
A PROCLAMATION TO PROVIDE FOR THE AMENDMENT OF THE LABOUR PROCLAMATION

WHEREAS, it has become necessary to amend the Labour Proclamation No. 377/2003;

NOW, THEREFORE, in accordance with Sub Articles (1) and (3) of Article 55 of the Constitution of the Federal Democratic Republic of Ethiopia, it is hereby proclaimed as follows;

1. Short Title

This Proclamation may be cited as the “Labour (Amendment) Proclamation No. 494/2006.”

2. Amendment

The Labour Proclamation No. 377/2003 is hereby amended as follows:

The provision of (c) of Sub-Article 2 of Article 3 is deleted and replaced by new provision (c) of Sub-Article 2 of Article 3.
managerial employee who is vested with powers to lay down and execute management policies by law or by delegation of the employer depending on the type of activities of the undertaking with or without the aforementioned powers an individual who is vested with the power to hire, transfer, suspend, lay off, assign or take disciplinary measures against employees and include legal service head who recommend measures to be taken by the employer regarding managerial issues by using his independent judgment in the interest of the employer.”

2/ The following new provisions (g), (h) and (i) are added to Sub-Article (1) of Article 39:

“g) where he has no entitlement to a provident fund or pension right and his contract of employment is terminated upon attainment of retirement age stipulated in the pension law

h) where he has given service to the employer for a minimum of five years and his contract of employment is terminated because of his sickness or death or his contract of employment is terminated on his own initiative provided that he has no contractual obligation relating to training to serve more with the employer.

i) where, a contract of employment is terminated on his own initiative because of HIV/AIDS.

3/ Sub-Article (6) of Article 130 is deleted and replaced by the following new Sub-Article (6):

“6. Parties to a collective agreement shall commence negotiation to amend or replace their collective agreement within 3 months before the expiry date of the validity period of the collective agreement; provided, however, that if the negotiation is not finalized within 3 months from the expiry date of the collective agreement, the provisions of the collective agreement relating to wages and other benefits shall cease to be effective.”
Article 185 is deleted and replaced by the following new Article 185:

"185. Common offences

1/ An employer, a trade union, a worker or representative of employer which;

a) violates the provisions of this Proclamation or regulations or directives issued hereunder relating to the safety of workers and commit an act which expose the life or health of a worker to a serious danger, or does not give special protection to women workers or young workers as provided for in this Proclamation;

b) contravenes the provisions of Article 160 of this Proclamation;

c) does not comply with the order given by a labour inspector in accordance with this Proclamation or the provisions of other laws; or

d) gives intentionally false information or explanations to the competent authorities;

shall be liable to a fine not exceeding Birr 1,200

2/ An employer, a trade union, a worker or representative of employer which contravenes Sub-Article (2) or (4) of Article 130 of this Proclamation shall be liable to a fine not exceeding Birr 10,000

3. Effective Date

This Proclamation shall enter into force on the date of its publication in the Federal Negarit Gazeta.

Done at Addis Ababa, this 29th day of June 2006

GIRMA WOLDEGIORGS

PRESIDENT OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA