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## REGULATION OF SEVERANCE PAYMENTS FOR DISMISSED EMPLOYEES IN UZBEKISTAN LEGISLATION. COMPARATIVE-LEGAL ANALYSE.

Abstract. According to the norms of the New Labor Code, which came into force on April 30, 2023, a number of changes were made to the basis of the payment of severance pay for dismissed employees. In addition, the procedure for the payment of this benefit in a differentiated manner was introduced. This article discusses the basis and procedure for the payment of severance pay for dismissed employees in Uzbekistan, its amounts, problems arising in practice in this field and their solutions.

**Key words:** employee, employer, severance pay, basis and amount of severance pay, differentiated severance pay, length of work.

Introduction. In many developed foreign countries, there is a practice of paying severance pay by the employer for employees who are dismissed for certain reasons. In the labor legislation of Uzbekistan, it is necessary to pay severance pay to the employer when the employment contract concluded with the employee is terminated on several grounds.

Severance pay is a one-time payment provided by the legislation, other legal documents on labor, and the labor contract, which is implemented in order to mitigate the consequences of the employee's loss of work when the employment contract with the employee is terminated on special grounds [1].

Grounds for payment of severance pay. Severance pay is paid when the employment contract is terminated in cases beyond the discretion of the parties and when the employment contract is terminated at the initiative of the employer [2]. The Labor Code of the Republic of Uzbekistan strictly defines the grounds for payment of severance pay. Pursuant to Article 173 of the Code, when the employment contract is terminated on grounds beyond the discretion of the parties, the employee is paid severance pay in the following cases:

- 1. In connection with the call-up of an employee to military or alternative service. The procedure for military and alternative service of citizens of the Republic of Uzbekistan is determined by the law "On general military obligation and military service" and the regulation on the procedure for military service of citizens of the Republic of Uzbekistan. According to this law, a number of privileges and guarantees are established for citizens who are called up for military service. In particular, according to its article 25, it is established that when the employment contract with citizens conscripted for military service is terminated, they should be paid severance pay at the workplace [3].
- 2. The reinstatement of the employee who previously performed the same job. That is, the employer fired the employee illegally. But he appealed to the court, and the court reinstated him to his previous job. At this time, the employer accepted another employee



instead of this employee. In such a situation, the employment contract with the new employee accepted by the employer is canceled based on reasons beyond the discretion of the parties, and the employee is paid severance pay.

- 3. The entry into legal force of the court decision on the liquidation of the organization or the termination of the activity of an individual entrepreneur who is an employer. For example, an organization or an individual entrepreneur was declared insolvent by the court and terminated on this basis. In this case, they must cancel the contract concluded with their employees on the basis that is not dependent on the discretion of the parties and pay the employees severance pay. But there are certain exceptional cases. If an individual entrepreneur is declared insolvent and his activity is terminated, he is not obliged to pay severance pay for his employees.
- 4. The deputy of the Legislative Chamber of the Oliy Majlis of the Republic of Uzbekistan, as well as the member of the Senate who worked on a permanent basis in the Senate of the Oliy Majlis of the Republic of Uzbekistan, to his previous position (work) due to the expiration of the mandate or the dissolution of the Legislative Chamber and Senate of the Oliy Majlis of the Republic of Uzbekistan. If the employment contract is terminated due to his return, the dismissed deputy and senator will be paid severance pay [4], [5].
- 5. Violation of the established rules on employment, if it is not possible to eliminate the committed violation and it prevents the continuation of work. According to Article 118 of the Labor Code, employment in Uzbekistan is allowed from the age of sixteen. As an exception, it is possible to be employed from the age of 15 with the consent of the parents. However, the employer employed a fourteen-year-old person, and this violation was discovered as a result of inspections. In this case, the employment contract with this employee will be canceled on the basis of the above and severance pay will be paid. However, if the established rules are violated as a result of the employee falsifying documents, in such a case, the employee will not be paid severance pay.
- 6. Circumstances have arisen that prevent the continuation of labor relations in accordance with the legislation, for example, the employee has been recognized as completely incapable of working according to the medical opinion given in the prescribed manner, as well as the right to use state secrets has been revoked, if the work being performed does not allow the right to use such if required, deprivation of a permit or license to perform certain work and in other cases. But even in this case, if the employee falsifies documents, for example, a medical report, he will not be paid severance pay.

Severance pay is also paid in the following cases when the employment contract is terminated:

- 1. Due to the fact that the employee refused to continue working under new working conditions. In connection with the reduction of the volume of work, it was necessary to reduce the rate of work specified in the employee's employment contract. But the employee did not agree. In this case, the employment contract with him will be cancelled and severance pay will be paid.
- 2. Severance pay even when the employee refuses to be transferred to another job that has no instructions against him or the employer does not have a suitable job according to the medical opinion is paid.
- 3. Due to the fact that the employee refused to move to another place together with the employer. That is, when the employee's place of work specified in the employment contract changes, and the employee does not agree to this as a result of this situation causing inconvenience to the employee.
- 4. When the employee refuses to continue the work due to the change of ownership of the organization, its reorganization, departmental affiliation (subordination) has changed. For example, when employees refuse to continue the work as a result of a change in the founders of a certain limited liability company.



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However, when the employment contract is terminated due to the employee's culpable behavior (regular or one-time gross violation of labor discipline), the employee will not be paid severance pay. Also, in these cases, the payment of severance pay cannot be specified as a benefit in collective agreements.

Amount of severance pay. According to the previous version of the Labor Code, it was established that the severance pay should be paid to all employees in the same amount, that is, in the amount of the employee's average monthly salary. From April 30, 2023, a new version of the Labor Code entered into force in Uzbekistan, and the procedure for the payment of severance pay was introduced in it. Now, the amount of severance pay differs according to the employee's length of service at the employer. Its amounts are as follows:

for employees with up to three years of work experience - from fifty percent of the average monthly salary;

for employees with three to five years of work experience - from seventy-five percent of the average monthly salary;

for employees with five to ten years of work experience - one hundred percent of the average monthly salary;

for employees with ten to fifteen years of work experience - from one hundred and fifty percent of the average monthly salary;

for employees with more than fifteen years of work experience - it cannot be less than two hundred percent of the average monthly salary.

If we look at the experience of developed foreign countries, in Germany, the size of severance payments is not clearly determined by law, either. The Protection Against Dismissal Act denominates only maximum limits at the amount of 12 monthly wages in general and 15 or rather 18 monthly wages for older employees with many years of tenure [6].

Conclusion. Severance pay is important for the temporary recovery of an employee whose employment contract has been terminated. Also, the purpose of implementing this benefit is to cover the employee's expenses in a certain amount until he finds a new job. therefore, in cases specified in the law, when the employment contract is terminated, payment of this severance pay within the specified period and amount is indicated as one of the obligations of the employer.

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