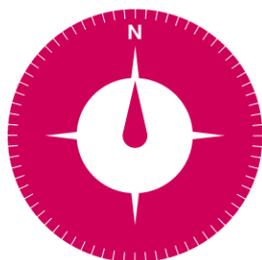




Employment Guide to Europe: Key Facts^o



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Introduction°

Across the European Union there is a divergence of labour market models in operation. They range from the highly regulated and often inflexible employee friendly (but now under review) Iberian model, to the codified but more balanced Germanic/Scandinavian model, to the emerging new markets of Eastern Europe that are still searching for the most appropriate path. All EU member states are in principle governed by EU employment law and this area is key to the central principles and standards of the EU. The economic objective of the EU was to marry two difficult bedfellows namely the principles of the free market with a strong element of protection for individual worker and collective employment rights. To try and keep some type of level playing field the EU has allowed some flexibility in implementation with the UK having one of the best rates for implementation.

Since the onset of the global economic climate-all member state labour models have come under scrutiny with states trying to implement more flexibility for employers, with varying levels of success and resistance. The guides below serve to outline the key principles in operation within the relevant member states and those nations operating within EU principles.

Please note that this information should be seen as a guide. Further advice should be taken in relation to specific issues. Please contact Matthew Yates on 0113 261 6047 or David Gibson on 0191 233 9762.

Belgium°

Employment law in Belgium is heavily governed by collective bargaining provisions. A national agreement sets the key elements of pay and conditions every two years. The agreement itself is tightly constrained by legislation limiting pay increases to match forecast pay costs in Belgium's neighbouring economies.

Probationary Period

- Trial periods or probation arrangements are common in Belgium, but are only valid if they have been put in writing. The maximum allowed for manual workers is two weeks, whereas for white-collar workers it can be anything up to six months.

Minimum Wage

- Minimum wages are specified in Collective Bargaining Agreements (CBAs) at industry level. Employees are entitled to a minimum statutory monthly income.
- The minimum wage is currently set at €1,502 gross per month.

Collective Agreements

- CBAs with trade unions and employee representatives are very common in many industries and the majority of the Danish workforce is covered by a CBA. Therefore, employment conditions are to a wide extent regulated by CBAs, for example, hours of work, minimum pay, notice period, and so on.

Notice Period

- Different rules apply to blue-collar and white-collar employees, with different lengths of notice period applying accordingly depending on their length of service with the company.
- The notice period to be observed in the dismissal of a white-collar worker depends on their gross annual remuneration and their length of service with the company.
- White-collar workers with an annual remuneration of less than EUR30,535 are entitled to a notice period equal to three months for each commenced five-year period of continuous service at the company (this is the minimum legal notice period). This remains the same for employment contracts concluded after 1 January 2012.
- White-collar workers with an annual remuneration of more than EUR30,535 are entitled to a reasonable notice period. At the earliest, this can be agreed at the time of the dismissal, or failing that, by the labour court.
- White-collar workers with an annual remuneration of more than EUR61,071 can agree on the notice periods to be observed by the employer when entering into service (at the latest). These notice periods must not be lower than the statutory notice periods.
- The notice period to be observed in the dismissal of a blue-collar worker depends on the length of service with the employer and when the employment contract was entered into. For employment contracts concluded before 1 January 2012, the minimum notice period is 28 days (for a length of service of 6 months or less), up to a maximum of 112 days (for more than 20 years' service). For employment

contracts concluded after 1 January 2012, the minimum notice period is still 28 days (for less than six months' service), but the maximum is now 129 days for over 20 years' service.

Dismissal

- No justification is required for dismissal, however dismissal will need to be for either an economic reason or due to the employee's incompetence or conduct.
- A business transfer does not constitute valid grounds for dismissal. Any dismissal taking place before, on or after the transfer can be considered to be unfair unless there is an economical, technical or organisational reason for dismissal. Employees dismissed due to a business transfer can claim compensation in lieu of notice.

Redundancy

- Particular procedures need to be followed for 'collective redundancies'. Whether dismissals qualify as a collective redundancy will be based on the number of employees dismissed and the size of the business.
- Before a collective redundancy can take place, the employer must inform and contact the works council (or employees directly if no representation). An employer can only formally proceed with the redundancy after it has complied with the informing and consulting process. The employer must then notify and provide details to the Head of the Regional Bureau of the National Employment Agency and the Federal Public Service Employment, Labour and Social Dialogue. No redundancies can be made within a 30 day period (which can be extended) following the notification.
- Redundancy pay will be payable on a monthly basis for a limited period after the expiry of severance pay.

Compensation Limits

- If dismissal cannot be proved to be for an economic reason or due to the employee's incompetence or conduct, blue collar workers are entitled to six months' salary for unfair dismissal. White collar workers are also entitled to compensation in similar circumstances provided that the dismissal was an abuse of the employer's right to dismiss, and the dismissal has caused damage in excess of the loss of the employee's job.
- There are categories of employees who are 'protected' from dismissal, for example members and candidates of the trade union delegation are amongst the most protected employees. They may be able to claim up to 8 years' salary if they are dismissed.
- Employees subject to discrimination, such as gender or race discrimination can claim damages fixed at six months' salary. Discrimination can also extend to criteria such as language, political conviction and wealth.

Family Rights

- Mothers are entitled to 15 weeks' maternity leave.
- They must take at least one week before the birth and at least nine weeks after the birth.
- The employment contract is suspended during this period and employees are entitled to social security benefits (that is, a maternity allowance).

- Fathers are entitled to ten days' leave within a four-month period after the birth of a child. The employer pays employees on paternity leave for the first three days and the other seven are covered by sickness insurance.

Sick Pay

- If employees are absent from work due to illness or an accident, their employment contract is suspended.
- Employees are entitled to their full salary for a certain period during this suspension. This period depends on:
 - Whether the employee is classified as a white-collar or blue-collar employee.
 - The employee's length of continuous service.
 - Whether the employee is on a trial period.

Holiday Allowance

- All employees are entitled to four weeks' annual leave. Employees can be entitled to additional holiday under CBAs at industry level.
- During their annual leave, employees receive their usual remuneration plus an extra 92% of their standard monthly salary (this is known as double holiday pay).

Working Time

- The maximum average working time is eight hours a day and 38 hours a week. Working at night, on Sundays and during public holidays is only allowed in a few limited cases.
- Overtime work is, in principle, prohibited. However, there are statutory exceptions to this rule. If these apply, the employer must pay employees an extra 50% of their hourly pay for overtime on weekdays and double their hourly pay for working on Sundays or public holidays. In addition, employees who work overtime are entitled to a compensatory rest period.
- Employees should have 11 hours rest in a day and may not work more than six (uninterrupted) hours without a rest break (a minimum of 15 minutes).

Contract variation

- The unilateral change of essential terms and conditions of an employee's contract (i.e. role, wages, hours of work and place of work) may be a breach of contract and could constitute wrongful dismissal.

Czech Republic°

Employment relationships in the Czech Republic are regulated under the Labour Code. A number of amendments were made to the Labour Code in 2012, in an attempt to instill employers with greater flexibility within the employment relationship. Collective agreements are also common in the Czech Republic with collective bargaining taking place at both company and industry level.

Probationary Period

- A probationary period can be agreed between the parties; however that probationary period must not last longer than 6 months for management employees and 3 months for all other employees.

Minimum Wage

- Employees are entitled to receive a minimum wage, regardless of what age they are, what experience they have or what industry they work in.
- The current minimum monthly wage is CZK 8,000 month (around € 308).
- There are also eight guaranteed wage tariffs, which vary in accordance with the level of the job's complexity, strenuousness and responsibility. The lowest wage tariff corresponds to the minimum wage and the highest wage tariff is twice the amount of the minimum wage.

Collective Agreements

- Collective agreements are common in the Czech Republic.
- The Czech Republic has collective bargaining at both company level ("company collective agreement") and industry level ("higher level collective agreement"). Company collective agreements only cover particular companies, whereas the higher level collective agreements are more general and cover whole industries. Entitlements contained in company collective agreements cannot be lower than those that are contained in higher level collective agreements.

Notice Period

- The law requires a minimum statutory notice period of 2 months. The period of notice is not determined by the employee's length of service at the company. The notice period can be extended by mutual agreement between the employer and the employee.
- The notice period starts on the first day of the calendar month following the month that the notice of termination was given. The notice period then ends on the last day of the relevant calendar month.
- An employee can be dismissed without notice in situations where the employee has committed serious misconduct.

