



## Managing employment relations during martial law

On 14 March 2022, the Ukrainian Parliament adopted the Law of Ukraine “On the Organization of Employment Relations During Martial Law”, which defines the specifics of employment relations during martial law (the “**Law**”). On 23 March 2022, the Law was signed by the President of Ukraine and officially published, and the Law comes into force on 24 March 2022. According to the Decree of the President of Ukraine “On the Extension of the Term of Martial Law in Ukraine”, which was approved by the Ukrainian Parliament, martial law was extended until 25 April 2022.

The Law applies to employment relations with employees of all enterprises, institutions and organisations, irrespective of their form of ownership, type of activity or industry sector, as well as to persons working under employment agreements with individuals.

The Law provides, *inter alia*, for the following changes during martial law:

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|----|---|---|--|
| 01 |  | <p><b>Specifics of the conclusion of an employment agreement</b></p>                      | <ul style="list-style-type: none"> <li>❑ Parties determine the form of an employment agreement upon their mutual agreement.</li> <li>❑ A probation period condition may be established for any category of employees at the time of employment.</li> <li>❑ An employer may enter into fixed-term employment agreements with new employees for the period of martial law or for the period of replacement of temporarily absent employees.</li> </ul> |
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| 02 |  | <p><b>Specifics of employee transfers and changes to essential working conditions</b></p> | <ul style="list-style-type: none"> <li>❑ An employer has a right to transfer an employee to another position, which is not stipulated by a respective employment agreement, without his/her consent, subject to the fulfilment of certain conditions.</li> <li>❑ During martial law, the requirement to provide a two-month notice regarding a change of essential working conditions does not apply.</li> </ul>                                     |



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## The Law defines specifics for the termination of employment relations

- ❑ An employee may terminate an employment agreement upon his/her own initiative within the time specified in his/her application. This is possible in case of military actions in areas where the company is located and if there is threat to life and health of an employee (except when an employee is engaged to perform socially useful works or works at critical infrastructure facilities).
- ❑ During martial law, an employee may be dismissed at the initiative of an employer during an employee's temporary disability or vacation (except when an employee is on maternity or childcare leave until the child is reaching three years of age), with the date of dismissal being the first working day after the temporary disability, or the first working day after the vacation.
- ❑ Trade union consent is not required for employee dismissal, except in cases of dismissal of employees elected to trade union governing bodies.

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## Working hours

- ❑ During martial law, an employee's normal working hours may not exceed 60 hours per week. Reduced working hours may not exceed 50 hours per week.
- ❑ The start and end time of a working day (shift) is determined by the employer.
- ❑ The duration of the weekly uninterrupted rest may be reduced to 24 hours.
- ❑ For the period of martial law, the provisions related to work duration on the days preceding public holidays, non-working days and weekends, overtime work, the transfer of holidays or non-working days falling on weekends, the restriction of work on weekends, compensation for work on weekends, and rules regarding holidays and non-working days do not apply.
- ❑ For the period of martial law, the following employees should not be required to work during the night, without their consent: pregnant women, women with children under one year of age, and persons with disabilities who have medical contraindications to perform such work.

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## Specifics of involvement of some categories of employees

- ❑ The use of women's labor (except for pregnant women and women with children under one year of age) is permitted upon their consent in heavy work and work with harmful or dangerous working conditions, as well as underground work.
- ❑ Employees with children (with certain exceptions) may be required to work during the night, overtime, on weekends, holidays and non-working days, or to go on business trips upon their consent.



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## HR record management

- The procedure for personnel records management and archiving in the areas of active warfare is determined at the employer's discretion, provided that the employer has ensured reliable documenting of the work performed by the employee and accounting of the labor costs.

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## Compensation

- Salaries are paid on the terms specified in the employment agreements.
- An employer is released from the liability for violations of terms of salary payment, if it proves that such violation occurred due to military actions or other force majeure circumstances.
- The release from liability for violation of terms of salary payment does not release the employer from the obligation to pay salaries.
- If it is not possible to pay salaries in a timely manner due to military activities, salary payments may be suspended until the company's ability to do business has been restored.

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## Collective bargaining agreement

- The effect of certain provisions of a collective bargaining agreement may be suspended by the employer.

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## Vacation

- An employer may deny granting any kind of vacation or leave to an employee, other than maternity or childcare leave, if such employee is involved to perform works at critical infrastructure facilities.
- An employer may, at an employee's request, grant unpaid leave to an employee with no time restriction.



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## Suspension of employment agreement

- ❑ The Law provides for the possibility of suspension of employment agreements, which means temporary termination by an employer of provision of an employee with work and temporary termination by an employee of performance of works under the concluded employment agreement.
- ❑ An employment agreement may be suspended due to military aggression against Ukraine, which precludes the possibility of provision and performing the work.
- ❑ Suspension of an employment agreement does not entail termination of employment relations thereunder.
- ❑ An employer and employee should, if possible, notify each other of the suspension employment agreement by any method available.
- ❑ Under the Law, the reimbursement of salaries, compensations and benefits to employees during the period of suspension of employment agreements rests with the state carrying out military aggression. It is not yet known how such a reimbursement mechanism may work.

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