

**LATVIA**

| Items   | Regulations in force on 1 January 2019   |
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| <b>1:</b> Notification procedures in the case of individual dismissal of a worker with a regular contract | <p>According to Section 102 of Labour Law when giving a notice of termination of an employment contract, an employer has a duty to notify the employee in writing regarding the circumstances that are the basis for the notice of termination of the employment contract.</p> <p>Paragraph 1 of Section 110 of Labour Law provides that an employer is prohibited from giving a notice of termination of an employment contract to an employee – member of a trade union for more than six months – without prior consent of the relevant trade union. If the employee trade union does not agree with the notice of termination of an employment contract, the employer may bring an action in court for termination of the employment contract (Paragraph 4 of Section 110 of Labour Law).</p> <p>Value (for EPL indicators): average of 4 for union members and 2 for non-union members.</p> <p>As of a certain number of dismissals (see Item 18): see Item 19.</p>   |
| <b>2:</b> Delay involved before notice can start  | <p>1 day for letter in the case of non-union members</p> <p>In the case of union members, the employee trade union has a duty to inform the employer of its decision in good time, but no later than within seven working days from the receipt of a request from the employer. If the employee's trade union does not inform the employer of its decision it shall be deemed that the employee's trade union consents to the employer notice of termination. An employer may give a notice of termination of an employment contract no later than one-month after the date of receipt of the consent of the employee's trade union. If the employee's trade union does not agree with the notice of termination of an employment contract, the employer may, within a one-month period from the date of receipt of the reply, bring an action in court for termination of the employment contract (Paragraph 2-4 of Section 110 of Labour Law).</p> <p>Calculation (for EPL indicators): average of union and non-union members. In the case of non-union members, 1 day for letter plus 7 days for trade-union reply, plus, in the case of trade-union opposition, the time of court proceedings (evaluated at on average at least one month) = <math>1 + [7+(30/2)]/2 = 12</math> days</p> <p>As of a certain number of dismissals (see Item 18): 10 days for consultations plus <math>(30+60)/2</math> days waiting period (see item 20)</p> |
| <b>3:</b> Length of notice period at different tenure durations (a)                                       | <p>According to Section 103 of Labour Law: 1 month except in cases of employee's misconduct or medical unsuitability.</p>  |
| <b>4:</b> Severance pay at different tenure durations (a)   | <p>Section 112 of Labour Law provides the following:</p> <p>If a collective agreement or the employment contract does not specify a larger severance pay, and except in cases of misconduct, an employer has a duty to pay a severance pay to an employee in the following amounts:</p> <ol style="list-style-type: none"> <li>1) one month average earnings if the employee has been employed by the relevant employer for less than five years;</li> <li>2) two months average earnings if the employee has been employed by the relevant employer for five to 10 years;</li> <li>3) three months average earnings if the employee has been employed by the relevant employer for 10 to 20 years; and</li> <li>4) four months average earnings if the employee has been employed by the relevant employer for more than 20 years.</li> </ol>   |

