

EMPLOYMENT REDEFINED

Amendments aimed at restricting disguising an employment relation as a civil law agreement are made to the Labour Code effective 8 May 2021.

The revisions define “employment relations”, *i.e.*, relations based on (i) the personal discharge, according to obligations provided for by the employment law and collective bargaining agreements and pacts, by an employee for a salary compensation of a job function of a profession or position at the workplace determined based on a mutual agreement with an employer, for which he/she was hired (appointed), elected, reinstated, (ii) his/her observance of internal disciplinary rules, (iii) provision by the employer of the employee’s working conditions, guarantees, and labour protection, (iv) as well as the principles of the Code.

Moreover, the following relations are considered employment relations and cannot be formalized by civil law agreements:

- if the content of the agreement complies with the requirements of Sub-Section 43.2 and the form of the agreement is made in accordance with the form provided by Sub-Section 44.3 of the Labour Code;
- when a labour book is submitted for the formalization of relations between the parties;
- if the relationship between the parties arises in connection with the admission (appointment) for the relevant profession or position, including compensated election or appointment, as well as holding a position on a competitive basis, employment on a quota basis, reinstatement by a court decision;
- if the relationship between the parties arises in connection with the performance of work (services) related to the main field of activity of the employer;
- if the relations between the parties arise in connection with the performance of works (services) on a substitute or temporary replacement basis;
- extension of the agreement in accordance with Section 73 (Procedure for Termination of Fixed-Term Employment Agreement) of the Labour Code, if the work (service) is temporary due to the terms of performance;
- if the composition of the remuneration paid for the work (service) performed consists of a monthly tariff (position) salary, allowance, and bonus specified in Sub-Section 157.3 of the Labour Code; and

- if the agreement provides for the regulation of issues provided for in Sections 10, 77, 112, 179 and 186 of the Labour Code.

Consequently, if one of the above cases is established, a written employment agreement shall be concluded from the date of such establishment.

**PLEASE CONTACT US FOR ANY QUESTIONS AND FURTHER
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