union that concluded the collective agreement. If the collective agreement was concluded by several trade unions, the bargaining fee may not exceed 65% of the average trade union fees charged by the trade unions that are signatories to this agreement.

(6) The bargaining fee referred to in paragraph 5 of this Article may not exceed 1% of the worker's net salary.

(7) If several trade unions have concluded a collective agreement with a bargaining fee clause, the procedure for the payment of this fee shall be determined by that particular agreement.

(8) A non-union worker may be obligated to pay only one bargaining fee for the benefits negotiated in several collective agreements.

## **Obligation to bargain collectively**

# Article 198

The persons who, under this Act, may be parties to a collective agreement, shall in good faith engage in bargaining over the conclusion of a collective agreement in relation to the issues which, under this Act, may be a subject matter of a collective agreement.

## Persons bound by a collective agreement

## Article 199

(1) A collective agreement shall be binding on all persons who have concluded it, and on all persons who, at the time of the conclusion of such an agreement, were or subsequently became members of the association that is a party to the collective agreement.

(2) A collective agreement shall also be binding on all persons who have acceded to this collective agreement and on all persons who have subsequently become members of the association that has acceded to this collective agreement.

### Form of a collective agreement

#### Article 200

A collective agreement must be concluded in written form.

# Obligation of good faith compliance with obligations arising from a collective agreement

## Article 201

(1) The parties to a collective agreement and the persons to whom it applies shall in good faith comply with its provisions.

(2) An injured party or a person to whom a collective agreement applies may claim compensation for damages he or she suffered as a result of non-compliance with the obligations arising from the collective agreement.

## Indication of persons and area to which a collective agreement applies

## Article 202

A collective agreement must indicate the persons and the area to which it applies.

# Power of attorney for collective bargaining and concluding a collective agreement

## Article 203

(1) Persons representing the parties to a collective agreement must have a written power of attorney for collective bargaining and concluding a collective agreement.

(2) If a party to a collective agreement is a legal entity, the power of attorney referred to in paragraph 1 of this Article must be issued in compliance with the articles of association of this legal entity.

(3) If one of the parties to a collective agreement is an employers' association or a higherlevel employers' association, the persons representing it must, in addition to a written power of attorney referred to in paragraph 1 of this Article, also provide to the other party a list of employers which are members of the association on whose behalf they bargain or conclude a collective agreement.

## **Duration of a collective agreement**

## Article 204

(1) A collective agreement may be concluded for a definite or an indefinite period.

(2) A collective agreement concluded for a definite period shall not be concluded for a period longer than five years.

## Extended application of legal rules contained in a collective agreement

## Article 205

Unless otherwise specified by the collective agreement in question, following the expiration of the period for which this collective agreement was concluded, the legal rules contained therein relating to the conclusion, the contents and termination of labour contracts shall continue to be applicable until a new collective agreement is concluded, as part of the previously concluded labour contracts.

# Cancellation of a collective agreement

# Article 206

(1) A collective agreement concluded for an indefinite period may be cancelled.

(2) A collective agreement concluded for a definite period may be cancelled only if it contains a cancellation clause.

(3) A collective agreement concluded for an indefinite period and a collective agreement concluded for a definite period containing a cancellation clause must also contain clauses on the reasons for cancellation and cancellation periods.

(4) If a collective agreement may be cancelled, but does not contain a clause on cancellation period, the cancellation period shall be three months.

(5) A notice of cancellation must be submitted to all the parties to a collective agreement.

(6) A collective agreement must contain the provisions on the amendment and renewal procedures.

# Influence of change of employer on the application of a collective agreement

# Article 207

In the cases referred to in Article 136 of this Act, the workers shall continue to be subject to the collective agreement which applied to them at the time of the change, until the conclusion of a new collective agreement, but for no longer than one year.

# Submission of a collective agreement to the competent body

# Article 208

(1) Every collective agreement and every change (amendment, supplement, cancellation or accession) to a collective agreement must be submitted, depending on the area of its application, to the ministry responsible for labour or to a county office responsible for labour affairs.

(2) A collective agreement or a change to a collective agreement applicable within the entire Republic of Croatia, or within two or more counties shall be submitted to the ministry responsible for labour. All other collective agreements and changes to collective agreements shall submitted to county offices responsible for labour affairs.

(3) A collective agreement or a change to a collective agreement shall be submitted to the competent body by the party which is listed first in this agreement and, in the case of cancellation, by the cancelling party.

(4) An employer's association or a higher-level employers' association shall provide the competent body with a list of employers bound by the collective agreement concluded by the employers' association or the higher-level employers' association, as well as all changes to the association's membership that may have occurred during the period of the collective agreement's validity.

(5) The minister responsible for labour shall regulate, by an ordinance, the procedure for submitting collective agreements and changes thereto to the competent state body, as well as the methods for keeping records of the collective agreements and changes thereto that have been submitted.

Publication of a collective agreement

### Article 209

(1) A collective agreement containing legal rules relating to the conclusion, contents and termination of labour contracts, and other issues arising from employment or related to employment must be published.

(2) The minister responsible for labour shall regulate, by an ordinance, the methods for publishing collective agreements referred to in paragraph 1 of this Article.

(3) The employer's failure to publish the collective agreement by which he or she is bound does not affect the fulfilment of his or her obligations arising from the collective agreement referred to in paragraph 1 of this Article.

## Accession to a collective agreement

## Article 210

(1) Persons who, under the provisions of this Act, may be parties to a collective agreement may subsequently accede to such an agreement.

(2) A statement of accession must be submitted to all the parties that concluded the collective agreement in question and on all the persons who subsequently acceded thereto.

(3) Persons who subsequently acceded to a collective agreement shall have the same rights and obligations as the parties which originally concluded it.

# Extension of the application of a collective agreement

## Article 211

(1) The minister responsible for labour may, for the purposes of public interest, extend the application of a collective agreement to persons who did not take part in its conclusion, or who did not subsequently accede to it.

(2) Before rendering a decision to extend the validity of a collective agreement, the minister responsible for labour must consult trade unions, employers' associations or employers' representatives to which the collective agreement is to be extended.

(3) A decision to extend the validity of a collective agreement must be published in the Official Gazette.

(4) A decision to extend the validity of a collective agreement may be revoked in the procedure prescribed for its rendering.

## Judicial protection of the rights arising from a collective agreement

### Article 212

A party to a collective agreement may seek judicial protection of the rights arising from such an agreement, by a complaint filed with the court having jurisdiction.

# XXI. STRIKE AND COLLECTIVE LABOUR DISPUTE RESOLUTION

## Strike and solidarity strike

### Article 213

(1) Trade unions and their higher-level associations have the right to call and undertake a strike in order to protect and promote the economic and social interests of their members or on the ground of non-payment of salary or salary compensation within 30 days of their maturity date.

