

**A great number of amendments to the Draft Lithuanian Labour Code would dramatically deteriorate workers' and trade unions condition in Lithuania**

1. Permission to deviate from the provisions of the Labour Code and aggravate working conditions determined in collective agreements and employment contracts rather than improve them through collective bargaining.
2. Denial of the long-established principle that the employee is the weaker party in the bargaining process.
3. The possibility to terminate an employment contract if the employer found that the employee's performance was unsatisfactory, which would be difficult to define and determine and therefore very subjective.
4. Prohibition to work for several employers at the same time in order to avoid conflict of interest.
5. Introduction of zero-hour employment contracts despite the fact that they have been widely criticised by the EU institutions.
6. Permission to agree in collective agreements on worse working conditions for temporary workers than the conditions for the permanent employees of the company.
7. The employers' refusal to create a payroll system inside companies which would show the possibility to be promoted and/or to earn more money with years and experience gained in the company.
8. Employers' objection/ unwillingness to make impersonalised employees' wages and salaries available to public.
9. Increasing the maximum working time to 60 hours per week under a single employment contract.
10. Introduction of a cumulative working time accounting system, which would allow to "offset" the amount of overtime worked by an employee within a three-month accounting period.
11. Permission to work up to 72 hours per week according to the cumulative working time accounting system without regarding it as overtime.
12. No maximum amount of overtime allowed within a 12-month period would be fixed.
13. In cases of damage caused due to negligence, the employee's limited liability up to 3 months' average wage is going to be replaced with full liability for all the damage.
14. In case of damage caused the deduction from employee's wage increased from 1 month average wage amount up to 6 months average wage amount.

15. Reduced notice periods in cases of dismissal. Currently, the common notice period is 2 months and for certain groups (e.g. those who are going to retire in 5 years' time, the disabled, minors or with children until the age of 14) it is 4 months. In the New Model it is suggested to reduce the notice period to 2 weeks if the employment contract is shorter than 1 year, in other cases it would be 1 month and it would be doubled or tripled for socially vulnerable groups.

16. Reduced severance pay. Currently, it is related to the length of service and could vary from 1 to 6 months. It is suggested to reduce it to 2 weeks' pay if the employee has worked up to 1 year and in other cases it would equal 2 months' pay.

17. The possibility to make full settlement with an employee within 6 months after the termination of the employment contract, while at present, it must be made on the last day of employment.

18. Termination of an employment contract on the initiative of the employer with a compensation of only 6 months' average wage.

19. At present, if an employment contract is terminated with an employee of retirement age or due to their disability and it is done at their initiative, they are entitled to 2 months' severance pay. There would be no such provision under the New Model.

20. No severance pay at the end of a fixed-term employment contract. It would only be possible if the contract is longer than 3 years.

21. Termination of a fixed-term contract prior to its expiry date on the initiative of the employer without paying for the full period.

22. Reduction of compensation for downtime/idle time from the current 2/3 to 30 percent of the average wage.

23. Permission to extend fixed-term contracts for five more days after the expiry date.

24. Narrowing the scope of social guarantees for employees with young children: the system is going to apply only to those whose children are 6 years old or younger whereas now it covers children until the age of 14.

25. The period for which training expenses incurred by the employer must be reimbursed extended from 1 year to 2 years.

26. Reduction of pay if an employee worked less than the fixed number of hours due to his employer's failure to provide him with enough work (presently, the payment includes remuneration for actual work, but no less than 2/3 of the regular rate).

27. Reduction of pay if an employee did not do the standard (regular) amount of work due to some circumstances, but not his fault. Presently, the employees are paid 100%, while under the New Model it would only be 2/3 of the employee's wage.

28. Extension of on-call time at home from four times per month (with an employee's consent) to two weeks within a four-week period paying only 10 percent of the basic wage. On-call time at home would not be considered working time, while at present it is equal to half the working time.

29. Introduction of the split work day when an employee has no possibility to come back home and have a rest during his break.

30. Withdrawal of the ban on work on public holidays.

31. Saturdays and Sundays would be no longer considered as common days-off.

32. No extra holiday for long service, specific nature of work or work under extreme subnormal working conditions. No additional pay for exposure to occupational risks/deviations from the standard working conditions either.

33. No extra day off work for employees with children (Mummy's/Daddy's day).

34. Withdrawal of a minimum 35 calendar days' annual leave for employees under 18, single parents with children under 14 or with disabled children under 18, and for disabled employees.

35. Separation of the basic wage and the variable wage component. There would be no average wage calculation made any more, thus some payments, e.g. holiday pay, would be calculated on the basis of the basic wage component only, irrespective of any bonuses, etc received.

36. No penalties for failure to pay holiday pay in time.

37. Permission to pay the part of a holiday pay which exceeds the amount calculated for the minimum of 20 working days of paid annual leave not before the holiday but later, along with the next wage payment.

38. Introduction of differentiation among enterprises according to the number of employees and establishing simplified regulations for companies with fewer than 10 employees. A lighter administrative burden on small enterprises would be acceptable; however, it should not be done at the expense of employees' guarantees. Examples include extension of a trial period to 6 months instead of 3, withdrawal of the information duty, reduction of the notice period to 2 weeks in case of dismissal, withdrawal of the requirement to inform employees of their schedules no later than 5 working days in advance, absence of the provision for paid educational leave, permission not to give annual leave if employment relations last less than one year.

39. Incorporation of the Law on Trade Unions into the Labour Code despite the fact that the activities of trade unions as special associations are regulated by a special law. Besides, under the New

Model there would be no possibility to establish units of trade unions if they did not act as legal persons.

40. Compulsory establishment of works councils in enterprises employing more than 50 employees.

41. Restriction of the rights and role of trade unions and their gradual elimination from workers' lives by replacing them with works councils. The functions of information and consultation are going to be transferred to the newly established works councils. Moreover, they (and not the trade unions!) would be invited to participate in company management meetings. Trade unions would only end up with the right to conduct collective bargaining and sign collective agreements.

42. The trade union would have no right to approve or reject the dismissal of their members of an elective body. This function is going to be transferred to the State Labour Inspectorate, thus giving a right for a state agency to interfere into the activities of trade unions.

43. Limitation of the number of members of elective bodies of a trade union depending on the number of members of the works council in the company.

44. Restriction of participation of trade union members in the activities of the works council with a limit of trade union members constituting no more than 1/3 of the members of the works council. Members of trade union management bodies would not allowed to be members of the works council at all.

45. A tightened procedure for calling a strike at a larger scale than the branch level, with a new requirement to acquire an approval from no less than 1/4 of the members of the trade union. At present, such strikes may be called in accordance with the procedure set in the trade union's statute.