

LITHUANIA

Items	Regulations in force on 1 January 2015
1: Notification procedures in the case of individual dismissal of a worker with a regular contract	<p>Article 129 of Labour Code provides that an employer may terminate an indefinite-term employment contract with an employee only for valid reasons by giving him notice thereof in accordance with the procedure established in Article 130 of this Code. The dismissal of an employee from work without any fault on the part of the employee concerned shall be allowed if the employee cannot, with his consent, be transferred to another work. Only the circumstances, which are related to the qualification, professional skills or conduct of an employee, shall be recognised as valid. An employment contract may also be terminated on economic, technological grounds or due to the restructuring of the workplace, as well as for other similar valid reasons also in the cases that are outlined by this Code and other laws.</p> <p>According to Article 130 of Labour Law: Notice of the Termination of an Employment Contract</p> <p>1. An employer shall be entitled to terminate an employment contract by giving written notice to the employee against signature.</p>
2: Delay involved before notice can start	<p>Article 130 of Labour Code, paragraph 4 states the period of notice shall be extended to cover the period of the employee's sickness or leave or for the period from the institution of proceedings until the coming into effect of the court decision when the refusal to give a preliminary agreement to dismiss the employee from work is contested in accordance with the procedure established by law, in cases where the agreement is prescribed by the law (e.g. employees' representatives) .</p>
3: Length of notice period at different tenure durations (a)	<p>Article 129 of Labour Code, part 4 indicates that "An employment contract with employees, who will be entitled to the full old age pension in not more than five years, persons under 18 years of age, disabled persons and employees raising children under 14 years of age may be terminated only in extraordinary cases where the retention of an employee would substantially violate the interests of the employer."</p> <p>Article 130 of Labour Code part 1 claims that "An employer shall be entitled to terminate an employment contract by giving the employer written notice two months in advance. Employees referred to in Article 129 (4) of this Code must be given notice of dismissal from work at least four months in advance."</p> <p>9 months' tenure: 2 months 4 years' tenure: 2 months 20 years' tenure: 2 months</p>
4: Severance pay at different tenure durations (a)	<p>Article 140 of Labour Code:</p> <p>1. Upon the termination of the employment contract under Article 129 and paragraph 1(6) of Article 136 of this Code, the dismissed employee shall be paid a severance pay in the amount of his average monthly wage taking into account the continuous length of service of the employee concerned at that workplace:</p> <ol style="list-style-type: none"> 1) under 12 months – one monthly average wage; 2) 12 to 36 months – two monthly average wages; 3) 36 to 60 months – three monthly average wages; 4) 60 to 120 months – four monthly average wages; 5) 120 to 240 months – five monthly average wages; 6) over 240 months – six monthly average monthly wages.

