LABOR LAW

I. BASIC PROVISIONS

1. Scope

Article 1.

The rights, duties and responsibilities resulting from the labor relationship, i.e. based on labor, shall be regulated by this law and a special law, pursuant to ratified international conventions.

The rights, duties and responsibilities resulting from the labor relationship shall be regulated in the collective agreement and labor contract, and by the Labor Rulebook only when this Labor Law stipulates so.

Article 2.

Provisions of this law shall apply to employees who work on the territory of the Republic of Serbia, with a domestic or foreign legal or natural persons (hereinafter: employer) and employees referred for work abroad by the employer, unless the Law stipulates otherwise.

Provisions of this law shall apply to employees of public bodies, territorial autonomy bodies and local self-government and public services, unless the law stipulates otherwise.

Provisions of this law shall apply to employees who are foreign nationals and stateless persons who work with employers on the territory of the Republic of Serbia, unless the law stipulates otherwise.

Article 3.

Collective agreement with employer, pursuant to the law, shall regulate rights, duties and responsibilities resulting from the labor relationship and mutual relations of the parties in the collective agreement.

Labor rulebook or labor contract, pursuant to the law, shall regulate rights, duties and responsibilities resulting from the labor relationship:

1) If a trade union has not been established with that employer or neither of the trade unions meets the requirements for representativenes or association agreement has not been made pursuant to this law;

2) If neither of the parties to the collective agreement raises the initiative to start bargaining process to eventually conclude the collective agreement;

3) If parties to the collective agreement fail to reach consensus to conclude the collective agreement 60 days after the bargaining process has been initiated;

4) If the trade union fails to accept the initiative of the employer for collective agreement 15 days after the invitation for outset of the bargaining process for collective agreement has been delivered.

In case referred to in para. 2, point 3) of this Article parties in the collective agreement shall continue the bargaining process in the spirit of good will.

Labor rulebook shall be enacted by the Managing Board, and in case there is no Managing Board with a certain employer – the director shall do so, or the person in charge of legal/regulatory affairs pursuant to the law (hereinafter: director). With employers who have no capacity of a legal person, the labor rulebook shall be enacted by the employer or a person empowered by him (hereinafter: entrepreneur).

Labor rulebook shall become invalid on the day the collective agreement referred to in para. 1 of this Article is concluded.

Article 4.

General and special collective agreements have to comply with the law.

Collective agreement with the employer, labor rulebook and labor contract have to comply with the law, and in case of employer referred to in Articles 256 and 257 of this law – with both general and special collective agreements.

2. Definition of certain terms

Article 5.

An employee, pursuant to this law, shall be a natural person in labor relation with the employer.

An employer, pursuant to this law, is a domestic or foreign legal or natural person who employs or hires for work one or more persons.

Article 6.

A trade union, pursuant to this law, shall be an independent, democratic and self-supporting organization of employees that they join voluntarily for advocacy, representation, promotion and protection of their professional, labor, economic, social, cultural and other individual and collective interests.

Article 7.

An association of employers, pursuant to this law shall be an independent, democratic and self-supporting organization of employers that they join for advocacy, promotion and protection of their business interests pursuant to the law.

3. Mutual relations of the collective agreement, labor rulebook and labor contract

Article 8.

Collective agreement and labor rulebook (hereinafter: general document) and labor contract shall not contain provisions that entitle the employees to lesser rights or set less favorable working conditions than the rights and conditions stipulated under the law.

The general document and labor contract may set greater rights and more favorable working conditions than the rights and conditions stipulated under the law and other rights not stipulated under the law, unless the law stipulates otherwise.

Article 9.

Should the general document and some of its provisions stipulate less favorable working conditions than the conditions stipulated under the law, the statutory provisions of the law shall apply.

Provisions of the labor contract stipulating less favorable working conditions than the conditions stipulated in the law and general document, i.e. those that are based on incorrect information provided by the employer on certain rights, duties and responsibilities of employees – shall be invalid.

Article 10.

A special collective agreement shall not stipulate lesser rights and less favorable working conditions than the rights and conditions stipulated in the general collective agreement that is binding for employers who are members of association of employers that concludes such special collective agreement.

Collective agreement with the employer shall not stipulate lesser rights and less favorable working conditions for employees than the rights and conditions stipulated in the general or special collective agreement that is binding for such employer.

Article 11.

Invalidity of provisions of a labor contract shall be established before the competent court.

There are no statutes of limitations for the right to establish such invalidity.

4. Basic rights and duties

1) Rights of employees

Article 12.

An employee shall be entitled to appropriate salary, safety and protection of life and health at work, heath care, protection of personal integrity and other rights in case of illness, impairment or loss of working ability and old age, material compensation during times of temporary unemployment, as well as the right to other forms of protection pursuant to the law and general document.

A working woman shall be entitled to special care during pregnancy and childbirth.

An employee shall be entitled to special protection for child care, pursuant to this Law.

Employees below the age of 18 and employed disable individuals shall be entitled to special care.

Article 13.

Employees shall be entitled, directly or via their representatives, to association, participation in bargaining process for collective agreement, amicable resolution of collective and individual labor disputes, consultation, information and expression of their position on important issues in the field of labor.

An employee or a representative of employees shall not, due to his/her activities referred to in para. 1 of this Article be held accountable or put into less favorable position, when the working conditions are concerned, if he/she complies with the law and collective agreement.

Article 14.

A labor contract or decision of employer may stipulate a share of an employee in the profit generated in a business year, pursuant to the law and general document.

2) Duties of employees

Article 15.

Any employee shall:

1) Conscientiously and responsibly perform the tasks he/she is entrusted with;

2) Respect organization of work and business of the employer, as well as conditions and rules relating to compliance with contractual and other duties resulting from the labor relations;

3) Notify the employer on important circumstances that affect or may affect performance of tasks set in the labor contract;

4) Notify the employer on any kind of potential danger for health and safety or occurrence of material damage.

3) Duties of employers

Article 16.

Any employer shall:

1) Pay the salary to the employee for the work performed, pursuant to the law, general document and labor contract;

2) Provide working conditions and organize tasks for securing safety, life and health protection, pursuant to the law and other regulations;

3) Provide to the employee information on working conditions, organization of work, rules referred to in Article 15, point 2) of this law and rights and duties resulting from the occupational regulations and regulations relating to protection of life and health at work;

4) Provide to the employee to perform tasks set in the labor contract;

5) Ask for advice of trade union in cases stipulated under the law; in case the trade union has not been set up with that employer, of a representative designated by employees.

4) Duties of employers and employees

Article 17.

Both employer and employee shall comply with rights and duties stipulated under the law, general document and labor contact.

5. Prohibition of discrimination

Article 18.

Both direct and indirect discriminations are prohibited against persons seeking employment and employees in respect to their sex, origin, language, race, color of skin, age, pregnancy, health status or disability, nationality, religion, marital status, familial commitments, sexual orientation, political or other belief, social background, financial status, membership in political organizations, trade unions or any other personal quality.

Article 19.

Direct discrimination, pursuant to this law, shall be any action caused by some of the grounds referred to in Article 18 of this law that puts a person seeking employment or employee in a less favorable situation than other persons in the same or similar situation.

Indirect discrimination, pursuant to this law, shall be recognized, in case an apparently neutral provision, criterion or practice puts or would put a person seeking employment or employee in a less favorable situation than other persons, due to a certain quality, status, belief or position of such person referred to in Article 18 of this law .

Article 20.

Discrimination referred to in Article 18 of this law shall be prohibited in relation to:

1) Employment conditions and selection of candidates for a certain job;
2) working conditions and all rights resulting from the labor relationship;
3) education, training and advanced training;
4) promotion at work;
5) termination of the labor contract.

Provisions of the labor contract establishing discrimination pursuant to some of the grounds referred to in Article 18 of this law shall be null and void.

Article 21.

Harassment and sexual harassment are prohibited.

Harassment, pursuant to this law, is any unwanted behavior resulting from some of the grounds referred to in Article 18 of this law aimed at or representing violation of dignity of a person seeking employment or employee, causing fear or breeding adverse, humiliating or insulting environment.

Sexual harassment, pursuant to this law, is any verbal, non-verbal or physical behavior aimed at or representing violation of dignity of a person seeking employment or employee in the area of sexual life, causing fear or breeding adverse, humiliating or insulting environment

Article 22.

Differentiation, exclusion or prioritization for a certain job shall not be considered discriminating when the nature of the work is such or the work is done under such circumstances that qualities relating to some of the grounds referred to in Article 18 of this law represent the true and decisive requirement for performance of such job, and that the purpose aimed at is justified.

Provisions of this law, general document and the labor contract relating to special protection and assistance to certain categories of employees, particularly those relating to protection of disabled persons, women on maternity leave and absence from work for childcare, special childcare and provisions relating to special

rights of parents, adoptive parents, guardians and foster parents – shall not be interpreted as discrimination.

Article 23.

In cases of discrimination pursuant to provisions of Articles 18 - 21 of this law person seeking employment or employee may file for compensation of damages before the competent court, pursuant to the law.

II. ENTRY INTO LABOR RELATIONS

1. Requirements for entry into labor relations

Article 24.

Labor relations can be entered into with a person above the age of 15 who meets other requirements for work at certain tasks, stipulated under the law, or Organizational Structure and HR Document (hereinafter: OS&HR)

OS&HR shall establish organizational structure, types of jobs, types and level of education/training and other special requirements for work at these posts.

OS&HR is enacted by the director, i.e. entrepreneur.

OS&HR need not be enacted by entrepreneur with five or less employees.

Article 25.

Labor relations with persons below the age of 18 can be entered into upon written approval of the parents, adoptive parents or foster parents, under the condition that such work does not jeopardize their health, moral or education, and is not prohibited under the law.

A person below the age of 18 can enter into labor relations only upon certificate of the competent health care body substantiating that he/she is capable of performing such tasks that are stipulated in the labor contract and that these tasks are not harmful for his/her health.

Cost of medical examination for persons referred to in para. 2 of this Article that are registered by the National Employment Agency shall be born by that Agency.

Article 26.

A candidate shall, when the labor relation is entered into, supply the employer with documents and other evidence of fulfilling the requirements for the job in question, as set in the OS&HR.

Employer shall not require the candidate to supply information on familial or marital status and family planning, or other evidence and documents that are not directly relevant for performance of job the labor relations are entered into for.

Employer shall not condition the employment by a pregnancy test unless the job is associated with significant risk for health of woman and her child as substantiated by the competent health care body.

Employer shall not condition the employment by blank statement on termination of the of the labor contract to be signed by the candidate in advance.

Article 27.

Employer shall, before effectuation of the labor contract, inform the candidate about the job, working conditions, rights and duties resulting from the labor relationship and regulations referred to in Article 15, point 2) of this law.

Article 28.

Disabled persons shall enter into labor relations under the conditions and in the way stipulated in this law, unless a special law stipulates otherwise.

Article 29.

A foreign national or a stateless person may enter into labor relations under the conditions stipulated in this law and a special law.

2. Labor contract

Article 30.

Labor relations are entered into by a labor contract.

Labor contract is concluded between employee and employer.

Labor contract shall be deemed concluded when it is signed by the employee and director, or entrepreneur.

Labor contract can also be effectuated by an employee empowered by the director, or entrepreneur, pursuant to Article 192 of this law.

Article 31.

Labor contract may be concluded for a definite or indefinite term.

Labor contract where the term/duration of the Contract is not set shall be considered a labor contract for indefinite term.

Article 32.

Labor contract shall be concluded in writing before the employee actually assumes work.

Should an employer fail to conclude the labor contract pursuant to para. 1 of this Article, it shall be deemed that the employee has entered into labor relation for indefinite term on the day he/she has assumed work.

Article 33.

Any labor contract shall contain:

1) name and seat of employer;

2) first name and family name of the employee, place of residence, or address;

3) type and level of education/training;

4) type and description of work he/she will be doing;

5) place of work;

6) mode of employment (for indefinite or definite term)

7) duration of labor contract for definite term;

8) day when the employment commences;

9) working hours (full time, part time or reduced hours);

10) pecuniary amount of basic salary and parameters for establishing the work performance, compensation of salary, increased salary and other forms of emoluments;

11) terms for payment of the salary and other emoluments the employee is entitled to;

12) referral to collective agreement, or labor rulebook currently in force;

13) duration of daily and weekly working time.

A labor contract may also stipulate other rights and duties.

Rights and duties not covered by the labor contract shall be governed by pertinent provisions of the law and general document.

3. Assuming work

Article 34.

Employee shall be entitled to rights and duties resulting from the labor relationship as of the day he/she assumes work.

Should the employee fail to assume work on the day stipulated in the labor contract, the labor relation shall be deemed not entered into, unless the person was prevented from assuming work by justified reasons or unless the employer and employee have agreed otherwise.

Article 35.

Employer shall furnish a photocopy of the mandatory social insurance policy to an employee 15 days after he/she has assumed work at the latest.

4. Probation work

Article 36.

Labor contract may stipulate probation work.

The trial work may last for 6 months at most.

During the probation work, the employer and employee may terminate the labor contract with no less than 5 day notice.

Should an employee fail to substantiate required work and professional competence during the probation period, the labor relations shall be deemed terminated with the expiry of the fixed term labor contract

5. Labor relations for definite term

Article 37.

Labor relations shall be entered into for a period that is set in advance in the following cases: seasonal jobs, project-based work, increased volume of work that will last for a definite term, etc. during the time of such needs, where such labor relations for a definite term shall not be prolonged beyond 12 months with or without interruptions.

The interruption referred to in para. 1 of this Article shall not cover discontinuation of work for a period less than 30 days.

Labor relations for a definite term for substitution of a temporarily absent employee shall be entered into by the return of the temporarily absent employee.

Labor relation entered into for a definite term shall be transformed into labor relation for an indefinite term, should the employee continue working 5 days after expiry of the term for which the labor relation has been entered into.

6. Labor relations for increased risk jobs

Article 38.

