PCS

HR LAW BRIEF: CEE

21/2026



Dear Readers,

We are back with another edition of our HR Law Brief: CEE. Again, it's a 3-minute 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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ESTONIA: EMPLOYERS GAIN RIGHT TO TEST EMPLOYEES FOR INTOXICATION

As of 26 October 2026, amendments to Estonia's Occupational Health and Safety Act expressly allow employers to test employees for alcohol, narcotic, toxic and psychotropic substances. Testing is generally permitted where there is a reasonable suspicion of intoxication, while no individual suspicion is required for employees performing high-risk work, such as operating machinery or driving. Employers must introduce a written testing procedure, inform employees and specify the testing process, consequences of positive results or refusal, and rules for documenting and retaining results. Testing records may be kept for up to three years. The amendments also remove the requirement for employers with fewer than 10 employees to submit workplace risk assessments through the Labour Inspectorate's self-service system, although the obligation to prepare and maintain such assessments remains. Employers should establish the required testing procedures, inform employees of the new rules and review their existing health and safety documentation.

POLAND: NEW RULES FOR ELECTRONIC COMMUNICATION WITH TRADE UNIONS

From 30 October 2026, employers may provide information to trade unions electronically or in another documented form, simplifying formal communication and reducing the need for paper correspondence. Trade unions are entitled to information necessary to exercise their statutory rights, including information on working conditions, remuneration, employment levels, the employer's financial position and planned organisational changes. Employers should assess each request against the specific statutory entitlement and purpose relied upon and are only required to disclose information that is necessary for the exercise of the relevant trade union rights. Any disclosure must also comply with applicable data protection and confidentiality requirements. Employers should establish clear procedures for handling trade union requests, designate responsible contacts and ensure that responses are provided within the statutory deadline.

HUNGARY: PROPOSED EXPANSION OF THE KATA TAX REGIME FROM 2027

Hungary's Ministry of Finance has proposed changes to the KATA regime, a simplified tax scheme allowing eligible self-employed individuals to pay tax under a preferential flat-rate system. The changes, expected to take effect on 1 January 2027, would extend eligibility to part-time self-employed individuals, pensioners and full-time students. At the same time, new restrictions would apply to prevent businesses from using this tax scheme to disguise employment relationships. Individuals would lose eligibility if they earned income from their current employer, a former employer within 24 months of termination or an affiliate of either.

The same would apply where more than 50% of an individual's annual income came from a single client and its affiliates. Companies engaging self-employed contractors should review their B2B arrangements, as the proposed changes could affect which contractors qualify for the scheme and the structure of existing cooperation arrangements.

CZECH REPUBLIC: HIGHER FINANCIAL RISKS FOR BOGUS SELF-EMPLOYMENT

A proposed legislative package implementing the EU rules on platform work could significantly increase the financial and legal risks for companies using self-employed contractors in arrangements that are effectively employment relationships (known locally as švarcsystém). Under the draft, individuals performing work under conditions characteristic of employment could be presumed to be employees of the company that engaged them. This could result in additional obligations relating to salary, working time, annual leave and termination, as well as liability for social security and health insurance contributions and penalties. The proposal also introduces presumptions regarding the amount of remuneration and the duration of the working arrangement, and could extend liability to other companies in the supply chain benefiting from the work. Existing fines for enabling illegal employment would remain unchanged. Companies engaging self-employed contractors should review their contractor arrangements and assess whether their actual working practices could be treated as employment.

BULGARIA: EXPANDING ROLE OF COLLECTIVE BARGAINING ON THE AGENDA

Bulgaria is considering amendments to the Labour Code aimed at increasing collective bargaining coverage, particularly through sectoral and industry-level collective agreements. Under the draft, these agreements would generally apply to employers belonging to the signatory employers' organisations, while other employers could also join with the parties' consent. The proposal would also expand the powers of the General Labour Inspectorate, allowing it to monitor compliance with sectoral agreements and issue binding instructions to employers. The changes form part of Bulgaria's efforts to increase collective bargaining coverage to 20% by 2030. If adopted, they could affect the employment terms applicable to companies operating in sectors covered by such agreements. Employers should assess whether their operations could fall within the scope of sectoral collective agreements and monitor the legislative process.

SLOVAKIA: MINIMUM WAGE TO INCREASE IN 2027

From 1 January 2027, Slovakia's gross monthly minimum wage will increase from EUR 915 to EUR 972, while the minimum hourly rate will rise to EUR 5.586. The change will also increase the minimum pay thresholds for six job difficulty levels, ranging from EUR 972 to EUR 1.552 per month, depending on the nature and responsibility of the work performed. Employers should review their salary structures and job classifications to ensure compliance with the new minimum pay requirements.