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| <b>5: Definition of unfair dismissal (b)</b>  | <p>In general, workers' lack of adequate competence, certified inability or long-lasting temporary incapacity due to health reasons, redundancy and misconduct are fair dismissal reasons. Apart from the case of misconduct, dismissal is allowed only if the employer cannot employ the employee with his or her consent in other work in the same or another undertaking (Section 101 Paragraph four of Labour Law).</p> <p>In the case of redundancy, it is established in national case law that the court cannot interfere with the freedom of the employer to organize, manage his professional activities - it is out of court's competence to examine the necessity and usefulness of the implementation of relevant measures, since the determination of these matters falls within the competence of the employer (Article 101(4), 104, and 125 of the Labour Law; Judgement of the Department of Civil Cases of the Senate, case No SKC-145/2008, April 16, 2008; Judgement of the Department of Civil Cases, case No SKC-1425/2016 November 30, 2016). In addition, preference to continue employment relations shall be for those employees who have higher performance results and higher qualifications. If performance results and qualifications do not substantially differ, preference to remain in employment shall be based on tenure and social criteria (listed in Section 108 of Labour Law).</p> <p>There is no legal definition of "unfair dismissal" in the Labour Law. Yet, it could be derived from the text that unfair dismissal is the dismissal which has been performed ignoring the rules for dismissal set out in the Labour Law.</p> <p>For example, incorrect length of notice period, failure to inform trade union etc.</p> <p>According to Section 124 Paragraph 1 of Labour law if a notice of termination by an employer has no legal basis or the procedures prescribed for termination of an employment contract have been violated, such notice in accordance with a court judgment shall be declared invalid.</p> |
| <b>6: Length of trial period (c)</b>  | <p>Section 46 Paragraph 2 of Labour Law fixes the maximum duration of probation period – "the term of a probation period may not exceed three months. The said term shall not include a period of temporary incapacity and other periods of time when the employee did not perform work for justified cause." During the probation period, the employer and the employee have the right to give a notice of termination of the employment contract in writing three days prior to termination.</p>  |
| <b>7: Compensation following unfair dismissal (d)</b>   | <p>Section 126 of Labour Law determines the amount of compensation following unfair dismissal:</p> <p>(1) An employee who has been dismissed illegally and reinstated in his or her previous work shall in accordance with a court judgment be paid average earnings for the whole period of forced absence from work. Compensation for the whole period of forced absence from work shall also be paid in cases where a court, although there is a basis for the reinstatement of an employee in his or her previous work, at the request of the employee terminates the employment legal relationships by a court judgment.</p> <p>(2) An employee who has been transferred illegally to other lower paid work and afterwards reinstated in his or her previous work shall in accordance with a court judgment be paid the difference in average earnings for the period when he or she performed work at lower pay.</p>  |
| <b>8: Reinstatement option for the employee following unfair dismissal (b)</b>                      | <p>Section 124 Paragraph 2 sets out that an employee, who has been dismissed from work on the basis of a notice of termination, which has been declared invalid or otherwise violates the rights of the employee to continue employment legal relationships, shall in accordance with a court judgment be reinstated in his or her previous work.</p>   |
| <b>9: Maximum time period after dismissal up to which an unfair dismissal claim can be made (e)</b> | <p>According to Section 122 of Labour Law "An employee may bring an action in court for the invalidation of a notice of termination by an employer within a one-month period from the date of receipt of the notice of termination. In other cases, when the right of an employee to continue the employment legal relationships has been violated, he or she may bring an action in court for reinstatement within a one-month period from the date of dismissal."</p>   |

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| <b>10: Valid cases for use of standard fixed term contracts</b>   | <p>Section 44 of Labour Law:</p> <p>An employment contract may be entered into for a specified period in order to perform specified short-term work, such as:</p> <ol style="list-style-type: none"> <li>1) seasonal work;</li> <li>2) work in activity areas where an employment contract is normally not entered into for an unspecified period, taking into account the nature of the relevant occupation or the temporary nature of the relevant work;</li> <li>3) replacement of an employee who is absent or suspended from work, as well as replacement of an employee whose permanent position has become vacant until the moment a new employee is hired;</li> <li>4) casual work which is normally not performed in the undertaking;</li> <li>5) specified temporary work related to short-term expansion of the scope of work of the undertaking or to an increase in the amount of production;</li> <li>6) emergency work in order to prevent the consequences caused by force majeure, an unexpected event or other exceptional circumstances which adversely affect or may affect the normal course of activities in an undertaking;</li> <li>7) temporary paid work intended for an unemployed person or other work related to his or her participation in active employment measures, or work related to the implementation of active employment measures; and</li> <li>8) work of a student enrolled in a vocational or academic educational institution, if it is related to preparation for activity in a certain occupation or study course.”</li> </ol> <p>The work referred to in clauses 1 and 2 is determined by the government.</p> <p>Other legislative enactments also provide valid cases for use of standard fixed term contracts, for example Commercial Law etc.</p> |
| <b>11: Maximum number of successive standard FTCs (initial contract plus renewals and/or prolongations)</b> | <p>No limit in legislation</p>  |
| <b>12: Maximum cumulated duration of successive standard FTCs</b>   | <p>Section 45 Paragraph 1 of Labour law provides that the term of an employment contract entered into for a specified period may not exceed five years (including extensions of the term) if another term has not been specified in another law. The entering into a new employment contract with the same employer shall also be regarded as extension of the term of the employment contract if during the period from the date of entering into the former employment contract until the entering into a new employment contract the legal relationship has not been interrupted for more than 60 consecutive days.</p>  |
| <b>13: Types of work for which temporary work agency (TWA) employment is legal</b>                          | <p>Generally there are no restrictions.</p>   |
| <b>14: Are there restrictions on the number of renewals and/or prolongations of TWA assignments? (f)</b>    | <p>There are no restrictions in general, neither for assignments nor for contracts between the agency and the worker.</p> <p>If a fixed term contract is concluded - rules of fixed term contracts are applicable.</p>  |
| <b>15: Maximum cumulated duration of TWA assignments (f)</b>  | <p>No restrictions concerning assignments.</p> <p>If a fixed term contract is concluded - rules of fixed term contracts are applicable.</p>   |
| <b>16: Does the set-up of a TWA require authorisation or reporting obligations?</b>                         | <p>Section 6 Paragraph 2 Clause 13 of the Law for the “Support for unemployed persons and persons seeking employment” sets out the duty of the State Employment Agency to license and supervise merchants who provide work placement services (except manning of a ship).</p> <p>Cabinet Regulations No. 458 (03.07.2007) “Procedures for licensing and supervision of merchants - providers of work placement services” sets out the procedure of licensing and supervision of temporary work agencies.</p> <p>Clause 24.10 of the aforementioned regulations provide that A licence recipient shall submit to the State Employment Agency a report regarding the provision of work placement services of the previous semester by the twenty-fifth day of the first month of the following semester.</p>  |

