

Labor Code of Georgia

Part I. General Provisions

Chapter I. Preamble

Article 1. Law Applicability

1. The present Code regulates employment and employment-associated relations throughout the territory of Georgia, unless they are otherwise regulated by other special law or by the international treaties of Georgia.
2. Issues related with the employment relations, not regulated by the present Code or other special law, are regulated by the norms of the Civil Procedure Code of Georgia.

Article 2. Employment Relations

1. Employment relation means performance of paid labor by the employee to the employer in terms of organized labor arrangement.
2. Employment relations are established on the basis of the agreement reached between the parties as a result of voluntary expression of goodwill and equitability.
3. Any type of discrimination due to race, color, ethnic and social category, nationality, origin, property and position, residence, age, gender, sexual orientation, limited capability, membership of religious or any other union, family conditions, political or other opinions are prohibited in employment relations;
4. Direct or indirect oppression of a person, aimed at or causing creation of harassing, hostile, humiliating, dignity harming or insulting environment, or creation of such conditions which directly or indirectly impair his/her state compared with other persons being in the analogous conditions shall be construed as discrimination;
5. The necessity of making distinction between the people judging from the essence, specifications of the employment or the conditions of its performance, which serves to achievement of legitimate goal and is the reasonable and necessary way of its achievement shall not be deemed as discrimination;
6. In the course of employment relations the parties should adhere to basic humans rights and freedoms as defined by Georgian legislation;

Article 3. Entities of Employment Relations

1. Entities of employment relations may be: the employer, the employee and the union of employees (trades union);
2. Employer is a physical or legal entity, or the union of persons, for whom the labor is performed on the basis of the employment agreement;
3. Employee is a physical entity, who performs certain labor for the employer on the basis of the employment agreement;
4. Entities of collective employment relations are: union of employees (trades union) and the employer.

Part II. Individual Employment Relations

Chapter II. Origin of Employment Relations

Article 4. Minimal age for employment eligibility and origin of employment capability

1. Employment capability of a physical person is constituted from 16 years.

2. Employment capability of a person under 16 years is effective under the consent of the authorized representative or the agency assuming guardianship provided that the employment relations do not contradict the interests of the under age person, do not impair his/her moral, physical and mental development and do not preclude the right and ability to get elementary and base education. The consent of the authorized representative or the agency assuming guardianship remains in force towards further employment relations of the similar nature;
3. Employment agreement of persons under 14 years can be concluded only in the sphere of sports, arts and culture, also for performance of advertisement services;
4. Employment agreement shall not be concluded with the under age person, for performance of labor associated with gambling, night entertainment establishments, production, transit and sale of erotic and pornographic products, pharmacy and toxic substances.
5. Employment agreement shall not be concluded with the under aged person, also pregnant or breast-feeding females to perform hard, hazardous and dangerous labor.

Article 5. Pre-Contractual Relations and Exchange of Information Prior to Execution of the Agreement

1. Employer is authorized to obtain information about the candidate which is needed for making decision on hiring such person;
2. The candidate must notify the employer on any circumstances, which may preclude him/her from performance of labor or jeopardize the interests of the employer or a third person;
3. The employer is authorized to check the validity of the information produced by the candidate;
4. The information obtained by the employer about the candidate and the information provided by the candidate must not be available to other persons without consent of the candidate, unless otherwise envisaged by the legislation;
5. The candidate is entitled to request documents submitted by him/her if the employer has not concluded a labor agreement;
6. The candidate is entitled to obtain exhaustive information on job-related assignments, employment conditions, his/her legal standing in terms of employment relations and labor compensation;
7. Pre-contractual relation with the candidate shall be deemed completed when the parties enter into the agreement or upon delivery of the rejection notice to the candidate;
8. The employer is not required to prove his/her decision on refusal of employment;

