PETERKA PARTNERS

THE CEE LAW FIRM

EXTRAORDINARY CHANGES TO THE FIELD OF EMPLOYMENT DUE TO COVID-19

One of the first legal fields to be affected by the pandemic was employment law. On March 18, 2020 Government Decree No. 47/2020 (hereinafter: the Labour Decree) was issued with the aim of reducing the amount of employers' obligations. Its last sentence made a major change to Hungarian labour law compared to any previously known principles, stating that the employer and the employee may reach an agreement derogating from any (!) provision of the Labour Code, even to the detriment of the employee. The consequences of this stipulation are hard to be assessed at this point.

1. Communication of work schedule

Under general rules, the employer is required to communicate to the employee at least a one-week work schedule at least 168 hours before the commencement of such working time. Nevertheless, in case of unforeseeable circumstances related to the employer's financial or business affairs, the employer is entitled to amend the communicated work schedule to at least 96 hours before the commencement of such working time (in addition, the employer can also amend the communicated work schedule upon the employee's request).

Nonetheless, the Labour Decree makes it possible for the employer to amend the communicated work schedule irrespective of the above rules, i.e., there is no statutory period to be taken into account.

2. Home office, remote work

As a general rule, labour law enables the employer to order the employee to work in a home-office regime unilaterally, however the right of unilaterally ordering permanent remote work is restricted. There is seemingly a contradiction in the previous sentence but under Hungarian labour law remote work and home office are two separate concepts as the former is a recurring type of work performance, while the latter is only for exceptional occasions. Without mutual agreement, remote work/home office can only last for 44 working days/352 working hours per calendar year. If this period is wished to be exceeded, the employment contract needs to be amended, as the Labour Code prescribes that remote work must be regulated in the employment contract.

Pursuant to the Labour Decree, the employer has the right to introduce home office or remote work unilaterally.

3. Health inspection

The Labour Decree provides that the employer may take all necessary and justified measures to check the health status of employees.

PETERKA PARTNERS

THE CEE LAW FIRM

4. Collective agreements

Collective agreements are contracts generally made between an employer and a trade union, in order to provide better working conditions for employees in exchange for surrendering certain collective rights (i.e., strikes).

The Labour Decree specifies that the above rules (I-III) cannot be overridden by collective agreements while the Labour Decree is in force.

5. Derogation from the Labour Code with mutual agreement

As a final measure, the Labour Decree sets forth that the employer and the employee may reach an agreement derogating from any (!) provision of the Labour Code.

For any further information and assistance with respect to the above and any other COVID-19 related legal matters, please do not hesitate to contact us at covidhelpdesk@peterkapartners.com.

This document reflects the status as of April 3, 2020. It is for informational purposes only and may not be considered a legal opinion or advice.