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| <p><b>17:</b> Do regulations ensure equal treatment of regular workers and agency workers at the user firm?</p> | <p>Section 7 Paragraphs 4 and 5 of Labour law ensures the equal treatment of regular workers and agency workers providing that:</p> <p>It is the duty of the work placement service as the employer to ensure the same working conditions and apply the same employment regulations to an employee who has been appointed for a specified time to perform work in the undertaking of the recipient of the work placement service as would be ensured and applied to an employee if the employment legal relationships between the employee and the recipient of the work placement service had been established directly and the employee was to perform the same work.</p> <p>The working conditions and employment regulations referred to above shall apply to work and recreation time, work remuneration, to pregnant women, women during the period following childbirth up to one year, women who are breastfeeding, to the protection assigned to children and adolescents, as well as to the principle of equality and the prohibition of differential treatment. Section 96 Paragraph 2 provides that an employee posted by a work placement service provider has the right to use the facilities, common premises or other opportunities of the undertaking of the recipient of the work placement services, as well as transport services with the same conditions as the employees with which the work placement service provider has established an employment legal relationships directly, except where differential treatment may be justified by objective reasons.</p>   |
| <p><b>18:</b> Definition of collective dismissal (b)</p>  | <p>According to Section 105 of Labour Law, "Collective redundancy is a reduction in the number of employees where the number of employees to be made redundant within a 30-day period is:</p> <ol style="list-style-type: none"> <li>1) at least five employees if the employer normally employs more than 20 but less than 50 employees in the undertaking;</li> <li>2) at least 10 employees if the employer normally employs more than 50 but less than 100 employees in the undertaking;</li> <li>3) at least 10 per cent of the number of employees if the employer normally employs at least 100 but less than 300 employees in the undertaking; or</li> <li>4) at least 30 employees if the employer normally employs 300 and more employees in the undertaking.</li> </ol> <p>In calculating the number of employees to be made redundant, such employment legal relation termination cases shall also be taken into account as which the employer has not given notice of termination of the employment contract, but the employment legal relations have been terminated on other grounds, which are not related with the conduct or abilities of the employee and which have been facilitated by the employer.</p> <p>The provisions of this Law regarding collective redundancy shall not apply to employees employed in State administrative institutions."</p>  |
| <p><b>19:</b> Additional notification requirements in cases of collective dismissal (g)</p>                     | <p>Section 106 of Labour law stipulates that the employer, prior to collective dismissal, undertake notifications and consultations. Paragraph 1 provides that an employer who intends to carry out collective redundancies shall in good time commence consultations with employee representatives in order to agree on the number of employees affected by the collective redundancy, the process of the collective redundancy and the social guarantees for the employees to be made redundant. During consultations the employer and the employee representatives shall examine all the possibilities of avoiding the collective redundancy or of reducing the number of employees to be made redundant and how to alleviate the effects of such redundancy by taking social measures that create the possibility to further employ or retrain the employees made redundant. Paragraph 4 provides that an employer who intends to carry out collective redundancy shall, no later than 30 days in advance, notify in writing thereof the State Employment Agency and the local government in the territory of which the undertaking is located. The notification shall include the given name, surname (name) of the employer, location and type of activity of the undertaking, reasons for the intended collective redundancy, number of employees to be made redundant stating the occupation and qualifications of each employee, number of employees normally employed by the undertaking and the time period within which it is intended to carry out the collective redundancy, as well as provide information regarding the consultations with employee representatives referred to in this Section. The employer shall send a duplicate of the notification to the employee representatives. The State Employment Agency and the local government may also request other information from the employer pertaining to the intended collective redundancy.</p> |