(2) A strike must be announced to the employer, or to the employers' association, against which it is directed, whereas a solidarity strike must be announced to the employer on whose premises it is organised.

(3) A strike may not begin before the conclusion of the mediation procedure, when such procedure is provided for by this Act, or prior to the completion of other amicable dispute resolution procedures agreed upon by the parties.

(4) A solidarity strike may begin even if the mediation procedure has not been conducted, but not before the expiration of two days from the date of commencement of the strike in whose support it is organised.

(5) A letter announcing the strike must state the reasons for the strike, the place, date and time of its commencement.

## Disputes in which mediation is mandatory

### Article 214

(1) In case of a dispute related to concluding, amending or renewing a collective agreement or other similar dispute which could result in a strike or other form of industrial action, and nonpayment of salary or salary compensation referred to in Article 213, paragraph 1 ("collective labour dispute"), mediation procedure must be conducted as prescribed by this Act, except when the parties have reached an agreement on an alternative method for its resolution.

(2) The mediation referred to in paragraph 1 of this Article shall be conducted by the person selected by the parties to a dispute from the list established by the Economic and Social Council or determined by mutual agreement ("the mediator").

### List of mediators

### Article 215

(1) The Economic and Social Council shall keep a list of mediators established by it.

(2) A decision on the level of mediators' fees shall be made by the minister responsible for labour, wit a prior opinion from the Economic and Social Council and consent from the minister of finance.

(3) The Economic and Social Council shall adopt an ordinance regulating the methods for the selection of mediators, conduct the mediation procedure and perform administrative work necessary for this procedure.

## Time limit for the completion of the mediation procedure

# Article 216

Unless otherwise agreed by parties to a dispute, the mediation provided by this Act must be completed within five days following the submission of information about the dispute to the Economic and Social Council, or to a county office responsible for labour affairs.

## A decision made by the parties and its effect

#### Article 217

(1) Parties may either accept or reject the mediator's proposal.

(2) A proposal accepted by the parties shall have the legal force and effects equivalent to those of a collective agreement.

## **Resolution of disputes by arbitration**

#### Article 218

(1) Parties to a dispute may agree to bring their collective labour dispute before an arbitration body.

(2) The appointment of an individual arbitrator or an arbitration board and other issues related to arbitration procedure may be regulated by a collective agreement or by an agreement of the parties made after the dispute has arisen.

### Issues to be decided by arbitration

### Article 219

(1) In their agreement to bring a dispute before an arbitration body, the parties shall define the issue to be resolved.

(2) The arbitration body may decide only upon the issues brought before it by the parties to a dispute.

### Arbitration award

## Article 220

(1) If a dispute concerns interpretation or application of law, another regulation or collective agreement, an arbitration body shall base its decision on such law, another regulation or collective agreement.

(2) If a dispute concerns the conclusion, amendment or renewal of a collective agreement, the arbitration body shall base its decision on equitable grounds.

(3) Unless the parties to a dispute specify otherwise in a collective agreement or an agreement to bring a dispute before an arbitration body, an arbitration award must include the reasons for the award.

(4) No appeal is permitted against an arbitration award.

(5) If a dispute concerns the conclusion, amendment or renewal of a collective agreement, an arbitration award shall have the legal force and effects of such an agreement.

## Lockout

#### Article 221

(1) Employers may engage in a lockout only as a response to a strike already in progress.

(2) A lockout must not commence prior to expiration of eight days from the date of the commencement of a strike.

(3) The number of workers locked out from work must not be higher than one half of the workers on strike.

(4) With respect to the workers who are locked out, employers must pay contributions prescribed by specific regulations on the base equivalent to the minimum salary.

(5) This Act's provisions applicable to strikes are also applicable, as appropriate, to the employer's right to lock the workers out in the course of a collective labour dispute.

## Rules applicable to work assignments which must not be interrupted

### Article 222

(1) Upon a proposal by the employer, the trade union and the employer shall prepare and adopt, by an agreement, the rules applicable to production maintenance assignments and essential assignments which must not be interrupted during a strike or a lockout.

(2) The rules referred to in paragraph 1 of this Article include, in particular, the provisions concerning assignments and the number of workers who must work on such assignments during a strike or a lockout, with the aim of enabling the restoration of regular work immediately after the strike ("the production maintenance assignments"), or with the aim of performance of work which is essential for the prevention of risks to life, personal safety or health of the population ("the essential assignments").

(3) The definition of the assignments referred to in paragraph 1 of this Article must not prevent or substantially restrict the right to strike.

(4) If the trade union and the employer do not reach an agreement on assignments referred to in paragraph 1 of this Article, within 15 days of the day when the employer's proposal was forwarded to the trade union, the employer or the trade union may, within the next 15 days, request that these assignments be defined by an arbitration body.

(5) The arbitration body referred to in paragraph 4 of this Article consists of one representative of the trade union, one representative of the employer and an independent chairperson who is appointed subject to an agreement between the trade union and the employer.

(6) If the trade union and the employer fail to reach an agreement as to the appointment of the chairperson of the arbitration board, and these issues are not otherwise regulated by a collective

agreement or an agreement between the parties, the chairperson shall be appointed by the president of the court which, according to the provisions of this Act, has first-instance jurisdiction to hear cases related to the prohibition of strike or a lockout.

(7) If one of the parties refuses to participate in an arbitration procedure for defining the assignments which must not be interrupted, the procedure shall be completed without the participation of this party, and a decision on assignments referred to in paragraph 1 of this Article shall be rendered by the chairperson of the arbitration board.

(8) The arbitration body must render a decision on the assignments referred to in paragraph 1 of this Article within 15 days following the institution of the arbitration procedure.

(9) If the employer proposed the definition of the assignments referred to in paragraph 1 of this Article after the day when the mediation procedure had commenced, the procedure for defining these assignments may not be instituted until the end of the strike.

# Effects of organisation of a strike or participation in a strike

# Article 223

(1) Organisation of a strike or participation in a strike, which is organised in compliance with the law, collective agreement and trade union rules, do not constitute a violation of a labour contract.

(2) A worker must not be placed in a less favourable position than other workers because of his or her involvement in organisation of or participation in a strike organised in compliance with the law, collective agreement and trade union rules.

(3) A worker may be dismissed only if he or she organises or participates in a strike noncompliant with the law, collective agreement or trade union rules, or if in the course of a strike he or she commits some other grave violation of a labour contract.

(4) A worker must not, by any means, be coerced to participate in a strike.

# Proportional reduction of salary and salary supplements

# Article 224

Except for children allowance, the employer may reduce the salary and salary supplements of a worker who has participated in a strike. The reduction must be proportionate to the time spent on strike.

