



VELFERÐARRÁÐUNEYTIÐ

Ministry of Welfare

Act on Trade Unions and Industrial Disputes, No. 80/1938, as amended by Act No. 70/1954, No. 10/1983, No. 91/1991, No. 75/1996, No. 83/1997, No. 20/2001, No. 162/2010 and No. 126/2011.

SECTION I

Respecting the Rights of Trade Unions and their Position toward Employers.

Article 1

People are entitled to found trade unions and federations of trade unions for the purpose of working jointly for the interests of the working class and wage earners in general.

Article 2

Trade unions shall be open to all those belonging to the trade concerned within the district of each union in accordance with further fixed rules contained in the statutes. The district of a union shall never be smaller than a municipality.

Article 3

Trade unions are in charge of their own affairs subject to the limitations imposed in the present Act. Individual members of the unions are bound by their lawfully concluded statutes and agreements of the union and the federation to which it may belong.

A member of a trade union ceases to be bound by his union's statutes and those of its federation when he is no longer a member according to the union's rules, but the agreements by which he has become bound during his membership are binding for him while he continues to engage in the type of work covered by the agreement concerned until the agreement could at the earliest be invalidated in accordance with notice of termination.

Article 4

Employers, foremen and others representatives of employers are not permitted to attempt influencing the political views of their workers, their attitude to dealing with trade unions or political association or industrial disputes by

- a. notice if termination of employment or threats of such notice,
- b. monetary payments, promises of profit or refusal to effect just payments.

Article 5

Trade unions are legal contracting parties concerning the wages and terms of their members, provided the union concerned has determined in its statutes to let its activities extend to such matters.

[The negotiating committee or representative who acts on behalf of a contracting party when a collective agreement is made shall have a mandate to present proposals for an agreement, take part in negotiations and sign collective agreement on behalf of the trade union or federation involved. Negotiating committees may grant a joint negotiating committee of several unions or federations its mandate to negotiate, in part or completely. A negotiating committee may also require a joint ballot by

the members of the unions concerned, in accordance with what the committee may decide at any given time or what may be agreed on in the collective agreement.

When a collective agreement has been signed by the competent representatives of the contracting parties, it shall be valid from the date of signature unless otherwise agreed, unless it is rejected in a secret ballot by a majority of the votes cast, with the participation of at least one fifth of those on the voting roll or membership register within four weeks of the date of signature. If a general secret postal ballot is held among the members concerning a collective agreement that has been concluded, its result shall be valid irrespective of the participation rate. If a collective agreement applies to only part of the union members or employees of an enterprise, it may be stipulated in the agreement that these persons only shall have the right to vote concerning it, provided it is stated clearly how the ballot is to be held.

If [two or more trade unions]¹⁾ are involved in a collective agreement, workplace agreement, for members at the same place of work, it shall be put jointly to a ballot involving all the members to whom it applies, a majority of votes case determining the outcome. The entry into force and processing of a workplace agreement shall in other respects be subject to the provisions of [paragraph 3.]¹⁾

The contracting parties shall be obliged to encourage their members to honour collective agreement that have been concluded.]²⁾

¹⁾ Act No. 20/2001, Article 1. ²⁾ Act No. 75/1996, Article 1.

Article 6

All agreements between trade unions and employers relating to workers' wages and terms shall be in writing, specifying the period of validity and respite for notice of termination. Alternatively the period of validity shall be one year and respite for notice of termination shall be three months. In case notice of termination of an agreement be not given within the respite this will be considered to be extended for one year, unless an alternative arrangement be fixed in the agreement itself. Notice of termination of an agreement shall be in writing.

Article 7

Agreements between individual workers and employers are invalid to the extent to which these are in conflict with agreements between a trade union and the employer provided that the union has not approved of the agreements.