Labor contract can be concluded for jobs for which special working conditions are required only if the employee meets the requirements for work at such jobs.

An employee may work at jobs referred to in para. 1 of this Article only upon health certificate for competence for work at such jobs has been issued by the competent health authority.

7. Labor relations for part-time work

Article 39.

Labor relations may be effectuated for a part-time work, for indefinite or definite periods.

Article 40.

An employee hired for part time work shall enjoy all rights resulting from the labor relationship proportionally to the time spent at work, except in cases when the law, general document and labors contract cover some of the rights otherwise.

Article 41.

An employee working part-time for one employer may, for the remaining hours to full-time work, enter into labor relations with another employer to reach the full-time quota.

8. Labor relations for work done outside the employer's premises

Article 42.

Labor relations may be entered into for performing work outside the employer's premises, i.e. at home.

In addition to provisions referred to in Article 33 of this law, labor contract that is concluded pursuant to para. 1 of this Article shall also contain:

1) duration of working time following the work norms;

2) type of jobs and way of organization of work;

3) working conditions and way of supervising employee's operations;

4) amount of salary and terms of payment;

5) use of employee's means of work and compensation for the use thereof;

6) compensation of other work-related cost and ways to establish them;

7) other rights and duties.

Article 43.

Work outside the employer's premises, i.e. at home, shall be performed by the employee alone, or with members of his/her family, on behalf and for the account of the employer.

Members of immediate family, pursuant to provisions of para. 1 of this shall comprise a spouse, children, parents, siblings of the employee or his/her spouse.

Article 44.

Employer may stipulate contractual obligations that the work be done outside his/her premises, but the alternative premises have to be safe, not harmful for health of employees or other persons and do not pollute the environment.

9. Labor relations with household help

Article 45.

Labor relations may be entered into for hiring of household help.

The labor contract in terms of para. 1 of this Article may stipulate payment of a part of salary in kind.

Payment of a part of the salary in kind shall comprise providing of the board and lodging.

The value of the salary provided in kind shall be expressed in money.

The lowest percentage of salary that has to be calculated and paid in money shall be set in the labor contract and cannot be below 50% of the total salary of such employee.

If the salary has been agreed to be partly in money and partly in kind, during absence from work with compensation, the employer shall pay the monetary part as the compensation.

Article 46.

The Contract referred to in Articles 42 and 45 of this law shall be registered with the local self-government body

The way and procedure for registration of the labor contract for work to be performed outside the premises of the employer and work of the household help shall be prescribed by the competent minister (hereinafter: minister).

10. Trainees

Article 47.

Employer may enter into labor relations with a person that is entering into labor relations for the first time. Such person may be treated as a trainee for the occupation for which such person has acquired a certain type and level of education/training, if this has been set as a requirement for work at some jobs in the law or the OS&HR.

Provision in the para. 1 of this Article shall also apply to persons who worked less than required for traineeship in the educational level that is required for the job in question

The traineeship shall last no longer than one year, unless the law stipulates otherwise.

During the traineeship, any trainee shall be entitled to salary and all other rights resulting from the labor relationship, pursuant to the law, general document and labor contract.

III. CONTRACT ON RIGHTS AND OBLIGATIONS OF DIRECTORS

Article 48.

Director may enter into labor relations for a definite or indefinite term.

Labor relations are based on the labor contract.

Labor relations for a definite period may last until expiry of the term to which the director has been appointed, or his/her dismissal.

Mutual rights, duties and responsibilities of director who has not entered into labor relations and his/her employer shall be regulated by a contract.

A person performing the task of a director referred to in para. 4 of this Article is entitled to compensation for work which can be treated as salary as well as to other rights, duties and responsibilities pursuant to such Contract.

The contract referred to in paras 2 and 4 of this Article shall be concluded between the director and the Managing Board on behalf of the employer; in case the employer has no managing board, a body shall be officially designated by the employer to do so.

IV. EDUCATION, VOCATIONAL TRAINING I ADVANCED TRAINING

Article 49.

Employer shall provide conditions for education, vocational training and advanced training for his/her employees when the work process requires so, or when new methods and organization are to be introduced.

Any employee shall train, educate and improve him/herself in the working process.

The cost of such education, vocational training and advanced training shall be provided from the funds of the employer and other sources, pursuant to the law and general document.

In case an employee drops out of the education, vocational training or advanced training, he/she shall compensate the cost of such training to the employee, except in case where reasons for such dropping out were justified.

V. WORKING HOURS

1. Full time work

Article 50.

Full time work shall be defined as 40 hours per week, unless this law stipulates otherwise.

The general document may stipulate shorter working hours than 40 hours per week, but never shorter than 36 hours per week.

An employee referred to in para. 2 of this Article shall be entitled to all rights resulting from the labor relationship as if he/she were working full time

2. Part-time work

Article 51.

Part-time work, pursuant to this law, shall be defined as work shorter than full time.

3. Reduced working hours

Article 52.

Employees who work at particularly difficult, strenuous and health-risk jobs, as recognized under the law or general document, where in spite of implementation of all appropriate safety measures and occupational protection of life and health, means and equipment for personal protection, there is still increased adverse effect to health of such employee and his/her working ability, the working hours shall be reduced proportionally to the noxious effect of the occupational conditions to health and working ability of such employee, up to the maximum of 10 hours per week (high-risk jobs).

The reduced hours shall be set upon expert analysis, pursuant to the law.

Employees working these reduced hours are entitled to all rights resulting from the labor relationship as if they were working full time.

4. Overtime

Article 53.

Upon request of employer, an employee shall work longer than his/her full time in case of *force majeure*, unexpected increase of the volume of work and in other instances when it is necessary to finish unplanned work by a set deadline (hereinafter: overtime).

Overtime cannot last for more than 8 hours per week, or four hours a day per employee.

Article 54.

On call duty in health institutions, like overtime, shall be covered by a special piece of legislation.

5. Schedule of working hours

Article 55.

A working week shall consist of five workdays.

Schedule of the working hours within the workweek shall be set by the employer.

Generally, a workday shall last for eight hours.

Article 56.

Employer with whom work is performed in shifts, during the nigh or when the nature of work or organization of work require so – may organize the workweek and distribution of working hours in a different manner.

Employer shall notify the employee about the work schedule and changes of the work schedule at last seven days before such change is to be effectuated.

6. Re-scheduling of working hours

Article 57.

Employer may re-schedule working hours when the nature of business, organization of work, better use of occupational means, more effective use of working hours and performance of certain jobs by set deadline require so.

Re-scheduling of working hours shall be accomplished so that the total working hours of an employee for a six-month period in a calendar year do not exceed, on the average, the full time working hours.

In case of such re-scheduling, working hours shall not exceed 60 hours per week.

Article 58.

Re-scheduling of working hours shall not be treated as overtime.

Article 59.

To an employee working pursuant to Article 57 of this law, use of daily and weekly recesses may be arranged in a different way and at different times,

In cases referred to in para. 1 of this Article the employee is entitled to a recess of 10 continuous, uninterrupted hours between two workdays, at least.

Article 60.

Re-scheduling of working hours shall not be feasible for jobs for which reduced hours apply, pursuant to Article 52 of this law.

Article 61.

An employee whose labor relation has been terminated before expiry of the time for which the re-scheduling is introduced shall be entitled to have his/her overtime calculated as regular full time work and taken into account for retirement insurance or paid for as overtime.

7. Night work and work in shifts

Article 62.

Work performed in the period from 22.00 until 6.00 of the following morning shall be t night work.

In case an employee working nights no less than three hours per day or one third of his/her full time hours during one week, the employer shall provide conditions for such employee to work during the daytime if the competent health authority advises that such night work may result in deterioration of health of such employee.

Before introducing night work, the employer shall ask advice of trade union on the security measures and protection of life and health of employees that will be working nights.

Article 63.

If work is organized in shifts, an employer shall provide change of shifts, so that no employee works the nightshift continuously for more than one workweek.

An employee may work longer than a single week nightshift, but only upon his/her written agreement to do so.

VI. RECESSES AND LEAVES

1. Daily recess

Article 64.

Any employee working full time is entitled to a daily recess of no less than 30 minutes.

Any employee working more than four and less than six hours a day is entitled to a daily recess of no less than 15 minutes.

Any employee working more than full time/full working hours, meaning no less than 10 hours a day is entitled to a daily recess of no less than 45 minutes.

The daily recess cannot be used at the beginning or the end of a workday.

The recess time, referred to in paras 1-3 of this Article shall be treated as regular working time.

Article 65.

The daily recess shall be organized to prevent discontinuation of operation, if the nature of work does not allow for discontinuation and if it implies customer service.

Employer shall decide on the schedule of daily recess during the day.

2. Recess between working days

Article 66.

An employee shall be entitled to a recess between two consecutive workdays of no less than 12 consecutive hours, unless this law stipulates otherwise.

3. Weekly recess

Article 67.

An employee shall be entitled to a weekly recess of no less than 24 consecutive hours.

Generally, the weekly recess shall be used on Sundays.

Employer may designate another day for the weekly recess if the nature of work and organization of work require so.

Should it be necessary that an employee works during his/her weekly recess, the employer shall provide for him a weekly recess no less than 24 consecutive hours during the following week.

4. Annual holiday

1) Earning the right to annual leave

Article 68.

Any employee is entitled to annual holiday pursuant to this Law.

An employer entering into labor relations for the first time or has discontinuation of labor relations exceeding 30 business days, shall earn the right to annual holiday after six months of uninterrupted work.

Uninterrupted work time shall include the time of temporary inability to work pursuant to regulations on health insurance and absence from work with compensation of salary.

No employee may waive his/her right to annual leave, nor may this right be denied to him.

2) Duration of annual leave

Article 69.

In each calendar year any employee is entitled to an annual leave the duration of which shall be set in the general document and labor contract, but no less than 20 days.

Duration of any annual leave shall be determined as follows: starting from the 20 day statutory minimum, the duration is increased by parameters of work performance, work conditions, work experience, educational level and other criteria set in the general document and labor contract

Article 70.

When duration of annual leave is calculated, a workweek is defined as 5 working days.

Holidays that are not workdays pursuant to statutory provisions, absence from work with compensation of salary and temporary inability to work pursuant to regulations on health insurance shall not be included in the days of annual holiday.

If an employee is temporarily unable for work during his/her annual holiday – pursuant to health insurance regulations – he/she shall be entitled to continuation of his/her annual holiday upon expiry of such inability.

3) Annual leave in case of termination of employment (labor elation)

Article 71.

Employer shall, in case of termination of employment, issue a certificate substantiating the number of days of the annual leave that he/she employee has used.

4) Proportional part of annual leave

Article 72.

Any employee shall be entitled to one twelfth of his/her annual leave for each month of work in that calendar year:

1) If in the calendar year in which he/she has entered the labor relations for the first rime he/she has not six months of consecutive work;

2) If in the calendar year he/she failed to earn the right to the annual leave because of termination of employment, pursuant to Article 68, para. 2 of this law.

5) Using the annual leave in parts

Article 73.

An annual leave may be used in two parts.

If an employee use his/her annual leave in parts, the first part shall last no less than three working weeks in the course of a calendar year, and the second part not later that from June 30th of the following year.

An employee who has met the requirements for annual holiday pursuant to Article 68 para. 2 of this law, but has not used whole or a part of the annual holiday in the calendar year because of absence from work for maternity leave, absence for childcare or special childcare – shall be entitled to using this holiday by June 30th of the following year.

6) Annual leave of teaching and non-teaching staff

Article 74.

Duration of annual leave of the teaching and non-teaching staff in educational institutions shall be determined pursuant to the law.

7) Annual leave schedule

Article 75.

Depending on the work needs, the employer shall decide on the time when employees may use their annual holiday, previously consulting them.

Decision on the annual leave shall be delivered to an employee 15 days before the holiday leave is to start, at the latest.

Should the employer fail to deliver such decision to any employee, it shall be deemed that he/she has denied the annual leave to such employee.

Employer may alter the time set for the annual holiday if the needs of the business require so, five days before the holiday leave is to start, at the latest.

8) Compensation of damages

Article 76.

Should any employee not use the days for his/her annual holiday due to the fault of the employer, he/she shall be entitled to the compensation of damages in the amount of the average salary in the last three months set in the general document and labor contract.

5. Absence with compensation of salary (paid leave)

Article 77.

Any employee shall be entitled to absence from work with compensation of salary (paid leave) in the total duration of seven business days in the course of one calendar year in case of marriage, wife giving birth to a child, serious illness of a member of immediate family and other instances set in the general document and labor contract.

Duration of paid leave referred to in para. 1 of this Article shall be set in the general document and labor contract.

In addition to the right to leave referred to in para. 1 of this Article any employee shall also be entitled to paid leave in the following instances:

1) Five working days in case of death of a member of immediate family;

2) Two days for any instance of voluntary blood donation, including the donation day itself.

Members of the immediate family, referred to in paras 1 and 3 of this Article shall include a spouse, children, siblings, parents, adoptive parent, adopted child, guardian and other persons that share the same household with the employee.

6. Unpaid leave

Article 78.

Employer may also grant a leave without compensation of salary to the employee (unpaid leave).

During the time of unpaid leave, all rights and duties resulting from the labor relationship shall be dormant, unless the law, general document and labor contract do not stipulate otherwise for some of these rights and duties.

7. Dormancy of labor relations

Article 79.

Dormancy of rights and duties resulting from labor and based on labor, except for those rights and duties for which the law, general document and labor contract stipulate otherwise, shall be in effect if absence from work is caused by one of the following:

1) Going to the army, for mandatory military service, or finishing it;

2) Referral to work abroad by the employer or within international technical or cultural/educational collaboration, into diplomatic, consular and other representative offices;

3) Temporary referral for work with another employer pursuant to provisions of Article 174 of this law;

4) Election, or appointment to an office in a governmental body, trade union or political organization or other public office, the performance of which requires that he/she temporarily discontinues working for the current employer;

5) Serving the prison sentence, or security measure, educational or protective measure for up to six months.

