

# OHR's Statement at the International Agency's Joint Press Conference in Banja Luka

## Workers Rights Will Be Protected By More Investment

The amendments made last month to the Federation Bankruptcy Law ensure that the Law allows companies to restructure and stay in business rather than going into liquidation.

Before these amendments were passed, companies in the Federation had only two options – to go into liquidation, which means sacking all their workers, or to remain in business “on paper”, producing little or nothing, employing a skeleton staff and keeping hundreds of workers on the waiting list-without salaries or benefits.

The amended Bankruptcy Law gives companies a third option – they can stay in business, secure a capital injection through investment, restructure and then expand. Restructuring can involve job losses, but in the long run it is more likely to lead to job creation.

Some trades union have come out in support of this approach, recognising that it is likely to benefit workers. Others argue that the social safety net to handle job losses is inadequate. This issue was addressed in a statement issued yesterday by the World Bank, noting that last week Entity officials and World Bank experts finalized preparations for a project that will make US\$12 million in WB funds available for employment-support services. Over the next four years the project will provide assistance to workers in both Entities who suffer redundancy.

The OHR calls on the trades union to work with the Entity governments to use the Bankruptcy Law as an effective way of protecting jobs and create new jobs, by encouraging restructuring and investment.

#### PBS in the Council of Ministers

OHR understands that PBS legislation will be discussed in the CoM tomorrow. OHR again calls upon the CoM to adopt PBS legislation that is fully in line with EU Feasibility study, the Prime Minister's agreement and the Dayton Peace Agreement.

I need not remind you this is a condition for European integration and if BiH is serious about joining Europe, then it should show that by meeting these conditions.