Article 6. Execution of the Employment Agreement

1. The employment agreement is executed in writing or verbally, for definite, indefinite term or for the period of employment duration;
2. Written employment agreement is executed in a language understandable to the parties. Written employment agreement may be executed in several languages. If written employment agreement is executed in several languages, it should contain the acknowledgement of the prevailing language in case of divergence between the provisions of the agreement;
3. Application of a person and the document issued by the employer on its basis, which certifies the intention of the employer to hire a person, has the same power as execution of the employment agreement;

4. The employer must issue a certificate of employment upon request of the employee which includes data on performed labor, labor compensation, duration of the employment agreement;
5. Employment agreement may state that the operations manual represents the part of the agreement. In such case the employer must introduce the operations manual to the employee if such exists prior to execution of the employment agreement, and any further amendments thereon;
6. If several employment agreements are concluded with the employee which merely complement and do not fully substitute each other, all such agreements remain in force and are construed as a singular employment agreement;
7. Prior employment agreement remains in force to the extent its provisions are not amended by the subsequent agreement;
8. In case of presence of several employment agreements with the employee under the same terms, the latest agreement shall prevail.

Article 7. Origin of Employment Relations

Employment relations arise as of the moment the employee commences performance of the labor, unless otherwise determined by the employment agreement;

Article 8. Limitation of Part-time Employment Agreements

1. Part time employment agreement can be concluded with a person, who can perform other paid labor for the spare time after the primary occupation.
2. Right of the employee to accept other labor may be limited by the employment agreement, if such performance might hinder performance of obligations associated with his/her primary occupation and/or if a person for whom such part-time labor has to be performed, is a competitor to the primary employer;

Article 9. Probation Period

1. For the purpose to identify expediency of the candidate with the employment, upon agreement of the parties, employment agreement for the probation period can be concluded with the candidate only once, for no longer than six months. Employment agreement for the probation period may be made only in writing, in other cases such agreement shall be deemed as the employment agreement;
2. Employer is authorized to conclude an employment agreement with the candidate at any time during the probation period or terminate an employment agreement for the probation period;
3. In case of termination of the employment agreement for the probation period, norm addressed in part 3, Article 38 of the present Code does not apply, unless otherwise addressed by the employment agreement for the probation period. In case of termination of the employment agreement of the probation period, labor of the employee shall be compensated commensurate with the actually worked hours;

Chapter III. Performance

Article 10. Commitment on Personal Performance of Labor

Employee must personally perform his/her assignments. The parties may agree to engage the third person for certain period of time to perform certain service.

Article 11. The right of the employer to give instructions, insubstantial amendments of the employment agreement and the amendments

1. The employer is entitled to give instruction to the employee to specify particular conditions of the performance of labor under the employment agreement, which do not have substantial effect on the agreement terms;
2. Amendments of the labor conditions are possible only upon agreement of the parties;
3. Unless otherwise envisaged by the employment agreement, insubstantial amendments of the employment agreement shall be considered as follows:
 - a. change of the referred job location of the employee by the employer, if it takes an employee not more than three hours per day to get to the new work place from his/her residence and back, and at the same time does not incur unreasonable costs;
 - b. change of the check in and out times of the employment for not more than 90 minutes;
 - c. amendment, which is conditioned by amendments to the legislation and makes exact performance of the agreement impossible, without changing its essence;
4. Change of two conditions at the same time as envisaged in part 3 of the present Article is construed as modification of the employment agreement terms;

Article 12. Business Trip

1. Business trip is a temporary change of the business location of the employee by the employer, deriving from the interests of the job;
2. Sending an employee to the business trip by the employer is not considered as change of the employment conditions if the business trip period does not exceed 45 calendar days per annum;
3. The case when the employer exceeds the term addressed in clause 2 of the present Article shall be deemed as modification of the employment agreement terms;
4. The employer must fully compensate the expenses of the employee associated with the business trip;
5. Norms envisaged by the present Article shall be applied unless otherwise addressed by the employment agreement;

Article 13. Operations Manual

1. The employer is authorized to introduce operations manual;
2. Operations manual represents a written document, which may define:
 - a. duration of the business week, daily business check in and out hours, when working in shifts – duration of each shift;
 - b. length of the leave;
 - c. time and place of labor compensation;
 - d. length and rule of authorizing a paid leave;
 - e. unpaid leave and the rule of its authorization;
 - f. rules on observance of employment conditions;
 - g. type of incentives and accountabilities and the rule on application;
 - h. rule on reviewing applications/claims.
3. Taking into account the specific nature of the employment, the employer may incorporate special regulations in the operations manual.

