

July 11, 2016

The State Duma has approved significant changes in labour law

Dear Sir or Madam,

We would like to inform you that in October 2016 significant changes in Russian labour legislation will come into force. The changes are as follows:

- **Salary payment terms are specified.** Salary shall be paid not later than 15th day of the month following the assessment one.
- **Rate of interest for pay pause has increased.** The rate of interest has increased twice: from 1/300 of the key interest rate to 1/150.
- **Strengthened administrative responsibility for non-payment or incomplete payment of salary at a fixed time or for establishment of salary at a rate less than the Statutory Minimum Wage Index.** Officials can be fined up to 20 000 rubles, legal entities - up to 50 000 rubles. Repetition of this administrative offence will impose the administrative fine at a rate of 30 000 rubles or disqualification for up to 3 years for officials and a fine at a rate of 100 000 rubles for legal entities.
- **Strengthened administrative responsibility for further violation of labour law norms.** Officials may be fined to the amount of up to 20 000 rubles or disqualified up to 3 years; legal entities may be fined up to 70 000 rubles.
- **The term of legal recourse** for settlement of an individual employment dispute on non-payment or incomplete payment of salary and other employee's entitlements **has increased up to 1 year.**
- **The employees' right to take legal recourse at place of their residence has been specified.**
- **The State Labour Inspectorate and public prosecution service will be able to carry out unscheduled inspections** based on employees' claims on non-payment or incomplete payment of salary at a fixed time or for establishment of salary at a rate less than the Statutory Minimum Wage Index.

Hope that the information provided herein would be useful for you.

If any of your colleagues would also like to receive our newsletters, please let us know by sending us his/her email address in response to this message. If you would like to learn more about our Labour and Employment practice, please let us know about it in reply to this email. We will be glad to provide you with our materials.

If you have any questions, please, do not hesitate to contact the Partner of ALRUD Law Firm – Irina Anyukhina (IAnyukhina@alrud.com).

Kind regards,

ALRUD Law Firm

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