

HR LAW BRIEF: CEE

06/2024

Dear Readers,

We are back with another edition of our HR Law Brief: CEE. Again, it's a 3-minutes read to bring you up to speed with the latest news from Central-Eastern Europe.

If you need any support in the CEE region, let us know.



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PARENTAL LEAVE CHANGES ACCOMMODATE SAME SEX MARRIAGES (ESTONIA)

New rules for granting paternity and maternity leaves have been introduced in Estonia – the updates result from the 2023 change to Estonia’s Family Act, which allowed same-sex marriages. New rules adjusting employment laws to the updated definition of marriage allow, for example, a parent in a same-sex relationship (one who is not entitled to maternity leave) to use paternity leave regardless of gender. Employers engaging teams in Estonia should now check their pre-existing, internal rules for granting paternity and maternity leaves, and modify those accordingly to allow the employees covered by the updated statutory rules to benefit from the new entitlements.

PENALTIES FOR OHS INFRINGEMENTS INCREASED SIGNIFICANTLY (HUNGARY)

As of March 2024, penalties for violations of occupational safety regulations have been increased in Hungary, with the standard amount of a fine for OHS violation set at HUF 100,000 (approx. €255) per violation, and a maximum combined fine capped at HUF 100,000,000 (approx. €255,000). Statutory fine levels are slightly lower for smaller employers, with maximum fine set at HUF 25,000,000 (approx. €65,000) for natural persons, as well as micro- and small enterprises. The changed regulations also introduce a new method for calculating so-called standard penalties (i.e. their default levels given the type and severity of violation), and create a voluntary, public register of occupational safety professionals.

PROTECTION OF WHISTLEBLOWERS EVER CLOSER (POLAND)

The Council of Ministers has adopted a long-overdue bill on the protection of whistleblowers, submitted by the Minister of Family, Labor and Social Policy. With the sufficient political backing, the bill is now submitted to the Polish Parliament, and is expected to be voted into law soon. Employers will have 3 months to adopt their internal policies and reporting channels to the new requirements, but many local companies – given the government’s many-years struggle with numerous, almost-ready draft laws – already have their solutions shelved and ready to be amended slightly and published. Currently, Poland remains one of the two countries – together with Estonia – that failed to implement the EU Directive on Whistleblowing, even though the deadline to do so passed in December 2021.

COSTS OF REMOTE WORK LOWERED SLIGHTLY (CZECH REPUBLIC)

As of 2024, the hourly lump-sum amount of compensation for additional expenses related to remote work has been slightly reduced, from CZK 4.60 (approx. €0.18) to CZK 4.50 per hour (approx. €0.184). This small change may be of significant impact for employers with high headcounts, as in a standard year of approx. 2000 working hours this may translate into a saving of EUR 80 per employee, which can be then saved or offered in other benefits. The lump sum, however, continues to be exempt from taxation and social & health insurance contributions.

NEW LEAVE FOR ADOPTIVE MOTHERS (LITHUANIA)

Starting July 2024, adoptive mothers will be entitled to an additional 30 days of leave. As of now, the Labor Code provides for both paternity and parental leave for the adoptive father, while, inconsistently, the adoptive mother is only entitled to parental leave. The employers will not be allowed to refuse this new adoption leave – if they do, they can expect being fined up to €3,000 and obliged to grant it by the competent authority. The burden, however, will not be too heavy for the employers, as during the leave employees will receive their compensation from the state authorities.

BROADER IMPLICATIONS OF MINIMUM WAGE INCREASE (UKRAINE)

As of 1 April 2024, the minimum wage in Ukraine was increased and now amounts to 8,000 hryvnias (approx. €191). As a result, some employment-related payments or deductions that are available from the state to employers, the amount of which is adjusted to the minimum wage, have also increased. For example, the amount of compensation for the employment of persons with disabilities, or for the employment of young people (under 25 years of age - with less than 12 months of insured experience; under 35 years of age - for the first job) have changed to the benefit of employers.



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