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Check

DecentWorkCheck Hungary is a product of WageIndicator.org
and www.berbarometer.hu



National Regulation exists



National Regulation does not exist

01/13 Work & Wages

	NR	Yes	No
1. I earn at least the minimum wage announced by the Government		<input type="checkbox"/>	<input type="checkbox"/>
2. I get my pay on a regular basis. (daily, weekly, fortnightly, monthly)		<input type="checkbox"/>	<input type="checkbox"/>

02/13 Compensation

3. Whenever I work overtime, I always get compensation <i>(Overtime rate is fixed at a higher rate)</i>		<input type="checkbox"/>	<input type="checkbox"/>
4. Whenever I work at night, I get higher compensation for night work		<input type="checkbox"/>	<input type="checkbox"/>
5. I get compensatory holiday when I have to work on a public holiday or weekly rest day		<input type="checkbox"/>	<input type="checkbox"/>
6. Whenever I work on a weekly rest day or public holiday, I get due compensation for it		<input type="checkbox"/>	<input type="checkbox"/>

03/13 Annual Leave & Holidays

7. How many weeks of paid annual leave are you entitled to?*		<input type="checkbox"/> 1 <input type="checkbox"/> 2	<input type="checkbox"/> 3 <input type="checkbox"/> 4+
8. I get paid during public (national and religious) holidays		<input type="checkbox"/>	<input type="checkbox"/>
9. I get a weekly rest period of at least one day (i.e. 24 hours) in a week		<input type="checkbox"/>	<input type="checkbox"/>

04/13 Employment Security





10. I was provided a written statement of particulars at the start of my employment		<input type="checkbox"/>	<input type="checkbox"/>
11. My employer does not hire workers on fixed terms contracts for tasks of permanent nature <i>Please tick "NO" if your employer hires contract workers for permanent tasks</i>		<input type="checkbox"/>	<input type="checkbox"/>
12. My probation period is only 06 months		<input type="checkbox"/>	<input type="checkbox"/>
13. My employer gives due notice before terminating my employment contract (or pays in lieu of notice)		<input type="checkbox"/>	<input type="checkbox"/>
14. My employer offers severance pay in case of termination of employment <i>Severance pay is provided under the law. It is dependent on wages of an employee and length of service</i>		<input type="checkbox"/>	<input type="checkbox"/>

05/13 Family Responsibilities





15. My employer provides paid paternity leave <i>This leave is for new fathers/partners and is given at the time of child birth</i>		<input type="checkbox"/>	<input type="checkbox"/>
16. My employer provides (paid or unpaid) parental leave <i>This leave is provided once maternity and paternity leaves have been exhausted. Can be taken by either parent or both the parents consecutively.</i>		<input type="checkbox"/>	<input type="checkbox"/>
17. My work schedule is flexible enough to combine work with family responsibilities <i>Through part-time work or other flex time options</i>		<input type="checkbox"/>	<input type="checkbox"/>

06/13 Maternity & Work





18. I get free ante and post natal medical care		<input type="checkbox"/>	<input type="checkbox"/>
19. During pregnancy, I am exempted from nightshifts (night work) or hazardous work		<input type="checkbox"/>	<input type="checkbox"/>
20. My maternity leave lasts at least 14 weeks		<input type="checkbox"/>	<input type="checkbox"/>

- | | | | | |
|-----|---|---|--------------------------|--------------------------|
| 21. | During my maternity leave, I get at least 2/3rd of my former salary |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 22. | I am protected from dismissal during the period of pregnancy
<i>Workers can still be dismissed for reasons not related to pregnancy like conduct or capacity</i> |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 23. | I have the right to get same/similar job when I return from maternity leave |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 24. | My employer allows nursing breaks, during working hours, to feed my child |  | <input type="checkbox"/> | <input type="checkbox"/> |





07/13 Health & Safety

- | | | | | |
|-----|--|---|--------------------------|--------------------------|
| 25. | My employer makes sure my workplace is safe and healthy |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 26. | My employer provides protective equipment, including protective clothing, free of cost |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 27. | My employer provides adequate health and safety training and ensures that workers know the health hazards and different emergency exits in the case of an accident |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 28. | My workplace is visited by the labour inspector at least once a year to check compliance of labour laws at my workplace |  | <input type="checkbox"/> | <input type="checkbox"/> |









08/13 Sick Leave & Employment Injury Benefits

- | | | | | |
|-----|---|---|--------------------------|--------------------------|
| 29. | My employer provides paid sick leave and I get at least 45% of my wage during the first 6 months of illness |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 30. | I have access to free medical care during my sickness and work injury |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 31. | My employment is secure during the first 6 months of my illness |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 32. | I get adequate compensation in the case of an occupational accident/work injury or occupational disease |  | <input type="checkbox"/> | <input type="checkbox"/> |













09/13 Social Security

- | | | | | |
|-----|---|---|--------------------------|--------------------------|
| 33. | I am entitled to a pension when I turn 60 |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 34. | When I, as a worker, die, my next of kin/survivors get some benefit |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 35. | I get unemployment benefit in case I lose my job |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 36. | I have access to invalidity benefit in case I am unable to earn due to a nonoccupational sickness, injury or accident |  | <input type="checkbox"/> | <input type="checkbox"/> |



10/13 Fair Treatment

- | | | | | |
|-----|--|---|--------------------------|--------------------------|
| 37. | My employer ensure equal pay for equal/similar work (work of equal value) without any discrimination |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 38. | My employer take strict action against sexual harassment at workplace |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 39. | I am treated equally in employment opportunities (appointment,promotion, training and transfer) without discrimination on the basis of:* |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Sex/Gender |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Race |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Colour |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Religion |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Political Opinion |  | <input type="checkbox"/> | <input type="checkbox"/> |




* For a composite positive score on question 39, you must have answered "yes" to at least 9 of the choices.

	Nationality/Place of Birth		<input type="checkbox"/>	<input type="checkbox"/>
	Social Origin/Caste		<input type="checkbox"/>	<input type="checkbox"/>
	Family responsibilities/family status		<input type="checkbox"/>	<input type="checkbox"/>
	Age		<input type="checkbox"/>	<input type="checkbox"/>
	Disability/HIV-AIDS		<input type="checkbox"/>	<input type="checkbox"/>
	Trade union membership and related activities		<input type="checkbox"/>	<input type="checkbox"/>
	Language		<input type="checkbox"/>	<input type="checkbox"/>
	Sexual Orientation (homosexual, bisexual or heterosexual orientation)		<input type="checkbox"/>	<input type="checkbox"/>
	Marital Status		<input type="checkbox"/>	<input type="checkbox"/>
	Physical Appearance		<input type="checkbox"/>	<input type="checkbox"/>
	Pregnancy/Maternity		<input type="checkbox"/>	<input type="checkbox"/>
40	I, as a woman, can work in the same industries as men and have the freedom to choose my profession		<input type="checkbox"/>	<input type="checkbox"/>





11/13 Minors & Youth

41.	In my workplace, children under 15 are forbidden		<input type="checkbox"/>	<input type="checkbox"/>
42.	In my workplace, children under 18 are forbidden for hazardous work		<input type="checkbox"/>	<input type="checkbox"/>

12/13 Forced Labour

43.	I have the right to terminate employment at will or after serving a notice		<input type="checkbox"/>	<input type="checkbox"/>
44.	My employer keeps my workplace free of forced or bonded labour		<input type="checkbox"/>	<input type="checkbox"/>
45.	My total hours of work, inclusive of overtime, do not exceed 56 hours per week		<input type="checkbox"/>	<input type="checkbox"/>

13/13 Trade Union Rights

46.	I have a labour union at my workplace		<input type="checkbox"/>	<input type="checkbox"/>
47.	I have the right to join a union at my workplace		<input type="checkbox"/>	<input type="checkbox"/>
48.	My employer allows collective bargaining at my workplace		<input type="checkbox"/>	<input type="checkbox"/>
49.	I can defend, with my colleagues, our social and economic interests through "strike" without any fear of discrimination		<input type="checkbox"/>	<input type="checkbox"/>

Results

Your personal score tells how much your employer lives up to national legal standards regarding work. To calculate your DecentWorkCheck, you must accumulate 1 point for each YES answer marked. Then compare it with the values in Table below:



is your amount of "YES" accumulated.

