

Pursuant to Article 95 item 3 of the Constitution of Montenegro I hereby enact

**DECREE
PROMULGATING THE LABOUR LAW**

I hereby promulgate the Labour Law, adopted by the 26th Parliament of Montenegro on its Eighth sitting of the Second regular (autumn) session in 2019, on 23 December 2019.

Number: 01-2266/2
Podgorica, 26 December 2019
President of Montenegro
Milo Đukanović, m.p.

Pursuant to Article 82 paragraph 1 item 2 and the Amendment IV paragraph 1 to the Constitution of Montenegro, the 26th Parliament of Montenegro on its Eighth sitting of the Second regular (autumn) session in 2019, on 23 December 2019, adopted the

LABOUR LAW

(Official Gazette of Montenegro, No 74/2019 of 30 December 2019, 08/2021 of 26 January 2021, 59/2021 of 4 June 2021, 68/2021 of 23 June 2021, 145/2021 of 31 December 2021)

I BASIC PROVISIONS

**Scope
Article 1**

Rights and obligations of employees arising from the labour relationship, that is on the basis of work, the method and procedure of their exercise, shall be regulated by this Law, collective agreement and employment contract.

**Application of the Law
Article 2**

- (1) This Law shall apply to all employees working in the territory of Montenegro, for a local or foreign legal or physical person, as well as to employees who have been referred to work abroad by their employer with the head office in Montenegro, unless regulated otherwise by a special law.
- (2) This Law shall also apply to the employees in state bodies, public administration authorities, local self-government authorities and public services, unless regulated otherwise by a special law.

- (3) This Law shall also apply to employees who are foreign citizens and work with an employer in the territory of Montenegro, unless regulated otherwise by a special law.
- (4) This Law shall also apply to physical persons engaged in business activity with the aim of earning profit, but who do not perform this activity to the account of another person.
- (5) The provisions of this Law relating to the prohibition of discrimination shall apply to all persons employed under paragraphs 1 to 4 of this Article and may not be regulated otherwise by a special law.

Use of gender sensitive language

Article 3

The terms used in this Law for male physical persons include the same terms in the feminine gender.

Definition of labour relationship

Article 4

Labour relationship shall be a relationship between an employee and an employer based on the labour contract, in line with the law and collective agreement.

Definition of terms

Article 5

(1) The terms used in this Law have the following meanings:

- 1) An employee is a physical person with an established labour relationship with the employer;
- 2) Mobile employees is any employee who is employed as a member of staff travelling or flying within the framework of an economic undertaking providing passenger or goods transportation services by road, or by rail or by air traffic or inland waterways in accordance with the law
- 3) An employer is a local or foreign legal or physical person, or part thereof, with whom the employee has an established labour relationship, that is, with whom a physical person is engaged on one of the grounds stipulated in this Law;
- 4) Authorized trade union representative is an employee who is entered in the register of trade union organizations as an authorized person to represent and act on behalf of the union;
- 5) Collective agreement means the following: general collective agreement, sector-level collective agreement and collective agreement at the workplace (collective agreement with employer);
- 6) Job means a set of activities and tasks defined in the act on internal organization and systematization (job classification);

7) Work on facility at sea is a work that is mainly performed on or from facilities at sea (including oil platforms), directly or indirectly related to the search, extraction and exploitation of minerals, including hydrocarbons and dives associated with such activities, whether it is performed from a facility at sea or from a floating object, in accordance with the law

8) Work experience involves time spent in a labour relationship and vocational training, in accordance with the law, with the qualification in terms of the relevant level of education or professional qualification;

9) The act on internal organization and job classification is an act that defines the internal organization with the employer; jobs; job description; number of employees; special conditions for employment (competence, knowledge, skills and work experience, qualification in terms of the level of education, i.e. professional qualification within the spectrum of maximum two levels of education, or professional qualification);

10) Pregnant employee, in line with this Law, is an employee who informs the employer in writing about her pregnancy status;

11) the employee who gave birth, in line with this Law, is an employed mother of the child, until his/her first year of life is completed, who informs the employer about her situation in writing;

12) the breastfeeding employee, in line with this Law, is an employed mother of the child, until his / her first year of life is completed, who informs the employer about her situation in writing.

Relationship between the law, collective agreement and labour contract

Article 6

(1) Collective agreement and labour contract may not contain provisions stipulating lower rights or less favourable working conditions than the rights and conditions provided by this Law.

(2) Collective agreement and labour contract may stipulate broader scope of rights and more favourable working conditions than the rights and conditions defined by this Law.

(3) If certain provisions of collective agreement stipulate narrower scope of rights, or less favourable working conditions than the rights or conditions stipulated by the law, the provisions of the law shall apply.

(4) If certain provisions of the labour contract stipulate narrower scope of rights or less favourable working conditions than the rights or conditions stipulated by the law and collective agreement, they shall be null and void.

(5) If the collective agreement with the employer is not concluded, relevant sector collective agreement shall apply directly, and if there is no sector collective agreement, the general collective agreement shall apply.

Prohibition of discrimination

Article 7

Direct or indirect discrimination of persons seeking employment and employed persons, on the grounds of race, skin colour, nationality, social or ethnic origin, connection with a minority nation or minority national community, language, religion or conviction, political or other belief, gender, change of sex, gender identity, sexual orientation, health condition, disability, age, financial status, marital or family status, pregnancy, membership of a group or assumption of membership of a group, political party, trade union or other organizations, or any other personal feature shall be prohibited.

Direct and indirect discrimination

Article 8

- (1) Direct discrimination, pursuant to this Law, shall include any action caused by an act, action or failure to act, which places, has placed or may place in an less favourably position a person seeking employment, as well as an employed person, in relation to other person seeking employment or employed person on one of the grounds stipulated in Article 7 of this Law.
- (2) Indirect discrimination, pursuant to this Law, exists when a seemingly neutral provision, criterion or practice brings, has brought or may bring a person seeking employment or an employed person in an less favourably position in relation to other person seeking employment or an employed person on one of the grounds stipulated in Article 7 of this Law, unless this provision, criterion or practice are objectively and reasonably justified with a legitimate goal, with the use of means adequate and necessary for the achievement of the goal, that is, in a reasonably proportionate relationship with the goal that is to be achieved.

Discrimination on several grounds

Article 9

- (1) Discrimination referred to in Articles 7 and 8 of this Law shall be prohibited in relation to:
- 1) employment requirements and selection of candidates for the performance of a particular job;
 - 2) terms of employment and all rights arising from labour relationship;
 - 3) education, training and professional development;
 - 4) promotion at work;
 - 5) termination of contract of employment.
- (2) Provisions of the labour contract introducing discrimination on any of the grounds referred to in Articles 7 and 8 of this Law shall be null and void.

Harassment and sexual harassment

Article 10

(1) Harassment and sexual harassment at work and in relation to work shall be prohibited, "regarding all aspects of employment, i.e. recruitment, training, promotion, terms and conditions of employment, termination of employment or other matters arising out of the employment relationship.

(2) Harassment, pursuant to this Law, shall represent any unwanted conduct based on any of the grounds referred to in Articles 7 and 8 of this Law, as well as harassment through audio and video surveillance, mobile devices, social networks and Internet, with the purpose or effect to undermine the dignity of a person seeking employment, as well as an employed person, which causes or intends to cause fear, humiliation or dishonour, or creates or intends to create a hostile, degrading or offensive environment.

(3) Sexual harassment, pursuant to this Law, shall represent any unwanted verbal, non-verbal or physical conduct of a sexual nature intended to or actually undermining the dignity of a person seeking employment, as well as an employed person, particularly when such behaviour causes fear or creates a hostile, humiliating, intimidating, degrading or offensive environment.

(4) An employee may not suffer harmful consequences in case of reporting of, or testifying due to harassment and sexual harassment at work and in relation to work pursuant to paragraphs 2 and 3 of this Article.

Prohibition of discrimination in relation to occupational social security schemes **Article 11**

Discrimination on grounds of sex shall be prohibited in relation to occupational social security schemes whose purpose is to provide workers, whether employees or self-employed, in an undertaking or group of undertakings, area of economic activity, occupational sector or group of sectors with benefits intended to supplement the benefits provided by statutory social security schemes or to replace them, whether membership of such schemes is compulsory or optional.

Prohibition of discrimination in relation to training and development **Article 12**

Discrimination referred to in Articles 7 and 8 of this Law shall be prohibited in relation to access to all types and to all levels of vocational guidance, vocational training, advanced vocational training and retraining, including practical work experience.

Prohibition of discrimination in relation to membership in organization of workers and employers **Article 13**

Discrimination referred to in Articles 7 and 8 of this Law shall be prohibited in relation to membership of, and involvement in, an organisation of workers or employers, or any

organisation whose members carry on a particular profession, including the benefits provided for by such organisations.

Abuse at work place (mobbing)

Article 14

(1) Any form of abuse at work place (mobbing), or any conduct towards an employee or a group of employees with an employer which is repeated, and which is intended to or actually undermines the dignity, reputation, personal and professional integrity, position of an employee, which causes fear or creates a hostile, humiliating or offensive environment, aggravates the working conditions, or leads an employee to be isolated or induces an employee to terminate the labour contract upon his/her own initiative, shall be prohibited.

(2) Prohibition of abuse at the work place (mobbing), measures for prevention of abuse, the procedure for protection of persons exposed to mobbing, as well as other issues relevant for prevention of and protection against mobbing at work and in connection to work shall be regulated in more detail by a special law.

Special measures

Article 15

(1) Any distinction, exclusion or preference in respect of a particular job shall not be considered discrimination when the nature of the job or conditions in which it is performed are such that characteristics related to the grounds referred to in Articles 7 and 8 of this Law constitute a genuine and decisive requirement for the performance of the job and that the objective that is to be achieved in this way is justified.

(2) Provisions of the law, collective agreement and labour contract relating to special protection and assistance for specific categories of employees, and in particular those governing the protection of persons with disabilities, women during pregnancy and maternity leave, parental leave and leave from work for the purpose of child care, i.e. special child care, as well as provisions relating to special rights of parents, adoptive parents, guardians or foster parents, shall not be understood as discrimination.

Protection before the Agency for Amicable Labour Dispute Resolution or the competent court

Article 16

(1) In cases of prohibited behaviour, in the sense of Articles 7 through 15 of this Law, a person seeking employment, as well as an employee, may instigate the proceedings before the Agency for Amicable Labour Dispute Resolution or the competent court, in accordance with the law.

(2) A person whose employment has been terminated may also initiate the procedure referred to in paragraph 1 of this Article.

Rights of employees

Article 17

(1) An employee shall be entitled to a limited working hours, vacation, leave, standstill of rights and obligations based on employment, occupational health and safety, professional development and adequate wage, wage compensation and other income in line with the law, collective agreement and the labour contract.

(2) An employee shall have the right to trade union organizing, collective bargaining and participation in labour dispute resolution, in line with the law and the collective agreement.

(3) An employed woman shall be entitled to special protection during pregnancy and child delivery in line with the law.

(4) An employee shall have the right to give proposals, objections and notifications to the employer regarding occupational health and safety issues.

(5) During the use of parental, adoptive parental or foster parental leave, the employee shall be entitled to special protection.

(6) An employee shall be entitled to special protection for the purpose of caring for a child in line with this Law.

(7) An employee under 18 years of age and an employee with disability shall be entitled to special protection, in line with the law.

Obligations of employees

Article 18

An employee shall:

- 1) perform duties of the job in a conscientious and responsible manner;
- 2) respect the organization of work and operations with the employer, as well as conditions and rules of the employer with regard to meeting of contractual and other obligations arising from labour relationship;
- 3) take care of and treat means of work and material resources of the employer in a conscientious manner;
- 4) notify the employer of relevant circumstances affecting or which could affect performance of work;
- 5) inform the employer about the change of residential address within three days from the date of change of address;
- 6) respect regulations regarding occupational health and safety and perform work carefully so as to protect his/her own life and health, as well as life and health of others, in line with the special law;
- 7) act in accordance with other obligations stipulated by the law, collective agreement, act of the employer and labour contract.

Obligations of employer

Article 19

An employer shall:

- 1) have an act of internal organization and systematization of posts;
- 2) allow the employee to perform duties at work in line with the labour contract and act on internal organization and systematization of posts;
- 3) in the business premises, i.e. at the place where work is conducted, hold an authorization for the performance of business activity, i.e. registration of work certificate issued by the relevant authority and a copy of the labour contract of the employee, that is, copy of another contract of work engagement, as well as registration for compulsory social insurance;
- 4) pay wage to the employee for the work performed, in line with the law, collective agreement and labour contract;
- 5) ensure protective measures by preventing, removing and controlling occupational risks;
- 6) inform the employee of the terms of employment, organization of work, employer's rules with regard to fulfilment of contractual obligations at work and rights, obligations and responsibilities arising from regulations on occupational health and safety;
- 7) keep records of employees with a labour relationship with him, containing data on employees, attendance at work, all forms of organization of working time and annual leaves of employees, in line with the special law;
- 8) keep records of employees hired through an agency for temporary referral of workers;
- 9) in cases stipulated by the law, seek opinion from the trade union;
- 10) respect the personality, protect privacy of the employee and ensure protection of personal data thereof;
- 11) act in line with other obligations stipulated by the law, collective agreement and labour contract.

II ESTABLISHMENT OF A LABOUR RELATIONSHIP

1. Conditions for conclusion of a labour contract

General and special conditions

Article 20

(1) Labour contract may be concluded by a person fulfilling general conditions envisaged by this Law and special conditions envisaged by the law, other regulations and the act on internal organization and systematization of posts.

(2) General conditions referred to in paragraph 1 of this Article are: the person is minimum 15 years old and meets the general medical fitness standard.

(3) Notwithstanding paragraph 2 of this Article, a person under fifteen years of age or a person who has fifteen years of age and is undergoing compulsory primary education

shall be prohibited from entering into employment contracts, in accordance with a special law.

(4) A person with disability may conclude the labour contract under conditions and in the manner stipulated by this Law, unless regulated otherwise by a special law.

Obstacles for establishment of a labour relationship

Article 21

(1) Labour contract may not be concluded with a person who already has a concluded labour contract with full working hours or part-time labour contract.

(2) If a person is prohibited the performance of a particular type of work with an enforceable court decision, it shall not be possible to conclude a labour contract with that person for a post that involves the performance of that work.

(3) Labour contract for the performance of tasks involving work with children may not be concluded with a person convicted with a final and enforceable court judgment of the criminal offences against sexual freedom.

(4) Labour contract for the performance of household work may not be concluded with the members of immediate family.

(5) A member of immediate family in the sense of Paragraph 4 of this Article shall be: a spouse, children (out of wedlock, domestic partnership, adopted children or step-children), parents and adopted parents).

(6) Employee who received severance pay on the basis of the consensual termination of employment in a business organization, public institution and other public service in majority ownership of the state, i.e. local self-government unit or the state, i.e. where local self-government unit has share in capital, may not establish a labour relationship in a business organization, public institution and other public service, state authority and state administration body or local self-government body or service within the period of five years from the date of payment of the severance pay.

(7) Employee who received severance pay because the need for employment thereof has ceased to exist in a business organization, public institution and other public service in majority ownership of the state, i.e. local self-government unit or the state, i.e. local self-government unit has share in capital, except for the employee with disability, may not establish a labour relationship in a business organization, public institution and other public service, state authority and state administration body or local self-government body or service within the period of one year from the date of payment of the severance pay.

(8) Employer referred to in paragraphs 6 and 7 of this Article shall submit to the Employment Agency of Montenegro (hereinafter: Employment Agency) and administrative authority responsible for HR management data about employees who received the severance pay.

(9) Limitation referred to in paragraphs 5 and 6 of this Article shall not refer to the employee who returns the total amount of severance pay received.

Requirements for persons under the age of 18

Article 22

(1) An employment contract may be concluded with a person under the age of 18, with the necessary written consent of a parent, adopter, foster parent or guardian, where such work is not harmful to his health, moral, development and education, or such work is not prohibited by law.

(2) A person under the age of 18 may conclude a labour contract only based on findings from a relevant health authority determining his/her ability to perform duties covered by the labour contract and that such duties are not harmful to his/her health.

Internal information

Article 23

(1) An employer who has hired a person for a fixed-term, having permanent positions vacant, shall, as far as possible, timely inform employees about such vacancies on the notice board at the head office of the employer or his organisational unit.

(2) An employer who has hired a person on a full-time or part-time basis, for a fixed term, and has vacant part-time or full-time positions for an indefinite period of time, shall timely, as far as possible, inform the employees on the notice board at the head office of the employer, or in its organizational unit.

(3) An employer shall consider, as far as possible, every request of an employee, which is submitted in accordance with Arts. 1 and 2 of this Article.

Reporting and public announcement

Article 24

(1) The employer shall report a vacant position to the Employment Agency in the manner and according to the procedure stipulated by a special law.

(2) At the request of the employer, the Employment Agency shall publically announce the vacant position, in line with the special law.

(3) Exceptionally from paragraph 2 of this Article, the Employment Agency shall publically announce vacant position in the public enterprise, i.e. company, public institution and other public service founded or in majority ownership of the state, i.e. local self-government unit, in line with the special law.

(4) Vacant position in the sense of Paragraph 1 of this Article and Article 23 of this Law shall not include the following cases:

- 1) If there is a need to conclude a new labour contract with the same employee following the expiry of the previous labour contract;
- 2) If there is a need to assign the employee to another post with the same employer;

3) Taking over the employee based on an agreement of employers, with the consent thereof;

4) Taking over of employees in case of change of employer referred to in Article 108 of this Law.

(5) The obligation referred to in Paragraph 3 of this Article shall not refer to physical persons in sports, in line with the special law.

(6) In cases referred to in Paragraph 2 and 3 of this Article, the public vacancy announcement shall not last less than three days.

Obligation to provide evidence

Article 25

(1) Person who intends to conclude a labour contract shall provide to the employer evidence that he/she meets the requirements of the post that he/she is establishing labour relationship for, as defined in the act on internal organization and systematization of posts.

(2) An employer may not request a person to provide information on family or marital status and family planning, or to present identity documents and other evidence which is not of direct importance for the performance of duties for which he/she is establishing labour relationship, i.e. concluding a labour contract, or to give statement of termination of labour contract.

Notification

Article 26

The employer shall notify the applicants in the employment competition about the selected candidate within 45 days from the date of expiry of deadline for submission of applications.

Annulment

Article 27

The employer may decide to annul the advertisement for a vacant post within 45 days from the date of its publication, due to changes in regulations, act on internal organization and systematization or other justified circumstances arising after the publication of the advertisement.

Previous check of the work capabilities

Article 28

Previous check of the work capabilities, as a special condition for work, may be implemented if stated in the advertisement for a vacant post.

2. Conclusion of a labour contract

Establishment of a labour relationship

Article 29

- (1) Labour relationship is established by conclusion of a labour contract and commencement of work.
- (2) Labour contract shall be concluded between an employee and an employer.
- (3) Labour contract shall be deemed concluded upon signing by the employee and the employer, or a person authorized by the employer.
- (4) On the date when the employee starts working, the employer shall deliver one copy of the labour contract to him/her.

Conclusion of the labour contract prior to commencement of work

Article 30

- (1) Labour contract shall be concluded prior to commencement of work, in written form.
 1. If an employer fails to conclude a labour contract with an employee in accordance with Paragraph 1 of this Article, it shall be considered that the employee has entered into employment relationship for an indefinite time period, as of the day of commencement of work.
 2. In the case referred to in Paragraph 2 of this Article, the employer is obliged to conclude an open-end labour contract within five days from the date of commencement of work.
 3. In case that the employee referred to in Paragraph 2 of this Article does not meet the requirements for work in the specific job, stipulated in the act on internal organization and systematization of posts, the employer is obliged to provide him with one of the rights referred to in Article 167, Paragraph 2, Item 6, and Article 169 of this Law.
 4. In case of obstacles for establishment of a labour relationship referred to in Article 21 of this Law, the employer is not obliged to pay the severance pay referred to in Article 169 of this Law.

