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**SERBIA: WHAT IS NEW
IN LABOR AND EMPLOYMENT
LEGISLATION AND PRACTICE ?**

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Author: Milan Randjelovic, Senior Associate
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SERBIA: WHAT IS NEW IN LABOR AND EMPLOYMENT LEGISLATION AND PRACTICE?

The recent period has been marked by several legal novelties in the field of labor and employment relations: new Labor inspection checklist, the first final and binding verdict regarding whistleblowers' protection and drafts of new labor legislation.

1. NEW LABOR INSPECTION CHECKLIST

Ministry of labor, employment, veteran and social affairs - Labor inspectorate - issued a new Checklist, regulating work of minors as employees in Republic of Serbia. Among others, The Checklist contains the following information:

- total number of minors working at an employer per employment contract, outside the scope of employment,
- job positions held,
- whether a consent from minor's parents and competent medical authority were provided,
- involuntary work of minors, mobbing,
- is there a safety and health at work provided.

Labor inspectorate can also check other conditions in which the minors perform their work for employers and determine risk level for employers vis-a-vis compliance, or non-compliance with applicable laws and regulations.

2. FINAL AND BINDING VERDICT REGARDING WHISTLEBLOWERS

Court of Appeal in Novi Sad delivered the verdict no. Gž.Uz.6/17 on 22 May 2017, which confirmed the verdict of Higher court in Novi Sad no. Puz.6/16 from 20 February 2017. As the result, it became first final and binding verdict in Republic of Serbia which protects the whistleblowers (hereinafter: The Verdict), pursuant to the Law on protection of whistleblowers ("Official gazette of Republic of Serbia" no. 128/2014).

The plaintiff in this case was an employee in the Inspection directorate of Novi Sad. She performed whistleblowing by informing the police about misconduct of her bosses. Namely, she indicated that her bosses were illegally deleting certain misdemeanor orders, worth millions of RSD. As a retribution, she was relocated to a different job position, with lower salary and fewer responsibilities, without any explanation.

The court granted her claim and brought the Verdict which: determined there was a damaging action by her employer towards her, forbid the employer to repeat the same action and ordered the employer to allow the plaintiff to perform her previous job. Additionally, by this Verdict, the employer was obliged to pay 100.000 RSD to the employee for non-material damage - mental anguish resulting from the damage to her honor and reputation. Further, the employer was obliged to publish the Verdict in one daily newspaper of its choice - with minimum daily circulation of 100.000 copies (the expense out of which was paid by the employer). The Court also ruled that the employer shall pay all litigation costs.



The recent period has been marked by several legal novelties in the field of labor and employment relations.

The law drafts set out provide other novelties too, but it will be necessary to wait for the National Assembly of the Republic of Serbia to adopt the final versions before going into an in-depth analysis.

3. UPCOMING LABOR-RELATED LEGISLATION

- *Law on Employment Agencies (staff leasing)* – this Law will finally regulate staff leasing, which has been in “grey area” during recent times. It will provide a full scope of rights and obligations to employees seconded to companies via employment agencies for a certain period of time. The seconded employee might have the same rights as the employer’s regular employees. The adoption of this Law was planned by the end of 2017, but at present it is unclear whether this will be the case.
- *Amendments to the Law on Peaceful Settlement of Labor Disputes* – the Draft provides a solution pursuant to which the Republic Agency for peaceful settlement of labor disputes will be authorized for conducting amicable proceedings on employees’ full salary, severance payments, funeral services etc. The Amendments are expected to be passed by the end of 2017.
- *Law on Seasonal Work* – this Law will finally regulate rights of seasonal workers in agriculture (fields, orchards, vineyards etc.). According to the existing Draft, employers will have to buy vouchers for engaging employees for seasonal work. Vouchers will be attached in employees’ booklets and will serve as the proof that an employer has paid taxes and mandatory social contributions for a seasonal worker. The Government is still considering other options for regulation of this area. The Law is expected to be passed by the end of 2017.
- *Law on Gender Equality* – the Draft of this Law regulates conditions and methods for achieving and improving gender equality in social setting, including employment. The Draft stipulates that the less represented gender shall be present in at least 40% of leadership positions and all other positions in the state and public administration bodies. The Draft has drawn some controversies in this regard and it will be important to keep an eye on the final form in which it will be adopted. At present, it remains uncertain when the National Assembly will adopt this Law.
- *Law on Financial Aid to Families with Children* – the new Law is likely to determine that employees absent from work during maternity leave, child care leave and special child care leave, will receive salary compensation directly from the government bodies and not from their employers, which will avoid frequent abuses and delays that were present until now. This Law will also enable women who are in charge of an agricultural household and women who work temporary and occasional jobs to be entitled to salary compensation during their maternity leave.

The law drafts set out above provide other novelties too, but it will be necessary to wait for the National Assembly of the Republic of Serbia to adopt the final versions before going into an in-depth analysis.

For any further information and more comprehensive advice tailored to a specific situation or set of circumstances, JPM Jankovic Popovic Mitic is at your disposal.



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Vladimira Popovića 6 | NBGP Apartments
11070 Belgrade | Serbia | tel: +381 11 207 6850
fax: +381/11/207-6899

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