Hungary scored 46 times "YES" on 49 questions related to International Labour Standards

If your score is between 1 - 18

This score is unbelievable! Does your employer know we live in the 21st century? Ask for your rights. If there is a union active in your company or branch of industry, join it and appeal for help.

If your score is between 19 - 38

As you can see, there is ample room for improvement. But please don't tackle all these issues at once. Start where it hurts most. In the meantime, notify your union or WageIndicator about your situation, so they may help to improve it. When sending an email to us, please be specific about your complaint and if possible name your employer as well. Also, try and find out if your company officially adheres to a code known as Corporate Social Responsibility. If they do, they should live up to at least ILO standards. If they don't adhere to such a code yet, they should. Many companies do by now. You may bring this up.

If your score is between 39 - 49

You're pretty much out of the danger zone. Your employer adheres to most of the existing labour laws and regulations. But there is always room for improvement. So next time you talk to management about your work conditions, prepare well and consult this DecentWorkCheck as a checklist.

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01/13 Work & Wages

Regulations on work and wages:

Labour Code, 2012 (amended in 2015)

Minimum Wage

In accordance with the provisions of the Labour Code, the amount and scope of mandatory minimum wage (basic amount) and guaranteed wage (if the job requires secondary educational and vocational qualifications) is determined by the Government after consultations with the Nemzeti Gazdasági és Társadalmi Tanács (National Economic and Social Council). From 2012 onwards, the consultations on minimum wages are not held under the National Economic and Social Council rather these are done under the Permanent Consultation Forum of the Competitive (Private) Sector (Versenyszféra Konzultációs Fórum, VKF). VKF has representation from Government side, workers side (Független Szakszervezetek Demokratikus Ligája-LIGA Szakszervezetek, Magyar Szakszervezetek Országos Szövetsége –MSZOSZ, and Munkástanácsok Országos Szövetsége) and employer side (Általános Fogyasztási Szervezetek és Kereskedelmi Társaságok Országos Szövetsége - ÁFEOSZ-Coop Szövetség, KÉSZ, Munkaadók és Gyáriparosok Országos Szövetsége-MGYOSZ, and Vállalkozók és Munkáltatók Országos Szövetsége -VOSZ). Under this forum, the social partners consult and enter into agreement on issues relating to employment policy, labour law reforms, incomes of the private sector employees (minimum wage, guaranteed minimum wage and salary recommendations), labour relations, etc.

At the end of 2013, the government has consulted with the Permanent Consultation Forum of the Competitive Sector (VKF) on the issue of minimum wage and the guaranteed wage minimum. In this forum the employees' and the employers' side has reached an agreement on the growth of minimum wage and guaranteed wage minimum. After it, the government has issued the regulation on the new minimum wages.

The mandatory minimum wage specified by the government for certain groups of employees may differ. The amount and scope of mandatory minimum wage is determined by taking into account cost of living, expected level of pay increases, level of non-wage benefits, status of national and level of economic development, level of employment, unique requirements of certain economic sectors and geographical areas in terms of workforce and certain other requirements for specific occupations. In accordance with the Regulation fixing the minimum wage and guaranteed minimum wage, the regulation applies to every employer and employee. Thus no worker, whether local or foreigner can be paid less than the announced minimum wage. The part time workers are entitled to proportional monthly, weekly, daily or hourly rate according to the time they performed work. The minimum wage is adjusted every year.

An employee, trade union or works council may initiate proceedings as a result of an act or omission contravening the Labour Code. One such relevant contravention is the failure to pay minimum wage rates. The Hungarian Labour Inspectorate is responsible for compliance with the provisions of Labour Code including minimum wage related provisions. A complainant can directly submit the complaint to the Labour Inspectorate.

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The Labour Inspection Act has relevant provisions on penalties if minimum wages are not paid. The amount of fine (on contravention of Labour Code) ranges from 30,000 to 10,000,000 forints. If the number of persons employed by the employer does not exceed 20, the amount of fine ranges between 30,000 and 5,000,000 forints. In the case of an offence employees of a natural person, the amount of fine ranges between 30,000 and 1,000,000 forints. The rate of fine may be extended to twice the above limits if at least one offence with the same precedent is established within three years of the imposition of decision imposing fines as a result of previous labour inspections.

In determining the amount of fine, account must be taken in particular of the period of unlawfulness caused by the infringement of the law, the magnitude of the disadvantage caused, the number and effect of infringements and the number of employees concerned.

Sources: Art. 153 of Labour Code 2012; §3 & 7 of the Labour Inspection Act 1996

For updated minimum wage rates, kindly refer to the minimum wages section

Regular Pay

The Labour Code requires that the base wage must not be less than the mandatory minimum wage. The base wage is usually specified in time basis. And to determine the hourly rate, the amount of basic monthly salary is divided by 174 hours in case of regular daily working time. The wage may be established on the basis of time, performance or a combination of both. If wages are paid on the basis of performance only, a guaranteed salary is paid of an amount up to at least half of the base wage. Wages are to be paid in the national currency, i.e., Forints. Absent any contract or collective bargaining agreement to the contrary, wages are payable monthly in arrears not later than the 10th day of the following month. If the wage can be established only later (like on performance basis), a monthly advance is payable amounting to half of the base wage. If wages are due on a public holiday, rest day, or during a paid vacation, they must be paid on the last working day preceding the due date. Wages may be paid in cash, or by way of transfer to the employee's bank account.

Source: Chapter XII on Remuneration of Work, §136-165 of Labour Code 2012

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02/13 Compensation

Regulations on compensation:

Labour Code, 2012 (amended in 2015)

Overtime Compensation

Maximum working hours are 8 hours a day and 40 hours a week. As an exception, an employee who is a close relative of the employer or employed in a standby position may work 12 hours per day and 60 hours per week.

Under the work time banking system, the work hours are calculated in terms of a maximum of four calendar months or 16 weeks. As a result, employees may work up to 12 hours per day and 48 hours per week (or, in a standby position, up to 24 hours per day and 72 hours per week). The only condition is that during the duration of work-time banking (4 months or 6 months in some cases), the weekly working hours won't exceed 40 hours. If working hours of a worker are defined within the framework of work time banking, the beginning and end date of shall be specified in writing and employee would be provided in with a written notice of the comprehensive term and the actual work schedule. (3) The maximum duration of working time banking fixed in the collective agreement is twelve months or fifty-two weeks if justified by technical reasons or reasons related to work organization.

Overtime work means the work performed: outside regular working hours; Over and above the hours covered within the framework of working time banking; Over and above the weekly working time covered by the payroll period, where applicable; and the duration of on-call duty. Overtime work may be requested by the employee, in which case, it shall be made in recorded in writing. Otherwise, it may be required by the employer when necessary in the general interest; in case of prevention of any imminent danger, mitigation of any accident, natural disaster or serious damage to health or the environment. Workers may perform overtime work up to 250 hours per year or the proportional hours:

- i. if the employment relationship commenced during the year;
- ii. in the case of fixed-term contract; and
- iii. in connection with part-time jobs

If a worker works beyond normal working hours (for work performed beyond daily working hours, performed within the framework of work time banking and for work performed above and beyond payroll period), he is entitled to a wage supplement at the rate of 150% of the normal rate of wages or time-off. However, the time off can't be less than the duration of work performed. If the overtime work is performed on a weekly rest day or public holiday, they are paid a wage supplement of 100% of normal wages. However, if the employer provides another rest day, the wage supplement would be 50%. Unless otherwise agreed, compensatory time shall be allocated before the end of the month following the month in which the overtime work was performed, i.e., the time-off should be provided in the next month if not in the current month. By agreement of the parties, time-off is provided at latest by 31st December of the following year. According to the amendment of Labour Code (Act CIII of 2013) the 50 percent Sunday supplement will not only be payable for scheduled work but also for unscheduled work in the cases already specified in the legislation (e.g. employees with working schedules involving multiple shifts).