Article 8

Trade unions are responsible for any breach of agreement which the union itself or its lawfully appointed shop stewards commit in connection with their functions of trust for the union. It is, however, not permissible to effect legal execution in the unions' meeting halls, sickness funds or accident and cultural funds on account of this responsibility, but the assets of the funds shall be clearly separated from those of the union and it is not permissible to contribute these to the union's general requirements. The trade union will be held responsible for breaches of agreements by its individual member only provided the union will be blamed for the breach of agreement.

[Non-federated employers and non-unionized employees shall be solely responsible for breaches of agreement which they cause. If it is not demonstrated that a contracting party has taken part in measures which may be regarded as work stoppages, each union member shall be responsible for his participation in such measures.]¹⁾

¹⁾ Act No. 75/1996, Article 2.

Article 9

At each place of work where at least 5 persons are employed the executive committee of the local trade union in the trade concerned are entitled to nominate 2 persons to act as shop stewards out of the group working at the working place. The employer shall approve one of them in the capacity of trade union shop steward at the work station. The shop steward shall take care that work agreements be adhered to by the employer and his representatives and that the workers' social or civil rights be not curtailed. This provision does not, however, extend to agricultural workers or the crews of vessels or boats on which it is not compulsory to sign officially.

In this connection any enterprise where a group of persons works under the direction of a special foreman or group leader will be considered an independent work station, such as: factories, fish processing plants, shipping line agencies, vessels, cab ranks et al.

In case a dispute arise between trade unions as which of these shall appoint a shop steward, The Icelandic Federation of Labour will decide the issue.

Article 10

Workers shall apply to the trade union shop steward with their complaints about the employer and his representatives.

As soon as a shop steward has received a complaint from a worker or he considers himself to have reason for assuming that the right of a worker or a trade union at his work station has been infringed by the employer or his representative, he shall forthwith investigate the matter. In case he comes to the conclusion that the complaints or his suspicion have been substantiated, he shall approach the employer or his representative with a complaint and demand for amendment. Trade union shop stewards shall as soon as possible render a report to the trade union having selected them about workers' complaints. They shall furthermore render a report to the union relating to that which they consider an employer or his representatives to have violated against workers and their unions.

Article 11

Employers and their representatives are not permitted to terminate the employment of shop stewards on account of their service as such or to let them in any way suffer for the fact that a trade union has charged them with discharging shop steward duties for the union. In case an employer require to reduce the number of workers a shop steward shall, other things being equal, have priority in retaining the job.

Article 12

In case a shop steward neglects his duties in accordance with the present Act in the judgment of the trade union having nominated him, the executive committee of the trade union concerned are authorized to deprive him of his commission and nominate another person as shop steward from the group of workers at the working place in accordance with the rules of Article 9.

Article 13

Trade unions or trade unions and federations of trade unions are authorized to conclude agreements relating to mutual support. Employers and all their representatives are forbidden to let their employees suffer in any way for having concluded such agreements or having been instrumental in bringing these about.

SECTION II

Respecting Strikes and Lockouts.

Article 14

Trade unions, employers' associations and individual employers are authorized to declare strikes and lockouts for the purpose of working for the advancement of their demands in industrial disputes and for the protection of their rights under the present Act, subject only to the conditions and limitations which are laid down in laws.

Article 15

[When an employers' union or trade union intends to begin a work stoppage, such a stoppage shall only be permitted if it has been decided in a general secret ballot with the participation of at least one fifth of the members with a right to vote according to the voting roll or members' register, and if the proposal has received the support of the majority of the votes cast. A general secret postal ballot may be held among the members concerning a proposal for a work stoppage, and its result shall be valid irrespective of the participation rate.

If a work stoppage is intended to involve only a particular group of union members or employees at a specified working place, a decision concerning the work stoppage may be taken on the basis of the

votes of those whom it is intended to involve. In such a case, one fifth of those with the right to vote must take part in the ballot, and the majority of them must support the proposal for a work stoppage.

A proposal for a work stoppage shall state clearly to whom it is specifically intended to apply and when it is planned to implement the stoppage. For a decision to call a work stoppage to be legal, negotiations or attempts at negotiations on the demands presented must have proved fruitless despite the efforts of a conciliation and mediation officer.