Any employee whose rights and duties referred to in para. 1 of this Article are in the state of dormancy has the right, within 15 days after return from the military service, of after finishing it, after termination of employment abroad or with another employer, termination of the office, return from serving the prison sentence, or security measure, educational or protective measure to return to the former employer.

6) The rights referred to in para. 1 and 2 of this Article shall also apply to the spouse of the employee who was referred to work abroad within international technical or cultural/educational collaboration, into diplomatic, consular and other representative offices.

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VII. PROTECTION OF EMPLOYEES

1. General protection

Article 80.

Employee shall be entitled to safety and protection of life and health at work, pursuant to the law.

Employee shall also comply with all regulations on security and protection of life and health at work in order to avoid jeopardizing safety and health of himself as well as safety and health of other employees and other people.

Employee shall notify the employer on any type of potential danger that may affect safety and health at work.

Article 81.

Employee shall not be allowed to work overtime if the report of the competent medical authority suggests such work might deteriorate his/her health.

Employee with health problems, established by the competent medical authority pursuant to the law, shall not be allowed to pursue work that could result in deterioration of his/her health or consequences dangerous for his/her environment.

Article 82.

Only persons who, in addition to special requirements stipulated in the OS&HR meet the requirements relating to health, psychophysical abilities and age, may be employed for jobs associated with increased risk of injury, occupational and other diseases, pursuant to the law.

2. Protection of personal data

Article 83.

Employee shall be entitled to insight into documents containing his/her personal data kept with the employer and shall also be entitled to the right to ask for deletion of the data that are not directly relevant for the work he/she performs, as wellas for correction of incorrect data.

Personal data relating to an employee shall not be accessible to third party, except in cases and under conditions stipulated under the law, or if this is necessary for substantiating rights and duties resulting from the labor relationship or in relation with the labor.

Only person empowered by the director shall be authorized to collect personal data of employees, to process and use them and submit to third parties.

3. Protection of adolescents

Article 84.

Employees below the age of 18 shall not work at the following jobs:

1) Involving strenuous physical work, work underground, under water and at excessive heights;

2) Involving noxious radiation or substances that are toxic, carcinogenic or causing inherited diseases, as well as risk for health related to cold, heat, noise or vibrations;

3) Those that may, pursuant to advice of the competent health authority, increase health and life risks and be harmful in the light of psychophysical capacities of adolescents.

Article 85.

Employees between the ages of 18 and 21 may work at jobs referred to in Article 84 points 1) & 2) of this law only upon report of the competent medical authority substantiating that such work shall not be deteriorating for their health.

Article 86.

The cost of examinations referred to in Article 84, point 3) and Article 85 shall be born by the employer.

Article 87.

Full time working hours for persons below the age of 18 shall not exceed 35 hours per week or eight hours per day.

Article 88.

Overtime and re-distribution of working hours shall not be allowed for employees below the age of 18.

Employee below the age of 18 shall not work at night, except:

1) In cases of work in the area of culture, sports, art and advertising

2) When it is necessary to continue work discontinued due to the action of *force majeure*, under the condition that such work lasts for a definite period of time, that has to be urgently finished and the employer has no other older employees available.

Employer shall, in case referred to in para. 2 of this Article provide supervision of work of employees below the age of 18 by a person of full age.

4. Maternity care

Article 89.

An employed woman during pregnancy shall not work at jobs that, pursuant to advice of the competent health authority, may have harmful effect on her health and health of her child, and particularly not at jobs requiring lifting of weights or associated with exposure to extreme temperatures and vibrations.

Article 90.

An employed woman shall not work overtime and during the night during the first 32 weeks of her pregnancy should such work be harmful for her health and health of her child, based on the advice of competent medical authority.

An employed woman shall not work overtime and during the night during the last eight weeks of her pregnancy

Article 91.

One of parents with a child of up to three years of age may work overtime or at night only with his/her own written consent.

A single parent with a child of up to seven years of age or a severely disabled child may work overtime or at night only with his/her own written consent.

Article 92.

Employer may re-shedule working hours to an employed woman or employed parent with a child below 3 years of age or severely disabled child only with written consent of such employee.

Article 93.

Rights referred to in Articles 91 & 92 of this law are also shared by adoptive parents, foster parents or guardians of children.

5. Maternity leave and leave for childcare

Article 94.

An employed woman is entitled to leave for pregnancy and childbirth (hereinafter: maternity leave), as well as leave for child care, the total duration of 365 days.

An employed woman may start her maternity leave pursuant to advice of a competent medical authority 45 days before the delivery term at the earliest and 28 days at the latest.

Maternity leave shall last until three months after the childbirth.

An employed woman, upon expiry of maternity leave, is entitled to leave for childcare to expiry of 365 days after the outset of the maternity leave referred to in para. 2 of this Article.

Father of the child may claim the right referred to in para. 3 of this Article in case the mother deserts the child, dies or is prevented from caring for the child due to other justified reasons (serving prison sentence, being severely ill, etc.). The father is entitled to that right even in case the mother is not employed.

Father of the child may claim the right referred to in para. 4 of this Article.

During the maternity leave and absence from work because of childcare, the employed woman, or father to the child are entitled to compensation of salary, pursuant to the law.

Article 94a

An employed woman is entitled to maternity leave and leave for childcare for third and any subsequent child in the duration of two years.

The right to maternity leave and absence from work for childcare in the total duration of two years shall also be granted to any employed woman who gives birth to three or more children from her first pregnancy, as well as to any employed woman who give birth to one, two or three children, and gives birth to two or more children in the subsequent delivery.

An employed woman referred to in paras 1 and 2 of this Article, upon expiry of maternity leave, is entitled to leave for childcare till expiry of two years from the day her maternity leave referred to in Article 94, para. 2 of this law started maternity leave

Father to the child referred to in paras 1 and 2 may claim the right to maternity/paternity leave in cases and under conditions set in Article 94, para. 5 of this law, and the right to leave for childcare in the duration stipulated in para. 3 of this Article.

Article 95.

The right to maternity leave in the duration set in Article 94, para. 3 of this law shall also be granted to any employed woman should her child be stillborn or dies before expiry of the maternity leave.

6. Leave for special care of child or other person

Article 96.

One of parents to a child in need of special care because of severe psycho-physical disability, except in cases covered by health insurance regulations, is entitled to, after the expiry of maternity leave and leave for childcare prolong absence from work or work half-time up to the age of five of the child, at most.

The right referred to in para. 1 of this Article shall be granted upon advice of the competent body for evaluation of the level of psycho-physical disability of the child, pursuant to the law.

During absence from work, referred to in para. 1 of this Article, the employee shall be entitled to compensation of salary, pursuant to the law.

During half-time work, referred to in para. 1 of this Article, the employee shall be entitled to salary pursuant to the law, general document and labor contract, while for the other half up to full time work – compensation of salary pursuant to the law.

Requirements, procedure and mode of realization of the right to absence from work for special care of child shall be regulated in greater detail by the minister in charge of child welfare.

Article 97.

A foster parent or guardian of a child below the age of five shall be granted the right to absence from work in the duration of eight successive months, from the day the child is placed into the foster or guardian family, for care of that child, before the child turns five.

Should the placement into foster or guardian family took place before the child turnes three months, the foster parent or guardian of that child shall be entitled to leave from work until the child turns eleven months, for care of that child.

The right referred to in paras 1 and 2 of this Article shall also be granted to a person to whom, pursuant to adoption regulations, the child has been sent for adjustment before the official adoption, and when the adoption becomes official, one of the adoptive parents, as well.

During absence from work for childcare, the person using the right referred to in paras 1-3 of this Article shall be entitled to compensation of salary pursuant to the law.

Article 98.

Parent or guardian, or a caregiver of a person disabled by cerebral palsy, any kind of plegia or muscular dystrophy and other severe diseases, may, upon advice of a competent medical authority, and upon own request to work shorter hours, but not shorter than half-time.

Any employee working shorter hours referred to in para. 1 of this Article shall be entitled to adequate compensation, proportional to the time spent at work, pursuant to the law, general document and labor contract.

Article 99.

Rights referred to in Article 96 of this law shall also be granted to one of adoptive parents should the child, in the light of his/her psycho-physical disability need special care.

Article 100.

One of the parents, adoptive parents, foster parents or guardians shall be entitled to absence from work until the child turns three.

During absence from work referred to in para. 1 of this Article rights and duties associated with labor relation shall be dormant, unless some of the rights have been regulated otherwise by the law, general document and labor contract.

7. Protection of disabled individuals

Article 101.

The employer shall provide a post to match the remaining working ability of a disabled worker.

The employer shall provide transfer to another, appropriate post for any employee for whom, pursuant to regulations on old age and disability insurance, risk of disability in relation to certain post has been recognized.

Article 102.

Employer may terminate the labor contract to any employee who refuses to accept the post pursuant to Article 101 of this law.

8. Notification of temporary inability to work

Article 103.

Any employee shall, not later than three days after the conditions for temporary inability to work have occurred, pursuant to health insurance regulations, furnish the appropriate medical certificate stating the expected duration of the temporary inability to work.

In case of more severe illness, instead of the employee, the certificate shall be furnished to the employer by the members of his/her immediate family or members of his/her household.

Should the employee be living alone, the certificate shall be furnished three days after discontinuation of the reasons due to which he/she was unable to furnish the medical certificate.

Physician is obliged to issue the medical certificate referred to in para. 1 of this Article.

Should employer suspect justifiability of the reasons for absence from work pursuant to para. 1 of this Article, he/she may file to the competent medical authority to verify health competence of the employee, pursuant to the law.

The mode of issuance and content of such medical certificate on temporary inability to work pursuant to health insurance regulations shall be regulated by the minister and minister in charge of health affairs.

VIII. SALARY, COMPENSATION OF SALARY AND OTHER EMOLUMENTS

1. Salary

Article 104.

Any employee shall be entitled to appropriate salary that is set pursuant to the law, general document and labor contract.

All employees shall be granted the equal salary for the same work or the work of same value performed for the employer.

Work of the same value is defined as the work for which the same educational level, same working ability, responsibility as well as physical and intellectual works are needed.

Decision of the employer or agreement with employer that fail to comply with para. 2 of this Article shall be null and void.

In case of violation of the right referred to in para. 2 of this Article the employee shall be entitled to compensation of damages.

Article 105.

Salary referred to in Article 104, para. 1 of this law shall be composed of the salary for the work done and time spent at work, salary based on contribution of the employee to the business achievement of the employer (prizes, bonuses, etc.) and other emoluments resulting from the labor relations, pursuant to general document and labor contract.

The salary referred to in para. 1 of this Article shall comprise tax and contributions paid from the salary.

The salary referred to in para. 1 of this Article shall comprise all emolument resulting from the labor relationship, except for compensation of expense of the employee relating to work referred to in Article 118, points 1) - 4) and other emoluments referred to in Article 119 and Article 120, point 1) of this law.

2. Salary for work performed and time spent at work

Article 106.

Salary for work performed and time spent at work shall comprise basic salary, part of the salary that is performance related and increased salary.

Article 107.

The basic salary shall be set according to requirements stipulated in the OS&HR needed for jobs the employee entered into the labor relations for and time spent at work.

Work performance shall be evaluated according to the quality and volume of work, as well as attitude of employee to his/her work duties.

The general document shall define parameters for calculation and payment of basic salary and part relating to performance referred to in paras 1 and 2 of this Article.

The labor contract may set a higher salary than the salary derived from the parameters stipulated in the general document.

Article 108.

Any employee shall also be entitled to increased salary in the amount set in the general document and labor contract, as follows:

1) for work at holidays: min. 110% of the basic salary;

2) for work during the night and in shifts, if such work has not been incorporated into the value of the basic salary: min. 26% of the basic salary;

3) for overtime: min. 26% of the basic salary;

4) for years of service, i.e. for each full year of service: 0.4% of the basic salary.

If more than one requirements stipulated in para. 1 of this Article, have been met simultaneously, the percentage of the increased salary shall not be lower than the sum of these percentages, by each of the criteria.

General document and labor contract may also stipulate other instances in which an employee is entitled to increased salary.

All calculations of the increased salary shall be based on the basic salary set pursuant to the law, general document and labor contract.

Article 109.

Trainees shall be entitled to no less than 80% of the basic salary for job the labor contract has been concluded for, as well as compensation of expenses and other emoluments, pursuant to general document and labor contract.

Article 110.

The salary shall be paid within terms set in the general document and labor contract, at least once a month, and not later than the end of the current months for the previous month.

The salary shall be paid in money only, unless the law stipulates otherwise.

3. Minimum wage

Article 111.

Any employee shall be entitled to the minimum wage for standard performance and full working hours, i.e. time equaled with full time.

Should the employer and employee agree on the minimum wage referred to in para. 1 of this Article, the employer shall pay the wage in the amount set by the decision referred to in Article 113 of this law for the month in which the payment is effectuated.

Article 112.

The minimum wage shall be set by a decision of Social-Economic Council (hereinafter: Social-Economic Council).

Should the Social-Economic Council fail to pass a decision 10 days after the outset of the bargaining process, the decision of the amount of the minimum wage shall be set by the Government of the Republic of Serbia (hereinafter: Government).

The following criteria shall be taken into account when the amount of the minimum wage is set: cost of living, trends of average salary in the Republic of Serbia, basic and social needs of employees and their families, unemployment rate, employment trends at the labor market and general level of economic development of the Republic of Serbia.

The minimum wage shall be set by the working hour, for a period of no less than six months, and cannot be lower than the minimum wage set by the decision referred to in paras 1 and 2 of this Article for the period preceding the period for which the minimum wage is set.

Article 113.

Decision of the amount of the minimum wage referred to in Article 112 of this law shall be published in the “Offical Gazette of the Republic of Serbia”.

4. Compensation of salary

Article 114.