Sources: §92, 97, 99, 107-109 & 143 of Labour Code 2012

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Night Work Compensation

Work performed between 22:00 hours and 06:00 hours is considered night work. The daily working hours of employees working under hazardous conditions at night can't be greater than eight hours. Employees, other than those entitled to shift premium, are entitled to a night premium of 115% of the normal wage rate for work during night hours especially when the night work duration exceeds one hour.

Source: §89, 113 & 142 of Labour Code 2012

Compensatory Holidays / Rest Days

There is no provision for compensatory rest day when workers have to perform work on weekly rest days or public holidays.

Weekend / Public Holiday Work Compensation

There is a premium pay for working on Weekly rest day/Sunday and Public Holidays. When a worker performs work on weekly rest day for normal working hours are entitled to wage supplement of 50% of the normal wage rate. If employees are required to work on public holidays during normal working hours, they are entitled to a wage supplement of 100%. The wage supplement for public holidays is also payable when public holidays fall on Sundays or for working on Easter Sunday and Whit Sunday. The Act CIII of 2013 has clarified that employees are entitled to receive salary supplement for work performed on a Sunday even if performed under extraordinary working time. According to the new regulations, those employees are entitled to receive 50 % salary supplement for Sunday-work for work performed within ordinary working time schedule, who work only in shifts, stand-by-duty or at an employer pursuing commercial activities according to the Commercial Act. These employees are also entitled to salary supplement for Sunday-work, if they perform extraordinary working time (overtime). Moreover, those employees are also entitled for salary supplement for Sunday work, which cannot perform work on Sundays within ordinary working time schedule. Consequently, employees performing work on a rest day are entitled to receive salary supplement for Sunday work in addition to salary supplement for overtime, if they cannot be scheduled for Sunday within ordinary working time schedule.

Source: §140 of Labour Code 2012

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03/13 Annual Leave & Holidays

Regulations on annual leave and holidays:

Labour Code, 2012 (amended in 2015)

Paid Vacation / Annual Leave

Workers are entitled to paid annual leave in Hungary however its length depends on the age of the worker, number of children the worker has and working conditions under which the work is performed. The qualifying period for annual leave is 12 months of service. If the employment relationship commenced during the year, employee is entitled to commensurate portion of leave for such year.

The general minimum annual leave is 20 working days per year. However, its length increases with the age of worker and worker who is 25 years old is entitled to 21 working days of annual leave. It increases by one day with increases in the age by two years until the worker reaches the age of 45 years. The paid annual leave is 30 working days for worker who are 45 years and above. Workers are also entitled to extra leave days for reasons of paternity. Workers are entitled to 2 extra days for one child, 4 extra days for two children and a total of 7 extra days for more than two children under sixteen years old. This duration is also increased by 2 days per child if they have any disability. Employees permanently working underground or spending at least 3 hours per day on a job exposed to ionizing radiations are entitled to 5 extra days of vacation each year. Employees having suffered a degree of health impairment of at least 50 per cent as diagnosed by the body of rehabilitation experts are also entitled to 5 extra days of vacation time per year.

The employer must pay a worker his remuneration for the annual leave period at latest on the working day proceeding the date when the annual leave commences. The annual leave is scheduled by employer however taking into account worker's preferences. Unless otherwise agreed, at least 14 calendar days of annual leave has to be given to the worker consecutively. Annual leave can't be carried forward and the annual leave has to be taken in the year it became due. However, from January 2014 onwards, extra days of vacation time (annual leave) available to worker due to their age can be rescheduled for the next year with the mutual consent of parties. In the event of irregular working schedules, workers may take leave in hours or days. The similar provision of taking leave in hours or days for worker in irregular working schedules is introduced for sick leave. The contractual option to transfer leave to the next year is reduced and the option will cover only the additional statutory leave granted on the basis of the employee's age. In addition, the agreement to roll over part of the annual leave has to be renewed on an annual basis. A new provision relating to extra vacation time indicates that employees entitled to disability subsidy or allowance for the blind may receive 5 days of extra vacation time, as opposed to previous regulation according to which the extra vacation time was allocated to a degree of health impairment of at least 50%.

Source: §116-123 of Labour Code 2012

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Pay on Public Holidays

Workers are entitled to paid holidays during Festival (public and religious) holidays. These include memorial holidays and religious holidays (Christian origin). The Public Holidays are usually thirteen (13) in numbers. These Holidays are New Year's Day (January 01), 1848 Revolution Day (March 15), Easter Monday (April 01), Labour Day (May 01), White Monday (May 20), Saint Stephen's Day (August 20), Republic Day (October 23), All Saints' Day (November 01), Christmas Day and second day after Christmas (December 25-26).

Source: §102 of Labour Code 2012

Weekly Rest Days

Weekly rest period is provided under the Labour Code. Every worker is entitled to enjoy a weekly rest of two days during a week. The weekly rest period should include Sunday at least once in a month.

Act CII of 2014 prohibits retail sector to work on Sunday.

Rest breaks must be given before completion of 6 hours of work. However, a rest break cannot be granted prior to completion of 3 hours of work. If the daily working hours exceed 6 hours, a worker must be granted 20 minutes of rest break. If the working hours exceed 9 hours per day, additional 25 minutes of rest break must be provided. A collective or individual agreement may provide for longer rest break however it cannot exceed 60 minutes.

Young workers must be provided a 30-minute rest break if they are performing work for more than four and a half hours per day. The daily rest break is 45 minutes for those young workers whose daily working hours exceed 6 hours.

Workers are entitled to 11 hours of uninterrupted rest between shifts. For young workers, the daily rest period is at least 12 hours.

Source: §103-106 & 114 of Labour Code 2012; Act CII of 2014

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04/13 Employment Security

Regulations on employment security:

Labour Code, 2012 (amended in 2015)

Written Employment Particulars

An employment contract is a contract constituted by the undertaking of one party (the employee) to perform work as instructed by the employer and of the other party (the employer) to provide work for the employee and pay wages. Employment contract has to be concluded in writing. However, only the employee has the right to refer to the invalidity of a verbal contract, and can do so only within 30 days of the commencement of work. Unless otherwise stated explicitly, an employment contract is always for an indefinite duration. The employment contract must clearly mention employee's base wage, job function, workplace and the type of employment (full time or part time).

Employer is required to provide the employee in writing within 15 days from the date of commencement of employment relationship information including daily working time; wages above the base wage and other benefits; job functions; payroll accounting, the frequency of payment of wages, and the day of payment; number of days of paid annual leave; rules governing the notice period; the person exercising employer's rights; and whether a collective agreement applies to the employer.

An employer is not required to provide written employment particulars if the term of employment relationship does not exceed one month or the working time does not exceed 8 hours a week.

Source: §42-46 of Labour Code 2012

Fixed Term Contracts

Hungarian labour Law allows hiring fixed term contract workers for tasks of permanent nature. Maximum length of a single fixed term contract is 60 months (5 years). The duration of a fixed-term employment relation may not exceed five years, including the duration of an extended relation and that of another fixed-term employment relation started within six months of the termination of the previous fixed-term employment relation.

Labour Code does not restrict the fixed term contract and its renewals. The only condition is that the extension of the fixed-term contracts must be based on objective grounds that have no bearing on work organization and must not infringe upon the employee's legitimate interest.

