THE LABOUR LAW

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I BASIC PROVISIONS

1. Subject-matter

Article 1

Rights, duties and responsibilities arising from employment, and/or on the ground of work, shall be regulated by the present Law and by a particular law, in conformity with the ratified international conventions.

Rights, duties and responsibilities arising from employment shall be regulated by a collective agreement, too, and by an employment contract, and by the labour rule book and/or employment contract - only where so specified by the present Law.

Article 2

The provisions of the present Law shall apply to all employees who work in the territory of the Republic of Serbia with a national or foreign legal entity and/or a natural person (hereinafter: employer), as well as to employees assigned to work abroad by an employer, unless otherwise specified by the law.

The provisions of the present Law shall apply also to the employees in the government agencies, territorial autonomy and local self-government agencies and public services, unless otherwise specified by the law.

The provisions of this law shall also apply to the employees in the field of transport, unless a special regulation provides otherwise.

The provisions of the present Law shall apply to the employed foreign nationals and stateless persons working with an employer in the territory of the Republic of Serbia, unless otherwise specified by the law.

Article 3

Rights, duties and responsibilities arising from employment, and mutual relations of participants in the collective agreement with an employer, shall be regulated by a collective agreement in conformity with the law.

Rights, duties and responsibilities arising from employment shall be regulated by the labour rule book and/or employment contract, in conformity with the law:

1) if a trade union is not established at an employer, or no trade union meets the requirements of representation, or an agreement of association in conformity with the present Law is not concluded;

2) if no participant to a collective agreement initiates the bargaining for entering into a collective agreement;

3) if participants to a collective agreement fail to consent to enter into collective agreement within 60 days from the day of commencement of the bargaining;

4) if, within 15 days from communicating the call for commencing the bargaining to enter into collective agreement, a trade union fails to accept the initiative of the employer.

In the event specified in paragraph 2, item 3/ of the present Article, the participants to a collective agreement shall be bound to continue to bargain in good faith.

In the case referred to in paragraph 2, item 3) of this Article, the employer shall submit the Labor Rule Book to the representative trade union within seven days from the date of its entry into force.

An employer, who does not accept the initiative of the representative union for the accession to the negotiations on conclusion of a collective agreement, may not regulate the rights and obligations arising from the employment in the Labour Rule Book.

Labour Rule Book shall be adopted by the competent authority of the employer, as determined by the law, or by the incorporation act or some other general act of the employer, while at the employer who has not the capacity of a juridical person it shall be adopted by an authorized person in accordance with the law.

Labour Rule Book of a state-owned company and a corporation established by the Republic, autonomous province or local self-government (hereinafter referred to as: „public company “) and a corporation established by a public company, shall be adopted with prior approval of the founder.

The labour rule book shall cease to be valid on the day of entering into force of the collective agreement referred to in paragraph 1 of the present Article.

Article 4

A general and a special collective agreement must be in accordance with the law.

The collective agreement with an employer, the labour rule book, and the employment contract must be in accordance with the law, and in case of the employer referred to in articles 256 and 257 - with the general and the special collective agreement as well.

2. Meaning of Particular Concepts

Article 5

In terms of the present Law, an employee is understood to be a natural person employed with an employer.

In terms of the present Law, an employer is understood to be a national, and/or foreign legal entity or a natural person who employs and/or engages for work one or more persons.

Article 6

In terms of the present Law, a trade union is understood to be an autonomous, democratic and independent organisation of employees, they associate into on a voluntary basis, for the purpose of acting on behalf, representing, advancing and protecting their professional, labour, economic, social, cultural and other individual and collective interests.

Article 7

In terms of the present Law, an association of employers is understood to be an autonomous, democratic and independent organisation, the employers join in, on a voluntary basis, for the purpose of representation, advancing and protection of their business interests, in conformity with the law.

3. Mutual Relations between Law, Collective Agreement, Labour Rule Book, and Employment Contract

Article 8

A collective agreement and a labour rule book (hereinafter: general act) and an employment contract shall not include provisions by means of which an employee would be granted less rights or extended less favourable conditions of work than the rights and conditions established by the law.

A general act and an employment contract may stipulate extended rights and more favourable conditions of labour than the rights and conditions established by the law, as well as other rights not established by law, unless otherwise specified by the law.

Article 9

Should a general act and its particular provisions specify less favourable conditions of labour than the ones established by law, the provisions of the law shall apply.

Null and void shall be particular provisions of an employment contract which stipulate less favourable conditions of labour than the ones established by law and general act, and/or are based on incorrect information, communicated by the employer, regarding the particular rights, duties and responsibilities of the employee.

Article 10

It shall not be possible to stipulate by a special collective agreement less rights and less favourable conditions of labour, than the rights and conditions established by a general collective agreement that commit the employers who are members of the association of employers concluding such special collective agreement.

It shall not be possible to stipulate by a collective agreement with an employer less rights and less favourable conditions of labour for an employee, than the rights and conditions specified by a general, and/or single collective agreement that commits such employer.

Article 11

The nullity of provisions of an employment contract shall be determined before a competent court.

The right to request the establishment of the fact of nullity shall not expire.

4. Basic Rights and Duties

1) Rights of Employees

Article 12

An employee shall have the right to corresponding earnings, safety and health at work, health-care protection, personal integrity protection, personal dignity, and other rights in the event of illness, reduction or loss of work ability and old age, including financial benefits in course of temporary unemployment, as well as the right to other forms of protection, in conformity with the law and the general act, or an employment contract.

An employed woman shall be entitled to special protection in course of pregnancy and childbirth.

An employee shall be entitled to special protection for the purpose of tending for the child, in conformity with the present Law.

An employee under 18 years of age and an employed person with a disability shall be entitled to special protection, in accordance with law.

Article 13

An employee shall be entitled, directly and/or through his representatives, to associate, participate in bargaining for entering into collective agreements, peaceful settling of collective and individual labour disputes, consulting, information and expression of his standpoints regarding essential issues in the sphere of labour.

An employee and/or a representative of employees may not be called to account because of the activities referred to in paragraph 1 of the present Article, or be placed in a more disadvantageous position regarding the conditions of labour, if he proceeds in conformity with the law and the collective agreement.

Article 14

It shall be possible to stipulate by an employment contract or an employer's decision the participation of the employed in the profit effected in the business year, in conformity with the law and the general act.

2) Duties of Employees

Article 15

An employee shall be obliged:

1) to perform in good faith and responsibly the jobs he is engaged in;

2) to respect the organisation of work and business at the employer, as well as the conditions of carrying out contractual and other duties in the sphere of employment relation;

3) to notify the employer on essential circumstances that influence or could influence the performance of jobs stipulated in the employment contract;

4) to notify the employer on every kind of possible danger to life and health, and on the occurrence of property damage.

3) Duties of Employer

Article 16

An employer shall be obliged:

1) to pay earnings to an employee for the work performed, in conformity with the law, the general act, and the employment contract;

2) to provide to an employee the conditions of labour, and to organise work to achieve safety and protection of life and health at work, in conformity with the law and other regulations,

3) to notify an employee on the conditions of labour, organisation of work, the regulations referred to in Article 15, item 2/ of the present Law, and on duties deriving from the labour regulations and regulations covering safety and protection of life and health at work;

4) to ensure to an employee the performance of jobs as stipulated in the employment contract;

5) to request opinion of a trade union in cases provided for by the law, and in the event of an employer without the established trade union - of a representative designated by the employees.

4) Duties of Employer and of Employee

Article 17

The employer and the employee shall be bound to observe rights and duties specified by law, general act and employment contract.

5. Ban to Discrimination

Article 18

Direct and indirect discrimination of persons seeking employment, as well as the employees, for reasons of sex, birth, language, race, colour of the skin, age, pregnancy, health condition, and/or disablement, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other belief, social background, financial status, membership in political organisations, trade unions, or any other personal characteristic - shall be prohibited.

Article 19

In terms of the present Law, direct discrimination shall be understood to mean any conduct caused by some of the grounds specified in Article 18 of the present Law by which a person seeking employment, as well as an employed person, is placed in a more disadvantageous position comparing to other persons in the same or similar situation.

In terms of the present Law, indirect discrimination shall exist where a specific, apparently obvious provision, criterion or practice places or would place in a more disadvantageous

position, comparing to other persons - a person seeking employment, as well as an employed person, because of a specific characteristic, status, orientation or belief referred to in Article 18 of the present Law.

Article 20

Discrimination specified in Article 18 of the present Law shall be prohibited regarding:

1) employment conditions and choice of candidates for performing a specific job;

2) conditions of labour and all the rights deriving from employment relation;

3) education, vocational training and specialization;

4) job promotion;

5) cancelling an employment contract.

The provisions of an employment contract providing discrimination on the ground of any reasons specified in Article 18 of the present Law shall be null and void.

Article 21

Harassment and sexual harassment shall be prohibited.

In terms of the present Law, harassment shall be understood to mean any unbecoming conduct on the basis of any reason specified in Article 18 of the present Law, aiming at or amounting to the violation of dignity of person seeking employment, as well as of an employed person, and which causes fear or creates a hostile, degrading or offensive environment.

In terms of the present Law, sexual harassment shall be understood to mean any verbal, non-verbal or physical behaviour aiming at or amounting to the violation of dignity of person seeking employment, as well as an employed person, in the sphere of sexual life, and which causes fear or creates a hostile, degrading or offensive environment.

Article 22

Distinguishing, exclusion or extending priority regarding a specific job shall not be considered as discrimination, where the nature of a job is such, or where a job is performed in such conditions, that the characteristics relating to some of the grounds specified in Article 18 of the present Law do amount to the real and decisive condition for performing the job, and where the purpose intended to be achieved through the above is justified.

Provisions of the law, general act and an employment contract relating to special protection and assistance to specific categories of employees, and particularly those who, relating to the protection of persons with disabilities, women in the course of maternity leave and leave for tending the child, special care for the child, as well as the provisions relating to special rights of parents, adoptive parents, guardians and foster parents - shall not be considered discrimination.

Article 23

In the events of discrimination in terms of the provisions of articles 18 through 21 of the present Law, a person seeking employment, as well as an employed person, may institute proceedings before a competent court for the compensation of damage against the employer, in conformity with law.

If in the course of the proceedings the claimant made it probable that discrimination in terms of this law took place, the burden of proof that there was no conduct that constitutes discrimination lies with the defendant.

II ESTABLISHING EMPLOYMENT RELATION

1. Conditions for Establishing Employment Relation

Article 24

An employment relation may be established with a person who is at least 15 years old and satisfies other requirements to work at specific jobs as specified by law and/or the set of rules on organisation and job systematization (hereinafter: rule book).

The rule book establishes organizational units at the employer, name and description of jobs, type and level of required qualification, i.e. education and other special requirements for work on those jobs, while the number of employees for each job position may also be determined.

To work in certain jobs, exceptionally, no more than two successive level of qualification or education may be a prerequisite in accordance with the law.

The rule book shall be adopted by the competent authority of the employer, or a person determined by the law or the general act of the employer.

The duty of passing the rule book shall not refer to an employer employing 10 or less employees.

Article 25

An employment relation may be established with a person under 18 years of age by the consent in writing of a parent, adopting parent or a guardian, provided that such work does not put at risk his health, moral and education, and/or provided that such work is not prohibited by law.

A person under 18 years of age may establish employment relation only on the ground of the finding of a competent agency determining that he is capable to perform jobs the employment is established for, and that such jobs are not detrimental to his health.

Costs of medical examination of persons referred to in paragraph 2 of the present Article, filed in the unemployment records kept by the republic organisation in charge of employment, shall be covered by such organisation.

Article 26

At establishing employment relation, a candidate shall be bound to furnish the employer with documents and other evidence as to meeting the requirements for working at jobs the employment is to be established for, as specified by the rule book.

An employer may not request from the candidate an information relating to family and/or marital status and family planning, and/or to be furnished with documents and other evidence having no direct import on the performance of jobs the employment relation is established for.

An employer may not make the establishment of employment relation dependent on the pregnancy test, unless the relevant jobs involve considerable risk for the health of the woman and child, as determined by a competent health-care agency.

An employer may not make the establishment of employment relation dependent on a previous statement regarding the cancellation of employment contract by the candidate.

Article 27

An employer shall be bound, prior to the conclusion of employment contract, to inform the candidate about the job, the conditions of labour, rights and duties relating to employment, and about the rules specified in Article 15, item 2/ of the present Law.

Article 28

A person with a disability shall establish employment relation under the conditions and in the manner specified by the present Law, unless otherwise specified by a special law.

Article 29

A foreign national or a stateless person may establish employment relation under the conditions specified by the present Law and a special law.

2. Employment Contract

Article 30

The employment relation shall be established by an employment contract.

An employment contract shall be concluded between an employee and an employer.

The employment contract shall be considered concluded when signed by the employee and the employer.

The employment contract shall be concluded in at least three copies of which one shall be handed to the employee, while the employer retains two.

On behalf of the employer the employment contract shall be concluded by the competent authority of the employer, or a person determined by the law or the general act of the employer, or any person authorized by them.

Article 31

An employment contract may be concluded either for a definite or indefinite period of time.

An employment contract where the period of time of its validity is not determined, shall be considered a contract for an indefinite period of time.

Article 32

An employment contract shall be concluded in writing, prior to employee's taking the job.

Should an employer fail to conclude the employment contract with an employee in conformity with paragraph 1 of the present Article, it shall be considered that the employee has established the employment relation for an indefinite period of time, as of the day of taking the job.

Article 33

Employment contract shall contain:

1) Name and seat of the employer;

2) Personal name of the employee, permanent or temporary residence of the employee;

3) Type and level of qualification, or education of the employee, which are necessary for carrying out the activities for which the employment contract is concluded;

4) Name and description of activities the employee shall perform;

5) Place of work;

6) Type of employment (for an indefinite or definite period of time);

7) Duration of the employment contract for a definite period of time, and the reasons why such employment was concluded;

8) Date of commencement of work;

9) Working hours (full-time, part-time or reduced);

10) Pecuniary amount of basic earnings at the date of conclusion of the employment contract;

11) Elements for determining basic earnings, work performance, compensation of earnings, increased earnings and other income of the employee;

12) Deadlines for payment of salaries and other income to which the employee is entitled;

13) Duration of daily and weekly working hours.

The employment contract does not have to contain elements referred to in paragraph 1, items 11-13) of this Article, if they are determined by the law, collective agreement, labour rule book, or any other act of the employer in accordance with the law, in which case the contract must specify the act in which such rights were determined at the time of conclusion of the contract of employment.

The relevant provisions of the law and general act shall apply to the rights and obligations which were not specified by the employment contract.

3. Beginning of Work

Article 34

An employee shall realise the rights and duties deriving from employment relation as of the day of beginning of work.

Should an employee fail to begin working on the day specified by the employment contract, it shall be considered that he has not established the employment relation, unless he was prevented from beginning to work due to justifiable reasons, or unless the employer and the employee agree otherwise.

Article 35

The employer shall be obliged to keep the employment contract, or other contract in accordance with this law, or a copy thereof, in the seat or other business premise of the employer or elsewhere, depending on where the employee, or the person engaged for work, works.

4. Probation Work

Article 36

The employment contract may stipulate a probation work for performing one or more associated or related activities determined by the employment contract.

The probation work may be extended for a maximum of six months.

Prior to the expiration of the time for which the probation work was contracted, the employer or the employee may terminate the employment contract with a notice period which may not be shorter than five working days. Employer shall be obliged to give reasons for termination of employment contract.

An employee failing in the course of probation work to present corresponding work and professional abilities, shall have his employment relation terminated as of the day of expiry of the time limit stipulated in the employment contract.

5. Employment Relation for a Definite Period of Time

Article 37

An employment contract may be concluded for a definite period of time, for establishment of employment whose duration is predetermined by objective reasons that are justified by the time period or execution of a certain chore, or occurrence of a specific event, during existence of those reasons.

An employer may conclude one or more employment contracts referred to in paragraph 1 of this Article on the basis of which the employment relation with the same employees is concluded for the period that with or without interruptions may not be longer than 24 months.

Interruption shorter than 30 days shall not be considered as an interruption of the period referred to in paragraph 2 of this Article.

Notwithstanding paragraph 2 of this Article, an employment contract for a definite period of time may be concluded:

1) If it is necessary for replacement of a temporarily absent employee, until his return;

2) For working on a project whose time is predetermined, no longer than the end of the project;

3) With a foreign citizen, on the basis of a work permit in accordance with the law, no longer than the expiry of the work permit;

4) to perform the activities at a newly established employer registered at the competent authority no longer than one year prior to the moment of conclusion of the employment contract, for a time period not longer than 36 months;

5) with an unemployed person which lacks up to five years to fulfill of one of the preconditions for retirement, no longer than such requirement is fulfilled, in accordance with the regulations on retirement and disability insurance.

The employer may conclude a new employment contract for a definite period of time with the same employee after the expiry of the time period referred to in paragraph 4, items 1-3) of this Article, under the same or other legal grounds, in accordance with this Article.

If the employment contract for a definite time period is concluded contrary to the provisions of this law, or if the employee continues to work for the employer for at least five business days after the expiry of the time period for which the contract was concluded, it shall be considered that a full-time employment relation has established.

6. Employment Relation for Performing Higher-Risk Jobs

Article 38

An employment contract may be concluded for jobs with higher-risk, determined in accordance with the law, only should the employee meet the conditions of work at such jobs.