Dismissal

- An employee can only be dismissed for certain reasons, which are set out in the Labour Code. These reasons include:
 - Organisational changes, (for example redundancy or the company being shut down);
 - Health grounds, which prevent the employee from performing work in the long term;
 - Failure of the employee to meet the legal conditions or the employer's requirements in relation to the work that is to be performed;
 - Breach of the employee's work obligations (for example, misconduct) or breaches of the regulation in relation to unfitness to work.
- Employees cannot be dismissed in connection with the sale of the employer's business.
- Notice of the employee's termination must be set out in writing. The notice must set out the statutory ground for which the employee is being dismissed. The notice must then be delivered to the employee personally, or where this is not possible, it must be sent by registered post to the employee's last known address.
- The employer is obliged to consult with the trade union prior to dismissing the employee, although failure to do this does not mean that the termination of the employment is invalid. The consent of the trade union for dismissing the employee is only required where the employee is a member of a trade union.
- Employees have two months from the date of termination to make a claim that their employment was invalidly terminated.

Redundancy

- Redundancy is deemed to take place where the company or part of the company is dissolved or relocated. The employee can also be made redundant as a result of the employer adopting an organisational change to the company.
- Consultations must be carried out with the employee's representative prior to the notice of termination being served on the employee.
- Where the employer plans to make collective dismissals, the employer must consult with the employee's representatives no less than 30 days before notices are given. The employer must also notify the Labour Office no later than 30 days before giving notices.
- The employer must file a final written report to the Labour Office after consultations with the employees have been finalised and the decision to make collective dismissals has been made. The employment relationship may then be terminated by notice no earlier than 30 days after this report has been given.

Compensation Limits

- Where an employee is dismissed for individual reasons, they are not entitled to severance pay, unless the reason was due to work related sickness or work injury, in which case the severance pay is 12 average

monthly earnings. This amount can however be increased by a collective agreement, internal regulation or individual agreement.

- An employee who has been made redundant is entitled to severance pay which is calculated in relation to their length of service as follows:
 - One month's average salary for employees who have worked for less than one year;
 - Two months' average earnings for employees who have at least one year but less than two years of employment;
 - Three months' average earnings for an employee who has had more than two years of employment.
- If the employment relationship is deemed to be invalidly terminated and the employee wishes to continue to work for the employer, the employee shall be reinstated and will be paid salary compensation for the period of dispute. In the event that the period of dispute is longer than 6 months, the court may reduce the amount of salary compensation that the employer has to pay.

Family Rights

- Female employees are entitled to 28 weeks of maternity leave. A female employee must not take less than 14 weeks of maternity leave.
- Employees are entitled to receive 70 % of their average earnings (reduced according to the respective law), as a maternity benefit. This amount is paid by the Social Security Administration.
- A female employee on maternity leave is not allowed to be dismissed. There are however some exceptions to this rule, for example where the company or part of the company is to be shut down.
- An employee is entitled to return to the same position on the same terms and conditions in which she was employed before her maternity leave.
- There is no specific law which permits fathers to take paternity leave. The father will however be entitled to take parental leave up until the child is three years old. In the event that the father cares for the child, he may be entitled to receive maternity benefits, so long as those benefits are not also being paid to the mother.

Sick Pay

- An employee is entitled to be absent from work due to illness or injury which has been confirmed by a medical certificate.
- Employees will not be entitled to sick pay for the first 3 working days of absence.
- The employee will receive compensation from their employer between for the 4th working day to the 21st calendar day of their sickness absence.
- The employee will receive sickness allowance, paid by the Social Security Administration, for the 22nd calendar day to 380th calendar day of their sickness absence. In extraordinary circumstances, the employee may be able to receive sickness allowance for a longer period than the 380th calendar month.

Holiday Allowance

- Employees are entitled to a minimum of four weeks' holiday per calendar year. Public sector employees are entitled to five weeks' holiday and teaching and academic employees are entitled to eight weeks' holiday.
- There are also 12 statutory public holidays, which are not included in the minimum holiday entitlement.

Working Time

- A working week in the Czech Republic is 40 hours.
- An employer can demand that an employee carries out a maximum of eight hours of overtime per week, so long as the amount of overtime does not exceed 150 hours per year. Any overtime in addition to this amount has to be approved by the employee. The maximum amount of overtime that an employee is legally allowed to carry out is an average of eight hours per week, (416 hours per year).
- Employees are entitled to:
 - A lunch break of at least 30 minutes and a rest after 6 hours of continuous work;
 - Daily rest period of 11 hours for every 24-hour period,(12 hours for employees under the age of 18); and
 - 35 hours of uninterrupted rest within every period of seven successive calendar days, (however in certain circumstances this can be reduced to 24 hours).

Contract variation

- The terms and conditions contained in an employment contract cannot be unilaterally changed by the employer, (although there are some minor exceptions to this rule).
- Conditions that had been unilaterally set by the employer can be changed by the employer without obtaining the consent of the employee. These conditions could include for example, conditions contained in internal regulations or job descriptions. The employer must still inform the employee of the changes.

Denmark°

Danish employment law is heavily governed by Collective Bargaining Agreements (CBAs) with legislation playing a secondary role. Many statutes therefore do not apply if a CBA containing rules on the statute in question covers the employment relationship.

Probationary Period

- Termination of employment for salaried employees can be found in s2 of the Danish Salaried Employees Act (Consolidated Act No 81 of 3 February 2009) (Salaried Employees Act) and is applicable to salaried employees both with and without agreements.
- The parties can agree in writing on a probationary period and this probationary period must be no longer than 3 months, with a notice period of 14 days.

Minimum Wage

- There is no statutory minimum wage. CBAs often set out minimum wages, which frequently differ for employees below or above the age of 18 or according to the employees' years of experience.

Collective Agreements

- CBAs with trade unions and employee representatives are very common in many industries and the majority of the Danish workforce is covered by a CBA.

Notice Period

- Notice period of between one and six months. However, during a probationary period of up to three months, the notice period can be reduced to two weeks.
- Under case law, non-salaried employees are entitled to a fair notice period dependent on the period of continuous employment. CBAs usually contain rules on notice periods.

Dismissal

- Employees have no protection against dismissal unless:
 - They are protected by the Salaried Employees Act and/or a CBA, and on the day the notice of dismissal is received they have been continuously employed for a certain period of time.
 - The employee is a protected employee, for example a shop steward or member of a local council;
 - The employment contract offers protection; or
 - The dismissal is based on discrimination or harassment.

- If an employee is protected by the Salaried Employees Act or a CBA, the employer must justify their dismissal either by the employee's conduct, or the company's circumstances. It is generally more difficult to dismiss a protected employee.
- If a dismissal cannot be reasonably justified, the dismissal generally will not be set aside but the employee will be entitled to compensation for unfair dismissal.
- The dismissal of an employee based solely on a business transfer cannot be considered as being reasonably justified. However, dismissals can be reasonably justified if they are due to economic, technical or organisation reasons.

Redundancy

- There is no legal definition of redundancy – Danish law does not differentiate between redundancy and other dismissals. However, if within a 30 day period a particular number of employees are dismissed for company circumstances, the dismissal will be classed as a collective redundancy provided that the dismissals are not related to conduct, and the number of employees dismissed meet a particular threshold in proportion to the size of the business.
- If an employer wishes to make collective redundancies, it must consult the employees or their representatives to discuss how to reduce/mitigate the dismissals and its consequences. If the employer still wishes to proceed, it must then notify the Regional Labour Market Council. Dismissals cannot take effect until a certain period has passed (normally 30 days, or 8 weeks if 50% of employees are to be dismissed and the business has over 100 employees).
- If procedural requirements for collective redundancies are not met, dismissed employees are entitled to compensation corresponding to 30 days' salary or 8 weeks' salary less any salary paid during the notice period. The employer can also be fined.

Compensation Limits

- For unfair dismissal, the level of compensation depends on both the statute/CBA, and the employee's period of continuous employment.
- If the Salaried Employment Act applies, compensation of between one and six months' pay can be awarded. This usually applies under a CBA.
- Compensation is often higher for dismissals which are found to be discriminatory or based on harassment. In such cases there is, in principle, no limit to the level of compensation that can be awarded, however in practice it varies between three and 18 months' pay (or between six and 18 months' pay if a protected employee).

Family Rights

- Female employees are entitled to maternity leave with statutory benefits for four weeks before the expected date of birth and 14 weeks after the birth. Female employees are entitled to paid time off in connection with pregnancy-related health examinations that cannot take place outside working hours.
- Male employees are entitled to paternity leave with statutory benefits for two weeks following the birth.