Source: §192 of Labour Code 2012

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Probation Period

Maximum duration of probationary/trial period is fixed as 3 months from the date of commencement of employment relationship. If a shorter probationary period was stipulated, the parties may extend the probationary period once. In either case, the duration of probationary period must not exceed 3 months. Under the collective agreement, the probation period may be extended to 6 months.

Source: §45 & 50 of Labour Code 2012

Notice Requirement

An employment relationship terminates on employee's death; on dissolution of employer without succession; on expiry of fixed-term; on the mutual consent of worker and employer; with immediate effect during the trial period; and other cases as defined under the law. An employment relationship may be terminated by notice or without notice (in the case of serious breach of contract). The grounds for contract termination must be clearly specified. However, both the parties may agree that employment contract won't be terminated by notice during the first year of employment. The employer may not terminate an employment contract by notice during pregnancy; during maternity leave; during a leave of absence taken without pay for caring for a child and certain other grounds provided under §65 of Labour Code. An employer is required to justify dismissal and an employee can be dismissed only for reasons connected with his conduct, capacity, or in connection with employer's operations.

Both the parties (employer and employee) are entitled to terminate the employment contract of an indefinite period by observing a minimum notification period. An indefinite contract is terminated by giving a written notice to the other party. The notice period for a worker initiating the contract termination is 30 days. If the employment is terminated by the employer, the required notice period is 35 days after 03 years; 45 days after 05 years; 50 days after 08 years; 55 days after 10 years; 60 days after 15 years; 70 days after 18 years; and 90 days after 20 years of service with the employer. By mutual agreement, the notice period may be extended to 6 months.

Source: §63-78 of Labour Code 2012

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Severance Pay

In case of termination initiated by the employer or when the employment relationship is terminated due to the dissolution of employer without a legal successor, an employee is entitled to severance pay. However, employee is not entitled to severance pay in the following two case:

- i. if the employee was a pensioner at the time of notice of termination or the dissolution of employer without a legal successor; or
- ii. if the reason for termination was employee's conduct in relation to the employment relationship or the employee's non health related abilities/capacity

The amount of severance pay depends on the length of employment relationship. The amount of severance pay is:

- i. sum of the absentee pay (one month) of the employee in case of an employment relationship of at least 3 years;
- ii. 2 months in the case of at least 5 years of employment;
- iii. 3 months in the case of at least 10 years of employment;
- iv. 4 months in the case of at least 15 years of employment;
- v. 5 months in the case of at least 20 years of employment; and
- vi. 6 months in the case of at least 25 years of employment

If the employment relationship is terminated within five years before the employee reaches the retirement age (for old age pension), the severance pay is increased by one to three months depending on the number of the years spent in the service of the given employer.

Source: §77 of Labour Code 2012

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05/13 Family Responsibilities

Regulations on family responsibilities:

Labour Code, 2012 (amended in 2015)

Paternity Leave

New fathers are eligible for five days of paternity leave (7 days in case of twins) until the end of second month from the date of birth of a child. The paternity leave has to be allocated on the days as requested by new father. This leave has to be provided even if the child is stillborn or dies. The paternity leave is paid by the Government from Central Budget and not by the employer. In accordance with the Act CIII of 2013, paternity leave will not be pro-rated even if the employment relationship commenced or terminated during the given calendar year.

Government Regulation 351/2014. (XII. 29.) grants additional father time off in public sector and military services after producing child birth certificate.

Source: §118 of Labour Code 2012; Government Regulation 351/2014. (XII. 29)

Parental Leave

Parental Leave is provided under the Labour Code 2012. An employee (male or female) is entitled to a leave of absence without pay in order to care for the child until the child reaches the age of three or in order to care for the child until the child reaches the age of ten, if the employee receives a child care allowance.

Source: §128 & 130 of Labour Code 2012

Flexible Work Option for Parents / Work-Life Balance

There is no specific provision of flexible working time for employee with minor children however the Labour Code allows for "flexible working arrangement" where the employee schedules at least half of his daily working time in light of the unique characteristics of his/her job. Executive employees working under flexible arrangements. Those working under teleworking arrangements, job sharing or working as out workers have flexible work arrangements. With amendments in 2013, flexible working arrangements have a new definition from 1 January 2014. From this year, only such arrangements will be classified as flexible where the employer makes a written statement authorizing the employee to take full control of scheduling his or her working hours, and the related administrative and other reliefs will be available in these cases only. The flexible nature of an employee's working arrangements is not affected by tasks which can only be performed at specific times or periods due to their nature. The right of scheduling working time may be transferred to the employee with regard to the individual organization of work.

Source: §96, 197, 199, 209 of Labour Code 2012

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06/13 Maternity & Work

Regulations on maternity and work:

Labour Code, 2012 (amended in 2015)

Free Medical Care

Health care facilities are provided to the insured workers and those covered under the healthcare to receive all the care that their state of health requires. Medical care is usually free of charge. If the treatment is not prescribed by a physician or provided through the normal hospital system or if the patient chooses the doctor other than that allocated by the healthcare system, fees imposed by the care provider are paid by the patient. Individual may also have to co-share for medicines and medical appliances. Benefits include preventive care; general and specialist care, including basic dental care; hospitalization and in-home nursing; maternity care; medical rehabilitation; sanatorium care; ambulance services; and medical examinations.

Sources: §10-20 of Act No. 83 on Compulsory Health Insurance Benefits 1997 and ISSA Country Profile

No Harmful Work

An employer is required to offer an employee the job fitting for her state of health if she is considered unable to work in her original position according to a medical opinion from the time her pregnancy is diagnosed until her child reaches one year of age. The pregnant worker may be temporarily discharged from work duty if no position appropriate for her medical condition is available. If a worker is discharged due to non-availability of suitable position, she is paid the base wage normally paid for the job offered, which may not be less than her base wage fixed in the employment contract. The base wage has to be paid for the duration of discharge, except if the job offered is refused without good reason. Pregnant women must not be transferred to work at another location without their consent. This rule also applies after childbirth until the child reaches the age of three, or for single parents, until the child reaches the age of sixteen.

Source: §53 & 60 of Labour Code 2012

Maternity Leave

Female employees are entitled to 168 calendar days (24 weeks) of paid maternity leave. Of these 24 weeks leave, four weeks have to be taken before the expected date of birth while the other 20 weeks have to be taken after the birth of the child. If the child receives treatment in an institute for premature infants, the unused portion of the maternity leave is used after the child has been released from the institute until the child is one year old. There is no provision in the law on extension of maternity leave due to health related issues or multiple births.

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Income

During the term of maternity leave of 168 days (24 weeks), workers are paid 70% of their daily earnings. The maternity allowance is paid to the employees, self-employed persons and other assimilated groups. The qualifying condition is that the worker must have at least 180 days of insurance during the last two years before delivery and the birth takes place during the insurance period or within 42 calendar days of its expiry. Maternity benefits are paid by the Government through compulsory health insurance act provisions.

Source: §18, 40, 42 & 48.1-3 of Compulsory Health Insurance Act No. 83 of 1997

Protection from Dismissals

A women worker can't be dismissed during the period of her pregnancy or during the term of her maternity leave. In accordance with the provision of art. 65.3 of Labour Code 2012, an employer may not terminate the employment relationship by notice:

- a) during pregnancy;
- b) during maternity leave;
- c) during a leave of absence taken without pay for caring for a child.

Source: §65(3) of Labour Code 2012

Right to Return to Same Position

Right to return is guaranteed under the Labour Code. In accordance with the provisions of §59 of the Labour Code 2012, employer is required to make an offer to the employee for having his wages adjusted, after he/she returns from leave of absence including maternity and parental leave, taking into consideration the average annual wage improvement implemented in the meantime by the employer for employees in the same position. In the absence of such employees, the rate of actual annual wage improvements implemented by the employer shall be applied.