# Judicial prohibition of an illegal strike and compensation for damages

# Article 225

(1) An employer or an employers' association may move the court having jurisdiction to prohibit the organisation and undertaking of a strike which is contrary to the provisions of the law.

(2) An employer may claim compensation for damages suffered as a result of a strike organised and undertaken contrary to the provisions of the law.

## Judicial prohibition of an illegal lockout and compensation for damages

### Article 226

(1) A trade union may move the court having jurisdiction to prohibit the organisation and undertaking of a lockout that is contrary to the provisions of the law.

(2) A trade union may claim compensation for damages suffered by this trade union or the workers as a result of a lockout organised and undertaken contrary to the provisions of the law.

## Judicial jurisdiction to prohibit a strike or a lockout

## Article 227

(1) If a strike or a lockout is undertaken in the territory of only one county, the first-instance jurisdiction to prohibit a strike or a lockout lies in the county court having jurisdiction, sitting as a chamber composed of three judges.

(2) If a strike or a lockout is undertaken in the territory of two or more counties, the firstinstance jurisdiction to prohibit a strike or a lockout lies in Zagreb County Court, sitting as a chamber composed of three judges.

(3) An appeal against a decision rendered under the provisions of paragraphs 1 and 2 of this Article shall be decided upon by the Supreme Court.

(4) A first-instance decision on whether or not to prohibit a strike or a lockout must be rendered within four days following the filing of the request.

(5) A decision on the appeal referred to in paragraph 3 of this Article must be rendered within five days following the submission of the first-instance case.

### Strikes in the armed forces, police, state administration and public services

## Article 228

Strikes in the armed forces, police, state administration and public services shall be regulated by a special law.

# XXIII. ECONOMIC AND SOCIAL COUNCIL

## Powers of the Economic and Social Council

### Article 229

(1) The Economic and Social Council may be established for purposes of defining and carrying out coordinated activities aimed at the protection and promotion of economic and social rights and interests of both the workers and the employers, in pursuance of coordinated economic, social and development policies, fostering the conclusion and application of collective agreements and harmonising these agreements with the measures of economic, social and development policies.

(2) The activities of the Economic and Social Council are based on the concept of tripartite cooperation among the Government of the Republic of Croatia (hereinafter: "the Government"), trade unions and employers' associations, aimed at solving economic and social issues and problems.

(3) The Economic and Social Council:

- monitors, studies and evaluates the effects of the economic policy and the measures undertaken in pursuance thereof on the social stability and development,

- monitors, studies and evaluates the effects of the social policy and the measures undertaken in pursuance thereof on the economic stability and development,

- studies and evaluates the effects of the fluctuation of prices and salaries on the economic stability and development,

- gives reasoned opinions to the minister responsible for labour regarding any problems relating to the conclusion and application of collective agreements,

- makes proposals to the Government, employers and trade unions, or to their associations and higher-level associations, aimed at achieving a coordinated price and salary policy,

- establishes a list of potential mediators,

- establishes a list of potential arbitrators and arbitration board members,

- adopts an ordinance governing the methods for the election of mediators and procedure for conducting mediation,

- gives opinions on draft legislation in the area of labour and social security,

- promotes the concept of tripartite cooperation among the Government, trade unions, and employers' associations for the purpose of resolving economic and social issues and problems,

- encourages amicable dispute resolution of collective labour disputes,

- gives opinions and proposals to the minister responsible for labour regarding other issues regulated by this Act,

(4) The Economic and Social Council is established subject to an agreement between the Government, trade unions and employers' associations.

(5) The powers of the Economic and Social Council are specified in more detail in the agreement on its establishment.

(6) The Economic and Social Council may establish committees and commissions to deal with specific questions falling within its competence.

(7) The Economic and Social Council shall adopt rules of procedure in order to regulate the procedures for making decisions from its competence.

(8) Every member of the Economic and Social Council may make a proposal for discussing an issue or for making a decision falling within the competence of the Economic and Social Council.

(9) If the Economic and Social Council has not been established, or if the Council has not established a list of mediators, a list of arbitrators or arbitration board members, within thirty days of the day of filing an application, or if it has not adopted the ordinance governing the methods for the election of mediators and mediation procedure within the same deadline, these issues shall be regulated by the minister responsible for labour within an additional deadline of thirty days.

## The composition of the Economic and Social Council

## Article 230

(1) The composition of the Economic and Social Council shall be determined by the agreement on its establishment.

(2) In determining the composition of the Economic and Social Council, account must be taken of an adequate representation of trade unions and employers' associations in the areas of industry and public services.

## XXIII. TEMPORARY EMPLOYMENT AGENCY

## **Definition of the agency**

### Article 231

(1) A temporary employment agency (hereinafter: "the agency") is an employer who, under a worker assignment agreement, assigns workers (hereinafter: "the assigned workers") to another employer (hereinafter: "the user") for the performance of temporary work.

(2) The agency may carry out the activities of assigning workers to users only in Croatia, provided that it does this as its only activity, that is registered under regulations on companies and entered in the records of the ministry responsible for labour affairs (hereinafter: "the ministry").

(3) The agency may not start performing the activities of assigning workers to users before it is entered in the ministry's records.

#### Worker assignment agreement

## Article 232

(1) A worker assignment agreement between the agency and the user must be made in written form.

(2) In addition to the general provisions of the agency's business operations, the agreement referred to in paragraph 1 of this Article must also contain provisions on:

1. the number of workers needed by the user,

2. the period for which the workers are assigned,

3. the place of work,

4. the jobs that will be performed by the workers,

5. the working conditions in the places of work where the workers will perform their jobs,

6. the manner and the period in which the user must submit payroll accounts to the agency and the regulations applied by the user to calculate salaries, and

7. the person authorised to represent the user in relations with the workers.

(3) The agreement from paragraph 1 of this Article may not be concluded:

1. for assigning substitute workers to the user whose workers are on strike,

2. if in the last 6 months, due to business reasons, the user has cancelled labour contracts of workers who performed the same jobs for which the assignment of workers is currently requested,

3. for the performance of jobs referred to in Article 40 of this Act,

4. for assigning workers to another agency,

5. in other cases specified in the collective agreement binding on the user.

## Labour contract for temporary work

## Article 233

(1) The agency may conclude with a worker a fixed-duration or open-ended labour contract for temporary work.

(2) In addition to the provisions from Article 17, paragraph 1, subparagraph 1 and subparagraphs 4 to 7 of this Act, the contract referred to in paragraph 1 of this Article must also contain the provisions:

1. stating that the contract is concluded for the purpose of assigning workers to the user for temporary work,

2. indicating the jobs to which the worker is assigned,

3. indicating the agency's obligations towards the worker during the time when he or she is assigned to the user.