Any employee shall be entitled to compensation of salary in the amount of the average salary in the preceding three months, pursuant to general document and labor contract, for the time he/she has been absent from work during public holidays, annual holiday, paid leave, military drill and response to the summons of a public body.

Any employer shall be entitled to reimbursement of the paid compensation of salary referred to in para. 1 of this Article in case the employee was absent from work for a military drill or response to the summons of a public body by that body to which the employee responded, unless the law stipulates otherwise.

Article 115.

Any employee shall also be entitled to compensation of salary during absence from work due to temporary inability to work for up to 30 days, as follows:

1) minimum 65% of the average salary in the three months preceding the month in which the temporary inability to work occurred, where it cannot be lower than the minimum salary set pursuant to this Law, should this inability to work

be caused by illness or injury that was not inflicted at work, unless the law stipulates otherwise;

2) in the amount of 100% of the average salary in the three months preceding the month in which the temporary inability to work occurred, where it cannot be lower than the minimum salary set pursuant to this Law, should this inability to work be caused by an occupational illness or injury inflicted at work, unless the law stipulates otherwise;

Article 116.

Any employee shall be entitled to the compensation of salary in the amount of 60% of the average salary in the three preceding months, where it cannot be lower than the minimum salary set pursuant to this Law during discontinuation of work that occurred without any fault of the employee, for 45 days in a calendar year at most.

Article 117.

Any employee shall be entitled to the compensation of salary in the amount set in the general document and labor contract during discontinuation of work that resulted from the order of the competent state authority or competent body of the employer because of lack of proper security measures to protect life and health at work that are prerequisites for further work without risk for life and health of employees and other persons, and in other instances, pursuant to the law.

General document and labor contract may also stipulate other cases in which employees shall be entitled to compensation of salary.

5. Reimbursement of expense

Article 118.

Any employee shall be entitled to reimbursement of expense pursuant to general document and labor contract, as follows:

1) for commuting to and from work, in the amount of the cost of public transport fare;

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

3) for time spent at business trip abroad, in the minimum amount set by special regulations;

4) accommodation and meals for work and stay in the field, unless the employer has provided for free accommodation and meals;

5) meals at work;

6) subsidy for annual holiday.

6. Other emoluments

Article 119.

Employer shall also pay, pursuant to the general document:

1) retirement gratuity for those that retire in the amount of three average salaries, as the minimum;

2) compensation of funeral expense in case of death of a member of immediate family to employees, or to members of immediate family in case of death of an employee;

3) compensation to any employee in case of occupational disease or injury at work.

Employer may provide Christmas and New Year presents to employees' children below the age of 15 to the value of untaxable amount stipulated under regulation covering income tax.

The average salary referred to in para. 1, point 1) of this Article shall be the average salary in the Republic of Serbia pursuant to the latest data published by the national statistics body.

Spouse and children of employee shall be considered members of the immediate family in terms of para. 1, point 2) of this Article.

Employer may also pay the premiums for voluntary retirement insurance, collective insurance against accidents and collective insurance against serious illness and surgery, in order to provide additional quality social protection.

Article 120.

General document or labor contract may also establish the right to:

1) jubilee prizes and solidarity aid;

2) compensation for meals at work;

3) subsidy for annual holiday, and

4) other emoluments.

7. Calculation of salary and compensation of salary

Article 121.

Employer shall furnish the calculation slip with each payment of salary and calculation of salary.

Employer shall also furnish the calculation statement for a month in which the payment of salary or compensation of salary has not been effectuated.

The calculation statement referred to in para. 2 of this Article shall also be accompanied with information that the payment of salary or compensation of salary has not been effectuated stating the reason for that.

The employer shall furnish the calculation of salary or compensation of salary statement, referred to in para. 2 of this Article by the end of the month for the previous month.

8. Records of salary or compensation of salary

Article 122.

Employer shall keep the monthly records on salary and compensation of salary.

The records shall contain all information on salary, salary after withholding tax and contribution from salary and deductions from salary for each employee.

The records shall not contain gaps and deleted spaces and subsequently entered data.

The records shall be endorsed by the director, or entrepreneur or a person empowered by them.

The records shall be signed by the employee to whom the payment of salary or compensation of salary has been made.

9. Protection of salary or compensation of salary

Article 123.

Employer may collect any monetary claim from an employee by withdrawal of his/her salary only upon valid decision of the court in cases stipulated under the law or agreement of the employee.

Upon valid decision of the court employer may withdraw up to one third of the salary or compensation of salary maximum, unless the law stipulates otherwise.

IX. DUES TO EMPLOYEES IN CASE OF BANKRUPTCY PROCEDURE

Article 124.

Right to payment of outstanding dues by employer against whom bankruptcy procedure has been raised (hereinafter: dues), pursuant to this Law, shall be granted to an employee who has been employed (in labor relations) on the day the bankruptcy procedure has been raised and person in labor relations in the period for which the rights stipulated under this Law are claimed.

The rights referred to in para. 1 of this Article shall be claimed pursuant to this Law, should they not been settled pursuant to the law covering bankruptcy procedure.

Should the rights referred to in para. 1 of this law be only partially settled pursuant to the law covering bankruptcy procedure, the employee shall be entitled to the difference up to the level of the amount set in this law.

Article 125.

Any employee shall be entitled to the payment of:

1) salary and compensation of salary during temporary inability to work pursuant to health insurance regulations that was payable by the employer pursuant to this Law, in the last nine months before the bankruptcy procedure was raised;

2) compensation of damages for unused annual holiday by the fault of the employer, for the calendar year in which the bankruptcy procedure was raised, should he/she have been entitled to that right before initiation of the bankruptcy procedure;

3) retirement gratuity for retirement in the calendar year in which the bankruptcy procedure was raised should he/she have met the requirements for retirement before initiation of the bankruptcy procedure;

4) compensation of damages pursuant to court ruling passed in the calendar year in which the bankruptcy procedure was raised, for injury at work or occupational disease, should this ruling have become valid before initiation of the bankruptcy procedure.

Any employee shall also be entitled to payment of contributions for mandatory social insurance for payments referred to in para. 1, point 1) of this Article, pursuant to regulations on mandatory social insurance.

Article 126.

Salary and compensation of salary Article 125, para. 1, point 1) of this law shall be paid in the amount of the minimum salary.

Compensation of damages for unused annual holiday referred to in Article 125, para. 1, point 2) of this law shall be paid in the amount of the minimum wage.

Retirement gratuity referred to in Article 125, para. 1, point 3) of this law shall be paid in the amount of three average salaries in the business sector of the Republic.

Compensation of damages referred to in Article 125, para. 1, point 4) of this law shall be paid in the amount set in the court ruling.

Establishing the Solidarity Fund

Article 127.

The Solidarity Fund shall be established for securing the rights referred to in Article 125 of this law (hereinafter: Fund).

The Fund shall be set up to provide for and pay for claims pursuant to this Law.

The Fund shall operate in the capacity of a legal entity and as a public service.

The Fund shall be seated in Belgrade.

Article 128.

The means for establishment and launch of the Fund shall be provided from the budget of the Republic of Serbia.

The Fund shall start operating on the day it has been entered into the Register, pursuant to the law.

Fund bodies

Article 129.

The Fund bodies shall be:

1) Managing Board;

2) Supervisory Board;

3) Director.

Article 130.

The Managing Board of the Fund shall be composed of six members: two representatives of the Government, two representatives of representative trade unions and two representatives of representatives associations of employers, set up for the territory of the Republic of Serbia.

Each member of the Fund Managing Board shall have a substitute in case of absence.

Members of the Managing Board and their substitutes shall be appointed by the Government for a four-year term, as follows:

1) Representatives of the Government upon advise of the minister;

2) Representatives of trade unions and associations of employers upon advise of representative trade unions and two representatives of representative associations of employers, members of Social-Economic Council.

The Managing Board shall elect the President and Deputy President from the own ranks.

Article 131.

Mode of operation, as well as other issuer relevant for the Managing Board operations shall be stipulated in the statutes and general document of the Fund.

Article 132.

The Managing Board shall:

1) enact the Statutes and other general documents of the Fund, unless this law stipulates otherwise;

2) adopt the financial plan and annual financial report of the Fund;

3) appoint the Fund director;

4) perform other duties stipulated under this Law and Fund Statutes.

The Government shall endorse the Fund Statutes, financial plan and annual financial report of the Fund, as well as decision on appointment of the Fund Director.

The Managing Board shall submit a report on Fund operations to the Government not later than March 31st of the current year for the preceding year.

Article 133.

The Supervisory Board of the Fund shall be composed of three members, as follows: one representative of the Government, one representative of representative trade unions and one representative of representative associations of employers set up for the territory of the Republic of Serbia.

Each member of the Fund Supervisory Board shall have a substitute in case of absence.

Members of the Supervisory Board and their substitutes shall be appointed by the Government for a four-year term, as follows:

3) One representative of the Government upon advise of the minister;

4) Representatives of trade unions and associations of employers upon advice of representative trade unions and two representatives of representative associations of employers, members of Social-Economic Council.

The Supervisory Board shall elect the President and Deputy President from the own ranks.

Article 134.

The Supervisory Board shall:

1) Supervise financial operations of the Fund;

2) Oversee implementation of the law and other regulations relating to financial operations of the Fund;

3) Oversee implementation of decisions made by the Managing Board;

4) Pursue other duties set up in this Law and Fund Statutes.

The Supervisory Board shall submit a report on financial operations of the Fund to the Government not later than 31st March of the current year for the previous year.

Article 135.

The Fund Director shall:

1) organize operations and transaction of the Fund and be responsible for legality of Fund work;

2) represent the Fund;

3) execute decision of the Fund Managing Board;

4) enact the Organizational Structure and HR Document of the Fund with approval of the Government ;

5) manage the work of Fund employees;

6) perform other duties pursuant to this Law and Fund Statutes.

Article 136.

The Fund employees shall perform administrative and other professional tasks for the Fund.

Regulations on labor relations for employees of public bodies shall apply to employees referred to in para. 1 of this Article.

Fund financing

Article 137.

Fund shall generate revenue from the budget of the Republic of Serbia and other sources pursuant to the law.

Fund revenue shall be used pursuant to this Law.

Article 138.

Should the annual balance of income and expense of the Fund show that the total generated income exceeds the expense, the difference shall be deposited to the account of the budget of the Republic of Serbia and be earmarked for implementation of active employment policy.

Procedure to grant the rights of employees

Article 139.

The procedure to grant the rights referred to in Article 125 of this law shall be started upon a claim of employee (hereinafter: claim).

The claim shall be filed to the Fund 15 days after receipt of the valid decision substantiating the right to such claim, pursuant to the law covering the bankruptcy procedure.

Article 140.

The claim shall be filed on a specially designated form.

The claim shall be accompanied with:

1) Labor contract, or other document on entry into labor relation, and for persons whose labor relationship has been terminated – the document on termination of the labor relations;

Document substantiating the right to claim referred to in Article 125, para. 1, point 1) of this law, pursuant to the law covering the bankruptcy procedure;

2) Evidence substantiating the claim referred to in Article 125, para. 1, points 2) - 4) of this law.

Content of the form referred to in para. 1 of this Article and other documentation to be submitted shall be prescribed by the minister.

Article 141.

The official receiver, employer and employee shall, upon request of the Fund, supply all information relevant for decision referred to in Article 142 of this law 15 days upon receipt of such request, at the latest.

Article 142.

The Fund Managing Board shall decide on the claims by Decision.

The Decision may be contested eight days after receipt of the decision at the latest.

The minister shall decide on the appeal against the decisions thirty days after the appeal has been filed at the latest.

The minister's decision shall be final and only administrative procedure may be raised against it.

Article 143.

Rights of employees to claims referred to in Article 125 of this law shall be inalienable, personal and material.

Article 144.

An employee shall lose the right referred to in Article 125 of this law:

1) if the claim referred to in Article 125 of this law has been paid in the amount and within the time set by this law before execution of the decision referred to in Article 142 of this law,

2) if he/she has supplied incorrect data relating to fulfillment of the requirements for eligibility to that right,

3) if he/she has failed to file within the term set in Article 139. paras 2 and 3 of this law.

Restitution of unjustifiably obtained means

Article 145.

The Fund shall order that any employee return all means, paid pursuant to Articles 125 and 126 of this law, increased by statutory default interest and cost of the proceedings, should the rights have been granted on the basis of untrue and incorrect data, i.e. should the employee have failed to notify the Fund on any facts that may influence eligibility to and granting of the rights stipulated in this law – one year after the facts that are the basis for restitution of the means have been disclosed.

The employee shall deposit the due amount to the account of the Fund 30 days after receipt of the order to do so at the latest.

Oversight of legality of operation

Article 146.

Oversight of legality of operation of the Fund shall be conducted by the ministry in charge of labor affairs (hereinafter: ministry).

X. RIGHTS OF EMPLOYEES IN CASE OF CHANGE OF EMPLOYER

Article 147.

In case of change of status, i.e. change of employer, pursuant to the law, the succeeding employer shall take over the general document and labor contracts from the preceding employer in force on the transfer day.

Article 148.

The preceding employer shall inform the succeeding employer fully and truly about the rights and duties contained in the general document and labor contracts that are transferred.

Article 149.

The preceding employer shall notify the employees whose labor contracts are transferred on the transfer of the labor contracts to the succeeding employer in writing.

Should any employee refuse the transfer of the labor contract or fails to agree to it five days after the notification of the transfer referred to in para. 1 of this Article, the preceding employer may terminate the labor contract to such employee.

Article 150.

The succeeding employer shall apply the general document of the preceding employer one year after the change of employer, unless before the expiry of that term:

1) the term to which the collective agreement was concluded with the preceding employer expires;

2) new collective agreement is concluded with the succeeding employer.

Article 151.

The preceding employer and succeeding employer shall, 15 days before the change of employer at the latest, notify the representative trade union of the employer about the following:

1) date or proposed date of change of employer;

2) reasons for such change of employer;

3) legal, economic and social consequences of change of employer and measures to mitigate them.