Contents of the labour contract

Article 31

- (1) A labour contract shall contain the following:
 - a. name and head office of the employer;
 - b. first and last name of the employee, place of permanent or temporary residence of the employee;
 - c. personal ID number of the employee, or personal identification number in case of a foreign citizen;
 - d. qualification in terms of level of education and professional qualification necessary for the particular post;
 - e. name of the post and description of tasks to be performed by the employee;
 - f. place of work;
 - g. duration of the labour contract (open-end or fixed-term contract);

- h. duration of a fixed-term labour contract and grounds for conclusion of a fixed-term labour contract;
 - i. date of commencement of work;
 - j. working hours (full-time, part-time or reduced);
 - k. the amount of paid leave and the duration of the paid annual holiday to which the employee is entitled or, where this cannot be indicated when the information is given, the method of determining the paid leave and the duration of the paid annual holiday;
 - l. the period of the termination notice, in the event of termination of the contract of employment;
 - m. collective agreement which regulates labour relations.
 - n. level of coefficient, amount of basic wage, grounds for wage increase, time of payment of wage and other earnings of the employee;
 - o. rights, obligations and responsibilities of the employee and the employer regarding occupational health and safety.
- (2) A labour contract may also entail other rights and obligations, in line with the law and the collective agreement.

Commencement of employment

Article 32

- (1) An employee shall become entitled to the rights and obligations based on labour relationship as of the day of commencement of work.
- (2) Should an employee fail to commence employment on the day defined in the labour contract, it shall be considered that he/she has not established the labour relationship, unless he/she was prevented from doing so for justified reasons in accordance with this Law, or unless otherwise arranged between the employer and employee.
- (3) The employer shall allow the commencement of work to the person with whom he concluded the labour contract, but who failed to commence working on the date stipulated in the labour contract due to:
- a. Death of the immediate family member
 - b. Hospital treatment
 - c. Response to the invitation by a state authority
 - d. Interruption of transport due to force major (earthquake, flood, etc.)
- (4) Member of immediate family shall be: spouse, children (from marriage, extra-marital, adopted or step-children), brothers, sisters, parents and adoptive parents.
- (5) The person shall commence work when the reasons referred to in Paragraph 3 of this Article cease to exist, and in case of death of an immediate family member within seven working days.
- (6) Person referred to in Paragraph 3 of this Article shall inform the employer of the reasons for which he/she failed to commence work on the date stipulated in the labour contract, within 24 hours from the date stipulated in the labour contract.

Registration for social insurance

Article 33

- (1) An employer is obliged to register an employee to mandatory social insurance (health, pension, disability and unemployment insurance) in line with the law, as of the day of

commencement of employment, and to deliver the registration form to the responsible authority within eight days from the date of commencement of work.

(2) The employer shall deliver a copy of the registration forms referred to in paragraph 1 of this Article to the employee no later than five days from the day of issuance.

(3) The employer is obliged to deregister the employee from the social insurance registry in line with the special regulation.

3. Types of labour contracts

Probationary work

Article 34

(1) The labour contract may specify probationary work for the performance of duties of the specific job.

(2) Probationary work shall not exceed six months, except in case of a crewmember of a long-haul merchant mariner, where it may last longer, that is, until the ship returns to the homeport.

(3) Duration of probationary work and the manner in which it is implemented shall be defined by collective agreement with employer or the labour contract.

Rights of employee during probationary work

Article 35

(1) During the probationary work, an employee shall have all rights and obligations arising from labour relationship, in accordance with duties of the job he/she performs.

(2) The employer assesses the working and professional capabilities of the employee during probationary work.

(3) It is considered that the employee satisfied the requirements during probationary work if the employer did not adopt an individual act stating that the employee did not satisfy the requirements during probationary work at the time of expiry of the probationary period.

(4) If an employee fails to satisfy requirements of the position in the probationary period, his/her employment shall cease on the date of expiry of the probationary period.

(5) Exceptionally from Paragraph 4 of this Article, during probationary work, each contractual party may terminate the labour contract unilaterally even prior to expiry of the probationary work, in line with collective agreement and labour contract.

(6) In the case referred to in Paragraph 5 of this Article, the notice period is minimum five days.

Open-end labour contract

Article 36

(1) Labour contract shall be concluded for an unlimited period of time.

(2) An open-end labour contract binds the contracting parties until one of them terminates the contract or it ceases to be valid in some other way stipulated in this Law.

(3) If the labour contract does not specify the period of validity thereof, it shall be considered that it is concluded for an unlimited period of time.

Fixed-term labour contract

Article 37

(1) Exceptionally, the labour contract may be concluded for a fixed term, with the end defined in advance, when the work is performed or when a certain event arises.

(2) The employer may not conclude one or several labour contracts with the same employee if their duration exceeds 36 months, continuously or with interruptions.

(3) Interruption shorter than 70 days shall not be considered interruption in the sense of Paragraph 2 of this Article.

(4) The period referred to in Paragraph 2 of this Article shall also include the period during which the employee was referred to the employer through the employment referral agency.

(5) The period referred to in Paragraph 2 of this Article shall not include the training period, the period for which the labour contract was extended due to maternity, parental or adoptive parental or foster parental leave.

(6) Exceptionally from Paragraph 2 of this Article, the labour contract may be concluded for a fixed term even longer than 36 months, if so necessary in order to replace a temporarily absent specific employee, for the performance of seasonal work or work on a particular project until the project ends.

(7) Limitations referred to in Paragraph 2 of this Article shall not refer to the labour contract of the director, or labour contracts concluded by the agency for temporary referral of employees with the aim to temporarily refer employees and labour contracts with sportsmen.

(8) The employee who concluded a fixed term labour contract shall have the same rights, responsibilities and obligations from employment and based on work as the employee who concluded an open-end labour contract.

(9) Seasonal work shall represent work that is performed in the sectors of a seasonal character, such as agriculture, tourism, forestry and other sectors where the performance of work is connected to a specific period during the year, but not longer than eight months during the year.

Transformation of the fixed term labour contract into open-end labour contract

Article 38

(1) If the fixed term labour contract or agreement on referral of an employee has been concluded contrary to Article 37, paragraphs 2 and 9 and Article 54, Paragraph 4, Items 3 and 4 of this Law, or if the employee continues to work with the employer upon expiry of the period of duration of the labour contract or agreement on referral of an employee, it shall be considered that the employee has established an open-end labour relationship.

(2) In the case referred to in Paragraph 1 of this Article, the employer is obliged to conclude an open-end labour contract with the employee within five days from the date when irregularity was identified, i.e. from the date when the previous contract expired.

Labour contract of a director

Article 39

- (1) A director may conclude a labour contract for an indefinite or a fixed term.
- (2) Fixed term labour relationship may last until the expiry of the period for which the director was appointed, that is, until his dismissal.
- (3) The contract referred to in paragraph 1 of this Article shall be concluded with the director on behalf of the employer by a competent body established by the law or a general act of the employer.

Labour contract for performance of jobs under special conditions

Article 40

- (1) A labour contract may be concluded for the jobs with special working conditions only if the employee meets the requirements for work in such positions.
- (2) An employee may perform jobs referred to in paragraph 1 of this Article only on the basis of the previously established health state and psychological fitness to work in such position issued by a competent authority, in line with the law.

Labour contract for part-time employment

Article 41

- (1) A labour contract may be concluded for part-time work, for an indefinite period or for a fixed term.
- (2) An employee who works part-time shall have all rights arising from and in connection with the employment where appropriate in proportion to the time worked, as a full-time employee of the same employer who is engaged in the same work or work of equal value, having the same type of employment contract or relationship taking into consideration seniority and qualifications/skills, unless greater rights aren't provided, in line with an applicable law or applicable collective agreement, or where it is objectively justified.
- (3) Discrimination against persons in line with paragraph 2 of this Article, shall be prohibited.
- (4) An employer shall consider, as far as possible, the offer of an annex of an employee who has entered into part-time employment contract, for the conclusion of a full-time employment contract, and the offer of an annex of an employee who has entered into full-time employment contract, for the conclusion of a part-time employment contract, should the opportunity arise for such type of work.
- (5) Where the employer employs no full-time employee, who is engaged in the same work or work of equal value, the rights from employment and on the basis of employment, the comparison shall be made by reference to applicable collective agreement or, where there is no such applicable agreement, in accordance with national law, collective agreements or practice
- (6) An employer who employs part-time workers is obliged to provide measures to facilitate access to part-time work at all levels of the enterprise, including skilled and managerial positions, and where appropriate, to facilitate access by part-time workers to vocational training to enhance career opportunities and occupational mobility.

Labour contract outside the premises of the employer

Article 42

- (1) Labour relationship may be established for the performance of duties outside the premises of the employer, if the nature of job so allows.
- (2) Labour relationship for the performance of duties outside the premises of the employer includes distance work and work from home.
- (3) Apart from the data referred to in Article 31, Paragraph 1 of this Law, the labour contract concluded in the sense of Paragraph 1 of this Article shall also contain the data regarding:
- a. Type of duties and manner of organization of work;
 - b. Working conditions and manner of supervision over work;
 - c. Use of own means of work and compensation for the cost of their use;
 - d. Compensation for other expenses related to the performance of duty and manner of their identification;
 - e. Other rights and obligations.

Records of labour contracts outside the premises of the employer

Article 43

- (1) The employer is obliged to keep records of labour contracts referred to in Article 42 of this Law and inform the competent administrative body responsible for inspection control (hereinafter: the labour inspection).
- (2) The labour inspection may prohibit the employer to perform work outside the premises of the employer if there is a direct threat to life and health of the employees and if such work poses a threat to the environment.

Labour contract with a foreigner

Article 44

A foreigner may conclude a labour contract if he/she meets the conditions prescribed by this Law, a special law and international agreements.

Labour contract for work in a household

Article 45

- (1) A contract of employment may be concluded for carrying out household work.
- (2) The contract of employment referred to in paragraph 1 of this Article may also include payment of portion of the salary in kind, which is just and reasonable, which is agreed by the employee for personal use and benefit, in order to achieve social security.
- (3) Where an employee lives in the accommodation unit of the household in which he has concluded a contract of employment, a reduction in the salary on the basis of accommodation is not permitted unless the employee has otherwise agreed.
- (4) The value of the in-kind contribution must be expressed in monetary units under an contract of employment.

(5) The minimum percentage of monetary earnings shall be determined by the contract of employment and may not be less than 50% of the gross earnings of an employee.

(6) If earnings are contracted partly in cash, and partly in kind, an employer shall pay the employee a cash compensation of the salary for the time period of absence from work.

Labour relationship as a trainee

Article 46

(1) An employer may conclude a fixed-term labour contract with a person being employed for the first time for a specific level of education, or qualification in terms of the level of education or professional qualification, to work as a trainee, in order to be trained to independently perform duties and tasks at work in line with the law and collective agreement.

(2) Unless regulated otherwise, the traineeship for a person entering labour relationship for the first time shall last:

- 1) Nine months, for the VI and VII level of educational qualification;
- 2) Six months, for other qualification levels.

(3) The traineeship shall be extended in case of absence from work due to: temporary incapacity to work according to the regulations on health care and health insurance and maternity, parental, adoptive parental and foster parental leave.

4. Amendment to the contractual terms of employment

Annex to the labour contract

Article 47

(1) The employer and the employee may propose amendments to the labour contract (hereinafter referred to as: annex to the contract) for the following reasons:

- 1) for the purpose of deployment to another adequate job, due to the needs of the process and organization of work;
- 2) for the purpose of deployment to another place of work, to perform adequate job with the same employer, if the activity of the employer is of such nature that the work is performed in places outside the employer's head office, or employer's organization unit, in the sense of Article 50 of this Law;
- 3) amendments regarding salary;
- 4) transformation of the labour contract from fixed term into open-end contract;
- 5) extension of the fixed term labour contract with the employee within the period of up to 36 months;
- 6) amendments to the labour contract from part time to full time labour contract, and from full-time to part-time labour contract;
- 7) deployment of an employee to a post with higher educational qualification level as compared to the existing one, based on education, professional training and development;
- 8) definition of prohibition of competition;

- 9) extension of the labour contract with the employee using the right to temporary absence from work due to pregnancy, maternity, parental, adoptive parental and foster parental leave, in line with the law;
- 10) in other cases stipulated in the collective agreement or labour contract, i.e. in other cases when there is a consent of the employee and the employer.

(2) An adequate job referred to in Paragraph 1 Items 1 and 2 of this Article shall be the job that requires the same level of educational qualification, i.e. professional educational qualification.

Offer to amend the labour contract

Article 48

(1) An offer referred to in Article 47, paragraph 1 of this Law shall be submitted in writing and it shall contain: reasons for the offer, deadline for the other party to express its view about the offer and legal consequences that may arise in case of rejection of the offer, if stipulated by this Law.

(2) Together with the offer referred to in paragraph 1 of this Article, the employer or the employee shall submit to the other party the proposed text of the annex to the contract.

(3) The party receiving the offer shall express its view about the offer for conclusion of the annex to the contract and submit a signed proposal of the annex to the contract within the time period that may not be shorter than eight working days from the date of submission of the offer.

(4) If the party receiving the offer fails to express its view within the deadline referred to in Paragraph 3 of this Article, it shall be considered that the party rejected the offer.

(5) If the party receiving the offer accepts it, an annex to the contract shall be concluded, and it becomes an integral part of the labour contract.

(6) The labour contract, with supporting annexes may be replaced with a new, clean text of the labour contract, signed by the employer and the employee.

(7) The employee shall have the right to challenge the annex to the contract before the labour inspection, the Agency for Amicable Labour Dispute Resolution, the Center for Alternative Dispute Resolution or with the relevant court, within 15 days from the date of conclusion of the annex to the contract.

Deployment in urgent cases

Article 49

(1) If it is necessary to perform certain job without delay, the employee may be temporarily deployed to another adequate job on the basis of the written order of the employer, without an offered annex to the contract, for a maximum period of 30 days within the period of 12 months.

(2) In the case referred to in Paragraph 1 of this Article, the employee shall keep the salary defined for the job from which he/she was deployed, if this is more favourable for the employee.

Deployment to another place of work

Article 50

(1) An employee may be deployed to another place of work provided that:

- a. the employer's activity is of such nature that work is performed in places outside the employer's head office, or employer's organizational unit;
- b. distance from the place where the employee works to the place where he/she is transferred to work is less than 60km;
- c. there is regular transport organized allowing timely arrival to and return from work;
- d. compensation of travel expenses is provided by the employer in the amount of the cost of the ticket.

(2) An employee may be deployed to another place of work in other cases only with his/her consent.

(3) An employed woman during pregnancy, an employed woman with a child under five years of age and a single parent with a child under seven years of age, an employed parent, adoptive parent, foster parent or guardian with a child with severe disability, and an employed person with disability may not be deployed to work in another place outside the place of permanent or temporary residence, without the written consent thereof.

Transfer of employees to a new employer

Article 51

(1) An employee may be transferred to work with another employer, with his/her consent, and based on an agreement between employers.

(2) An employee referred to in Paragraph 1 of this Article shall conclude a labour contract with the other employer prior to the commencement of employment with that employer.

5. Temporary work

Agency for temporary assignment of employees

Article 52

(1) Assignment of employees for temporary performance of jobs with another employer (hereinafter referred to as: beneficiary) may be performed by an Agency for temporary assignment of employees (hereinafter referred to as: the Agency).

(2) The Agency is the employer concluding the labour contract with the employee, in order to assign him to work with the beneficiary for a limited time.

(3) The assigned employee, in the sense of this Law, is the employee who signed a labour contract with the Agency for the purpose of being assigned to work with the beneficiary.

(4) The act on internal organization and systematization of posts in the Agency shall not contain the posts for assigned employees.

(5) When performing the tasks referred to in Paragraph 1 of this Article, the Agency may not charge the employee a fee for assigning him/her to the beneficiary, nor a fee in case of conclusion of the labour contract between the assigned employee and the beneficiary.

(6) The Agency shall deliver to the state administration body responsible for labour issues (hereinafter referred to as: the Ministry) statistical data about performance of tasks from Paragraph 1 of this Article by the 30th of April of the current year for the preceding year.

(7) The Ministry shall prescribe more detailed content, manner and deadline for submission of data from Paragraph 5 of this Article.

Conditions for work of the Agency

Article 53

(1) The Agency shall be entered into the register kept by the Ministry.

(2) The Agency may perform the affairs of assignment of employees to the beneficiary only on condition that it performs this activity as the only one and that it holds a work permit issued by the Ministry.

(3) The Ministry shall decide on the request for issuance of the work permit within 15 days from the date of submission of the request.

(4) The Ministry shall prescribe the details, manner and procedure of issuance and revocation of the work permit and keeping of records of issued and revoked permits.

Agreement on assignment of employees

Article 54

(1) An agreement shall be concluded between the Agency and the beneficiary for the purpose of assignment of employees.

(2) The agreement referred to in Paragraph 1 of this Article shall contain, in particular:

- 1) the number of employees assigned to the beneficiary;
- 2) the time period for which the employee is assigned;
- 3) place of work;
- 4) duties that the employee will perform;
- 5) application of the measures occupational health and safety measures at the work place where the employee is to perform the job;
- 6) the manner and the deadline by which the beneficiary is obliged to submit to the Agency the calculation for the payment of wages, as well as the regulations applied by the beneficiary to determine salaries.

(3) The Agreement referred to in Paragraph 1 of this Article may regulate rights and obligations of the Agency and the beneficiary regarding specific issues from the labour relationship with the assigned employee.

(4) The agreement referred to in Paragraph 1 of this Article shall not be concluded for the purpose of:

- 1) substitution of employees during strike with the beneficiary, in line with the special law;
- 2) assignment of an employee to perform tasks for which the beneficiary had terminated labour contracts in the past six months due to redundancy;
- 3) assignment of an employee who was already working for the beneficiary in the past based on the assignment contract for a total of 24 months;
- 4) assignment of an employee who was employed by the beneficiary for a total of 24 months;
- 5) performance of duties that, according to the occupational health and safety regulations, represent duties with special working conditions, and the assigned employee does not meet the special requirements;
- 6) performance of duties within the scope of the activity of the Agency;
- 7) if the beneficiary employer is the founder or has a share in the ownership of the Agency;
- 8) in other cases justified on grounds of general interest, which are established by a collective agreement that is binding for the beneficiary.

(5) Limitation referred to in Paragraph 4, Items 3 and 4 of this Article shall not refer to cases of performance of seasonal work.

Labour contract for temporary performance of duty

Article 55

(1) The Agency may conclude a labour contract with the employee for a fixed term or an indefinite time period, in line with this Law.

(2) An employee shall realize his/her rights arising from and based on employment with the Agency.

(3) Apart from the information referred to in Article 31, Paragraph 1 of this Law, the labour contract referred to in Paragraph 1 of this Article shall also contain the following information:

1) that the contract is concluded for the purpose of assignment for temporary performance of particular duties with the beneficiary;

2) obligations of the Agency towards the employee during the assignment with the beneficiary.

(4) Salary of an employee assigned to a beneficiary may not be lower than the salary of a person employed with the beneficiary working on the same or similar jobs with the same level of educational qualification, i.e. professional education qualification.

(5) For the period during which the employee is not assigned to a beneficiary without the guilt thereof, he/she shall be entitled to wage compensation as if he/she had been working.

(6) Other rights and obligations of the employee assigned to the beneficiary shall not be less favourable than the rights and obligations of the employees of the beneficiary.

Protection of an employee assigned to a beneficiary **Article 56**

(1) Cessation of the need for work of an employee with the beneficiary, prior to the expiry of the time period for which he/she was assigned, shall not constitute a reason for termination of the labour contract.

(2) An employee who believes that any of his/her rights arising from and based on employment were violated during the work with the beneficiary may exercise the protection of that right in line with Articles 139, 140, 141 and 142 of this Law.

Obligations of the Agency towards an employee **Article 57**

(1) The Agency shall inform the employee about the content of the agreement, at the request thereof, in the part related to the rights and obligations of the employee.

(2) Prior to assignment of an employee to a beneficiary, the Agency shall inform the employee about all risks of performing work with the beneficiary relating to occupational health and safety and for that purpose train him/her to perform such work, in line with the regulations on occupational health and safety, unless the agreement on assignment of the employee stipulates that these obligations shall be fulfilled by the beneficiary.

(3) The Agency shall inform the employee about the new technologies of work for performance of duties to be performed by the employee, unless the agreement on assignment of the employee stipulates that the beneficiary committed to meet that obligation.

