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Client Update 10 July 2017

<u>Client Update</u> Recent Amendments to Russian Labor Code on Part-Time Work and Payments for Overtime

On 18 June 2017, Federal Law No. 125-FZ on Amendments to the Labor Code ("Law No. 125") was adopted. It establishes several part-time working schedules, enhances protection of part-time employees in respect of irregular working hours and stipulates that an employer shall pay for overtime work on non-working days only as for work on a weekend or holiday.

Law No. 125 came into effect on 29 June 2017. Its main provisions are described in more detail below.

THREE TYPES OF PART-TIME WORKING SCHEDULES

Law No. 125 establishes three types of part-time working schedules:

- *part-time week*: an employee works only on certain days of a working week but for full working hours. Only this type of part-time working schedule allows the employee to have irregular working hours;¹
- *part-time working hours*: an employee has abridged working hours on each day of the working week; and
- *part-time working hours on a part-time working week*: an employee works only on certain days of a working week, and on these days, he has abridged working hours.

A part-time working schedule can be set for an indefinite time or for any fixed term. In addition, an employee who has a right to request a part-time working schedule² can have it for a period of time which is convenient for such employee. Such term cannot exceed the period during which

¹ According to Article 101 of the Labor Code, irregular working hours mean that, if necessary, an employer can periodically request that an employee work in excess of his regular working hours.

² These are pregnant women, one of the parents (a guardian) of a child under 14 years (a disabled child under 18 years) and a person who is taking care of a sick family member in accordance with a medical report.

such right is available (*e.g.*, pre-natal period). However, when accommodating such a request, an employer may take into consideration its business operations.

A part-time employee who works four or fewer working hours is not required to have a lunch break. This provision must be stipulated by internal regulations or an employment agreement.

PAYMENT FOR OVERTIME AND WORK ON WEEKENDS AND HOLIDAYS

According to Law No. 125:

- If an employee worked on a weekend or holiday for more than his/her regular working hours (*e.g.*, 10 hours instead of eight hours), the employee's compensation will only be for work on a weekend or holiday (*i.e.*, doubled hourly rate), and the employer is not obliged to pay overtime in addition.
- The employer must pay for the actual number of hours worked on such weekend or holiday. If part of the working hours fall on a weekend or a holiday, only the hours actually worked on such days (from 0 to 24 hours) must be paid at an increased rate.

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Please do not hesitate to contact us with any questions.

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