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| <p><b>20:</b> Additional delays involved in cases of collective dismissal (h)</p>                       | <p>Section 107 of Labour Law provides that:</p> <p>(1) An employer may commence the collective redundancy no earlier than 30 days after the submission of a notification to the State Employment Agency, unless the employer and the employee representatives have agreed on a later date for commencing the collective redundancy.</p> <p>(2) In exceptional cases the State Employment Agency may extend the time limit referred to in Paragraph 1 of this Section to 60 days. The State Employment Agency shall notify in writing the employer and employee representatives regarding the extension of the time period and the reasons for it two weeks before the expiration of the time period referred to in Paragraph 1.</p> <p>Calculation (for EPL indicators): ten days for consultations plus (30+60)/2 days waiting period minus 12 days for notification letter.</p>   |
| <p><b>21:</b> Other special costs to employers in case of collective dismissals (i)</p>                 | <p>Section 106 Paragraph one of Labour law states that an employer who intends to carry out collective redundancy shall in good time commence consultations with employee representatives in order to agree on the number of employees subject to the collective redundancy, the process of the collective redundancy and the social guarantees for the employees to be made redundant. During consultations the employer and the employee representatives shall examine all the possibilities of avoiding the collective redundancy or of reducing the number of employees to be made redundant and how to alleviate the effects of such redundancy by taking social measures that create the possibility to further employ or retrain the employees made redundant.</p> <p>Section 108 of Labour Law establishes the system of preferences for continuing employment relations which the employer is bound to follow.</p> |
| <p><b>22:</b> The worker alone has the burden of proof when filing a complaint for unfair dismissal</p> | <p>No</p>   |
| <p><b>23:</b> Ex-ante validation of the dismissal limiting the scope of unfair dismissal complaints</p> | <p>No</p>   |
| <p><b>24:</b> Pre-termination resolution mechanisms granting unemployment benefits</p>                  | <p>Unemployment benefits shall be granted to a person who has become an unemployed person after the termination of work or service on the basis of his or her notice or due to an infringement, but not earlier than two months after the day when the status of an unemployed person was obtained (Section 13 paragraph one Clause 2 of Law On Unemployment Insurance).</p>  |

Legend: d: days; w: weeks; m: months; y: years. For example "1m < 3y" means "1 month of notice (or severance) pay is required when length of service is below 3 years".

Notes:

- a) Three tenure durations (9 months, 4 years, 20 years). Case of a regular employee with tenure beyond any trial period, dismissed on personal grounds or economic redundancy, but without fault (where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment). Averages are taken where different situations apply – e.g. blue collar and white collar; dismissals for personal reasons and for redundancy.
- b) Based also on case law, if court practice tends to be more (or less) restrictive than what specified in legislation.
- c) Initial period within which regular contracts are not fully covered by employment protection provisions and unfair dismissal claims cannot usually be made.
- d) Typical compensation at 20 years of tenure, including back pay and other compensation (e.g. for future lost earnings in lieu of reinstatement or psychological injury), but excluding ordinary severance pay and pay in lieu of notice. Where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment and that a court case takes 6 months on average. Description based also on case law.
- e) Maximum time period after dismissal up to which an unfair dismissal claim can be made.
- f) Description based on both regulations on number and duration of the contract(s) between the temporary work agency and the employee and regulations on the number and duration of the assignment(s) with the same user firm.
- g) Notification requirements to works councils (or employee representatives), and to government authorities such as public employment offices. Only requirements on top of those requirements applying to individual redundancy dismissal count for Versions 1 to 3 of the OECD EPL indicators (cf. Item 1).
- h) Additional delays and notice periods in the case of collective dismissal (only delays on top of those required for individual dismissals – as reported in Items 2 and 3 – count for the OECD EPL indicators).
- i) This refers to whether there are additional severance pay requirements and whether social compensation plans (detailing measures of reemployment, retraining, outplacement, etc.) are obligatory or common practice.