ALRUD

Newsletter

New category of employees in Russia from 2019 – persons of pre-retirement age

October 29, 2018

Dear Ladies and Gentlemen,

Starting January 1, 2019, the amended pension legislation comes into force in Russia. As per the new rules "pre-retirement-age" employees¹ are defined as individuals who will reach in five years the pension age² making them eligible to the oldage pension including an early-retirement pension. Specific dates of commencement and expiry of the pre-retirement age should be determined by an employer taking into account the date, month and year of the employee's birth³.

The key changes to legislation are the following:

- As of October 14, 2018, the Criminal Code of the Russian Federation was supplemented by Art. 144.1 which establishes the criminal liability for unjustified refusal to hire or unjustified dismissal of a person of the pre-retirement age. This kind of liability may apply to CEOs of companies or any other officer who is authorized to hire and dismiss employees. The named persons may be subject to a fine in the amount up to 200 000 rubles or in the amount of the wages (other income) of the convicted person for a period up to 18 months⁴. At the same time, the law does not provide for any criteria for "unjustified dismissal".
- Starting 2019, companies will have to grant the employees of pre-retirement age two working days once a year for a health checkup with retention of salary and place of work for the period of absence.

Currently, employers who have employees of pre-retirement age also have to submit a quarterly report to the regional employment center at the request of the Federal Service for Labour and Employment (Rostrud)⁵. Rostrud collects information only about men born in 1959 and women born in 1964, both working and dismissed in the reporting period.

We hope that the information provided herein will 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

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 $^{^{\}mathrm{1}}$ p. 3 Art. 1, Art. 11 Federal Law No. 350-FZ of October 3, 2018

 $^{^{2}}$ From 2019, women will retire from the age of 60 y.o., men – from the age of 65 y.o.

³ E.g. if a female employee was born on April 14th, 1966 then her pre-retirement age would begin on April 14th, 2019 and finish on April 13th, 2024.

⁴ Federal Law No. 352-FZ of October 3, 2018 on the amendment to the Criminal code of the Russian Federation

⁵ Letter of the Federal Service for Labour and Employment No. 858-PR of July 25, 2018

more about our Labour and Employment practice, please let us know in reply to this email. We will be glad to provide you with our materials.

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If you have any questions, please, do not hesitate to contact the Partner of ALRUD Law Firm

Sincerely, ALRUD Law Firm



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