



Employment Q & A for Lithuania (April 2013)

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Q1: Am I allowed to end the contract at any time?

No. There are strict labour regulations in Lithuania. An employer may terminate a non-term employment contract with an employee only for valid reasons by giving him notice thereof in accordance with the procedure established in Labour Code of the Republic of Lithuania. The dismissal of an employee from work without any fault on the part of the employee concerned shall be allowed if the employee cannot, with his consent, be transferred to another work. Only the circumstances, which are related to the qualification, professional skills or conduct of an employee, are recognised as valid. An employment contract may also be terminated on economic, technological grounds or due to the restructuring of the workplace, as well as for other similar valid reasons.

The contract can be terminated at any time only in case when both parties (employer and employee) have agreed on termination. Fixed-term employment contracts can be only terminated upon the expiry of such employment contract.

Contracts of employees with special protection against termination (i.e. handicapped persons, pregnant women) are subject to special regulations.

Q2: Is anyone to be informed before firing an employee?

In case of firing group of employees an employer must notify a local labour exchange office in writing about that.

Q3: Is there a prescribed form for the termination of a labor contract?

Yes, there is. An employer is entitled to terminate an employment contract by giving the employee written notice two months in advance. Some groups of employees must be given notice of dismissal from work at least four months in advance.

Q4: Are redundancy payments mandatory?

Yes, there are. Upon the termination of the employment contract under the initiative of an employer, the dismissed employee must be paid a severance pay in the amount of his average monthly wage taking into account the continuous length of service of the employee concerned at that workplace. The severance pay may be from one monthly average wage till six monthly average wages according to the duration of working period.

Q5: How can an employee fight the decision of dismissal?

An employee can sue an employer directly to the court on the legality of dismissal.

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