(4) The Agency shall pay the contracted salary to the employee for the work performed with the beneficiary even if the beneficiary does not deliver the calculation of the agreed salary to the Agency, i.e. fails to meet its obligations towards the Agency.

(5) In the case referred to in paragraph 4 of this Article, the Agency shall be entitled to the collection of funds paid to an employee.

(6) The employees of the Agency shall exercise the right to trade union organization, in accordance with the law.

Obligations of the beneficiary

Article 58

(1) The beneficiary shall be considered as an employer for an employee in the sense of the obligation to apply regulations in the area of occupational health and safety and special protection of the particular categories of employees.

(2) The beneficiary shall notify the trade union of the number and reasons for engagement of assigned employees minimum once in six months.

(3) The beneficiary shall inform the assigned employees via a notification board about the vacant posts for which they meet the requirements.

(4) Employees who are engaged by the User through the Agency shall count when determining the conditions for acquiring representativeness, in accordance with the law and in the same way as if they were workers employed directly for the same period of time by the user undertaking.

Indemnification

Article 59

(1) If the employee suffers damage at work and in relation to work with the beneficiary, he/she shall be indemnified by the Agency, unless stipulated otherwise by the agreement referred to in Article 54 of this Law.

(2) Damage caused to a third person by the employee at work or in relation to work with the beneficiary shall be indemnified by the beneficiary.

(3) The Agency shall be responsible for the damage caused to the beneficiary by an employee at work or in relation to work, in line with the law.

III RIGHTS AND OBLIGATIONS OF EMPLOYEES

1. Working hours

The notion of working hours

Article 60

(1) Working time is the time period in which an employee carries out the jobs and tasks of the work position for which he is employed, as well as the time at which the employee is at the disposal of the employer, either at his or her place of work or another place designated by the employer

(2) Working time does not include the time when the employee is ready to respond to the employer's call to conduct business if such a need is identified, whereby he is not in the place where his business is performed, nor in another place designated by the employer.

(3) The duration of the readiness and the amount of salary increase on that basis shall be determined by the collective agreement.

(4) The time spent by the employee in the course of his readiness in the performance of the work at the invitation of the employer is considered to be the time spent at work, including the time it takes for the journey from the place of residence to the place of work.

Full-time working hours

Article 61

(1) Full-time employment shall be 40 hours in a working week, unless regulated otherwise by this Law.

(2) The collective agreement may define full-time working hours with less than 40 hours during a working week.

Part-time working hours

Article 62

(1) Part time working hours of the employee shall represent working hours shorter than full-time working hours.

(2) The first labour contract with part time working hours may not be concluded for less than $\frac{1}{4}$ (10 hours) of the full working hours.

(3) Limitation referred to in Paragraph 2 of this Article shall not refer to the labour contracts for directors.

(4) Jobs for which labour contract with part time working hours is concluded shall be defined in the Act on internal organization and systematization of posts, depending on the nature of business and organization of work.

(5) An employee may conclude several labour contracts with part time working hours with several employers within the 40-hour working week, thus achieving full working hours.

(6) The manner of exercise of the rights and obligations and the schedule of working hours of the employees who concluded the labour contract, in the sense of Paragraph 2 and 3 of this Article, may be regulated by an agreement of employers.

Reduced working hours

Article 63

(1) In a workplace where it is not possible to protect the employee from adverse effects by applying measures of occupational health and safety, working time may be reduced in proportion to the adverse effect of the working conditions on the employee's health and working ability, up to 36 hours in a working week.

(2) A workplace referred to in Paragraph 1 of this Article is a workplace defined in the Act on internal organization and systematization of posts in line with the special regulation.

(3) An employee with reduced working hours referred to in Paragraph 1 of this Article shall have the same rights from employment as an employee with full-time engagement.

(4) An employee working in a post or job referred to in Paragraph 1 of this Article shall not work overtime on such tasks, or conclude a labour contract for such jobs with another employer.

Overtime work

Article 64

(1) The working hours of an employee may last longer than full or part-time (hereinafter: overtime), provided that unscheduled increased workload cannot be handled through the regular organisation of work, as well as in case of force majeure, or in other exceptional cases.

(2) Overtime work shall be introduced based on a written decision of the employer prior to the beginning of such work.

(3) If it is not possible to introduce overtime work of an employee by a written decision due to the urgency of performing overtime work, the employer will inform the employees verbally, but is obliged to subsequently deliver written decision to the employee but not later than three days after the circumstances that caused introduction of overtime work have ceased to exist.

(4) The decision, i.e. notification referred to in Paragraphs 2 and 3 of this Article shall contain: reasons for introduction of overtime work, list of employees hired to work overtime and time of commencement of overtime work.

(5) The employer shall inform the labour inspector about the introduction of overtime work within three days from the date of the decision on the introduction of overtime work.

(6) Overtime may only last as long as it is necessary to eliminate the causes for which it was introduced, but the working time cannot be longer than 48 hours a week on average, over a period of four months.

(7) In the case referred to in paragraph 6 of this Article, maximum duration of weekly working time cannot exceed 50 hours.

(8) Notwithstanding paragraph 7 of this Article, a collective contract may envisage a maximum duration of 250 hours on an annual basis.

(9) In the case referred to in paragraph 1 of this Article, the employer shall provide the employee with the exercise of the right to rest, in accordance with Article 75 and Article 76 of this Law.

(10) Upon the cessation of the circumstances referred to in paragraph 1 of this Article, the employer shall be obliged to provide an employee with the enjoyment of unused annual leave in accordance with this Law.

Different working time arrangements

Article 65

A special law may be used to arrange a different duration and schedule of working time for employees in healthcare institutions and authority for the execution of criminal sanctions, on the condition that the provisions of Article 60 of this Law are adhered to.

Prohibition of overtime work

Article 66

Labour inspector shall prohibit overtime work if he/she establishes that it was introduced contrary to the provisions of Articles 64 to 65 of this Law.

Schedule of working hours

Article 67

(1) The decision on the schedule of working hours, commencement and end of work, rescheduling of working hours, shorter working hours and introduction of overtime work shall be enacted by the relevant body of the employer.

(2) The decision referred to in paragraph 1 of this Article shall be in accordance with the needs of the employee, depending on the type of work he performs, and shall provide working conditions that do not lead to occupational injuries, occupational diseases and illnesses related to work that create conditions for full physical and mental protection of employees.

(3) The employer shall adopt a written decision on the schedule of working hours of the employees and their assignment in shifts, if that employer organizes work in shifts.

(4) The employer is obliged to inform the employees of the decision referred to in Paragraph 2 of this Article in an adequate manner (via notification board or electronically) minimum seven days in advance, except in cases of urgent and pressing need for work.

(5) The schedule, commencement and end of working hours in particular sectors and particular posts shall be defined by the decision of the relevant state authority, i.e. local self-government authority.

Rescheduling of working hours

Article 68

(1) Redistribution of working time can be done when required by the nature of the activity, organization of work, better use of the means of work, more rational use of working hours and execution of certain jobs within the set deadlines.

(2) In the cases referred to in paragraph 1 of this Article, the redistribution of working hours shall be done in such a way that the working time in one period is longer and in the second shorter than the contracted working time, while average working time during the redistribution shall not be longer than the working time of the employee stipulated in the employment contract.

(3) The period referred to in paragraph 2 of this Article may not be shorter than one month or longer than six months during the calendar year.

(4) Notwithstanding paragraph 3 of this Article, the redistribution of working hours may be exercised within one year, if so provided by the collective agreement, and with the provision of occupational health and safety measures, in accordance with the law.

(5) In the event of redistribution of working time, the working time during the period in which it lasts longer than full or part-time, including overtime, shall not be more than forty-eight hours per week.

(6) Notwithstanding paragraph 5 of this Article, working time during a period lasting longer than full-time may last up to 54 hours per week, or up to 60 hours per week in seasonal jobs, if provided for in the collective agreement and if there is a written consent of the employee.

(7) Employee who refuses to receive the written consent referred to in paragraph 6 of this Article can not suffer harmful consequences for this reason.

(8) The employer is obliged to submit to the Labour Inspector, at his request, a list of employees who have given written consent referred to in paragraph 6 of this Article.

(9) Redistributed working time referred to in paragraph 6 of this Article over a period in which it lasts longer than contracted working time it may last no more than four months, unless otherwise provided by a collective agreement, in which case it may not last longer than six months.

(10) If the redistribution of working hours is not foreseen by a collective agreement, the employer is obliged to determine the plan of redistributed working time, with an indication of the jobs and employees involved in the redistributed working time and the period in which the work lasts longer or shorter, in accordance with paragraph 2 of this Article, and to submit such plan to the Labour Inspector previously.

(11) The redistributed working time is not considered overtime.

(12) In the cases referred to in paragraph 1 of this Article, the employer shall be obliged to provide the employee with a right to rest, in accordance with this Law.

(13) The time of the annual leave and the temporary inability to work shall not be counted in the period from paragraph 3, 4 and 9 of this Article.

Calculation of hours of work

Article 69

(1) For the duties performed during the rescheduled working hours, in cases where the labour contract is concluded for a fixed term, average working hours of the employee must correspond with the contracted full time or part term working hours.

(2) An employee whose employment terminated prior to expiry of the period for which the working hours were rescheduled, shall be entitled to have the working hours longer than full time working hours recalculated into the full working hours in the total annual

number of working hours and to be recognized as service period for entitlement to pension, while the remaining working hours are calculated as hours of overtime work.

Night work **Article 70**

(1) Work performed between 10pm and 6am of the following day shall be considered night work.

(2) Night work shall constitute special working conditions.

(3) An employee who works for at least three hours of his/her daily working hours during the night, shall be entitled to special protection, in accordance with regulations in the area of occupational health and safety.

(4) An employee who works for four months at night must not work at night longer than an average of eight hours during the course of every 24 hours.

(5) An employee working at night who is exposed to a particular risk or severe physical or mental strain during work may not work for more than eight hours during a 24-hour period in which he is working at night.

(6) An employer who organizes night shift shall be obliged to inform the labour inspection thereof.

Work in shifts and work in single interrupted shifts **Article 71**

(1) Work in shifts means work that involves the organization of work whereby employees succeed each other at the same workplace according to a particular pattern, including a rotating pattern, which may be continuous or discontinuous, entailing the need for employees to work at different times during a particular day or week.

(2) Work in single interrupted shifts involves working engagement of the employee with an interruption, in the same duties and in the same post, in line with the schedule of working hours.

(3) Employer with whom the work is organized in shifts including night work, shall provide rotation of shifts so that the employee works consecutively in the night shift for maximum one working week.

(4) Shift employee is an employee working for an employer whose work is organized in shifts during one week or one month, in line with the allocation of working time, and who performs his work in different shifts.

Obligations of the employer towards employees who work at night and in shifts

Article 72

- (1) An employer with whom night work or shift work is organized shall pay particular attention to the organization of work adjusted to the employee, as well as the conditions for protection and health at work, in accordance with the nature of the work.
- (2) The employer is obliged to provide workers referred in Article 70 paragraph 3 and Article 71 paragraph 4 of this Law, the protection and health at work, in accordance with the nature of the work performed, as well as the means of protection and prevention that are appropriate and applicable to all other employees and which are available at all times.
- (3) The employer is obliged to provide the employee referred in Article 70 paragraph 3 of this Law, health assessment before the beginning of this work, as well as regularly during the night work in accordance with a special regulation.
- (4) Notwithstanding paragraph 3 of this Article, an employee referred in Article 70 paragraph 3 of this Law, working at night on jobs with special working conditions, in accordance with the regulations on occupational health and safety, performs health assessments in accordance with these regulations.
- (5) The costs of health assessment referred to in paragraph 3 of this Article shall be borne by the employer.
- (6) If the health assessment referred to in paragraph 3 of this Article establishes that a worker referred in Article 70 paragraph 3 and 4 of this Law has health problems due to night work, the employer shall assign him to perform the same work outside night work.
- (7) If the employer cannot provide the employee referred to in paragraph 6 of this Article performance of work outside the night work, he is obliged to offer him the annex to the contract for performing non-night work for which he is capable, corresponding to the jobs in which the employee worked previously.

2. Rest and leave

Rest during daytime work (break)

Article 73

- (1) A full time employee shall be entitled to a rest during of minimum 30 minutes during daily work.
- (2) An employee who works longer than four and shorter than six hours a day shall be entitled to rest period of minimum 15 minutes during work.
- (3) An employee working minimum six hours a day shall be entitled to a rest of minimum 30 minutes during the day,.
- (4) An employee working longer than full working hours, and minimum 10 hours a day, shall be entitled to a rest during work of minimum 45 minutes.
- (5) Rest during the daily work shall not be used in the beginning and in the end of the working hours.
- (6) An employee is entitled to request from the employer, in line with the religious and traditional beliefs, once a week, to adapt the rest period during work to the term suitable for practice of such rights and beliefs, if the nature of work allows for such interruption.
- (7) Time for rest during work is counted into the working hours.

Schedule of breaks

Article 74

(1) If the nature of work does not allow for interruptions, as well as in case of work with clients, the rest period during working hours shall be organized so that the work is not interrupted.

(2) Decision on schedule and manner of use of breaks during daily work shall be made by the relevant body of the employer.

Daily rest

Article 75

An employee shall be entitled to a recess of at least 12 hours without interruption in two successive working days.

Weekly rest

Article 76

(1) The employee has the right to a weekly rest period of at least 24 hours, to which the rest from Article 72 of this Law is added, and it shall be used continuously.

(2) Rest period referred in paragraph 1 of this Article, shall be used on Sundays, and the previous or following day.

(3) If the nature of business and organization of work so require, the employer shall provide another day for the use of rest referred in paragraph 1 of this Article.

(4) In the case referred to in Paragraph 3 of this Article the employer shall determine the schedule of use of weekly rests and inform the employee about it.

(5) In case an employee has to work during his/her weekly recess, the employer is obliged to provide him with a weekly rest period referred to in Paragraph 1 of this Article.

Appropriate rest of mobile employees

Article 77

Mobile employees, in accordance with the law, are entitled to regular periods of rest, the duration of which is expressed in a unit of time and which are long enough and continuous so that employees would avoid hurting themselves, their associates and other persons for fatigue and improper work schedule, and in order not to harm their health in the short and long term.

Exceptions from the rules relating to daily and weekly rest

Article 78

(1) Exceptionally from Article 75 and 76 of this Law, the employer may otherwise regulate the exercise of the right to daily and weekly rest in the following cases:

1) in the activities related to the protection of property and persons, if the performance of the work requires a permanent presence;

2) in activities in which it is necessary to provide continuous production or provision of services, as follows:

- generation, transmission, distribution and supply of electricity;
- employees in ports and airports;
- postal and telecommunication traffic;
- public electronic communications, in accordance with the law;
- information programs of the public broadcasting service;
- public utilities / activities (production and supply of water, waste collection, production, distribution and supply of heat, funeral services, etc.);
- production, distribution and supply of oil, coal and gas;
- fire protection;
- health protection;
- social and child protection
- industrial activities in which work cannot be interrupted for technical reasons;
- institutions for the enforcement of criminal sanctions

3) for employees in railway traffic:

- if the work is performed with interruptions;
- who work in the train;
- whose working hours are related to the timetable and who care to keep the traffic continuously and regularly;
- when an employee working in shifts changes shifts and cannot use the daily and / or weekly rest between the end of one and the beginning of the second shift.

(2) In the case referred to in paragraph 1 of this Article, the daily leave of an employee for an uninterrupted duration may not be shorter than ten hours a day, and the weekly rest for an uninterrupted duration may not be shorter than twenty hours.

(3) The employer shall be obliged to enable the employee to exercise the compensatory daily and weekly rest, after the expiration of the period of work in which he used a shorter daily or weekly holiday.

Entitlement to annual leave

Article 79

(1) The employee shall be entitled to a paid annual leave.

(2) Duration of the annual leave shall be determined in proportion to the duration of service.

(3) The employee shall be entitled to 1/12 of the annual leave for each started month of work with the employer if his/her employment with that employer commences or ends during that calendar year.

(4) When calculating the annual leave in the manner referred to in Paragraph 3 of this Article, minimum one half of the day of the annual leave shall be taken as a full day of leave, and more than half a month of service shall be taken as a full month.

(5) Temporary incapacity to work due to illness, pregnancy, paid leave, maternity leave, parental leave, adoptive and foster parent leave, recess during state and religious holidays and absence for the purpose of responding to the requests by the state authorities, shall be considered as time spent at work for the purpose of achieving the right to an annual leave.

(6) An employee may not waive the right to annual leave, and shall not be deprived of that right.

(7) The right to an annual leave may not be replaced with a financial compensation, except in the case of termination of employment.

Days not calculated into annual leave

Article 80

(1) The employee's annual leave shall be determined by the number of working days depending on the weekly schedule of the employee's working hours.

(2) When determining the duration of annual leave, the working week shall consist of five working days.

(3) Notwithstanding paragraph 2 of this Article, if the working week lasts six working days, the employee shall be entitled to an annual leave of 24 working days.

(4) Days of annual leave shall not include the holidays which are non-working days in line with the law, paid absence from work and temporary inability to work in line with the health insurance regulations.

Duration of annual leave

Article 81

(1) For each calendar year an employee shall have the right to an annual leave defined in the collective agreement, i.e. labour contract, of minimum 20 working days.

(2) An employee working with reduced working hours as referred to in Article 63 of this Law shall be entitled to an annual leave of minimum 30 working days.

(3) Duration of the annual leave shall be determined by increasing the number of working days referred to in paragraphs 1, 2 and 3 of this Article based on the criteria set in the collective agreement and the labour contract.

Annual leave in education

Article 82

(1) The annual leave of teaching and educational staff in educational institutions is used during the school holiday and may last as long as that holiday, but not shorter than the leave referred to in Article 81 paragraph 1 and 4 of this Law.

(2) In case when academic staff and caregivers are invited to attend professional development courses or to perform other duties regarding preparation for the beginning of the school year, and in order to perform teaching-care giving activities organized by

the educational and upbringing institutions, the duration of the annual leave shall be determined in line with this Law and the collective agreement.

Schedule of use of annual leave

Article 83

- (1) Depending on the needs of the business processes, and based on the plan of use of annual leave that the employer is obliged to adopt by the 30th of April of the current year, the employer shall decide on the time of use of the annual leave, after consultation with the employee.
- (2) Based on the plan referred to in Paragraph 1 of this Article, the employer is obliged to adopt the decision on the use of annual leave and to deliver it to the employee no later than 30 days before the date when the annual leave is to start.
- (3) Exceptionally from Paragraph 2 of this Article, the decision on the use of annual leave may be delivered even earlier, if the employer and the employee so agree.
- (4) The employer may change the time stipulated for the use of annual leave if so required by the business process, no later than five days before the date when the annual leave is supposed to start, with the consent of the employee.
- (5) Exceptionally from Paragraph 4 of this Article, in case of force majeure, the consent of the employee is not necessary.

Using the annual leave with several employers

Article 84

- (1) The time of use of annual leave of the employee working part time with two employers shall be determined based on the agreement between the employers.
- (2) If the employers fail to reach an agreement referred to in Paragraph 1 of this Article, they are obliged to allow the employee to use the annual leave according to the request thereof, taking into consideration the needs of the business processes of the employers.

Use of annual leave in parts

Article 85

- (1) The annual leave can be used in one or two parts.
- (2) Notwithstanding paragraph 1 of this Article, upon request of the employee the annual leave may be used in several parts, if this is permitted by the work process with the employer.
- (3) If an employee uses annual leave in parts, the first part is used for at least ten working days continuously during the calendar year, and the other parts not later than 30 June of the following year.
- (4) If the employee has not used or has terminated the use of annual leave due to temporary inability to work under the regulations on health insurance, absence from work for the care of the child and special care of the child, he shall have the right to use, or continue using the annual leave, in accordance with the agreement reached with the employer, depending on the needs of the work process, and at the latest until the

expiration of 15 months after the end of the year in which the right to annual leave has been acquired.

(5) If the employee has not used or has terminated the use of the annual leave due to the use of the right to maternity leave or parental leave, the adoption and foster care leave, the employer shall enable him to exercise that right no later than 15 months since the day he returned to work.

(6) If the employer has not enabled an employee to exercise the right to annual leave in accordance with paragraphs 3, 4 and 5 of this Article, he shall be obliged, upon the order of the Labour Inspector, to ensure the exercise of that right within 30 days from the day the decision was made by the Labour Inspector.

