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European Monitoring Centre on Change

Cyprus: Staff information and consultation on restructuring plans

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 Cyprus

Phase:

Anticipation

Type: [Staff information and consultation on restructuring plans](#)

 Last modified: 09 September, 2019

Native name:

N. 78(I)/2005 – Ο περί της Θέσπισης Γενικού Πλαισίου Ενημέρωσης και Διαβούλευσης των Εργοδοτούμενων νόμος του 2005; N. 68(I)/2002 – Ο περί σύστασης Ευρωπαϊκών Επιτροπών Επιχειρήσεων Νόμος του 2002-2011; N. 28(I)/2001 - Ο περί Ομαδικών Απολύσεων Νόμος του 2001

English name:

Law 78(I)/2005 on Establishing a General Framework of Information and Consultation of Employees; Law 106(I)/2011 on the Establishment of European Workers' Councils of 2011-2018; Law 28(I)/2001 on Collective Dismissals of 2001-2018.

Article

Article 3, 5.1 and 6.1 of the Law 78(I)/2005 on Establishing a General Framework of Information and Consultation of Employees; Articles 7-11 and Articles 2, 3 and 15 of the Law 106(I)/2011 on the Establishment of European Workers' Councils of 2011-2018; Article 4, 5 and 6 of Collective Dismissals Law of 2001 (Law 28(I)/2001)

Description

Law on Establishing a General Framework of Information and Consultation of Employees

As regards the nature of the information and consultation process and its practical details, Law 78(I)/2005 lays down employees' right to information and consultation in relation to the following matters:

- Information on the recent and projected evolution of an enterprise's activities and financial situation (article 5.1.a);
- Information and consultation in relation to the situation, structure and prospective evolution of employment in the enterprise, as well as preventive measures that may be provided for, especially if jobs are at risk of being cut (article 5.1.b);
- Information and consultation in relation to decisions that may bring about essential changes in the organisation of work or employment contracts, including those falling within the framework of the special information and consultation procedures described in the Collective Dismissals Law 28(I)/2001 and the Law 104(I)/2000 on the Safeguarding and Protection of Employees Rights in the event of transfer of undertakings or parts thereof (article 5.1.c).

In addition, the employer must disclose the following information in writing to the employee representatives (article 5.3):

- reasons for the proposed collective redundancy;
- number and description of employees proposed to be made redundant;
- total number and description of employees normally employed;
- time period during which the proposed redundancies are to take place;
- criteria for selecting the employees to be made redundant;
- calculation method for redundancy payment.

Employers are obliged to inform and consult worker representatives in all cases of collective dismissal, and must be able to prove this in writing. Moreover, the Ministry of Labour, Welfare and Social Insurance must be notified in writing, and should then take appropriate steps to protect jobs where possible. Employees may not be dismissed earlier than 30 days after the ministry has been notified.

Additionally, article 6.1 of the Law 78(I)/2005 provides that social partners may, at the appropriate level, including the level of the enterprise, determine freely and at any time with an agreement the practical arrangements for the information and consultation of employees.

The time, manner and content of the information must be such as to allow the workers' representatives to undertake a comprehensive analysis and where necessary prepare for consultation.

The law is applicable to both public and private business pursuing economic activities, independently of the profit or non-for-profit nature of the business and businesses with at least 30 employees.

An amendment in 2018 extended the coverage of the law to crews of sea vessels.

Law on the Establishment of European Work Councils

Law 106(I)/2011 on the Establishment of European Work Councils is aiming at ensuring and improving the right of employees on information and consultation in community-scale undertakings and community-scale group of undertakings (article 3).

Community-scale undertakings and Community-scale groups of undertakings are undertakings established in the Republic of Cyprus with at least 1,000 employees in Member States and at least 150 employees in at least two different Member States (article 2).

The law is regulating the setting up of European work councils in such undertakings. Restructuring plans would lie within the scope of European work councils (article 15), provided they qualify as so-called transnational issues, that is an issue affecting the whole community-scale undertaking or group of undertakings or at least two facilities of the undertaking or group of undertakings in two different member states.

An amendment in 2018 extended the coverage of the law also to employees of sea vessels.

Collective Dismissals Law

In cases of collective dismissals consultations shall, as a minimum, cover the following matters: possible measures to prevent any collective dismissals (within 30 days, dismissal of at least 10 workers in companies with 21-99 employees, 10% of workforce in companies with 100-299 employees or at least 30 dismissals in larger firms) or to reduce the number of the employees who would be affected, and possible ways and means for easing the adverse consequences arising from such collective dismissals, through social measures, for example the reemployment or retraining of dismissed employees.

An amendment in 2018 extended the coverage of the law also to employees of sea vessels.

Comments

Law 78(I)/2005 applies to companies with at least 30 employees.

Law 106(I)/2011 applies to enterprises with at least 1,000 employees in Member States and at least 150 employees in each of at least two different Member States.

The Labour Relations Department receives information on restructuring plans both from employers and trade unions. The department ensures then that the employer's obligations remain in line with the provisions of the legislation. According to the department's records no complaints have yet been received in relation to staff information and consultation on restructuring plans.

Cost covered by

Not applicable

Involved actors other than national government

Employer organisation
Trade union
Works council

Thresholds








Company size by number of employees:

21

Number of affected employees:

10

Sources

-  The impact of the information and consultation directive on industrial relations — Cyprus CY0710029Q
-  Ο περί της Θέσπισης Γενικού Πλαισίου Ενημέρωσης και Διαβούλευσης των Εργοδοτούμένων Νόμος του 2005 (Ν. 78(I)/2005)
-  Ministry of Labour, Welfare and Social Insurance / Labour Relations Department
-  Ο περί της Σύστασης Ευρωπαϊκών Επιτροπών Επιχειρήσεων Νόμος του 2002 (Ν. 68(I)/2002)
-  Ministry of Labour, Welfare and Social Insurance / Labour Relations Department
-  EMCC legal framework of restructuring
-  EMCC actors in restructuring
-  Ο περί Ομαδικών Απολύσεων Νόμος του 2001 (Ν. 28(I)/2001)
-  Ministry of Labour, Welfare and Social Insurance / Labour Relations Department

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