Sick Pay

- Employees can lawfully be absent from work in the case of illness or injury if their illness or injury renders them unable to perform their work. During absence, salaried employees and those covered by certain CBAs are entitled to receive full salary from their employer without any time limit.
- Statutory sickness benefits cannot generally be paid for more than 52 weeks during a period of 18 months. The amount of benefit depends on the employee's hourly pay and weekly working hours.
- If an employer pays employees their salary while they are absent due to sickness, the employer can obtain compensation from the local authority in an amount equivalent to the statutory sickness benefits to which the employees would otherwise have been entitled.

Holiday Allowance

- Employees are entitled to a minimum of 25 days' holiday in each holiday year (1 May to 30 April). Employees earn the right to 2.08 days' paid holiday for each month of employment in the calendar year preceding the calendar year in which the respective holiday year begins.
- All other employees who are entitled to paid holiday receive holiday pay equivalent to 12.5% of their income in the previous calendar year.
- Payment in lieu of holiday can only be made in respect of the last five days' holiday. CBAs and individual agreements often provide employees with more favourable holiday entitlements.

Working Time

- Unless otherwise agreed in a CBA, the average working hours during a seven-day period must not exceed 48 hours, including overtime, over a period of four months. In addition, average nightly working hours must not exceed eight hours for each 24-hour period.
- Employees are entitled to:
 - Daily rest period of 11 consecutive hours for every 24-hour period.
 - Weekly rest period of 24 consecutive hours for every seven days, which must immediately follow a daily rest period. The weekly rest period should generally fall on Sundays and be at the same time for all employees working in the company.

Contract variation

- All material changes to terms and conditions must be notified to the employee before the changes can be implemented.
- Material changes involve a notice of termination followed by an offer to continue on new terms and conditions after the end of the notice period. An employer should be able to provide a justification for material changes based on its circumstances, otherwise an employee can be entitled to compensation for unfair dismissal.
- Non-material changes can normally be implemented on shorter notice or without any notice at all.

Finland °

Employment relationships in Finland are regulated by detailed legislation such as the Employment Contracts Act, as well as collective agreements. Employment law in Finland provides employees with generous family rights, for example an employee can take full time child care leave up until their child reaches the age of 3 years.

Probationary Period

- The probationary period for a fixed term contract must not be for longer than four months or half the length of the employment relationship.

Minimum Wage

- Finish legislation does not contain a statutory minimum wage. Collective agreements will however, often contain provisions which set out the minimum amount that an employee is entitled to be paid.

Collective Agreements

- Collective agreements are common and often deal with matters such as minimum wage.
- Collective agreements will often also contain provisions in relation to working hours and sick pay which are more favourable than the minimum requirements set out in the law.

Notice Period

- The employer and employee can agree on the relevant notice period in the employment contract, (unless there is a collective agreement which states otherwise).
- The maximum period of notice is 6 months and the notice period applicable to the employer must not be shorter than the notice period that the employee is entitled to provide.
- If the period of notice is not set out in the collective agreement or in the employment contract, the employer must apply the statutory notice periods. The statutory notice period varies from 14 days to 6 months, depending upon the length of the employee's service.
- Unless set out differently in a collective agreement or employment contract, the notice period that an employee must provide is 14 days where they have worked for the employer for less than 5 years and 1 month where the employment relationship has lasted for more than 5 years.

Dismissal

- An employment contract can be terminated on grounds which can be divided into two categories:
 - Individual grounds- relating to the conduct and performance of an individual employee.
 - Collective grounds – relating to financial and production-related reasons or the company's restructuring.

- An employer must always have valid and acceptable grounds for terminating a contract of employment.
- Employees who are dismissed on individual grounds have a right to be heard prior to their dismissal. In most cases, the employee should have also received a warning before they are dismissed.
- An employee is only entitled to compensation if the employment contract is terminated without sufficient grounds. The amount of the compensation is determined by a general court in the form of an indemnity.

Redundancy

- An employee may be dismissed on collective grounds where work has diminished or been materially reduced due to economic or productional reasons, or due to the restructuring of the company. The reduction of the work has to be permanent.
- Before an employee is dismissed on collective grounds, the employer must ensure that the employee cannot reasonably be repositioned or retrained within the company.
- The Co-operation Act applies to companies who regularly employ at least 20 employees and are planning to make terminations on collective grounds. Companies that employ less than 20 employees have a relatively simple consultation obligation, as set out under the Employment Contracts Act, whereby the employer must discuss the reasons for termination with the employees as early in advance as possible.
- Under the Co-operation Act the employer must not make final decisions on redundancy before carrying out their cooperation and consultation obligations.
- The employer must give the employee representatives 5 day's prior written notice of the consultations and provide them with necessary information in relation to the planned redundancies. The employer must also inform the local employment authorities of the consultations.
- The parties must discuss during the co-operation consultation the grounds for, the effects of, and the alternatives to the planned redundancies. The parties must also discuss the possibility of retraining and repositioning the employees to be dismissed.
- The collective redundancies may be carried out as soon as an agreement has been reached. In the event that an agreement cannot be reached, the employer can carry out terminations after the consultations have lasted a certain period of time as set out in the Co-operation Act and all of the matters have been discussed.
- Failure to conduct the co-operation consultation procedure will not make the dismissal itself unfair, but can result in compensation currently up to a maximum of €31,570 for each affected employee.

Compensation Limits

- An employee can claim compensation for illegal dismissal on individual grounds. Compensation is determined in the form of an indemnity and is determined by factors including the length of the employee's employment and the procedure carried out by the employer. The minimum indemnity is equal to 3 months and the maximum indemnity is equal to 24 months of the dismissed employee's salary.

Family Rights

- Maternity leave lasts for 105 days, however collective agreements will usually allow for longer periods of maternity leave to be taken.
- Although there is not a general obligation for employers to pay employees their salary during maternity leave, collective agreements will often contain provisions which impose this.
- Employees will receive an earnings-related maternity allowance during their maternity leave, which is paid by the Finnish Social Insurance Institution (Kela).
- Employers are not allowed to terminate an employee based on the reason that they are exercising their right to family leave.
- An employee returning from maternity leave is entitled to return to work with the same employer and where possible, to continue with their former duties. Where this is not possible, the employee must be offered work that is equivalent to their former duties and if this is not possible, the employee must be offered other work.
- A father can take up to 54 working days of paternity leave. Paternity allowance will be paid for the full duration of the leave by Kela.
- A maximum of 158 days of parental leave can be taken by the parents after the birth of their child. This leave can be divided between the parents.
- Employees may take full time child care leave up until their child reaches the age of 3.

Sick Pay

- Unless a more generous sick pay obligation is set out in a collective agreement, an employee is entitled to be paid their full salary for the first day and the following 9 weekdays that they are absent from work due to sickness.
- Where the employee is absent from work for more than 10 working days, they will start to receive a daily sickness allowance from the state. An employee can receive this sickness allowance for a maximum period of 300 days.

Holiday Allowance

- Employees are entitled to receive paid annual holiday.
- Employees are entitled to accrue two days of holiday per month during their first year of employment and two and a half days per month, for every year after that.
- The total number of holidays that an employee is able to accrue each year is 30 days.

Working Time

- Working hours should not exceed 8 hours a day (40 hours per week). However in practice, most collective agreements provide that a white-collar employee will typically work 7.5 hours a day and 37.5 hours per week.
- Overtime can only be carried out with the employees consent. The maximum amount of overtime that an employee can perform within a four month period is 138 hours.

Contract variation

- It is almost impossible for an employer to unilaterally change the terms of an employee's employment contract.

France^o

Recent reforms have been made to employment law in France. Employers now enjoy greater flexibility in a number of areas, including the procedure to be adopted during collective redundancies. In certain situation, employers now have greater flexibility to change employee's pay and hours if it means that a number of employee's jobs are safeguarded.

Probationary Period

- The maximum duration of the probationary period is two months for clerks and blue collar workers, three months for technicians and intermediate supervisors and four months for executive employees. The probationary period can be renewed once, if the applicable collective bargaining agreement authorizes such renewal.
- The applicable collective bargaining agreement or the employment contract may also provide for a shorter probationary period.
- Employees can leave a company (providing it employs a certain number of employees) and have a six month period with a new employer. If they do not want to continue in employment with the new company they can then return to their former employer.

Minimum Wage

- The minimum wage is currently set at €9.43 gross per hour and €1,430.22 gross per month.
- Collective Bargaining agreements can also be used to agree minimum wages.