A negotiating committee or the competent representatives of the contracting parties may at all times cancel a work stoppage. The same parties may postpone a work stoppage that has been called, once or more often, by up to 28 days in total, without the approval of the opposite contracting party, providing that party is informed of the postponement with at least three days' notice. It shall, however, always be possible to postpone a work stoppage that has been called, and a work stoppage that is in progress, with the approval of both parties.]¹⁾

¹⁾ Act No. 75/1996, Article 3.

Article 16

A decision on stoppage of work to be commenced for the purpose of enforcing an amendment to or decision upon wages and terms shall be made known to the conciliation and mediation officer and those against whom such action is mainly directed seven days prior to the intended commencement of such action.

Article 17

It is not permissible to commence stoppage of work:

1. in case a dispute only concerns items on which the Labour Court is empowered to decree except for the enforcement of the Court's decree.
2. in case the purpose of the stoppage of work is that of forcing the authorities to perform acts which they are not in duty bound to undertake or not to perform acts which they are to undertake according to Laws, provided that these be not acts to which the authorities are a party in the capacity of employers. The Laws in force relating to civil servants remain unchanged, this provision notwithstanding.
3. in support of a Union having commenced unlawful stoppage of work.

Article 18

When stoppage of work has been commenced in a lawful manner those against whom it is in some respect directed are not permitted to promote the prevention thereof with the assistance of individual members of the unions or federations being parties to the stoppage of work.

[Article 19

In this Act, the term "work stoppage" refers to lockouts by employers and strikes in which employees discontinue their normal work to some extent or in its entirety in order to achieve a specific common goal. The same applies to other comparable measures taken by employers or employees which may be regarded as the equivalent of work stoppages.]¹⁾

¹⁾ Act No. 75/1996, Article 4.

[SECTION III

Conciliation in Industrial Disputes.]¹⁾

¹⁾ Act No. 75/1996, Article 5. *The provisions of this chapter applies as appropriate on civil servants as far as the Act on collective agreements of civil servants valid, cf. Article 9 of the same Act.*

[Article 20

[The Minister]¹⁾ shall appoint a State Conciliation and Mediation Officer for terms of five years at a time. He shall be an Icelandic citizen, in charge of his financial affairs and have an unblemished reputation. Efforts shall be made to ensure that his attitude is such that he may be regarded as impartial in matters involving employees and employers.

[The Minister shall also appoint a Deputy State Conciliation and Mediation Officer who shall fulfill the same requirements as the State Conciliation and Mediation Officer.]²⁾

The Deputy State Conciliation and Mediation Officer shall take over the functions of the State Conciliation and Mediation Officer when he is indisposed and shall assist him as the occasion demands.

The State Conciliation and Mediation Officer may [nominate]²⁾ an Assistant Conciliation and Mediation Officer to assist him in the resolution of industrial disputes or to work independently at the resolution of an individual industrial dispute. It is a civic duty to undertake the work of an Assistant State Conciliation and Mediation Officer.

If it is considered demonstrated that an industrial dispute will have extremely serious consequences, the Government may appoint a special conciliation committee to work at the resolution of the dispute. The State Conciliation and Mediation Officer and the parties to the dispute shall be consulted before the conciliation committee is appointed.

The Deputy State Conciliation and Mediation Officer, the Assistant Conciliation and Mediation Officer and the members of the conciliation committee shall have the rights of, and bear the obligations of, the State Conciliation and Mediation Officer when they are engaged in their work.

The wages of the State Conciliation and Mediation Officer shall be determined in the same way as the wages of Cabinet Ministers and Supreme Court judges. [The Minister]³⁾ shall determine the wages of the Deputy State Conciliation and Mediation Officer and the Assistant Conciliation and Mediation Officer and remunerations to the members of the conciliation committee.]⁴⁾

¹⁾ Act No. 126/2011, Article 14. ²⁾ Act No. 83/1997, Article 33. ³⁾ Act No. 162/2010, Article 1. ⁴⁾ Act No. 75/1996, Article 5.