Annual leave in case of termination of employment

Article 86

(1) An employee whose employment, i.e. labour contract has been terminated due to transfer to another employer shall exercise the right to an annual leave for the given calendar year with the employer from whom the right to an annual leave originates, unless negotiated otherwise by an agreement between the employee and the employer, i.e. an agreement between employers.

(2) The employer shall be obliged to ensure the use of unused annual leave to an employer who terminates an employment relationship or an employment contract, before the termination of his employment.

(3) If the employer does not allow the employee to exercise the right to an annual leave in line with paragraphs 1 and 2 of this Article, the employee shall have the right to indemnity.

(4) The amount of compensation for damages referred to in paragraph 3 of this Article shall be determined, depending on the length of the unused annual leave, in accordance with the average earnings that the employee made with that employer for a period of a year or a part of a year in which he acquired the right to use this annual leave.

3. Absence from work and standstill of rights and obligations

Paid leave for personal reasons

Article 87

(1) An employee shall have the right to absence from work with wage compensation (paid leave) in case of matrimony, child birth, serious illness of an immediate family member, taking of professional examination related to the work performed with the employer and in other cases defined in the collective agreement and the labour contract.

(2) Duration of paid leave referred to in paragraph 1 of this Article shall be determined by collective agreement and the labour contract.

(3) An employee shall be entitled to paid leave for seven working days in case of death of an immediate family member.

(4) An immediate family member within the meaning of par. 1 and 3 of this Article shall be: spouse, children (marital, extra-marital, adopted and stepchildren), brothers, sisters, parents and adoptive parents.

(5) Serious illness in the sense of Paragraph 1 of this Article shall be the illness for which medical care is covered in full amount from the mandatory health insurance funds, in line with the special law.

Unpaid leave Article 88

- (1) An employee shall be entitled to unpaid leave during and in cases determined by collective agreement and the labour contract.
- (2) During leave from work, in the sense of paragraph 1 of this Article, the employee shall be entitled to health insurance, while other rights and obligations from and on the basis of employment shall be suspended.

Absence from work due to state and religious holidays Article 89

- (1) An employee has the right to absence from work during state and religious holidays in accordance with the law.
- (2) If an employee works during the holidays referred to in Paragraph 1 of this Article due to the needs of the business process, he/she shall be entitled to increased salary in accordance with collective agreement and the labour contract.
- (3) The employer organizing work during state and religious holidays, in line with the law, shall adopt a written decision of that fact and inform the employees, the trade union with the employer and the labour inspectorate, within three days prior to the commencement of such work.
- (4) If the employees are hired through an agency, the beneficiary is subject to the reporting obligation referred to in Paragraph 3 of this Article.
- (5) The obligation to inform the inspectorate referred to in Paragraph 3 of this Article does not refer to employers in the following sectors:
 - 1) production, transmission, distribution and supply of electricity;
 - 2) postal traffic (universal postal services);
 - 3) public electronic communication, in line with the law;
 - 4) informative programs of the public broadcasting service;
 - 5) public communal services/ activities (water production and supply, garbage collection, heat production, distribution and supply, funeral services, etc.);
 - 6) production, distribution and supply of oil, coal and gas;
 - 7) protection against fire;
 - 8) health and veterinary protection;
 - 9) social and child protection;
 - 10) fulfilment of obligations from the confirmed international agreements.

Absence from work due to health reasons

Article 90

- (1) An employee shall be entitled to absence from work in cases of temporary inability to work, due to illness, injury at work or other cases in accordance with the regulations on health insurance.
- (2) An employee shall be entitled to absence from work for voluntary donation of blood, tissue and organs, in accordance with the law and collective agreement.
- (3) The employee is obliged to submit the certificate from the medical doctor, in person or via another person, within three days from the date when the temporary inability to work arises.
- (4) The employee shall submit the report on temporary inability to work within five days from the date of issuance of the report.
- (5) Medical doctor is obliged to issue the certificate referred to in Paragraph 3 of this Article on the date of initiation of the temporary inability to work.
- (6) If the employer suspects the justification of reasons for absence from work, he can file a request to the responsible authority to review temporary inability to work, in line with the health insurance regulations.
- (7) Manner of issuance and content of the certificate of temporary inability to work shall be prescribed by the state administration authority responsible for health issues.

Suspension of rights and obligations based on labour relationship (employment)

Article 91

- (1) Rights and obligations of the employee from and on the basis of employment shall be suspended in the case of:
 - 1) Referral of the employee abroad within the international-technical or cultural-educational cooperation, delegation to diplomatic, consular or other missions, as well as referral to professional development or education, with the consent of the employer;
 - 2) Election or appointment to public office requiring temporary suspension of work with the employer, until the end of the term of office;
 - 3) Execution of a prison sentence, security measure, correctional or protective measure, up to six months;
 - 4) Appointment to a professional duty of an authorize trade union representative at the level of a representative sector trade union, that is, representative trade union at the national level, until the end of a term.
- (2) Right to suspension of employment shall also be granted to the spouse of the employee referred to work abroad in the sense of Paragraph 1, Item 1 of this Article.
- (3) An employee and his / her spouse shall be entitled to return to work with the same employer within 15 days from the date when the reasons for suspension of rights arising from and based on employment have ceased to exist, to the same position or to other position in line with the level of educational qualification and professional educational qualification.
- (4) Public office in the sense of paragraph 1, item 2 of this Article shall involve the following duties: President of Montenegro, Speaker of the Parliament of Montenegro, Prime Minister and members of the Government of Montenegro; member of the

Parliament; state secretary; head of the state administration authority or local authority; Mayor of the Capital City or the Old Royal Capital and President of municipality.

4. Training and development

Training for safe work Article 92

- (1) The employer shall train the employee for safe work in line with the law.
- (2) Training referred to in Paragraph 1 of this Article shall be performed, by rule, during the working hours, if this is in line with the needs of the business process and type of professional training.

Professional training and development Article 93

- (1) The employee is obliged, in accordance with his capacity and needs of the business process, to engage in professional training and development for work.
- (2) The cost of professional training and development shall be covered from the resources of the employer and other sources, in line with the law and the collective agreement.
- (3) Professional training referred to in Paragraph 1 of this Article shall take place, by rule, during the working hours, unless the employer and the employee agree otherwise.

5. Wage, compensations and other allowances

Wage Article 94

- (1) An employee shall be entitled to the wage, determined in accordance with the law, collective agreement and labour contract.
- (2) The wage earned by the employee for the work performed and time spent at work, wage compensation and other allowances defined in the collective agreement and the labour contract shall constitute the gross wage in the sense of this Law.
- (3) Gross wage of the employee for the work performed and time spent at work shall be comprised of: the basic wage, special part of the wage, wage increment and part of the wage based on performance at work, if achieved.

Basic wage Article 95

- (1) Basic wage shall represent the wage earned by the employee for full time working hours, i.e. time counted equal as full time working hours and standard work performance, under the prescribed working conditions.

(2) Basic wage is obtained by multiplying calculation value of the coefficient and the coefficient of the complexity of work, unless regulated otherwise in a special law.

(3) Calculation value of the coefficient and the coefficient for the complexity of work are established in the collective agreement, i.e. general act of the employer in case when there is no collective agreement with the employer, unless regulated otherwise by a special law.

Special part of the wage

Article 96

(1) Special part of the wage is the part that the employee earns on the basis of the food allowance during work and 1/12 of the 13th salary for the use of the annual leave, and it represents an integral part of the minimum wage.

(2) Special part of the wage is determined by the collective agreement and shall not be lower than 70% of the calculation value of the coefficient defined at the level of Montenegro.

Work performance

Article 97

(1) Work performance of the employee is established on the basis of quality and scope of the work performed, as well as the effort invested and the attitude of the employee towards duties at work.

(2) Measures and norms for evaluation of work performance where the nature of work so allows and incentives for increase in work performance shall be regulated by the collective agreement with the employer, i.e. general act of the employer if there is no representative trade union at the level of employer, unless regulated otherwise by a special law.

(3) If the norms and criteria for evaluation of the work performance are not defined, it shall be considered that the employee achieved standard work performance during the time spent at work.

Basic wage increment

Article 98

(1) Basic wage of the employee shall be increased, in line with the collective agreement and the labour contract, on the basis of the following:

- 1) years of service (work experience);
- 2) night work;
- 3) work during state and religious holidays; and
- 4) work longer than full time working hours (overtime work).

(2) The collective agreement or the labour contract may define wage increment on other grounds, as well.

Equality of wages Article 99

- (1) The employee shall be guaranteed the same wage for the same work or work of the same value earned with the employer.
- (2) Work of same value shall mean work that requires the same level of educational qualification, i.e. professional qualification, responsibility, skills, working conditions and work results.
- (3) In case of violation of the rights referred to in Paragraphs 1 and 2 of this Article, the employee shall have the right to indemnity equal to the unpaid part of the wage.
- (4) Decision of the employer or agreement with the employee contrary to Paragraphs 1 and 2 of this Article shall be null and void.

Contracted wage Article 100

- (1) Contracted wage is the wage that may be determined in the labour contract with the director, manager or other employee performing duties of special importance for the employee, unless regulated otherwise by a special law.
- (2) The wage referred to in Paragraph 1 of this Article may include specific wage increments based on grounds referred to in Article 98 of this Law, if so specified in the labour contract.

Minimum wage Article 101

- (1) The employee shall be entitled to minimum wage for the standard work performance and full time working hours, i.e. working hours equal to full time working hours in line with this Law, the collective agreement and the labour contract.
- (2) The minimum wage referred to in paragraph 1 of this Article, in the net amount, shall not be lower than 450 euro.
- (3) Value of the minimum wage referred to in Paragraph 2 of this Article shall be determined by the Government of Montenegro (hereinafter referred to as: the Government) at the proposal of the Social Council of Montenegro, annually, based on the indicators for the definition of the minimum wage, as follows:
 - general level of wages in the country;
 - costs of living and changes thereto;
 - economic factors, including demands of economic development, level of productivity and need to reach and establish high employment level

Wage compensation Article 102

(1) The employee shall have the right to wage compensation in the amount defined in the collective agreement or the labour contract during absence from work due to: state and religious holidays that are non-working days; annual leave; paid leave; responding to the requests from state authorities; professional development at the instruction of the employer; temporary incapacity during the period of being unable to work in line with the health insurance regulations and during the use of maternity, parental, adoptive parental and foster parental leave, and leave in order to care for the child, in line with this Law; interruption of work arising without fault of the employee; refusal to work if the occupational health and safety measures are not in place; absence from work on the basis of the previously agreed participation in the work of a body with the employer or a body of the trade union; during the period of re-qualification, additional qualification and training for work in other posts and in other cases stipulated by the law, collective agreement and labour contract.

(2) The employer is entitled to refund of assets on the basis of payment of wage compensation to the employee referred to in Paragraph 1 of this Article on the basis of temporary incapacity during the period of inability to work based on health insurance regulations, during the use of maternity, parental, adoptive parental and foster parental leave based on regulations in the area of social and child protection.

(3) The employer is entitled to refund of assets on the basis of payment of wage compensation referred to in Paragraph 1 of this Article in case of absence of the employee from work in order to respond to the request by the state authority, from the authority that called the employee, unless regulated otherwise by the law.

(4) Exceptionally from Paragraph 1 of this Article, the employee shall not be entitled to wage compensation during absence from work when called by state authority, if such engagement involves a compensation paid by the state authority on whose request the employee was absent.

Interruption of work without the fault of the employee Article 103

(1) The employee is entitled to wage compensation during absence from work due to interruption of work that arise without the guilt of the employee amounting to 60% of the basis for compensation, which is comprised of the average wage thereof in the preceding semester and may not be lower than the minimum wage in Montenegro.

(2) Interruption of work referred to in Paragraph 1 of this Article involves: interruption due to problems in the operations of the employer, interruption due to prohibition of business activity by the relevant state authority, interruption caused by natural disaster and interruption in other cases stipulated in the collective agreement.

(3) In the case referred to in Paragraph 1 of this Article, the employer shall deliver a written act to the employee stating: the reasons for interruption of work, duration of interruption of work and amount of wage compensation.

(4) Compensation referred to in Paragraph 1 of this Article may be paid for maximum four months during the calendar year.

(5) Collective agreement, or the labour contract may determine the amount of the wage compensation higher than the amount referred to in Paragraph 1 of this Article.

Other allowances

Article 104

- (1) An employee shall be entitled to other allowances relating to work determined by the collective agreement or labour contract.
- (2) Other income referred to in Paragraph 1 of this Article shall not be included in the calculation of the amount of severance pay.

Calculation and payment of wage and wage compensation

Article 105

- (1) Wage and wage compensation shall be paid in money, to the current account of the employee, within the deadlines stipulated in the collective agreement and the labour contract, and minimum once a month.
- (2) At the time of payment of wage and wage compensation, the employer shall give a pay slip to the employee.
- (3) The employer that was unable to pay the wage and wage compensation on the due date, or did not pay the entire amount, shall deliver the pay slip that was due for payment to the employee by the end of the month when the salary was due, which will have the effect of an enforceable document.
- (4) The employer shall be obliged, in case of abolishment or reduction of personal income tax rate or contributions for compulsory social insurance charged to the employee, to pay to the employee as part of the wage the amount of funds which is being abolished or reduced which would have been calculated, withheld and paid on the account of such tax or contributions in accordance with law.

Suspension of wage and wage compensation

Article 106

- (1) The employer may collect a claim from the employee by withholding the wage or portion of the wage thereof, or by withholding a portion, or the total amount of the wage compensation, only after the procedure was implemented in cases determined by the law, on the basis of the final court decision or with the consent of the employee.
- (2) It is possible to withhold up to one half of the wage or wage compensation of the employee as a coercive measure for the payment of compulsory alimony, on the basis of the final court decision, and for payment of other obligations up to one third of the wage or wage compensation.

Wage and wage compensation records

Article 107

An employer shall keep monthly records of wages and wage compensations, in accordance with the law.

6. Rights of employees in case of change of employer

Restructuring of the employer

Article 108

(1) If due to a status change or change of activity, an employer or part of the employer changes, in accordance with the law, the successor employer shall overtake the employees from the predecessor employer and shall respect all rights and obligations of the employees under the employment contracts and rights of the employees arising from the employment relationship in force on the day of transfer, as well as enable the continuity of the union action.

(2) Where the transferor, in line with paragraph 1 of this Article, is the subject of bankruptcy proceedings or any analogous insolvency proceedings, which have been instituted with a view to the liquidation of the transferor's assets and are under the supervision of a competent authority, the rights that are transferred to the employer successor can be reduced in accordance with a special law, a collective agreement, or an agreement concluded between the trade union and the employer.

(3) If the employer, in line with paragraph 1 of this Article, preserves its autonomy, the status and function of the representatives or of the representation of the employees affected by the transfer shall be preserved on the same terms and subject to the same conditions as existed before the date of the transfer, provided that the conditions necessary for the constitution of the employee's representation are fulfilled, in accordance with the law.

(4) If the employer, in line with paragraph 1 of this Article, does not preserve its autonomy and the function of the representatives or of the representation of the employees is not able, employees who are affected by the transfer, shall have the right to be properly represented during the period necessary for the reconstitution or reappointment of the representation of employees in accordance with national law or practice.

(5) The employer predecessor shall inform the employee of the takeover referred to in Paragraph 1 of this Article in writing within 15 days prior to the takeover.

(6) An employee who opposes the overtaking of his employment contract is entitled to payment of severance pay, in accordance with the law.

(7) The employer predecessor shall inform the employer successor in writing of the rights of the employees arising from the employment relationship, whose labour contracts are being transferred.

(8) Failure of the employer predecessor to inform the employer successor in writing about the rights of the employees arising from the employment relationship whose labour contracts are being transferred shall not affect the exercise of rights of the employees.

(9) The employer successor is subject to joint and several liability with the employer predecessor for the obligations arising from the employment relationship towards the employees arising up to the date of transfer of the labour contract.

(10) The employer successor shall conclude a labour contract with the employees referred to in Paragraph 1 of this Article within five days from the date of takeover,

whereas the labour contract shall be in force as of the date of takeover, whereby the employment contract shall be valid from the date of occurrence of the legal consequences of the change of the employer referred to in paragraph 1 of this Article.

(11) Employment contracts referred to in paragraph 6 of this Article may not contain a lesser scope of rights for the employees than the rights determined by the employment contracts with the employer predecessor and shall be concluded on the same terms applicable to the employer predecessor.

(12) If the contract of employment or the employment relationship is terminated because the transfer involves a substantial change in working conditions to the detriment of the employee, the employer shall be regarded as having been responsible for termination of the contract of employment or of the employment relationship.

(13) The change of the employer referred to in paragraph 1 of this Article may not in itself be a reason for the termination of employment.

(14) The predecessor employer shall terminate the employment contract on an employee who refuses to conclude an employment contract with the successor employer within the deadline set out in paragraph 5 of this Article.

(15) Employee and employee representative who are damaged by employer predecessor and employer successor failure to fulfil their obligations, shall have the right to protect their rights before the court.

Implementation of the employer predecessor's collective agreement Article 109

(1) The employer successor shall apply the collective agreement of the predecessor for at least one year from the date of change of the employer, on the same terms applicable to the employer predecessor, unless prior to that deadline:

- 1) the period for which the collective agreement with the employer predecessor was signed expires;
- 2) a new collective agreement is concluded with the employer successor.

Obligation to notify the trade union Article 110

(1) The predecessor employer and the successor employer shall, at the latest 30 days before the change referred to in Article 103 of this Law, inform the representative of the employees of the employer about:

- 1) the date of change of employer;
- 2) reasons for the change of employer;
- 3) legal, economic and social effects of the change of employer on the position of the employees; and
- 4) any measures envisaged in relation to the employees.

(2) Where the predecessor employer and the successor employer envisages measures in relation to the employees, they shall consult the representatives of their employees in good time on such measures with a view to reaching an agreement, with the aim of mitigating social-economic effects on the position of the employees.

(3) If a registered trade union does not exist with the employer predecessor, or of the successor employer, the employer shall inform the employees of the circumstances referred to in Paragraph 1 of this Article.

(4) The obligations referred in paragraph 1 and 3 in this Article, shall apply irrespective of whether the decision resulting in the transfer is taken by the employer or an undertaking controlling the employer

IV PROTECTION OF EMPLOYEES IN CASE OF BANKRUPTCY PROCEDURE

Outstanding claims Article 111

(1) In accordance with this Law, the employee who has been employed by the employer on the day of the opening of the bankruptcy proceeding, as well as the employee whose employment has ceased to work, is entitled to payment of outstanding claims with the employer who has been subject to bankruptcy proceedings (hereinafter referred to as: receivables). the period of six months prior to the opening of the bankruptcy procedure and to which the claims were determined in accordance with the law governing the bankruptcy proceedings.

(2) The rights referred to in Paragraph 1 of this Article shall be exercised in accordance with this Law, unless they are paid in accordance with the law regulating bankruptcy procedure.

(3) If the entitlements referred to in Paragraph 1 of this Article are partially paid in accordance with the law regulating bankruptcy procedure, the employee shall be entitled to the difference up to the level of entitlements determined according to this Law.

Entitlement to payment Article 112

(1) The employee shall be entitled to payment of:

- a. wage and wage compensation during absence from work due to temporary inability to work in accordance with the health insurance regulations that the employer has the obligation to pay in accordance with this Law for each month in which it was not paid, as well as the payment of contributions for mandatory pension and disability insurance for the aforementioned claims according to the regulations on mandatory pension and disability insurance, for the period of up to six months prior to the introduction of bankruptcy;
- b. indemnity for unused annual leave due to employer's fault, for the calendar year in which the bankruptcy procedure was initiated, if he/she was entitled to it prior to the initiation of the bankruptcy procedure;
- c. severance pay due to retirement;
- d. indemnity based on a court decision due to an injury at work or a professional disease,.

(2) The claims referred to Paragraph 1 of this Article shall be paid to the employee by the Labour Fund, regardless of the termination of the bankruptcy proceedings.

(3) Rights referred to in Paragraphs 1 and 2 of this Article may not be exercised by the executive director and members of the management bodies of the employer, irrespective of the time when they performed those duties.