(3) During the period when the worker is not assigned to the user, the worker who is employed with the agency is entitled to salary compensation in the amount established by Article 93, paragraph 5 of this Act.

(4) The contract referred to in paragraph 1 of this Article, concluded for a fixed period of time that is equal to the period for which the worker is assigned to the user must contain provisions on:

1. the parties and their residence or seat,

2. the expected duration of the contract,

3. the user's seat,

4. the place of work,

5. the jobs that will be performed by the worker,

6. the date of commencement and termination of work,

7. the salary, salary supplements and the intervals in which the salary is paid,

8. the duration of a normal working day or week.

(5) The contracted salary of the assigned worker may not be established in the amount lower than the salary of a worker employed with the user doing the same job, and if there are no such workers, a similar job.

(6) If the salary may not be established under paragraph 4 of this Article, it is to be established by the worker assignment agreement.

## Termination of a labour contract for temporary work

#### Article 234

(1) Termination of a labour contract for temporary work shall not be subject to this Act's provisions governing redundancy social security plans.

(2) The agency may cancel an assigned worker's labour contract for temporary work by extraordinary notice of dismissal if the reasons from Article 114, paragraph 1 of this Act have occurred during the work for the user and if the user notifies the agency thereof in writing, within eight days of the date of discovery of the fact on which the extraordinary notice of dismissal is based.

(3) If the user ceases to need the worker before the expiration of the period of the worker's assignment, this may not constitute grounds for terminating the worker's labour contract for temporary work.

(4) The assigned worker who considers that any of his or her rights arising from employment were violated while he or she worked for the user may seek protection in respect of this violation from the employer, as established by Article 133 of this Act.

## Limitation on the periods for which the workers are assigned

## Article 235

(1) The agency may not assign a worker to the user to perform the same work for an uninterrupted period longer than one year.

(2) An interruption shorter than one month is not considered as an interruption of the oneyear period referred to in paragraph 1 of this Article.

## The agency's obligations towards the worker

## Article 236

(1) Before assigning a worker to the user, the agency shall give the worker a labour contract from Article 233, paragraph 4, or an assignment note in case it has concluded with the worker a contract under Article 233, paragraph 2 of this Act.

(2) The assignment note from paragraph 1 of this Article must contain the information from Article 233, paragraph 4, subparagraphs 3 to 8 of this Act.

(3) Before assigning a worker to the user, the agency shall inform the worker about all occupational safety and health risks entailed by the work with the user and, to this end, it shall provide training for the worker according to occupational safety and health regulations, unless the worker assignment agreement provides that this obligation be performed by the user.

(4) The agency shall provide training to the worker and keep informing him or her about new technology for the performance of the job for which the worker is assigned, unless the user has assumed this obligation under the worker assignment agreement.

(5) The agency shall pay the worker the contracted salary for the work performed for the user, even when the user fails to submit to the agency a payroll account for the contracted salary.

#### The user's obligations

#### Article 237

(1) With regard to the obligations relating to the application of the provisions of this Act and other laws and regulations that regulate protection of health, occupational safety and health and special protection of specific categories of workers, the user is to be considered as the assigned worker's employer.

(2) The user shall inform the workers' council, at least once a year, about the number of assigned workers it has hired and the reasons for their hiring.

### **Compensation for damages**

#### Article 238

(1) The damage caused by an assigned worker to third parties while working for the user or in relation to such work shall be compensated by the user, who is considered to be the worker's employer when it comes to the recourse liability.

(2) The damage caused to the user by the assigned worker at work or in relation to work shall be compensated by the agency according to the general provisions of the law of civil obligations.

(3) If the assigned worker suffers damage at work or in relation to work on the user's premises, he or she may claim compensation for damages from the agency or from the user in accordance with the provision of Article 109 of this Act.

## Records

### Article 239

(1) A request to be entered in the records is submitted to the ministry in written form.

(2) The agency must accompany the request to be entered in the records with the proof that it has been duly registered under the regulations on companies.

(3) Upon receiving the request to be entered in its records, the ministry shall issue a certificate containing the number under which the agency was entered in the records and the date when it was entered.

(4) The agency shall indicate the number under which it was entered in the ministry's records on every business document, letter or contract used in legal transactions.

(5) The ministry shall issue the certificate referred to in paragraph 3 of this Article in three identical copies, one of which shall be forwarded to the State Inspector's Office.

# XXIV. SUPERVISION OF THE APPLICATION OF LABOUR REGULATIONS

#### Supervision

## Article 240

(1) The supervision of the application of this Act, and regulations adopted in pursuance thereof, as well as the application of other laws and regulations governing the relations between employers and workers shall be exercised by the state administration body responsible for labour inspection affairs, unless otherwise specified by another law.

(2) If access to a company or an institution is restricted for reasons of defence of the Republic of Croatia, the supervision referred to in paragraph 1 of this Article is carried out by the labour inspection, unless otherwise specified by another law.

#### Powers of the labour inspection

### Article 241

(1) In exercising supervision, a labour inspector has powers set forth by law or by a regulation enacted in pursuance thereof.

(2) A worker, a workers' council, a trade union and an employer may request from a labour inspector to undertake an inspection.

## XXV. SPECIAL PROVISIONS

## **1. EMPLOYMENT BOOK**

#### **Employment book**

#### Article 242

(1) Every worker has an employment book, which is a public document.

(2) The minister responsible for labour shall regulate, by an ordinance, the contents, procedure for issuing, methods for entering data, procedure for replacement and issuing new

employment books, methods for keeping a register of the employment books issued, the form, production and sale of employment books.

### Administration of employment books

#### Article 243

(1) On the day of commencement of work, the worker shall give his or her employment book to the employer.

(2) In cases referred to in paragraph 1 of this Article, the employer issues a receipt on taking the employment book into its possession.

(3) On the day of termination of labour contract, the employer must return the employment book to the worker.

(4) Upon a written request by the worker, the employer must return the employment book to him or her even before the termination of a labour contract.

(5) An employer who, following the termination of a labour contract, is not able to return to the worker his or her employment book, shall forward it to the state administration office in the county responsible for labour affairs in the place of the worker's permanent residence, and if the worker's permanent residence is unknown, to the state administration office in the county responsible for labour affairs in the place where the employment book was issued.

# 2. SPECIAL PROVISIONS ON MILITARY SERVICE

#### Effects of military service on employment

### Article 244

(1) The rights and obligations arising from employment are suspended during military service and performance of the alternative military service (military obligations).

(2) A worker who, following the fulfilment of military obligations, wishes to continue to work for the same employer shall, as soon as he learns the date of fulfilment of his military obligations, but no later than one month following the fulfilment of military obligations, communicate his intention to his employer.

(3) The employer must assign the worker who made a statement within the meaning of paragraph 2 of this Article to the job in which he worked prior to his military obligations, and if the need for such job no longer exists, the employer shall offer him to conclude a labour contract for the performance of other appropriate jobs.