An employee may work on the jobs specified in paragraph 1 of the present Article only on the ground of a previously established health ability to work at such jobs, by a competent health-care agency, in accordance with law.

7. Part-Time Employment

Article 39

Employment relation may also be established as a part-time employment for either indefinite or definite period of time.

Article 40

An employee working part-time shall be entitled to earnings, other earnings and other employment rights in proportion to the time spent at work, unless

law, general act and employment contract provide otherwise for certain rights.

The employer shall provide the employee who works part-time the same work conditions as to the full-time employee who works on the same or similar jobs.

The employer shall timely notify employees about the availability of full-time and part-time jobs, in the manner and within time periods specified by the general act.

The employer shall consider the request of a part-time employee for transfer into full-time, and vice-versa, the request of the full-time employee for transfer into part-time.

The collective agreement shall regulate cooperation and information of trade unions about part-time jobs.

Article 41

An employee working part-time with one employer may for the rest of his work-hours establish employment relation with another employer, and in this way effect a full-time employment.

8. Employment Relation for Performing Jobs outside Employer's Premises

Article 42

Employment relation may be established for performing activities outside the employer's premises.

The employment relation for perform activities outside the employer's premises includes remote work and work at home.

An employment contract concluded in sense of paragraph 1 of this Article, in addition to the provisions of Article 33 of this law shall also include:

1) Duration of working hours according to the standards of work;

2) Manner of work supervision and quality of work performance of the employee;

3) Work equipment for performing the activities which the employer is obliged to procure, install and maintain;

4) Usage of work equipment by the employee during work, and compensation of his expenses for such usage;

5) Compensation for other costs of operation and the method of their determination;

6) Other rights and obligations.

The basic earnings of the employee referred to in paragraph 1 of this Article may not be established in a smaller amount than the basic earnings of an employee who performs the same work within the employer's premises.

The provisions of this law on the work time-table, overtime work, rescheduling of work timetable, night-time work, rest periods and leaves shall also apply to the contract referred to in paragraph 1 of this Article, unless otherwise determined by general act or employment contract.

Volume and time periods for execution of the tasks performed under the contract referred to in paragraph 1 of this Article may not be determined in a manner that prevents the employee to use the rest period in course of a working day, daily rest, weekly rest and annual leave, in accordance with the law and general act.

Article 43

(Repealed)

Article 44

An employer may contract jobs outside his premises that are not dangerous or hazardous to the health of the employee and other persons, and do not put in danger the environment.

9. Employing Household Help

Article 45

An employment relation may be established for the performance of work relating to household help.

It shall be possible to stipulate in the employment contract, specified in paragraph 1 of the present Article, the payment of part of the earnings also in kind.

The payment of part of the earnings in kind shall be understood to mean providing accommodation and food, and/or providing either only accommodation or food.

The value of the part of earnings in kind must be indicated in money.

The lowest percentage of earnings that shall obligatorily be calculated and paid out in money, shall be determined in the employment contract, and may not be lower than 50% of employee's earnings.

Where earnings are stipulated partially in money and partially in kind, in course of the absence from work with compensation of earnings, the employer shall pay to the employee the compensation of earnings in money.

The contract referred to in paragraph 1 of this Article may not be concluded with a spouse, adopter or adoptee, blood relatives in a straight line regardless of the degree of kinship, and in the collateral line up to the second degree of kinship, and with affinal kin up to the second degree of kinship.

Article 46

(Repealed)

10. Trainees

Article 47

An employer may establish the employment relation with a person entering employment for the first time, in the capacity of a trainee in the profession in which such person has acquired

specific type and level of professional education, where so specified as a requirement for working on specific positions in the law or a rule book.

The provision specified in paragraph 1 of the present Article shall refer also to a person who has worked for a time period shorter than the one determined as traineeship within the degree of professional qualification that is a requirement for working on these positions.

The traineeship shall not exceed one year, unless otherwise specified by the law.

In course of traineeship, a trainee shall be entitled to earnings and all other rights pursuant to employment relation, in conformity with the law, general act and the employment contract.

III CONTRACT ON RIGHTS AND DUTIES OF DIRECTOR

Article 48

A director, or other legal representative of the employer (hereinafter referred to as: the director) may establish labour relation either for an indefinite or definite period of time.

The employment relation shall be established by employment contract.

The employment relation for a definite period of time shall last until the expiry of the period of engaging the director, and/or until his release of duty.

Mutual rights, obligations and responsibilities of a director who has not established labour relation, and the employer, shall be regulated by contract.

A person performing tasks referred to in paragraph 4 of the present Article shall have the rights to remuneration for work, and other rights, obligations and responsibilities in conformity with the contract.

On behalf of the employer, the contract referred to in paragraphs 2 and 4 of this Article shall be concluded with the director by the competent authority established by law or general act of the employer.

IV EDUCATION, VOCATIONAL TRAINING AND SPECIALIZATION

Article 49

An employer shall be bound to make possible to an employee education, vocational training and specialization, where so required by the needs of the work process and by the introduction of new way and organisation of labour.

An employee shall be bound, in the course of work, to educate himself and make himself professionally trained and advanced for work.

Expenses of education, vocational training and specialization shall be provided from employer's funds and other sources, in conformity with the law and the general act.

An employee who happens to discontinue the education, vocational training and specialization, shall be bound to refund expenses to the employer, unless his reasons have been warranted.

V WORKING HOURS

1. The Concept of Working Hours

Article 50

Working hours are a time period in which the employee is required to, or available to perform activities as directed by the employer at the place where the business is conducted in accordance with the law.

An employee and employer may agree that the employee shall work at home for a part of working hours within the contracted working hours.

Working hours shall not be considered as time which the employee spends on standby outside the place where his activities are conducted according to the law, waiting to respond to the call of the employer to perform activities if such a need arises.

Standby time period and the amount of compensation thereof shall be regulated by law, general act or employment contract.

The time that the employee spends conducting the activities at the call of the employer during standby period shall be considered as working time.

2. Full-Time and Part-Time Working Hours

Article 51

Full-time working hours shall amount to 40 hours per week, unless this law provides otherwise.

General act may establish shorter full-time working hours than 40 hours per week, but not shorter than 36 hours per week.

An employee referred to in paragraph 2 of this Article shall exercise all rights arising from employment relation as if he was working full time working hours.

Part-time working hours, under this law, shall be working hours shorter than full-time working hours.

3. Reduced Working Hours

Article 52

To an employee working at jobs that are particularly difficult, exhausting and hazardous to health, as specified by the law and a general act, where in spite of applying appropriate safety measures at the work place, including means and equipment for individual protection, there exists an increased harmful impact on employee's health - the working hours shall be reduced in proportion to the harmful impact of the conditions of labour on the health and work ability of the employee - and not exceeding 10 hours a week (higher-risk jobs).

The reduced hours of work shall be determined in conformity with the law, on the ground of a professional analysis.

An employee working reduced hours shall have all the rights otherwise provided for the fulltime employment.

4. Overtime Work

Article 53

At employer's request, an employee shall be obliged to work beyond the full time in the event of force majeur, a sudden increase of volume of work and in other cases, where it becomes indispensable to complete an unplanned work within a specific deadline (hereinafter: overtime work).

The overtime work shall not exceed eight hours a week.

An employee shall not work more than 12 hours a day, including overtime.

An employee working in jobs with reduced working hours in accordance with Article 52 of this law may not be instructed to work overtime in such jobs, unless otherwise specified by law.

Article 54

Duty hours in health service institutions, as overtime work, shall be regulated by a special law.

5. Work Time-Table

Article 55

A working week shall, as a rule, amount to five workdays.

The work time-table within a working week shall be determined by the employer.

As a rule, a workday shall last eight hours.

At the employer where work is performed in shifts, at night or when this is required by the nature of work and organization of work - working week and working time-table may be organized in a different way.

If the nature of work and the organization of work permit it, the beginning and the end of the working hours may be determined, or contracted, in a special time interval (flexible working hours).

Article 56

The employer is obliged to inform the employees about the work time-table and changes thereof at least five days in advance, except in the case of the introduction of overtime.

Exceptionally, the employer may inform employees about the work time-table and changes thereof in a period of time shorter than five days, but not shorter than 48 hours in advance in case there is a need of a chore due to the occurrence of unforeseen circumstances.

At the employer where the work is organized in shifts, or where it is required by the organization of work, full or part-time working hours of the employee do not have to be distributed equally per workweeks, but it is determined as average weekly working hours per month.

In the case referred to in paragraph 3 of this Article, an employee may work a maximum of 12 hours per day, or 48 hours per week including overtime.

6. Rescheduling of Work Time-Table

Article 57

An employer may reschedule the working hours where so required by the nature of the activity, organisation of work, better utilization of means of work, more rationalised use of working hours, and the execution of a specific job within the set time limits.

The rescheduling of working hours shall be done in the manner ensuring that total working hours of an employee in course of a calendar year does not exceed the average contracted working hours of the employee.

Collective agreement may establish that the rescheduling of working hours should not be associated with the calendar year, i.e. that it may last longer than six months, but not longer than nine months.

For the employee who agreed to work in the rescheduled working hours on the average longer than the time specified in paragraphs 2 and 3 of this Article, hours of work longer than average working hours shall be calculated and paid as overtime.

In the event of rescheduling of working hours, the hours of work in a week shall not exceed 60 hours.

Article 58

The rescheduling of working hours shall not be considered as overtime work.

Article 59

(Repealed)

Article 60

Rescheduling of working hours may not be done for jobs where reduced working hours are introduced, in concordance with Article 52 of the present Law.

Article 61

An employee whose employment relation ceased prior to the expiration of the time dedicated to rescheduled working hours, is entitled to recalculation of hours he spent working longer than the agreed working hours during the rescheduling of working hours into his working hours and to be unsubscribed by the employer from compulsory social insurance by the expiry of that time, or to have those hours calculated and paid as overtime.

7. Night-Time Work and Work in Shifts

Article 62

Work performed between the hour 22:00 through 06:00 of the following day shall be considered a night-time work.

An employer shall be bound to provide an employee, working nights for at least three hours every workday, or one third of the full-time working hours in course of one working week, the performance of jobs in course of the day, should such work, according to the opinion of a competent health-service agency, would cause deterioration of his health condition.

Before introducing a night-time work, an employer shall be bound to request an opinion of the trade union, regarding the measures of safety and protection of life and health of employees who work at night.

Article 63

Working in shifts is an organization of work at the employer in which employees take turns on same job positions according to the determined schedule, whereas shift changes may be continuous or intermittent over a period of days or weeks.

Employee who works in shifts is an employee who during a month works in different shifts for at least a third of his working hours at the employer where the work is organized in shifts.

Should the work be organised in shifts that include night work, the employer shall be bound to provide alternation of shifts, so that the employee does not work nights consecutively more than one working week.

An employee may work nights for more than one working week only after his consent in writing.

VI REST PERIODS AND LEAVES

1. Rest Period in Course of Daily Work

Article 64

An employee working at least six hours a day shall be entitled to a rest period in course of a working day of a minimum 30 minutes.

An employee working longer than four and less than six hours a day shall be entitled to a minimum 15 minutes daily rest period in course of work.

An employee working more than 10 hours a day, shall be entitled to a rest period in course of work of a minimum 45 minutes.

The rest period in course of daily work may not be used either at the beginning or at the end of the working hours.

The rest period time specified in paragraphs 1 through 3 of the present Article shall be counted into the working hours.

Article 65

The rest period in course of working day shall be organised so as to ensure that the work be not interrupted, if the nature of job is incompatible with the interruption of work, as well as if the work involves the continuous contact with clients.

The decision on scheduling the use of rest periods in course of daily work shall be rendered by the employer.

2. Daily Rest

Article 66

An employee shall be entitled to a daily rest of a minimum of twelve straight hours within 24 hours, unless otherwise prescribed by the present Law.

An employee who works in the sense of Article 57 of this law shall be entitled to rest of not less than 11 continuous hours within 24 hours.

3. Weekly Rest

Article 67

An employee shall be entitled to a weekly rest for a minimum of 24 straight hours plus the rest period referred to in Article 66 of this law, unless otherwise provided by law.

As a rule, the weekly rest shall be used on Sunday.

An employer may determine another day for a weekly rest, should the nature of job and the organisation of work so require.

Notwithstanding paragraph 1 of this Article, an employee who, because of working in different shifts or in rescheduled work time-table, is not able to use the rest for a period specified in paragraph 1 of this Article, shall be entitled to a weekly rest period of at least 24 consecutive hours.

Should it be indispensable that an employee works on the day of his weekly rest, the employer shall be bound to provide him a rest of a minimum 24 straight hours in course of the subsequent week.

4. Annual Leave

1) Acquiring the Right to Annual Leave

Article 68

An employee shall be entitled to annual leave in accordance with the present Law.

An employee shall be entitled to annual leave in a calendar year after a month of continuous employment from the date of conclusion of employment relation with the employer.

Continuous work shall also include a temporary impediment for work, pursuant to healthcare regulations, and the paid absence from work.

An employee may not waive the right to annual leave, nor such right may be denied to him nor may be replaced with a pecuniary compensation, except in the case of termination of employment in accordance with this law.

2) Length of Annual Leave

Article 69

For each calendar year an employee shall have the right to no less than 20 days of annual leave for a period to be determined by general act and the employment contract.

The length of annual leave shall be determined in such a way so as to increase the 20 day minimum on the ground of work contribution, conditions of work, work experience, professional qualification of the employee, and other criteria determined in the general act and the employment contract.

Article 70

In determining the length of annual leave, the working week shall be counted as five workdays.

Holidays, designated by law as idle-days, paid absence from work and temporary impediment for work in accordance with the health-care regulations, shall not be counted as annual leave days.

An employee who in course of using the annual leave, is temporarily unable to work in terms of the health-care regulations, shall be entitled to continue the annual leave at the end of sick leave.

Article 71

(Repealed)

4) Proportional Part of Annual Leave

Article 72

An employee is entitled to one-twelfth of the annual leave under Article 69 of this law (proportionate share) for each month of work in a calendar year in which he concluded his employment relation, or in which his employment relations is terminated.

5) Use of Annual Leave in Parts

Article 73

Annual leave shall be used once or in two or more parts, in accordance with this law.

If an employee uses on annual leave in parts, the first part shall be used in the duration of at least two consecutive working weeks during the calendar year, while the remainder shall be used the latest until June 30 of the following year.

An employee shall be entitled to use annual leave in two parts, unless he agrees with the employer to use the annual leave in several parts.

An employee who has not wholly or partially used annual leave in the calendar year due to absence from work under the maternity leave, absence from work for child care and special child care - shall have the right to use that leave until June 30 of the following year.

Article 74

(Repealed)

7) Annual Leave Schedule

Article 75

Depending on the needs of the job, an employer shall decide on the time of use of annual leave, with prior consultation with an employee.

The ruling on the use of annual leave shall be handed over to an employee at the latest 15 days prior to the date specified for the commencement of the use of annual leave.

Exceptionally, if the annual leave is used at the request of the employee, the decision on annual leave may be also delivered by the employer immediately before the annual leave.

An employer may alter the time determined for the use of annual leave, should this be required by the needs of the job, at the latest five workdays prior to the day determined for the use of annual leave.

In the case of using a mandatory collective annual leave at the employer or at the organizational part of the employer, the employer may render a decision on annual leave listing the employees and organizational units in which they work, and to display it on the bulletin board, at least 15 days before the date set for the usage of the annual leave,

thus considered that such a decision was delivered to employees.

Employer may deliver the decision on annual leave to the employee in electronic form, while at the request of the employee the employer shall deliver such decision in written form.

8) Indemnification for Unused Annual Leave

Article 76

In the event of termination of employment relation, the employer shall pay the employee who did not use annual leave in whole or in part, a pecuniary compensation instead of usage annual leave, in the amount of average earnings in the previous 12 months, in proportion to the number of days of unused annual leave.

The compensation referred to in paragraph 1 of this Article shall have the character of indemnity.

5. Leave against Compensation of Earnings (Paid Leave)

Article 77

An employee shall have the right to a paid absence from work against compensation of earnings (paid leave) for a maximum of five workdays in course of a calendar year, in cases of getting married, spouse's childbirth, serious illness of a member of immediate family, and in other cases as determined in the general act and the employment contract.

Duration of annual leave specified in paragraph 1 of the present Article shall be determined in the general act and the employment contract.

In addition to the right to leave specified in paragraph 1 of the present Article, the employee shall be entitled to a paid leave:

1) of five workdays due to death of an immediate family member;

2) of two consecutive days for every instance of voluntary giving blood, counting also the day of giving blood.

Members of the immediate family in terms of paragraphs 1 and 3 of the present Article shall include a spouse, children, brothers, sisters, parents, adoptive parent, adoptee and a legal guardian.

The employer may grant absence referred to in paragraphs 1 and 3 of this Article to the employee for relatives other than those listed in paragraph 4 of this Article and for other persons who live in the same household with the employee, for the period specified in the decision of the employer.

It shall be possible to provide, by the general act and the employment contract, the right to a paid leave exceeding the duration determined in terms of paragraphs 1 and 3 of the present Article, or wider circle of persons referred to in paragraph 4 of this Article.

6. Unpaid Leave

Article 78

An employer may grant to an employee a leave without compensation of earnings (unpaid leave).

During the time of unpaid leave, the rights and duties relating to employee's employment shall stay, unless otherwise determined for specific rights and duties by law, general act and contract of employment.