Collective Agreements

- A CBA is a written agreement, entered into between:
 - One or more trade union(s) representing employees.
 - One or more trade union(s) representing employers in a specific sector (and sometimes, a specific location).
- The CBA usually governs individual and collective labour relations, working conditions, social guarantees and employee benefits.

Notice Period

- The parties must observe and cannot waive the required notice periods before an indefinite-term contract is terminated. There are exceptions to this rule (for example, dismissals for serious or gross misconduct). The notice period depends on the employee's length of service.

Dismissal

- For indefinite term contracts, an employer must have real and serious grounds for dismissal, either on economic or personal grounds. An employee can also be dismissed on economic grounds where it is necessary to safeguard the competitiveness of the business.
- Fixed-term contracts can only be terminated for serious misconduct, or otherwise by an act of God or by mutual agreement.
- Dismissals implemented by the transferring employer before the transfer is implemented are prohibited and deemed void if they are to prevent the Employee Transfer Rules from applying. Dismissals implemented by the transferee after the transfer are subject to the usual rules on dismissals.

Redundancy

- An employer can dismiss for economic grounds if the business is facing economic difficulties or technological changes, or where it is necessary to safeguard the competitiveness of the business. The relevant redundancy procedure will depend on factors including the size of the workforce and the number of employees being made redundant.
- New legislation came into force on 1 July 2013 in relation to collective redundancies. The reform provides employers with greater flexibility throughout the collective redundancy process. Previously collective redundancies were regulated by rigid provisions contained in the French Labour Code. When a company made at least ten employees redundant over a 30 day period, and the employer had at least 50 employees and a works council, the employer had to undertake a two-stage information and consultation process with the works council.
- This involved detailed consultation with the works council and implementing a “Social Plan” which explained how the redundancies should be carried out, such as the timing and selection criteria, as well as the compensation payable to employees.
- From 1 July 2013, the content of the employment security plan, (*“Plan de sauvegarde de l’emploi”*), can now be agreed by one of the two following methods:

A) The employer negotiates an agreement with the relevant trade union

Employers will be able to enter into a collective agreement with the relevant trade union which is supported by the majority of the workforce, which stipulates how many redundancies are to be carried out and the nature of the consultation that must be conducted with the works council.

B) The employer unilaterally implements a social plan;

If an agreement is not entered with the Trade Union, the employer can unilaterally implement its own social plan.

- The administrative authority will have 15 days to validate the collective agreement, resulting from the negotiation process with the trade union, or 21 days to approve the unilateral document. The administrative authority's failure to do this will be considered an acceptance of the agreement/document.
- Reforms to the law have also simplified the information and consultation procedure. The works council are now required to undertake two consultation meetings, one dealing with the reorganisation project and the other dealing with the redundancy project.
- Furthermore the law now stipulates that the whole procedure must be carried out within a fixed deadline. The length of the deadline varies depending upon the number of redundancies that are to be made. The aim of this reform is to try and prevent the works council from slowing down the consultation process.
- If dismissal is based on economic grounds, the employer must select which employees to make redundant by considering certain selection criteria. This includes:
 - Number of employees' dependants;
 - Length of service;
 - Potential difficulties the employee may face in finding new employment (for example age or any disability); and
 - The employees' professional skills.
- The employer must also make every effort to try and find the employee alternative work within the company. Non-compliance may render the redundancy unfair and the employee is entitled to damages. Non-compliance with the overall dismissal procedure can also entitle the employee to one month's salary.
- Employees who are made redundant must be given priority during a one-year period if their previous position or one similar to it becomes vacant.

Compensation Limits

- A tribunal can award compensation if it finds an employee has been unfairly dismissed. An employee is entitled to a minimum of six months' pay if they have worked for their employer for more than two years, and the employer has at least 11 employees.
- Compensation is normally financial but some employees may have a right to be reinstated where the dismissal is found to be absent of a serious and genuine cause.
- Discrimination is a criminal offence punishable by a maximum of three years' imprisonment and a fines of €45,000 (for the employer's CEO), and up to €225,000 for the employer (as a company).
- Harassment is a criminal offence punishable by up to two year's imprisonment and a maximum fine of €30,000 (3 years imprisonment and a fine of €45,000 in cases of aggravating circumstances).

Family Rights

- Employees are entitled to the following maternity leave:

- For a single birth bringing the mother's number of children to one or two: 16 weeks, consisting of six weeks before childbirth and ten weeks after childbirth.
- This period of time is increased depending on the number of children the mother had or where the mother has triplets or more.
- The relevant CBA can grant additional maternity leave. Employees can choose to increase the proportion of maternity leave taken after childbirth, decreasing the proportion taken before childbirth, if a physician authorises this.
- Following maternity leave, employees have the right to return to their original position (or a similar position with the same remuneration). Additionally, apart from in the case of serious misconduct or cases where it is impossible to maintain the contract, employees cannot be dismissed during pregnancy, maternity leave after childbirth or the four weeks after the end of maternity leave.
- Male employees are granted three days' leave on the birth or adoption of a child. They are also entitled to 11 consecutive days' paternity leave (18 days if there are multiple births or adoptions), which must be taken within the four months following the birth or adoption.

Sick Pay

- Employees who are absent due to illness or injury must obtain a medical certificate covering the period of sick leave. During the period of illness or injury, the work contract is suspended. Unless it is necessary to replace the sick employee with another employee under an indefinite term contract, the former cannot be dismissed.

Holiday Allowance

- Employees are entitled to a minimum of five weeks' paid holiday per year in addition to public holidays.
- Statute and CBAs grant additional paid leave for employees who have reached a specific length of service, and in relation to family related events. Autonomous executives (executives of a certain level who organise their working time) also benefit from additional days off

Working Time

- Usually, employees work 35 hours a week. In addition, employees must not work more than:
 - An average of 44 hours a week during any 12 consecutive weeks.
 - 48 hours during any given week.
 - Ten hours a day.
 - 220 hours of overtime a year (subject to applicable CBAs).
- Employers can agree a longer work week with their employees. In that case they must pay any time worked over 35 hours a week in the same way as overtime (although there is no entitlement to additional days off).
- When employees work more than six hours a day, they are entitled to a rest break of 20 minutes, unless more favourable provisions are made by any applicable CBA.
- An employee's refusal to work additional hours proposed by the employer beyond the limits fixed by their contract cannot be a fair reason for dismissal.

- A CBA or an enterprise agreement can provide for the replacement of all or part of the overtime payment by an equivalent rest period.

Contract variation

- As a result of the recent reforms, where a company is facing economic difficulty, employers and employees are able to agree to reduce wages and increase the employee's working hours, without having to pay any compensation to the employer. Where this agreement takes place, the employer will commit to keeping the jobs of its employees.
- Although the employee is not obliged to agree to the change, if they refuse, the refusal can be a sufficient ground to justify the dismissal of the employee.

Germany^o

Employment law in Germany offers a good level of protection to employees. Whilst Collective Bargaining Agreements (CBAs) are widespread, key employee rights such as dismissal, family rights and working hours are governed by statute.

Probationary Period

- During a probationary period that may not exceed six months, the employment agreement may be terminated without cause upon two weeks' notice.

Minimum Wage

- Various CBAs lay down minimum wages for the benefit of the union members in a particular industry; however, in practice, the employers bound by a CBA also pay the (minimum) wage to non-union members.
- As of 1 July 2011, generally binding CBAs providing for minimum wages must be applied for the benefit of all employees, regardless of whether they are seconded from abroad or regularly employed in Germany, and whether or not they are union members, in certain industries.

Collective Agreements

- CBAs concluded with the unions are widespread.

Notice Period

- Statutory notice periods apply unless CBAs or employment contracts specify more favourable notice periods. Under section 622 of the Civil Code there is a minimum notice period of four weeks (the dismissal becomes effective on the earliest of either the 15th day or the end of a calendar month).
- Once an employee has two years' service the notice period to be observed by the employer is staggered depending on the duration of the employment relationship.
- Employees are entitled to receive their usual remuneration during the notice period. In practice, there is no payment in lieu of notice.

Dismissal

- Termination of employment is restricted by the Protection Against Dismissal Act. Under the Act, ordinary dismissals can be justified only for one of the following reasons:
 - Urgent business requirements (for example, redundancy);
 - Conduct (usually required to be preceded by a warning); or
 - Personal circumstances (such as illness).

- Employees cannot be dismissed because of a business transfer, either before or after the transfer. An employer does have a right, however, to dismiss an employee on other grounds.