Amount of payment

Article 113

(1) Wage and wage compensation, referred to in Article 112, Paragraph 1, Items 1 and 2 of this Law shall be paid in the amount of the minimum wage, i.e. indemnification for unused annual leave.

(2) Severance pay due to retirement referred to in Article 112, Paragraph 1, Item 3 of this Law shall be paid in the amount of two minimum wages in Montenegro.

(3) Indemnification referred to in Article 112, Paragraph 1, Item 4 of this Law shall be paid in the amount of the indemnification determined by a decision of the competent court.

Right to payment of contributions

Article 114

(1) An employee with an employer who has been subject to bankruptcy proceedings and whose claims are determined in accordance with the law regulating bankruptcy proceedings, contributes to pension and disability insurance for years of service that he is lacking in obtaining the retirement conditions for which period the employer did not make the payment of such contribution, shall be paid by the Labour Fund, regardless of the termination of the bankruptcy proceedings.

(2) The right referred to in paragraph 1 of this Article may be exercised by a person who has acquired one of the legal requirements for exercising the right to a pension until the application for exercise of the right to work has been filed.

(3) Notwithstanding Article 111 paragraph 2 of this Law, a person who has acquired one of the legal requirements for exercising the rights referred to in paragraph 1 of this Article until the application has been submitted, Labour Fund shall be obliged to pay contributions, irrespective of the termination of the bankruptcy proceeding.

(4) Rights referred to in Paragraph 1 of this Article may not be exercised by the executive director and members of the management bodies of the employer, irrespective of the time in which they performed those duties.

(5) The authority deciding on the procedure of exercise of rights based on pension and disability insurance shall provide the data for the exercise of rights in the sense of Paragraph 1 of this Article to the person referred to in Paragraph 1 of this Article, at the request thereof.

(6) The base for the payment of contributions referred to in Paragraph 1 of this Article shall be the minimum wage in Montenegro, established prior to the submission of the request to the Labour Fund.

The right to payment of supplementary pension and survivors' Benefits

Article 115

The Labour Fund shall pay benefits generated through supplementary pension and survivors' insurance to an employee or former employee of the employer who has been subjected to bankruptcy proceedings and whose claims have been determined in accordance with the law governing bankruptcy proceedings.

Responsibility Article 116

(1) The Labour Fund shall be responsible for the exercise of rights referred to in Article 107, 109 and 112 of this Law, in line with the law.

(2) With the payment of claims under Article 112 and 115 of this Law, the Labour Fund appears as a creditor in the procedure for collecting claims settled in bankruptcy proceedings against the employer.

VI PROTECTION OF EMPLOYEES

General protection Article 117

The employee shall be entitled to protection at work in accordance with the law, the collective agreement and the labour contract.

1. Protection of persons with disability, youth and women

Special protection Article 118

Employed persons with disability, employed young persons below 18 years of age and employed women shall be entitled to special protection of rights, in accordance with the law.

Protection of rights of persons with disability Article 119

(1) The employer shall assign the employee with disability, in line with the act on internal organization and systematization of posts, to those duties that correspond to his/her remaining ability to work in the educational qualification, i.e. professional qualification, in accordance with the assessment made by the responsible authority for determination of disability.

(2) If an employed person with disability cannot be assigned, in the sense of Paragraph 1 of this Article, the employer shall secure his other rights, in line with the law regulating professional training of disabled persons and the collective agreement.

(3) If an employed person with disability cannot be assigned, and it is not possible to ensure his/her other rights in line with Paragraphs 1 and 2 of this Article, the employer may designate him/her redundant.

(4) Disabled person designated redundant, in accordance with Paragraph 3 of this Article, is entitled to severance pay referred to in Article 169, Paragraph 2 of this Law.

(5) An employed person with disability shall not be assigned to work in another place outside the place of temporary or permanent residence thereof, without the consent thereof.

(6) An employed person with disability is entitled to paid annual leave of minimum 26 working days.

Protection of employees below the age of 18

Article 120

(1) Employees below 18 years of age may not work in the posts where the prevailing duties involve particularly difficult physical activity, work underground or underwater, or posts that may have a harmful effect on and pose a higher risk for the health thereof.

(2) An employee below 18 years of age may not be assigned to work in another place outside the place of permanent or temporary residence.

(3) Collective agreement with the employer may define the working hours shorter than full time working hours for an employee below 18 years of age, in which case he shall be entitled to all rights on the basis of employment in full.

(4) An employee below 18 years of age may not be instructed to work longer than full working hours, i.e. longer than eight hours a day, nor to work at night.

(5) An employee below 18 years of age working for minimum four hours a day is entitled each day to rest during the work of minimum 30 minutes continuously.

(6) An employee below 18 years of age shall have the right to weekly rest of minimum two consecutive days, out of which one is a Sunday.

(7) An employee below 18 years of age is entitled to an annual leave of minimum 24 working days.

Protection due to pregnancy and childcare

Article 121

(1) An employer may not refuse signing of the labour contract with a woman due to pregnancy, nor can he/she offer a change in the labour contract under less favourable conditions due to pregnancy, childbirth or breastfeeding.

(2) An employer may not condition establishment of a labour relationship, i.e. conclusion of a labour contract with the proof of pregnancy, except if the duties in question involve a significant risk to health of a woman and a child determined by the competent state authority.

(3) An employer may not request any data regarding pregnancy and may not refer another person to request it, unless the employed woman personally requests the exercise of a certain right stipulated in the law or other regulation.

Day off for a prenatal examination

Article 122

(1) During pregnancy a woman is entitled to one day of absence from work during the month in order to undertake prenatal examinations, unless regulated otherwise by a special regulation.

(2) In the case referred to in Paragraph 1 of this Article, an employed woman shall inform the employer in writing about the use of this leave, three days prior to the scheduled prenatal examination and, at the request thereof, provide evidence of the undertaken examination.

(3) During the absence referred to in Paragraph 1 of this Article, the woman is entitled to wage compensation as if she had been working.

Protection against termination of employment

Article 123

(1) The employer can not cancel the contract of employment to an employed woman during the pregnancy and use of the right to maternity and parental leave.

(2) Exceptionally to paragraph 1 of this Article, an employed woman may terminate employment due to serious breaches of duties at work or existence of a reason referred to in Article 164 paragraph 1 points 1, 2, 3, 4, 5, 6 and 8 of this Law, for reasons not connected with pregnancy and the use of maternity and parental leave, in which case the employer is obliged to explain in detail and in writing the reasons for termination of employment.

(3) The employer shall not terminate the employment contract with the parent, adoptive parent and the foster parent due to the use of parental, adoptive and foster care leave the right to work with half time engagement because of care for the child with disability, single parent with a child of up to 7 years of age or a child with disability, if that person meets the obligations in line with the law, the collective agreement and the labour contract.

(4) During the absence from work in order to care for the child, maintain pregnancy, use maternity, parental, adoptive or foster parental leave, the employer may not designate an employee redundant.

(5) In case of an employee whose fixed term labour contract ends during the period of use of the right to maternity, i.e. parental leave, the period of validity of the fixed term labour contract shall be extended until the end of use of the right to such leave.

(6) An employee is obliged to submit to the employer evidence of the circumstances referred to in Paragraph 4 of this Article within three days from the date of becoming aware or establishing such circumstances.

Temporary assignment

Article 124

(1) Based on the findings and recommendations of the competent medical doctor, the employer is obliged to offer a temporary deployment to other appropriate jobs to a woman during pregnancy and while breastfeeding a child who works on tasks that could endanger her life and health, or which could endanger the life and health of the child and unborn child.

(2) During the temporary deployment to other tasks, the employed woman referred to in Paragraph 1 of this Article shall have during the temporary assignment all the employment rights that she had before the temporary assignment.

(3) If the employer is not able to provide the employed woman referred to in Paragraph 1 of this Article with the deployment to another appropriate job, in the sense of Paragraph 1 of this Article, and according to the doctor's findings that the performance of her job may endanger her or the health of the child, the employed woman is entitled to absence from work, with a wage compensation in accordance with the collective agreement, which can not be lower than the compensation that the employed woman would have received at her workplace.

Protection from overtime work or night work

Article 125

(1) Night work is prohibited for employed woman during pregnancy, woman who have recently given birth and woman who are breastfeeding.

(2) An employed woman during pregnancy and a woman with a child under three years of age cannot work longer than full time hours, or at night.

(3) Exceptionally from Paragraph 1 of this Article, an employed woman with a child over two years of age may work at night only if she accepts such work in a written statement

(4) The employer is obliged to assign the woman referred to in paragraph 1 of this article, who has concluded an employment contract for performing activities involving night work, to perform tasks outside night work that correspond to her level of education, that is, the level of qualifications and working ability.

(5) In the case that the employer has no possibility to ensure allocation of an employed woman referred to in paragraph 4 of this Article, the employer is obliged to provide her with paid leave along with earnings reimbursement referred to in paragraph 2 Article 130 of this Law.

(6) One of the parents, adoptive or foster parents of the child with disability, as well as a single parent with a child under seven years of age may work overtime, or at night, only based on a written consent.

2. Protection of rights of employees providing care to children

Maternity leave

Article 126

(1) An employed woman shall use mandatory maternity leave of 98 days, out of which 28 days prior to the expected delivery date, and 70 days upon childbirth.

(2) The expected delivery dates is determined by the competent specialized doctor.

(3) Exceptionally from Paragraph 1 of this Article, the maternal leave of 70 days from the date of delivery, may be used by both parents simultaneously if two or more children were born.

(4) Exceptionally from Paragraph 1 of this Article, the father of the child shall be entitled to a leave from the date of childbirth, if the mother died during child delivery, she is seriously ill, she abandoned the child, if her parental rights are terminated or she is serving a prison sentence.

(5) If the child is born prior to the expected delivery date, mandatory maternity leave referred to in Paragraph 1 of this Article shall be extended for the number of days between the actual and the expected delivery date.

(6) The term child born earlier in the sense of Paragraph 5 of this Article involves a child born prior to completing 37 weeks of pregnancy, according to the findings of the competent specialized doctor.

Parental leave Article 127

(1) Parental leave is entitlement of each parent to use absence from work for the purpose of providing care and nursing to a child.

(2) Parental leave may be used after expiry of the period referred to in Article 126, Paragraph 1 of this Law, in the duration of up to 365 days from the birth of the child.

(3) The right to parental leave referred to in Paragraph 1 of this Article shall belong to both parents in equal portions.

(4) Exceptionally from Paragraph 3 of this Article, parental leave that one parent started using may be transferred to the other parent upon expiry of 30 days from the date when that parent started using the parental leave.

(5) In case referred to in Paragraph 4 of this Article, the parent who transferred the right to the other parent shall not be entitled to continuation of use of parental leave.

Transfer of rights to one of the parents Article 128

(1) If one of the parents dies or is prevented for other justified reasons from using the right to parental leave referred to in Article 127, Paragraph 3 of this Law, the right to his/her share in parental leave shall be transferred to the other parent.

(2) Justified reasons referred to in Paragraph 1 of this Article shall involve the following:

1) If one of the parents is: deprived of the parental right, deprived of legal capacity; proclaimed missing, unknown, of unknown temporary or permanent residence;

2) When, in order to protect the child, based on the court decision, one of the parents is prohibited or has restricted contacts with the child;

3) When one of the parents of the child is seriously ill or depends on the assistance of another person, due to which he/she is prevented or significantly limited in the performance of parental care for a longer period of time, according to the findings of the relevant specialized doctor;

4) If one of the parents is engaged as an army officer in the military mission outside of Montenegro, on condition that he gave up in a written statement the right to use of parental leave to the benefit of the other parent;

5) When one of the parents is serving a prison sentence.

(3) Provisions of paragraphs 1 and 2 of this Article shall also apply in case of transfer of adoptive parental and foster parental leave, on condition that the beneficiary receiving the right meets the requirements in accordance with this Law.

Break in order to breastfeed the child

Article 129

- (1) If an employed woman starts working, in the sense of Article 127, Paragraph 3 of this Law, she shall be entitled to a break to breastfeed the child in the duration of two hours per day, until the child turns one year old, irrespective of whether the father of the child is using at the same time and for the same child one of the rights stipulated in this Law.
- (2) The right referred to in Paragraph 1 of this Article may be used at once or two times a day for one hour.
- (3) The time referred to in Paragraph 1 of this Article shall be calculated as part of the full working hours.

The rights of an employee and return to the same job

Article 130

- (1) During the leave referred to in Articles 126, 127, 135 and 136 of this Law the employee shall be entitled to all the rights acquired from employment as before the beginning of use of the absence referred to in Articles 126, 127, 135 and 136 of this Law, as well as all benefits from any improvement in working conditions to which he/she would have been entitled during his/her leave.
- (2) During the leave referred to in Articles 126, 127, 135 and 136 of this Law, the employee shall have a right to earnings reimbursement in the amount which cannot be smaller than earnings reimbursement given in case of temporary inability to work due to pregnancy maintenance, in line with the law.
- (3) The employer shall allow the employee referred to in Articles 126, 127, 135 and 136 of this Law to return to the same job or to an equivalent job with at least the same wage upon expiry of the leave.
- (4) At the request of the employee, the employer may, taking into account the needs of the employee that he/she stated in his/her written request, at the expiration of his/her absence referred to in Articles 126, 127, 135 and 136 of this Law, allow the change of working hours and/or patterns of work of such employee, where the work process of the employer allows for such a change.

Protection in case of stillborn

Article 131

If an employed woman gives birth to a stillborn or if the child dies prior to expiry of the maternal, i.e. parental leave she shall be entitled to extend the maternity, i.e. parental leave for minimum 45 days, and according to the finding of the competent specialist doctor, even longer, i.e. as long as necessary to recover from the delivery and the psychological condition caused by the loss of the child, and during that period she shall be entitled to all rights based on maternity, i.e. parental leave.

Work for half of the full-time working hours due to additional care for the child

Article 132

(1) Upon expiry of the leave referred to in Article 127, Paragraph 2 of this Law, the employed parent shall be entitled to work for half of the full-time working hours until the child turns three years of age, if the child needs additional care.

(2) The right to work for half of the full-time working hours for the period referred to in Paragraph 1 of this Article shall be granted to the employed adoptive parent, guardian or foster parent.

Work with half of the full-time working hours for the purpose of caring for a disabled child

Article 133

(1) A parent, adoptive parent, foster parent or guardian of a disabled child, i.e. a person caring for a person with severe disability in line with special regulations shall be entitled to work for half of the full-time working hours.

(2) Working hours referred to in paragraph 1 of this Article and Article 132 of this Law shall be considered as full time working hours in terms of exercise of rights arising from and based on employment.

Exercise of the rights arising from employment during care for a child

Article 134

(1) The employee who intends to use the right to work for half of the full time working hours referred to in Articles 132 and 133 of this Law, he/she is obliged to file a written request with the employer.

(2) The manner and the procedure for exercise of rights referred to in Articles 132 and 133 of this Law shall be regulated by the state authority responsible for social welfare issues.

(3) During the leave referred to in Articles 132 and 133 of this Law the employee shall be entitled to wage compensation in accordance with Article 130 paragraph 2 of this Law.

(4) The right referred to in Articles 132 and 133 of this Law may not be used while the disabled child or the person with severe disability is placed in a social and child welfare institution.

Leave for the purpose of adopting the child
Article 135

One of the adoptive parents of a child under the age of eight shall be entitled to a leave from work for the purpose of caring for the child for one year continuously, with wage compensation referred to in Article 130 of this Law.

Absence of the foster parent
Article 136

One of the foster parents of the child under the age of eight shall be entitled to a leave from work for the purpose of caring for the child for one year continuously, with wage compensation referred to in Article 130 of this Law.

Notification of intention to use the leave
Article 137

(1) An employee who intends to use the right to maternity, parental, adoptive or foster parental leave or leave, shall notify the employer of this intention in writing, one month prior to the commencement of use of that right.

(2) An employee who exercised the right referred to in Paragraph 1 of this Article shall be entitled to additional professional development, if there were technological, economic or other changes in the manner of work of the employer.

Absence from work without wage compensation, in order to care for a child under the age of three
Article 138

(1) One of the parents is entitled to absence from work until the child turns three years of age, and if he/she interrupts the initiated use of this right prior to the expiry of the stated period, he/she shall not be able to use it further.

(2) During the absence from work, as referred to in Paragraph 1 of this Article, the employee shall be entitled to health insurance and pension and disability insurance, while other rights and obligations shall be suspended.

(3) Funds for the health insurance and pension and disability insurance referred to in Paragraph 2 of this Article shall be provided from the health insurance and pension and disability insurance funds.

VI PROTECTION OF RIGHTS OF EMPLOYEES

Protection with the employer

Article 139

(1) The employer shall decide on the rights and obligations of the employees arising from and on the basis of employment, in accordance with the law, collective agreement and the labour contract.

(2) An employee who believes that the employer has violated any of his/her rights arising from and on the basis of employment may file a request with the employer to ensure the exercise of that right.

(3) Filing of the request referred to in Paragraph 2 of this Article shall not suspend the execution of the decision or action against which the employee filed a request for protection of rights thereof.

(4) The employer shall deliver to the employee, based on his/ her request, a written notification or adopt a decision within 15 days from the date of filing of the request of the employee.

(5) The decision referred to in paragraph 4 of this Article shall be final, unless stipulated otherwise by the law.

(6) The decision referred to in paragraph 4 of this Article shall be delivered to the employee in writing, with an explanation and note on the legal remedy within eight days from the date of adoption of the decision.

(7) Separately from the procedure for the protection of rights that the employee instigated with the employer, the employee may also address it to the Labour Inspectorate in order to protect his/her rights.

Protection before the Agency for Amicable Labour Dispute Resolution

Article 140

(1) Prior to initiation of the proceedings before the competent court, an employee who feels that his/her rights arising from and on the basis of employment shall file a motion for amicable dispute resolution before the Agency for Amicable Labour Dispute Resolution.

(2) In the case referred to in Paragraph 1 of this Article, the employer is obliged to accept the procedure for amicable labour dispute resolution.

(3) During the procedure before the Agency referred to in Paragraph 1 of this Article, the deadlines to instigate the proceeding before the competent court shall not run.

(4) The procedure of amicable labour dispute resolution shall be subject to regulations prescribing amicable labour dispute resolution.

(5) If the labour dispute is not resolved before the Agency, the employee may instigate the proceedings before the competent court.

Protection with the competent court

Article 141

(1) The procedure before the court may be instigated within 15 days from the date of delivery of the decision by which the process of amicable labour dispute resolution is terminated.

(2) The employer shall execute the final decision of the court within 15 days from the date of delivery of the decision, unless some other deadline is prescribed by the court decision.

The burden of proof

Article 142

(1) In the event of an employment dispute, the burden of proof rests with a person considering that any of his employment rights have been breached, or with a person initiating a dispute, unless otherwise provided by this or other law.

(2) In the event of a dispute over violation of equal treatment under the provisions of this Law, when persons who consider themselves wronged because the principle of equal treatment has not been applied to them present, before a court or other competent authority, facts from which it may be presumed that there has been direct or indirect discrimination, it shall be for the respondent or a legal or natural person against whom the procedure has been brought before the competent court, to prove that there has been no breach of the principle of equal treatment.

(3) In the event of a dispute concerning the putting of an employee at a disadvantage compared with other employees due to the address of the employee concerning a justified suspicion of corruption or the filing of a report in good faith on such suspicion to responsible persons or competent authorities, which has led to a violation of any of the employee's rights from employment, where the employee presents facts from which it may be presumed that he has been put at a disadvantage and that some of his employment rights have been breached, it shall be for the employer to prove that such address or report has not put the employee at a disadvantage compared with other employees, or that his rights from employment have not been breached thereby.

(4) In the event of a dispute over the termination of the employment contract, the burden of proving the existence of a just cause for the termination of the employment contract shall rest with the employer, where the employment contract has been terminated by the employer.

(5) In the event of a dispute over working hours, where the employer fails to keep the records referred to in Article 19, paragraph 1, point 7 of this Law in the prescribed manner, the burden of proving working time shall rest with the employer.

The statute of limitations for claims arising from employment

Article 143

(1) Financial claims arising from employment shall be subject to statute of limitation after four years from the date when the claim was created.

(2) Claims related to the obligation to pay contributions for pension and disability insurance shall not be subject to the statute of limitations.