The preceding employer and succeeding employer shall, 15 days before the change of employer at the latest, undertake measures for mitigation of social and economic consequences on the position of the employees, in collaboration with the representative trade union.

Should there be no representative trade union with the employer, the employees have the right to be directly informed about the circumstances referred to in para. 1 of this Article.

Article 152.

Provisions of Articles 147-151 of this law shall also apply in cases of change of ownership of the equity of a company or other legal entity.

XI. REDUNDANCY

Article 153.

Employer shall enact a program to manage the issue of redundancy (hereinafter: program), should he/she come to the conclusion that due to technological, economic or organizational changes redundancy of employees employed for an indefinite term will ensue within the following 30 day term for the minimum of:

1) 10 employees for employers who has more than 20 and less than 100 staff employed for an indefinite term;

2) 10% employees for employers who has at least 100 and less than 300 staff employed for an indefinite term;

3) 30 employees for employers who has more than 300 staff employed for an indefinite term.

Such program shall also be enacted by an employer who establishes that at least 20 employees will become redundant within a 90-day period, due to reasons stated in para. 1 of this Article regardless of the total number of employees of that employer.

Article 154.

Employer shall, before enacting such program, in collaboration with the representative trade union of such employer and national agency in charge of employment, undertake relevant measures for new employment of the redundant employees.

Article 155.

Such program shall particularly feature:

1) Reasons for redundancy;

2) Total number of employees with that employer;

3) Number, educational structure, age and duration of service of employees found redundant and jobs they perform;

4) Criteria for establishing the redundancy;

5) Employment measures, transfer to other jobs, work with other employers, re-training, additional training, part-time work (but not less than half-time) and other measures;

6) Means for managing the social and economic position of the redundant staff;

7) Labor contract.

Employer shall submit the proposal of program referred to in Article 154 of this law and the national agency for employment eight days after the program proposal has been set at the latest, inviting the advice of the agency.

Program shall be enacted by the Managing Board, and with employers where no Managing Board has been established, by the director, i.e. entrepreneur.

Article 156.

The trade union referred to in Article 154 of this law shall voice the opinion on the proposed program 15 days after the proposed program has been received at the latest.

The national employment agency shall, within the term set in para. 1 of this Article, submit to the employer proposed measures for prevention or minimizing the number of terminations of the labor contracts, i.e. provide for re-training, additional training, self-employment and other measures for new employment of redundant employees.

Employer shall consider and take into account proposals of the national employment agency and trade union and inform them about his/her position within an eight day term.

Article 157.

Absence from work because of temporary inability to work, pregnancy, maternity leave, childcare and special care of a child shall not be the criteria for selection of redundant employees.

Article 158.

Employer shall, before termination of the labor contract referred to in Article 179, point 9) of this law, pay the severance pay in the amount set in the general document or the labor contract.

The severance pay, referred to in para. 1 of this Article shall not be lower than the sum of one third of the salary of the employee for each full year of service (employment) for the first 10 years and one fourth of the salary of the employee for each year of service after ten years of employment.

Article 159.

The salary, referred to in Article 158 of this law shall be the average monthly salary of the employee paid in the last three months preceding the month in which the severance pay is paid.

Article 160.

Any employee to whom the labor contract is terminated because of his/her redundancy the employer pays the severance pay referred to in Article 158 of this law shall be entitled to subsidy and right to retirement and disability insurance and health care, pursuant to employment regulations.

XII. PROHIBITION OF COMPETITION

Article 161.

The labor contract may stipulate the jobs an employee may not perform on his/her own behalf, or on behalf and for the account of another legal entity or natural person, without the consent of his/her current employer (hereinafter: prohibition of competition).

Prohibition of competition may be stipulated only if conditions exist where an employee may, through his/her work with the employer, acquire new, specially important technological knowledge, a wide circle of business partners or acquire knowledge of important business information and secrets.

General document and labor contract shall determine the territorial limitations of prohibition of competition relative to the type of job to which the prohibition refers.

Should an employee violate the prohibition of competition, en employer shall be entitled to claim damage compensation from the employee.

Article 162.

The prohibition of competition in terms of Article 161 of this law and damage compensation may be extended through agreement between employer and employee in the labor contract to a period following termination of labor relation, where such period may not exceed two years after termination of labor relation.

The prohibition of competition of para. 1 of this Article may be agreed should employer commit himself in the labor contract to pay monetary compensation to the employee in the set amount.

XIII. COMPENSATION OF DAMAGE

Article 163.

An employee shall, pursuant to the law, be liable for work or work-related damages he/she causes to the employer with intent or through gross negligence.

Should the damage be caused by several employees, each employee shall be severally liable for the damage he/she caused.

Should particular part of the damage caused by the employee referred to in para. 2 of this Article may not be determined, it shall be deemed that all employees are equally liable and shall compensate the damage in equal parts.

Should damage be caused through premeditated criminal offence committed by several employees, they shall be held jointly liable.

Presence of damage, its extent, circumstances under which it has occurred, perpetrator and manner of compensation shall be determined by the employer, pursuant to the general document or labor contract.

The competent court shall rule on the damage if compensation of the damage is not effectuated pursuant to provisions of para. 5 of this Article.

Any employee who in performance of his/her work or in relation to such work causes damage to third party intentionally or through gross negligence, and such damage is compensated by the employer, shall reimburse the employer by the amount of paid damages.

Article 164.

Should an employee sustain an injury or damage at work or in relation to work, the employer shall compensate for the damage, pursuant to the law and general document.

XIV. SUSPENSION OF AN EMPLOYEE FROM WORK

Article 165.

An employee may be temporarily suspended from work:

1) If criminal procedure has been initiated against him for criminal offence committed at work or in relation to work, or due to violation of work duty that endangers property of considerable value;

2) If the nature of such violation of work duty or violation of work discipline or behavior of the employee is such that he/she cannot continue his/her work with the employer before expiry of the term set in Article 180, para. 1 and Article 181, para. 2 of this law.

Article 166.

An employee remanded in custody shall be suspended from work as of the first day of custody and for the duration of custody.

Article 167.

Suspension in terms of Article 165 of this law shall last for three months at most, and upon expiry of the term the employer shall return the employee to work or his/her labor contract shall be terminated in case of presence of justified reasons in terms of Article 179, points 2) - 4) of this law.

Article 168.

During this temporary suspension from work in terms of Articles 165 and 166 of this law, an employee shall be entitled to salary compensation amounting to one fourth or if he/she supports a family one third of the basic salary.

Compensation of salary during temporary suspension from work in terms of Article 166 of this law shall be paid at the account of the body ordering custody.

Article 169.

During the temporary suspension from work, in terms of Articles 165 and 166 of this law, an employee shall be entitled to the difference between the amount of compensation of salary received pursuant to Article 168 of this law and full amount of the basic salary, as follows:

1) If criminal proceedings against him are discontinued by valid decision, or in case of acquittal by valid decision, or if charges against him are dismissed for reasons other than non-jurisdiction;

2) If the labor contract of the employee is not terminated in terms of Article 179, points 2) - 4) of this law.

Article 170.

In cases of violation of work duty or violation of work discipline in terms of Article 179, points 2) and 3) of this law, the employer may, instead of termination of the labor contract, pronounce a measure of temporary suspension from work without any compensation of salary, if it is the employer's belief that the case is associated with some mitigating circumstances or that the violation of work duty or violation of work discipline is not so serious as to necessitate termination of labor relations.

The measure of suspension from work in terms of para. 1 of this Article may be pronounced for a term of one to three days.

XV. AMENDMENTS TO THE LABOR CONTRACT

1. Change of labor conditions in the contract

Article 171.

Employer may offer amendments to the labor conditions in the contract (hereinafter: contract annex):

1) For transfer to another corresponding work, needs of the process and organization of work;

2) For transfer to another place of work with the same employer, in terms of Article 173 of this law;

3) For referral to work with another employer, in terms of pursuant to Article 174 of this law;

4) If the redundant employee has been granted the rights referred to in Article 155, para. 1, point 5) of this law;

5) In terms of Article 33, para. 1. points 10), 11) and 12) of this law;

6) In other cases set in the general document and labor contract.

The corresponding job in terms of para. 1, points 1) and 3) of this Article shall be any job requiring the same type and level of education/qualification set in the labor contract.

Article 172.

With the offer for contract annex, employer shall supply in writing the reasons for such offer, deadline by which the employee has to respond and legal consequences that may result from refusal of such offer.

Employer shall respond to the offer for a contract annex by the deadline set by the employer, that cannot be shorter than eight working days.

It shell be deemed that the employee has refused an offer for contract annex if he/she fails to respond before the deadline referred to in para. 2 of this Article.

Should an employee accept the offer for his/her contract annex, he/she shall also preserve the right to contest legality of such contract before the competent court.

2. Transfer to another work location

Article 173.

An employee may be transferred to another work location:

1) If the business of the employer is such that the work is performed at locations beyond the seat of the employer or its organizational part;

2) If the distance between the place in which the employee works and place to which his/her workplace is transferred is less than 50 km, if there is a regular transportation line that enables timely commuting to and from work and if reimbursement of cost of the fare in public transport is provided;

Apart from the cases referred to in para. 1 of this Article employee may be transferred to other work location with his/her consent only

3. Referral to work for another employer

Article 174.

Employee may be temporarily referred to work with another employer to an adequate job if the need for his/her work has been temporarily discontinued, business premises have been leased or contract on business collaboration concluded, as long as the reasons for such referral are in place, for up to one year.

Employee may, with his/her consent, in cases referred to in para. 1 of this Article and other cases set in the general document or labor contract, be temporarily referred to work with another employer beyond the one year term, as long as the reasons for his/her referral are in place.

Employee may be temporarily referred, in terms of para. 1 of this Article to work at another location if the conditions set in Article 173, para. 1, point 2) of this law have been met.

Employee shall conclude a labor contract for a definite term with the employer to whom he/she is referred for work.

Such labor contract shall not stipulate lesser rights than those he/she has been granted with the employer referring him.

Upon expiry of the term to which he/she has been referred to work with another employer, the employee is entitled to returning to work with the referring employer.

XVI. TERMINATION OF LABOR RELATIONS

1. Reasons for termination of labor relations

Article 175.

Labor relations shall be terminated:

1) With expiry of the term to which they have been entered into;

2) When the employee turns 65 and has the minimum of 15 years of retirement insurance, unless otherwise agreed between employer and employee;

3) By mutual agreement between employer and employee;

4) By cancellation of the labor contract by employer or employee;

5) Upon request of a parent or guardian of an employed minor under 18 years of age

6) With death of the employee;

7) In other cases stipulated under the law.

Article 176.

Labor relations shall be terminated regardless of the wish of employee or employer:

1) If it is determined in the manner set out in the law that employee has suffered loss of working ability – as of the date of delivery of valid decision substantiating such loss of working ability;

2) If, pursuant to provision of the law, i.e. valid court decision or decision of another body, such employee is forbidden to perform particular jobs and other jobs are unavailable – as of the date of delivery of the valid decision;

3) If due to serving a prison sentence employee is absent from work for more than six months – as of the date of commencement of serving of the prison sentence;

4) If a security, correctional or protective measure of more than six months has been pronounced to employee and consequently he/she would be absent from work – as of the date of commencement of application of such measure;

5) In case the employer ceases to work, pursuant to the law.

2. Termination of labor relations by mutual consent

Article 177.

Labor relations may be terminated on the bases of written agreement between employer and employee.

Before effectuation of such agreement, employer shall notify the employee in writing about the consequences on the rights granted in case of unemployment.

3. Termination of employment by employee

Article 178.

Employee shall be entitled to terminate the labor contract with his/her employer.

Employee shall submit in writing notice on termination of the labor contract 15 days before the date stated in the notice as the date of termination of employment, at the latest.

Should termination of employment result from employer's violation of duties stipulated under the law, general document and labor contract, the employee shall be entitled to all rights resulting from the labor relationship, as in the case of wrongful dismissal.

4. Termination of employment by employer

Article 179.

Employer may terminate the labor contract to an employee for a just cause relating to his/her working ability, behavior and employer's needs, as follows:

1) If employee does not perform, i.e. does not have the needed knowledge and abilities to perform the job on which he/she is employed;

2) If employee through his/her own fails violates the work duties set in the general document and labor contract;

3) If employee does not comply with the work discipline as stipulated in the general document i.e. his/her behavior is such as to preclude further work with the employer;

4) If employee commits a criminal offence at work or in relation to work;

5) If employee does not return to work with the employer within 15 days from the expiry of the period of unpaid leave of dormancy of employment in terms of this law;

6) If employee abuses the right to leave for temporary inability to leave;

7) If employee refuses the annex to the labor contract in terms of Article 171, para. 1, points 1) - 4) of this law;

8) If employee refuses the annex to of the labor contract in terms of Article 33, para. 1, point 10) of this law;

9) If due to technological, economic or organizational changes a particular job becomes redundant or volume of work be reduced.

Article 180.

Employer shall be required to notify the employee on the reasons for his/her dismissal before termination of the labor contract in case referred to in Article 179, points 1) - 6) of this law and leave at least a five-day term to respond to the rationale stated in the notification.

The notification referred to in para. 1 of this Article shall contain the grounds for dismissal, facts and evidence suggesting that the conditions have been met for the dismissal and response to such notification.

Should there be any mitigating circumstances or if the nature of the violation of the work duty or violation of work discipline be insufficient for termination of the labor contract, the employer may inform the employee in such notification that the labor contract shall be terminated without any previous notification in case the same or similar violation take place in the future.

Article 181.

Employer shall submit the notification referred to in Article 180 of this law to the trade union the member of which the employee is.

The trade union shall respond five days after the receipt of the notification at the latest.

Article 182.

In case of termination of employment to employee, the employer may not, in case referred to in Article 179, point 9) of this law, employ another person on the same job prior to expiry of six months from the date of termination of employment.