7. Stay of Employment

Article 79

Rights and duties of an employee acquired at work and on the ground of work shall stay, except for the rights and duties for which the law, general act and contract of employment provide otherwise, should he be absent from work due to:

1) leaving for serving in the military and/or completing such service;

2) being assigned to work abroad by the employer or within the framework of international technical or educational and cultural cooperation, or in diplomatic, consular and other missions;

3) being temporarily assigned to work with another employer in terms of Article 174 of the present Law;

4) being elected and/or appointed to a function in a state agency, trade union, political organisation or to other public function the exercising of which requires temporary termination of work with the employer;

5) serving a prison sentence, and/or an imposed safety, correctional or protective measure, up to three months.

An employee whose rights and duties, referred to in paragraph 1 of the present Article, are on stay, shall be entitled, within 15 days from the day of terminating and/or completing military service, ending of the work abroad, and/or with another employer, ending of the function, returning from serving the prison sentence, and/or the safety, correctional or protective measure - to return to the job with the employer.

The rights specified in paragraphs 1 and 2 of the present Article shall appertain also to a spouse of the employee who was sent to work abroad within the framework of international technical or educational and cultural cooperation, or in diplomatic, consular and other mission.

VII PROTECTION OF EMPLOYEES

1. General Protection

Article 80

An employee shall be entitled to the safety and protection of life and health at work, in conformity with the law.

An employee shall be obliged to respect regulations relating to safety and protection of life and health at work, in order not to put in danger his safety and health, as well as the safety and health of employees and other persons.

An employee shall be obliged to notify the employer of every kind of possible danger that could have an impact on safety and health at work.

Article 81

An employee may not work overtime if, according to the opinion of a competent health-care agency, such work might deteriorate his health condition.

An employee with health condition established by a competent medical agency, in conformity with the law, may not perform jobs that mightcause deterioration of his health condition or entail consequences dangerous for the environment.

Article 82

Only an employee who, apart from special conditions established by the rule book, meets also the requirements for work in respect of health condition, psycho-physical abilities and age, in conformity with the law, may work on jobs that involve increased danger of injury, professional and other illnesses.

2. Protection of Personal Data

Article 83

An employee shall be entitled to have insight in documents containing personal data kept with the employer, and to request deleting of data of no direct importance for the jobs performed by him, as well as the correction of incorrect data.

Personal data relating to an employee may not be made available to a third party, apart from cases and under the conditions specified by law, or where necessary to provide evidence relating to employment-related rights and duties or those in connection with work.

Personal data of employees may be collected, processed and communicated to third persons only by an employee authorised by the director.

3. Protection of Minors

Article 84

An employee under 18 years of age may not work at the following jobs:

1) those involving particularly difficult physical labour, work under ground, under water or at considerable height;

2) those including exposure to harmful radiation or poisonous and cancerogeneous matters or the ones causing hereditary illness, as well as those hazardous to health due to coldness, warmth, noise or vibration;

3) those which, due to the finding of a competent medical agency, considering his psyhophysical abilities, would affect harmfully and by higher risk his health and life.

Article 85

An employee between 18 and 21 years of age may work at the jobs referred to in Article 84, paragraphs 1/ and 2/ of the present Law only on the ground of a

finding of competent medical agency determining that such work is not harmful to his health.

Article 86

Expenses of medical examination, specified in Article 84, paragraph 3/ and Article 85, shall be at the charge of the employer.

Article 87

Full working hours of an employee under 18 years of age may not be determined as to exceed 35 hours a week, or exceed eight hours a day.

Article 88

Overtime work and rescheduling of working hours of an employee under 18 years of age shall be prohibited.

An employee under 18 years of age may not work by night, except:

1) if performing jobs in the spheres of culture, sports and advertising activity;

2) where necessary to continue the work interrupted due to force majeur, on condition that such work be limited to a definite time, and that it has be terminated without delay, with the proviso that the employer lacks a sufficient number of other employees of age.

In the event specified in paragraph 2 of the present Article, an employer shall be bound to ensure that an employee of age exercises supervision over the work of employee under 18 years of age.

4. Protection of Motherhood

Article 89

An employee in course of pregnancy and an employee who is breastfeeding a child may not work at jobs that, in terms of a finding of medical agency, are harmful to her health and health of the child, and particularly at jobs requiring burden lifting or those characterised by harmful radiation of exposure to extreme temperatures and vibrations.

The employer shall ensure that the employee referred to in paragraph 1 of this Article may perform other appropriate activities, and if such activities do not exist, he shall refer her to paid leave.

Article 90

An employee in course of pregnancyand the employee who is breastfeeding a child may not work overtime and by night, should such work, according to the finding of a competent medical agency, be harmful to her health and health of the child.

During pregnancy the employee shall be entitled to paid leave from work during day to perform medical examinations related to pregnancy, as instructed by the appointed physician in accordance with the law, whereof she is obliged to timely notify the employer.

Article 91

One of the parents with a child under three years of age may work overtime and/or by night only on the ground of his consent in writing.

A self-supporting parent with a child not older than seven years of age, or a seriously disabled child, may work overtime and/or by night only on the ground of his consent in writing.

Article 92

An employer may reschedule the working hours of an employed woman in course of pregnancy, and of an employed parent with a child under three years of age, or a child with serious degree of psycho-physical ailment - only on the ground of consent of the employee in writing.

Article 93

The rights specified in articles 91 and 92 of the present Law shall appertain also to an adopting parent and/or guardian of the child.

Article 93a

The employer shall provide that the employed woman, upon returning to work prior to expiry of the first year after the child birth, enjoys the right to one or more breaks during working hours in total duration of 90 minutes, or the right to reduce the daily working hours for 90 minutes, in order to be able to breast feed her child, if the daily working hours of the employed women equal six or more hours.

The break or the reduced working hours from Par. 1 hereof shall be considered as a part of the working hours that shall be compensated to the employed woman as remuneration in the amount of the basic earnings, increased by seniority compensation.

5. Maternity Leave and Leave for Nursing a Child

Article 94

An employed woman shall be entitled to a leave from work due to pregnancy and childbirth (hereinafter: maternity leave), as well as to a leave from work for nursing a child, of 365 days altogether.

An employed woman shall be entitled to commence the maternity leave, on the ground of a finding of competent medical agency, 45 days at the latest, and 28 days in any case, prior to the time of determined delivery.

The maternity leave shall extend over three full months from the day of childbirth.

An employed woman after the expiry of maternity leave shall be entitled to be absent from work to nurse a child until the expiry of 365 days, from the day of commencement of maternity leave referred to in paragraph 2 of the present Article.

A father of a child may exercise the right specified in paragraph 3 of the present Article, should the mother abandon the child, die, or be prevented due to other justified reasons to exercise that right (serving a prison term, serious illness and the like). That right shall also appertain to a father where the mother is not employed.

A father of the child may exercise the right referred to in paragraph 4 of the present Article.

In course of the maternity leave and the leave for nursing a child, a woman employee and/or father shall be entitled to compensation of earnings, in conformity with the law.

Article 94a

An employed woman shall be entitled to maternity leave and to be absent from work to nurse a child for the third and every subsequent newborn child in the duration of two years altoghether.

The right to maternity leave and to be absent from work to nurse a child in the duration of two years altogether shall pertain also to an emplyed woman who gives birth in the first delivery to three or more children, as well as to an employed woman who has given birth to one, two or three children, and who gives birth in the subsequent delivery to two or more children.

An employed woman referred to in paragraphs 1 and 2 of the present Article shall be entitled, after the expiry of maternity leave, to be absent from work to nurse a child until the expiry of two years after the commencement of the maternity leave specified in Article 94, paragraph 2 of the present Law.

A father of a child specified in paragraphs 1 and 2 of the present Article may exercise the right to maternity leave in the cases and under the consitions specified in Article 94, paragraph 5 of the present Law, and the right to be absent from work to nurse a child in the duration specified in paragraph 3 of the present Article.

Article 95

The right to use maternity leave, of the duration specified in Article 94, paragraph 3 of the present Law, shall appertain also to a woman employee should a child be stillborn or die before the expiry of maternity leave.

6. Leave for Special Care of a Child or Another Person

Article 96

One of the parents of a child in need of special care due to a serious degree of psychophysical ailment, apart from cases prescribed by the health insurance regulations, shall be entitled, upon expiry of the maternity leave and the leave for nursing a child, to be absent from work, or to work half of the full working hours, at most until the child becomes five years old.

The right in terms of paragraph 1 of the present Article shall be exercised on the ground of an opinion of the agency competent for assessing the degree of psycho-physical ailment of the child, in the conformity with the law.

In course of the absence from work, in terms of paragraph 1 of the present Article, the employee shall be entitled to compensation of earnings, in conformity with the law.

In course of working half of the full working hours, in terms of paragraph 1 of the present Article, an employee shall be entitled to earnings in conformity with the law, general act and employment contract, and for the other half of full working hours - to the compensation of earnings, in conformity with the law.

Conditions, procedure, and the manner of exercising the right to absence from work for special care of a child shall be regulated in detail by the minister in charge for social childcare.

Article 97

A foster parent and/or a guardian of a child under five years of age shall be entitled, for taking care of the child, to be absent from work for eight consecutive months, from the day the child is accomodated with a foster and/or guardian family, and at the most until the child become five years old.

Where the accomodation with a foster and/or guardian family has taken place before the child became three months old, the foster parent and/or guardian shall be entitled, for the purpose of childcare, to be absent from work until the child become 11 months old.

The right specified in paragraphs 1 and 2 of the present Article shall appertain also to a person to whom the child is directed for adaptation before establishing the adoption, and after such establishment is instituted - the one of the adoptive parents as well.

During the absence from work for the purpose of childcare, a person exercising the right specified in paragraphs 1 through 3 of the present Article shall be entitled to compensation of earnings in conformity with the law.

Article 98

A parent or a guardian and/or a person who takes care of the person suffering from cerebral palsy, poliomielitis, or of a kind of plegia or muscular dystrophy and other serious diseases, may on the ground of the finding of a competent medical agency, and upon his request, work part-time working hours, but not less than half of the full working hours.

An employee working part-time working hours, in terms of paragraph 1 of the present Article, shall be entitled to an appropriate earnings, commensurate to the time spent at work, in conformity with the law, general act and the employment contract.

Article 99

The rights specified in Article 96 of the present Law shall appertain also to one of the adoptive parents, foster parent, and/or guardian of the child, should the child, due to a degree of psycho-physical ailment, need special care.

Article 100

One of the parents, adoptive parent, and/or guardian shall be entitled to the absence from work until the child become three years old.

In course of absence from work specified in paragraph 1 of the present Article, the rights and duties on the ground of work shall stay, unless otherwise determined for certain rights by the law, general act and employment contract.

7. Protection of Persons with Disabilities and Employees with Health Conditions

Article 101

The employer shall be obliged to provide that an employee - a person with a disability and an employee referred to in Article 81, paragraph 2 of this law, may perform his duties according to work ability, in accordance with the law.

Article 102

An employer may canced the contract of employment with an employee who refuses to accept a job in terms of Article 101 of the present Law.

If the employer is not able to provide a suitable duty to the employee within the meaning of Article 101 of this law, such employee shall be considered as redundant in terms of Article 179, paragraph 5, item 1) of this law.

8. Notification on Temporary Work Impediment

Article 103

An employee shall be bound to forward to the employer, not later than within three days of the day of occurence of his temporary impediment from work, in terms of health insurance regulations, a certificate issued by a physician, indicating also the expected period of work impediment.

In case of serious illness, the certificate, instead by the employee, shall be forwarded to the employer by members of his immediate family or other persons living with him in the family household.

An employee who lives alone shall be obliged to forward the certificate within three days after the

reasons due to which he has been unable to forward the certiicate have ceased to exist.

A physician shall be bound to issue the certificate specified in paragraph 1 of the present Artic_e.

Should an employer be distrustful of the reasons for absence from work, in terms of paragraph 1 of the present Article, he may lodge a request to the competent medical agency to assess the health ability of the employee, in conformity with the law.

The manner of issuing and the contents of the certificate relating to the occurrence of temporary work impediment, in terms of health insurance regulations, shall be prescribed in agreement between the minister and the minister in charge for health.

VIII EARNINGS, COMPENSATION OF EARNINGS AND OTHER INCOME

1. Earnings

Article 104

An employee shall be entitled to appropriate earnings to be determined in conformitiy with the law, general act and employment contract.

Employees shall be guaranteed equal earnings for the same work or the work of equal value performed with an employer.

The work of the same value shall mean work which requires the same level of qualification, or education, or education, knowledge and skills, wherein equal work contribution with equal responsibility were accomplished.

A decision of an employer or an agreement with the employee that is not in accordance with paragraph 2 of the present Article shall be null and void.

Should there be a violation of the right specified in paragraph 2 of the present Article, the employee shall be entitled to indemnity.

Article 105

The earnings specified in Article 104, paragraph 1 of the present Law shall include the earnings effected for work performed and time spent at work, the earnings on the ground of employee's contribution to business success of the employer (bonuses, premiums and the like) and other income on the ground of employment, in conformity with the general act and contract of emloyment.

Earnings in terms of paragraph 1 of the present Article shall be understood to mean the earnings including tax and dues payable on earnings.

Earnings in terms of paragraph 1 of the present Article shall be understood to mean all the employment-related income, except for income under Article 14, Article 42 paragraph 3 items 4) and 5), Article 118 items 1-4), Article 119, Article 120 item 1) and Article 158 of this law.

2. Earnings for Work Performed and Time Spent at Work

Article 106

Earnings for the work performed and time spent at work shall include the basic earnings, portion of the earnings for working performance, and increased earnings.

Article 107

The basic earnings shall be determined on the ground of conditions, as specified by the rule book, necessary for the work at jobs the employee has concluded the employment contract for, and the time spent at work.

The working performance shall be determined on the ground of quality and volume of the work performed, as well as of employee's attitude toward work duties.

Elements of accounting and payment of basic earnings and the earnings on the ground of working perormance, specified in paragraphs 1 and 2 of the present Article, shall be determined in the general act.

It shall be possible to determine in an employment contract that the amount of basic earnings exceeds that of the basic earnings specified on the ground of a general act.

Article 108

An employee shall be entitled to increased earnings at the amount determined in the general act and the employment contract, as follows:

1) for work on public holiday, that is an idle day - a minimum of 110% of the base;

2) for work at night, if such work is not evalued on the occasion of determining the basic earnings - a minimum of 26% of the base;

3) for overtime work - a minimum of 26% of the base;

4) on the ground of time spent at work for each full effective employment year with the employer (hereinafter referred to: seniority compensation) - at least - 0.4% of the base.

The seniority compensation shall include the time spent in employment with the employer predecessor under Article 147 of this law, as well as in entities affiliated with the employer in accordance with the law.

Should simultaneously conditions accumulate of several grounds, as specified in paragraph 1 of the present Article, the percentage of the increased earnings may not be lesser than the total of percentages according to every single base for increase.

Other cases, too, may be determined in a general act and an employment contract, in which an employee may be entitled to increased earnings, such as the increase in earnings based on work in shifts.

The increased earnings accounting base shall be made of basic earnings, as determined in conformity with the law, general act and employment contract.

Article 109

A trainee shall be entitled to earnings at the minimum of 80% of the amount of basic earnings for jobs he has concluded the employment contract for, as well as to the refund of expenses, and other income, in conformity with the general act and employment contract.

Article 110

The earnings shall be paid out within time limits determined in the general act and the employment contract, at least once a month, and until the end of the current month, at the latest, for the preceding month.

The earnings shall be paid out in money exclusively, unless otherwisespecified by the law.

3. Minimum Earnings

Article 111

Employee shall be entitled to minimum earnings for standard performance and time spent at work.

The minimum earnings shall be determined by the minimum price of labor established under this law, the time spent at work and the taxes and contributions paid from earnings.

General act or employment contract shall determine the reasons for rendering of a decision on introduction of the minimum earnings.

After the expiration of six months period from the rendering of the decision on introduction of minimum earnings, the employer shall be obliged to inform the representative trade union of the reasons for the continued payment of minimum earnings.

The employer shall pay minimum earnings to the employee in the amount determined on the basis of the decision on minimum price of labor which is valid for the month in which payment is made.

Employee who receives minimum earnings shall be entitled to increased earnings from Article 108 of this Law, to compensation of expenses, and to other income that is considered as earnings in accordance with the law.

The basis for the calculation of increased earnings from paragraph 6 of this Article shall be the minimum earnings of the employee.

Article 112

Minimum price of labor shall be determined by a decision of the Social and Economic Council established for the territory of the Republic of Serbia (hereinafter: Social and Economic Council).

Should the Social and Economic Council fail to render a decision within 15 days from the day of commencement of bargaining, the decision on the amount of minimum price of labor shall be made by the Government of the Republic of Serbia (hereinafter: the Government) within the following time period of 15 days.

Determination of the minimum price of labor shall start in particular from: existential and social needs of the employee and his family expressed through the value of the minimum market basket, movement of the employment rate in the labor market, growth of the rate of gross domestic product, consumer price trends, trends in productivity and movement of the average earnings in the Republic.

The decision on determining the minimum price of labor contains an explanation that reflects all the elements referred to in paragraph 3 of this Article.

If there is a significant change in any of the elements referred to in paragraph 3 of this Article, the Social and Economic Council shall be obliged to consider the reasoned initiative of one of the participants in the Social and Economic Council to start negotiations for the establishment of the new minimum price of labor.

Minimum price of labor shall be determined per working hour without taxes and contributions, for the calendar year, not later than 15 September of the current year, and shall apply from 1 January next year.