VII RESPONSIBILITIES OF THE EMPLOYEES

1. Responsibility for breach of duties at work

Responsibility of the employees

Article 144

(1) At work, an employee shall observe the obligations prescribed by the law, collective agreement and the labour contract.

(2) An employee who fails to meet the duties at work or fails to observe the decision adopted by the employer, intentionally or due to negligence, shall be held responsible for the breach of duties at work, in accordance with the law, collective agreement and the labour contract.

(3) Criminal liability shall not exclude responsibility of the employee to meet duties at work if such offence constitutes a breach of duties at work.

(4) An employee shall be liable for the breach of duties at work that was regulated by the law, the collective agreement and the labour contract at the time when it happened.

Breach of duties at work

Article 145

(1) Breach of duty at work may be minor and serious.

(2) Breach of duty at work may arise by actions or failure of the employee to act.

(3) Breach of duty at work shall be determined by the law, collective agreement and the labour contract.

Measures in case of breach of duties at work

Article 146

(1) For minor breaches of duties at work, in line with the collective agreement and the labour contract, the employee may be pronounced one of the following measures:

a. Notice;

b. Fine amounting to 20% of the monthly wage of the employee earned in the month in which the fine was pronounced, for the period of one to three months.

(2) For serious breaches of duties at work, in line with the collective agreement and the labour contract, the employee may be pronounced one of the following measures:

- a. Fine ranging from 20% to 30% of the monthly wage of the employee earned in the month in which the fine was pronounced, for the period of one to four months.
 - b. Conditional termination of employment, and
 - c. Termination of employment
- (3) Conditional termination of employment involves the possibility of termination of employment if the employee makes a serious breach of duty at work in the period of six months from the date when the measure was pronounced.

Procedure for establishment of responsibility

Article 147

- (1) The procedure for establishment of responsibility for the breach of duty at work may be instigated by the Director, i.e. Executive Director (hereinafter: the competent authority), when he/she becomes aware that the breach of duty at work occurred or on the basis of the motion submitted by an employee.
- (2) Within 15 days from the date of becoming aware that the breach of duty at work has occurred, i.e. from the acceptance of the motion referred to in Paragraph 1 of this Article, the competent authority shall submit to the employee a written notice on the existence of reasons to pronounce a measure for the breach of duty.
- (3) If the competent authority rejects the motion referred to in Paragraph 1 of this Article, he shall inform the person who submitted the motion of that fact within 15 days from the date when the motion was submitted, and to state the reasons for rejecting the motion.
- (4) The notice referred to in Paragraph 2 of this Article shall contain the following: personal data of the employee, the post that he/she is assigned to, description and timeframe of the breach of duty at work, as well as the note that he/she has the right to give an oral statement about the claims and facts demonstrating breach of duty at work.
- (5) The employee is entitled to present his/her view on the notice referred to in Paragraph 2 of this Article within 15 days from the date of delivery of the notice.
- (6) If the employee fails to present his/her view on the notice within the deadline referred to in Paragraph 5 of this Article, it shall be considered that he/she agrees with the claims and facts contained in the notice.
- (7) The employee is entitled to request the competent authority to give an orally present the views thereof within five days from the date of submission of the notice.
- (8) In the case referred to in Paragraph 7 of this Article the competent authority shall give the employee the possibility to state his views on the claims and facts contained in the notice referred to in Paragraph 2 of this Article within 15 days from the date of submission of the notice.
- (9) In the case referred to in Paragraph 8 of this Article, at the request of the employee, the oral presentation of views may be attended by the representative of the trade union that he/she is a member of, as a counsellor of the employee.
- (10) The competent authority may authorize another person to manage the proceedings referred to in Paragraph 9 of this Article.
- (11) Minutes of the hearing held in the case referred to in Paragraph 8 of this Article shall be kept and shall contain data about the competent authority, i.e. authorized person, venue and time of the hearing, employee who is subject to proceedings to establish responsibility, participants in the hearing, content of the motion to instigate the proceedings, statement of the employee regarding breach of duty at work, statement of

the trade union representative, counsellor of the employee, witnesses and experts, and evidence presented during the proceedings.

(12) Minutes shall be signed by the competent authority, i.e. the authorized person, the employee subject to the proceedings, i.e. counsellor thereof, and the minute taker.

Decision-making Article 148

(1) Decision on the measure pronounced for the breach of duty at work shall be made by the responsible authority.

(2) With the decision referred to in Paragraph 1 of this Article it is possible to suspend the proceedings, free the employee from liability or pronounce him/her guilty and pronounce a measure for breach of duty.

(3) The competent authority shall decide within 15 days from the date of expiry of the deadline referred to in Article 147, Paragraph 5, that is, within 15 days from the date when the hearing was held, in line with Article 147, Paragraph 11 of this Law.

(4) Exceptionally, the decision referred to in Paragraph 3 of this Article may be adopted within 30 days from the date of expiry of the deadline referred to in Article 147, Paragraph 5 of this Law, if it is necessary to undertake an investigation or expertise in order to establish circumstances and facts in relation to the breach of duty at work.

(5) The decision referred to in Paragraph 1 of this Article shall contain: introduction, decision, explanation and advice on legal remedy.

(6) The decision referred to in Paragraph 1 of this Article shall be final.

(7) The competent authority shall deliver the decision referred to in Paragraph 1 of this Article to the employee, i.e. to the counsellor thereof, if he/she has one, to the representative of the trade union that participated in the proceedings, within 8 days from the date of adoption.

Termination of the proceedings Article 149

The proceedings against the employee shall be terminated in the following cases:

- 1) If the statute of limitation for the proceedings arises;
- 2) In case of termination of employment of the employee with the employer on other grounds;
- 3) In case of establishing that the behaviour of the employee does not constitute a breach of duty at work;
- 4) If there is no evidence that the employee committed the breach of duty at work that he/she is accused of;
- 5) If the final decision has already been made regarding the same breach of duty at work.

Imposition of measure Article 150

Prior to the imposition of the measure for the breach of duty at work, the following shall be considered: severity of the breach of duty and the consequences thereof, responsibility

of the employee, previous work and behaviour of the employee, whether he has prior record of breach of duty at work, and other circumstances that may affect the type and severity of the measure for the breach of duty at work.

Disputing the decision

Article 151

(1) An employee may instigate the proceedings before the competent court against the final decision imposing a measure referred to in Article 148 of this Law, within 15 days from the date of delivery of the decision, in line with Article 140 of this Law.

(2) Exceptionally, against the final decision pronouncing the measure of termination of employment, i.e. conditional termination of employment, the employee may instigate the proceedings before the Agency or before the competent court.

(3) Initiation of procedure referred to in Paragraphs 1 and 2 of this Article shall not suspend the enforcement of the decision referred to in Paragraph 1 of this Article.

Statute of limitations for initiation and conduct of the procedure

Article 152

(1) Initiation of the proceedings to establish breach of duty at work shall be subject to statutory limitation within three months from the date of becoming aware of the breach and the perpetrator.

(2) Management of the proceedings to establish breach of duty at work shall be subject to statutory limitation within three months from the date of initiation of the proceedings to establish the duty at work.

(3) If the breach of duty at work includes elements of a criminal offense, the initiation of proceedings shall be subject to the statute of limitations within six months from the date of becoming aware of the breach of duty and the perpetrator, i.e. upon expiry of the statutory limitation for that criminal offense.

Deadline for enforcement of the imposed measure and deletion from the records

Article 153

(1) The imposed measure referred to in Article 146 of this Law may not be enforced after expiry of 30 days from the day when the decision imposing the measure became legally final, whereas its execution did not commence.

(2) The employer shall keep the records of measures imposed in case of breach of duty at work.

(3) If an employee does not breach the duty at work within two years from the day the decision imposing a fine, notice and conditional termination of employment became final, the imposed measure shall be deleted from the records.

2. Temporary removal of an employee (suspension)

Optional suspension from work

Article 154

- (1) An employee may be temporarily suspended from work:
- 1) If there are circumstances demonstrating that he/she committed a serious breach of duty at work.
 - 2) If criminal charges were pressed against him/her for the criminal offense committed during work or in relation to work.
- (2) Suspension referred to in Paragraph 1 of this Article may last up to the end of the proceedings for determination of responsibility.

Mandatory removal from work

Article 156

- (1) The employee shall be temporarily suspended from work based on a justified decision on temporary suspension.
- (2) The employee may be temporarily suspended from work with a written order of the competent authority, i. e. other authorized person working with the employer, whereas the competent authority is obliged to adopt the decision referred to in Paragraph 1 of this Article.
- (3) The decision on temporary suspension from work referred to in Paragraph 1 of this Article shall be made by the competent authority within three days from the date of becoming aware of the reasons for suspension, i.e. submission of the decision on detention.
- (4) If in the case referred to in Paragraph 2 of this Article the decision is not made within three days from the date of suspension from work, it shall be considered that the order for suspension from work was not issued.

Wage compensation and reimbursement of wage compensation during temporary suspension

Article 157

- (1) During temporary suspension from work, the employee shall be entitled to wage compensation amounting to one third of his/ her monthly wage earned in the month preceding the temporary suspension, or to one half of the referred wage if the employee supports a family.
- (2) The wage compensation during a period of detention shall be disbursed at the expense of the authority that imposed the detention.
- (3) The body that adopted the decision on detention shall notify the employer of its decision within three days.
- (4) A request to refund wage compensation for the period of employee's detention, as well as taxes and contributions on that wage, shall be submitted by the employer to the authority that adopted the decision on detention.

(5) During temporary suspension from work, the employee shall be entitled to a difference between the amount of compensation received under Paragraph 1 of this Article and the full amount of wage earned in the month preceding the month of temporary suspension, increased by the average wage increment of the employees with the employer, for the period the compensation was due, as follows:

- 1) If the criminal procedure is terminated based on the final decision or if employee is acquitted by a final decision, or the charge against the employee is rejected for other reasons than the lack of competence, and;
- 2) If the employee is acquitted from liability or if the procedure for determination of breach of duty at work is terminated.

3. Financial responsibility

Compensation of damage to employer

Article 158

(1) The employee shall be responsible for the damage he/she caused at work or in relation to work to the employer, intentionally or due to gross negligence.

(2) If the damage is caused by several employees, each of the employees shall be responsible for a portion of the damage he/she caused.

(3) If the proportion of damage caused cannot be determined for each individual employee referred to in Paragraph 2 of this Article, all employees shall be considered equally responsible and shall be obliged to recover the damage in equal portions.

(4) If several employees caused the damage by a premeditated criminal offense, they shall be subject to joint and several liability.

(5) A special commission established by the employer shall establish the existence of damage, its amount, circumstances in which it occurred, who caused the damage and how it shall be compensated for, and one of the members thereof shall be a representative of the representative trade union with that employer.

Compensation of damage to the employee

Article 159

(1) If an employee is injured or suffers damage at work or in relation to work, the employer shall compensate the damage.

(2) A special commission, formed by the employer, shall determine the existence of the damage referred to in Paragraph 1 of this Article and Article 160 of this Law, the degree of damage, circumstances in which it occurred, who caused it and the manner in which it will be compensated. One of the members of the commission shall be the representative of the representative trade union with that employer.

(3) If the compensation of damage is not provided in accordance with Paragraph 2 of this Article, the decision concerning the damage shall be taken by the competent court.

Compensation of damage to a third person

Article 160

An employee that caused damage at work or in relation to work to a third person deliberately or due to gross negligence, and the referred damage was paid by the employer, shall compensate the employer for the amount paid.

2. Prohibition of competition

Prohibition of competition of employee

Article 161

(1) The labour contract may stipulate jobs that an employee may not perform on behalf and to the account thereof, or on behalf and to the account of another legal or physical entity, without the consent of the current employer thereof (hereinafter referred to as: prohibition of competition).

(2) Prohibition of competition may be stipulated only if there is a possibility for an employee to acquire through his/her work with the employer new, particularly important technological knowledge or other specific knowledge or skills, a wide circle of business partners or to obtain or become aware of important business information and secrets.

(3) The collective agreement or the labour contract shall also determine territorial limitations of the prohibition of competition depending on the type of job that the prohibition refers to.

(4) Should the employee violate the prohibition of competition stipulated in the labour contract, the employer shall be entitled to terminate the labour contract and request compensation of damage from the employee.

Conditions for prohibition of competition

Article 162

(1) The employer and the employee may also agree on the conditions for prohibition of competition as referred to in Article 161 of this Law following termination of employment, where such period may not exceed two years upon termination of employment.

(2) Prohibition of competition referred to in Paragraph 1 of this Article may be agreed if the employer commits in the labour contract to pay financial compensation to the employee in the agreed amount.

VIII TERMINATION OF EMPLOYMENT

Methods of termination of employment

Article 163

The labour relationship (employment) shall be terminated:

- 1) by virtue of law;
- 2) by mutual agreement between the employer and the employee;
- 3) by notice of termination of labour contract by the employer or the employee.

Termination of employment by virtue of law

Article 164

- (1) The labour relationship (employment) shall be terminated by virtue of law:
- 1) when the employee reaches the age of 66 and minimum 15 years of pension insurance, as of the date of submission of the final decision to the employee, whereby for the insured person whose years of contributing to insurance is calculated at accelerated rate, the age limit shall be reduced depending on the degree of acceleration of contributing to insurance per one year, and so as follows:
 - for each six years spent on working position, or job where the effectively spent 12 months are accrued as 14 months of contributing to insurance;
 - for each five years spent on working position, or job where effectively spent 12 months are accrued as 15 months of contributing to insurance;
 - for each four years spent on working position, or job where effectively spent 12 months are accrued as 16 months of contributing to insurance;
 - for each three years spent on working position, or job where effectively spent 12 months are accrued as 18 months of contributing to insurance;
 - 2) if it is determined in a manner set out by the law that the employee has suffered a loss of work ability – as of the date of delivery of the final decision determining the loss of work ability;
 - 3) if, pursuant to provisions of the law, i.e. a final court decision or a decision of another authority, the employee is forbidden to perform particular jobs and he/she cannot be deployed to other jobs – as of the date of delivery of the final decision;
 - 4) if the employee is absent from work for more than six months due to serving a prison sentence – as of the date of commencement of serving the prison sentence;
 - 5) if a security, correctional or protective measure of more than six months has been pronounced to the employee and consequently he/she has to be absent from work – as of the date of commencement of application of such measure;
 - 6) in case of bankruptcy or liquidation, with a view to liquidation of the assets of the transferor, or in all other cases where the employer terminated business activity, in accordance with the law;
 - 7) with the expiry of the period for which the fixed term labour contract was concluded;
 - 8) in case of death of the employee.

(2) The employer shall pay the severance pay to the employee whose labour relationship ends due to voluntary liquidation of the company, amounting to two average monthly wages of that employee in the previous semester exclusive of taxes and contributions, i.e. two average wages in Montenegro exclusive of taxes and contributions, if this is more favourable for the employee.

(3) In the case referred to in Paragraph 1 of this Article, the employer shall decide in the form of a decision containing the following: grounds, explanation and note on legal remedy.

(4) The limitation referred to in Paragraph 1, Item 1 of this Article shall not refer to the entrepreneur, i.e. the employee who is the founder or owner of the majority share in that company.

Termination of employment by mutual agreement Article 165

(1) The employment may be terminated by mutual agreement between the employer and the employee.

(2) Mutual agreement referred to in Paragraph 1 of this Article shall be concluded in written form.

(3) The agreement referred to in Paragraph 2 of this Article shall stipulate the date of termination of employment.

(4) In case of mutual agreement on termination of employment, the employer may pay the severance pay to the employee.

(5) The agreement referred to in Paragraph 2 of this Article shall have legal effect as of the date of notarization by the notary public, the court or the local self-government authority.

Termination by the employee Article 166

(1) The employment, i.e. labour contract may be terminated by a notice of termination from the employee.

(2) Termination of the labour contract may be initiated by a parent or a guardian of the employee under the age of 18.

(3) The employee shall deliver the notice of termination of the labour contract, previously notarized by the authority referred to in Article 165, Paragraph 5 of this Law, to the employer in written form, at least 30 days prior to the date stated as the day of termination of employment, unless the employer and the employee agreed otherwise.

(4) In case the employee fails to observe the notice period, the employer shall be entitled to the compensation of damage, determined in proportion to the period of notice that was not observed and based on the wage that the employee earned in the month preceding the notice referred to in Paragraph 1 of this Article.

(5) In the case referred to in Paragraphs 1 and 2 of this Article, the employer shall decide in the form of a decision containing grounds, explanation and note regarding legal remedy.

1. Termination by employer

Notice of collective dismissal Article 167

(1) Where an employer is contemplating collective dismissal for at least 20 employees over a period of 90 days, he shall begin consultations, request and consider the opinions and proposals of the trade unions i.e. employees or representatives of employees in case there is no trade union organized, prior to the decision on cessation of the need for the engagement of employees in order to reach an agreement, remove or reduce the need to terminate the work of employees.

(2) For the purpose of conducting the consultations referred to in paragraph 1 of this Article, the employer shall submit the following information in writing to the trade union i.e. employees or representatives of employees in case there is no trade union organized:

- 1) reasons for the cessation of need for the engagement of employees;
- 2) the total number of employees;
- 3) criteria for determining the employees the need for the engagement of whom could cease to be required;
- 4) the number of employees the need for the engagement of whom could cease to be required, as well as information about their workplace and the work they perform;
- 5) method for calculating severance pay;
- 6) the measures taken for the purpose of settling with the employees the need for the engagement of whom could cease to be required: deployment to other jobs with the same employer in the degree of professional skills of the employee; secondment to another employer in the degree of professional development of the employee, with his consent; vocational training, retraining or further qualification for work at another workplace with the same or other employer and other measures in accordance with the collective agreement or employment contract.

(3) During the consultation process with the trade union i.e. employees or representatives of employees in case there is no trade union organized, the employer shall consider all proposals aimed at preventing the cessation of the need for the engagement of the employees or mitigating its consequences, as well as providing written explanations for each submitted proposal.

(4) Consultation referred to in paragraph 1 of this Article may not be shorter than 30 days.

(5) The method referred to in paragraph 2, point 5 of this Article, may not be contrary to the provisions of this Law concerning the prohibition of discrimination of employees.

(6) The employer shall be obliged to inform the Employment Agency in writing about the conducted consultations referred to in paragraph 1 of this Article, as well as to provide it with the following information:

- 1) the information referred to in paragraph 2 of this Article;
- 2) information on the duration of the consultation with the trade union;

- 3) data on the results of the conducted consultations;
- 4) written statement of the union, if delivered to it.

(7) A copy of the notice referred to in paragraph 6 of this Article shall be submitted by the employer to the trade union i.e. employees or representatives of employees in case there is no trade union organized.

(8) The trade union i.e. employees or representatives of employees in case there is no trade union organized, may submit its objections and proposals to the Employment Agency and the employer on the information provided under paragraphs 2 and 6 of this Article.

The program for exercise of rights of the redundant employees **Article 168**

(1) Employees for whose engagement the need ceased to exist shall not be terminated for a period of 30 days from the date of notification referred to in Article 167, paragraph 6 of this Article, within which period the Agency shall attempt to provide one of the measures foreseen under Article 167, paragraph 2, point 6 of this Law.

(2) The Employment Agency may, at the latest on the last day of the deadline referred to in paragraph 1 of this Article, order the employer in writing to postpone the termination of the employment contract to all or some of the employees for whose engagement the need ceased, for a further thirty days if it can provide them over that period of time with continuation of employment.

(3) If the employer determines that the need for engagement of employees will cease in a number less than the census specified in Article 167, paragraph 1 of this Law, it shall notify the employees and the trade union in writing thereof, at the latest within five days before the decision on termination of employment.

(4) The notification referred to in paragraph 3 of this Article shall contain:

- 1) reasons for the cessation of the need for the engagement of employees;
- 2) the number and structure of employees the need for the engagement of whom ceased at the position, and
- 3) criteria for determining employees the need for the engagement of whom ceased.

(5) The employer shall not be able, within six months, to establish employment relationship with another employee at the positions where, the need for engagement of employees ceased, within the meaning of paragraph 1 of this Article.