<p>5: Definition of unfair dismissal (b)</p>	<p>According to Article 129 (2) of the Labour Code only the circumstances, which are related to the qualification, professional skills or conduct of an employee, shall be recognized as valid. An employment contract may also be terminated on economic, technological grounds or due to the restructuring of the workplace, as well as for other similar valid reasons. The dismissal of an employee from work without any fault on the part of the employee concerned shall be allowed if the employee cannot, with his consent, be transferred to another work (art. 129(1) Labour Code).</p> <p>Para.3 of this Article states that a legitimate reason to terminate employment relationships <u>shall not be</u>:</p> <ol style="list-style-type: none"> 1) membership in a trade union or involvement in the activities of a trade union beyond the working time or, with the consent of the employer, also during working time; 2) performance of the functions of an employees' representative at present or in the past; 3) participation in the proceedings against the employer charged with violations of laws, other regulatory acts or the collective agreement, as well as application to administrative bodies; 4) gender, sexual orientation, race, nationality, language, origin, citizenship and social status, belief, marital and family status, convictions or views, membership in political parties and public organisations; 5) age; 6) absence from work when an employee is performing military or other duties and obligations of the citizen of the Republic of Lithuania in the cases established by laws. <p>An employment contract with employees who will be entitled to the full old-age pension in not more than five years, persons under eighteen years of age, disabled persons and employees raising children under fourteen years of age may be terminated only in exclusive cases where the retention of an employee would substantially violate the interests of the employer (Art. 129(4), Labour Code). Employment contracts with employees raising a child (children) under three years of age may not be terminated without any fault on the part of the employee concerned (art. 131 Labour Code). In the case of redundancy, there are social criteria for priority that are defined in the Labour Code (Art. 135).</p>
<p>6: Length of trial period (c)</p>	<p>Article 106 paragraph one of Labour Code fixes the maximum term of probation period: "A trial period shall not be longer than three months".</p>
<p>7: Compensation following unfair dismissal (d)</p>	<p>Article 300 of Labour Code states that:</p> <p>If an employee was dismissed without legal basis or breaking the law, the court reinstate the employee to the previous job position and the employer must pay wage arrears for the involuntary idle time.</p> <p>Where the court establishes that the employee may not be reinstated in his previous job due to economic, technological, organisational or similar reasons, or because he may be put in unfavourable conditions for work, it shall take a decision to recognise the termination of the employment contract as unlawful and award him a severance pay in the amount specified in paragraph 1 of Article 140 of this Code as well as the average wage for the period of involuntary idle time from the day of dismissal from work until the effective date of the court decision. In this case the employment contract shall be considered terminated from the effective date of the court decision.</p>
<p>8: Reinstatement option for the employee following unfair dismissal (b)</p>	<p>Article 300 of Labour Code states that:</p> <p>If an employee was dismissed without legal basis or breaking the law, the court return the employee to the previous job position and the employer must pay the average salary for all the delayed time.</p> <p>Where the court establishes that the employee may not be reinstated in his previous job due to economic, technological, organisational or similar reasons, or because he may be put in unfavourable conditions for work, it shall take a decision to recognise the termination of the employment contract as unlawful and award him a severance pay in the amount specified in paragraph 1 of Article 140 of this Code as well as the average wage for the period of involuntary idle time from the day of dismissal from work until the effective date of the court decision. In this case the employment contract shall be considered terminated from the effective date of the court decision.</p> <p>Calculation: Value 2.5 in the case of personal reason (reinstatement not granted only in the case of a risk of unfavourable position for the worker) and 1.5 in the case of economic reasons. Average: 2</p>