Source: §59 of Labour Code 2012

Breastfeeding/ Nursing Breaks

Women workers are allowed paid nursing breaks of one hour twice daily (two hours twice in case of twins) during the first six months of breastfeeding. The duration then reduces to one hour daily (two hours daily for twins) until the child(ten) reach the age of 09 months. The time of nursing breaks is considered work time and an employer has to pay the absentee pay to the worker for this time.

Source: §55(1e) and 146(3) of Labour Code 2012

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07/13 Health & Safety

Regulations on health and safety:

Labour Code, 2012 (amended in 2015)

Act No. 93 of 1993 concerning Occupational Safety and Health

Act LXXV of 1996 on Labour Inspection

10/2016. (IV. 5.) NGM rendelet a munkaeszközök és használatuk biztonsági és egészségügyi követelményeinek minimális szintjéről

Employer Cares

Every worker employed on the territory of the Republic of Hungary have the right to safe and healthy working conditions. Employer is also obliged to ensure the existence of healthy and safe working conditions while taking into consideration the employees' responsibilities in this matter.

The responsibility for the implementation of occupational safety and occupational health requirements lies with the employers. The employee's fitness for the job for which he is being considered is to be examined free of charge before taking up work and on a regular basis during the life of the employment relationship. Employers have to ensure that the work schedule of employees is drawn up in accordance with occupational safety and health requirements and in consideration of the nature of the work.

Sources: §51 & 97 of Labour Code 2012; §1-2 of Act No. 93 of 1993 concerning Occupational Safety and Health

Free Protection

Employers are required to provide free personal protective equipment (PPE) to the workers involved in dangerous work processes in order to prevent hazards or reduce harmful effects. Employers are required to identify personal protective equipment against particular hazards and supplied to the employee while making its use obligatory on workers. Depending on the characteristics of the workplace, protective equipment and apparatus, warning apparatus, fire-fighting equipment, rescue apparatus, emergency switches and emergency lighting ("safety equipment") has to be maintained in an operational state ready for its proper utilization.

In the case of work procedures where employees might be exposed to danger, their effective protection has to be achieved by enclosure technology, or - when this is not possible - by the use (joint use when necessary) of safety devices, personal protective equipment or organizational actions. An employer also has to ensure the proper use, protective capacity, satisfactory hygienic state, necessary cleaning, maintenance (reparation) and replacement of protective equipment. Employees also have both rights and responsibilities with regard to provision and usage of personal protective equipment.

Source: §42, 44, 47, 54 & 60-61 of Act No. 93 of 1993 concerning Occupational Safety and Health; 10/2016. (IV. 5.) NGM rendelet a munkaeszközök és használatuk biztonsági és egészségügyi követelményeinek minimális szintjéről

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Training

In accordance with §55 of the OSH law, an employer has to make sure, through training, that the employee learns and, during the duration of their employment, is aware of the theoretical and practical knowledge, and the regulations, instructions and information necessary for the maintenance of healthy and safe working conditions. This provision has to be complied with at the time of starting employment; at the time of changing workplaces or work responsibilities, or when there is change in health and safety conditions; when work equipment is being modified, or when new work equipment is installed; and when new technology is introduced. Until the employee acquires the required knowledge, he/she may not be employed unsupervised. Employees are also required to perform work only when they are capable of doing it safely, while respecting the rules of healthy and safe working practices and complying with the instruction/training of the employer.

Source: §55 & 60 of Act No. 93 of 1993 concerning Occupational Safety and Health

Labour Inspection System

Labour Inspection system is provided under the Act LXXV of 1996 on Labour Inspection & Act No. 93 of 1993 concerning Occupational Safety and Health. The Hungarian Labour Inspectorate (OMFF) works under the National Labour Office. The

OMFF is the Central agency in the field of Labour Inspection. The scope of labour inspectors' authority is regulated under §of Labour Inspection Act according to which labour inspection also includes the examination of compliance with provisions of collective agreements on wages, working hours, rest periods, overtime and paid leave. Moreover, labour inspectors monitor compliance with occupational safety and health regulations and labour laws. Over and above inspections, inspectors are responsible for labour law compliance with respect to the organization of trade unions, the protection of elected trade union officials, members of workers' councils, civil servants' councils and safety representatives, and also for checking the rules regarding their allowance for working hours. The Hungarian Labour Inspectorate (OMMF) was previously a central agency under the control of the minister of employment. – It's legal status, duties, and competences were defined by the Government Decree No 295/2006 (XII.23). In December 31 of 2011 - according to the Government Decree No 323/2011 (XII.28) the OMMF has been included in the Employment Office (Foglalkozási Hivatal). Since then the health and safety is handled by the Health and Safety and Labour Directorate of the National Employment Office (Nemzeti Munkaügyi Hivatal munkavédelmi és munkaügyi Igazgatóság).

Source: (http://www.ommf.gov.hu/index.html?akt_menu=123&set_lang=123)

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08/13 Sick Leave & Employment Injury Benefits

Regulations on sick leave & Employment Injury Benefits:

Labour Code, 2012 (amended in 2015)

Act No. 83 on Compulsory Health Insurance Benefits 1997

Income

Workers are entitled to paid sick leave for 15 working days in the event of sickness. Sick leave is however not available to workers who are unfit for work due to accidents at work and occupational diseases as specified under social insurance provisions and pregnancy. If a worker has started working with an employer during the year, he/she is entitled to sick leave as proportional to the remaining part of the year. During these 15 working days, workers are entitled to absentee pay/absence fee of an amount of 70% of the daily gross earnings. After the first 15 days, Sickness benefit is granted for a maximum of one year while the person is validly insured. The amount of this benefit is 60% of the average gross daily pay not exceeding (in a month) the double of gross minimum wage. 60% of average daily gross earnings is paid with more than two years of coverage; 50% with one to two years of coverage or if hospitalized. The benefit is reduced proportionately with less than a year of continuous coverage.

Source: §43-49 of Act No. 83 on Compulsory Health Insurance Benefits 1997; 126 & 146 of Labour Code 2012)

Medical Care

Health care facilities are provided to the insured workers and those covered under the healthcare to receive all the care that their state of health requires. Medical care is usually free of charge. If the treatment is not prescribed by a physician or provided through the normal hospital system or if the patient chooses the doctor other than that allocated by the healthcare system, fees imposed by the care provider are paid by the patient. Individual may also have to co-share for medicines and medical appliances. Benefits include preventive care; general and specialist care, including basic dental care; hospitalization and in-home nursing; maternity care; medical rehabilitation; sanatorium care; ambulance services; and medical examinations.

Source: §10-20 of Act No. 83 on Compulsory Health Insurance Benefits 1997 and ISSA Country Profile

Job Security

Employment of a worker is secure during the first year of his sickness as an employer can't serve a notice of termination to a sick worker during one year after expiry of sick leave period (of 15 days). It is only after that period that a worker may be fired for health related reasons.

Source: §68 of Labour Code 2012

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Disability / Work Injury Benefit

Work injuries are divided into four categories: (i) permanent total incapacity (ii) permanent partial incapacity (iii) temporary incapacity and (iv) fatal injury leading to death of a worker.

There is no minimum qualifying period for access to benefits under work injuries. Accidents that occur while commuting to and from work are not covered.

Permanent disability is classified into three different levels as follows:

- i. 1st Category (100% disabled and dependant on others)
- ii. 2nd Category (100% disabled but not dependant on others)
- iii. 3rd Category (67-99%)

If permanent disability is less than 66% and more than 13%

The benefit amounts to 70%, 65% or 60% of average wage according to the category of disability and is increased by 1% for each year of service. (Employee Benefits Reference Manual 2013 – Swiss Life Network)

Temporary disability benefit due to work accident is equal to 100% of income (90% in the case of an accident while travelling) and is granted for one year, but may be extended for a further year if necessary.

A work accident annuity is paid to anyone who, as a result of an accident at work or occupational disease, suffers a loss of working capacity of more than 13-15% and is not entitled to disability benefit. The amount of this allowance depends on the loss of working capacity, and can be 8, 10, 15 or 30% of average monthly income.