Minimum price of labor may not be determined in a lower amount than the minimum price of labor established for the previous year.

Article 113

The decision on minimum price of labor specified in Article 112 of the present Law shall be published in the "Official Herald of the Republic of Serbia".

4. Compensation of Earings

Article 114

An employee shall be entitled to compensation of earnings in the amount of average earnings for the 12 preceding months, in conformity with the general act and employment contract, for the time of absence from work on a holiday that is an idle day, annual leave, paid leave, military exercise and responding to summons by a state agency.

Unless otherwise determined, an employer shall be entitled to refund of the compensation paid out under paragraph 1 of the present Article, in case of employee's absence from work due to military exercise or responding to summons of a state agency - from the agency whose summons was responded by the employee.

Article 115

An employee shall be entitled to compensation of earnings in course of absence from work due to being temporarily impeded from work for a period not exceeding 30 days, as follows:

1) in the minimum amount of 65% of average earnings in the 12 preceding months before the month in which temporary impediment for work occured, on condition that it may not be lesser than the minimum earnings determined in conformity with the present Law, where the impediment for work was caused by illness or injury sustained outside work, unless otherwise determined by the law;

2) in the amount of 100% of the average earnings in the 12 preceding months before the month in which temporary impediment for work occurred, on condition that it may not be lesser than the minimum earnings determined in conformity with the present Law, where the impediment for work was caused by an injury sustained at work or by a professional illness, unless otherwise determined by the law.

Article 116

An employee shall be entitled to compensation of earnings - amounting to at least 60% of the average earnings in the 12 preceding months, on condition that it may not be lesser than the minimum earnings, as determined in conformity with the present Law - during an interruption of work, and/or reduction of the volume of work which occurred without employee’s fault, not exceeding 45 workdays in a calendar year.

Exceptionally, in the case of interruption of work and/or reduction of the volume of work which requires a longer absence, the employer, after obtaining a previous concordance of the minister, may direct the employee to the leave of absence exceeding 45 days, along with the compensation of earnings specified in paragraph 1 of the present Article.

Before granting the concordance specified in paragraph 2 of the present Article, the minister shall demand the opinion of the representative trade union of the branch or line of activity established at the level of the Republic.

Article 117

An employee shall be entitled to compensation of earnings in the amount determined by a general act and employment contract during an interruption of work which occurred by an order of the government agency in charge, or a competent body of the employer, due to failure to ensure safety and protection of life and health at work, that is a

condition for continuing the work without the risk for life and health of employees and other persons, and in other cases, in conformity with the law.

Other cases, too, may be determined in a general act and employment contract, in which an employee shall be entitled to compensation of earnings.

5. Refund of Expenses

Article 118

An employee shall be entitled to a refund of expenses in conformitywith the general act and the employment contract, as follows:

1) for travelling to and from work, in the amount of the price of public transportation ticket, if the employer did not provide transportation;

2) for the time spent on business trip in the country;

3) for the time spent on business trip abroad;

4) for accomodation and food for working in the field, if the employer failed to provide to the employee the accomodation and food without compensation;

5) for food in course of work, unless the employer provided this right in some other way;

6) for subsidy for the use of annual leave.

The costs referred to in paragraph 1, item 5) of this Article shall be expressed in money.

Change of residence of the employee after the conclusion of the employment contract shall not increase the amount of transportation costs that the employer had to reimburse the employee at the time of conclusion of the contract, without the consent of the employer.

6. Other Income

Article 119

An employer shall be bound to pay out, in conformity with the general act:

1) to an employee - a retirement gratuity, in the minimum amount of two average earnings;

2) to an employee - a refund of funeral expenses in the event of death of a member of immediate family, and to members of the immediate family in the event of death of the employee;

3) to an employee - compensation of damage sustained due to an injury at work or a professional illness.

An employer may provide to children of an employee, under 15 years of age, gifts for Christmas and New Year, not exceeding the value of non-taxable amount provided for by the law regulating the income tax of citizens.

The average earnings specified in paragraph 1, item 1/ of the present Article shall be understood to mean the average earnings in the Republic of Serbia according to the latest published data of the republic agency in charge for statistics.

In terms of paragraph 1, item 2/ of the present Article, the members of immediate family shall be understood to be a spouse and children of the employee.

An employer may pay in to the employees a premium for the voluntary additional pension insurance, collective insurance covering the consequences of accidents, and collective insurance in the event of serious illnesses and surgical treatment, and all with the purpose of carrying out a high-grade additional social protection.

Article 120*

A right may be determined by a general act and/or employment contract to:

1) jubilean prize and solidarity assistance;

2) and 3)* (ceased to be valid);

4) other income.

7. Statement of Account of Earnings and Compensation of Earnings

Article 121

An employer shall be bound to hand over to employee a statement of account at every payment of earnings and compensation of earnings.

An employer shall be bound to hand over to employee a statement of account also for a month he failed to effect the payment of earnings, and/or compensation of earnings.

The statement of account specified in paragraph 2 of the present Article shall include employer's notification to the employee that the payment of earnings, and/or compensation of earnings is not effected, and the indication of reasons for not effecting the payment.

The statement of account of earnings, and/or compensation of earnings, specified in paragraph 2 of the present Article, shall be handed over by the employer to the employee, at the latest until the end of the month for the preceding month.

Statement of account referred to in paragraph 1 of this Article on the basis of which earnings, or compensation of earnings were paid in whole, may be delivered to the employee in electronic form.

Statement of account of earnings and compensation of earnings that the employer is required to pay in accordance with the law shall represent an enforceable document.

Employee whose earnings and compensation of earning is paid in accordance with the statement of account under paragraphs 1 and 2 of this Article, reserves the right to challenge the legality of such statement of account before the competent court.

Contents of the statement of account referred to in paragraphs 1 and 2 of this Article shall be prescribed by the Minister.

8. Records of Earnings and Compensation of Earnings

Article 122

An employer shall be bound to keep monthly records of earnings and compensation of earnings.

The records shall include data for every employee relating to earnings, earnings after deducting taxes and contributions from the earnings, and earnings deductions.

The records shall be signed by a person authorized to represent or another person authorised by him.

9. Protection of Earnings and Compensation of Earnings

Article 123

An employer may collect a pecuniary claim against an employee bywithholding the payment of his earnings, only on the ground of a finally binding court decision, and in the cases specified by law, or by consent of the employee.

Unless otherwise determined by law, an employer may, on the ground of a finally binding court decision and in the cases determined by law, withhold from employee's earnings at most one third of the earnings, and/or compensation of earnings.

IX CLAIMS OF EMPLOYEES IN THE EVENT OF BANKRUPTCY PROCEEDINGS

Article 124

The right to payment of unpaid claims at an employer under bankruptcy protection (hereinafter: the claim), in conformity with the present Law, shall appertain to an employee whose claims are determined in accordance with the law governing bankruptcy and who meets the requirements for eligibility under this law.

The rights referred to in paragraph 1 of the present Article shall be put into effect in conformity with the present Law, if they are not paid out in accordance with the law regulating the bankruptcy procedure.

If the rights specified in paragraph 1 of the present Article are partially paid out in conformity with the law regulating bankruptcy procedure, the employee shall be entitled to a difference up to the level of rights as determined by the present Law.

An entrepreneur, as well as a founder, or a member of a company or other business entity shall not be eligible to payment of claim referred to in paragraph 1 of this Article, unless he concluded an employment contract in accordance with the law.

An employee shall not be eligible to payment of claim referred to in paragraph 1 of this Article if a decision on confirmation of the approval of the reorganization plan of the employer under bankruptcy protection was rendered, according to the law.

Article 125

An employee shall be entitled to payment:

1) of earnings and compensation of earnings during the absence from work due to temporary impediment from work on the ground of health-care regulations, that were due to be paid by the employer in conformity with the present Law for the

last nine months before the bankruptcy proceedings were opened;

2) of indemnity for the unused annual leave due to employer's fault, for a calendar year in which the bankruptcy proceedings are instituted, if he had that right before bankruptcy proceedings were opened;

3) of pension gratuity in a calendar year in which bankruptcy proceedings are instituted, if he had effected the right to old-age pension before the bankruptcy proceedings were opened;

4) of indemnity on the ground of a court decision rendered in a calendar year in which the bankrup(cy proceedings were instituted, due to an injury at work or professional illness, if that decision has become finally binding before the bankruptcy proceedings were opened.

An employee shall be entitled also to the payment of mandatory social insurance contributions, specified in paragraph 1, item 1/ of the present Article, in conformity with the mandatory social insurance regulations.

Article 126

The earnings and compensation of earnings specified in Article 125, paragraph 1, item 1/ of the present Law, shall be paid out in the amount equal to minimum earnings.

The indemnity for an unused annual leave specified in Article 125, paragraph 1, item 2/ of the present Law, shall be paid out in the amount determined by the decision of the bankruptcy court, but not more than in the amount equal to minimum earnings.

The old-age pension gratuity specified in Article 125, paragraph 1, item 3/ of the present Law, shall be paid out in the amount of two average earnings in the the Republic, according to the latest data published by the national authorities responsible for statistics.

The indemnity specified in Article 125, paragraph 1, item 4/ of the present Law shall be paid out in the amount of compensation determined by the court decision.

Establishing a Solidarity Fund

Article 127

For the purpose of realization of rights specified in Article 125 of the present Law, a Solidarity Fund shall hereby be established (hereinafter: Fund).

The activity of the Fund shall be to ensure and pay out claims in conformity with the present Law.

The Fund shall have the status of a legal entity and shall manage its affairs as a public service.

The head office of the Fund shall be in Belgrade.

Article 128

Resources for the establishment and the commencement of work of the Fund shall be provided in the budget of the Republic of Serbia.

The Fund shall commence its work on the day of being entered into the register, in conformity with the law.

Bodies of the Fund

Article 129

The bodies of the Fund shall be:

1) managing board;

2) supervisory board;

3) director.

Article 130

The managing board of the Fund shall have six members, as follows: two representatives of the Government, two representatives of representative trade unions, and two representatives of the representative associations of employers, established for the territory of the Republic of Serbia.

Each member of the managing board of the Fund shall have his deputy, who shall act on his behalf in the event of absence.

Members of the managing board of the Fund and their deputies shall be appointed by the Government for a four year term of office, as follows:

1) the representatives of the Government - at the proposal of the minister;

2) the representatives of the trade unions and associations of employers - at the proposal of the representative trade unions, and/or representative

associations of employers, members of the Social and Economic Council.

The managing board shall elect, from among its members, a chairman and a deputychairman of the managing board.

Article 131

The manner of work, as well as other matters relevant for the work of managing board shall be regulated by a statute and a general act of the Fund.

Article 132

The managing board:

1) shall enact a statute and other acts of the Fund, unless otherwise specified by the present Law;

2) shall develop a financial pan and adopt an annual statement of account of the Fund;

3) shall appoint a director of the Fund;

4) shall perform other affairs as specified by the present Law and the statute of the Fund.

The Government shall be in charge to give assent to the statute of the Fund, financial plan and annual statement of account of the Fund, and the decision on appointing the director of the Fund.

The managing board shall submit a report on running the business of the Fund until 31 March of the current year for the preceding year, at the latest.

Article 133

The supervisory board of the Fund shall have three members, as follows: one representative of the Government, one representative of the representative trade unions, and one representative of the representative associations of employers, established for the territory of the Republic of Serbia.

Each member of the supervisory board of the Fund shall have his deputy, who shall act on his behalf in the event of absence.

Members of the supervisory board of the Fund and their deputies shall be appointed by the Government for a four year term of office, as follows:

1) the representative of the Government, at the proposal of the minister;

2) the representatives of the trade unions and the associations of employers, at the proposal of representative trade unions and representative associations of employers, members of the Social and Economic Council.

The supervisory board shall elect from among its members a chairman and a deputychairman of the supervisory board.

Article 134

The supervisory board:

1) shall effect the supervision over financial activity of the Fund;

2) shall have the insight in enforcing laws and other regulations relating to financial activity of the Fund;

3) shall have the insight in carrying out decisions of the managing board;

4) shall perform other affairs, too, as specified by the present Law and the statute of the Fund.

The supervisory board shall submit to the Government, until 31 March of the current year for the preceding year, at the latest, a report on financial activity of the Fund.

Article 135

The director of the Fund:

1) shall organise the work and the running of business in the Fund, and shall be responsible for the legality of work in the Fund;

2) shall represent the Fund;

3) shall execute decisions of the managing board of the Fund;

4) shall pass acts on the organization and systematization of jobs in the Fund, in agreement with the Government;

5) shall manage the work of employees in the Fund;

6) shall perform other affairs in conformity with the present Law and the statute of the Fund.

Article 136

Administrative and professional affairs for the Fund shall be performed by employees in the Fund.

The employees referred to in paragraph 1 of the present Article shall be subject to the regulations relating to employment relations in public services.

Financing the Fund

Article 137

Receipts of the Fund shall be the resources set apart in the budget of the Republic of Serbia, and other resources in conformity with the law.

The resources of the Fund shall be used in conformity with the present Law.

Article 138

Should annual statement of account of receipts and expenses indicate that total receipts realised by the Fund surpass the realised expenses, the difference shall be paid in the account of the budget of the Republic of Serbia, and shall be allotted for carrying out the active employment policy program.

Procedure of Realisation of Employees' Rights

Article 139

The procedure of realisation of rights referred to in Article 125 of the present Law shall be instituted at the request of the employee (hereinafter: request).

The request shall be submitted to the Fund within 45 days from the day of referring the decision determining the right to claim, in conformity with the law regulating the bankruptcy procedure.

Article 140

The request shall be filed on a particular form.

The employee shall enclose to the request:

1) the employment contract, and/or other act relating to entering employment, while a person whose employment is terminated -- the act on termination of employment;

2) the act by means of which the right to claim referred to in Article 125, paragraph 1/ of the present Law is determined, in conformity with the law regulating the bankruptcy procedure;

3) the evidence that the claim referred to in Article 125, paragraph 1, items 2 through 4 of the _resent Law, does exist.

The contents of the form referred to in paragraph 1 of the present Article and the rest of documentation to be submitted by the employee shall be prescribed by the minister.

Article 141

Public receiver, employer and employee shall be obliged to forward, at the request of the Fund, and within 15 days from the day of the receipt of the request, all the information relevant for rendering the ruling referred to in Article 142 of the present Law.

Article 142

The managing board of the Fund shall decide on the request by a ruling.

A complaint may be lodged against the ruling, within eight days from the day of furnishing the ruling.

The minister shall decide on the complaint against the ruling, within 30 days from the day of lodging the complaint.

The ruling of the minister shall be final and no administrative dispute may be instituted against it.

Article 143

Application to exercise rights before the Fund may only be submitted, personally or via proxy, by the person to whom this right belongs.

If during the process of exercising rights before the Fund death of the party occurs, the right to proceed with the process rests on his inheritor in accordance with the law.

Article 144

If a claim under Article 125 of this law is paid in whole or in part in accordance with the regulations governing the bankruptcy process before execution of the decision referred to in Article 142 of this law, the Fund shall, ex officio, annul the decision and decide on the request in accordance with the new facts.

The relevant provisions of the law governing administrative procedure shall apply to the proceedings before the Fund which is not specifically regulated by this Law.

Refund of Unwarrantably Received Resources

Article 145

The Fund shall be bound to request from an employee the refund of resources paid in conformity with articles 125 and 126 of the present Law, increased for the prescribed interest on arrears and law costs, where the rights are acquired on the ground of untrue and incorrect information, and/or where the employee has failed to inform the Fund on facts relevant for acquiring and exercising the rights specified by the law - within a year from the day of becoming aware of the facts that were the basis of the resource refund.

The employee shall be obliged, within 30 days from the day of communicating the request for the resource refund, to effect the refund to the transfer account of the Fund.

Supervision over Legality of Work

Article 146

The supervision over the work of the Fund shall be exercised by the ministry in charge of labour (hereinafter: ministry).

X RIGHTS OF EMPLOYEES IN THE EVENT OF CHANGE OF EMPLOYER

Article 147

In the event of a status change, and/or change of employer, in conformity with the law, the successor employer shall take over from the predecessor employer the general act and all contracts of employment that are valid on the day of the change of employers.

Article 148

The predecessor employer shall be bound to notify, completely and truthfully, the successor employer on the rights and duties stipulated in the general act and the employment contracts that are transferred.

Article 149

The predecessor employer shall be bound to notify, in writing, the employees whose employment contracts are transferred, on the transfer of employment contracts onto the successor employer.

Should an employee refuse the transfer of the employment contract or fail to take stand within five work days from the day of communicating the notification referred to in paragraph 1 of the present Article, the predecessor employer may cancel the employment contract of that employee.

Article 150

The successor employer shall be bound to apply the general act of the previous employer for at least a year from the day of change of employers, unless if prior to the expiry of that time limit:

1) the validity period of the concluded collective agreement at the predecessor employer has expired;

2) a new collective agreement with the successor employer has been concluded.

Article 151

The predecessor employer and the successor employer shall be bound to notify the representative trade union at the employer, within 15 days at the latest, before the change of employer, on:

1) the date or proposed date of change of the employer;

2) the reasons for the change of employer;

3) legal, economic and social consequences of the change of employer, in respect to the status of employees, and measures for their attenuation.

The predecessor employer and the successor employer shall be bound, within 15 days before the change of employer, at the latest, in cooperation with the representative trade union, to take measures in order to attenuate social and economic consequences relevant for the position of employees.

