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Judgment in Case E-3/01 *Alda Viggósdóttir v Íslandspóstur hf.*

Rights of employees after transfer within the public sector

In an advisory opinion delivered today, the EFTA Court held that the conversion of a State entity, such as the Icelandic Post and Telecommunications Administration, into a State owned limited liability company, might constitute a transfer within the meaning of Council Directive 77/187/EEC on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of businesses.

The plaintiff in the case before the national court had been employed by the Post and Telecommunications Administration and continued to work for the succeeding limited liability company. The dispute in the case concerns the termination of her employment contract and whether she, after the transfer, still enjoyed her former rights in this respect.

After such transfer, an employee retains, in principle, his or her rights under national employment law. However, this does not apply if an employee enjoyed protection from dismissal under public law. The EFTA Court left it to the national court to assess whether the situation of the plaintiff in the case before it is governed by Icelandic public law.

The Court also stated that an employee can not, in connection with a transfer, waive his or her rights under relevant EEA law.

The full text of the judgment may be found on the Internet at: www.efta.int.

The EFTA Court is composed of Judges Thór Vilhjálmsson (President), Carl Baudenbacher and Per Tresselt.

This press release is not an official document. Please note that the Court may not comment on the case.