Chapter IV. Performance, Break and Leave Times

Article 14. Duration of the Business Day

1. Unless otherwise addressed by the employment agreement, duration of the business day determined by the employer during which the employee performs assignments should not exceed forty one hours a week. Break and leave is not included in the work time.
2. Duration of leave between work days (shifts) should not be less than 12 hours.

Article 15. Fixed Work Hours for Shifts

Working in shifts or rotation from one shift into other is determined by the rotation schedule, which is approved by the employer taking into consideration the specific nature of the employment. Employee should be notified on changes in the rotation schedule in ten days advance, if it is not impossible due to extreme industrial necessity;

Article 16. Rule on Calculation of the Totally Worked Hours

Taking into account the conditions of the employment, when it is impossible to observe daily or weekly work time schedule, it is allowed to introduce the rule on calculation of totally worked hours;

Article 17. Overtime Labor

1. The employee must perform overtime labor:
 - a. to avoid natural disasters an or for liquidation of its results – without compensation;
 - b. to prevent industrial accident and/or liquidate its results – with relevant remuneration.
2. It is prohibited to employ the pregnant or a female who recently gave birth, person with limited capabilities for overtime work without consent of such person;
3. Performance of the employee for the time duration of which exceeds the work hours addressed in the employment agreement is deemed as overtime work; If the employment agreement does not specify the business work hours, performance exceeding forty one hours a week or the work time not exceeding forty one hours specified by the employer consistent with clause 1 of Article 14 of the present code shall be considered as overtime work;
4. Terms of the overtime labor are defined upon consent of the parties.

Article 18. Limitation of the Night hour work

Employment of an under aged person, pregnant or newly baby-born or breast-feeding female in evening hours (from 22:00 p.m. till 6:00 a.m.) and employment of a person taking care of a child under three years or with limited capabilities without his/her consent is prohibited;

Article 19. Additional break for breast feeding females

1. Employee being a breast feeding female feeding an infant under twelve months, based on her request shall be given additional break hours not less than one hour per day;
2. break taken for feeding an infant is included in the regular work hours and is not compensated.

Article 20. Holydays

1. Holidays include:
 - a. January 1, 2 – new year celebration;
 - b. January 7 – Christmas;
 - c. January 19 - Epiphany;
 - d. March 3 – mother’s day
 - e. April 9 – the day of adoption of the act on restoration of the state independence of Georgia, memorial day of the deceased for the homeland, national integrity and civil concord;
 - f. Easter days – red Friday, great Saturday, Easter; memorial day of the deceased – first Monday after the Easter (dates are transitional);
 - g. May 9 – the victory day over fascism;
 - h. May 12 – Saint Andrea the First memorial day;
 - i. May 26 – independence day of Georgia;
 - j. August 28 – St. Mary’s day;
 - k. October 14 – Mtskhetoba (Svetitskovloba, the holyday of life-giving pillar);
 - l. November 23 – St. George’s day;
2. Employee is entitled to request other holydays instead of those provided by the present Code what should be defined by the employment agreement;
3. Performance of the employee during the days addressed in clause 1 of this Article shall be deemed as overtime labor and its terms shall be agreed by the parties.

Chapter V. Leave

Article 21. Length of the Leave

1. Employee is authorized to take paid leave – not less than 24 business days per annum;
2. Employee is entitled to take unpaid leave – not less than 15 calendar days per annum;
3. Employment agreement may define terms and conditions different from those addressed in the present Article, which should not affect the conditions of employee.

