

How business trips differ from worker postings (2/42/20)

Businesses are increasingly struggling with the question of how a business trip is different from a worker posting. This article explores the main differences and criteria for distinguishing between the two concepts.

A business trip

First off, we should note that the Latvian Employment Act does not define a business trip. To understand the content and substance of this term, we need to examine some other pieces of Latvian legislation and relevant case law.

The term “business trip” can be found in the [Cabinet of Ministers’ Rule No. 969, *How to reimburse expenses related to business trips*. Paragraph 2](#) defines a business trip as follows:



Worker postings are governed by [section 14 of the Employment Act](#), which provides that a worker’s posting is recognised where for the purpose of providing cross-border services –



The Latvian Supreme Court Civil Division ruling SKC-2425/2014 of 30 September 2014 analyses the distinction between business trips and worker postings. The ruling finds that a worker’s posting has occurred and [section 14 of the Employment Act](#) applies if –

1. the worker is posted in the context of providing cross-border services;
2. the employment relationship between the company posting the worker for work and the worker continues throughout the period of work; and
3. the worker is posted temporarily for a stated period.¹

Why does the distinction between business trips and worker postings matter?

It is important to note that in the case of a worker posting, the employer has to meet the requirements of the destination country. So an employer posting a worker for work to Latvia has the following obligations:

- Notify the National Employment Office before posting the worker;
- Appoint a person in Latvia to represent the employer in dealings with Latvian government agencies and courts;
- Ensure that documents are duly stored and presented to supervisory and control authorities.²

A key takeaway from the ruling is that worker postings are a type of business trip because the concept of worker posting is fully consistent with the concept of business trip but narrower as worker postings are restricted to doing work abroad.³

¹ Supreme Court Civil Division ruling SKC-2425/2014 of 30 September 2014, paragraph 12.1

² Section 14.1 of the Employment Act. Latvijas Vēstnesis, 105, 06.07.2001

³ Supreme Court Civil Division ruling SKC-2425/2014 of 30 September 2014, paragraph 12.3