Should no representative trade union exist at the employer, the employees shall be entitled to be directly notified on circumstances referred to in paragraph 1 of the present Article.

Article 152

(Repealed)

XI MANPOWER REDUNDANCY

Article 153

The employer shall be bound to develop a solution-finding program of manpower redundancy (hereinafter: program), after finding that due to technological, economic or organisational changes

there will be no more need, within a 30 day period, for the work of employees engaged for an indefinite period of time, relating at least to:

1) 10 employees with an employer who employs more than 20, and less than 100 employees engaged for an indefinite period of time;

2) 10% of employees with an employer engaging a minimum of 100, and a maximum of 300 employees engaged for an indefinite period of time;

3) 30 employees with an employer employing more than 300 employees engaged for an indefinite period of time.

Such a program shall be developed also by an employer after finding that there will be no more need for work of at least 20 employees within a 90 day period, on the ground of reasons referred to in paragraph 1 of the present Article, regardless of the total number of employees with the employer.

Article 154

Before developing the program, an employer, in cooperation with the representative trade union at the employer, and the republic organisation in charge of employment, shall be obliged to take appropriate measures for new employment of redundant employees.

Article 155

The program shall particularly include:

1) reasons for the cessation of the need for work of the employees;

2) total number of employees with the employer;

3) number, professional qualification structure, age, and years of insurance coverage of redundant employees, and jobs they perform;

4) criteria for establishing the manpower redundancy;

5) measures for finding employment: transfer to other work assignments, employment with another employer, retraining or additional training, part-time work, but not shorter than half of the full-time work, and other measures;

6) resources necessary for settling the social and economic position of redundant employees;

7) time limit within which the employment contract will be cancelled.

The employer shall be bound to communicate the proposal of the program to the trade union referred to in Article154 of the present Law and the republic organisation in charge of employment, within eight days at the latest, from the day of developing the proposal of the program, in order to obtain an opinion.

The program shall be enacted in the name and for the account of the employer by the responsible authority of the employer or the person determined by law or general act of the employer.

Article 156

The trade union referred to in Article 154 of the present Law shall be bound, within 15 days from the day of communicating the proposal of the program, to forward the opinion regarding the proposal of the program.

The republic organisation in charge of employment shall be bound, within the time limit specified in paragraph 1 of the present Article, to communicate to the employer the proposal of measures with the aim of preventing or reducing, as much as possible, the number of notices on cancelling the employment contracts, and/or to ensure retraining, additional training, self-employment and other measures aimed at finding new employment for redundant employees.

The empldyer shall be bound to examine and take into consideration the proposals of the republic organisation in charge of employment and the opinion of the trade union, and to inform them within eight days on his stand.

Article 157

The criterion for establishing manpower redundancy shall not include the absence of an employee temporarily prevented to work, pregnancy, maternity leave, leave for nursing the child, and leave for special care of the child.

Article 158

The employer shall, prior to termination of employment, pursuant to Article 179, paragraph 5, item 1) of this Act, pay to the employee a severance payment in accordance with this Article.

The amount of severance pay referred to in paragraph 1 of this Article shall be determined by the general act or employment contract, except that it may not be lower than the sum of the third of the employee's earnings for each full year of employment with the employer where he exercises the right to severance pay.

For determining the amount of severance pay the time spent in employment with the employer's predecessor shall be taken into account in the case of status changes and changes of employer within the meaning of Article 147 of this Law, as well as time spent at affiliates of the employer in accordance with the law.

Changing the ownership of capital shall not be considered as a change of employer in terms of exercising the right to severance pay in accordance with this Article.

General act or employment contract may not determine a longer period for payment of severance pay than the period specified in paragraphs 2 and 3 of this Article.

An employee may not qualify for severance pay for the same period for which he was already paid a severance pay at the same or another employer.

Article 159

Earnings in terms of Article 158 of the present Law shall be understood to mean the average earnings of the employed, paid for the three months preceding the payment of severance pay.

Article 160

An employee whose work is no more necessary and whose employment contract is cancelled by the employer after paying the severance pay, referred to in Article 158 of the present Law, shall be entitled to pecuniary compensation, and to old-age pension and disability insurance and health protection, in conformity with the regulations on finding employment.

XII BAR TO COMPETITION CLAUSE

Article 161

It shall be possible to specify in an employment contract the jobs an employee may not be engaged in on his own behalf and his own account, as well as on behalf and for the account of another legal entity or natural person, without the consent of his actual employer (hereinafter: bar to competition).

The bar to competition may be specified only should conditions exist that the employee may acquire, by working with the employer, new, particularly important technology know-how, a wide circle of business partners, or may become familiarised with significant business information and secrets.

The general act and the employment contract shall specify the territorial validity of the bar to competition, depending on the kind of job subject to the bar.

Should the employee violate the bar to competition, the employer shall be entitled to claim damages from the employee.

Article 162

An employer and an employee may agree in the employment contract also about the conditions of bar to competition in terms of Article 161 of the present Law following the termination of employment, covering a period that may not exceed two years after the termination of employment.

Bar to competition specified in paragraph 1 of the present Article may be stipulated if the employer undertakes the obligation in the employment contract to pay to the employee pecuniary compensation in the agreed amount.

XIII TORT LIABILITY

Article 163

An employee shall be liable for damage he causes to the employer, at work or in relation to work, with intent or by gross negligence, in conformity with the law.

Should several employees cause damage, each employee shall be liable for the part of damage caused by him.

Should it be impossible to establish the part of damage caused by the employee referred to in paragraph 2 of the present Article, it shall be considered that all the employees are equally liable, and they shall compensate the damage in equal shares.

Should several employees cause damage by means of a premeditated criminal offence, they shall be jointly and severally liable for the damage.

The existence of damage, its scope, relevant circumstances of its occurrence, who the damage-doer is and the manner of redress shall be established by the employer in conformity with the general act and/or employment contract.

Should compensation for damage be not realised in accordance with the provisions of paragraph 5 of the present Article, the court having the jurisdiction shall decide on the compensation.

An employee who has caused damage to a third party at work or in relation to work, with intent or by gross negligence, which damage has been redressed by the employer, shall be bound to compensate the employer for the amount of damages paid.

Article 164

Should an employee sustain injury or damage at work or in relation to work, the employer shall be obliged to redress such damage in conformity with the law and the general act.

XIV SUSPENSION OF AN EMPLOYEE FROM WORK

Article 165

An employee may be temporarily suspended from work:

1) If criminal prosecution commenced against him in accordance with the law because of a criminal offense committed at work or work-related;

2) If he endangers the property of greater value determined by the general act or employment contract by non-compliance with labor discipline or by breach of work duty;

3) If the nature of the breach of work duty, or non-compliance with labor discipline, or the conduct of the employee is such that he cannot continue to work for the employer before the expiration of the time period referred to in Article 180, paragraph 1 of this Law.

Article 166

An employee placed under custody shall be suspended from work within the entire custody period, as of the first day of the custody.

Article 167

The suspension specified in Article 165 of the present Law may not exceed three months, and after the expiration of that period the employer shall be bound to reinstate the employee or cancel his employment contractor impose other measure in accordance with this law, should justified reasons for doing so exist, as specified in Article 179, paragraphs 2 and 3 of the present Law.

If criminal prosecution commenced against the employee because of a criminal offense committed at work or work-related, the suspension may last until the final conclusion of the criminal proceedings.

Article 168

In the course of temporary suspension of an employee from work, in terms of articles 165 and 166 of the present Law, the employee shall be entitled to the compensation of earnings in the amount of one quarter, and where he is a family supporter, in the amount of one third of the basic earnings.

The compensation of earnings in the course of temporary suspension from work in terms of Article 166 of the present Law, shall be paid at the charge of the agency that has ordered the custody.

Article 169

An employee shall be entitled in the course of temporary suspension from work, in terms of articles 165 and 166 of the present Law, to the difference between the amount of compensation of earnings received on the ground of Article 168 of the present Law, and the full amount of the basic earnings, as follows:

1) should the criminal proceedings against him be discontinued by a final decision, or should he be acquitted by a final decision, or should charges against him be dismissed, but not due to the lack of jurisdiction;

2) If the employee's responsibility for breach of work duty or non-compliance with labor discipline under Article 179 paragraphs 2 and 3 of this law is not determined.

Article 170

(Repealed)

XV CHANGE OF AN EMPLOYMENT CONTRACT

1. Change of Stipulated Work Conditions

Article 171

An employer may offer to an employee a change of the stipulated work conditions (hereinafter: annex to the contract):

1) In order to make transfer to another appropriate job, necessitated by the process and the organisation of work;

2) in order to make transfer to another place at the same employer, in conformity with Article 173 of the present Law;

3) for the purpose of assigning to an appropriate job with another employer, in conformity with Article 174 of the present Law;

4) if he has made possible to a redundant employee to exercise the rights specified in Article 155, paragraph 1, item 5/ of the present Law;

5) to alter the elements for determination of basic earnings, work performance, compensation of earnings, increased earnings and other employee income that are contained in the employment contract in accordance with Article 33 paragraph 1 item 11) of this law;

6) in other cases as specified in the law, the general act or the employment contract.

An appropriate job in terms of paragraph 1, items 1/ and 3/ shall be understood to mean the job whose performance requires the same kind and degree of professional qualification otherwise stipulated in the employment contract.

Article 172

With an annex of the employment contract (hereinafter: the annex of the contract) the employer shall deliver to the employee a written notice that includes: the reasons for offered annex of the contract, the time period in which the employee should take stand which may not be shorter than eight working days, and the legal consequences which may arise by not signing the annex of the contract.

Should the employee sign the annex of the contract within the given time period, he reserves the right to challenge the legality of that annex before the competent court.

An employee who refuses the offer for annex of the contract within the given time period, reserves the right to challenge the legality of the annex of the contract in the judicial proceedings relating to termination of the employment contract pursuant to Article 179 paragraph 5 item 2) of this law.

It shall be considered that the employee refused the offer for annex of the contract if he does not sign the annex of the contract within the time period referred to in paragraph 1 of this Article.

Article 172a

If it is necessary to perform a particular job without delay, the employee may be temporarily transferred to other appropriate activities under a written order, without the offer of an annex of the contract in accordance with Article 172 of this law, for a maximum of 45 working days over a period of 12 months.

In the event of a transfer referred to in paragraph 1 of this Article, the employee retains the basic earnings determined for the job from which he was transferred, if that is more favorable to the employee.

The provisions of Article 172 of this Law shall not apply in case the annex of the contract was concluded on the initiative of the employee.

Amendment of personal information on the employee and information on employer and other information which does not change the working conditions may be stipulated in the annex of the contract, on the basis of appropriate documentation, without following the procedure for offering the annex in accordance with Article 172 of this law.

Employment contract with annexes which form an integral part of this contract may be replaced with the updated text of the employment contract, signed by the employer and the employee.

2. Transfer to Another Place of Work

Article 173

An employee may be transferred to another place of work:

1) where activity of the employer is of such a nature that the work is performed in places outside 2mployer's registered office, and/or his organisational part;

2) if the distance from the employee's place of work to the place he is going to be transferred to is less than 50 kilometers, and if regular transportation is oõganised that makes possible

timely arrival to work and return from work, and if transportation cost refund is provided for in the amount of the price of public transportation passenger ticket.

An employee may be transferred to another place of work in the cases not specified in paragraph 1 of the present Article only after his consent.

3. Assigning to Work with Another Employer

Article 174

An employee may be temporarily assigned to work with another employer at an appropriate job position, if temporarily there is no more need for his work, i business premises are given on lease or a contract is concluded of business cooperation - until the reasons exist for such assigning, and for a period not exceeding one year.

An employee, after giving his consent, in the cases specified in paragraph 1 of the present Article and in other cases as specified in the general act or the employment contract, may be temporarily assigned to work with another employer even for a period exceeding one year, until reasons for such assigning do exist.

An employee may be temporarily assigned, in terms of paragraph 1 of the present Article, to another place of work should the requirements specified in Article 173, paragraph 1, item 2/ of the present Law be fulfilled.

An employee shall conclude employment contract for a fixed period of time with the employer he has been assigned to.

After the expiry of the time limit stipulated for assigning to work with another employer, the employee shall be entitled to return to work with the employer who has assigned him.

XVI TERMINATION OF EMPLOYMENT RELATION

1. Reasons for Termination of Employment Relation

Article 175

An employment relation shall be terminated:

1) after the expiry of the period it was concluded for;

2) when an employee reaches the age of 65 and a minimum of 15 social insurance years, unless otherwise agreed between the employer and the employee;

3) by an agreement between the employee and the employer;

4) by notice of cancellation of employment contract by the employer or the employee;

5) at the request of a parent or guardian of an employed minor under 18 years of age;

6) in the event of death of the employed;

7) in other cases specified by the law.

Article 176

Employment relation of an employee shall terminate independently of his intent and the intent of the employer:

1) should it be established in the manner specified by law that an employee has suffered loss of working ability - as of the day of being delivered a finally binding ruling on establishing the loss of working ability;

2) if according to the provisions of the law, and/or a finally binding decision of the court or another agency, he was forbidden to perform particular jobs, while it was not possible to assign him to perform other jobs - as of the day of being delivered the finally binding decision;

3) if due to serving a prison sentence he has to be absent from work for a period exceeding six months - as of the day of being sent to serving the sentence;

4) if a security, correctional or protective measure is imposed upon him, exceeding a six month period, compelling him to be absent from work - as of the day of the commencement of administering such measure;

5) in the event of termination of employer's work, in conformity with the law.

2. Termination of Employment Relation by Mutual Consent

Article 177

An employment relation may terminate on the ground of agreement, in writing, between the employer and the employee.

Before signing the agreement, the employer shall be bound to notify the employee, in writing, on consequences that may ensue in exercising the rights in the event of unemployment.

3. Cancellation by Employee

Article 178

An employee shall be entitled to cancel the employment contract with the employer.

The notice of cancellation of employment contract shall be submitted in writing by the employee to the employer, at least fifteen days before the day indicated by the employee as the day of termination of employment relation (notice period).

The general act or employment contract may determine a longer notice period, but not longer than 30 days.

4. Cancellation by Employer

1) Reasons for Dismissal

Article 179

An employer may terminate the employee's employment contract for just cause which relates to employee's work ability and his conduct, such as:

1) If he does not achieve the work results or does not have the necessary knowledge and skills to perform his duties;

2) If he is legally convicted of a crime in the workplace or related to workplace;

3) If he does not return to work for the employer within 15 days of the expiry of the time period of stay of employment under Article 79 of this law, or unpaid absence under Article 100 of this law.

The employer may terminate the employment contract of the employee who on his own fault commits a breach of a work duty, as follows:

1) If he is negligent or reckless in performing the work duty;

2) If he abuses his position or exceeds authority;

3) If he unreasonably and irresponsibly uses means of work;

4) If he does no use or uses inappropriately allocated resources and personal protective work equipment;

5) If he commits other breach of work duty as determined by the general act or employment contract.

The employer may terminate the employment contract of an employee who does not respect labor discipline, as follows:

1) If he unreasonably refuses to perform work and execute the orders of the employer in accordance with the law;

2) If he does not submit a certificate of temporary incapacity for work in terms of Article 103 of this Law;

3) If he abuses the right to leave due to temporary incapacity for work;

4) If comes to work under the influence of alcohol or other intoxicating substances, or uses alcohol or other intoxicating substances during working hours, which has or may have an impact on the work performance;

5) If his behavior represents an act of committing the criminal offense executed at work or related to work, regardless of whether criminal prosecution for a criminal offense was instigated against the employee;

6) If he gave incorrect information that were critical for concluding the employment relation;

7) If the employee works in jobs with higher risk, for which a specific health condition is a special requirement for work, refuses to undergo a health condition test;

8) If he does not respect labor discipline prescribed by an act of the employer, or if his conduct is such that he cannot continue to work for the employer.

The employer may instruct the employee to undertake an appropriate analysis at a designated medical facility chosen by the employer, at his own

expense, to determine the circumstances mentioned in paragraph 3, items 3) and 4) of this Article, or to determine the existence of the above circumstances otherwise in accordance with the general act. Refusal of an employee to respond to the call of the employer to carry out the analysis shall be considered as a breach of labor discipline in terms of paragraph 3 of this Article.

Employee's employment relation may be terminated if there is a valid reason relating to the employer's needs, as follows:

1) If as a result of technological, economic or organizational changes the need to perform a specific job ceases, or there is a decrease in workload;

2) If he refuses to conclude the annex of the contract pursuant to Article 171, paragraph 1, items 1-5) of this law.

2) Measures against Non-Compliance with Labor Discipline or Violation of Duties

Article 179a

Employer may, for breach of work duty or non-compliance with labor discipline in terms of Article 179, paragraphs 2 and 3 of this law, if he considers that there are extenuating circumstances or that breach of work duty, or non-compliance with labor discipline, is not of such a nature that the employee's employment relation should be terminated, rather than terminating the employment contract, impose one of the following measures:

1) Temporary suspension from work without compensation of earnings, for a period of one to 15 working days;

2) Fine of up to 20% of the basic earnings of the employee for the month in which the fine was imposed, for a period of up to three months, which is executed by deductions from earnings, based on the decision of the employer on the measure imposed;

3) Warning with a threat of dismissal which states that the employer shall terminate the employee's employment contract without repeated warning under Article 180 of this law, if within the next time period of six months he commits the same breach of work duty, or noncompliance with labor discipline.