Article 22. Vacation Notice

1. Employee is entitled to request leave after eleven months of occupation; Upon agreement of the parties, the employee may take a leave prior to expiration of the set date;
2. After the second year of employment, upon agreement of the parties, the employee may take a leave at any time of the year;
3. Upon agreement of the parties, leave can be taken in portions;
4. Period of temporary incapability, leave for pregnancy, childbirth and child care, leave for the purpose of newborn adoption and additional leave for childcare are not included in the vacation;
5. Unless otherwise envisaged by the employment agreement, employer is entitled to determine the sequence of paid leaves for the employees during year.

Article 23. Obligation to Notify the Employer on Unpaid Leave

By the time of taking unpaid leave employee must in two weeks advance notify employer on such, except for the case when notification is not possible due to urgent health or family conditions.

Article 24. Origin of the Right to Request Leave

1. Term for calculating the origin of the right of requesting a leave includes work hours actually worked by the employee, also period of **coercive suspension** caused for the reason of the employer;
2. Term for calculating the origin of the right of requesting a leave does not include the period of absence of the employee for inexcusable reasons or the period of unpaid leave for more than seven business days;

Article 25. Exceptional Occasions of Rescheduling Paid Leave

1. If giving paid leave to the employee during the current year may negatively affect the normal development of activities, upon consent of the employee, it is allowed to defer leave for the next year. Delay of a paid leave of an underage person for the following year is prohibited.
2. Delay of the paid leave for two years in succession is prohibited.

Article 26. Leave Reimbursement

Leave reimbursement for the employee is calculated based on the average compensation of three months prior to leave. If the time between the date of commencement of employment of the employee and the last leave taken is less than three months – based on average compensation of the worked months, in case of monthly fixed rate of compensation – according to the compensation of the last month.

Chapter VI. Leave for the Reason of Pregnancy, Childbirth and Childcare, Leave for adoption of the newborn and additional leave for childcare

Article 27. Leave for the reason of pregnancy, childbirth and childcare

1. Employee is entitled to request a leave for the reason of pregnancy, childbirth and childcare in the range of four hundred and seventy seven calendar days;
2. One hundred and twenty six calendar days are payable from the leave taken for the reason of pregnancy, childbirth and childcare, in case of complicated childbirth or delivery of twins – one hundred and forty calendar days;
3. Employee, at own discretion may schedule the leave envisaged by clause 2 of the present Article for the pregnancy and post childbirth periods;

Article 28. Leave for the Reason of Adoption of the Newborn

Employee, adopting a newborn age of which is below twelve months, upon his/her request, is entitled to take a leave for the reason of adoption of the newborn – for three hundred and sixty five calendar days after the birth of a child. Out of this leave, seventy calendar days are paid.

Article 29. Compensation of the Leave taken for the reason of pregnancy, childbirth and childcare also for adoption of the newborn

Leaves taken for the reason of pregnancy, childbirth and childcare also for adoption of the newborn are compensated from the state budget, according to the rule prescribed by the legislation. Employer and employee may agree on additional compensation.

Article 30. Additional Leave for Childcare

1. Employee, upon his/her request is entitled to take not less than two weeks in a year in succession or in portions an unpaid leave for childcare for the period twelve months before the child turns five.

2. Additional vacation for the reason of childcare may be given to any person who actually takes care of a child.

Chapter VII. Labor Compensation

Article 31. Form and Amount of Labor Compensation, Time and Place of Issuance

1. Form and amount of labor compensation are determined by the employment agreement. Norms of the present agreement shall be applied only in occasion when the employment agreement does not state otherwise;
2. Employment compensation shall be issued once a month, at the workplace;
3. In case of delay of any compensation or settlement, the employer must pay 0.07 percent of the overdue amount for each delayed day.

Article 32. Labor Compensation by the time of **Coercive Suspension**

1. Unless otherwise addressed by the employment agreement, in case of coercive suspension of the employee for the reason of the employer, the employee is entitled to receive full amount of labor compensation;
2. Coercive suspension incurred for the reason of the employer is not compensated.