[Article 21]

The Office of the State Conciliation and Mediation Officer shall be in Reykjavik, and shall engage staff as required and in accordance with authorizations.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 22]

The State Conciliation and Mediation Officer shall work for conciliation in industrial disputes between employees and their unions, on the one hand, and employers and their associations on the other.

He shall monitor the situation and outlook in the economy and the employment market throughout the country. He shall keep abreast of the wages and terms situation and matters which might cause disputes in relations between employers' associations and trade unions.

The State Conciliation and Mediation Officer shall keep a register of valid collective agreements, and employees' and employers' organizations, and non-affiliated employers, shall be obliged to send him copies of all collective agreements they conclude as soon as they are signed. Amendments to previously made collective agreements shall be sent to him in the same way. The same parties shall also send the conciliation and mediation officer copies of all pay-scales and terms of service issued on the basis of valid collective agreements.

The contracting parties shall furthermore send the State Conciliation and Mediation Officer copies of terminations of wages and terms agreements, and also of demands, as soon as they are sent to their opposite parties.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 23]

Employers, or their organizations, and trade unions, shall draw up a schedule for the conduct of negotiations on the renewal of collective agreements. The contracting parties may grant their national or overall federations a special mandate to draw up negotiation schedules on their behalf if such a mandate is not provided for in the lawful constitutions of the contracting parties' federations or organizations. Negotiation schedules, signed by both contracting parties, shall be sent to the State Conciliation and Mediation Officer immediately.

A negotiation schedule shall be drawn up not later than ten weeks before the valid collective agreement comes up for review. If the contracting parties have not made a negotiation schedule by this date, the conciliation and mediation officer shall issue a negotiation schedule for the contracting parties not later than eight weeks before the valid collective agreement comes up for review, in which

case the conciliation and mediation officer shall take account of other negotiation schedules that have been made.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 24

At any time after the issue of a negotiation schedule, the contracting parties may request the mediation of a conciliation and mediation officer, or his assistance, and he shall then immediately use his influence to ensure that attempts to reach agreement go ahead in accordance with the negotiation schedule. The contracting parties shall give the conciliation and mediation officer the opportunity to monitor an industrial dispute and attempts to reach a settlement whenever he so requests.

If negotiations between the contracting parties break down, or if either of them considers there is little hope of success being achieved through further attempts to reach a settlement, either of them, or both, acting jointly, may refer the dispute to a conciliation and mediation officer. When a conciliation and mediation officer has received a notification to this effect, he shall be obliged to call the contracting parties, or their representatives, to a meeting as soon as possible and to continue attempts at conciliation while there is a hope that they will produce results.

The conciliation and mediation officer shall also take over the direction of the negotiations in accordance with what has been determined in the negotiation schedule. However, he may at all times postpone a formal attempt at conciliation and urge the contracting parties to try to explore possibilities for a settlement in direct negotiations between themselves if he considers that this is more likely to produce results. The State Conciliation and Mediation Officer may at any time take over the direction of negotiations if he considers this to be of advantage.

If a notification of a work stoppage is received in accordance with Article 16, the conciliation and mediation officer shall be obliged to work for conciliation between the parties to the dispute and to direct their negotiations.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 25

The contracting parties shall be obliged to attend, or have their representatives attend, any negotiation meeting to which they are called by a conciliation and mediation officer.

Conciliation meetings shall be held behind closed doors.

At conciliation meetings, copies of the documents which have passed between the parties in the dispute shall be presented, providing they have not already been sent to the State Conciliation and Mediation Officer.

It shall be prohibited to publicize, or to take statements from witnesses concerning, discussions at conciliation meetings and proposals which may have been made, without the approval of both contracting parties.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 26

A conciliation and mediation officer may demand from the parties to an industrial dispute any reports and explanations which he considers necessary to resolve the dispute. He may demand from all public bodies such information and reports as he considers necessary. All such items shall be treated in confidence if this is requested.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 27

If conciliation and mediation officer's attempts at conciliation prove fruitless, he may submit a compromise proposal to resolve the industrial dispute. The compromise proposal shall be submitted to the employees' trade unions or federations of trade unions and employers, or an individual employer if only one employer is involved in an industrial dispute, for approval or rejection. The conciliation and mediation officer shall consult the parties' negotiating committees before submitting a compromise proposal.

