

New General Labor Law - Angola

Law No. 7/15 was published in the Official Gazette on 15 June 2015, approving a new General Labor Law ("NGLL") and repealing, among others, Law No. 2/00 of 11 February.

The NGLL aims at contributing to a greater increase in jobs, as well as at consolidating social justice and boosting economic activity taking into account the current situation of the country.

The main highlights of the NGLL are:

Fixed-Term Contracts	<ul style="list-style-type: none">• Greater flexibility in entry into of fixed-term contracts, enabling the parties to freely execute them taking into account the nature of the activity, the size and economic strength of the company, as well as the position for which the employee is hired. The general rule of indefinite employment contracts (permanent employment) ceases to exist.• The maximum duration of such contracts will depend on the size of the company, as follows:<ul style="list-style-type: none">✓ Large companies – 5 years;✓ Small and medium sized companies – 10 years.
Trial Period	<ul style="list-style-type: none">• The duration of the trial period is reduced to 4 months in the case of employees engaged in highly technical jobs.• Fewer requirements in the definition of the positions which allow the extension of the trial period to 4 or 6 months. In 4-month duration trial periods, employees who carry out highly technical jobs or difficult to be evaluated are no longer required to be considered as highly skilled employees. In 6-month duration trial periods, employees carrying out management and leadership roles are not required to have top-level academic training.
Restrictive Covenants	<ul style="list-style-type: none">• The validity of restrictive covenants effective after termination of the contract is no longer dependent on the need for the new job to be within a range of 100 km of the employees' former place of work.• Retention clauses triggered by professional development training are reduced to 1 year.

Disciplinary Proceeding and Disciplinary Measures	<ul style="list-style-type: none"> • Introduction of the possibility of setting up a prior enquiry with a duration not exceeding 8 days, in case the offense and the perpetrators are not sufficiently identified. • Removal of the disciplinary sanctions of temporary transfer of place of work and temporary downgrading. The list of sanction is now the following: (i) simple warning; (ii) registered warning; (iii) temporary salary reduction (not exceeding 6 months or 20% of the monthly base salary) and (iv) dismissal. • Obligation to register the outcome of the interview in writing, in a document signed by the parties soon after its completion. • Possibility of immediate application of the disciplinary measures, if the employee cannot be contacted within 10 days for reasons related to the breach. • The statute of limitation and the deadline to appeal against disciplinary measures is changed to 22 business days.
Internal Procedures	<ul style="list-style-type: none"> • Obligation to draw up internal procedures for companies with more than 50 employees.
Holiday pay	<ul style="list-style-type: none"> • Holiday pay is now based on the employee's base salary.
Rest Days Payment	<ul style="list-style-type: none"> • The payment for work performed on rest days must correspond only to a 75% increase over the normal payment.
Overtime and night-work Remuneration	<p>The overtime and night work are now paid according to the company's size, as follows:</p> <ul style="list-style-type: none"> • Night-work: <ul style="list-style-type: none"> ✓ 20% additional payment for large companies; ✓ 15% additional payment for medium size companies; ✓ 20% additional payment for small sized companies; ✓ 5% additional payment for micro companies. • Overtime work: <ul style="list-style-type: none"> ✓ 50% additional payment of normal working time for 30 hours and 75% when they exceed this limit, for large companies; ✓ 30% additional payment of normal working time for 30 hours and 45% when they exceed this limit, for medium-sized companies; ✓ 20% additional payment of normal working time for 30 hours and 20% when they exceed this limit, for small-sized companies; ✓ 10% additional payment of normal working time for 30 hours and 10% when they exceed this limit, for micro companies.

Exemption of working hours schedule	<ul style="list-style-type: none"> Authorization of the Labour Authorities ceases to be required and a simple written agreement with the employee is sufficient.
Justified Absences	<ul style="list-style-type: none"> Reduction in the number of days of justified absence: (i) wedding leave will be limited to 8 days; (ii) death of grandparents, in-laws, siblings, children, grandchildren will be limited to 3 days. Increase to 3 days in the number of justified absence due to the death of uncles/aunts.
Collective Redundancy	<ul style="list-style-type: none"> A collective redundancy will only be triggered by a simultaneous or successive involvement of 20 employees. The termination of 20 employees within the period of 3 months no longer triggers a collective redundancy. Procedural modifications.
Severance Pay and Allowance	<ul style="list-style-type: none"> Adjustment in the minimum amounts of compensation payable to employees, depending on company's size.
Dispute Resolution	<ul style="list-style-type: none"> Obligation to precede any individual labour dispute with mediation (with involvement of the Labour Authorities), reconciliation (with intervention of the Public Prosecution) and arbitration (using arbitrators appointed by the parties and a third chosen by the arbitrators appointed by the parties).

The NGLL will enter into force on 14 September 2015.

EDUARDO VERA-CRUZ
ADVOGADOS

Rua Rainha Ginga, Piso Intermédio
Ginga Business Center, Luanda
Angola
evc@evc.co.ao

F. CASTELO BRANCO &
ASSOCIADOS
SOCIEDADE DE ADVOGADOS RL

Av. da Liberdade, 249, 1º
1250 - 143 Lisboa
Portugal
fcb@fcblegal.com

AG ADVOGADOS

Avenida Vladimir Lenine, n.º 174 ,1.º
Edifício Millennium Park
Maputo
Moçambique
mozambique@fcblegal.com