Article 33. Amounts Withheld from Labor Compensation

1. Employer is entitled to withhold surplus payments from the salary of the employee or any other job related amount payable;
2. Total amount of single deduction from the labor compensation should not exceed fifty percent of the labor compensation.

Article 34. Final Settlement Upon Termination of the Employment

Upon termination of the employment, employer must make final settlement with the employee not later than seven calendar days, if the employment agreement or the law state otherwise.

Chapter VIII. Observance of Labor Conditions

Article 35. Right to Safe and Healthy Work Environment

1. Employer must provide maximally secure work place for life and health of the employee.
2. Employer must provide in a reasonable time to the employee fair, explicit information available regarding all facts, which affect life and health of the employee or the security of the environment;
3. Employee is entitled to refuse performance of such labor, assignment or instruction, which contradicts the law or due to insecurity of employment safety conditions creates obvious and substantial danger to the life, health, property or natural environment of such employee or any third party. Employee must immediately notify the employer on circumstances for the reason of which he/she refuses to exercise commitments;
4. Employer must introduce preventive system of labor safety and provide information to the employee on timely basis with regard to risks associated with labor safety and their preventive measures, also the rules on treatment with the equipment bearing potential hazard, in cases of necessity, provide employee with personal security equipment, replace dangerous equipment on time with the safe or less safe equipment in line with the technological progress, adopt all other reasonable measures for security of the employee and his/her health;

5. Employer must make all reasonable efforts for timely localization and liquidation of the results of industrial accidents and for rendering first aid and evacuating;
6. Employer must compensate the employee fully the damage incurred to the health of the employee caused by performance of labor and costs of necessary medical treatment;
7. Employer must secure protection of the pregnant female from the labor which endangers her or her fetus' conditions, physical and psychical health;
8. Georgian legislation determines the list of hard, hazardous and dangerous employments, labor safety rules, among them cases and rules of periodical mandatory medical checkups of employees at the expense of the employer.

Chapter IX. Amendment, Suspension and Termination of Employment Relations

Article 36. Suspension of Employment Relations

1. Suspension of the employment relations is temporary non-performance of the labor envisaged by the employment agreement which does not cause termination of the employment;
2. Grounds for suspension of the employment relations are:
 - a. strike;
 - b. lockout;
 - c. exercise of the right of active and/or passive elections;
 - d. appearing at the investigation agency, prosecutor's office or judicial establishments in cases envisaged by the procedure legislation;
 - e. with regard to summoning to mandatory military service, appearing at relevant establishment or summoning to the military meeting;
 - f. leave for the reason of pregnancy, childbirth and childcare, leave for the reason of adoption of the newborn an additional leave for childcare;
 - g. temporary disability, if its duration does not exceed thirty calendar days in succession, or over the six months total term does not exceed fifty calendar days;
 - h. raising the level of proficiency, professional trainings or tuition which should not exceed thirty calendar days per year in succession;
 - i. unpaid leave;
 - j. paid leave;
3. In case employee requests suspension of employment relations under the grounds addressed in clause 2 of this Article (with exception of sub clause b), employer must suspend employment relations for reasonable time;
4. In case of suspension of employment relations, employee is not entitled to receive compensation, unless otherwise addressed in the employment agreement;
5. In cases envisaged by procedure legislation, appearance at the investigation establishment, prosecutor's office or judicial establishment is compensated from the state budget, consistent with the rule established by the legislation;
6. Upon suspension of employment relations, employment agreement must not be terminated.

Article 37. Grounds for Termination of the Employment Relations

Grounds for termination of the employment relations are:

- a. performance of obligations envisaged by the employment agreement;
- b. expiration of the effective term of the employment agreement;
- c. infringement of the employment agreement terms by either party;
- d. invalidation of the employment agreement;
- e. agreement of parties;
- f. enforcement of the court judgment or decision which makes performance of labor impossible;

- g. unless otherwise envisaged by the employment agreement, long term disability – if such term exceeds thirty calendar days in succession, or over six months total term exceeds fifty calendar days, thereby, employee is entitled to take a leave envisaged by Article 21 of the present Code;
- h. death of the employer being a physical person or of an employee;
- i. commencement of liquidation of the employer being a legal entity.