If a dispute concerns only a specific union division or occupation within a union or a union federation, or a specific enterprise, a conciliation and mediation officer may decide that only that division or occupation or enterprise shall be involved in the ballot.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 28

If two or more unions or union federations are involved in a dispute, a conciliation and mediation officer may, in consultation with the negotiating committees, submit a compromise proposal which applies to more than one party to the dispute, or to all of them. Voting, and the counting of votes, shall take place jointly in all the unions or federations to which the compromise proposal applies so that the combined number of votes will determine whether the proposal is approved or rejected.

A conciliation and mediation officer may also organize a joint ballot, even though he may make more than one compromise proposal, providing this is done at the same time. In such a case, the rules of paragraph 1 shall apply as appropriate.

The conditions for a conciliation and mediation officer's being able to submit one or more compromise proposals under this Article shall be as follows:

- a. that negotiations have taken place on the demands that have been presented, including special matters, or that fruitless attempts have been made to hold negotiations according to the negotiation schedule.
- b. that the time allocated under the negotiation schedule for negotiations between the parties without the mediation of a conciliation and mediation officer has run out without an agreement having been reached.
- c. that a conciliation and mediation officer has sought to conciliate all the contracting parties involved, and considers that there is no prospect for a settlement between them.
- d. that the collective agreements have been open for review for some time so that the contracting parties have had an opportunity to press for accession to their demands.
- e. that the parties to the industrial dispute have had the opportunity to express their comments on the conciliation and mediation officer's ideas of making a joint compromise proposal, this idea having been made known to them directly or publicly.

Ballots on a joint compromise proposal involving contracting parties in the private sector and those subject to the Civil Servants' Wages and Terms Agreements Act shall take place separately. The result for each group individually shall determine whether the proposal is approved or rejected, irrespective of the position adopted by the other group.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 29

As far as circumstances permit, the parties shall ensure that their members who have the right to vote are able to acquaint themselves with the compromise proposal as a whole. A conciliation and mediation officer may, after consulting the parties to the industrial dispute, extract the main points of a compromise proposal in order to make it easy for their members to acquaint themselves with its contents and to adopt an informed position on the proposal and its effect on their welfare. Either of the parties to an industrial dispute may make an extract from a compromise proposal for its members in consultation with the conciliation and mediation officer. A compromise proposal may not be made known to parties other than those involved without the approval of the conciliation and mediation officer until it has been put to the ballot.

A compromise proposal shall be put to the vote in a ballot involving all the parties with the right to vote in the form in which it is presented by the conciliation and mediation officer, and it shall be approved or rejected.

Voting on a compromise proposal shall take place at a ballot meeting which shall last for a previously determined length of time. The State Conciliation and Mediation Officer may, in consultation with the parties to the industrial dispute, decide that voting shall also take place at specific places or in specific areas outside the ballot meeting. Instead of voting at and outside a ballot meeting, the State Conciliation and Mediation Officer may decide, after consulting the parties to the industrial dispute, that voting on a compromise proposal is to take place in the form of a secret postal ballot among the union members, which shall be completed within a previously determined period. The State

Conciliation and Mediation Officer shall, after consulting the parties to the industrial dispute, give further instructions on the conduct of the ballot, e.g. concerning when and how it is to be held. Voting shall be secret and in writing.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 30

As soon as voting is complete, the votes and ballot materials shall be delivered to the conciliation and mediation officer. The counting of the votes shall take place under the direction of the conciliation and mediation officer, and each party may have a representative present at the counting.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 31

A compromise proposal shall be regarded as having been rejected in a ballot if more than half the votes cast are against it and if the votes against it amount to more than one quarter of the votes according to the voting roll or members' register. This shall apply equally to a ballot conducted at a ballot meeting and a postal ballot.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 32