Severance pay **Article 169**

(1) The employer shall pay the severance pay to the redundant employee who has not been secured any of the rights referred to in Article 167, Paragraph 2, Item 6 of this Law, in the amount of minimum 1/3 of the average monthly wage thereof, free of taxes and

contributions, in the preceding semester for each year of work with that employer, that is, 1/3 of the average monthly wage in Montenegro free of taxes and contributions, if this is more favourable for the employee.

(2) The time spent working for the employer, referred to in Paragraph 2 of this Article shall include the time spent working with the previous employer in case of status change or change of the employer.

(3) Severance pay referred to in Paragraph 1 of this Article shall not be lower than three average monthly wages free of taxes and contributions in the previous semester, i.e. average monthly wage in Montenegro free of taxes and contributions in the previous semester, if that is more favourable for the employee.

(4) The employer shall pay the severance pay to the redundant employee with minimum 50% disability and whose disability arose during the employment with that employer, and who was not provided with any of the rights referred to in Article 167, Paragraph 2, Item 5 of this Law, as follows:

- 1) minimum 12 average wages free of taxes and contributions, if the disability was caused by injury outside work or an illness;
- 2) minimum 36 average wages free of taxes and contributions, if the disability was caused by an injury at work or a professional disease.

(5) The amount of severance pay referred to in Paragraph 6 of this Article shall be determined on the basis of the average wage with the employer if that is more favourable for the disabled employee.

(6) The disabled person in the sense of Paragraph 6 of this Article shall be the person whose status is determined in line with the special law.

Temporary engagement of the employee Article 170

The employer may employ the redundant worker temporarily to perform duties that correspond with the educational, i.e. professional qualification thereof, until he meets one of the rights thereof established by this Law.

Termination of employment following payment of the severance pay Article 171

(1) The employment, i.e. labour contract of the employee who exercised the right to severance pay in the sense of Article 169 of this Law shall be terminated as of the date when the payment was made.

(2) The employee whose employment, i.e. labour contract is terminated in the sense of Paragraph 1 of this Article, shall exercise his/her rights in accordance with the law regulating the rights of persons during the period of temporary unemployment.

Individual dismissal

Article 172

(1) The employer may terminate the labour contract of an employee, without conducting the procedure for establishment of liability, if there are justified reasons for that, as follows:

- 1) due to failure to achieve the results of work established in the collective agreement, the act of the employer or the labour contract, in the period that shall not be shorter than 30 days;
- 2) if the behaviour thereof is such that he/she cannot continue working with the employer due to:
 - violation of regulations on occupational health and safety, thus creating danger for his/her own health or the health of other employees;
 - arrival to work under the influence of alcohol or psychoactive substances, drinking alcohol during work or taking psychoactive substances, while refusing to take the relevant test to establish those facts by the authorized person, in accordance with the special regulations;
 - unjustified absence from work for three or more working days in a row, that is, five working days with interruptions within 12 months;
 - final court decision by which he is convicted of the criminal offense of abuse of office;
 - disclosure of business secret determined in the act of the employer;
 - violent or insulting behaviour towards clients or employees;
 - commission of a criminal offense at work or in relation to work;
 - use and disposing of business vehicle, machine and work tools contrary to the act of the employer that the employee was previously informed of;
- 3) If he/she gave untrue data regarding requirements for employment, i.e. for performance of other tasks at the time of employment or deployment to another post;
- 4) If he/she refuses to sign an annex to the labour contract referred to in Article 47, Paragraph 1, Item 1 of this Law;
- 5) If he/she refuses to sign an annex to the labour contract referred to in Article 47, Paragraph 1, Items 2 and 3 of this Law;
- 6) If he/she abused the right to absence due to temporary inability to work, and particularly if he/she was employed by another employer during that period of temporary inability to work on any grounds, that is, if he/she fails to submit the doctor's certificate to the employer within three days from the date of its issuance, personally or through another person, i.e. if he fails to submit the report on temporary inability to work within five days from the date of its issuance;
- 7) If he fails to return to work within two working days upon termination of the unpaid leave without a justified, reason, that is, within 15 days from the date when the reasons due to which rights and obligations on the basis of work were suspended have ceased to exist;
- 8) Due to economic, technological or restructural changes with the employer, if he had not been granted one of the rights referred to in Article 167, Paragraph 2, Item 6 of this Law;
- 9) In other cases stipulated in the collective agreement and the labour contract.

(2) The employer may terminate the labour contract in the sense of Paragraph 1, Item 1 of this Article if the employee was previously issued work instructions.

(3) If the deployment to another post involves reduction in wage, the employee referred to in Paragraph 1, Item 4 and 5 of this Article shall be entitled to the payment of severance pay that cannot be lower than three average monthly wages free of taxes and contributions in Montenegro.

(4) The employee referred to in Paragraph 1, Items 5 and 8 of this Article shall be entitled to the payment of severance pay referred to in Article 169 of this Law.

Reasons that do not justify termination of the labour contract

Article 173

The following shall not be considered as justified reasons for termination of the labour contract in the sense of Article 172 of this Law:

- 1) refusal of the employee to accept the offer of the annex to the contract referred to in Article 47, paragraph 1, point 6 of this Law;
- 2) temporary inability to work due to illness, injury at work or professional disease;
- 3) use of absence to maintain pregnancy, due to maternity, parental, adoptive parental, foster parental and absence from work due to care for the child or special care for the child;
- 4) membership of a political organization, trade union, difference based on a personal characteristic of an employee (gender, language, nationality, social background, religion, political or other affiliation or some other personal characteristic of the employee);
- 5) acting as a representative of the employees in accordance with the law;
- 6) if the employee contacts the trade union or the authorities responsible for the protection of rights on the basis of employment in accordance with the law and the labour contract;
- 7) if the employee contacts the responsible state authorities due to the justified suspicion of corruption or submission, in good faith, of a report regarding such suspicion;
- 8) if the employee contacts or informs the employer or the relevant state authorities about risks for environment related to the operations of the employer.

Procedure for termination of the labour contract

Article 174

(1) An employer may adopt the decision on termination of the labour contract in cases referred to in Article 172, Paragraph 1, Item 2, Lines 1, 3 and 8, and Items 3 and 6 of this Law after giving a previous warning notice to the employee of the existence of reasons for dismissal.

(2) The warning notice referred to in paragraph 1 of this Article shall be given in writing and shall contain the grounds for dismissal, evidence showing that the conditions for dismissal are created and the deadline to reply to the warning notice.

(3) The deadline referred to in Paragraph 2 of this Article may not be shorter than five working days.

Decision on dismissal Article 175

- (1) Decision on termination of a labour contract shall be adopted by the relevant body of the employer, i.e. the employer, in the form of a decision, and it shall be delivered to the employee.
- (2) The decision referred to in Paragraph 1 of this Article shall contain: the grounds for dismissal, explanation and note regarding legal remedy.
- (3) The decision referred to in Paragraph 1 of this Article shall be final.

Delivery Article 176

- (1) Warnings, notices, summons for hearings and decisions shall be delivered to the employee in person, in the premises of the employer, i.e. to the temporary or permanent residence address of the employee.
- (2) If the employer was not able to deliver the acts to the employee, in the sense of Paragraph 1 of this Article, he shall prepare written report of that fact.
- (3) In the case referred to in Paragraph 2 of this Article, the mentioned acts shall be posted on the announcement board of the employer and following eight days from the date of being posted the acts shall be considered delivered.

Dismissal notice period Article 177

- (1) An employee shall have the right and duty to remain at work for at least 30 days from the date of receipt of the notice of termination of labour contract, i.e. the decision on termination of employment (termination notice period).
- (2) Exceptionally from Paragraph 1 of this Article, the employer may cancel the labour contract without the obligation to observe the termination notice period in cases referred to in Article 172, Paragraph 1, Item 2, Lines 3, 6, 7 and 8, and Items 6 and 7 of this Law and in other cases of termination of employment due to severe breach of duty at work in line with the collective agreement.
- (3) An employee may, upon agreement with the relevant body of the employer, cease to work even prior to the expiry of the period during which he/she is obliged to remain working, and he/she shall be provided with a wage compensation for that period in the amount determined in the collective agreement and the labour contract.
- (4) If an employee ceases to work prior to the expiry of the notice period upon request from the employer, he/she shall be entitled to wage compensation and other rights arising from and based on employment, as if he/she had been working until the expiry of the notice period.
- (5) During the notice period, the employee shall be entitled to be absent from work for at least four hours a week for the purpose of seeking new employment.

Termination of the labour contract of a director

Article 178

The employment, i.e. the labour contract of a director, who is not re-elected upon expiry of his/her term of office, or who is dismissed prior to the expiry of his/her term of office, shall be terminated, unless regulated otherwise by a special law or the labour contract.

Duty to pay wage and wage compensation

Article 179

- (1) In case of termination of employment, i.e. labour contract, the employer shall pay to the employee all outstanding wages, wage compensations and other earnings realized by the employee until the date of termination of employment, and pay contributions for social insurance in accordance with the law, collective agreement and the labour contract.
- (2) The employer shall make the payment of claims referred to in paragraph 1 of this Article prior to the termination of employment, and no later than within 30 days from the date of termination of employment.
- (3) The employee may file a request for protection of rights, for payment of claims referred to in Paragraph 1 of this Article, to the Labour Inspectorate within 30 days from the date of termination of employment.

Protection of rights of the employee in case of dismissal

Article 180

- (1) The employee may instigate the proceedings against the decision referred to in Article 175 of this Article before the authorities referred to in Article 140 of this Law within 15 days from the date of delivery of the decision.
- (2) In case of a dispute due to termination of employment, the burden of proof in terms of justification and legality of reasons for dismissal is on the employer.
- (3) During the court proceedings regarding termination of the labour contract at the request of the employee, and if it assesses that the termination of the labour contract is obviously illegal, the competent court may decide to reinstate the employee temporarily, until the dispute is resolved.
- (4) In case of pronouncement of an interim measure referred to in Paragraph 3 of this Article, if it established in the proceedings that the dismissal was lawful, the employer shall be entitled to the indemnification of cost that arises from the interim measure from the authority that pronounced the measure.
- (5) If the proceedings referred to in Paragraph 1 of this Article show that the legal or justified reasons for termination of the labour contract did not exist, whether the employer prescribed them himself in his own act or defined them in the labour contract, the employee shall have the right to be reinstated and to the compensation of material and non-material damage through the legally prescribed procedure.
- (6) If the proceedings referred to in Paragraph 1 of this Article show that the employee's labour contract was terminated in an unlawful or unjustified manner, the employee shall be entitled to the compensation of material damage equal to the amount of the wage lost and other income he would earn if he had been working, in line with the law, the collective

agreement and the labour contract, and the payment of contributions for mandatory social insurance.

(7) Compensation of damage referred to in Paragraph 6 of this Article shall be reduced by the amount of income earned by the employee on the basis of the labour contract upon termination of employment.

(8) If the proceedings referred to in Paragraph 1 of this Article show that the dismissal resulted in the violation of rights of a person, honour, reputation and dignity, the employee shall be entitled to the compensation of immaterial damage through the legally prescribed procedure.

IX COLLECTIVE AGREEMENTS

Scope and application of collective agreement

Article 181

(1) The collective agreement, in accordance with the law, shall define rights, obligations and responsibilities arising from and based on employment, the procedure of amending the collective agreement, mutual relations of the participants of the collective agreement and other matters of importance for the employee and the employer.

(2) The collective agreement shall be concluded in writing.

(3) The collective agreement shall be applied directly.

Types of collective agreements

Article 182

(1) The collective agreement may be concluded as: general, branch and collective agreement with the employer.

(2) General Collective Agreement shall be concluded for the territory of Montenegro and shall apply to all employees and employers.

(3) Branch collective agreements shall be concluded for sectors of activity, groups, or subgroups of activity and shall apply to employees and employers in a branch, group or subgroup.

(4) Collective Agreement with the employer shall apply to employees with that respective employer.

(5) Rights and obligations arising from and based on employment of self-employed persons engaged in artistic or other cultural activity shall be defined in accordance with the Branch Collective Agreement.

Content of collective agreements

Article 183

(1) The General Collective Agreement shall define the elements for determination of wage, wage compensation, other earnings of employees and the scope of rights and obligations arising from employment in accordance with the law.

(2) The branch collective agreement shall define the elements for determination of wage, wage compensation, other earnings of employees and regulate the scope of rights and obligations of employees arising from employment in accordance with the law.

(3) The collective agreement with the employer shall define elements for determination of the wage, wage compensation and other earnings of employees and regulate greater rights, obligations and responsibilities of an employee arising from and based on employment in accordance with the law and the collective agreement.

Participants in conclusion of collective agreements

Article 184

(1) General Collective Agreement shall be concluded by the competent body of the representative trade union organization of Montenegro, the competent body of the representative association of employers of Montenegro and the Government.

(2) The branch collective agreement for a branch of activity, group, or subgroup of activity shall be concluded by:

- 1) In the area of industry – the competent body of the representative association of employers and the competent body of the representative trade union organization;
- 2) for companies founded by the State or where the State or the local self-government have majority ownership – the competent body of the representative association of employers and the competent body of the representative trade union organization and the Government;
- 3) for public institutions and public services founded by the State or the local self-government - a representative trade union organization and the Government;
- 4) for mandatory social insurance organizations - a representative trade union organization and the Government;
- 5) for state bodies and organizations and local self-government bodies - a representative trade union organization and the Government;
- 6) for sports entities, at the branch level - a representative trade union organization and the Government, that is, a representative trade union organization, the umbrella sports association and the Government, at the level of the group or subgroup of activity;
- 7) for persons who are self-employed in art or other cultural activity - a representative trade union of artists and the state administration body in charge of cultural affairs.

(3) The collective agreement with the employer shall be concluded by the competent body of the employer and a representative trade union organization.

(4) Collective agreement with an employer in a company, institution or other public service founded by the State, or the local self-government, shall be concluded by the representative trade union organization, the director and the competent management body.

Bargaining and signing of collective agreements

Article 185

- (1) Participants in signing of a collective agreement are obliged to engage in bargaining.
- (2) Each contracting party may initiate negotiations by offering the other party, in written form, a proposal of the text or amendment to the text of the collective agreement.
- (3) The party offered a draft agreement referred to in Paragraph 2 of this Article shall give its opinion regarding the offered proposal for negotiations in writing within 15 days.
- (4) If parties do not continue bargaining or do not reach an agreement within three months from the beginning of the bargaining process, i.e. from the date of submission of the proposal referred to in Paragraph 2 of this Article, they shall contact the Agency for Amicable Settlement of Labour Disputes.
- (5) The collective agreement shall be considered concluded upon signing by the authorized representatives of all parties.

Publication

Article 186

- (1) General, branch and collective agreement with the employer shall be registered with the Ministry, and the general and branch collective agreements shall be published in the Official Journal of Montenegro.
- (2) The collective agreement or amendments thereto shall be submitted to the Ministry referred to in Paragraph 1 of this Article by the contracting party that is first mentioned in that agreement, i.e. the contracting party that cancels the agreement.
- (3) The manner and procedure of registration of the collective agreement referred to in Paragraph 1 of this Article shall be stipulated by the Ministry.

Term of collective agreements

Article 187

- (1) Collective agreements shall be concluded for an indefinite period or a fixed term.
- (2) A collective agreement concluded for an indefinite period shall be terminated by agreement of all participants or by cancellation, in the manner prescribed by that agreement.
- (3) The collective agreement concluded for a fixed term shall cease to be valid upon expiry of the term for which it was concluded.
- (4) The collective agreement concluded for a fixed term may be extended by an agreement of the participants concluding the agreement, not later than 30 days prior to the expiry of the agreement.

X ORGANIZATIONS OF EMPLOYEES AND EMPLOYERS

Rights of employees and employers to organize at their own discretion

Article 188

Employees and employers shall have the right to establish their organizations and become members of those organizations at their own discretion, without previous approval, under the conditions defined by the statute and the rules of those organizations.

Voluntary membership of the organization

Article 189

(1) The employee, i.e. the employer, shall decide freely on joining the trade union and the organization of employers, as well as on leaving those organizations.

(2) No one can be put in a disadvantaged position due to membership of the organization, i.e. due to participation or failure to participate in the activities of the organization.

(3) Actions contrary to Paragraphs 1 and 2 of this Article shall constitute discrimination.

Prohibition of temporary or permanent activity based on the decision of the

Executive

Article 190

Activities of the trade union and the organization of employers shall not be temporarily prohibited and the organization shall not be dismissed based on the decision of the administration body.

1. Employee's trade union

Conditions for operation of trade unions

Article 191

(1) The employer shall provide the trade union with conditions for efficient performance of trade union activities, as follows:

1) Premises for work and organization of meetings within the business premises of the employer;

2) Technical and administrative support for the work of the trade union to the extent necessary for the performance of trade union activities (use of telephone, fax, Internet, notice board, computers, photocopy machine), if the employer has them available.

(2) Exercise of rights referred to in Paragraph 1 of this Article shall be regulated in more detail in the collective agreement with the employer.

Informing the trade union by the employer

Article 192

(1) The employer shall inform the trade union i.e. employees or representatives of employees in case there is no trade union organized, minimum once a year, of:

1) Development plans and their impact on the position of employees, and planned changes in the wage policy;

2) Results of operations;

- 3) Planned introduction of technological, economic and restructural changes and programs for exercise of rights of redundant employees;
 - 4) List of employees, their employment status, working hours arrangement made under the employment contract and qualification structure;
 - 5) Total calculated gross and paid net wages, including contributions for mandatory social insurance and the average wage with that employer;
 - 6) Overtime work;
 - 7) Recorded injuries at work and measures taken to improve the working conditions;
 - 8) Other issues relevant for the financial and social position of the employees.
 - 9) And other appropriate information.
- (2) The employer shall notify the trade union i.e. employees or representatives of employees in case there is no trade union organized of:
- 1) The general acts of the employer
 - 2) Occupational health and safety measures;
 - 3) Introduction of new technology and changes in organization;
 - 4) Schedule of working hours, night work and overtime work;
 - 5) Adoption of a program of introduction of technological, economic and restructuring changes and a program for exercise of rights of redundant employees;
 - 6) Time and manner of payment of wages.
- (3) The employer shall inform and deliver acts for the trade union within eight days prior to holding of the meetings of employer's bodies for the purpose of attending meetings of employer's bodies where initiatives and proposals of the trade union are being discussed.
- (4) A trade union representative i.e. employees or representatives of employees in case there is no trade union organized shall be entitled to participate in a discussion before the relevant employer's bodies when issues referred to in Paragraphs 1 and 2 of this Article are being discussed.

Consideration of the opinion of trade union

Article 193

- (1) The employer shall request and consider the opinion and proposals of the trade union prior to making decisions of significant importance to the professional and economic interests of the employees, dismissal of employees due to technical-economic, restructuring and other changes, and systematization of jobs.
- (2) In cases referred to in Paragraph 1 of this Article, the employer shall inform the trade union representative at the adequate level of the meeting in a timely manner, but no later than five days prior to the date of the meeting, in order for him/her to participate in the meetings of the employer's bodies where submitted opinions and proposals are considered and decisions are made of significant importance for professional and economic interests of the employees.
- (3) The trade union with the employer is entitled to instigate the proceedings with the competent court for the protection of rights of its members arising from and on the basis of employment.

Trade union representative Article 194

- (1) The trade union shall decide independently on the manner of its representation before the employer.
- (2) The trade union may appoint or elect one trade union representative who will represent it.
- (3) The employer shall ensure timely exercise of rights of the authorized trade union representative in the sense of Paragraph 2 of this Article.
- (4) The authorized trade union representative shall perform trade union activities in the manner that will not affect the efficiency of operations of the employer.
- (5) The trade union shall inform the employer of the appointment of the authorized trade union representative within 15 days from the date of entry into the register kept by the Ministry, in accordance with the Law.

Absence from work of the trade union representative Article 195

- (1) The collective agreement may regulate the conditions, manner and procedure of professionalization of work of the trade union representative, in the interest of protection of trade union rights.
- (2) Upon termination of trade union duty, the authorized trade union representative who performs trade union activity full time (as a full time job) shall have the right to return to the job he/she performed prior to taking on that duty, and if that job no longer exists, to the job that corresponds to the educational or professional qualification thereof.
- (3) The employer shall allow the authorized trade union representative who does not perform trade union activity full time (as a full time job) to be absent from work with wage compensation in order to attend trade union meetings, seminars, courses, congresses and conferences in the country and abroad.
- (4) Apart from the performance of activities referred to in Paragraph 3 of this Article, when necessary, the authorized representative of a representative trade union shall be enabled to perform activities with wage compensation for up to 20 hours per month.
- (5) The employer must be informed in writing about the absence of the trade union representative in cases referred to in Paragraphs 3 and 4 of this Article, minimum three days prior to such absence.

