



29/06/2015

RAP/RCha/CYP/12(2015)Add

## **EUROPEAN SOCIAL CHARTER**

Addendum to the 12<sup>th</sup> National Report on the  
implementation of the European Social  
Charter

submitted by

**THE GOVERNMENT OF CYPRUS**

(Article 7§7  
for the period  
01/01/2010 – 31/12/2013)

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Report registered by the Secretariat on  
29 June 2015

**CYCLE 2015**



## **Paragraph 7.7 Annual leave**

**Employed persons under 18 years to be entitled to a minimum of four weeks' annual holiday with pay, subject to the same arrangements as those applicable to the annual paid holidays of adults**

- 1. Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms**

### **General Legal Framework**

Persons 18 years of age are covered by the Annual Holidays with Pay the Annual Holidays with Pay Law (Law 8 of 1967-2005 and Regulations issued thereunder). There is no age distinction in the scope of the law

The main objective of the Law is to:

- secure annual leave with pay to all employees, and
- provide the means for better utilization of the annual holidays of the employees, especially those with low income

- 2. Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc) to implement the legal framework**

### **Main Provisions of the Annual Holidays with Pay Law**

#### Coverage

The Annual Holidays with Pay Law covers all persons employed in the private and the public sectors, including apprentices. Each employee that has worked 48 weeks within one year is entitled to an annual leave with pay of four weeks. Employees, who work 5 days a week, are entitled to annual leave of 20 working days, whereas employees who work 6 days a week, to annual leave of 24 working days.

Temporary absence from work due to an accident, sickness, maternity, parental leave or leave on grounds of force majeure, is considered as working period. If the employee has worked for a period less than 48 weeks within the year, the annual leave of four weeks is reduced accordingly. The right of employees to annual leave for more than four weeks under any other law, agreement or custom, is safeguarded by the Annual Holidays with Pay Law.

#### Days that are not considered as days of annual leave

The following days are not considered as annual leave days:

- a. public holidays provided by law, established practice or agreement;
- b. maternity leave, parental leave or leave on grounds of force majeure;
- c. days of incapacity for work due to an accident or sickness;
- d. days of strike or lock-out; and
- e. any period of notice for termination of employment under the Termination of Employment Law.

#### Payment during annual leave

An employed person's wages or salary during his annual leave is either paid directly by his employer or out of the Central Holiday Fund, established for this purpose under the law and to which employers are obliged to pay contributions.

#### Payment of wages or salary during the annual leave directly by the employer

If an employer provides annual leave with pay to his employees, under more favorable terms than those provided by the Annual Holiday with Pay Law, the employer may apply

for exception from the obligation to pay contributions to the Central Holiday Fund. In such a case he is obliged to pay the employees the normal wage or salary for the period of leave. The application for getting an exemption from the obligation to contribute to the Central Holiday Fund can be obtained from any Social Insurance District Office or Citizen Service Center. An employer exempted from the obligation to contribute to the Central Holiday Fund who terminates the employment of an employee, is obliged to pay him annual leave or the equivalent wage/salary in lieu of such leave.

#### Payment from the Central Holiday Fund

An employer, who has not been exempted from the obligation to contribute to the Annual Holiday Fund, is obliged to pay contributions to the Central Holiday Fund. Payment of annual leave of employees is made out of the Central Holiday Fund.

#### Rate of contribution to the Central Holiday Fund

The employer's contribution to the Central Holiday Fund depends on the duration of leave the employee is entitled to. For 20 working days leave, in case of five-day working week, or 24 working days, for a six-day working week, the contribution payable by the employer is 8% on the earnings of the employee subject to a maximum amount which is normally fixed every year. The earnings include the basic salary, the cost of living allowance, commissions, the 13th/14th salary or 53rd/56th week, overtime pay, shift allowance, service allowance and in general any remuneration the employee receives.

The contribution is assessed on gross earnings, before deduction of any taxation, contributions etc. If the employee is entitled to annual leave of more than four weeks, the contribution of the employer increases accordingly, as shown in Tables I and II.

#### Amount of payment out of the Central Holiday Fund

The amount payable to every employee out of the Central Holiday Fund is equal to the corresponding contributions paid by the employer/employers during the previous year, even if the leave was not consecutive. However, in order to receive payment for his annual leave, he ought to take nine (9) consecutive days of leave. If the employee worked less than 48 weeks within the previous year, the period of leave must include at least four (4) consecutive days. An employee, who worked for less than 13 weeks within the previous year, is not entitled to any payment out of the Central Holiday Fund.

#### Accumulation of leave

The annual leave may be accumulated, for a period of two years, after agreement between the employer and the employee. In such case, employees are paid their leave simultaneously for both years from the Central Holiday Fund.

#### Industrial Disputes Court

Any dispute arising from the application of the Annual Holiday with Pay Law, is resolved by the Industrial Disputes Court. The Industrial Disputes Court comprises of the chairman, who is legally qualified and appointed by the Supreme Council of Judicature and of two members who represent the employers' and the employees' organizations, respectively. The members are nominated by the President of the Court, from a list prepared by the Minister of Labour and Social Insurance, in consultation with the employers' and the employees' organizations.

### **3. Please provide pertinent figures, statistics or any other relevant information, if appropriate**

In 2014 80,187 employees were paid from the Central Holiday Fund. The total amount paid out in 2014 was €66,803,210