(4) If, in the case referred to in paragraph 3 of this Article, the employer is not able to admit the worker to work, he must pay him or her salary compensation in the amount of his salary for a prescribed or agreed notice period, and if the required conditions are fulfilled, adequate severance pay.

(5) An employer shall admit the worker referred to in paragraph 1 of this Article to work within one month following the receipt of his or her statement of intention to continue to work for the same employer.

(6) A worker who cannot be admitted to work within the meaning of the preceding paragraphs of this Article shall be given priority for employment by the same employer within one year following the fulfilment of military obligations.

(7) Military obligations do not constitute a just cause for termination of a labour contract.

(8) The employer may not dismiss a worker by giving a regular notice of dismissal in the period in which this worker fulfils his military obligations.

(9) If the employer terminates the worker's employment contrary to the provisions of this Article, the worker shall have all the rights provided for by this Act for cases of wrongful dismissal.

## 3. SPECIAL PROVISIONS APPLICABLE TO REPRESENTATIVES AND FUNCTIONARIES

## Rights of candidates for members of parliament, and representatives

### in assemblies and councils

## Article 245

(1) A candidate for a seat as representative in the Parliament of the Republic of Croatia (hereinafter: "the Parliament") has, during the time of the electoral campaign, the right to unpaid leave lasting not more than fifteen working days.

(2) A candidate for a seat as representative in a county assembly has, during the time of the electoral campaign, the right to unpaid leave lasting not more than ten working days.

(3) A candidate for a seat as representative in a city or a municipal council has, during the time of the electoral campaign, the right to unpaid leave lasting not more than five working days.

(4) The worker must inform his or her employer about the exercise of the right to leave referred to in paragraphs 1 to 3 of this Article at least 24 hours in advance.

(5) The leave referred to in paragraphs 1 to 3 of this Article may not be taken in portions shorter than one half of daily working hours.

(6) Instead of taking the leave referred to in paragraphs 1 to 3 of this Article, the worker may, at his or her request and under the same conditions, take the annual leave in the duration to which he or she is entitled, until the first day of elections.

(7) If the previous duration of employment with the same employer is important for the acquisition of certain rights, the periods of unpaid leave referred to in paragraphs 1 to 3 of this

Article are considered as equivalent to time spent at work and are added to the length of employment required for the acquisition of certain rights arising from employment or related to employment.

#### **XVI. PENAL PROVISIONS**

#### Minor violations committed by employers

## Article 246

(1) A fine in an amount ranging from HRK 10,000.00 to 30,000.00 shall be imposed on the employer-legal entity:

1. for failing to give a worker an opportunity to familiarise himself or herself with employment regulations, and inform him or her about the organisation of work and occupational safety and health, before the commencement of work (Article 9, paragraph 2),

2. for failing to make occupational safety and health regulations, collective agreement and employment rules available to workers in an appropriate manner (Article 9, paragraph 3),

3. for concluding a fixed-duration labour contract in the case that is not provided by the law or collective agreement (Article 15, paragraphs 1 and 2),

4. for failing to register a labour contract of a seaman or fisherman with a county office responsible for labour affairs (Article 16, paragraph 5),

5. for concluding a labour contract which does not contain the information required under this Act (Article 17),

6. for concluding a labour contract for permanent seasonal jobs which does not contain the information required under this Act (Article 18),

7. for failing to issue the worker with a copy of the labour contract or a written certificate on the conclusion of a labour contract or a copy of the registration form for the pension and health insurance scheme before sending him or her to work abroad, or if such contract or certificate does not contain the information required under this Act (Article 20, paragraphs 1 and 3),

8. for concluding a labour contract in which the duration of trial period is longer than permitted by law (Article 31, paragraph 2),

9. for concluding a labour contract in which the duration of traineeship is longer than permitted by law (Article 35),

10. for failing to provide the worker with a certificate on the use of annual leave (Article 52, paragraph 2).

(2) An employer-natural person and the responsible person of the employer-legal entity shall be fined in an amount ranging from HRK 1,000.00 to 3,000.00 for a violation referred to in paragraph 1 of this Article.

(3) If a violation referred to in paragraph 1 of this Article was committed in respect of a minor worker, the fine shall be doubled.

### Major violations committed by employers

### Article 247

(1) A fine in an amount ranging from HRK 31,000.00 to 60,000.00 shall be imposed on the employer-legal entity:

1. for hiring a minor without the approval of his or her legal representative (Article 22, paragraph 1),

2. for concluding a labour contract with a worker who does not meet special conditions for employment, prescribed by a law or other regulation (Article 25),

3. for requesting from a worker, on the occasion of concluding a labour contract, the information which is not directly related to his or her employment (Article 27, paragraph 1),

4. for collecting, processing, using and sending to third parties personal information about workers, contrary to the provisions of this Act (Article 29),

5. for failing to appoint a person who is, in addition to him or her, authorised to receive and deal with the complaints related to the protection of workers' dignity or for disclosing information obtained in the complaint procedure (Article 30, paragraphs 5 and 10),

6. for failing to conclude a contract with an unpaid intern in written form (Article 37, paragraph 5),

7. for not allowing a worker to take a rest period, in the manner and under the conditions provided by this Act (Article 44),

8. for not allowing a worker to take a daily rest, in the manner and under the conditions provided by this Act (Article 45),

9. for not allowing a worker to take a weekly rest, in the manner and under the conditions provided by this Act (Article 46),

10. for not allowing a worker to take an annual leave in portions, under the conditions provided by this Act (Article 54),

11. for failing to prepare an annual leave schedule in compliance with the provisions of this Act (Article 56),

12. for not allowing a worker to take a paid leave, in the manner and under the conditions provided by this Act (Article 57),

13. for asking information on a woman's pregnancy, or ordering another person to ask such information, except when the woman personally requests a specific right envisaged under law or another regulation for the protection of pregnant women (Article 64, paragraph 2),

14. for not allowing the adoptive parent of a child or a person in whose custody the child was placed in accordance with a decision issued by the body responsible for social welfare, to exercise the rights provided by this Act for the purpose of the protection of motherhood and child rearing (Article 74, paragraph 1),

15. for failing to admit a worker to the job that he or she had previously performed or to offer him or her to conclude a labour contract for the performance of other appropriate jobs (Article 79),

16. for failing to admit a worker to the job he or she had previously performed or to offer the worker to conclude a labour contract in order to perform other appropriate jobs (Article 82),

17. for failing to offer a worker who has occupational inability to work, or who is in immediate danger of disability, a labour contract for the job he or she is able to perform, provided that the employer has possibilities to offer the work that such worker is able to perform (Articles 84 and 85),