Redundancy

- Dismissals will qualify as redundancies if a certain number of employees are dismissed within a 30 day period. This is dependant on the number of employees to be dismissed and the size of the business.
- Each dismissal must comply with all requirements and be “socially justified” in accordance with the Protection Against Dismissal Act.

Compensation Limits

- If a court decides that a dismissal is ineffective the employment relationship will continue. The employee will be entitled to be reinstated and receive remuneration for the period between the expiry of the notice period and the court’s decision.
- An employee may be entitled to severance pay if dismissal is socially unjustified (the maximum limit as prescribed by statute is up to 12 or 18 monthly salaries, depending on length of service and the employee’s age.).
- An employee is also entitled to severance pay of half a monthly salary for each year of service provided that the reason for dismissal was for urgent business requirements and the employee has agreed to waive their right to take legal action.
- Employees who are subjected to discrimination or harassment are entitled to claim compensation for material and immaterial damages.

Family Rights

- Female employees have maternity leave of 14 weeks, divided up as six weeks before childbirth and eight weeks after childbirth. This is extended to 12 weeks for multiple or premature births.
- During this time they receive maternity pay. This is equivalent to their average monthly salary during the three-month period before maternity leave.
- Female employees cannot be dismissed during pregnancy or until the end of the fourth month after childbirth. Dismissals are only possible in exceptional cases with the competent authority's approval.
- There is no statutory paternity leave, but male employees can claim parental leave.
- Both parents are entitled to parental leave of three years after the birth of each child. They can take it simultaneously or at different times. With the employer's consent one year of this three-year parental leave can be transferred to a time between the child's third and eighth birthday.

Sick Pay

- If an employee is unable to work they are entitled to time off. After three days of illness employees must submit a medical certificate that confirms their incapacity and its expected duration.

- Under the Continuation of Remuneration Act employees are entitled to receive full sick pay from the employer for up to six weeks of illness, provided they have been employed with the employer for at least four weeks and their inability to work is not caused by their own gross negligence.
- The employer does not recover sick pay from the state.

Holiday Allowance

- Holiday entitlement depends on the number of working days.
- In a six-day week employees are entitled to a minimum holiday of 24 working days per year. The holiday entitlement is reduced proportionally for every day the employees work less than six days a week.
- Certain categories of employees are entitled to additional holiday, examples included persons under the age of 18 and disabled persons.

Working Time

- Under the Working Hours Act the maximum working time is eight hours a day and six days a week. As a result, the maximum working hours per week is 48 hours.
- However, with the exception of shift workers it is possible to work up to ten hours a day if the average number of hours worked over a six-month period does not exceed eight hours a day (in a six-day week).
- In general, employees are not allowed to work on Sundays and public holidays. Exceptions are made for jobs that cannot be limited to weekdays, for example, the emergency services.
- As a rule, employees working six to nine hours a day are entitled to a rest break of 30 minutes. Employees working more than nine hours a day are entitled to a rest break of 45 minutes.
- Employees are not allowed to work longer than six hours without a break. Between two working days the employees must have an uninterrupted rest period of at least 11 hours.

Contract variation

- An employer can unilaterally change an employee's contract if remuneration remains unaffected and the employer has reserved its right to make a change and the change is reasonable.
- An employer can also unilaterally change an employee's terms and conditions by issuing a dismissal with the option of continuing employment on altered conditions. However this may be restricted by the provisions of the Protection Against Dismissal Act.

Greece°

Greece were strongly affected by the economic crisis and as such they have been one of a number of European members states to receive pressure from the European Central Bank, the European Commission and the International Monetary Fund to introduce reforms to help boost economic growth.

Probationary Period

- The probationary period was recently extended from two months to one year, for employees commencing new jobs.

Minimum Wage

- The minimum wage was traditionally always set through collective bargaining between national social partners. However a reform to the law in November 2012, established that the minimum wage would be fixed through legislation set by the government. The current minimum wage is set at €683.76.

Collective Agreements

- There are a number of levels of collective bargaining in Greece, ranging from national level, industry/occupation level and company level.
- A company-level Collective Labour Agreement can prevail over the relevant sector-level Collective Labour Agreement.

Notice Period

- The notice period which should be provided to the employee in writing, varies depending upon the employee's length of service. Where the employer opts to terminate the employee without providing the required period of notice the totality of the legal severance will become due. However if the employer provides the employee with notice they will not have to pay the employee as much statutory severance pay.

Dismissal

- There does not have to be a "serious cause" for indefinite-term contracts to be terminated by the employer. The employer may dismiss the employee for behaviour or performance related reasons. The employee may however, challenge the validity of the termination where there has been an abuse of the employer's rights.
- The consent of a third party is not required before the dismissal takes place, with the exception of certain employees who enjoy special protection. These employees include war veterans, pregnant employees and new mothers and trade union officials.

- For a termination to be valid, the employee must provide written notification of the dismissal to the employee as well as simultaneous payment of the severance amount, (which is determined by the length of service that he has had at the company). The employee should then be registered with the competent social security fund.
- Within three months of being dismissed the employee can challenge whether his dismissal was valid.

Redundancy

- Redundancy is a potentially fair reason for dismissal. Redundancy may however be an unfair reason for dismissal where:
 - The position of the employee is not genuinely redundant;
 - The employer does not abide by the social economic criteria set by law and unfairly selects the employee for redundancy.
 - The employer fails to consider the employee for other positions; or
 - A fair procedure, according to the principle of good faith, is not followed by the employer.
- Where collective redundancies take place, specific provisions will apply. A collective redundancy will be deemed to have taken place where an employer, who employs between 20 and 150 employees within any calendar month, dismisses more than 6 employees in one month. For companies that employ over 150 employees, collective redundancy provisions will apply where 5 % of the total workforce or over 30 employees per month are made redundant.
- Where collective redundancy takes place, negotiation and consultations must take place with the employees' representatives and the Ministry of Labour. Alternative solutions must also be considered in order to reduce the impact of the redundancy.
- Dismissals will be considered null and void where collective redundancy provisions have not been followed.

Compensation Limits

- Severance payments are calculated by taking the monthly base salary of the employee at the date of termination. This amount is then multiplied by 14 (which takes into account the annual leave bonus and the Christmas and Easter bonus, which is provided for in Greek law), and divided by 12, so as to produce a monthly average.
- The average salary is then increased by all fringe benefits that the employee may receive on a regular basis (e.g. car allowance).
- The amount of severance that an employee is owed depends upon the number of years service that they have had with the employer. Those who have worked 16 years and above, will receive a payment of 12

months salary. Employees who have completed more than 17 years of service with the same employer are entitled to an additional severance payment of 1 monthly salary (up to €2,000) for every year of service over 17 years of service, up to a maximum of 28 or more completed years.

- Where a court finds that the termination of an employment contract was invalid, the employee is entitled to receive salaries due as of the termination date, as well as compensation for moral damages. In addition to this the employee will also be reinstated to the company, as a result of the invalidity of the termination.

Family Rights

- Female employees are entitled to 17 weeks of maternity leave.
- Employees who have less than one year service in the company are entitled to be paid up to 15 days of their regular salary. Those with more than one year service are entitled to be paid up to 1 month of their regular salary from the employer.
- In addition to this, the employee will receive other benefits from the social security and labour authorities during their maternity leave.
- After the maternity leave has finished, new mothers are entitled to return to their duties, under no less favourable terms and conditions.
- New mothers are entitled to work one hour less each day for a period of 30 months from the date that the baby was born, without a deduction in pay. Alternatively the mother can collect the hours she is entitled to take off and receive them as paid leave, following the consent of her employer.
- Fathers are entitled a special paid leave of 2 days following the birth of his child. The father can also work reduced hours without suffering a deduction in pay where his wife works under a dependant employment relationship and is not working reduced hours in line with the law provisions.
- Once maternity leave has lapsed, employers who have one full year of service are entitled to receive 3 ½ months of unpaid leave for the period following the maternity leave up until the child becomes 3 ½ years old.

Sick Pay

- An employee can claim half of his pay for the first 3 days that he is absent from work due to sickness. The employee will receive full pay for 15 days of sickness absence during their first year of employment and up to 30 days of full pay for every year thereafter.

Holiday Allowance

- Employees are entitled to a minimum of 20 working days of annual holiday during their first year of employment. This amount is increased for every additional year of work, up to a maximum of 22 days.
- Where an employee has worked for the same employer for 10 years or for any employer for 12 years, they are entitled to 25 days of leave. After an employee has worked for 25 years they are entitled to 26 days of annual leave.
- Employers are paid in full for the days that they are on annual leave.