In case of fatal injury leading to death of a worker, survivor's pension is paid. The sum is 60% of the old-age or disability pension the deceased would have been entitled to receive at the time of death and increased by percentages according to the number of years of service. Eligible survivors include a widow(er); divorced spouse; cohabiting partner; children younger than age 16 (age 25 for full-time students, no limit if disabled), including the surviving partner's children; sisters and brothers; grandchildren; dependent parents and grandparents with a disability or aged 65 or older; and foster parents who supported the deceased for at least 10 years.

Source: European Commission and ISSA

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09/13 Social Security

Regulations on social security:

Act No. LXXX of 1997 on persons entitled to social security benefits and private pensions, Act No. 81 of 1997 on social insurance pensions

Pension Rights

Pension system is based on compulsory social insurance system on the one hand and voluntary private pension savings on the other hand. Persons who have reached the statutory retirement age and have paid the necessary number of years of insurance contributions (20 years at least) are eligible for old-age pension. The retirement age limit is 62 for both men and women, but it will increase gradually in coming years, until 2022, when people born in 1957 and after will retire at the age of 65.

There is an option of early pension for women who have fulfilled at least 40 years of eligibility period (including at least 32 years of work) and have ceased gainful activity. The eligibility period is decreased by 1 year after every child raised in the household for women raising 5 or more children with a maximum reduction of 7 years.

People who were employed for at least 10 years (men) or 8 years (women) in arduous or unhealthy conditions can retire at 60.

The amount of the pension depends on average net wage and length of service time (insurance period). The pension system provides for a minimum pension, with a qualifying condition of 20 years of service, of HUF 28,500 per month. If the average contribution base is less than the amount of the minimum pension, the pension will be equal to 100% of average monthly wage.

Source: European Commission and ISSA

Dependents' / Survivors' Benefit

The Law provides for survivors' benefit (these include dependents including widow(er); divorced spouse; cohabiting partner; children younger than age 16 (age 25 for full-time students, no limit if disabled), including the surviving partner's children; sisters and brothers; grandchildren; dependent parents and grandparents with a disability or aged 65 or older; and foster parents who supported the deceased for at least 10 years.).

A survivors' pension is payable provided that the deceased worker had the necessary insurance period or was an old-age or invalidity pensioner before death. The insurance period required increases proportionally with the age of the deceased worker, from 2 years if the worker died at 22, to 15 years if the deceased person was 45 or more.

Temporary widow(er)'s pension of 60% of the old-age or disability pension that the deceased received or was entitled to receive at the time of death is due for 1 year or for a maximum of 3 years if the widow(er)

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cares for an orphan.

Widow(er)'s or grandparent's or parent's permanent pension is 60%, 30% if the survivor is entitled to other pension in his/her own right.

30% of the deceased's pension is paid for each orphan; 60% for a full orphan or an orphan with a surviving parent with a disability.

Source: European Commission and ISSA

Unemployment Benefits

Workers are entitled to an unemployment benefit if they are registered as jobseekers. A jobseeker who has worked for at least 360 days in the three years before becoming a jobseeker is entitled to a jobseeker benefit of one day's benefit for every ten days worked. The minimum entitlement is for 36 days, and the maximum 90 days.

The unemployment benefit equals 60% of previous average pay, but the amount cannot be higher than the national minimum wage.

A jobseeker that is within five years of reaching retirement age can be entitled to jobseeker aid before pension. The amount of this compensation is 40% of the minimum wage.

Source: European Commission and ISSA

Invalidity Benefits

To be entitled to disability benefit or rehabilitation benefit, the insured must have a loss of at least 40% of working capacity with at least 1,095 days of coverage during the last five years before the claim.

Two different types of rehabilitation benefits are recognized: B1 (rehabilitation is possible) and C1 (permanent rehabilitation is needed). B1 is entitled to a benefit of 35% of the average monthly income (30% min - 40% max of the minimum wage), C1 to 45% of the average monthly income (40% min - 50% max of the minimum wage). Rehabilitation benefit may be provided for the period required for rehabilitation within the limit of 3 years.

If the person cannot be rehabilitated, or rehabilitation is not recommended, or he /she reaches the retirement age within five years, then he/she is entitled to disability benefit.

Disability benefit varies according to the decision on the health status and the possibility of rehabilitation:

- Amount: 40-70% of the average monthly income;
- Minimum: 30-55% of the minimum wage;
- Ceiling: 45% or 150% of the minimum wage.

Source: European Commission and ISSA

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10/13 Fair Treatment

Regulations on fair treatment:

The Constitution of Hungary, 2011

Labour Code, 2012 (amended in 2015)

2003 Act of Equal Treatment and Promotion of Equal Opportunities

Equal Pay

The Labour Code requires equal treatment of employees in employment relationship. The principle of equal treatment has to be observed in remuneration of work where wages mean any remuneration provided directly or indirectly in cash or in kind based on the employment relationship. The equal value of work for the purposes of the principle of equal treatment is determined based on the nature of the work performed, its quality and quantity, working conditions, the required vocational training, physical or intellectual efforts expended, experience, responsibilities and labor market conditions.

Source: §21 of the Equality Act 2003; §12 of Labour Code 2012

Sexual Harassment

Harassment and sexual harassment are prohibited under the Equality Act. Harassment is an offense against human dignity. The violation of dignity has to be the result of 'a conduct of sexual or other nature' and must be in connection with one of the protected classes/attributes as enumerated in Article 8 of the Equality Act. This conduct of sexual or other nature must have the intent of creating an intimidating, hostile, humiliating, degrading or offensive environment against a person.

Under article 176 of Criminal Code 1978, harassment, action intended to intimidate another person, to disturb the privacy of or to upset, or cause emotional distress to another person, is a misdemeanor and may be punished with up to one year of imprisonment. Engaging in the pestering of another person on a regular basis also constitutes harassment.

Source: §8 of the Equality Act 2003; §176 of Criminal Code 1978

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Non-Discrimination

In accordance with Art. XV of the Hungarian Constitution, every person is equal before the law and women and men have equal rights. The state has the responsibility under the Constitution to ensure fundamental rights to every person without any discrimination on the grounds of race, colour, gender, disability, language, religion, political or other views, national or social origin, financial, birth or other circumstances whatsoever. In accordance with §12 of the Labour Code, principle of equal treatment has to be strictly observed in connection with employment relationships. The prohibited ground of discrimination prescribed under the Equality Act include "gender, race, color, ethnicity, national belonging, language, disability, health, religious or philosophical belief, political or other opinion, marital status, maternity (pregnancy) or fatherhood, sexual orientation, sexual identity, age, social origin, property, type of employment relationship (part time vs full time and definite term vs indefinite term) and interest representation debts.

Source: §8 of the 2003 Act of Equal Treatment and Promotion of Equal Opportunities; §12 of Labour Code 2012

Equal Choice of Profession

In accordance with Art. XII of the Hungarian Constitution, every person has the right to freely choose his or her work, occupation and entrepreneurial activities. Every person is obliged to contribute to the community's enrichment with his or her work to the best of his or her abilities and potential. The State is also required to create conditions ensuring that every person who is able and willing to work has the opportunity to do so. No restrictive provisions could be located in the law.

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11/13 Minors & Youth**Regulations on minors and youth:**

Labour Code, 2012 (amended in 2015)

Minimum Age for Employment

In accordance with art. XVIII of the Constitution, employment of children is prohibited except for cases laid down in an Act and without posing any risk to the child's physical, mental or moral development. The State is required to adopt special measures to protect young people and parents at workplace. Minimum age for employment is 16 years. A person of at least 15 years of age receiving full time school education may be employed during school holidays. With the authorization from a guardian, young persons under 16 years of age may be employed for the purposes of performance in cultural, artistic, sports or advertisement activities.