If, prior to expiry of the time limit referred to in para. 1 of this Article the need for the same job arises, the employee to whom the labor relation has been terminated shall have precedence.

Article 183.

The following reasons for termination of the labor contract, in terms of Article 179 of this law, shall not be considered justified:

1) Temporary inability to work due to illness, injury at work or occupational disease;

2) maternity leave, absence for work for childcare or special care of the child;

3) military service;

4) membership in a political organization, trade union, gender, language, ethnicity, social origin, religion, political or other belief or any other personal feature of the employee;

5) activity in the capacity of representative of employees, pursuant to this Law;

6) filing a complaint to the trade union or competent bodies for protection of rights resulting from labor relationship pursuant to the law, general document and labor contract.

5. Procedure when terminating employment

1) Statute of limitations

Article 184.

Employer may terminate the labor contract in terms of Article 179, points 1), 2), 3), 5) and 6) of this law within a period of three months upon becoming aware of the facts constituting the grounds for dismissal, i.e. within a period of six months following the occurrence of the facts constituting the grounds for dismissal.

Employer may terminate the labor contract in terms of Article 179, point 4) of this law prior to expiry of statute of limitations stipulated under the law for criminal offence at the latest.

2) Serving the termination of the labor contract notice

Article 185.

A labor contract shall be terminated by serving a pertinent notice, in writing and always with substantiation and advice on legal remedy.

The notice shall be served in person, in the premises of the employer, i.e. to the address, or place of residence of the employee.

Should employer be unable to serve the notice in terms of para. 2 of this Article, he/she shall make a written statement to that effect.

In case referred to in para. 3 of this Article the notice shall be posted on the bulletin board of the employer and shall be considered served eight days after such placement.

The labor relations of the employee shall be considered terminated once the notice has been served, unless stipulated otherwise in this law or the notice.

Employee shall notify the employer in writing, on the day after the notice has been served, if he/she wants to resolve the dispute before an arbiter, in terms of Article 194 of this law.

3) Mandatory payment of salary and compensation of salary

Article 186.

Employer shall, in cases of termination of employment, effect all due payments to the employee, i.e. all outstanding salary, compensation of salary and

other emoluments the employee has been entitled to by the day of termination of labor relations, pursuant to general document and labor contract.

The employer shall effectuate the payment of the dues referred to in para. 1 of this Article 30 days after termination of employment, at the latest.

6. Special protection from termination of the labor contract

Article 187.

Employer shall not terminate the labor contract to an employee during pregnancy, maternity leave, absence for childcare or special care of the child.

Employee referred to in para. 1 of this Article whose labor contract has been effectuated for a definite term, may have his/her labor relations terminated upon expiry of such term.

Article 188.

Employer shall not terminate the labor contract, or put in less favorable position any of the following representatives of employees during the term of office and one year after expiry of such term, under the condition that the representative of employees comply with the law, general document and labor contract:

1) member of employee's council and representative of employees in the employer's Managing Board and Supervisory Board;

2) president of trade union with the employer;

3) appointed or elected trade union representative.

Should the representative of employees referred to in para. 1 of this Article fail to comply with the law, general document and labor contract, the employer may terminate his/her labor contract.

The number of trade union representatives enjoying protection in terms of para. 1, point 3) of this Article shall be set in the collective agreement, i.e. agreement with the employer, depending on the number of members of the trade union with such employer.

Employer may, with approval of the ministry, terminate the labor contract of a representative of employees in terms of para. 1 of this Article, should he/she refuse the job offered pursuant to Article 171, para. 1, point 4) of this law.

7. Notice period and severance pay

Article 189.

Employee whose labor contract has been terminated for lack of performance, i.e. qualifications and skills in terms of Article 179, point 1) of this law, has the right and duty to remain at work for no less of one month and no longer than

three months (hereinafter: notice period), depending on the total duration of insurance period, as follows:

1) a month if he/she has up to 10 years of insurance (period for which contributions for the retirement insurance has been paid);

2) two months if he/she has 10-20 years of insurance period;

3) three months, if he/she has over 20 years of insurance period;

The notice period starts a day after the decision on termination of the labor contract has been served.

Employee may, in agreement with competent bodies in terms of Article 192 of this law, stop working even before expiry of the notice period, where the compensation of salary shall be paid for the period in the amount set in the general document and labor contract.

Should employee be summoned for military drill or remaining part of the military service or become temporarily unable for work during the period he/she is obliged to stay at work, upon his/her request, the terms shall be interrupted for the duration of such period, and continued upon his/her resuming work after the military drill or temporary inability to work has ceased.

~~**Article 190.**~~

~~In case of termination in terms of Article 179, point 1) of this law, the labor relations shall be terminated upon effectuation of the severance pay, as follows:~~

~~1) in the amount of one salary for up to two years of continuous work with the employer;~~

~~2) in the amount of two salaries for 2-10 years of continuous work with the employer;~~

~~3) in the amount of three salaries for 10-20 years of continuous work with the employer;~~

~~4) in the amount of four salaries for over 20 years of continuous work with the employer.~~

8. Wrongful dismissal

Article 191.

If a court passes a valid decision establishing that labor relation to employee has been wrongfully terminated, the court shall decide that the worker may be re-admitted to work, at his/her discretion.

In addition to the re-admission, the employer shall pay compensation of damage in the amount of lost salary and other emoluments to which the employee is entitled pursuant to the law, general document and labor contract. The employer shall also pay all outstanding contributions for mandatory social insurance for that period.

Compensation of damages shall be reduced by the amount of income acquired on the basis of actual work, upon termination of employment.

Should the court rule that the employee suffered wrongful dismissal, and the employee does not request to be re-admitted to work, the court shall order that the employer pays the compensation of damage in the maximum amount of 18 salaries the employee would have earned if he/she had worked, relating to the duration of service and age of that employee, as well as the number of dependants in the family.

The court may rule in terms of in para. 4 of this Article upon request of the employer, as well, in case the existing circumstances suggest that the continuation of labor relations is not possible, taking into account all circumstances and interest of both parties, where the compensation of damages shall be double the amount adjusted in terms of para. 4 of this Article.

Both employer and employee may file in terms of para. 4 and 5 of this Article before the main hearing before the court has been concluded.

XVII. EXERCISE AND PROTECTION OF EMPLOYEE'S RIGHTS

Article 192.

Decisions on rights, duties and responsibilities deriving from labor relations shall be made by:

1) director or employee empowered by him in a legal entity;

2) entrepreneur or employee empowered by him when employer does not have the status of legal entity.

Power referred to in para. 1 of this Article shall be issued in writing.

Article 193.

Any decision on exercising rights, duties and responsibilities accompanied with pertinent substantiation and advice on legal remedy shall be served to employee in writing, except in case referred to in Article 172 of this law.

Provisions of Article 185, para 2 - 4 of this law shall also refer to procedure for serving the decision referred to in para. 1 of this Article.

Protection of individual rights

Article 194.

General document and labor contract may provide for consensual resolution of disputed issues between the employer and employee.

Disputed issues in terms of para. 1 of this Article shall be resolved by an arbiter.

The arbiter shall be consensually agreed by the parties in dispute from the ranks of experts in the field that is the subject of dispute.

The proceedings before the arbiter shall be initiated three days after the decision has been served to the employee at the latest.

The arbiter shall pass a decision 10 days after amicable resolution of disputed issues has been filed for, at the latest.

During the arbitration proceedings for termination of the labor contract, the labor relations shall be deemed dormant.

Should the arbiter fail to pass the decision referred to in para. 5 of this Article the decision on termination of employment shall become valid.

The arbiter’s decision shall be final and binding for the employer and employee.

Article 195.

Employee or trade union empowered by the employee may initiate legal proceedings before a competent court against a decision violating the employee’s right or upon becoming aware of violation of such right.

The legal proceedings may be initiated 30 days after the decision has been served or upon becoming aware of violation of such right at the latest.

The dispute before the competent court shall be effectively terminated six months after initiation of such proceedings at the latest.

Statutes of limitations for claims resulting from labor relationship

Article 196.

All pecuniary claims resulting from the labor relationship shall expire three years after they have been created.

XVIII. SPECIAL PROVISIONS

1. Working without labor relations

1) Temporary and periodical work

Article 197.

An employer may conclude a contract for performance of temporary or periodical work when such work by nature does not last more than 120 days during a calendar year with:

1) an unemployed person;

2) employed person that works part-time, up to the full time work

3) beneficiary of old-age pension.

The contract referred to in para. 1 of this Article shall be concluded in writing.

Article 198.

Employer may conclude a contract for temporary and periodical work with a member of youth or student co-operative who is under 30 years of age.

2) Special service contract

Article 199.

Employer may conclude a special service contract with a particular person to perform tasks beyond the scope of activity of the employer, for the purpose of independent manufacture or repair of a certain item, or independent execution of certain physical labor or intellectual work.

A special service contract may also be concluded with a person pursuing artistic or other cultural activities pursuant to the law.

The contract referred to in para. 2 of this Article has to comply with the collective agreement for persons independently pursuing work in the field of art and culture, should such collective agreement be concluded.

The contract referred to in para. 1 of this Article shall be concluded in writing

3) Contract on representation and agency

Article 200.

Employer may conclude a contract on representation and agency with a particular person.

The representation and agency agreement shall stipulate the right to remuneration for representation and agency and other mutual rights, duties and responsibilities of the person performing the representation and agency work and the employer, pursuant to the law.

The contract referred to in para. 1 of this Article shall be concluded in writing.

4) Contract on training and advanced training

Article 201.

Employer may conclude a contract on training and advanced training:

1) with an unemployed person, for traineeship and subsequent licensing exam when the law or rulebook stipulate such requirement as a prerequisite for independent work in the line of business;

2) with a person who wants to advance and acquire special knowledge and qualifications for work in his/her own line of expertise, i.e. to specialize during the time stipulated in the training, or specialization/residency curriculum.

Employer may provide remuneration and other rights, pursuant to the law, general document or contract on training and advanced training to the persons referred to in para. 1 of this Article.

The remuneration in terms of para. 2 of this Article shall not be treated as the salary pursuant to this law.

The contract referred to in para. 1 of this Article shall be concluded in writing.

5) Additional work

Article 202.

Employee who works full time with an employer may conclude a contract on additional work with another employer, up to one third of full time.

The additional work contract shall stipulate the right to remuneration and other rights and duties derived from such work.

The contract referred to in para. 1 of this Article shall be concluded in writing.

2. Self-employment

Article 203.

A natural person may pursue his/her business activity independently as an entrepreneur, pursuant to the law.

3. Workbook

Article 204.

Employee shall have a workbook, which shall be handed over to the employer upon employment.

A workbook is a public document.

The workbook is issued by the competent municipal administration body.

Employer shall return a properly filled-out workbook to the employee on the day of termination of the labor relations.

No data detrimental to the employee may be entered into the workbook.

The content of the workbook, how the data shall be entered into the workbook and how the register of workbooks issued shall be kept shall be prescribed by the minister.

XIX. ORGANIZATIONS OF EMPLOYEES AND EMPLOYERS

1. Employee's Council

Article 205.

Employees of an employer who has more than 50 employees may set up an Employee's Council, pursuant to the collective agreement.

The Employee's Council shall voice opinion and participate in decision making relating to economic and social rights of employees, in the manner and under the conditions stipulated in the law and general document.

2. Trade union of employees

Article 206.

Freedom to organize in trade unions and pursue trade union activity shall be granted to employees, with pertinent entry into the register.

Article 207.

Employee becomes a member of the trade union by signing the registration form.

Employer shall deduct the amount of trade union fee from the salary of the employee upon his/her written authorization to do so, and shall deposit the amount to the account of the trade union.

Article 208.

A trade union shall supply the employer with the certificate of entry into the register of trade unions and decision on election of the president and members of trade union bodies eight days after the day the certificate of entry into the register of trade unions has been supplied, or on the day the trade union bodies have been elected.

Article 209.

A trade union shall be informed by the employer on economic and occupational-social issues relevant for the position of employees, or trade union members.

Article 210.

An employer shall provide the trade union with technical conditions and office space as well as access to the data and information necessary for pursuing trade union activity.

Technical conditions and office space shall be set in the collective agreement or agreement between the trade union and employer.

Article 211.

Authorized representative of trade union shall be entitled to paid leave of absence for his/her trade union activity, pursuant to collective agreement or agreement between the trade union and employer, proportionally to the number of trade union members.

If the collective agreement or agreement referred to in para. 1 of this Article have not been reached, the authorized representative of trade union shall be entitled to:

1) for 40 paid working hours per month if the trade union has no less than 200 members and one hour per month for each additional 100 members;

2) proportionally fewer hours of paid working hours if the trade union has less than 200 members.

The collective agreement or agreement referred to in para. 1 of this Article may stipulate that an authorized representative of the trade union be completely relieved of the jobs for which his/her labor contract was concluded.

Should the collective agreement or agreement referred to in para. 1 of this Article not have been concluded, the branch president and member of a trade union body are entitled to 50% of the paid hours in terms of para. of this Article.

Article 212.

A representative of trade union authorized for collective bargaining or appointed member of the collective bargaining team shall be entitled to paid leave during the bargaining process.

Article 213.

A representative of trade union authorized to represent an employee in the labor dispute with the employer before an arbiter or court shall be entitled to paid leave during the representation process.

Article 214.

A representative of trade union absent from work pursuant to Articles 211 - 213 of this law shall be entitled to compensation of salary in the amount of the basic salary, at least, pursuant to general document and labor contract.

Compensation of salary referred to in para. 1 of this Article shall be paid by the employer.

3. Setting up of trade unions and associations of employers

Article 215.

A trade union, in terms of Article 6 of this law, may be established pursuant to general document of the trade union.

Article 216.

Association of employers may be established by employers that employ no less than 5% of employees of the total number of employees in a certain branch, group, subgroup or line of business, or territory of a certain territorial unit.

