### PCS Littler

# HR LAW BRIEF: CEE

20/2024



#### 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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## ROMANIA: "WORKPLACE BURNOUT" LEGISLATION CREATES NEW OBLIGATIONS FOR EMPLOYERS

Romania is preparing to recognize burnout as a workplace disease. Under this new framework, employees suffering from burnout would be entitled to at least two weeks of sick leave, with recovery costs covered by social insurance, psychological guidance and scheduled mental health evaluations. To qualify, an employee will need a diagnosis from a medical professional and confirmation from the Public Health Directorate. This change could affect businesses by increasing sick leave and potentially impacting staffing levels.

#### POLAND: REVOLUTIONARY CHANGES TO SICKNESS BENEFITS STARTING NEXT YEAR

Poland has introduced a new bill that could significantly impact how sickness benefits are handled. The bill is now at the opinion stage, however, it is planned that starting 1 January 2025, the Social Insurance Institution (ZUS) will cover sickness benefit costs from the first day of medical leave, relieving employers of this financial burden. Until now, it was paid by the employer for the first 33 days. Additionally, it is considered to increase sickness benefits from 80% to 100% of an employee's salary. The new bill will also allow employees to receive sickness benefits from one source while earning wages from another. Employers should be aware of these new regulations as they could impact their costs and the way they manage employee sick leave, which they might also expect to be much more than before.

#### UKRAINE: DRAFT LAW CONCERNING WORKING CAPACITY HAS BEEN APPROVED

On 12 November 2024, Ukraine has passed a law to reform its social insurance system. This reform aims to better support individuals who have suffered work-related injuries or illnesses. It introduces a status of 'working capacity' and its assessment will be made after whole recovery process. With a status of 'persistent full disability' a person will automatically receive a monthly insurance payment. Individuals with 'persistent partial disability' will receive support to return to work, find new employment, or pursue training. They will also receive a monthly allowance while they are actively seeking work. Employers may be expected to adapt their workplace policies in case of people with disabilities and potentially returning employees.

#### CZECH REPUBLIC: NON-TRANSFERABLE PARENTAL LEAVE TO BE INTRODUCED

Czech Republic has recently approved a new Gender Equality Strategy that aligns with EU standards. One key change is that new parents will now have two months of non-transferable parental leave. This means each parent may use their own leave and cannot transfer it to the other. Parents can take their leave simultaneously and will be entitled to an alternating bonus to allow the primary provider to stay at home. By the end of 2024, a drafted law introducing those changes could be presented. Employers should be prepared for potential staffing challenges as parents may take leave simultaneously or in a more flexible manner.

#### LITHUANIA: EMPLOYERS MAY FACE HIGHER FINES FOR WORKPLACE VIOLENCE AND HARASSMENT

Starting next year, Lithuanian businesses could face stricter penalties for failing to prevent workplace violence and harassment. State Labour Inspectorate has observed that many companies do not comply with accepted policies and procedures and by that do not guarantee a safe working environment. To help employers meet these new standards, the Inspectorate will provide guidelines on how to comply with the Labour Code. Companies are advised to review their current policies and procedures, to ensure that all employees understand and follow them. It is also recommended to conduct trainings that clarify implementation of the company's established procedures.

#### HUNGARY: EMPLOYMENT REGULATIONS FOR GUEST WORKERS MAY BE STRICTER

Hungary is considering stricter regulations for employing guest workers. The proposed changes aim to limit the use of foreign labour by making it more difficult and expensive for employers to hire them. Under the new rules, only qualified temporary work agencies will be allowed to hire guest workers from specific countries. Private intermediaries will be prohibited from recruiting foreign workers. The government hopes these measures will encourage employers to prioritize hiring Hungarian workers and reduce the demand for foreign labour. To mitigate potential labour shortages and regulatory risks, Employers should consider alternative staffing solutions, such as automation or upskilling domestic workers.

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