18. for settling his or her claim against a worker by withholding the worker's salary or part thereof, or by withholding the salary compensation or part thereof, without the worker's consent (Article 94, paragraph 1),

19. for hiring another worker at the job declared redundant and for failing to offer to a worker whom he or she dismissed due to business reasons, to conclude a new labour contract before the expiration of the six month period (Article 113, paragraph 7 and 8),

20. for failing to prepare a redundancy social security plan, when required to do so under this Act (Article 126, paragraph 1),

21. for failing to consult with the workers' council and the competent employment service, when preparing a redundancy social security plan (Article 126, paragraph 2),

22. for failing to inform the workers and the employment service about a redundancy social security plan within a prescribed time limit (Article 127, paragraphs 3 and 4),

23. for dismissing a worker before forwarding the redundancy social security plan to the competent employment service or before the expiration of the deadline within which the employment service is obliged to provide its observations about this plan (Article 127, paragraph 5),

24. for failing to comply with the employment service's order to postpone the application of the redundancy social security plan (Article 127, paragraph 6),

25. for failing to adopt or publish, when required to do so, employment rules regulating salaries, organisation of work, procedure and measures for the protection of workers' dignity and other issues important for his or her workers (Article 130, paragraph 1),

26. for failing to regulate by employment rules, the issues that must be regulated by them as prescribed by the minister responsible for labour (Article 130, paragraph 3),

27. for adopting employment rules before having consulted with the workers' council (Article 131, paragraph 1),

28. for preventing workers from electing a workers' council (Article 140),

29. for failing to inform the worker's council on the issues on which it is obliged to inform (Article 151),

30. for failing to consult with the worker's council on the issues on which it is obliged to consult (Article 152),

31. for rendering a decision without obtaining the workers' council's consent when such a decision may be rendered only subject to prior consent of the workers' council (Article 153, paragraph 1),

32. for failing to provide conditions for work to the workers' council (Article 159),

33. for failing to allow an appointed workers' representative to sit on the supervisory board or other corresponding body in a company or institution (Article 166),

34. for attempting to achieve or for achieving prohibited control over a trade union or a higher-level trade union association (Article 185, paragraph 1),

35. for failing to calculate, withhold or pay trade union fees and bargaining fees (Article 191),

36. for failing to submit a collective agreement or amendments thereto to the ministry responsible for labour or to the county office responsible for labour affairs, when required to do so (Article 208, paragraph 3),

37. for failing to publish a collective agreement in a prescribed way (Article 209, paragraphs 1 and 2),

38. for failing to take part in a mediation procedure provided by to this Act, when required to do so (Article 214),

39. for placing a worker involved in organisation or participation in a strike, organised in compliance with the law, collective agreement and trade union rules, in a less favourable position than other workers (Article 223, paragraph 2),

40. for concluding a labour contract for temporary work which does not contain the information required under this Act (Article 233, paragraphs 2 and 4),

41. for assigning a worker to the user to perform the same work for an uninterrupted period longer than one year (Article 235),

42. for failing to inform the workers' council about the number of assigned workers it hired and the reasons for their hiring, within the time limit prescribed by this Act (Article 237, paragraph 2),

43. for failing to indicate in legal transactions the number under which it was entered, as an agency, in the Ministry's records (Article 239).

(2) An employer-natural person and the responsible person in the employer-legal entity shall be fined in an amount ranging from HRK 4,000.00 to 6,000.00 for a violation referred to in paragraph 1 of this Article.

(3) If a violation referred to in paragraph 1 of this Article is committed in respect of a minor worker, the fine shall be doubled.

(4) The employer-legal entity is liable for violations referred to in subparagraph 33 of this Article even when the responsible person does not have misdemeanour liability.

(5) For a violation from paragraph 1 of this Article, the employer-legal entity may be imposed a fine of HRK 10,000.00, whereas the employer-natural person and the responsible person in the employer-legal entity may be imposed a fine of HRK 3,000.00.

#### The gravest violations committed by employers

## Article 248

(1) A fine in an amount ranging from HRK 61,000.00 to 100,000.00 shall be imposed on the employer-legal entity:

1. if, in case when a labour contract is not made in written form, the employer fails to give the worker a written certificate about the conclusion of a contract before the work commences or if he or she fails to give the worker a copy of the registration form for the mandatory pension and health insurance scheme within the prescribed time limit (Article 16, paragraphs 3 and 5),

2. for concluding a labour contract in a separate place of work which does not contain the information required under this Act, or for concluding such contract for work for which it must not be concluded (Article 19, paragraphs 1 and 4),

3. for failing to notify the state administration body responsible for labour inspection of the conclusion of a labour contract in a separate place of work within the prescribed deadline (Article 19, paragraph 6),

4. for hiring a person under fifteen years of age (Article 21, paragraph 1),

5. to participate, for remuneration, in film making, preparing and giving artistic, theatrical or other similar performances without the prior approval of a labour inspector, or for allowing this person to engage in these activities in a manner, to an extent and on assignments which threaten his or her health, morals, schooling or development (Article 21, paragraph 2),

6. for hiring a minor in a job which may threaten his or her health, morals or development (Article 23, paragraph 1),

7. for failing to offer the minor worker to conclude a labour contract for the performance of other appropriate jobs (Article 23, paragraph 6),

8. for failing to obtain an expert opinion on the impact of a job on the minor worker's health and development within the deadline set by a labour inspector (Article 24, paragraph 2),

9. for failing to comply with an order issued by a labour inspector prohibiting a minor worker from performing a specific job (Article 25, paragraph 4),

10. for failing to offer the minor worker to conclude a labour contract for the performance of other appropriate jobs (Article 25, paragraph 6),

11. for concluding a labour contract in which full-time working hours are stipulated for longer than permitted by law (Article 38, paragraph 1),

12. for requiring workers to work over the short-time working hours in jobs where, even when occupational safety and health measures are undertaken, it is not possible to protect them from harmful effects, or for requiring them to work overtime (Article 40, paragraphs 1 and 4),

13. for requiring workers to work in excess of full-time working hours ("overtime work") longer than the maximum number of hours permitted by law for such work (Article 41, paragraph 1),

14. for failing to inform a labour inspector about overtime work, when required to do so (Article 41, paragraph 2),

15. for failing to obtain a report on the impact of overtime work on the worker's health and working ability within the deadline determined by a labour inspector (Article 41, paragraph 3),

16. for failing to comply with a labour inspector's decision prohibiting overtime work which has harmful consequences on the worker's health and working ability, or which hinders the employment of unemployed persons (Article 41, paragraph 4),

17. for ordering a minor worker to work overtime (Article 41, paragraph 5),

18. for ordering a pregnant woman, a mother of a child under three years of age, or a single parent of a child under six years of age to work overtime without obtaining their written consent (Article 41, paragraph 6),