Article 217.

A trade union and association of employers shall be entered into the register pursuant to the law and other regulations.

The minister shall prescribe the mode of such entry of trade unions and associations of employers into the register.

4. Representativeness of trade unions

Article 218.

A trade union shall be considered representative:

1) if it has been set up and active on the basis of principles of freedom of trade union organization and activity;

2) if it is independent from public bodies and employers;

3) if it is funded mostly from membership fee and own sources;

4) if it has the sufficient number of members on the basis of registration forms in terms of Articles 219 and 220 of this law;

5) if it is entered into the register pursuant to the law and other regulations

When representativeness on the basis of number of members is being established, the priority is given to the last signed registration form for the trade union.

Article 219.

A representative trade union with an employer shall be one that meets the requirements set in Article 218 of this law and whose membership comprise no less than 15% of the total number of employees with that employer.

A representative trade union with an employer shall also be the trade union in the branch, group, subgroup or line of business comprising no less than 15% of the total number of employees with that employer.

Article 220.

A representative trade union for the territory of the Republic of Serbia or unit of territorial autonomy or local self-government, or branch, group, subgroup of line of business shall also be the one that meets the criteria referred to in Article 218 of this law comprising the membership of no less than 10% of employees in that branch, group, subgroup of line of business on the territory of a certain territorial unit.

5. Representativeness of association of employers

Article 221.

An association of employers shall be considered representative:

1) if it is entered into the register pursuant to the law;

2) if it has a sufficient number of employees with employers who are members of association of employers, pursuant to Article 222 of this law.

Article 222.

A representative association of employers, in terms of this law, shall be an association of employers into which no less than 10% of employers of the total number of employers in a certain branch, group, subgroup or line of business, or territory of a certain territorial unit under the condition that such employers employ no less than 15% of the total number of employees in that branch, group, subgroup or line of business, or territory of a certain territorial unit.

6. Establishing representativeness of trade unions and associations of employers

1) Body competent for establishing representativenesss

Article 223.

Representativeness of a trade union with an employer shall be established by the employer in the presence of interested trade unions, pursuant to this Law.

A trade union may file for establishing representativeness to the Panel for Establishing Representativenss of Trade Unions and Associations of Employers (hereinafter: Panel):

1) if representativeness has not been established in terms of para. 1 of this Article 15 days after the request has been filed;

2) if the trade union believes that its representativeness has not been established pursuant to this Law.

Article 224.

Representativeness of a trade union for the territory of the Republic of Serbia or unit of territorial autonomy or local self –government, or in a branch, group, subgroup or line of business shall be established by the minister upon advice of the Panel, pursuant to this Law.

Article 225.

The Panel shall be composed of three representatives of the Government, trade union and association of employer appointed for a four-year term.

Representatives of the Government shall be appointed by the Government upon advice of the minister, while representatives of trade unions and associations of employers shall be appointed by respective trade unions and associations of employers – members of the Social-Economic Council.

The ministry shall provide administrative and technical services to the Panel.

2) Application to establish representativeness

Article 226.

Application to establish representativeness (hereinafter: application) pursuant to Article 223, para. 1 of this law shall be filed by the trade union to the employer.

The application shall be supplied with the evidence of fulfilling the requirements set in Article 218, para. 1, points 4) & 5) and Article 219 of this law.

Article 227.

Application to establish representativeness pursuant to Article 223, para. 2 and Article 224 of this law shall be filed by a trade union or association of employers to the Panel.

The application shall be supplied with the evidence of fulfilling the requirements for representativeness set in Article 218, para. 1, points 4) & 5) and Article 219 - 222 of this law, and for a trade union with an employer, the evidence on fulfilling the requirements set in Article 223, para. 2 of this law, as well.

The application shall be supplied with statement of the person empowered for representation of the trade union or association of employers on the number of members.

The total number of employees and employers on a territory of a certain territorial unit, in a branch, group, subgroup or a line of business shall be determined on the basis of information supplied by the competent statistical body, or other body keeping the pertinent records.

The total number of employees with an employer shall be determined according to the certificate issued by the employer.

Employer shall issue such certificate on the number of employees upon application of the trade union.

3) Procedure upon application

Article 228.

In the procedure for establishing representativeness of a trade union with an employer representatives of trade union set up with such employer shall be present.

Employer shall decide on application referred to in Article 226 of this law employer by his/her decision on the basis of supplied evidence on fulfilling the requirements of representativeness 15 days after the application has been filed at the latest.

Article 229.

The Panel shall decide if the application and evidence have been supplied pursuant to Article 227 of this law.

Upon request of the Panel, the applicant shall supply registration forms and other evidence on accession of employers to association of employers.

The applicant shall rectify all objections should the application not be supplied with the evidence in terms of Article 227 of this law.

The application shall be deemed proper and timely if the applicant rectifies all objections within the term set in para. 3 of this Article.

Article 230.

Upon advice of the Panel, the minister shall refuse the application:

1) if a trade union with an employer filed the application before filing to establish representativeness with the employer, i.e. before expiry of the term se in Article 223, para. 2, point 1) of this law;

2) if the applicant fails to rectify all objections within the term set in Articleu 229, para. 3 of this law.

Article 231.

Minister shall pass a decision on establishing representsativeness of a trade union or association of employers upon advice of the Panel, should all requirements stipulated in this law have been met.

The decision referred to in para. 1 of this Article shall be passed 15 days after the application has been filed or all objections rectified in terms of Article 229, para. 3 of this law, at the latest.

Minister shall pass a decision refusing the application , upon advice of the Panel, if the trade union or association of employers do not meet the requirements for representativeness set in this law.

The decision referred to in para. 1 and 3 of this Article may be contested in an administrative dispute.

Article 232.

Minister may require that the Panel re-consider the application to establish representativeness eight days after the application has been filed at the latest, should he/she decide that all facts relevant for establishing representativeness have not been determined.

The Panel shall proceed pursuant the request referred to in para. 1 of this Article and submit the final advice to the minister three days after the request for re-consideration has been received at the latest.

The minister shall comply with the advice referred to in para. 2 of this Article and pass a decision pursuant to Article 231 of this law.

4) Re-consideration of established representativeness

Article 233.

A trade union, employer and association of employers may file for re-consideration of established representativeness upon expiry of three years from the

day the decision referred to in Article 228, para. 2, Article 231, para. 1 and Article 232, para. 3 of this law has been made.

Re-consideration of representativeness of a trade union with an employer established by decision of the employer may be initiated by the employer, or application of another trade union with the employer.

Application for re-consideration of representativeness of a trade union with an employer may be filed by employer with whom a trade union whose representatives is under re-consideration or by another trade union with the employer.

Application for re-consideration of representativeness of a trade union in terms of Article 220 of this law may be filed by a trade union established by a territorial unit, branch, group, subgroup or line of activity for which the trade union whose representativeness is being reconsidered has been set up.

Application for re-consideration of representativeness of an association of employers in terms of Article 222 of this law may be filed by an association of employers established by a territorial unit, branch, group, subgroup or line of activity for which the association of employers whose representativeness is being reconsidered has been set up.

Article 234.

Application referred to in Article 233, para. 2 of this law shall be filed to the employer with whom the trade union whose representativeness is being re-consider has been set up.

Application and initiative referred to in Article 233, para. 2 shall contain the name of such trade union, number of the registration document, reasons for re-consideration of the representativeness and substantiating evidence.

Employer shall, within eight days after receipt of the application referred to in para. 1 of this Article, or initiative referred to in para. 2 of this Article, notify the trade union whose representativeness is being re-considered accordingly asking for substantiating evidence on fulfilling the requirements of representativeness pursuant to this Law.

Not later than 8 days after the receipt of the notification referred to in para. 3 of this Article the trade union shall submit the evidence on fulfilling the requirements of representativeness to the employer.

Article 235.

The application referred to in Article 233. paras 3-5 of this law shall be filed to the Panel including the name of the trade union or association of employers, organizational level, number of the registration document, reasons for re-consideration of representativeness and substantiating evidence.

Not later than eight days after receipt of the application referred to in para. 1 of this Article the Panel shall notify accordingly the trade union or association

of employers for which re-consideration of representativeness is requested and ask them to supply substantiating evidence pursuant to this Law.

A trade union or association of employers, shall submit evidence on fulfilling the requirements of representativeness to the Panel not later than 15 days after the receipt of the notification referred to in para. 2 of this Article.

Article 236.

A procedure for re-consideration of representativeness of a trade union or association of employers shall be conducted pursuant to provisions of Articles 228 - 232 of this law.

Article 237.

Decision on representativeness or loss of representativeness of a trade union for a certain branch, group, subgroup or line of business or territorial unit, as well as decision on establishing representativeness and decision of loss of representativeness of an association of employers shall be published in the "Offical Gazette of the Republic of Serbia".

7. Legal and business capacity of trade unions and association of employers

Article 238.

A trade union and association of employers earn the capacity of a legal entity on the day of their entry into the register, pursuant to the law and other regulations.

Article 239.

A trade union, or association of employers, for which representativeness has been established pursuant to this Law, shall be entitled to:

1) right to collective bargaining and collective agreement on the respective level;

2) right to participation in collective legal disputes;

3) right to participation in tripartite and multipartite bodies on the pertinent level;

4) other rights, pursuant to the law.

XX. COLLECTIVE AGREEMENTS

1. Scope and form of the collective agreement

Article 240.

A collective agreement, pursuant to the law and other regulations, shall regulate rights, duties and responsibilities resulting from the labor relationship, procedure for amendments of the collective agreement, mutual relations of the parties to the collective agreement and other issues relevant for employees and employers.

A collective agreement shall be concluded in writing.

2. Types of collective agreements

Article 241.

A collective agreement may be concluded as general, special and individual agreement

Article 242.

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

Article 243.

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

3. Parties to the collective agreement

Article 244.

A general collective agreement may be concluded by a representative association of employers and representative trade union set up for the territory of the Republic of Serbia.

Article 245.

A special collective agreement for a branch, group, subgroup or line of business may be concluded between the representative association of employers and representative trade union set up for the branch, group, subgroup or line of business.

A special collective agreement for a territory of a unit of territorial autonomy and local self-government may be concluded between the representative association of employers and representative trade union set up for the territorial unit for which the collective agreement is concluded.

Article 246.

A special collective agreement for public enterprises and public services is concluded between the founder or body authorized by the founder and the representative trade union.

A special collective agreement for persons pursuing free lance activity in the field of arts and culture (self-employed artists) is concluded between the representative association of employers and representative trade union.

A special collective agreement for athletes, coaches and sports experts is concluded between the representative association for sports activity in physical culture and representative trade union.

Article 247.

A collective agreement with employer for public enterprises and public services shall be concluded by the founder or the body authorized by the founder, representative trade union with the employer and employer. Director shall sign the collective agreement on behalf of the employer.

Article 248.

A collective agreement with employer shall be concluded by the employer and representative trade union with that employer. The director or entrepreneur shall sign the collective agreement on behalf of the employer.

Article 249.

Should neither of trade unions, or neither of associations of employers, meet the requirements of representativeness in terms of this law, trade unions or associations of employers may enter into association agreement to meet the requirements of representativeness in terms of this law and participation in the collective agreement.

Article 250.

If no trade union has been set up with an employer, salary, compensation of salary and other emoluments of employees may be regulated by an agreement.

An agreement shall be considered reached once it is signed by the director, or entrepreneur and representative of the council of employees empowered by no less than 50% of total number of employees with that employer.

Such agreement shall be superseded by a collective agreement.

4. Collective bargaining and collective agreement

Article 251.

If more representative trade unions or representative associations of employers, or trade unions or association of employers that reached an association agreement in terms of Article 249 of this law participate in bargaining for collective agreement, the bargaining board shall be set up.

Members of the board referred to in para. 1 of this Article shall be delegated by trade unions, or associations of employers, proportionally to the number of their respective members.

Article 252.

In the bargaining process for collective agreement with an employer, the representative trade union shall collaborate with a trade union with no less that 10% membership of the employees of that employer to enable voicing of the interests of employees who are members of that trade union.

Article 253.

Representatives of trade unions and employers, or associations of employers, that participate in the bargaining for collective agreement shall be authorized by their bodies to conclude the collective agreement.

Article 254.

Parties to collective agreement shall participate in the bargaining process.

If, during the bargaining process consensus for collective agreement has not been reached after 45 days from the day of the outset of the bargaining process, the parties may set up an arbitrage to resolve the disputed issues.

For activities in the general interest, disputes in the bargaining process, amendments and implementation of collective agreements shall be resolved pursuant to the law.

Article 255.

Composition, rules of procedure and effects of the arbitrage decision shall be agreed upon by parties to the collective agreement.

The final decision shall be reached 15 days after the arbitrage has been set up at the latest.

5. Implementation of collective agreements

Article 256.

General and special collective agreements shall be implemented directly and shall be binding on all employers who at the time of concluding the collective agreement have been members of association of employers – party to the collective agreement.

Collective agreement referred to in para. 1 of this Article shall also be binding on employers who subsequently become members of association of employers – parties to the collective agreement, as of the time of accession to the association of employers.

Collective agreement shall be binding on employers referred to in para. 1 and 2 of this Article six months after secession from the association of employers – party to the collective agreement.

Article 257.

Minister may decide that a collective agreement or some of its provisions be applied to employers who are not members of association of employers – parties to the collective agreement.

Minister may enact decision referred to in para. 1 of this Article in case of recognized public interest to do so, particularly:

1) for implementation of economic and social policy in the Republic of Serbia in order to provide for uniform working conditions that represent the minimum rights of employees derived from and based on their work;

2) to reduce differences in salary in a certain branch, group, subgroup or line of business that substantially affect the social and economic position of employees resulting in unfair competition, under the condition that the collective agreement the effect of which is extended is binding for employer that employ no less that 30% of employees in that branch, group, subgroup or line of business.