Protection of trade union representatives Article 196

An authorized trade union representative with the employer while performing trade union activities and six months upon their termination, may not be called to account, proclaimed redundant, deployed to another position with the same or another employer, or put in a disadvantaged position in any other manner, if he/she acts in accordance with the law, the collective agreement and the labour contract.

Freedom to exercise trade union rights

Article 197

- (1) The employer shall ensure to the employee free exercise of trade union rights.
- (2) The employer shall provide the trade union with conditions for efficient performance of trade union activities that protect the interests and rights of employees, in accordance with the collective agreement.
- (3) The authorized trade union representative shall be entitled to be absent from work with a wage compensation for the purpose of performing activities organized by the trade union in accordance with the collective agreement.
- (4) The employer shall not be obliged to pay wage compensation to a trade union representative, whose absence from work is not in accordance with the collective agreement referred to in paragraph 3 of this Article.
- (5) The employer must be informed in writing about the absence of the employee in cases referred to in paragraph 3 of this Article, minimum three days prior to his/her absence.

2. Association of employers

Representativeness of the association of employers

Article 198

- (1) The association of employers in the sense of this Law, shall be considered as representative if its members employ minimum 25% of the employees in the economy of Montenegro and participate in the gross domestic product of Montenegro with at least 25%.
- (2) Associations of employers shall be entered into the register kept by the Ministry.
- (3) The Ministry shall regulate the manner and procedure of registration of associations of employers and more detailed criteria for determination of representativeness of associations of employers.

Court protection

Article 199

In case of a dispute regarding representativeness of a trade union or the association of employers in the sense of this Law, the competent shall decide, in accordance with the law.

XI SPECIAL TYPES OF CONTRACTS

Temporary and occasional jobs

Article 200

- (1) For the performance of certain activities that are not prescribed in the act on internal organization and systematization of jobs and that do not require particular knowledge and expertise, and due to their nature are such that they do not last longer than 120

working days in a calendar year (temporary and occasional jobs), the employer may conclude a contract for performance of temporary and occasional jobs with the person registered in the unemployment records of the Employment Agency.

(2) The contract for performance of temporary and occasional job shall be concluded in writing and contain: name and head office of the employer, personal data of the employee (name, surname, and Personal ID Number), type and description of jobs that are subject to this contract, the period of validity of the contract, place and manner of performance of the job and amount of compensation for the work performed.

(3) The contract referred to in Paragraph 2 of this Article may define conditions and reasons for which the contracting parties may terminate the contract prior to the expiry of the period of validity thereof.

Work in educational institutions

Article 201

It is possible to conclude a contract of engagement for maximum one academic year with the persons who participate in the implementation of the teaching process in the educational institution, in accordance with the law and the acts of that institution.

Additional work

Article 202

(1) The employee working full time may conclude a contract for additional work with the same or some other employer, in the duration of up to one half of full time working hours.

(2) The contract for additional work shall be concluded in writing and contain: name and head office of the employer, name and surname and Personal ID Number of the employee, job description, place of work and manner of performance of the job, period for which the contract is concluded, data about working hours, amount of financial compensation for the work performed, deadlines for payment of the compensation, rights, obligations and responsibilities regarding occupational health and safety, reasons for termination of the contract and other rights and obligations on the basis of work.

(3) The contract referred to in Paragraph 2 of this Article shall cease to be valid upon expiry of the contracted period of validity or upon termination by one of the contracting parties.

Insurance of persons who conclude a special contract of employment

Article 203

(1) A person who has concluded a contract in the sense of Articles 200, 201 and 202 of this Law shall be entitled to health and pension insurance, in accordance with the law.

(2) The employer shall keep records of the contracts referred to in Articles 200, 201 and 202 of this Law.

XII EMPLOYMENT RECORD BOOK

Employment record book as a public document

Article 204

- (1) The employee shall have an employment record book.
- (2) The employment record book is a public document.
- (3) The content of the employment record book, the procedure of issuance, the manner of data entry, the procedure for replacement and issuance of new employment record books, the manner of keeping of the register of issued employment record books and the form of the employment record book shall be prescribed by the Ministry.
- (4) The employment record book shall be issued by the competent body of the local government.

Safeguarding of employment record book

Article 205

- (1) The employee shall give his /her employment record book to the employer on the day of commencement of engagement, with an adequate certificate.
- (2) Entering negative data regarding the work of the employee into the employment record book shall be prohibited.
- (3) On the day of termination of employment, i.e. the labour contract, the employer shall return to the employee a properly filled in employment record book, with an adequate certificate.

XIII SUPERVISION

Supervision

Article 206

- (1) Supervision over application of this Law and regulations adopted on the basis of this Law shall be conducted by the Ministry.
- (2) Supervision over application of this Law and other labour regulations, collective agreements and labour contracts, i.e. contracts referred to in Articles 200, 201 and 202 of this Law regulating the rights, obligations and responsibilities of employees shall be conducted by the Labour Inspectorate.
- (3) In the performance of supervision, the Labour Inspector shall have the authority defined by the law.

XIV PUNITIVE PROVISIONS

Article 208

(1) A fine ranging from EUR 2,000 to EUR 20,000 shall be imposed to the legal entity if it:

1) fails to adopt the act on internal organization and systematization of posts if it has more than ten employees (Article 19, Paragraph 1, Item 1);

2) does not have the approval for performance of business activity in the business premises, i.e. in the place of execution of works, or the confirmation of work registration issued by the responsible authority and the copy of the labour contract of the employee, i.e. other contract of engagement and the registration for mandatory social insurance (Article 19, Paragraph 1, Item 3);

3) fails to conclude a labour contract in line with Article 20 of this Law;

4) the employer fails to inform the candidates in the vacancy announcement of the selection of the candidate within 45 days from the date of expiry of the deadline for filing an application (Article 26);

5) fails to conclude a labour contract in line with Article 30 of this Law;

6) fails to conclude a labour contract in line with Article 31 of this Law;

7) fails to register the employee for mandatory social insurance (health, pension and disability insurance and insurance in case of unemployment) in line with the law, as of the date of commencement of work, and fails to submit the registration certificate to the responsible authority within eight days from the date of commencement of engagement (Article 33, Paragraph 1);

8) in the case referred to in Article 38, Paragraph 1 of this Law, fails to conclude an open-end contract with the employee within five days from the date of establishment of irregularities or the expiry of the labour contract (Article 38, Paragraph 2);

9) fails to conclude a labour contract in line with Article 39 of this Law;

10) fails to conclude an agreement on the assignment of employees in line with Article 54 of this Law;

11) fails to conclude a labour contract for temporary performance of activity in line with Article 55 of this Law;

12) fails to pay to the employee the agreed wage for the work performed with the beneficiary even in the case when the beneficiary fails to submit to the Agency the calculation of the agreed wage, i.e. fails to meet the obligations towards the Agency (Article 57, Paragraph 4);

13) fails to adopt a written decision and inform the employees, the trade union with the employer and the Labour Inspectorate about the organization of work during state and religious holidays within three days prior to the commencement of such work (Article 89, Paragraph 3);

14) fails to pay the wage to the employee once a month (Article 105, Paragraph 1);

15) at the time of payment of wage, as well as in case of inability to pay the wage and wage compensation or the inability to pay them out in full amount, fails to give to the employee the payroll for the wage that was paid out or that the employer was obliged to pay (Article 105, paragraphs 2 and 3);

15a) fails to pay to the employee as part of the wage, in case of abolishment or reduction of personal income tax rate or contributions for compulsory social insurance charged to the employee, the amount of funds which is being abolished or reduced which would have been calculated, withheld and paid on the account of such tax or contributions in accordance with law (Article 105 paragraph 4);

16) fails to conduct the change of employer in line with Article 108 of this Law;

17) fails to ensure protection of employees, in line with Articles 119, 120, 121, 122, 123, 124, 125 and 126 of this Law;

18) fails to allow the employed parent, adoptive parent, foster parent and guardian the exercise of rights in accordance with Articles 127, 128, 129, 130, 131, 132, 133, 134, 135, 136 and 138 of this Law;

19) fails to adopt the decision on termination of the labour contract in the form of the decision and fails to deliver it to the employee (Article 175, Paragraph 1);

20) in case of termination of employment, i.e. the labour contract, in line with the law, the collective agreement and the labour contract, it fails to pay to the employee the unpaid wages, wage compensation and other earnings that the employee earned by the date of termination of employment, and if it fails to pay for the contributions for social insurance within 30 days from the date of termination of employment (Article 179, Paragraph 1);

21) fails to return to the employee properly filled in employment record book on the date of termination of employment, i.e. labour contract, with the adequate certificate (Article 205, Paragraph 3).

(2) A fine ranging from EUR 200 to EUR 2,000 shall also be imposed on the responsible person in the legal entity for the offense referred to in Paragraph 1 of this Article.

(3) A fine ranging from EUR 500 to EUR 6,000 shall be imposed on the entrepreneur for the offense referred to in Paragraph 1 of this Article.

Article 209

(1) A fine ranging from EUR 1,000 to EUR 10,000 shall be imposed on the legal entity if it:

1) Fails to ensure protection of rights of the employees in line with Articles 7, 8, 9, 11, 12, 13 and 14 of this Law;

2) concludes a labour contract contrary to the provision of Article 21 of this Law;

3) concludes a labour contract with a person under the age of 18, contrary to the provisions of Article 22 of this Law;

4) fails to conduct internal notification, if so possible, in line with Article 23 of this Law;

5) when concluding the labour contract, it requests from the candidate information referred to in Article 25, Paragraph 2 of this Law;

6) fails to deliver to the employee a copy of the labour contract on the date of commencement of work (Article 29, Paragraph 4);

7) fails to deliver a copy of the registration certificate for mandatory social insurance to the employee within five days from the date of issuance by the competent authority (Article 33, Paragraph 2);

8) fails to deregister the employee for mandatory social insurance in line with the special regulation (Article 33, Paragraph 3);

9) contracts probationary work for a period longer than six months (Article 34, Paragraph 2);

10) fails to keep records of labour contracts and fails to inform the Labour Inspectorate thereof (Article 43, Paragraph 1);

11) fails to pay the agreed wage for the performance of jobs in the household in the manner stipulated in Article 45, Paragraphs 4 and 5 of this Law;

12) fails to inform the employee at the request thereof of the contents of the agreement in the part related to the rights and obligations thereof (Article 57, Paragraph 1);

- 13) fails to inform the employee of all the risks in the performance of the job with the beneficiary regarding occupational health and safety, and fails to train him/her to perform such work, in accordance with the occupational health and safety regulations, unless the agreement on assignment of the employee defines that these obligations will be implemented by the beneficiary (Article 57, Paragraph 2);
- 14) fails to inform the employee about new work technologies for the performance of duties that the employee will perform, unless the beneficiary has accepted to do so in the agreement on assignment of the employee (Article 57, Paragraph 3);
- 15) fails to inform the trade union about the number and reasons for engagement of the assigned employees minimum once in six months (Article 58, Paragraph 2);
- 16) fails to enable the employee who works with shorter working hours, in the sense of Article 63 of this Law, to exercise the rights arising from work that are granted to the employee working full time or hires him/her to do such work overtime (Article 63, Paragraphs 3 and 4);
- 17) introduces overtime work contrary to Article 64 of this Law;
- 18) fails to adopt a written decision on schedule of working hours of employees and their schedule for work in shifts, if that employer organizes work in shifts (Article 67, paragraph 3);
- 19) fails to adequately inform the employees of the decision referred to in Article 67, Paragraph 3 of this Law, minimum seven days in advance, except in cases of urgent and pressing need for work (Article 67, Paragraph 4);
- 20) redistributed working hours contrary to Article 68 of this Law;
- 21) calculated hours of work contrary to Article 69 of this Law;
- 22) organizes night work contrary to Article 70 of this Law;
- 23) fails to provide an employee who works in shifts the change of shifts in the manner that the employee works in the night shift for maximum one working week continuously (Article 71, Paragraph 3);
- 24) fails to provide protection of rights of the employees who works at night and in shifts in line with Article 72 of this Law;
- 25) fails to provide time for rest during the daily work, daily and weekly, as well as the use of annual leave, in accordance with Articles 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85 and 86 of this Law;
- 26) in the case referred to in Article 76, Paragraph 3 of this Law, fails to define the schedule for the use of weekly rest and fails to inform the employee thereof (Article 76, Paragraph 4);
- 27) does not allow the employee and the spouse thereof to return to the same or other position that corresponds to their level of educational or professional qualification within 15 days from the date when the reasons for suspension of rights and obligations arising from employment have ceased to exist (Article 91, Paragraph 4);
- 28) fails to train the employee for safe work in accordance with the law (Article 92, Paragraph 1);
- 29) fails to keep monthly records of wages and wage compensations (Article 107);
- 30) as the employer successor fails to apply the collective agreement of the employer predecessor, in accordance with Article 109 of this Law;
- 31) fails to inform the representative trade union with the employer or the representative of the employees in accordance with Article 110 of this Law;
- 32) fails to deliver to the employee a written notice or fails to adopt the decision on the protection of rights of the employee within 15 days from the date of submission of the request referred to in Article 139, Paragraph 2 of this Law (Article 139, Paragraph 4);

- 33) fails to deliver to the employee, or his defendant, if he/she has one, and to the representative of the trade union who participated in the proceedings, the decision on the measure pronounced for the breach of duty at work within eight days from the date of adoption thereof (Article 148, Paragraph 7);
- 34) fails to carry out information and consultation process in line with Article 167 of this Law;
- 35) fails to carry out the procedure for termination of employment contract due to the end of the need for work in line with Article 168 of this Law;
- 36) fails to pay the severance pay in accordance with Article 169 of this Law;
- 37) fails to inform the trade union or the representatives of the employees once a year of the issues stipulated in Article 192, Paragraph 1 of this Law;
- 38) fails to inform and submit to the trade union within eight days the acts for the purpose of attending meetings of the employer's bodies in which initiatives and proposals of the trade union are discussed (Article 192, Paragraph 3);
- 39) fails to request and consider the opinion and proposals of the trade union in line with Article 193 of this Law;
- 40) fails to enable employees to freely exercise trade union rights (Article 197, Paragraph 1);
- 41) fails to create the conditions for the trade union to perform trade union activities efficiently by which interests and rights of the employees are protected in line with the collective agreement (Article 197, Paragraph 2);
- 42) fails to keep the records of contracts referred to in Articles 200, 201 and 202 of this Law (Article 203, Paragraph 2).

(2) A fine ranging from EUR 100 to EUR 1,000 shall be imposed on the responsible person in the legal entity for the offense referred to in Paragraph 1 of this Article.

(3) A fine ranging from EUR 500 to EUR 5,000 shall be imposed on the entrepreneur for the offense referred to in Paragraph 1 of this Article.

XV TRANSITIONAL AND FINAL PROVISIONS

Initiated procedures

Article 210

- (1) Procedures for the exercise and protection of the rights of employees, initiated prior to coming into effect of this Law, shall be finalized according to the regulations that were in force prior to coming into effect of this Law.
- (2) Exceptionally from paragraph 1 of this Article, the already instigated procedures referred to in Articles 112 and 114 of this Law shall be finalized in line with the provisions of this Law.

Financial claims

Article 211

Financial claims arising from employment in the period from 23 August 2008 until the date of coming into effect of this Law shall be subject to statutory limitation after four years from the date of coming into effect of this Law.

Harmonization of work of the agencies

Article 212

The Agencies for temporary assignment of employees established prior to the coming into effect of this Law shall harmonize their work and operations with this Law within one year from the date of its coming into effect.

Harmonization of the labour contract and the agreement on assignment

Article 213

In case of fixed term labour contracts and agreements on assignment of employees concluded after the date of coming into effect of this Law, the time spent by the employee working with the employer prior to coming into effect of this Law based on the fixed term labour contract, and the time spent by the employee as temporarily assigned to an employer through an Agency, shall be calculated as the time prescribed in Article 37, Paragraph 2 of this Law.

Adoption of regulations

Article 214

(1) The regulations for implementation of this Law shall be adopted within six months from the date of coming into effect of this Law.

(2) The regulations implemented prior to the adoption of this Law shall be in force until the regulations referred to in Paragraph 1 of this Article area adopted, unless they are contrary to this Law.

Article 215

The employers shall adopt the act on internal organization and systematization of posts referred to in Article 19, Paragraph 1, Item 1 of this Law within six months from the date of coming into effect of this Law.

Conclusion of the General Collective Agreement

Article 216

(1) The General Collective Agreement in accordance with this Law shall be concluded by no later than 31 December 2022.

(2) The provisions of the General Collective Agreement in force on the date of coming into effect of this Law shall be in force until the expiry of the deadline referred to in paragraph 1 of this Article, except for the provisions of Articles 4, 5, 6, 7, 12, 13, 14, 15, 16, 35, 37 Paragraph 1 Item 4, and Articles 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56 and 57 that will cease to be valid on the date of coming into effect of this Law.

(3) With the conclusion of the collective agreement referred to in paragraph 1 of this Article, or with the expiry of the deadline for the conclusion thereof, the General Collective Agreement (Official Journal of Montenegro no. 14/14 and 39/16) shall cease to be valid.

Harmonization of collective agreements

Article 217

(1) Provisions of the branch collective agreements and collective agreements with the employer shall be harmonized with the law within one year from coming into effect of this Law.

(2) Exceptionally from Paragraph 1 of this Article, the provisions of the collective agreements referred to in Paragraph 1 of this Article which regulate the procedure for liability for breach of duties at work shall cease to be valid as of the date of coming into effect of this Law.

(3) The provisions of collective agreements that are not harmonized with this Law within the deadline referred to in Paragraph 1 of this Law, and which are contrary to this Law, shall cease to be valid within one year from the date of coming into effect of this Law.

Deferred application

Article 218

Provision of Article 200 of this Law shall be in force six months after the date of coming into effect of this Law.

Provisions of Article 11 and 115 shall be in force from the date of accession of Montenegro to the European Union.

Article 218a

Provision of Article 101 paragraph 2 of this Law shall apply from 1 October 2021.

Article 218b

Provision of Article 164 paragraph 1 item 1 of this Law shall apply from 1 January 2022.

Article 218c

In the period from 12 June 2021 until the day this Law commences with application, the labour relation shall be terminated *ex lege* when the employee reaches the age of 67 and minimum 15 years of contributing to insurance, as of the date of submission of the final decision to the employee.

Cessation of validity of the previous law

Article 219

The Labour Law (Official Gazette of Montenegro, No 49/08, 59/11, 66/12 and 31/14) shall cease to be valid as of the date of coming into effect of this Law.

Coming into effect

Article 220

This Law shall enter into force on the eighth day as of the day of its publication in the Official Gazette of Montenegro.

Number: 19-1/19-3/19

EPA 881 XXVI

Podgorica, 23 December 2019

26th Parliament of Montenegro

Speaker of the Parliament,

Ivan Brajović, m.p.

NOTE:

The consolidate text of the Law does not include the following provision of the Law Amending and Supplementing the Labour Law (Official Gazette of Montenegro, No 145/2021 of 31 December 2021):

"Article 6

This Law shall enter into force on the day of its publication in the Official Gazette of Montenegro and shall apply from 1 January 2022."

The consolidate text of the Law does not include the following provision of the Law Supplementing the Labour Law (Official Gazette of Montenegro, No 67/2021 of 23 June 2021):

"Article 2

This Law shall enter into force on the day of its publication in the Official Gazette of Montenegro."

The consolidate text of the Law does not include the following provision of the Law Amending and Supplementing the Labour Law (Official Gazette of Montenegro, No 59/2021 of 4 June 2021):

"Article 5

This Law shall enter into force on the eighth day following the day of its publication in the Official Gazette of Montenegro."

The consolidate text of the Law does not include the following provision of the Law Amending the Labour Law (Official Gazette of Montenegro, No 08/2021 of 26 January 2021):

"Article 2

This Law shall enter into force on the day of its publication in the Official Gazette of Montenegro."