Article 38. Invalidation of the Employment Agreement

1. Employment agreement can be invalidated upon the initiative of either party, under the rule provided by the present Article.
2. If the initiator of the invalidation is an employee, he/she must notify the employer no lesser than thirty calendar days in advance in writing unless otherwise provided in the employment agreement;
3. In case invalidation of the employment agreement under the initiative of the employer, employee shall receive severance pay for not less than one month;
4. Requirements of clause 2 and 3 of the present Article do not apply to the occasions of default of commitments by either party;

Article 39. Invalidation of Employment Agreement of the Under Age Person

Legitimate representative of the underage person or the guardianship agency are entitled to claim invalidation of the employment agreement with such underage person, if continuation of employment affects the life, health or other significant interests of such employee.

Article 40. Unintentional Continuation of Employment

If the employment agreement term has expired but due to the specific nature of the employment, immediate suspension of activities may cause significant damage and endanger human health, the employee must continue his/her occupation unless such circumstance is overcome, and the employee must compensate such labor.

Part III. Collective Labor Affairs

Chapter X. Collective Agreement

Article 41. General Provisions

1. Collective agreement is concluded between the employer and two or more employees – union of employees;
2. Collective agreement follows the same principles as the individual agreement;
3. By the time of conclusion of the collective agreement or change of conditions, state or local governing bodies shall not interfere. Collective agreement concluded so is null and void.

Article 42. Representation

1. For the purpose to conclude collective agreement, revoke or change conditions, protect the rights of employees, union of employees acts through its representatives;
2. Authentication of representation is made in writing, signed by the concerned employees and a person who acquires the representative right;
3. Any capable physical person may become a representative;
4. Representative acts in favor of those employees, who granted the representative power to such representative.

Article 43. Collective Agreement

1. Collective agreement is executed solely in writing;
2. Employee may conclude an individual and/or several collective agreements with the employer;
3. Agreements, which are concluded subsequent to the first agreement, are deemed as parts of such agreement and are viewed as a single agreement;
4. If under the initiative of either party any part of the agreement is revoked, this will cause termination of employment agreement under the rule provided by this Code;
5. Presence of the collective agreement does not limit the right of the employer or employee to terminate employment relations what may not cause termination of employment relations of other employees engaged by the same agreement;
6. Clause 3 and 4 of the present Article are effective only in case the parties fail to reach agreement or if the agreement states otherwise.

Part IV. Accountability and Dispute Chapter XI. Accountability

Article 44. Liability for Breakage

Damage incurred by one party to another in the course of employment shall be reimbursed consistent with the rule provided by Georgian legislation.

Article 45. Written Agreement on Accountability

1. Written agreement may define the type and extent of individual responsibility of the employee if this is conditioned by the specific nature of the employment;
2. Written agreement on entire liability for breakage may be concluded with the adult employee who stores, processes, sells (transfers), transits or uses received values in the production process.

Article 46. Constraints Addressed in the Employment Agreement

1. Employee and the employer may agree to limit the rights of the parties in the employment agreement. Such limitation should be directly deriving from the interest of the party, must be reasonable and proportionate to such interests.
2. In case the employee requests, employer must explain in writing about any limitations of rights and freedoms.
3. Employment agreement may identify the liability of the employee, not to apply knowledge and skills gained during performance of the terms of the employment agreement in favor of other competitor employer. Such limitation may be applied after termination of employment relation, however not more than three years after termination of employment relations;
4. Limitation addressed in clause 3 of this Article may not be applicable to those persons, who pursue tutorial activities in elementary and/or general education establishments.
5. Damage incurred as a result of violation of the requirements of the present Article is compensated consistent with the rule established by Georgian legislation.