<p>9: Maximum time period after dismissal up to which an unfair dismissal claim can be made (e)</p>	<p>According to the article 300 of Labour Code: "1. If an employee does not agree with an employer-initiated dismissal, in one month period from the date of receipt of the notice of termination an employee may bring an action in court for the invalidation of the document."</p> <p>Calculation: before dismissal takes effect, given the notice periods reported in Item 3</p>
<p>10: Valid cases for use of standard fixed term contracts</p>	<p>SECTION 12, ARTICLE 109 OF THE LABOUR CODE</p> <p>1. A fixed-term employment contract may be concluded for a certain period of time or for the period of the performance of certain work, but not exceeding five years.</p> <p>2. It shall be prohibited to conclude a fixed-term employment contract if work is of a permanent nature, except for the cases when this is provided by laws or collective agreements or when the employee is in a newly established workplace, or</p> <p>3. A fixed-term employment contract with employees, who are elected to their posts, shall be concluded for the term they are elected for, while a fixed-term employment contract with employees, who are appointed to their posts in accordance with laws or regulations of an enterprise, establishment or organisation, shall be concluded for the term of office of these elective bodies.</p> <p>Fixed-term contracts for newly established positions in new workplaces may no longer be in operation after 31 July 2015. Working relationships of that type that continue after this date become open-ended employment contracts.</p>
<p>11: Maximum number of successive standard FTCs (initial contract plus renewals and/or prolongations)</p>	<p>Article 109 of the Labour Code:</p> <p>1. If the term of an employment contract has expired, whereas employment relationships are actually continued and neither of the parties has, prior to the expiry of the term, requested to terminate the contract, it shall be considered extended for an indefinite period of time.</p> <p>3. If an employment contract, upon the expiry of its term, is not extended or is terminated, but within one month from the day of its termination another fixed-term employment contract is concluded with the dismissed employee for the same work, then, at the request of the employee, such a contract shall be recognised as concluded for an indefinite period of time, except for specific cases.."</p>
<p>12: Maximum cumulated duration of successive standard FTCs</p>	<p>Article 109. Fixed-term Employment Contract</p> <p>„A fixed-term employment contract may be concluded for a certain period of time or for the period of the performance of certain work, but not exceeding five years.“</p> <p>Fixed-term contracts for newly established positions may no longer be in operation after 31 July 2015. Working relationships under a fixed-term contract that continue after this date become open-ended employment contracts.</p> <p>Calculation: average of contract for new firms (8 months since 1/1/2015) and general case (60 months)= 34 months</p>
<p>13: Types of work for which temporary work agency (TWA) employment is legal</p>	<p>According to Article 3 (1) of the Law on Temporary Agency Work, temporary work contracts could be indefinite-term and fixed-term. There are no explicit limitations on assignments, if contracts are of indefinite duration. Otherwise the conditions specified in the Art. 109 of the Labour Code apply.</p> <p>Moreover, para. 2 of Article 8 of the Law on Temporary Agency Work provides that the use of TWA employment is forbidden:</p> <ol style="list-style-type: none"> 1) to assign the temporary worker the activities of the workers that are on strike. 2) to make a new agreement which claims to change the previous working relationships with the user firm. 3) to discriminate the temporary workers against the workers that do the same job as the temporary workers (to make worse working conditions for the temporary workers) 4) to limit the vocational training and improvement of qualifications for the temporary employees; 5) to limit permanent job possibilities for temporary employees.
<p>14: Are there restrictions on the number of renewals and/or prolongations of TWA assignments? (f)</p>	<p>According to Article 3 (1) of the Law on Temporary Agency Work, temporary work contracts could be indefinite-term and fixed-term. If the contract is fixed-term, the provision concerning the maximum duration of five years shall be applied. The same applies to assignments</p>
<p>15: Maximum cumulated duration of TWA assignments (f)</p>	<p>For fixed-term temporary work contract it will be five year. No limit if the contract is open-ended.</p>
<p>16: Does the set-up of a TWA require authorisation or reporting obligations?</p>	<p>Authorisation and reporting obligations (Article 11 of the Law on Temporary Agency Work)</p>
<p>17: Do regulations ensure equal treatment of regular workers and agency workers at the user firm?</p>	<p>Same wage and working conditions (Art. 8, Law on Temporary Agency Work)</p>

18: Definition of collective dismissal (b)	<p>According to Article 130-1 of Labour code, collective dismissal of employees is a termination of working agreement when within 30 calendar days due to the economic or technological, shake-up of the institution other reasons that are not related to the employee:</p> <ol style="list-style-type: none"> 1) ten and more employees where an enterprise employs up to 99 employees; 2) over ten percent of employees where an enterprise employs 100 to 299 employees; 3) 30 and more employees where an enterprise employs 300 and more employees. <p>Cases when a group of employees working under fixed-term employment contracts and seasonal employment contracts are dismissed without violating the term set in those contracts shall not be treated as collective dismissal.</p>
19: Additional notification requirements in cases of collective dismissal (g)	<p>According to Article 130-1 of Labour code:</p> <p>An employer must notify a local labour exchange office in writing of any projected redundancies in accordance with the procedure established by the Government, after consultations with employees' representatives and no later than prior to giving notification of the termination of the employment contract to concerned workers.</p> <p>An employment contract may not be terminated in breach of the obligation to notify a local labour exchange office of any projected redundancies or the obligation to hold consultations with employees' representatives.</p>
20: Additional delays involved in cases of collective dismissal (h)	<p>Consultations with employees' representatives must be held before informing the local exchange office and serving notice to the concerned employees.</p>
21: Other special costs to employers in case of collective dismissals (i)	<p>No additional requirements</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 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.