

Cyprus

Worker Classifications

There are no official subcategories of Workers in Cyprus.

Fixed Term Contracts

Fixed term contracts are permitted in Cyprus, but may not individually or collectively exceed 30 months. If a Worker continues working beyond the 30-month limit, the contract will be deemed indefinite. A fixed-term contract may only extend beyond 30 months when it can be justified on objective grounds (e.g. replacement of another employee, the work justifies a fixed term, the specific operation is temporary, etc.). Fixed-term contracts will include probationary periods, annual leave, and termination requirements.

Probationary Periods

Probationary periods of up to six months are permitted. It is customary for probationary periods to be three months long. During the probationary period, the employment relationship may be terminated without cause. However, written notice must still be provided as outlined below.

Holidays

In Cyprus, Workers generally recognize 14 paid public holidays. It is not required to give employees extra leave on public holidays and/or to recognize specific public holidays, but it is common. If a Worker must work on a public holiday, they are generally paid their regular wages unless an alternative agreement has been made with the employer.

Vacation

After 13 weeks of employment, Workers are entitled to at least four weeks of paid vacation per year. Employees who work five days a week are entitled to at least 20 days' leave and those who work six days a week are entitled to 24 days' leave. Annual leave is paid by the Central Holiday Fund. Employers contribute that fund for each Worker at a rate of 8%. Leave may be accumulated for two years by agreement or longer if agreed. Accrued but unused leave must be paid at termination.

Sick Leave

Employers are not required to pay Workers during an absence for injury or illness but sometimes elect to offer sick leave. It is a matter of contract. Unless the contract provides otherwise, sick pay is paid by the Social Insurance Department for any period of illness/injury lasting three or more days. The first three days are unpaid. Sick pay is payable by the government for a maximum of 156 days, which can be extended in some instances. A medical certificate is required.

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Working Hours

A standard workweek for most Workers is 8 hours per day, 38-40 hours for a 5-day workweek. Generally, the number of working hours should not exceed 48 hours per week, including overtime. However, in certain sectors (such as the hotel industry) different limitations can apply. There are also limits on night work and minors. Employees are generally entitled to a minimum of 11 continuous hours of rest per 24 hours and 24 continuous hours of rest per week. Either two rest periods of 24 continuous hours each, or a minimum rest period of 48 continuous hours within every 14-day period, must also be given. Managing executives or other Workers with decision-making powers are exempt from limitations on working hours.

Overtime

Overtime is only regulated in some industries (e.g. shops, hotels, restaurants, etc.). It is prohibited for minors. Otherwise, it is a matter of contract. In all cases, a Worker's consent is required for overtime and it should be paid at least at their regular rate or compensated with equivalent time off. There should also be no adverse impact on Workers that refuse to work overtime. An increase in work hours without an increase in pay constitutes grounds for a constructive dismissal claim.

Mandatory Bonuses

A 13th month salary is not mandatory, but is customary in Cyprus. However, a 13th month salary payable around December is customary and widely practiced.

Termination

Except in cases of misconduct, termination requires written notice or pay in lieu and severance. The amount of notice depends on the length of service as outlined, below 26 - 52 weeks of service: one week's notice; 52 - 104 weeks of service: two weeks' notice; 104 - 156 weeks of service: four weeks' notice; 156 - 208 weeks of service: five weeks' notice; 208 - 260 weeks of service: six weeks' notice; 260 - 312 weeks of service: seven weeks' notice; 312+ weeks of service: eight weeks' notice. Severance is also based on length of service. For example, Workers are entitled to two weeks' worth of wages for every year of service up to four years. The provision increases for longer periods of service.

Resignation

Workers must also follow notice requirements in order to resign. They must provide one week's notice after 52 weeks of employment, two weeks' notice after 260 weeks of employment, and three weeks' notice for any employment beyond 260 weeks.

Other End Of Employment Rules

Collective dismissals (aka "retrenchment") require one month's notice for any Worker who has completed a year of service.