Minister may pass the decision referred to in para. 2 of this Article upon request of one of parties to the collective agreement the effect of which is extended, upon advice of the Social-Economic Council.

Article 258.

Minister may, upon request of employer or association of employers, decide that the collective agreement referred to in Article 257 of this law in the part relating to salary and compensation of salary not be applied to some employers or association of employers.

Employer, or association of employers, may apply for exemption from the collective agreement with extended effect should they not be able to implement that collective agreement due to financial and business results.

Employer or association of employers shall supply the application referred to in para. 2 of this Article with evidence substantiating their reasons for exemption from the collective agreement with extended effect.

Article 259.

Minister shall pass the decision on exemption from implementation of the collective agreement upon advice of the Social-Economic Council.

Article 260.

Minister may revoke the decision on the extended effect of collective agreement and decision on exemption from implementation of the collective agreement, in case the reasons in terms of Article 257, para. 2 and Article 258, para. 2 of this law cease to exist.

The decision referred to in para. 1 of this Article shall be enacted following the procedure for decision on extended effect of collective agreement, i.e. decision on exemption from implementation of the collective agreement.

The decision referred to in Articles 257 and 259 of this law becomes invalid with invalidation of the collective agreement, i.e. some of its provisions the effect of which has been extended or exempted.

Article 261.

The decision referred to in Articles 257, 259 and 260 of this law shall be published in the “Official Gazette of the Republic of Serbia”.

Article 262.

Collective agreement with an employer shall be binding for employees that are not members of the trade union – signatory of the collective agreement.

6. Validity and cancellation of collective agreement

Article 263.

Collective agreement shall be concluded for a three-year term.

Upon expiry of the term referred to in para. 1 of this Article, collective agreement becomes invalid unless the parties to the collective agreement agree otherwise 30 days before expiry of such collective agreement at the latest.

Article 264.

Validity of collective agreement before expiry of the term referred to in Article 263 of this law may be cancelled by agreement of the parties or cancellation in the manner stipulated in this agreement.

In case of cancellation, collective agreement shall be applied six months after the cancellation at the latest, where the parties shall initiate the bargaining process 15 days after the cancellation at the latest.

7. Resolution of disputes

Article 265.

Disputed issues in implementation of a collective agreement may be resolved by arbitrage set up by parties to the collective agreement 15 days after the dispute has arisen at the latest.

Decision of arbitrage on the disputed issue shall be binding to the parties.

Composition of arbitrage and rules of procedure shall be covered by collective agreement.

Parties to collective agreement may claim their rights granted by the by collective agreement before the competent court.

8. Registration of collective agreements

Article 266.

General and special collective agreements, as well as amendments to them shall be registered with the ministry.

Minister shall also prescribe content and procedure for registration of collective agreements.

9. Publication of collective agreement

Article 267.

General and special collective agreement shall be published in the “Official Gazette of the Republic of Serbia”.

Other collective agreements shall include a provision on publication of the agreement.

XXI. SUPERVISION

Article 268.

Supervision over implementation of this law, other labor regulations, general documents and the labor contracts regulating rights, duties and responsibilities of employees shall be conducted by labor inspection.

Article 269.

In performing the supervisory duties, a labor inspector shall be authorized to issue a decision binding the employer to eliminate identified violations of the law, general document and labor law.

The employer shall inform the labor inspection not later than 15 days after expiry of the term for elimination of the identified violation on the implementation of the relevant decision.

Article 270.

A labor inspector shall file for offence proceedings should he/she find that an employer, or director or entrepreneur, committed an offence by way of violation of the law or other regulation covering labor relations.

Article 271.

Should a labor inspector find that an employer obviously violated rights of an employer by way of termination of labor contract and that employee has initiated a labor dispute, the inspector shall, upon request of the employee postpone execution of such termination issuing his/her own decision, until valid decision of the court has been passed.

An employee may file a request in terms of para. 1 of this Article 30 days after initiation of labor dispute at the latest.

The labor inspector shall pass a decision on postponing the execution of termination of labor contract by employer 15 days after the employee has filed such request at the latest, if all requirements referred to in para. 1 and 2 of this Article have been met.

Article 272.

The decision of the labor inspector may be contested with the minister 8 days after the decision has been served at the latest.

Appeal against decision referred to in Article 271 of this law shall not postpone execution of that decision.

Minister shall pass the final decision 15 days after receipt of the appeal at the latest.

The final decision referred to in Article 271. para. 1 of this law shall not be contested in an administrative procedure

XXII. PENAL PROVISIONS

Article 273.

Employer in the capacity of legal entity shall be fined in the amount of CSD 800,000 to 1,000,000 for the following offences:

1) if he/she violates prohibition of discrimination pursuant to this law (Articles 18 - 21);

2) if he/she fails to conclude a labor contract or other contract, pursuant to this law (Article 33 and Article 197 - 202);

3) if he/she fails to furnish a copy of the mandatory social insurance policy to an employee (Article 35);

4) if he/she fails to pay the salary or minimum wage (Articles 104 and 111);

5) if he/she fails to pay the salary in money, except in case referred to in Article 45 of this law (Article 110);

6) if he/she fails to pass a program of redundancy problem management (Article 153);

7) if he/she cancels the labor contract contrary to provisions of this law (Articles 179 - 181 and Articles 187 & 188);

8) if he/she fails to pay all outstanding salary, compensation of salary and other emoluments (Article 186);

9) if he/she fails to comply with decision of a labor inspector pursuant to provisions of this law (Article 271);

10) if he/she prevents a labor inspector to conduct supervision or prevents such supervision in other ways.

Entrepreneur shall be fined in the amount of CSD 400,000 to 500.000 for an offence referred to in para. 1 of this Article.

A responsible person in a legal entity shall be fined in the amount of CSD 40,000 to 50.000 for an offence referred to in para. 1 of this Article.

If the offence referred to in para. 1 of this Article inflicts material damage to an employee or other natural person or legal entity, a protective measure – prohibition to pursue business – may be pronounced to the employer, pursuant to the law.

Article 274.

Employer in the capacity of a legal entity shall be fined in the amount of CSD 600,000 to 1,000,000 for the following offences:

1) if he/she calls to account a representative of employees proceeding pursuant to the law and collective agreement (Article 13);

2) if he/she enters into labor relations with a person below the age of 18 contrary to provisions of this law (Article 25);

3) if he/she fails to register a labor contract with the competent self-government body pursuant to provisions of this law (Article 46);

4) if he/she orders overtime to an employee contrary to provisions of this law (Article 53);

5) if he/she conducts re-scheduling of work time contrary to provisions of this law (Articles 57, 59 and 60);

6) if he/she fails to provide day work to an employee who works nights contrary to provisions of this law (Article 62);

7) if he/she fails to provide change of shift to an employee who works in shifts contrary to provisions of this law (Article 63);

8) if he/she orders an employee below the age of 18 to work contrary to provisions of this law (Articles 84, 87 and 88);

9) if he/she orders an employee aged between 18 and 21 to work contrary to provisions of this law (Article 85);

10) if he/she fails to provide for protection of motherhood and rights based on childcare and special care of the child or caregiving to other person pursuant to provisions of this law (Articles 89 - 100);

11) if he/she fails to pay compensation of salary, reimbursement of expense or any other emolument pursuant to provisions of this law (Article 114 - 120);

12) if he/she fails to issue calculation statement for the salary pursuant to provisions of this law (Article 121);

13) if he/she fails to keep monthly records of salary and compensation of salary pursuant to provisions of this law (Article 122);

14) if he/she denies rights to employees resulting from the labor relationship contrary to provisions of this law (Article 147);

15) if he/she passes a decision on suspension of an employee contrary to provisions of this law or if he/she suspends an employee for a term longer than stipulated under this law (Articles 165 - 170);

16) if he/she offers a labor contract annex contrary to provisions of this law (Articles 171 - 174);

17) if he/she decides on an individual right, duty or responsibility of an employee without passing a pertinent decision or without serving it to the employee pursuant to provisions of this law (Article 193);

18) if he/she fails to comply with decision of a labor inspector pursuant to provisions of this law (Article 269).

Entrepreneur shall be fined in the amount of CSD 300,000 to 500,000 for the offences referred to in para. 1 of this Article.

A responsible person in a legal entity shall be fined in the amount of CSD 30,000 to 50,000 for the offences referred to in para. 1 of this Article.

Article 275.

Employer in the capacity of a legal entity shall be fined in the amount of CSD 400,000 to 600,000 for the following offences:

1) if he/she denies the right to annual holiday to an employee (Article 68 and Article 75, para. 3);

2) if he/she denies the right to re-assume work to an employee who was granted dormancy of the labor relationship (Article 79);

3) if he/she fails to provide work to match the remaining abilities or other adequate job (Article 101).

An entrepreneur shall be fined in the amount of CSD 100,000 to 300,000 for the offences referred to in para. 1 of this Article.

A responsible person in a legal entity shall be fined in the amount of CSD 20,000 to 40,000 for the offences referred to in para. 1 of this Article.

Article 276.

Employer in the capacity of a legal entity or entrepreneur shall be fined on-the-spot in the amount of CSD 20,000 for the following offences:

1) if he/she fails to provide time for a daily and weekly recesses pursuant to provisions of this law (Articles 64 through 67);

2) if he/she denies the right to severance pay to an employee pursuant to provisions of this law (Article 158);

3) if he/she denies the right to notice period or compensation of salary to an employee pursuant to this Law (Article 189);

4) if he/she fails to return properly filled-out workbook to an employee (Article 204).

A responsible person in a legal entity shall be fined in the amount of CSD 5,000 for the offences referred to in para. 1 of this Article.

The fine referred to in paras 1 and 2 of this Article shall be collected by the labor inspector on-the-spot.

XXIII. TRANSITIONAL AND FINAL PROVISIONS

Article 277.

Until pertinent by-laws in terms of Articles 46 para. 2; 96, para. 5;103, para. 6; 204, para. 6; 217, para. 2 and 266, para. 2 of this law, the following regulations shall remain in force:

1) Rules on the procedure and manner of registering labor contract for work done outside the employer’s premises and jobs of house help ("Official Gazette RS", vol. 1/02);

2) Rules on conditions, procedure and manner of exercising the right to leave for special care of a child ("Official Gazette RS", vol. 1/02);

3) Rules for issuing and content of medical certificate substantiating temporary inability to work for employees pursuant to health insurance regulations ("Official Gazette RS", vol. 1/02);

4) Workbook Rules ("Official Gazette RS", vol. 17/97);

5) Rules on entry of trade unions into register ("Official Gazette RS", vols. 6/97, 33/97, 49/00, 18/01 and 64/04);

6) Rules on registration of collective agreements ("Official Gazette RS", vol. 22/97).

Article 278.

An employer shall, with all employees who have entered into labor relations by the day of effectuation of this law who still do not have a labor contract concluded, conclude a labor contract regulating mutual rights, duties and responsibilities incorporating provisions in terms of Article 33, para. 1 of this law, except for points 4) - 8).

The contract referred to in para. 1 of this Article shall not imply entry into labor relations.

Article 279.

Employers who have enacted decision of re-scheduling of working hours for 2005 by the day of effectuation of this law shall organize working hours of the employees pursuant to that decision.

Article 280.

Employee who has not used the whole of his/her annual leave for 2004 may use the annual leave for that year pursuant to regulations in force before enactment of this law, if it is more favorable for him.

Article 281.

A procedure for termination of a labor contract that was initiated, but not completed of this law, shall be finalized pursuant to provisions in force by the day of effectuation of this law.

Article 282.

A procedure establishing redundancies that was initiated, but not completed of this law, shall be finalized pursuant to provisions in force by the day of effectuation of this law.

Employee to whom the final decision of a competent body, relating to discontinuation of the need for his/her work, grants a right based on regulation in force by the day of effectuation of this law – shall exercise that right pursuant to these regulations.

Article 283.

Employee to whom right to severance pay in terms of Article 107 of the Labor Law ("Official Gazette RS", vols. 70/01 & 73/01) has been granted by the day of effectuation of this law – shall exercise that right pursuant to that law.

Article 284.

Provisions of the collective agreement in force by the day of effectuation of this law that do not collide with provisions of this law shall remain in force until a collective agreement pursuant to this Law is not concluded.

Provisions of general and special collective agreement concluded before December 21st 2001 in force by the day of effectuation of this law, that do not collide with provisions of this law shall remain in force until a collective agreement pursuant to this Law is concluded, but not longer that six months after effectuation of this law.

Article 285.

The Fund bodies, pursuant to provisions Articles 129-136 of this law, shall be elected 30 days after effectuation of this law at the latest.

Employee to whom the right to claim, pursuant to Article 139, para. 2 of this law, is granted between the day of effectuation of this law and the day of election of the Fund bodies shall file his/her application after the Fund bodies have been elected at the latest.

Article 286.

The Labor Law ("Official Gazette RS", vols. 70/01 and 73/01) becomes invalid on the day of effectuation of this law.

Article 287.

This law shall come into force on the eighth day following its publication in the Official Gazette of the Republic of Serbia.

Transitional and final provisions

to the Law on Amendments to the Labor Law

Article 11.

An employed woman who started using her maternity leave pursuant to Article 94 of the Labor Law ("Official Gazette RS", vol. 24/05) by the day of effectuation of this law – shall continue exercising the right to maternity and leave for childcare pursuant to provisions that Article.

The right referred to in para. 1 of this Article shall be granted to the father of the child, as well.

Article 12.

Provisions of Article 118, points 5) & 6) of the Labor Law ("Official Gazette RS", vol. 24/05) shall become invalid as of the day of effectuation of this law, and shall be applied as of January 1st 2006.

Provisions of Article 120, points 2) & 3) of the Labor Law ("Official Gazette RS", vol. 24/05) shall become invalid as of January 1st 2006.

Article 13.

This Law shall come into force on the day following its publication in the "Official Gazette of the Republic of Serbia" while provision of Article 4 of this law shall be applied as of January 1st 2006.