

# **Decision amending the RS Labour Law, reducing compensation payments to employees on “waiting lists”**

**In the exercise** of the powers vested in me by Article V of Annex 10 (Agreement on Civilian Implementation of the Peace Settlement) to the General Framework Agreement for Peace in Bosnia and Herzegovina, according to which the High Representative is the final authority in theatre regarding interpretation of the said Agreement on the Civilian Implementation of the Peace Settlement; and considering in particular Article II.1.(d) of the last said Agreement, according to the terms of which the High Representative shall “Facilitate, as the High Representative judges necessary, the resolution of any difficulties arising in connection with civilian implementation”;

**Recalling** paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn on 9 and 10 December 1997, in which the Peace Implementation Council welcomed the High Representative’s intention to use his final authority in theatre regarding interpretation of the Agreement on the Civilian Implementation of the Peace Settlement in order to facilitate the resolution of any difficulties as aforesaid “by making binding decisions, as he judges necessary” on certain issues including (under sub-paragraph (c) thereof) “measures to ensure implementation of the Peace Agreement throughout Bosnia and Herzegovina and its Entities”;

**Bearing in mind** that the Peace Implementation Council at its meeting in Brussels on 23-24 May 2000 urged the authorities to proceed with broad-based reform of the labour legislation and the social security system, and further urged the High Representative to use his authority in accordance with his mandate to remove obstacles that stand in the way of economic reform and to create the conditions for self-sustaining market-driven economic growth in order to avoid an economic crisis as Bosnia and Herzegovina makes the transition from a donor dependent economy;

**Considering** Article 68 item 12 of the Constitution of the Republika Srpska, which grants the Republika Srpska the competence to regulate working relations;

**Noting** that the Government of the Republika Srpska proposed to the National Assembly of the Republika Srpska in regard to the right of employees to severance payments that the amount of severance payments should be those in fact provided for in the Decision which follows;

**Noting however** that the Law adopted by the said Assembly provided for severance payments on a quite different basis;

**Bearing in mind** that the liability to make severance payments as provided for by the said Assembly would have caused considerable financial difficulties to a large number of enterprises, thereby impeding the privatisation process and jeopardising current employment and the viability of enterprises all over the Republika Srpska.

All this considered, borne in mind and noted, I hereby issue the following:

## **DECISION**

On Amending the Labour Law of the Republika Srpska

The Labour Law of the Republika Srpska, which was passed by the National Assembly of the Republika Srpska on 24 October 2000 and awaits publication in the Official Gazette of the Republika Srpska shall, upon publication of the same in the said Official Gazette, be hereby amended with immediate effect on an interim basis from the date of such publication (until such time as the National Assembly of the Republika Srpska adopts this amending Law in due form, without amendments and with no conditions attached) as follows:

### **Article 1**

1. In the Labour Law, Article 151 shall be deleted and replaced by the following:

Provisions of article 127 of this law on the right of employees to severance payment shall apply also to the employees who happen to be on a waiting list on the day that this law enters into force, in which status they have been in accordance with article 64 of the Law on Employment ("Official Gazette of the Republika Srpska" Nos 25/93, 14/94, 15/96, 21/96, 3/97 and 10/98), unless their employer invites them to work within three months after this law enters into force.

The severance pay mentioned under paragraph 1 of this Article may amount to no more than four times the average monthly salary paid in the Republika Srpska over the three months preceding the month when the employment contract is terminated.

The employment contract of the employees referred to in paragraph 1 of this article is considered terminated as of the expiry of three months from this law entering into force.

## **Article 2**

1. This Decision shall be published without delay in the Official Gazette of the Republika Srpska.

Sarajevo, 12 November 2000

Wolfgang Petritsch  
High Representative

## **Office of the High Representative**