19. if rescheduled working hours are longer than those prescribed by the law (Article 43, paragraphs 4 and 5),

20. for ordering a minor worker to work rescheduled, full-time working hours (Article 43, paragraph 7),

21. for ordering a pregnant woman, a mother of a child under three years of age, or a single parent of a child under six years of age to work rescheduled, full-time working hours without obtaining their written consent (Article 43, paragraph 8),

22. for failing to request consent for rescheduling from a labour inspector, when such rescheduling is not regulated by a collective agreement or an agreement between the workers' council and the employer (Article 43, paragraph 10),

23. for failing to make it possible for a worker to take a minimum annual leave, as provided by this Act (Article 47),

24. for concluding with a worker an agreement under which he or she waives his or her right to a minimum annual leave, or accepts receive payment of compensation in lieu of annual leave (Article 49),

25. for failing to pay a worker a salary compensation for annual leave in the amount and in the manner provided by this Act (Article 53),

26. for ordering a woman employed in industry to work night hours, contrary to the provisions of this Act (Articles 60 and 61),

27. for ordering a minor worker to work night hours, contrary to the provisions of this Act (Article 62),

28. for hiring women in jobs they must not perform (Article 63),

29. for refusing to employ a pregnant woman, cancelling a pregnant woman's labour contract or transferring a pregnant woman to other job, contrary to the provisions of this Act (Article 64, paragraph 1),

30. for not allowing the mother or the father of a child to take maternity leave or to work short-time working hours, under the conditions prescribed by this Act (Articles 66 and 67),

31. for not allowing the father of a child whose mother has died, abandoned the child or is not able to take care of the child because of illness or other similar reason, to exercise all the rights provided for by this Act for the purpose of the protection of motherhood and child rearing (Article 69, paragraph 1),

32. for not allowing one of the child's parents not to work until the child turns three years of age during which period his or her rights and obligations arising from employment and related to employment are suspended (Article 70),

33. for not allowing a female worker who has given birth to a stillborn child or a mother whose child died before the mandatory or supplementary maternity leave has expired to take maternity leave in the length specified by this Act (Article 71),

34. for not allowing one of the parents of a child suffering from serious developmental problems to take a leave or to work one half of full-time working hours (Article 73, paragraphs 1, 2 and 3),

35. for ordering a parent of a child suffering from serious developmental problems, who is exercising the right to work short-time hours, to work overtime or for assigning him to another place of work without his or her consent (Article 73, paragraph 7),

36. for failing to make it possible for the worker to continue performing the job he or she had previously performed or for failing to offer him or her to conclude a labour contract for the performance of other appropriate jobs (Article 73, paragraph 8),

37. for failing to allow an adoptive parent to take an adoption leave (Article 74, paragraphs 2 and 3),

38. for failing to admit to work a worker who has ceased to exercise the right to maternity leave, adoption leave or the right to suspension of his or her labour contract up to the third year of the life of his or her child or for failing to offer the worker to conclude a labour contract for the performance of other appropriate jobs (Article 76, paragraphs 2 and 3),

39. for dismissing a pregnant woman or a person exercising the right to take maternity leave, the right of a parent or an adoptive parent to work short-time working hours, the right to take adoption leave and the right to take care of the child with serious developmental problems during pregnancy or the period of exercise of any of these rights (Article 77, paragraph 1),

40. for dismissing a worker suffering from a temporary inability to work caused by an injury at work or an occupational disease (Article 80, paragraph 1),

41. for failing to give the worker, when making payment of a salary, salary compensation or severance pay, a payroll account from which it is evident how it was calculated (Article 91, paragraph 1),

42. for failing to give the worker a payroll account of the salary, salary compensation or severance pay arrears (Article 91, paragraph 2),

43. for failing to give reasons for dismissal or for failing to submit a notice of dismissal to the worker (Article 118, paragraphs 2 and 3),

44. for failing to return to a worker, after the termination of employment, all of his or her documents and a copy of the notice of cancellation from the mandatory pension and health insurance scheme or for failing to issue to the worker a certificate setting out the type of job he or she performed and the length of his or her employment, or for including in this certificate, in addition to information on job and length of employment, any other information which would make the conclusion of a new labour contract more difficult for the worker (Article 129),

45. for failing to inform the worker in writing about the transfer of his or her labour contract to a new employer (Article 136, paragraph 5),

46. for obstructing or attempting to obstruct a labour inspector in his or her supervisory activities (Article 240, paragraph 1),

47. for assigning a worker without having concluded a worker assignment agreement, for concluding a worker assignment agreement which does not contain the information required under this Act or for concluding such an agreement in situations when it can not be concluded (Article 232),

48. for assigning a worker to a user without a labour contract or assignment note, or if the assignment note does not contain the information required under this Act (Article 236, paragraphs 1 and 2),

49. for refusing to return the employment book to a worker when required to do so (Article 243, paragraphs 3 and 4),

(2) An employer-natural person and the responsible person of the employer-legal entity shall be fined in an amount ranging from HRK 7,000.00 to 10,000.00 for a violation referred to in paragraph 1 of this Article.

(3) If a violation referred to in paragraph 1 of this Article is committed in respect of a minor worker, the fine shall be doubled.

(4) For a violation from paragraph 1 of this Article, an employer-legal entity may be imposed a mandatory fine of HRK 20,000.00, whereas the employer-natural person and the responsible person of the employer-legal entity may be imposed a mandatory fine of HRK 6,000.00

### Violations by trade unions and higher-level trade union associations

### Article 249

A trade union or a higher-level trade union association shall be fined in an amount ranging from HRK 5,000.00 to 20,000.00:

1. for not reporting a change of the name of an association, its seat, scope of activity, name of the body, persons authorised to represent it, and termination of its operations, within thirty days following the occurrence of such change (Article 182, paragraph 2),

2. for not submitting a collective agreement or an amendment thereto to the ministry responsible for labour or to a county office responsible for labour affairs, when obliged to do so (Article 208, paragraph 3),

3. for not publishing a collective agreement in a prescribed way (Article 209, paragraphs 1 and 2),

4. for not participating in a mediation procedure subject to this Act when obliged to do so (Article 213),

5. for not announcing a strike (Article 213, paragraph 2),

6. for starting a strike prior to the completion of a mediation procedure subject to this Act, or prior to termination of amicable dispute resolution procedure which may have been agreed to by parties (Article 213, paragraph 3),

7. for not having listed reasons for a strike, place, date and time of its commencement in a letter announcing the strike (Article 213, paragraph 5),

## Violations committed by employers' associations and higher-level employers' associations

#### Article 250

An employers' association or a higher-level employers' association shall be fined in an amount ranging from HRK 5,000.00 to 20,000.00:

1. for not reporting a change of the name of an association, its seat, scope of activity, name of the body, persons authorised to represent it, and termination of its operations, within thirty days following the occurrence of such change (Article 182, paragraph 2),

2. for not submitting a collective agreement or an amendment thereto to the ministry responsible for labour or to a county office responsible for labour affairs, when obliged to do so (Article 208, paragraph 3),

3. for not publishing a collective agreement in a prescribed way (Article 209, paragraphs 1 and 2),

4. for not participating in a mediation procedure subject to this Act when obliged to do so (Article 213),

5. for organising or engaging in a lockout which is not a response to a strike already in progress (Article 221, paragraph 1);

6. for starting a lockout before the expiration of the deadline prescribed by the Act (Article 221, paragraph 2);

7. for locking out workers in a number higher than permitted by this Act (Article 221, paragraph 3);

8. for locking out workers in violation of the provisions of this Act (Article 221, paragraph 5);

9. for preventing workers from working on assignments which must not be interrupted during a lockout (Article 222).