Conciliation and mediation officers may present compromise proposals as often as they consider necessary.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 33

If attempts at conciliation in an important dispute are discontinued without result, the State Conciliation and Mediation Officer may publish a report on the matter in the manner he considers best designed to give the public a true picture of the dispute.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 34

If either party wishes to approve a conciliation and mediation officer's compromise proposal after attempts at conciliation have been discontinued without result, it shall send the conciliation and mediation officer a declaration to this effect. The conciliation and mediation officer shall then immediately inform the opposite party in the dispute of the declaration. If that party also wishes to approve the compromise proposal, the conciliation and mediation officer shall arrange for the parties to conclude the agreement between themselves.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 35

If conciliation attempts by a conciliation and mediation officer end without result, he shall resume them if either party so desires or if he considers it appropriate to do so. He shall at all times, however, attempt to achieve conciliation within 14 days of having discontinued his previous attempts at conciliation.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 36

Conciliation and mediation officers shall keep record books and record in them where and when conciliation meetings are held, the name of the conciliation and mediation officer and the parties or their representatives present. Mention shall be made in the records of documents submitted and the principal proceedings at the meetings.]¹⁾

¹⁾ Act No. 75/1996, Article 5.

[Article 37

The State Conciliation and Mediation Officer shall send [the Minister]¹⁾ reports on his work under this Act as often as necessary, and never less frequently than once a year.]²⁾

¹⁾ Act No. 162/2010, Article 1. ²⁾ Act No. 75/1996, Article 5.

SECTION IV
Respecting the Labour Court.

Article 38

A Court of Law shall be established in the capital of Iceland to serve the entire country. This shall be named the Labour Court. The sphere of the Court is specified in the present Act.

Article 39

[The Court shall consist of five persons appointed for terms of three years as follows: One by the [Confederation of Icelandic Employers,]¹⁾ one by the Icelandic Federation of Labour, one by [the Minister]²⁾ from three persons nominated by the Supreme Court and two by the Supreme Court, one of whom shall be specially nominated to be the President of the Court. If an employer involved in a case is not a member of the [Confederation of Icelandic Employers,]¹⁾ the judge nominated by the Confederation shall vacate his seat and the employer shall nominate a judge to take his place in the case; he shall do this before the half of the respite of summon expires, failing which the President of the Court shall nominate a judge. The same shall apply as regards the judge appointed by the Icelandic Federation of Labour when a party to the case is a trade union or federation of trade unions standing outside the overall employees' organization.

The same parties shall nominate deputy judges who shall take their seats when the principal judges are indisposed.

When cases covered by paragraph 2 of Article 44 come before the Labour Court, the judges nominated by the [Confederation of Icelandic Employers]¹⁾ and the Icelandic Federation of Labour shall vacate their seats, and in their stead the plaintiff and defendant shall each nominate a person from a group of 18 persons nominated for this purpose by the Journeymen's Council of the Icelandic Federation of Labour and the Federation of Icelandic Master Craftsmen for terms of three years at a time. The Journeymen's Council of the Icelandic Federation of Labour shall nominate six persons and the Federation of Icelandic Master Craftsmen twelve. The aforementioned organizations shall nominate the same number of alternates in the same manner. If a party fails to nominate a judge, or if no agreement is reached between parties in association in a case regarding a nomination, the President of the Labour Court shall nominate a judge in his place from among the same group of persons.]³⁾

¹⁾ Act No. 20/2001, Article 2. ²⁾ Act No. 162/2010, Article 1. ³⁾ Act No. 75/1996, Article 6.

Article 40

[The Minister]¹⁾ will give notice of when the nomination of judges shall be undertaken. In case a party has not given the Minister notice of nomination within two weeks of notice being sent to him to the effect that nomination shall be undertaken, the Minister will nominate a judge on behalf of that party.

¹⁾ Act No. 162/2010, Article 1.