Working Time

- Working time in Greece is 8 hours per day, 5 days a week. There are however, exceptions to this rule. For example a 9 hour working day is allowed, so long as the total working time for the week does not exceed 40 hours.
- For every period of work that has taken place within 24 hours the minimum period of rest is 11 consecutive hours.

Hungary°

Employment law in Hungary is highly regulated. It is largely governed by statute (the Labour Code Act XXII of 1992 on the Labour Code) which imposes mandatory rules on areas such as working hours, holidays and termination of employment.

Minimum Wage

- The government establishes the level of minimum pay annually.
- The level of monthly minimum wage depends on the qualification required for the position held by the employee. The minimum wage for full time skilled labourers is currently set at HUF114,000.
- For all other employees the current minimum wage is set at HUF98,000.
- Collective bargaining agreements may also establish a minimum level of pay for certain employees or categories of employees.

Collective Agreements

- Collective agreements are common in Hungary and can be concluded at company, industry or national level. Extended scope collective agreements exist in the construction, bakery, tourism and electricity industry.

Notice Period

- When terminating the employment relationship by ordinary termination, the notice period must be at least 30 days, but cannot exceed one year. The 30-day notice period is extended by increasing years of service.

Dismissal

- An employee can only be dismissed for reasons in connection with his ability, behaviour or the employer's operations or economic reasons.
- Dismissal cannot take place during certain circumstances, for example during maternity leave or if an employee is incapacitated due to illness.
- The transfer of a business cannot serve as a sole reason for the termination of employment. However a reason based on or in connection with the employer's business activity may be acceptable if it is clear, real and reasonable.

Redundancy

- For a collective redundancy, the employer must inform and start consultation with the employee's representatives. Dismissal must be justified by economic reasons or the needs to the employer. For dismissals to qualify as collective redundancies, this will depend upon the size of the business and number of employees being dismissed.

- The collective redundancy procedure will not apply to employers employing less than 20 employees. In such instances, an employer can dismiss without needing to follow the informing and consultation procedure.

Holiday

- The minimum number of statutory paid holidays depends on the employee's age and varies from 20 to 30 days. There are also special categories of employees who are entitled to additional holiday, for example single parents and employees under the age of 18.

Family Rights

- Pregnant employees are entitled to 24 weeks' maternity leave. The leave must be scheduled to start four weeks before the expected birth date, if possible. During the entire period of maternity leave, the employee is entitled to 70% of her average salary, if she is regarded as insured under the Health Insurance Act LXXXIII. of 1997.
- In addition, the employee is entitled to a leave of absence without pay until the child reaches the age of three, to care for the child at home.
- Employers cannot dismiss employees during pregnancy and until the child reaches the age of three, except in case of extraordinary dismissal and mass redundancy.
- During the first six months of nursing, female employees are entitled to two hours of work time allowance daily and one hour daily after that up to the end of the ninth month.
- Following the birth of his child, a father is entitled to five days of fully paid work time allowance, which the employer must allocate within the two months following the date of birth.
- The parents can decide that the father will look after the child following the lapse of maternity leave until the child reaches the age of three. In this case the father is also entitled to the same allowance and same protections as female.

Sick Pay

- Employees are entitled to 15 days' sick leave per year. During the term of the sick leave employees generally receive 70% of their base salary (including regular allowances). This amount is paid by the employer.
- After this time, the exact amount of payment may vary from 50% to 60% of the base salary depending, among other things, on the term of service. One-third of this amount is generally paid by the employer and two-thirds is paid by the state. Different rules apply in cases of injury suffered in the course of performing work or occupational disease.

Working Time

- The working time restrictions for full-time employment are an average of eight hours a day or 40 hours per week over a maximum four-month period.
- As at 3 August 2009, employees may be required to work overtime only under justified or extraordinary circumstances.
- Overtime is limited to 200 hours per calendar year, which may be extended to 300 hours by a CBA.

- Overtime work may not be required if it will cause unreasonable hardship to the employee in respect of their personal or family circumstances.
- A CBA may stipulate that the employee is entitled to time off in lieu. Any such time off should not be less than the duration of the work performed.

Italy°

Employment law in Italy was reformed in 2012 (Law No 92/2012). Extensive changes were made to employment legislation. One important change involved resignation and mutual termination agreements. These must now always be validated and confirmed by the employee through a specific procedure. Failure to do so may render the resignation/termination ineffective. The 2012 reforms also modified the sanctions that the court can apply to an employer who has wrongfully dismissed an employee.

Probationary Period

- Employment agreements can be made subject to a probationary period, which must be executed in writing at the time of hiring.
- The length of the probationary period is usually fixed by the Collective Bargaining Agreements (CBAs).

Minimum Wage

- There is no minimum wage. However, employees are entitled to receive a salary commensurate with the quality and quantity of their work and, in any case, one that is sufficient to guarantee a decent lifestyle for themselves and their family.
- When deciding these minimum levels of pay, the court often considers the minimum amount of salary set out in the national CBAs for the relevant sectors, even if the company does not apply them.

Collective Agreements

- CBAs between trade unions and employers' associations are common in all sectors. National CBAs are only binding on a company if it is a member of the relevant employers' association.
- If a company is not a member, it does not have to apply the CBA. However, the agreement applies if reference is made to it in the employment contract or the employer decides to adopt its terms of its own accord.

Notice Period

- The notice period that an employer is required to give an employee is set out in the law and where applicable, collective bargaining agreements. The level of notice required is based upon the employee's length of service, seniority, qualifications and levels.
- An employee is not entitled to a notice period where he has committed gross misconduct.

Dismissal

- An employee may be dismissed for breach of contract (for example misconduct), or for economic or reorganisation reasons.

- If an employee is dismissed for breach of contract, the employer must follow a disciplinary procedure which will involve writing to the employee setting out the facts behind their purported breach of contract, allowing the employee time to justify their actions. If the employer still wishes to proceed to dismissal, it must then confirm the dismissal in writing setting out why the employee's justifications have not been accepted.
- If the dismissal is for economic reasons, the employer must follow a special procedure which involves serving notice of dismissal on the employee and the local Labour Office and calling a meeting to try and reach an agreement. If no agreement can be reached then the employer can opt to dismiss.
- Certain categories of employees are protected from dismissal, for example disabled employees, employees subject to maternity or paternity rights, and women who have been married for one year or less.
- Dismissals made as a direct result of the transfer of an undertaking are invalid.
- Attempts have been made by the Italian government to cut through the often over-bureaucratic model for dismissal and changes are afoot.

Redundancy

- A collective redundancy occurs when a company employing more than 15 employees and, as a business reorganisation, intends to make at least five dismissals within 120 days in either each work unit, or a number of work units in the same province.
- If an employer intends to carry out collective redundancies, it must inform the employees' representatives in writing. Before the employer can serve the dismissals on the employees an information and consultation procedure must be carried out with the works council or trade union, (which lasts for a maximum of 75 days). During the consultation period the parties try to find alternative solutions to dismissing the employees or action which will limit the impact of the dismissals.
- Although there is no obligation for an agreement to be reached, the employer is not allowed to terminate the employment contracts until the consultation period has ended (which is either when an agreement has been reached or 75 days have lapsed).
- Once the consultation procedure has been completed, the employer can serve the dismissals on the employees. The redundancies must comply with the employees' notice periods. The company must also provide notice of the results of the consultation to the Regional and Provincial Employment Offices.
- Sanctions for non compliance with the redundancy procedures can range from reinstatement to the payment of compensation.

Compensation Limits

- There is no compensation limit for damages incurred as a result of discrimination or harassment, however the tribunal will consider whether the discrimination exists because of the action of the employee or an unfair reaction to a previous case.

- If a dismissal is found to be unfair then the remedies which a tribunal can award will depend on the size of the company and the nature of the dismissal, but will vary from re-engaging the employee (for companies with 60 employees or less) or damages. Damages are based on the employee's salary and/or their length of service.

Family Rights

- Female employees must not work for two months before, and three months after, childbirth. This compulsory period of maternity leave can be changed to one month before and four months after childbirth, if a medical certificate is produced.
- During the entire pregnancy, and until seven months after childbirth, the employee must not be allocated tasks that might endanger her health.
- During maternity leave, employees receive an allowance from the National Social Security Body equal to 80% of their salary.
- After maternity leave, employees are entitled to return to the same job in which they were employed before taking leave. Employers cannot dismiss female employees during pregnancy and until the child is one year old, except in certain circumstances
- If the mother does not take maternity leave (due to death, infirmity or the father having exclusive custody), the father is entitled to three months' paternity leave after childbirth. This right does not apply in any other circumstances.
- Employees on paternity leave are entitled to the same allowance, have the same rights to return to their job after paternity leave and have the same protections against dismissal as employees on maternity leave.