### **XVII. INTERIM AND FINAL PROVISIONS**

## Article 251

(1) A worker who, before the application of the Act on Amendments to the Labour Act (Official Gazette, No. 82/01), started to exercise the right to maternity leave referred to in Article 58, paragraph 4 or the right to work one half of full-time working hours until the child turns three years of age referred to in Article 59, paragraph 1 of the Labour Act (Official Gazette, Nos. 38/95, 54/95, 65/95 and 17/01), may continue exercising this right for a maximum of 60 days from the date of the application of this Act.

(2) The procedures concerning the exercise and the protection of workers' rights, which were initiated before the entry into force of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), shall be completed under the provisions of the Labour Act (Official Gazette, Nos. 38/95, 54/95, 65/95, 17/01 and 82/01), unless this Act governs a particular right in a more favourable manner for the worker.

(3) A worker who, before the entry into force of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), started to exercise the right to maternity leave referred to in Article 58, paragraph 4 or the right to work one half of full-time working hours referred to in Article 59, paragraph 1 of the Labour Act (Official Gazette, Nos. 38/95, 54/95, 65/95, 17/01 and 82/01), may exercise the right to work one half of full-time working hours under the conditions established by Article 17 of that Act.

(4) A worker who, prior to the application of the Act on Amendments to the Labour Act (Official Gazette, No. 30/04), started to exercise the right to maternity leave referred to in Article 58, paragraph 4 or the right to work one half of full-time working hours referred to in Article 59, paragraph 1 or the right to suspension of employment referred to in Article 62 of the Labour Act (Official Gazette, Nos. 38/95, 54/95, 65/95, 102/98, 17/01, 82/01, 114/03, 123/03 and 142/03), may continue exercising this right under the provisions of the Act on Amendments to the Labour Act (Official Gazette, No. 30/04)

(5) A worker whose right to maternity leave or the right to work one half of full-time working hours or the right to suspension of employment expired before the date of the application of the Act on Amendments to the Labour Act (Official Gazette, No. 30/04), may continue exercising the right from that Act until the child turns three years of age.

#### Article 252

(1) The composition of the supervisory board or of other corresponding body shall be harmonised with the provisions of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03) within one year from the day of the entry into force of that Act.

(2) A workers' representative who was appointed as a member of the supervisory board under Article 158a of the Labour Act (Official Gazette, Nos. 38/95, 54/95, 65/95, 17/01 and 82/01), shall continue to be a member of the supervisory board after the entry into force of that Act, for the period he or she was appointed.

#### Article 253

The procedures for issuing licences for night work of women and the procedures for registration of branch offices and other organisational forms, initiated before the entry into force of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03) shall be completed according to the regulations that were in force until the entry into force of that Act.

## Article 254

Employers shall be obliged to harmonise their employment rules with the provisions of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03) within six months from the day of the entry into force of that Act.

### Article 255

(1) The Economic and Social Council shall adopt the ordinance from Article 187a, paragraph 4 of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03) within six months from the day of the entry into force of that Act.

(2) If the Economic and Social Council has not been established, the ordinance from paragraph 1 of this Article shall be adopted by the minister responsible for labour on the proposal of the person who, under the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), may be a party to the collective agreement, within three months.

#### Article 256

(1) The minister responsible for labour shall adopt regulations for implementation of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), or shall harmonise the existing regulations for implementation of the Labour Act (Official Gazette, Nos. 38/95, 54/95, 65/95, 17/01 and 82/01) with the provisions of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), within six months from the day of the entry into force of that Act.

(2) Before adopting the regulations referred to in paragraph 1 of this Article, the minister responsible for labour shall request opinion from trade unions and employers' associations.

(3) Until the regulations referred to in paragraph 1 of this Article are adopted, the following regulations shall apply:

- Ordinance on the contents and procedure for registration of seamen and fishermen's labour contracts (Official Gazette, No. 8/96),

- Ordinance on the jobs in which minors must not be employed and may work only upon examination of their health capacities (Official Gazette, No. 50/02),

- Ordinance on the jobs at which a worker may work only upon examination of his or her health capacities (Official Gazette, No. 59/02),

- Ordinance on the activities that are classified as industry (Official Gazette, No. 8/96),

- Ordinance on the jobs in which women must not work (Official Gazette, No. 44/96),

- Ordinance on the conditions and procedure for acquiring the right to take a leave by pregnant women or nursing mothers (Official Gazette, No. 103/96),

- Ordinance on the conditions and procedure for acquiring the right to a break for nursing a child (Official Gazette, No. 103/98),

- Ordinance on the conditions and procedure for acquiring the right to work short-time working hours for the purpose of taking care of a child who needs extra care and attendance (Official Gazette, No. 64/98),

- Ordinance on a certificate on temporary inability to work (Official Gazette, No. 11/96),

- Ordinance on the procedure for adopting employment rules (Official Gazette, No. 8/96),

- Ordinance on conducting elections for workers' councils (Official Gazette, No. 12/02),

- Ordinance on the registration of associations (Official Gazette, No. 14/96),

- Ordinance on keeping records of collective agreements, and their publishing (Official Gazette, Nos. 14/96 and 76/01),

- Ordinance on the employment book (Official Gazette, No. 14/96),

- Ordinance on the right of parents of children with serious developmental problems to take a leave or to work one half of full-time working hours in order to take care of the child (Official Gazette, No. 92/03).

#### Article 257

(1) On the day of the entry into force of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), the Act on the Protection of Citizens Temporarily Working Abroad (Official Gazette, Nos. 34/91, 26/03 and 29/94) shall cease to be in force.

(2) The procedures instituted, under the provisions of the Act referred to in paragraph 1 of this Article, prior to the entry into force of the Act on Amendments to the Labour Act (Official Gazette, No. 114/03), shall be completed according to the provisions of the former Act.