Article 41

It is a civil duty to take a seat in the Court. In case a principal and reserve judge refuse to pronounce judgment in a specific case the party having nominated them shall nominate judges to replace them, but alternatively the President of the Court will do so.

Article 42

The judges shall be Icelandic citizens, in charge of their financial affairs and have an unblemished reputation. Those two who are appointed by the Supreme Court shall have completed a university degree in Law.

Article 43

Prior to taking their seats in the Court for the first time the judges shall swear an oath or pledge their word of honour to the effect that they will discharge their duties to the best of their ability.

Article 44

The function of the Labour Court is as follows:

1. to pass judgments in cases arising on account of charges concerning violation of the present Act and loss sustained due to unlawful stoppage of work.
2. to pass judgments in cases arising on account of charges concerning violations of a work agreement or due to disagreement relating to the interpretation of a work agreement or its validity.
3. to pass judgments in other cases between workers and employers which the parties concerned has agreed to refer to the Court, provided that at the least three of the judges be agreed upon such a procedure.

[Trade unions, associations of masters and manufacturers and individual employers are authorized to seek a decision by the Labour Courts as to whether an activity comes under Section I and II of the Act respecting craft and trade as well as to which authorized branch of trade it covers.]¹⁾

¹⁾ Act No. 70/1954, Article 2.

Article 45

Federations of trade unions and employers' associations proceed with cases before the Court for and on behalf of their members. Associations not being members of the Federations proceed with their cases themselves. Unaffiliated parties will proceed with their cases themselves.

In case a federation or union decline to instigate proceedings for their members the party concerned is authorized to file the case himself, but prior to a writ of summons being issued he shall submit evidence of the refusal of the union or federation concerned before the President of the Labour Court.

Article 46

Parties to a case may grant Icelandic citizens who are in charge of their financial affairs and have an unblemished reputation authority to plead their cases before the Court.

Article 47

A case which may be proceeded with before the Labour Courts shall not be pleaded before common Courts of Law, unless the Labour Court have refused to take it for consideration, cf. Article 44, paragraph 3.

Article 48

The judges nominated by the Supreme Court vacate their seats according to the same rules as those applying to justices of the Supreme Court. The Court will decree as to whether a judge shall vacate his seat.

The Court will be unable to function unless all the judges have been appointed. Judges having commenced consideration of a case shall complete it although the electoral term be at an end.

Article 49

The President of the Court will decide when a Session shall be held. He will preside over the Sessions, keep the record of proceedings, record of judgments and other records according to the Court's further instructions.

Article 50

The President will issue writs of summons in the name of the Court. The following shall be mentioned in a writ of summons: The names and domicile of the parties, a detailed account of the facts of the case and plaintiff's claims. The plaintiff shall furthermore as far as possible give an account of how he contemplate proving his assertions and claims and he shall submit five copies of the documentary evidence at hand. The writ of summons shall be accompanied by a copy for each judge and the President will see to that all the copies will forthwith be sent to the judges.

Article 51

The President will decide the respite for summons having regard for how short an advance notice the defendant require to appear at a Court Session.

The plaintiff will arrange for serving and the writ of summons shall be served by [process-servers]¹⁾ in the customary manner. ...¹⁾

¹⁾ Act No. 91/1991, Article 161.

Article 52

A case shall be pleaded verbally. A case may, however, be pleaded in writing:

1. If the defendant neither appears nor is represented.
2. If the parties to the case or their representatives so request and the Court consider that the case will be better accounted for in that manner.

Article 53

The defendant may file a counter-claim without a counter-suit having to be proceeded with.

Article 54

In the event that a case has not been sufficiently clarified, if witnesses have to be called, if surveys or assessments have to be undertaken, if a party has to render a report or if a defendant does in the opinion of the Court require respite for tendering replies, the Court may postpone a case. Upon determining postponement care shall be taken that a case will not be unnecessarily delayed.

Article 55

It is permissible to summon witnesses before the Labour Court. The Court will place witnesses under oath in accordance with the laws in force.