Sick Pay

- CBAs or individual contracts generally provide for a period of time off as a result of illness or injury, during which the employee is entitled to keep his job. After this period, the employer can dismiss the employee by giving notice. This period is generally between six and 12 months, and applies in cases of both a single period of sick leave and multiple periods.
- Employees are entitled to receive their salary in the proportion and for the period set out in any applicable collective agreement or the individual employment contract.

Holiday Allowance

- All employees are entitled to a minimum of four weeks' paid annual holiday. CBAs and individual contracts can provide for a longer period of holiday entitlement.

Working Time

- The normal working week is 40 hours, and the maximum working week is an average of 48 hours every seven days, including overtime, calculated over a four-month reference period. Overtime cannot exceed 250 hours per year.
- CBAs can extend this reference period to six or 12 months provided that there are objective, technical or organisational reasons for doing so, and often provide for a shorter normal working week.

- Overtime work shall be compensated with an increase in salary, in accordance with the provisions of the relevant CBA. A CBA may also provide workers with the option to choose between an increase in salary or time off in lieu.

Rest Breaks

- An employee whose working hours exceed six hours per day is entitled to a rest break during the working day.
- Normally CBAs regulate rest breaks, but where no CBA applies, a rest break cannot be less than ten minutes.
- Employees are entitled to a daily rest of at least 11 consecutive hours every 24 hours. In addition to the daily rest break, employees are entitled to a weekly rest period of at least 24 consecutive hours every seven days, usually coinciding with a Sunday.

Contract variation

- An employer will always need the employee's consent if it wishes to change the terms of the employment contract. However, an employer is permitted to unilaterally change the terms of the contract where it wishes to change either the employee's job (provided that the new job is equal or superior to the one previously carried out); or the employee's place of work (provided there are economical, technical or production reasons to do so).

Spain°

In 2012 employment law in Spain underwent a radical change which changed the existing rules on collective bargaining and employment protection. The Spanish government's intention was to promote flexibility and improve the efficiency of the labour market and has been strongly opposed by the unions who argue that it offers lesser protection to employees.

Probationary Period

- This will last for a maximum of six, three or two months depending on the employee's occupational category or the size of the enterprise.
- Under reforms introduced in 2012, a new "permanent employment contract in support of entrepreneurs" can be used by companies with less than 50 employees, which allows a probationary period of one year. This contract can only be used whilst the national unemployment rate is over 15%. This contract can be used by both self-employed workers and PYMES (i.e. companies with a maximum of 50 employees.).

Minimum Wage

- Royal Decree 1717/2012 of 28 December set the Spanish national minimum wage for 2013 at € 645.30 per month or €21.51 per day.

Collective Agreements

- Collective agreements between unions and employers are quite common in public services, and at private industry and company level.
- Provisions in collective agreements apply regardless of the terms in the employment contract.
- Under the 2012 Labour Law Reforms, a company's collective bargaining agreements now has priority over national, regional or sector collective bargaining agreements in relation to a wide range of matters. The aim of the reforms was to help provide companies with greater flexibility.

Notice Period

- If employees are dismissed on objective grounds, the employer must give them at least 15 days' notice before terminating their contracts. The notice period starts to run from when the employees are informed about the decision to dismiss them.
- If an employee decides to terminate their employment, they must also give notice if it's agreed in their contracts or in a collective agreement.
- Where employees are dismissed on disciplinary grounds, there is no duty to give them notice of dismissal.

Dismissal

- A dismissal is automatically unfair if solely or principally due to a transfer of business, or a reason connected with it. An employer has a defence if it can show that the ground for dismissal was an

economical, technical, organisation or productive reason that required a change in the workforce, and its decision to dismiss was reasonable. An individual employer may also be terminated from his employment fairly for breach of duty.

- Under the 2012 reforms, grounds for redundancy were expanded to include “persistent decline in the level of ordinary incomes during three consecutive quarters.
- Individual dismissals can take place, where a worker is absent for up to 12 days in 2 months or 34 days in a year, however certain exceptions apply to this rule.

Redundancy

- In order to dismiss an employee by way of redundancy, the following procedure must be followed:
 - Inform the employee in writing of the decision to dismiss.
 - Offer to pay the employee compensation - employees are entitled to 20 days’ wages for each year of service (up to a maximum of the equivalent of 12 months’ salary).
 - Give at least 30 days’ notice before terminating the employee’s contract (employees are entitled to take six hours a week off work during the notice period to find alternative employment).
- Consultation with employees’ representatives must take place if the number of proposed redundancies exceeds a particular number – this is dependant on the size of the business. However, there is now a greater degree of freedom under the new law for companies where the consultation process ends without agreement. In such situations, the company will be able to decide on its own the level of compensation payable to employees.
- Although collective redundancy procedures no longer have to be authorised by the Labour Authority, the employer should inform the authorities of its intention to implement a collective redundancy. Employers are also required to provide the authorities and the employee’s representatives with information.
- Whether or not dismissals qualify as redundancy dismissals will depend on the size of the business and number of employees being dismissed.
- In addition to statutory redundancy pay, employees may also be entitled to an enhanced redundancy payment (often agreed during the consultancy stage). A tribunal may order employees to be reinstated if the consultation process is not followed correctly.

Compensation Limits

- Compensation for unfair dismissal is 45 days’ salary for every year of service worked up until 11 February 2012 and 33 days’ salary for every year of service worked after 12 February 2012. This amount is capped at 24 months’ salary, unless the employee was hired before 12 February 2012, in which case the cap is increased to 42 months’ salary.
- A protected employee can choose between accepting severance pay or reinstatement if they are found to have been unfairly dismissed.

- Findings of discrimination or harassment can result in employer's receiving an additional fine. Employees can also terminate their contract and receive severance pay, together with moral damages for compensation.

Family Rights

- Pregnant employees can take a maximum of 16 weeks' maternity leave taken immediately after birth. Employees must generally satisfy a qualifying period of paid employment to receive benefits, depending on their age.
- The father of a newly born child can take up to two working days' paid absence immediately after the birth. Fathers are also entitled to 13 additional days' paternity leave.

Sick Pay

- Employees are entitled to a maximum of 18 months' sick leave in cases of illness or injury. Once the 18-month period has expired, employees can be designated as permanently ill and claim a social security pension
- Employees receive social security payments during the sick leave period (up to a maximum of 18 months). The amount of social security payment varies depending on the employees' salary and their position in the employer's organisation. Some employers may supplement the social security payment to match the employee's current salary.

Holiday Allowance

- Once employees have been continuously employed for one year, they are entitled to 30 calendar days' paid holiday every year.
- Holiday entitlement cannot be replaced by payment in lieu.
- There are 14 public holidays which are not included in the minimum holiday entitlement.

Working Time

- Spanish workers must:
 - only work 40 hours per week (on an annual average),
 - not work more than 9 hours per day, and
 - be provided with at least 12 hours' rest before starting the next day's work.
- Overtime is limited to 80 hours per year. CBAs or individual contracts will determine whether overtime will be paid. Any such pay will be at least at the same rate as the ordinary working hour, or compensated with time off in lieu.
- In absence of any agreement, overtime will be compensated with equivalent rest periods within four months following when the overtime was worked.

Contract variation

- Employers can unilaterally change the terms and conditions of employment provided they can demonstrate that an economical, technical, organisational or production justification exists. A justification will be presumed to exist if the proposed change will prevent the occurrence of a negative development for the company, or will improve the company's position.
- Different procedures need to be followed depending on whether the changes will affect individual workers, or workers covered by a CBA.

Sweden°

The majority of Swedish labour law is governed by collective bargaining provisions, with the Swedish government only contributing a small part to the rules and regulations of employment law. Almost 90% of Swedish employees are covered by collective bargaining agreements. A large number of collective agreements are currently being renegotiated.

Probationary Period

- An employer may hire staff on a 6 month trial basis. If the employer does not wish to transfer the employee to an indefinite term contract after the trial period has come to an end, he must inform the employee in writing by no later than the expiration of the trial period.

Minimum Wage

- The law does not set out a statutory minimum wage. The minimum wage that an employee is entitled to receive will often be included within the collective bargaining agreement.