3) The Procedure before Termination of Employment Relation or Imposition of other Measures

Article 180

The employer shall, prior to termination of employment contract in the case of Article 179, paragraphs 2 and 3 of this law, warn the employee in writing of the existence of cause for termination of employment contract and to leave him a time period of not less than eight days from the day of delivery of the warning to comment on the allegations in the warning.

The employer shall state in the warning, referred to in paragraph 1 of this Article, the grounds for dismissal, the facts and evidence which suggest that the conditions for dismissal were met and that the time period for response to the warning has expired.

Article 180a

Employer may terminate the employment contract of the employee referred to in Article 179, paragraph 1, item 1) of this law, or impose some of the measures under Article 179a, if he has previously given written notice regarding the deficiencies in employee's work, guidance and appropriate deadline to enhance and improve work, and the employee does not enhance work within the given deadline.

Article 181

Employee may attach to his plea the opinion of the trade union whose member he is, within the time period specified in Article 180 of the law.

The employer shall be obliged to take into account the attached opinion of the trade union.

Article 182

If he cancels the employment contract with the employee in the case of Article 179, paragraph 5, item 1) of the present Article, the employer may not employ another person to perform the same jobs within three months from the day of termination of employment relation, except in the case of Article 102, paragraph 2 of this law.

Should it be necessary, prior to the expiry of time limit specified in paragraph 1 of the present Article, to perform the same jobs, the priority for concluding the employment contract shall be applied regarding the employee whose employment relation was terminated.

Article 183

The following shall not be considered as a justified reason for cancelling the employment contract in terms of Article 179 of the present Law:

1) temporary impediment for work due to illness, accident at work or occupational disease;

2) use of maternity leave, absence from work for child care and absence from work due to special child care;

3) full-term serving or completion of serving in the military;

4) membership in a political organisation or in a trade union, sex, language, nationality, social background, religion, political or other conviction, or other personal characteristic of the employee;

5) activity as a representative of employees, in conformity with the present Law;

6) addressing by the employee the trade union or agencies in charge of protection of employment-related rights, in conformity with the law, the general act and the employment contract.

5. Dismissal Procedure

1) Time Limit of Unenforceability Due to Statute of Limitations

Article 184

The employer may terminate the employment contract of the employee, under Article 179, paragraph 1, item 1) and paragraphs 2 and 3 of this law, within six months from the day the employer learned of the facts which are grounds for dismissal, or within one year from the occurrence of the facts which are grounds for dismissal.

The employer may terminate the employment contract of the employee, under Article 179, paragraph 1, item 2) of this law, not later than the expiry of the time period of statute of limitations for the criminal offense established by law.

2) Furnishing the Act of Cancelling the Employment Contract

Article 185

An employment contract shall be cancelled by a ruling, in writing, and shall include an obligatory assignment of reasons and the instruction relating to legal remedy.

The ruling shall be delivered to the employee in person, in employer's premises, and/or to employee's residence or abode address.

Should the employer be unable to deliver to the employee the ruling referred to in paragraph 2 of the present Article, he shall be obliged to make a note in writing about that.

In the event specified in paragraph 3 of the present Article, the ruling shall be posted on the employer's billboard, and eight days following such posting, it shall be considered that the ruling has been delivered.

Employment relation of the employee shall be terminated on the day of delivery of the ruling, unless another time limit be determined by the present Law or the ruling.

The employee shall be bound to notify the employer, in writing, on the day following the date of delivery of the ruling, of his intent to settle the dispute before an arbitrator in terms of Article 194 of the present Law.

3) Duty of Payment of Earnings and Compensation of Earnings

Article 186

In case of termination of the employment relation, an employer shall be bound to pay to the employee all unpaid earnings, compensation of earnings and other income effected by the employee until the day of termination of employment relation, in concordance with the general act and the employment contract.

The employer shall be bound to make the payment of dues referred to in paragraph 1 of the present Article within 30 days, at the latest, from the day of termination of employment relation.

6. Special Protection against the Cancellation of Employment Contract

Article 187

An employer may not cancel the employment contract to an employee in the course of pregnancy, maternity leave, leave for nursing the child and leave for special care for child.

The period of employment of the employee employed for a definite period of time referred to in

Paragraph 1 of the present Article shall be extended until the expiry of the usage of the right of leave.

The decision on termination of the employment contract is null and void if at the date of rendering of the decision on termination of employment contract the employer was aware of the existence of the circumstances referred to in paragraph 1 of this Article, or if the employee, within 30 days of termination of employment relation, informs the employer of the existence of the circumstances referred to in paragraph 1 of this Article, and submits the appropriate certificate of an authorized physician or other competent authority.

Article 188

An employer may not terminate an employment contract, or in any other way to put the employee in a disadvantageous position because of his status or activities as an employee representative, trade union member, or because of his participation in trade union activities.

The burden of proving that the termination of the employment contract or placing an employee in a disadvantageous position is not a consequence of the status or activities referred to in paragraph 1 of this Article shall be on the employer.

7. Dismissal Period and Severance Pay

Article 189

An employee whose employment contract has been terminated due to unsatisfactory work performance, or lack of necessary knowledge and skills in terms of Article 179, paragraph 1, item 1) of this law, shall be entitled to a notice period to be determined by the general act or employment contract, depending on length of insurance coverage, but which may not be shorter than eight nor longer than 30 days.

The dismissal period shall begin to run on the day following the day of forwarding the ruling on cancelling the employment contract.

In agreement with the agency in charge specified in Article 192 of the present Law, an employee may stop working even prior to the expiry of dismissal period, with the proviso that he be provided the compensation of earnings in the amount determined by the general act and the employment contract.

Article 189a

An employee whose employment relation is terminated shall be entitled to request a certificate from the employer that contains the date of conclusion and termination of employment relation and the type, or description of the jobs in which he worked.

At the request of the employee, the employer may evaluate his behavior and work performance in the certificate referred to in paragraph 1 of this Article, or in a separate certificate.

Article 190

(Repealed)

8. Legal Consequences of Unlawful Termination of Employment

Article 191

If the court during the proceedings determines that the employee employment relation terminated without legal basis, the court shall, at the request of the employee, decide that the employee shall return to work and be compensated for damages and that his corresponding contributions for compulsory social insurance shall be paid for the period in which the employee has not worked.

The compensation of damages referred to in paragraph 1 of this Article shall be determined in the amount of lost earnings, which shall contain the corresponding taxes and contributions in accordance with the law, but which shall not include charges for meals at work, for food in course of work; subsidy for the use of annual leave, bonuses, awards and other income based on contribution to business success of the employer.

The compensation of damages referred to in paragraph 1 of this Article shall be paid to the employee in the amount of lost earnings, which shall be reduced by the amount of taxes and contributions that are calculated based on earnings in accordance with the law.

Taxes and contributions for compulsory social insurance for the period in which the employee has not worked shall be calculated and paid on a specified monthly amount of the lost earnings referred to in paragraph 2 of this Article.

If the court during the proceedings determines that the employee’s employment relation was terminated without legal basis, and the employee does not

require to return to work, the court shall, at the request of the employee, obligate the employer compensate the employee for damages in the amount of up to 18 employee's earnings, depending of time spent in employment relation with the employer, the employee's age and number of dependent family members.

If the court during the proceedings determines that the employee’s employment relation was terminated without legal basis, but during the proceedings the employer proves that the circumstances exist which reasonably indicate that the continued employment, taking into account all the circumstances and interests of both sides in the dispute, is not possible, the court shall deny request of the employee to return to work and order the employer to compensate employee’s damages in the amount which equals a double amount determined in accordance with paragraph 5 of this Article.

If the court does determine that there were grounds for termination of employment relation, but that the employer acted contrary to the law which prescribes the procedure for termination of employment, the court shall reject the request of the employee to return to work, and shall order the employer to compensate the employee’s damages in the amount of up to six earnings.

Earnings under paragraphs 5 and 7 of this Article shall be considered as earnings which the employee earned in the month preceding the month in which his employment relation was terminated.

Compensation from paragraphs 1, 5, 6 and 7 of this Article shall be reduced by the amount of income that the employee earned working after termination of employment relation.

XVII EXERCISING AND PROTECTION OF EMPLOYEES' RIGHTS

Article 192

Following persons shall decide on rights, duties and responsibilities in employment relation:

1) In a juridical person: the competent authority of the employer, or the person determined by law or general act of the employer, or any person authorized by them;

2) At an employer who is not a juridical person: the entrepreneur or a person authorized by him.

The authorisation specified in paragraph 1 of the present Article shall be issued in writing.

Article 193

A ruling in respect to exercising the rights, duties and responsibilities shall be delivered to the employee in writing, with an assignment of reasons and instruction regarding legal remedy, except in the case specified in Article 172 of the present Law.

Provisions of Article 182, paragraphs 2 through 4 of the present Law shall relate also to the procedure of delivery of the ruling specified in paragraph 1 of the present Article.

Protection of Individual Rights

Article 194

The procedure of consensual settling of disputed issues between an employer and an employee may be provided for in the general act and the employment contract.

The disputed issues in terms of paragraph 1 of the present Article shall be settled by an arbitrator.

The arbitrator shall be determined by agreement between parties in dispute, from among the experts in the field under dispute.

Time limit for instituting the proceedings before an arbitrator shall be three days from the day of delivery of the ruling to the employee.

The arbitrator shall be obliged to render a decision within 10 days from the day of submission of request for consensual settling of disputed issues.

The employment relation of the employee shall rest in course of the proceedings before the arbitrator relating to the cancellation of employment contract.

Should the arbitrator fail to render a decision within the time limit specified in paragraph 5 of the present Article, the ruling on the cancellation of the employment contract shall become apt to be carried out.

The decision of the arbitrator shall be final and binding for the employer and the employee.

Article 195

An employee, and/or a representative of employee's trade union, if authorised by the employee, may

institute proceedings before a competent court against a ruling that violates his right, or when such employee has become aware of the violation of the right.

The time limit for instituting the court proceedings shall be 60 days following the day of delivery of the ruling, and/or after becoming aware of the violation of right.

Time Limits of Unenforceability of Claims Deriving from Employment due to Statute of Limitations

Article 196

All pecuniary claims deriving from employment shall fall under statute of limitations three years from the day of creation of the relevant obligation.

XVIII SPECIAL PROVISIONS

1. Work outside the Scope of Employment

1) Temporary and Periodical Jobs

Article 197

For performing jobs whose kind is such that they do not exceed 120 workdays in a calendar year, an employer may conclude a contract of performing temporary and periodical jobs with:

1) an unemployed person;

2) a part time employed person - to full working hours;

3) an old-age pension beneficiary.

The contract specified in paragraph 1 of the present Article shall be concluded in written form.

Article 198

An employer may conclude a contract with a person - member of youth or student cooperative, in accordance with the regulations on cooperatives, for the performance of temporary and periodical jobs.

2) Contract for the Supply of Services

Article 199

An employer may conclude with a particular person a contract for the supply of services for the performance of jobs outside employer's line of business, and with the aim of independent manufacture or repair of a particular item, or independent carrying out of particular physical labour or intellectual work.

The contract for the supply of services may be entered into with a person performing artistic or other activities in the sphere of culture as well, in conformity with the law.

The contract referred to in paragraph 2 of the present Article must be in accordance with the single collective agreement relating to persons engaged in independent activity in the spheres of arts and culture, where such agreement has been concluded.

The contract specified in paragraph 1 of the present Article shall be concluded in written form.

Article 200

(Repealed)

4) Contract of Vocational Training and Improvement

Article 201

Contract on vocational training may be concluded, for completing traineeship or taking a professional exam, when the law or a rulebook provides that as a separate requirement for independent work in the field.

Contract on vocational improvement may be concluded, for professional development and acquisition of specific knowledge and skills to work in the profession, or to undergo specialization, during the time established for the program of training or specialization, in accordance with a special regulation.

The employer may provide to the person undergoing vocational training or improvement monetary compensation and other rights in accordance with law, general act or contract on professional training and improvement.

Monetary compensation referred to in paragraph 3 of this Article shall not be considered as income in terms of this law.

Contract from paragraphs 1 and 2 of this Article shall be concluded in writing.

5) Supplementary Work

Article 202

An employee working full-time with an employer, may conclude a contract of supplementary work with another employer, and to a maximum of one third of full-time working hours.

The contract of supplementary work shall specify the right to pecuniary compensation and other rights and duties on the ground of labour.

The contract specified in paragraph 1 of the present Article shall be concluded in written form.

Article 203

(Repealed)

3. Employment Record Booklet

Article 204

An employee shall have an employment record booklet that shall be handed over to the employer at establishing labour relation.

The employment record booklet shall be a public document.

The employment record booklet shall be issued by the municipal administration.

An employer shall be bound to return a properly filled-out employment record booklet to the employee on the day of termination of employment.

It shall be prohibited to enter into the employment record booklet data negative for the employee.

The contents of the employment record booklet, the manner of entering data into the employment record booklet and the way of keeping records on issued employment record booklets shall be prescribed by the minister.

XIX ORGANISATIONS OF EMPLOYEES AND EMPLOYERS

1. Council of Employees

Article 205

Employees working with an employer having over 50 employees may establish a council of employees, in conformity with the law.

The council of employees shall render opinion and participate in the decision-making relating to economic and social rights of employees, in the way and under the conditions specified by law and general act.

2. Trade Union of Employees

Article 206

Freedom to organise in trade unions and engage in trade union activity shall be guaranteed to employees, and shall require no approval, with making an entry into the register.

Article 207

An employ may join a trade union by signing a membership application form.

An employer shall be bound to deduct from the earnings of an employee, who is a trade union member, the amount of trade union membership fee, on the ground of his statement in writing, and to pay that amount in the apropriate account of the trade union.

Article 208

The trade union shall be obliged to forward to the employer the act of making entry into the trade union register, and the decision relating to the election of president and members of the trade union bodies, within eight days from the day of forwarding the act of making the entry into the register, and/or the day of election of trade union bodies.

Article 209

The trade union shall be entitled to be notified by the employer on the economic, labour and social matters significant for the position of employees, and/or trade union members.

Article 210

An employer shall be bound to provide the trade union which gathers the employees at the employer with technical conditions and space in accordance with the physical and financial capabilities, as well as to enable access to the data and information necessary for performing trade union activities.

The technical conditions and space for performing trade union activities shall be determined by means of collective agreement or agreement between the employer and the trade union.

Article 211

The collective agreement or agreement between the employer and the trade union at the employer may determine the right of the trade union representative to a paid leave in order to perform trade union duties, in proportion to the number of union members.

Where a collective agreement or agreement referred to in paragraph 1 of the present Article is not conclude, a person authorized to represent the representative trade union at the employer shall be entitled, for the purpose of discharging the trade union function:

1) to 40 paid hours a month if the trade union has a minimum of 200 members, and one hour each monthly, for every subsequent 100 members;

2) to proportionally less paid hours, where the trade union numbers less than 200 members.

Where collective agreement or the agreement referred to in paragraph 1 of the present Article is not concluded, the president of the chapter and the trade union body member shall be entitled to 50% of paid hours specified in paragraph 2 of the present Article.

Article 212

A trade union representative authorised for collective bargaining, and/or designated as a member of the collective bargaining body, shall be entitled to paid leave in course of bargaining procedure.

Article 213

A trade union representative designated to act on behalf of an employee in the labour dispute against an employer before the arbitrator or the court, shall be entitled to a paid absence from work in course of effecting representation.

Article 214

A trade union representative absent from work in accordance with articles 211 through 213 of the present Law shall be entitled to compensation of earnings which may not be greater than his average earnings over the past 12 months, in conformity with the general act and the employment contract.

The compensation of earnings specified in paragraph 1 of the present Article shall be paid by employer.

3. Establishing a Trade Union and an Association of Employers

Article 215

In terms of Article 6 of the present Law, a trade union may be established in conformity with the trade union general act.

Article 216

An association of employers may be established by employers who employ a minimum of 5% of employees, as compared to total number of the employed in a specific branch, group, subgroup or line of business, and/or in the territory of a specific territorial unit.

Article 217

A trade union and an association of employers shall be entered into the register in conformity with the law and other regulations.

The manner of making an entry into the register of trade unions and associations of employers shall be prescribed by the minister.

4. Representativeness of Trade Union

Article 218

A trade union shall be considered representative:

1) if established and acting according to the principles of trade union organising and action;

2) if it is independent from state agencies and employers;

3) if financed predominantly from membership fee and other sources of its own;

4) if having a necessary number of members on the ground of membership application forms, in conformity with articles 219 and 220 of the present Law;

5) if entered into the register in conformity with the law and other regulations.

In determining the representativeness of a trade union on the ground of the number of members, the priority shall be given to the last signed trade union membership application form.

Article 219

A representative trade union at an employer shall be considered a trade union meeting the requirements specified in Article 218 of the present Law, and the requirement of being joined by a minimum of 15% of the total number employed with the employer.

A representative trade union at an employer shall also be considered a trade union in a branch, group, subgroup or line of business, joined by a minimum of 15% of the total number of employed with that employer.

Article 220

A representative trade union for the territory of the Republic of Serbia, and/or of a territorial autonomy unit or local self-government, and/or for a branch, group, subgroup or line of business, shall be considered a trade union meeting the requirements specified in Article 218 of the present Law, and being joined by a minimum of 10% of the total number of employed in the branch, group, subgroup or line of business, and/or in the territory of a specific territorial unit.

5. Representativeness of Association of Employers

Article 221

An association of employers shall be considered representative:

1) if entered into the register in conformity with the law;

2) if having a necessary number of employees with the employer - members of the association of employers, in conformity with Article 222 of the present Law.