Chapter XII. Dispute

Article 47. Dispute

1. Dispute is the disagreement arisen in the course of employment relations, resolution of which is in the legitimate interests of the parties;
2. Dispute is arisen by sending written notice on disagreement by one party to another;
3. Grounds of dispute in the employment relations may be violation of human rights and freedoms envisaged by Georgian legislation, also employment agreement and/or employment conditions;
4. Dispute can be viewed by those persons and their representatives who are particularly concerned with the dispute;
5. Dispute review does not entail suspension of employment relations;
6. Individual dispute can be reviewed through amicable settlement procedures, individual negotiations or trial;
7. Employee being a party to the collective employment agreement is not limited to protect his/her rights individually with regard to other particular issue in case of given dispute;

Article 48. Dispute Hearing and Resolution

1. Dispute should be resolved by means of amicable settlement procedures between parties;
2. The party sends a written notice to the other party on commencement of the amicable procedure which should exactly reflect the grounds of dispute origin and claims.
3. The other party must review the written notice and send decision in writing to the first party in ten calendar days after the acceptance of the notice;
4. Representatives or parties make written decision which becomes a part of the existing employment agreement;
5. If, in the course of dispute the agreement is not reached for fourteen calendar days or if a party avoided participation in the amicable settlement, the other party is entitled to go to court or arbitration;
6. In the course of dispute, claim of parties shall not be augmented or the issue of the dispute must not be modified.

Article 49. Strike and Lockout

1. Strike is the temporary voluntary refusal of the employee in case of dispute to perform fully or partially commitments imposed by the employment agreement. Persons identified by Georgian legislation are not authorized to participate in the strike;
2. Lockout is the temporary voluntary refusal of the employer in case of dispute to perform fully or partially commitments imposed by the employment agreement.
3. Prior to exercising strike or lockout rights, the parties are obliged to arrange token strike or lockout;
4. Prior to commencement of token strike or lockout the parties no lesser than in three calendar days should advise each other on the issue of dispute and its grounds, also on time, venue and nature of the strike or lockout;
5. After token strike or lockout the parties must take part in the amicable settlement procedures according to the procedure established by the present Code;
6. The right to strike or lockout is generated only after the token strike or lockout within no lesser than 24 hours and not exceeding fourteen calendar days;
7. During the strike or lockout period the parties must proceed with the amicable settlement procedures;
8. Strike or lockout shall not continue longer than ninety calendar days;
9. During the strike or lockout the employer is not required to give compensation to the employee on strike;

10. Strike or lockout does not represent the ground for termination of the employment relations.

Article 50. Deferral or Suspension of the Strike and Lockout

If human life and health, natural environment or the property of the third person, also the activity of the entity of vital importance is endangered, the court is authorized to defer strike or lockout commencement for not more than thirty days, as for the strike or lockouts already in progress, they should be suspended for the same period.

Article 51. Illegal Strike and Lockout

1. By the time of emergency or military conditions, the right to strike or lockout may be limited under the decree of the president of Georgia.
2. It is prohibited to apply the right to strike or lockout in the work process by those employees who are engaged in the activities dealing with human health and life security i.e. due to technological nature it is impossible to suspend such activity;
3. If either party avoids participation in the amicably settlement process and initiates strike or lockout, such strike or lockout shall be deemed illegal;
4. Strike of those employees who were informed on invalidation of the employment agreement prior to origin of dispute shall be deemed illegal;
5. If the right to strike was generated prior to expiry of finite employment agreement, the strike after expiry of the agreement term shall be deemed illegal;
6. The court makes decision to deem strike or lockout as illegal, which is immediately notified to the parties. Court judgment on acknowledgement of the strike or lockout as illegal shall be enforced immediately.