Collective Agreements

- Collective agreements play a highly significant role in Swedish law, with almost 90% of Swedish employees being covered by the terms and conditions of collective bargaining agreements and approximately 70% being members of a trade union.
- As the Swedish government makes a small contribution towards employment rules and regulations, the labour market is mostly self regulated.
- The majority of employees' terms and conditions are contained within collective agreements. The government has little influence in determining the terms of the collective bargaining agreements.

Notice Period

- Depending upon the length of employment, the statutory notice period varies between 1-6 months. Collective agreements may however stipulate that a longer notice period needs to be carried out.

Dismissal

- There are two types of dismissals that can take place in Sweden. These include ordinary dismissal with due notice and summary dismissal without notice.
- The law requires an employer to have an objective ground for the ordinary dismissal of an employee. The objective grounds can either be redundancy or personal reasons (such as misconduct or disloyalty).

- An employer, who wishes to serve notice of termination on an employee for personal reasons, must inform the employee in advance. Where the employee is a member of a trade union, the employer must notify the trade union at the same time that they provide information to the employee.
- The employee and the trade union are entitled to request consultations with the employer. Where a request has been made, the employer is not able to dismiss the employee until the consultation has come to a conclusion.
- All dismissals have to be set out in writing. Where the employee is to be ordinarily dismissed for personal reasons, in order to ensure that the dismissal is valid, the employer should warn the employee that his behaviour is unacceptable, prior to dismissing them.
- A summary dismissal can take place where the employee has grossly neglected his/her obligations towards the employer.

Redundancy

- Redundancy is an objective ground for an employer to dismiss an employee.
- An employee must be offered any vacant position within the company that they have the relevant qualifications to carry out, before being served with a notice of termination. The employer must follow the order of priority as set out by law or the relevant collective bargaining agreement when deciding which employees should be dismissed.
- When 5 or more employees are being made redundant, the employer must notify the state authorities before issuing notices of termination.
- The employer must initiate and conclude consultations with the relevant trade union before terminating employment contracts on the grounds of redundancy.

Compensation Limits

- If a court finds that an employee has been wrongfully dismissed, the employer could be liable to pay punitive damages. The amount of the damages depends on the length of service that the employee has carried out as well as other individual factors which will be taken into account. Damages can equal between 16 to 32 months of the employee's salary.
- Employees who receive a notice of termination are entitled to be paid by the employer for the whole of the notice period.

Family Rights

- Parents are able to take 480 days of paid leave, to be shared between them, up until the child reaches the age of 8. Sixty of those days have to be used by each parent or else they will be forfeited, however single parents are entitled to all of these days.
- On average most parents will receive 80% of their salary during parental leave, which is paid by the State. Although not legally obliged to do so, employers will often pay the remaining amount of money to the employee during parental leave, in order to make up the difference.
- Parents are generally entitled to return to work with the same terms and conditions that they were on prior to taking their parental leave.
- Up until the child reaches 8 years old or commences school (whichever one occurs first), parents are able to reduce their working time by 25%, (although they will not be paid for this reduction).

Sick Pay

- The employee will not receive any payment for the first day that they are absent from work due to sickness. The employee will receive 80% of their daily salary and other employment benefits for the 2nd to 14th day that they are absent from work due to sickness.
- After 14 days of sickness absence, the Swedish Social Insurance Agency, will be responsible for paying the employee sick pay, although in some instances the employer may still be obliged to pay an additional amount.

Holiday Allowance

- Employees are entitled to receive a minimum of 25 days of holidays, which are paid in full. In addition to this employees are also entitled to bank holidays.
- Employees who are not entitled to overtime payment, for example those in managerial positions or employees who are entrusted to organise their own time, will often receive a compensatory allowance of an additional 5 days of holiday.

Working Time

- Weekly working hours are limited to 40 hours. Unless set out differently by a collective bargaining agreement, overtime must not exceed 50 hours per month.

Contract variation

- The employer and employee must agree on any new terms and conditions to be made to the employment contract. An employer cannot unilaterally change the terms of the contract.
- If an agreement cannot be reached between the employer and employee, the employer could change the terms and conditions of employment by serving a notice of termination to the employee, before re-employing the employee with different terms and conditions. To do this however, the notice of termination must be based on objective grounds.

Switzerland°

Employment law in Switzerland is largely governed by statute. Collective Bargaining Agreements (CBAs) are not universally applicable to all industries.

Probationary Period

- The first month of employment is deemed a trial period, which can be extended by written contract to three months. During the trial period, notice of seven days can be given at any time.

Minimum Wage

- There is no statutory minimum wage. However, collective bargaining agreements and mandatory standard employment contracts can include minimum wages for certain categories of employees.

Collective Agreements

- Collective agreements apply to certain sectors only. They can be widely negotiated between trade unions and industry associations, or between trade unions and certain (usually large) companies.
- The Federal Government can enact mandatory standard employment terms for certain industries or certain types of workers.

Notice Period

- Usually notice periods for employment contracts with an unlimited duration are specifically agreed in the contract.
- Notice periods cannot be lower than one month, except if otherwise agreed in a collective bargaining agreement, and even then only for the first year of employment.
- If the employment contract does not address notice periods, the statutory notice periods are: During the first year of employment, one month following the end of the calendar month, between the second and ninth year of employment, two months, after then, three months.

Dismissal

- Dismissals do not need to be reasoned or justified. The employer need only give written confirmation of its decision to dismiss if so requested by the employee.
- Employees are protected against unfair dismissal where the dismissal is deemed to be abusive. Generally a dismissal is only abusive if it is discriminatory or is made to prevent an employee from making a claim under their contract. Abusiveness does not render a dismissal invalid but can result in payment of compensation.
- There is no protection against dismissal where there is a transfer of employees. However, the dismissal must not have the aim of avoiding the automatic transfer of employees to the new employer.

Redundancy

- Regulations governing mass redundancies are triggered if the threshold number of redundancies is passed.
- If an employer intends a mass dismissal it must inform employees (or their representatives) about the measures and engage in a consultation process. During the consultation process, employees are given the opportunity to provide their own counter proposals. After the consultation process has completed, the employer must inform the competent public authority which can intervene and make proposals aimed at protecting employees who become redundant.

Compensation Limits

- If a dismissal is found to be abusive, the tribunal can elect to pay compensation of up to six months' salary.

Family Rights

- Women are not allowed to work (and employers cannot employ women at this time) for a period of eight weeks after they have given birth. They also have a right to a total of 14 weeks of maternity leave after they have given birth.
- If a woman chooses to take her maternity leave, the state pays her 80% of her average last salary during a 98-day time period from the date of birth.
- There are no specific statutory paternity rights.

Sick Pay

- Employees who are ill enjoy statutory protection from dismissal. The extent of this period of protected sick leave depends on the length of service. A notice of termination issued during the protected period is void.
- If a notice of termination was previously issued, but the employee then becomes ill during the termination notice period, that notice period is extended for the duration of the illness (up to a maximum of the relevant statutory protection period that applies).
- The employer must continue to pay the employee's salary and other contractually agreed compensation for a limited time period, provided the employment has had a duration of more than three months or has been entered into for a period of more than three months.
- Courts have interpreted this statutory provision somewhat differently in relation to the limited time period. Generally, the duty to continue salary payments depends on the duration of services the employee has actually rendered:
 - In the first year of employment, salary payments must be made for three weeks.
 - In the second year, between one and two months.
 - In the third year, between eight and nine weeks.
- The duty to continue salary payments continues to increase with years of service, with a maximum limit of between six months to one year.

Holiday Allowance

- The minimum holiday entitlement is four weeks per year. For employees under the age of 20, the minimum is five weeks.

Working Time

- A person is not allowed to work more than 45 to 50 hours per week. Work must be discontinued with a rest break of:
 - 15 minutes for a working time of more than five and a half hours.
 - 30 minutes for a working time of more than seven hours.
 - One hour for a working time of more than nine hours.
- A daily rest time of at least 11 consecutive hours must be granted and one day off every week must be granted, in principle on a Sunday.
- Maximum hours must not exceed two hours per day unless a holiday or a necessity.
- Compensatory rest takes place within 14 weeks unless otherwise agreed between the parties. Overtime that exceeds the daily allowed working hours must be compensated within six weeks.

Contract variation

- The employment contract can stipulate that an employer can unilaterally change the terms and conditions of employment provided that the clause is not abusive. In the absence of such a contractual provision, the employer cannot unilaterally change the terms and conditions of employment.
- The employer can suggest changes in the terms and conditions of employment, and terminating the contract of employment if the employee does not agree. However, this is subject to observing the applicable notice period.



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