Source: §34 of Labour Code 2012

Minimum Age for Hazardous Work

Minimum age for hazardous work is 18 years. Workers under the age of 18 years (and over the age of 16) are considered young workers. These workers are not allowed to work at night or perform overtime. The daily duration of working time for young workers is 8 hours while the maximum duration of working time banking is one week. Young workers are also entitled to five days of extra annual leave each year.

Source: §114 & 119 of Labour Code

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12/13 Forced Labour**Regulations on forced labour:**

The Constitution of Hungary, 2011

Labour Code, 2012 (amended in 2015)

The Criminal Code, 1978

Prohibition on Forced and Compulsory Labor

In accordance with Art. XII of the Hungarian Constitution, every person has the right to freely choose his or her work, occupation and entrepreneurial activities. Any person who sells, purchases, conveys or receives another person or exchanges a person for another person, also the person who recruits, transports, houses, hides or appropriates people for such purposes for another party, is guilty of a felony punishable by imprisonment not to exceed three years.

The punishment shall be imprisonment between one to five years if the criminal act is committed to subject the victim to forced labour.

Source: §175 B of Criminal Code

Freedom to Change Jobs and Right to Quit

An employee, before terminating the employment relationship, has also to observe notice period of 30 days as provided under the Labour Code 2012. Please see more on this under Employment Security.

Inhumane Working Conditions

Normal working hours are 8 hours a day and 40 hours a week. Workers may perform overtime work up to 250 hours per year or the proportional hours. The weekly or monthly overtime limit is not clearly specified under the law

Regulations on trade unions:

The Constitution of Hungary, 2011

Labour Code, 2012 (amended in 2015)

The Criminal Code 1978

Strike Law of 1989.VII. (amended in 2010. 2010. évi CLXXVIII. Törvény)

Freedom to Join and Form a Union

In accordance with Art. VIII of the Constitution, the right to freedom of association entails the free establishment and operation of trade unions and other representative bodies. The Labour Code regulates the working of unions. Employees and employers have the right to establish together with others, without any form of discrimination whatsoever, interest representation organizations for the promotion and protection of their economic and social interests, and, at their discretion, to join or not to join an organization of their choice, depending exclusively on the regulations of such organization. Employees are entitled to set up trade unions at their place of employment.

Labour Code also prohibits anti-union discrimination by saying that "the employment relationship of an employee shall not be terminated, and the employee shall not be discriminated against or mistreated by the employer in any other way on the grounds of trade union affiliation or trade union activity."

In accordance with §228-A of Criminal Code, an employer or trade union may not force a worker to join (or not to join) a trade union organization and that "the person who unlawfully impedes another person in the exercise of his right to association or assembly with violence or menace, commits a felony, and shall be punishable with imprisonment of up to three years".

Source: §231 & 271(3) of Labour Code 2012; §228-A of the Criminal Code 1978

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Freedom of Collective Bargaining

Right to collective bargaining is guaranteed under the Constitution and Labour Code. In accordance with the Constitution of Hungary, employees, employers and their representative bodies have a statutory right to bargain and conclude collective agreements, and to take any joint action or hold strikes in defence of their interests.

Collective Bargaining is regulated under §276 of Labour Code. A trade union is authorized to conclude a collective agreement if its membership reaches ten percent:

- i. of all workers employed by the worker; and
- ii. of the number of workers covered by the collective agreement concluded by the employers interest group.

From 2012 onwards, the consultations on minimum wages are not held under the National Economic and Social Council rather these are done under the Permanent Consultation Forum of the Competitive (Private) Sector (Versenyszféra Konzultációs Fórum, VKF). VKF has representation from Government side, workers side (Független Szakszervezetek Demokratikus Ligája-LIGA Szakszervezetek, Magyar Szakszervezetek Országos Szövetsége –MSZOSZ, and Munkástanácsok Országos Szövetsége) and employer side (Általános Fogyasztási Szövetkezetek és Kereskedelmi Társaságok Országos Szövetsége -ÁFEOSZ-Coop Szövetség, KÉSZ, Munkaadók és Gyáriparosok Országos Szövetsége-MGYOSZ, and Vállalkozók és Munkáltatók Országos Szövetsége -VOSZ). Under this forum, the social partners consult and enter into agreement on issues relating to employment policy, labour law reforms, incomes of the private sector employees (minimum wage, guaranteed minimum wage and salary recommendations), labour relations, etc.

There is also Economic and Social Council (NGTT) which was established under the 2011 Act. The Council is a consultative proposal-making and advisory body independent of the Parliament and the Government. It has 32 members representing civil society in Hungary. These include representatives of economy (employer organizations and chambers), workers' representatives, representatives of NGOs (NGOs active in the field of national policy), representatives of academia, representatives of art, and the Church representatives. Term of the NGTT is four years.

Within its competence of performing consultation, giving opinions and making proposals, the Council monitors and analyses the socio-economic development of Hungary; elaborate proposals for Parliament and the Government for the solution of comprehensive macro-economic and social problems, discuss government strategies and schemes in terms of employment policy and the labour market; give opinions on the proposed Government measures which directly affect businesses, employment and society at large; and participate in the exploration of the effects of laws and other Government decisions, and inform the Government accordingly.

Source: §XVII of the Constitution of Hungary, 2011; §276-284 of Labour Code 2012; National Economic and Social Council Act, 2011

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Right to Strike

Right to strike is guaranteed under the Constitution and workers can resort to strike/and employer can resort to lockout if a dispute arises during the collective bargaining process (Art. XVII). Right to strike is regulated under the Strike Law of 1989.VII. (Art. 1-4). Under the new act (2010. évi CLXXVIII. törvény), industrial action such as strikes is lawful only if employers and trade unions agree in advance on the minimum level of services to be provided. Should they fail to agree, the Labour Court has the final say.

Strike is allowed in utilities with the condition that minimum services should be put in place during strikes for utilities such as electricity, gas, water supply, public transport and communication. No strikes will be allowed at judicial bodies, by the Hungarian Defense Forces, at law enforcement bodies or civil national security services. State administration employees may only strike if the government and relevant trade unions agree on special rules and circumstances, but the professional staff of the National Tax Office has no right to strike.

Source: <http://www.eurofound.europa.eu/eiro/2012/02/articles/hu1202051i.htm>

01/13 Work & Wages

ILO Conventions on Work and Wages

Minimum wage: Convention 131 (1970)

Regular pay & wage protection: Conventions 95 (1949) and 117(1962)

Hungary has ratified the Convention 95 only.

Minimum wage

The minimum wage must cover the living expenses of the employee and his/her family members. Moreover it must relate reasonably to the general level of wages earned and the living standard of other social groups.

Regular Pay

Wages must be paid regularly on a daily, weekly, fortnightly or monthly basis.

02/13 Compensation

ILO Conventions on Compensation

Compensation overtime: Convention 01 (1919); Night work: Convention 171 (1990)

Hungary has not ratified the Conventions 01 & 171.

Overtime Compensation

Working overtime is to be avoided. Whenever it is unavoidable, extra compensation is at stake - minimally the basic hourly wage plus all additional benefits you are entitled to. In accordance with ILO Convention 1, overtime pay rate should not be less than one and a quarter times (125%) the regular rate.

Night Work Compensation

Night work means all work which is performed during a period of not less than seven (07) consecutive hours, including the interval from midnight to 5 a.m. A night worker is a worker whose work requires performance of a substantial number of hours of night work which exceeds a specified limit (at least 3 hours). Convention 171 requires that night workers be compensated with reduced working time or higher pay or similar benefits. Similar provisions are found in the Night Work Recommendation No. 178 of 1990.

Compensatory Holidays/Rest Days

If you have to work on a national/religious holiday or a weekly rest day, you should be entitled to compensation. Not necessarily in the same week, provided that the right to a paid compensation is not.