Article 222

A representative association of employers, in terms of the present Law, shall be considered an association of employers joined by 10% of the total number of employers in a branch, group, subgroup or line of business, and/or in the territory of a specific territorial unit, with the proviso that such employers employ a minimum of 15% of the total number of employees in a branch, group, subgroup or line of business, and/or in the territory of a specific territorial unit.

6. Determining Representativeness of Trade Union and Association of Employers

1) Body Competent for Determining Representativeness

Article 223

Representativeness of a trade union at an employer shall be determined by the employer in the presence of representatives of the interested trade union, in conformity with the present Law.

A trade union may submit a request for determining the representativeness to the Board of Determining Representativeness of Trade Unions and Associations of Employers (hereinafter: Board):

1) should representativeness be not determined in terms of paragraph 1 of the present Article within 15 days from the day of submitting the request;

2) should it consider that the representativeness of the trade union is not determined in conformity with the present Law.

Article 224

Representativeness of a trade union for the territory of the Republic of Serbia, and/or of a territorial autonomy or local self-government unit, and/or in a branch, group, subgroup or line of business, and the representativeness of the association of employers -- shall be determined by the minister, at the proposal of the Board, in accordance with the present Law.

Article 225

The Board shall be composed by three each of the representatives of Government, the trade union and the association of employers, who shall be nominated for a four year term of office.

The representatives of Government shall be nominated by the Government at the proposal of the minister, and representatives of the trade union and the association of employers shall be nominated by trade unions and associations of employers - members of the Social and Economic Council.

Administrative and professional jobs shall be performed for the Board by the ministry.

2) Request for Determining Representativeness

Article 226

The request for determining representativeness (hereinafter: request) in terms of Article 223,

paragraph 1 of the present Article shall be submitted by the trade union to the employer.

Enclosed to the request shall be the evidence regarding the fulfillment of conditions of representativeness specified in Article 218, paragraph 1, items 4/ and 5/, and Article 219 of the present Law.

Article 227

The request for determining representativeness in terms of Article 223, paragraph 2 and Article 224 of the present Law, a trade union and/or association of employers shall submit to the Board.

Evidence on meeting the requirements of representativeness specified in Article 218, paragraph 1, items 4/ and 5/, and articles 219 through 222 of the present Law and, for a trade union at an employer, also the evidence on meeting the requirements specified in Article 223, paragraph 2 of the present Article, shall be enclosed to the request.

The request shall include a statement on the number of members, by the person authorised to act on behalf and to represent the trade union, and/or the association of employers.

Total number of employees and employers in the territory of a specific territorial unit, in a branch, group, subgroup or line of business shall be determined on the ground of data supplied by the agency in charge of statistics, and/or other agency keeping the corresponding records.

Total number of employees with an employer shall be determined on the ground of an attestation issued by the employer.

At the request of a trade union, an employer shall be bound to issue the attestation regarding the number of employees.

3) Procedure Relating to Request

Article 228

The procedure of determining representativeness of a trade union at an employer shall be joined also by the representatives of trade unions established at the employer.

Competent to decide on the request specified in Article 226 of the present Law shall be the employer on the ground of submitted evidence as to meeting the requirement for representativeness, within 15 days from the day of submitting the request.

Article 229

The Board shall determine whether the request and the evidence are submitted in conformity with Article 227 of the present Law.

At the demand of the Board, the submitter of the request shall forward the trade union membership application forms, and/or agreements and other evidence relating to employers' joining the association of employers.

The submitter of the request shall be bound to eliminate the defaults within 15 days, should evidence specified in Article 227 of the present Law be not forwarded.

A request shall be considered regular and timely forwarded after the submitter has eliminated defaults within the time limit specified in paragraph 3 of the present Article.

The Board can operate and adopt the proposal if at least two-thirds of the total number of members of the Board is present at the meeting.

The Board approves the proposal by majority vote of the total number of members of the Board.

If the Board fails to submit a suitable proposal in due time, but not later than 30 days from the date of the request, the Minister may decide on the request even without the Board’s proposal.

Article 230

At the proposal of the Board, the minister shall render a resolution on rejecting the request:

1) where a trade union at an employer submitted a request prior to submitting the request for determining representativeness to the employer, and/or prior to the expiry of the time limit specified in Article 223, paragraph 2, item 1/ of the present Law;

2) should the submitter of request fail to eliminate defaults within the time limit specified in Article 229, paragraph 3 of the present Law.

Article 231

The minister shall render a ruling on determining representativeness of a trade union, and/or association of employers, at the proposal of the Board, if requirements are met as specified in the present Law.

The ruling specified in paragraph 1 of the present Article shall be rendered within 15 days from the day of submitting the request, and/or the day of elimination of defaults in terms of Article 229, paragraph 3 of the present Law.

At the proposal of the Board, the minister shall render a ruling on rejecting the request, should a trade union, and/or association of employers, fail to meet the requirements of representativeness as specified by the present Law.

An administrative dispute may be instituted against the ruling referred to in paragraphs 1 and 3 of the present Article.

Article 232

The minister may require from the Board a reassessment of the proposal for determining representativeness within an eight day time limit from the day of submitting the proposal, after finding that not all the facts essential for determining representativeness have been established.

The Board shall be bound to take stand relating to the request specified in paragraph 1 of the present Article, and to forward a final proposal within a three day time limit from the day of forwarding the request for reassessment of the proposal of the Board.

The minister shall be bound to proceed with the proposal specified in paragraph 2 of the present Article and to render a ruling in terms of Article 231 of the present Law.

4) Reassessment of a Determined Representativeness

Article 233

A trade union, employers and an association of employers may submit a request for reassessment of an already determined representativeness after the expiry of a three day time limit from the day of rendering the ruling specified in Article 228, paragraph 2, Article 231, paragraph 1, and Article 232, paragraph 3 of the present Law.

The reassessment of representativeness of a trade union at an employer, as determined by employer's ruling, may be initiated by the employer, and/or at the request of another trade union at that employer.

A request for reassessment of representativeness of a trade union atan employer, as determined by the minister, may be submitted by the employer the trade union is established

at, whose representativeness is in the course of reassessment, or by another trade union at the same employer.

The request for reassessment of the representativeness of the trade union, specified in Article 220 of the present Law, may be submitted by a trade union established for a territorial unit, and/or branch, group, subgroup or line of business the trade union, whose representativeness is in course of reassessment, was established for.

The request for reassessment of representativeness of an association of employers, specified in Article 222 of the present Law, may be submitted by an association of employers established for a branch, group, subgroup or line of business, and/or territorial unit the association of employers, whose representativenes is in course of reassessment, was established for.

Article 234

The request specified in Article 233, paragraph 2 of the present Law shall be submitted to the employer at which the trade union whose representativeness is in course of reassessment was established at.

The request and the initiative specified in Article 233, paragraph 2, shall include the name of the trade union, the number of registration act, reasons for reassessment of representativeness and the relevant evidence.

The employer shall be bound, within eight days from the day of receipt of the request specified in paragraph 1 of the present Article, and/or from instituting the initiative specified in paragraph 2 of the present Article, to notify on the matter the trade union whose representativeness is in course of reassessment, and to request it to forward evidence as to meeting the requirements for representativeness, in conformity with the present Law.

The trade union shall be bound, within eight days from the day of receipt of notification specified in paragraph 3 of the present Article, to forward to the employer the evidence relative to meeting the requirements for representativeness.

Article 235

The request specified in Article 233, paragraphs 3 through 5 of the present Law shall be submitted to the Board, and shall include the name of the trade union, and/or association of employers, the level at the moment of establishment, the number of registration act, reasons for the reassessment of representativeness, and the indication of relevant evidence.

The Board shall be bound, within eight days from receipt of the request specified in paragraph 1 of the present Article, to notify on the matter the trade union, and/or association of employers whose representativeness is in course of reassessment, and to request furnishing of evidence on meeting the requirements of representativeness, in conformity with the present Law.

A trade union, and/or an association of employers shall be bound, within a 15 day time limit from the receipt of notification referred to in paragraph 2 of the present Article, to forward to the Board the evidence relative to meeting the requirements of representativeness.

Article 236

The proceedings for reassessment of representativeness of a trade union, and/or an association of employers shall be conducted pursuant to provisions of articles 228 through 232 of the present Law.

Article 237

A ruling on representativeness and a ruling on forfeiture of representativeness of a trade union for a specific branch, group, subgroup or line of business, and/or for a territorial unit, as well as a ruling on determining the representativeness, and a ruling on forfeiture of representativeness of an association of employers, shall be made public in the "Official Herald of the Republic of Serbia".

7. Legal and Business Capacity of Trade Union and Association of Employers

Article 238

A trade union and an association of employers shall acquire legal entity status on the day of filing into the register, in conformity with the law and other piece of legislation.

Article 239

A trade union, and/or an association of employers whose representativeness has been determined in conformitywith the present Law, shall be entitled to:

1) collective bargaining and entering into a collective agreement at a corresponding level;

2) take part in settling collective labour disputes;

3) take part in the work of tripartite and multipartite bodies on acorresponding level;

4) other rights in conformity with the law.

XX COLLECTIVE AGREEMENTS

1. Subject and Form of Collective Agreement

Article 240

A collective agreement shall be, in conformity with the law and other regulations, an instrument of regulation of rights, duties and responsibilities in the sphere of employment relation, of procedure of amending a collective agreement, of mutual relations of parties to the collective agreement, and of other matters of importance to employee and employer.

A collective agreement shall be concluded in writing.

2. Kinds of Collective Agreements

Article 241

A collective agreement may be concluded as a general, special, and as an agreement with an employer.

Article 242

A general collective agreement and a special collective agreement for a particular branch, group, subgroup or line of business shall be concluded for the territory of the Republic of Serbia.

Article 243

A special collective agreement shall be concluded for the territory of a unit of territorial autonomy or local self-government.

3. Parties to the Process of Conclusion of Collective Agreement

Article 244

A general collective agreement shall be concluded between a representative association of employers and a representative trade union established for the territory of the Republic of Serbia.

Article 245

A special collective agreement for a branch, group, subgroup or line of business shall be concluded by a representative association of employers and a representative trade union, established for the branch, group, subgroup or line of business.

A special collective agreement for a territory of territorial autonomy and local selfgovernment unit shall be concluded by a representative association of employers and a representative trade union, established for a territorial unit for which the collective agreement is in course of conclusion.

Article 246

A special collective agreement relating to public companies and public services shall be concluded between a founder, and/or agency authorised by him, and a representative trade union.

Special collective agreement for the territory of the Republic for the public companies and public services established by the autonomous province or a unit of local government may be concluded by the Government and the representative trade union, if there is a legitimate interest and in order to ensure equal work conditions.

Special collective agreement for public companies and corporations established by the public company shall be concluded by the founder of the public company, or a body authorized by the founder and a representative trade union.

A special collective agreement relating to persons engaged in the activity in the spheres of fine arts and culture (free-lance artists) shall be concluded between a representative association of employers and a representative trade union.

Article 247

A collective agreement at an employer relating to public companies, corporations established by the public company and public services, shall be concluded by a founder, and/or agency authorised by him, and a representative trade union at the employer and the employer. On behalf of the employer, the collective agreement shall be signed by a person authorized to represent the employer.

Article 248

A collective agreement at an employer shall be concluded by the employer and the representative trade union at the employer. On behalf of the employer, the collective agreement shall be signed by a person authorized to represent the employer.

Article 249

Should none of the trade unions, and/or none of the associations of employers meet the requirements of representativeness in terms of the present Law, the trade union and/or the association of employers may conclude an agreement of association for the purpose of fulfilling the requirements of representativeness, as determined by the present Law, and of taking part in the conclusion of the collective agreement.

Article 250

If a trade union is not established at an employer, the earnings, compensation of earnings and other income of employees may be regulated by an agreement.

The agreement shall be considered concluded following the signature of a person authorized to represent the employer, and the representative of the council of employees who was authorised by a minimum of 50% of the total number of employees with the employer.

The agreement shall cease to be valid on the day of entering into force of the collective agreement.

4. Bargaining and Concluding Collective Agreement

Article 251

Where several representative trade unions or representative associations of employers, and/or trade unions or associations of employers who have concluded an agreement of association in terms of Article 249 of the present Law, take part in concluding a collective agreement - a negotiation board shall be established.

Members of the board referred to in paragraph 1 of the present Article shall be determined by the trade unions, and/or associations of employers, in proportion to the number of members.

Article 252

In the bargaining procedure aimed at concluding a collective agreement at an employer, the representative trade union shall be obliged to cooperate with a trade union joined by a minimum of 10% of employees with the employer, in order to express the interests of employees who are members of that trade union.

Article 253

Representatives of trade unions and of associations of employers taking part in bargaining procedure aimed at concluding a collective agreement, and entering into collective agreement, have to be authorised by their organs.

Article 254

Participants in the procedure of concluding a collective agreement shall be obliged to bargain.

Should in course of bargaining an agreement be not reached for concluding the collective agreement within 45 days from the day of commencement of bargaining, the participants may establish an arbitration for settling the disputed issues.

As far as activities of general interest are concerned, disputes in the procedure of conclusion, amending and implementation of collective agreements shall be settled in conformity with the law.

Article 255

Composition, way of work and the effect of an arbitration settlement shall be determined by the participants in the procedure of conclusion of collective agreement.

Deadline for rendering the decision may not exceed 15 days from the day of establishing the arbitration.

5. Implementation of Collective Agreements

Article 256

A general and a special collective agreement shall be implemented directly and shall bind all the employers who, in course of the procedure of conclusion of collective agreement, were members of the association of employers - party to the collective agreement.

The collective agreement specified in paragraph 1 of the present Article shall be binding also on the employers who have subsequently become members of the association of employers - party to the collective agreement, as of the day of joining the association of employers.

The collective agreement shall be binding on the employers specified in paragraphs 1 and 2 of the present Article six months following the withdrawal from the association of employers - party to thecollective agreement.

Article 256a

The collective agreement may be subsequently accessed by the employer, or an association of employers that is not a signatory to a collective agreement, or is not a member of the association of employers - participator in the collective agreement.

Decision on accession to the collective agreement shall be made by the competent authority of the employer, or the association of employers referred to in paragraph 1 of this Article, according to which the collective agreement applies to its employees from the date specified in the decision.

Employer or association of employers shall notify the signatories of the collective agreement and the authority that registers the collective agreement on the decision referred to in paragraph 1 of this Article.

Decision to join the collective agreement ceases to be valid upon cessation of validity of the collective agreement, or earlier, upon decision of the competent authority of the employer or the association of employers.

Article 257

The Government may determine that a collective agreement or some of its provisions also apply to employers who are not members of the association of employers - participator in the collective agreement.

The decision referred to in paragraph 1 of this Article, the Government may make in order to achieve economic and social policy in the Republic, in order to ensure equal conditions of work which represent the minimum rights of employees, or to mitigate the differences in earnings in a particular branch, group, subgroup, or activity that

significantly affect the social and economic position of employees which has, as a consequence, unfair competition, provided that the collective agreement whose effect is being extended obligates employers who employ more than 50% of the employees in a particular branch, group, subgroup, or activity.

The decision referred to in paragraph 2 of this Article, the Government shall make at the request of one of the participators in conclusion of the collective agreement whose effect is being extended, on a reasoned proposal of the ministry responsible for the activity in which the collective agreement was concluded, and after obtaining the opinion of the Social and Economic Council.

Attached to the request for the extension of collective agreement application, the applicant must submit proof of fulfillment of the conditions referred to in paragraph 2 of this Article.

Employers, who are committed by the collective agreement whose effect is expanded and the number of their employees, shall be determined on the basis of the data of the authority conducting the register of collective agreements, or other competent authority in accordance with law.

Article 258

At the request of an employer or an association of employers, the Government may decide that the collective agreement specified in Article 257 of the present Law, in the part referring to earnings and compensation of earnings, be not applicable to individual employers or associations of employers.

An employer and/or association of employers may submit a request for exemption from implementation of a collective agreement with the extended effect, should due to financial and business results they be unable to implement the collective agreement.

The employer or association of employers shall be bound to enclose to the request, specified in paragraph 2 of the present Article, the evidence relating to reasons for exemption from the implementation of the collective agreement with extended effect.

Article 259

The decision on exempting from implementation of a collective agreement shall be rendered by the Government upon the proposal of the Ministry responsible for the activity in which the collective agreement was concluded and after obtaining the opinion of the Social and Economic Council.

Article 260

The Government may declare null and void a decision on extending the effect of a collective agreement and a decision on exempting from implementation of a collective agreement, should the reasons specified in Article 257, paragraph 2 and Article 258, paragraph 2 of the present Law cease to exist.

The decision referred to in paragraph 1 of the present Article shall be rendered pursuant to the procedure for rendering decision on extending the effect of a collective agreement, and/or decision on exempting from implementation of a collective agreement.

The decision specified in articles 257 and 259 of the present Law shall cease to be valid with the termination of validity of the collective agreement, and/or individual provisions whose effect was extended and/or exempted.

Article 261

The decision specified in articles 259 and 260 shall be published in the "Official Herald of the Republic of Serbia".

Article 262

A collective agreement at an employer shall be binding also upon those employed with the employer who are not members of trade union - signatory to the collective agreement.

6. Validity and Cancellation of Collective Agreement

Article 263

A collective agreement shall be concluded for a period not exceeding three years.