Article 52. Guarantees of Employees

1. Participation of employees in the strike shall not be construed as violation of the labor discipline and the grounds for invalidation of the employment agreement other than the occasions of illegal strike;
2. If the court deems lockout illegal, employer must resume employment relations with the employee and compensate missed work hours;
3. Employees, who do not participate in the strike, however fail to perform due to the strike, can be transferred by the employer to other job or be compensated for the period of suspension on hourly rate;
4. During the term indicated in clause 6 of Article 49 of the present Code the employer is not entitled to terminate employment relations with the employee engaged in the token strike;

Part V. Transitional and Final Provisions

Chapter XIII. Transitional and Final Provisions

Article 53. Applicability of the Code to the Existing Employment Relations

The present Code applies to the existing employment relations, regardless of their origin.

Article 54. Measures to be undertaken in terms of Code enforcement

1. The Ministry of Labor, Health and Social Security shall elaborate and approve:
 - a. the rule on compensation of the leave taken for the reason of pregnancy, childbirth and childcare, also the rule on compensation of the leave taken for the reason of adoption of a newborn – within two months term after enforcement of the present Code;

- b. list of hard, hazardous and dangerous labor, employment safety rules, among them cases and rules of periodical mandatory medical checkups of employees at the expense of the employer – within four months term after enforcement of the present Code;
 - c. Charter of the legal entity of public law – State Agency for Social Aid and Employment - within three months term after enforcement of the present Code
 - d. The rule on maintenance of the state registry of private agencies for employment - within six months term after enforcement of the present Code. Any physical or legal entity which provides services aimed at employment of a person shall be deemed as the private agency for employment;
2. Order of the Minister of Labor, Health and Social Security N 85/n of March 15, 2006 on Approval of the Rule on Appointment of Allowances for the Reason of Temporary Disability, Pregnancy and Childbirth and Issuance preserves legal force prior to approval of the rule on compensation of leave for the reason of pregnancy and childbirth and adoption of the newborn consistent with the present Code;
 3. Order of the Minister of Labor, Health and Social Security N 12/n of January 17, 2005 on Approval of the charter of the Legal Entity of Public Law - State Agency for Social Aid and Employment – preserves legal force prior to approval of the new charter of the Legal Entity of Public Law - State Agency for Social Aid and Employment consistent with the present Code;
 4. State control over the Legal Entity of Public Law - State Agency for Social Aid and Employment is exercised by the Ministry of Labor, Health and Social Security;
 5. Minister of Labor, Health and Social Security appoints and dismisses the head of Legal Entity of Public Law - State Agency for Social Aid and Employment;
 6. Legal Entity of Public Law - State Agency for Social Aid and Employment shall ensure remuneration of overdue unemployment compensations existing prior to the enforcement date of the present Code;
 7. Ministry of Labor, Health and Social Security shall be assigned to approve the rule on registration of the unemployed and measures on facilitation of their employment; For the purpose of these norms, a capable and semi-capable person shall be deemed as unemployed as defined by Georgian legislation who does not have an employment, is seeking and is ready to perform labor;

Article 55. Normative Acts to be Revoked with regard to enforcement of the Code

upon enforcement of the present code the following shall be invalidated:

- a. Labor Code of Georgia dated June 28, 1973;
- b. Law of Georgia on Collective Agreements and Covenants as of December 10, 1997
- c. Law of Georgia on Regulation of Collective Labor Related Disputes as of October 30, 1998
- d. Law of Georgia on Employment as of September 28, 2001;
- e. Law of Georgian Republic on Cancellation of Existing Holidays and Restoring Traditional Holidays as of November 22, 1990;
- f. Order of the Minister of Labor, Health and Social Security No 310/n as of November 16, 2004 on approval of the charter of the Labor Inspection – Sub Agency subordinated to the Ministry of Labor, Health and Social Security;
- g. Bylaw normative acts issued/adopted on the basis of the legal acts to be revoked as determined by the present Code;

Article 56. Enforcement of the Code

The present code shall become effective on 15th day after its publication.

President of Georgia

Mikheil Saakashvili

Tbilisi
May 25, 2006