Article 56

The Court will see to it that a case be clarified as well as possible. The Court may require a report from a party if this is considered necessary for the clarification of the case.

Article 57

The Court may decide that a report by a party shall be rendered or a report by a witness shall be taken before a District Court in the venue of the witness or party concerned.

Article 58

The duty of a witness, the value of evidence of a report by a witness, the calling of witnesses as well as penalty for incorrect testimony will be subject to the same rules as civil cases before District Courts.

Article 59

Judges may undertake inspections and assessments, either all together or some of them, according to the Court's decision.

The Court may furthermore nominate surveyors and assessors to undertake a specific survey or assessment and this is subject to general rules on [civil procedure.]¹⁾

¹⁾ Act No. 91/1991, Article 161.

Article 60

The Court may sentence witnesses, surveyors and assessors and others lawfully called to appear before the Court to pay fines in accordance with the same general rules as civil suits before District Courts.

Article 61

The Court will determine remuneration to witnesses and surveyors and assessors.

Article 62

The Court may at any time seek the opinion of specialists on specific items.

Article 63

The Court will impose fines upon parties, counsel and others in respect of censurable conduct in the course of pleadings or before Court in accordance with the same rules as do Courts of Law in general.

The Court may order people to leave a Session due to improper conduct.

Article 64

Upon determining awards the plurality of votes will decide issues. In case of even votes the President's vote will decide issues. Decrees on individual items which must be pronounced prior to a case being taken for judgment shall be pronounced forthwith or as soon as possible after the item has been taken for decision. The same applies in matters pertaining to witnesses and assessments as may be appropriate.

In cases which are pleaded verbally judgment shall be pronounced within 24 hours after the cases have been taken for judgment, but within a week in cases pleaded in writing. In case judgment or decree cannot be pronounced as quickly as has been stated the causes thereof shall be specified precisely.

Counsels shall be advised where and when a judgment or decree will be pronounced and they shall be invited to attend there.

Article 65

The Court may order parties to pay damages, fines and costs in accordance with customary rules. In determining the amount of damages regard may be had for the culpability of the violation.

The judgments and decrees of the Labour Court are subject to execution. The Court will decide upon the respite for execution.

Article 66

All costs incurred by the Labour Court, including remuneration to the Judges, will be paid out of the Treasury in accordance with a decision by [the Minister].¹⁾

There shall be no Court charges. Free legal aid for Plaintiffs and Defendants is subject to general ruling.

¹⁾ Act No. 162/2010, Article 1.

Article 67

The Labour Court's decrees and judgments are final and will not be appealed. Within a week of the pronouncement of judgment or decree the following may, however, be [referred]¹⁾ to the Supreme Court:

1. [A judgment or ruling of dismissal.]²⁾
2. [A judgment]²⁾ of invalidation on the grounds that the case does not fall within the jurisdiction of the Labour Court.
3. [An order on the duty to witness, the swearing of oaths and fines for breaches of court procedure under Articles 60 and 63.]²⁾
4. [A decision on the imposition of fines on parties under Article 65.]²⁾

¹⁾ Act No. 91/1991, Article 161. ²⁾ Act No. 20/2001, Article 3.

Article 68

The President will issue the legal documents of the Labour Court in the name of the Court and over its seal. Secretarial fees shall be paid in accordance with customary rules.

Article 69

Items relating to the proceedings of cases which are not stipulated in the present Act shall be subject to the code of procedure of civil cases before the District Courts as far as may be possible.

SECTION V
Concluding Provisions.

Article 70

Violations of the present Act are, in addition to damages, subject to fines ...¹⁾ The fines accrue to the Treasury and may be collected as monetary claims in the customary manner, but there shall not be a question of prison service.

[Liability under paragraph 2 of Article 8 shall not, however, involve fines.]²⁾

¹⁾ Act No. 10/1983, Article 161. ²⁾ Act No. 75/1996, Article 8.

*[This translation is published for information only.
The original Icelandic text is published in the Law Gazette.
In case of a possible discrepancy, the original Icelandic text applies.]*