After the expiry of the time limit specified in paragraph 1 of the present Article, a collective agreement shall cease to be valid, unless parties to the collective agreement agree otherwise, within 30 days at the latest, prior to expiry of the term of validity of the collective agreement.

Article 264

Validity of a collective agreement before the expiry of the time limit specified in Article 263 of the present Article may cease by agreement between all

the parties, or by cancellation in the manner stipulated by such agreement.

In the event of cancellation, the collective agreement shall be applicable for six months, at the latest, from the day of submitting the notice of cancellation, with the proviso that the parties shall be bound to commence the procedure of bargaining within 15 days, at the latest, from the day of submitting the notice of cancellation.

7. Settling of Disputes

Article 265

Disputed issues in the implementation of collective agreements may be settled by an arbitration established by the parties to collective agreement, within 15 days of the date on which the dispute has taken place.

The arbitration decision on a disputed issue shall be binding on the parties.

The composition and the way of work of arbitration shall be regulated by collective agreement.

Participants in concluding a collective agreement may exercise protection of their rights determined in the collective agreement before a competent court.

8. Registration of Collective Agreements

Article 266

A general and a special collective agreement, as well as their amendments, shall be registered with the ministry.

The contents and procedure of registration of collective agreements shall be prescribed by the minister.

9. Making Public of Collective Agreement

Article 267

A general and a special collective agreement shall be published in the "Official Herald of the Republic of Serbia".

The manner of publication of other collective agreements shall be determined in these collective agreements.

XXI SUPERVISION

Article 268

Supervision over implementation of the present Law, other employment-related regulations, general acts and employment contracts regulating the rights, obligations and responsibilities of employees shall be effected by the labour inspection.

Article 268a

During the inspection supervision the inspector is authorized to:

1) Inspect the general and individual acts, records and other documents to determine the relevant facts;

2) Determine the identity of the person and take statements from the employer, responsible persons, employees and other persons he encounters at the employer’s workplace;

3) Control whether the application has been made to the compulsory social insurance, based on information from the Central Registry of Compulsory Social Insurance;

4) Inspect business premises, facilities, equipment, appliances, and more;

5) Require implementation of preventive and other measures to which he is entitled in accordance with the law, in order to prevent violations of the law.

Article 268b

Employer, the responsible person of the employer, and the employee are required to enable the inspector to supervise, inspect the documentation and work freely, and to provide him with the data needed to perform the inspection supervision, in accordance with the law.

Article 269

In effecting supervision duties, the labour inspector shall be authorised to order by a ruling an employer to eliminate, within a specific time limit, the violations of law, bylaw, general act or employment contract that were established.

The labor inspector is authorized to issue an order obliging the employer to conclude an employment contract in writing the employee who entered into employment relation in terms of Article 32, paragraph 2 of this law.

The employer shall be bound to notify the labour inspection, not later than 15 days of the expiry of the time limit for elimination of the established violation, on carrying out of the ruling.

Article 270

The labour inspector shall submit a request for instituting infraction proceedings after finding that an employer, and/or director or entrepreneur, has committed an infraction by violating the laws and other regulations covering employment relations.

Article 271

Should a labour inspector find that a ruling of an employer, relating to cancellation of an employment contract, obviously violates the right of an employee, and the employee has initiated a labour dispute before a court, such inspector shall, at employee's request, postpone by his ruling the carrying out of that ruling - until a finally binding court decision be rendered.

The labor inspector shall reject the request referred to in paragraph 1 of this Article, if he finds that the right of an employee has not been violated clearly.

The employee may submit the request specified in paragraphs 1 and 2 of the present Article within 15 days of instituting a labour dispute before the court.

The labour inspector shall be bound to render a ruling referred to in paragraphs 1 and 2 of this Article within 30 days of the date of submitting employee's request, should the requirements be met as specified in paragraphs 1 and 2 of the present Article.

Article 272

A complaint against a ruling of the labour inspector may be lodged to the minister within eight days of the day of forwarding the ruling.

The complaint against the ruling specified in Article 271 of the present Law shall not postpone the enforcement of the ruling.

The minister shall be bound to decide on the complaint within 30 days of the day of receipt of the complaint.

An administrative dispute may not be instituted against a finally binding ruling referred to in Article 271, paragraphs 1 and 2 of the present Law.

XXIa COOPERATION WITH THE CENTRAL REGISTRY OF COMPULSORY SOCIAL INSURANCE

Article 272a

Ministries in charge of labor, public administration and finance may use the data from a Unified Database of the Central Registry of Compulsory Social Insurance needed to perform their duties.

XXII PENAL PROVISIONS

Article 273

A fine of 800,000 to 2,000,000 dinars shall be imposed on the employer with a status of juridical person:

1) If such an employer failed to conclude an employment contract or other contract in terms of this law with a person that works for him (Articles 30-33, and Articles 197-202);

2) If he has not paid earnings or minimum earnings (Articles 104 and 111);

3) If he did not pay earnings in money, except in case referred to in Article 45 of this law (Article 110);

4) If he fails to deliver to the employee a statement of account of earnings in accordance with the provisions of this Law (Article 121);

5) If he failed to adopt a solution-finding program of manpower redundancy (Article 153);

6) If he terminates the employment contract of the employee contrary to the provisions of this law (Articles 179-181, and Articles 187 and 188);

7) If he prevents the labor inspector to perform inspection supervision, or otherwise hinders the performance of inspection supervision (Article 268a and 268b);

8) If he fails to act upon the labor inspector’s order in accordance with the provisions of this law (Articles 269 and 271).

A fine ranging from 300,000 to 500,000 dinars shall be imposed on an entrepreneur for a violation referred to in paragraph 1 of this Article.

A fine ranging from 50,000 to 150,000 dinars shall be imposed on a responsible person of the juridical person, or a representative of the juridical person for a violation referred to in paragraph 1 of this Article.

Article 274

A fine ranging from 600,000 to 1,500,000 dinars shall be imposed on the employer with the status of juridical person:

1) If such an employer violates the prohibition of discrimination under this law (Article 18-21);

2) If he establishes employment relation with a person under the age of 18 in violation of this law (Article 25);

3) If he orders the employee to work overtime in violation of this law (Article 53);

4) If he undergoes rescheduling of working hours contrary to provisions of this law (Articles 57 and 60);

5) If he does not provide an employee who works at night to perform work during day according to the provisions of this law (Article 62);

6) If he does not provide an employee who works in shifts alternation of shifts according to the provisions of this law (Article 63);

7) If he orders an employee under 18 years of age to work contrary to the provisions of this law (Articles 84, 87 and 88);

8) If he orders an employee aged between 18 and 21 to work contrary to the provisions of this law (Article 85);

9) If he fails to provide the protection of maternity and the rights under child care and special care for a child or other person in accordance with the provisions of this law (Articles 89100);

10) If he fails to pay compensation of earnings to the employee in accordance with the provisions of this law (Articles 114-117);

11) If he refuses employment rights of the employee contrary to the provisions of this law (Article 147);

12) If he adopts a decision to suspend an employee from work contrary to the provisions of this law, or if he suspends employee from work for a longer period than prescribed by this law (Articles 165-169);

13) If he offers the employee to conclude annex of the contract contrary to the provisions of this law (Articles 171-174);

14) If, until the day of termination of the employment relation, he fails to pay the employee all outstanding earnings, compensations of earning and other income (Article 186);

15) If he decides on an individual right, obligation or liability of the employee, without issuing a decision, or delivering it to the employee, in accordance with the provisions of this law (Article 193).

A fine ranging from 200,000 to 400,000 dinars shall be imposed on an entrepreneur for a violation referred to in paragraph 1 of this Article.

A fine ranging from 30,000 to 150,000 dinars shall be imposed on a responsible person of the juridical person, or the representative of the juridical person for a violation referred to in paragraph 1 of this Article.

Article 275

A fine ranging from 400,000 to 1,000,000 shall be imposed on the employer as a juridical person:

1) If such an employer invokes the responsibility of employees' representative who acts in accordance with the law and the collective agreement (Article 13);

2) If he does not hand over a copy of the employment contract to the employee in accordance with the provisions of this law (Article 30, paragraph 4);

3) If he acts contrary to the provisions of this law that regulate annual leave (Articles 68-75);

4) If he denies the right of an employee who took unpaid leave to return to work (Article 79);

5) If he does not reimburse expenses, or other income of the employee in accordance with the provisions of this law (Articles 118-120).

A fined ranging from 100,000 to 300,000 dinars shall be imposed on an entrepreneur for a violation referred to in paragraph 1 of this Article.

A fined ranging from 20,000 to 40,000 dinars shall be imposed on a responsible person in the juridical person for a violation referred to in paragraph 1 of this Article.

Article 276

A fine of 100,000 dinars shall be imposed on the employer as a juridical person, and a fine of 50,000 dinars on an entrepreneur:

1) If he does not keep the original contract or a copy thereof in accordance with the provisions of this law (Article 35);

2) If he fails to provide rest period in course of a working day, daily and weekly rest period in accordance with the provisions of this law (Articles 64 through 67);

3) If he fails to allow the employee to use paid leave in accordance with the provisions of this law (Article 77);

4) If he fails to keep monthly records of earnings and compensation of earnings in accordance with the provisions of this law (Article 122);

5) If he denies the right of the employee to severance pay in accordance with the provisions of this law (Article 158);

6) If he denies the right of the employee to notice period or compensation of earnings in accordance with this law (Article 189);

7) If he fails to return to the employee a properly filled-out employment record booklet (Article 204).

A fine of 10,000 dinars shall be imposed on the responsible person in the juridical person, or representative of a juridical person for a violation referred to in paragraph 1 of this Article.

XXIII TRANSITIONAL AND CONCLUDING PROVISIONS

Article 277

Until the enactment of the subordinate legislation referred to in articles 46, paragraph 2, 96, paragraph 5, 103, paragraph 6, 204, paragraph 6, 217, paragraph 2 and 266, paragraph 2 of the present Law, the following shall remain in force:

1) The Rules on the Manner and Procedure of Registration of Employment Contracts for Performing Jobs outside Employer's Premises and for Household Help Jobs ("Official Herald of the RS", No. 1/2002);

2) The Rules on Conditions, Procedure and Manner of Exercising the Rights to Absence from Work with the Purpose of Special Care of the Child ("Official Herald of the RS", No. 1/2002);

3) The Rules on the Mannery of Issuance and Contents of the Attestation Relating to Taking Place of Temporary Impediment for Work of an Employee in Terms of Health-Care Regulations ("Official Herald of the RS", No. 1/2002);

4) The Rules on Work-Booklet ("The Official Herald of the RS", No. 17/97);

5) The Rules on Filing Trade Union Organisations into the Register ("Official Herald of the RS", Nos. 6/1997, 33/1997, 49/2000, 18/2001 and 64/2004);

6) The Rules on Registration of Collective Agreements ("Official Herald of the RS", No. 22/1997).

Article 278

An employer shall be bound to employees who have established employment relation until the day of entering into force of the present Law, and who lack the contract of employment, to conclude a contract of regulating mutual rights, duties and responsibilities, that has to include the elements referred to in Article 33, paragraph 1 of the present Law, except for those specified in items 4/ through 8/.

The contract specified in paragraph 1 of the present Article shall not be the ground for establishing employment relation.

Article 279

Employers who until the entering into force of the present Law, have rendered a decision on re-scheduling working hours for 2005, shall organise the working time of employees according to that decision.

Article 280

An employee who on effective date of the present Law has not used the entire annual leave for 2004, shall use the annual leave for that year in compliance with the regulations that were in force before the day of entering into force of the present Law, should this be more convenient to the employee.

Article 281

The procedure for cancelling an employment contract commencing and not completed until the

coming into force of the present Law, shall be completed pursuant to the regulations that were in force until the date of coming into force of the present Law.

Article 282

A procedure of determining manpower redundancy that commenced, but was not completed until the coming into force of the present Law, shall be completed pursuant to the regulations that were in force until the date of coming into force of the present Law.

An employee whose right was determined, on the ground of termination of the need for his work, by a finally binding decision of a competent agency on the basis of regulations in force until the date of coming into force of the present Law - shall continue to exercise that right according to these regulations.

Article 283

An employee whose right to pecuniary compensation was determined in terms of Article 107 of the Labour Law ("Official Herald of the RS", Nos. 70/2001 and 73/2001) until the date of coming into force of the present Law - shall continue to exercise the right to pecuniary compensation in accordance with that Law.

Article 284

The provisions of a collective agreement in force on the day of entering into force of the present Law, and that are not contrary to the present Law, shall remain in force until the conclusion of a collective agreement in conformity with the present Law.

The provisions of a general and of special collective agreements concluded prior to 21 December 2001, and that are in force on the day of coming into force of the present Law, and are not contrary to the present Law, shall remain in force until the conclusion of collective agreements in conformity with the present Law - within six months, at the latest, as of the day of coming into force of the present Law.

Article 285

The election of Fund's bodies, in accordance with the provisions of articles 129 through 136 of the present Law, shall be held within 30 days as of the day of coming into force of the present Law.

The employees whose right to claim, in terms of Article 139, paragraph 2 of the present Law, is determined as effective from the day of coming into force of the present Law to the day of electing the bodies of the Fund - shall submit the request within 15 days as of the date of holding election for the bodies of the Fund.

Article 286

On the day the present Law comes into force, the Labour Law ("Official Herald of the RS", Nos. 70/2001 and 73/2001) shall cease to be valid.

Article 287

The present Law shall come into effect on the eighth day following the day of publication in the "Official Herald of the Republic of Serbia".

Independent Articles of the Law on Amending the Labor Law

("Official Herald of the RS", No. 61/2005)

Article 11[s1]

An employed woman who has commenced the maternity leave in conformity with Article 94 of the Labor Law ("Official Herald of the RS", No. 24/05) until the day of coming into force of the present Law -- shall continue to exercise the right to maternity leave and to be absent from work to nurse a child in accordance with the provisions of that Article.

The right specifiedf in paragraph 1 of the present Article shall pertain to the father of the child as well.

Article 12[s1]

The provisions of Article 118, items 5/ and 6/ of the Labor Law ("Official Herald of the RS", No. 24/05), shall not apply as from the day of coming into force of the present Law, and shall apply beginning with 1 January 2006.

The provisions of Article 120, items 2/ and 3/ of the Labor Law ("Official Herald of the RS", No. 24/05) shall cease to be valid on 1 January 2006.

Article 13[s1]

The present Law shall come into force on the day following the day of publication in the "Official Herald of the Republic of Serbia", and the provision

of Article 4 of the present Law shall apply as of 1 January 2006.

Independent Article of the Law on Amending the Labour Law

("Official Herald of the RS", No. 54/2009)

Article 2[s2]

The present Law shall enter into force on the eighth day after its publication in the "Official Herald of the Republic of Serbia".

Independent Articles of the Law on Amending the Labour Law

("Official Herald of RS", No. 75/2014)

TRANSITIONAL AND FINAL PROVISIONS

Article 110[s3]

The employer shall be obliged to harmonize the rules on internal organization and systematization with the provisions of this law within 60 days from the day this law comes into force.

Article 111[s3]

The employer may conclude, with employees who were employed prior to the entry into force of this law, an employment contract or an annex to the contract, in accordance with the provisions of Article 8 of this law, within 60 days from the day of this law's entry into force.

Employment relation shall not be established by the contract referred to in paragraph 1 of this Article.

If the employer does not conclude employment contract or annex to the contract in terms of paragraph 1 of this Article with employees referred to in that paragraph, the employment contracts concluded before the entry into force of this law shall remain in force in part which is not contrary to this law.

Article 112[s3]

On the day of this law's coming into force, the Rules on Manner and Procedure for Registration of the Employment Contract for Jobs outside Employer's Premises and Household Help ("Official Herald of RS", No. 1/02) shall cease to apply.

Article 113[s3]

The Minister shall issue an act referred to in Article 54 of this Law within 30 days of the day of entry into force of this law.

Article 114[s3]

Procedures for exercise of rights before the Solidarity Fund initiated prior to the entry into force of this law shall be completed under the regulations that applied prior to beginning of application of this law.

Article 115[s3]

Agreements on representation and agency which were concluded before the entry into force of this law shall apply until the expiration of their duration.

Article 116[s3]

Article 204 of the Labor Law ("Official Herald of RS", No. 24/05, 61/05, 54/09 and 32/13) and Rules on employment record booklet ("Official Herald of RS", No. 17/97) shall cease to be in force on 1 January 2016.

Employment record booklets issued until December 31, 2015 shall continue to be used as public documents and data stored in such booklets may serve as evidence for the exercise of rights from employment relation and other rights in accordance with the law.

Article 117[s3]

The provisions of the collective agreement or labor rule book in force on the day of entry into force of this law, which are not inconsistent with this law, shall remain in force until the expiry of the collective agreement, or until the conclusion of a collective agreement, or until adoption of the rule book in accordance with this law, but not longer than six months from the day of entry into force of this law.

The Ministry shall be obliged to publish in the "Official Herald of the Republic of Serbia" the notice on cessation of validity of special collective agreements referred to in paragraph 1 of this Article.

Article 118[s3]

The period for which severance pay is determined in Article 65 of this law, for employees in companies

undergoing restructuring which had that status determined before the entry into force of this law, may be determined by other regulations.

Article 119[s3]

This law shall enter into force on the eighth day after the day of its publication in the "Official Herald of the Republic of Serbia", except for the provisions of Article 54 which shall start applying after expiry of 30 days from the day of entry into force of this law.