Weekend/Public Holiday work Compensation

If you have to work during the weekend, you should thereby acquire the right to a rest period of 24 uninterrupted hours instead. Not necessarily in the weekend, but at least in the course of the following week. Similarly, if you have to work on a public holiday, you must be given a compensatory holiday. A higher rate of pay for working on a public holiday or a weekly rest day does not take your right to a holiday/ rest.

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03/13 Annual Leave & Holidays**ILO Conventions on weekly rest days and paid annual leave**

Convention 132 (1970) on Holidays with Pay Convention
Conventions 14 (1921), 47 (1935) and 106 (1957) for weekly rest days. In addition, for several industries, different Conventions apply.

Hungary has ratified the Conventions 14 & 132 only.

Paid Vacation/Annual Leave

An employee is entitled to at least 21 consecutive paid annual leave. National and religious holidays are not included. Collective agreements must provide at least one day of annual leave on full remuneration for every 17 days on which the employee worked or was entitled to be paid.

Pay on Public Holidays

You should be entitled to paid leave during national and officially recognized public holidays.

Weekly Rest Day

Workers should enjoy a rest period of at least twenty-four consecutive hours in every 7 day period, i.e., a week

04/13 Employment Security**ILO Conventions on employment termination**

Convention 158 (1982) on employment termination

Hungary has not ratified the Convention 158.

The questions under this section measure the security or even flexibility or precariousness of an employment relationship. Although these are not clearly mentioned in a single convention (severance pay and notice requirement are provided in the Termination of Employment Convention No. 158) however, the best practices in the field require that employees be provided with a written contract of employment; workers on fixed term contracts should not be hired for tasks of permanent nature; a reasonable probation period (ideally lower than or equal to 6 months) may be followed to assess the suitability of an employee; a period of notice must be specified in an employment contract before severing the employment relationship; and workers be paid severance allowance on termination of employment relationship.

Written Employment Particulars

A contract of employment may be oral or written however workers should be provided with a written statement of employment at the start of their employment.

Fixed Term Contracts

Fixed Term Contract workers must not be hired for permanent tasks as it leads to precarious employment.

Probation Period

A reasonable probation period must be provided to a worker to learn new skills. A newly hired employee may be fired during probation period without any negative consequences.

Notice Requirement

A reasonable notice period, depending on the length of service of an employee, may be required before an employer may sever the employment relationship.

Severance Pay

Employers may be required to pay a severance allowance on termination of employment (due to redundancy or any other reason except for lack of capacity or misconduct).

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05/13 Family Responsibilities**ILO Conventions on family responsibilities**

Convention 156: Workers with Family Responsibilities Convention (1981)

Recommendation 165: Workers with Family Responsibilities (1981)

Hungary has ratified the Convention 165 only.

Paternity Leave

This is for the new fathers around the time of child birth and is usually of shorter duration.

Parental Leave

The accompanying recommendation (No. 165) to ILO Convention on Family Responsibilities provides for parental leave as an option available to either parent to take long leave of absence (paid or unpaid) without resigning from work. Parental leave is usually taken once the maternity and paternity leave have been exhausted. For working parents, laws may define the portion of parental leave that has to be compulsorily taken by fathers or mothers.

Flexible Work Option for Parents / Work-Life Balance

Recommendation 165 asks for looking into measures for improving general working conditions through flexible work arrangements.

06/13 Maternity and Work**ILO Conventions on maternity and work**

An earlier Convention (103 from 1952) prescribed at least 12 weeks maternity leave, 6 weeks before and 6 weeks after. However, a later convention (No. 183 from year 2000) requires that maternity leave be at least 14 weeks of which a period of six weeks compulsory leave should be after childbirth.

Hungary has ratified both Conventions 103 & 183.

Free medical care

During pregnancy and maternity leave, you should be entitled to medical and midwife care without any additional cost.

No harmful work

During pregnancy and while breastfeeding, you should be exempt from work that might bring harm to you or your baby.

Maternity leave

Your maternity leave should last at least 14 weeks.

Income

During maternity leave, your income should amount to at least two thirds of your preceding salary.

Protection from Dismissals

During pregnancy and maternity leave, you should be protected from dismissal or any other discriminatory treatment.

Right to return to same position

Workers have the right to return to same or equivalent position after availing maternity leave.

Breastfeeding/Nursing Breaks

After child birth and your rejoining your organization, you must be allowed paid nursing breaks for breastfeeding your child.

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07/13 Health & Safety**ILO Conventions on Health and Safety**

Most ILO OSH Conventions deal with very specific Occupational Safety hazards, such as asbestos and chemicals.

Convention 155 (1981) is the relevant general convention here. Labour Inspection Convention: 81 (1947)

Hungary has ratified the Conventions 81 & 155.

Employer cares

Your employer, in all fairness, should make sure that the work process is safe.

Free protection

Your employer should provide protective clothing and other necessary safety precautions for free.

Training

In order to ensure workplace safety and health, a central, independent and efficient labour inspection system should be present.

Labour Inspection System

You and your colleagues should receive training in all work related safety and health aspects and you should have been shown the emergency exits.

08/13 Sick Leave & Employment Injury Benefits**ILO Conventions on Sickness and Employment Injury**

Convention 102 (1952), Conventions 121 (1964) and 130 (1969) concerning Social Security, Employment Injury Benefits and Medical Care and Sickness Benefits

Hungary has not ratified the Conventions 102, 121 & 130.

Income/Paid Sick Leave

Your rights to work and income should be protected when illness strikes. The national labour law may provide that sickness benefit may not be paid during the first 3 days of your absence. Minimally you should be entitled to an income during first 6 months of illness. This income should be at least 45 per cent of the minimum wage. (Countries are free to opt for a system which guarantees 60 per cent of the last wages during the first 6 months of illness or even during the first year). You should be entitled to paid sick leave.

Medical Care

During illness, you should be entitled to medical care without any additional cost. Employees and their family members should have access to the necessary minimal medical care at an affordable cost.

Job security

During the first 6 months of your illness, you should not be fired.

Disability/Work Injury Benefit

Whenever you are disabled due to an occupational disease or accident, you ought to receive a higher benefit. In the case of temporary or total incapacity/disability, a worker may at least be provided 50% of his average wage while in the case of fatal injury, the survivors may be provided with 40% of the deceased worker's average wage in periodical payments.

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09/13 Social Security**ILO Conventions on Social Security**

Social Security (minimum standards): Convention 102 (1952). For several benefits somewhat higher standards have been set in subsequent Conventions

Employment Injury Benefits: Conventions 121 (1964),

Invalidity, Old age and survivors' benefits: Convention 128(1967)

Medical Care and Sickness Benefits: Convention 130 (1969)

Unemployment Benefits: Convention 168 (1988).

Hungary has not ratified the Conventions 102, 121, 128, 130 & 168.

Pension Rights

In the normal circumstances, the pensionable age may not be set higher than 65 years of age. If retirement age is fixed above 65 years, it should give "due regard to the working ability of elderly persons" and "demographic, economic and social criteria, which shall be demonstrated statistically". Pension can be set as a percentage of the minimum wage or a percentage of the earned wage.

Dependent's/Survivors' Benefit

When the breadwinner has died, the spouse and children are entitled to a benefit, expressed as a percentage of the minimum wage, or a percentage of the earned wage. This must at least be 40% of the reference wage.

Unemployment Benefit

For a limited period of time, the unemployed has a right to unemployment benefit set as a percentage of the minimum wage or a percentage of the earned wage.

Invalidity Benefits

Invalidity benefit is provided when a protected person is unable to engage in a gainful employment, before standard retirement age, due to a non-occupational chronic condition resulting in disease, injury or disability. Invalidity Benefit must at least be 40% of the reference wage.

10/13 Fair Treatment**ILO Conventions on Fair Treatment**

Convention 111 (1958) lists the discrimination grounds which are forbidden.

Convention 100 (1952) is about Equal Remuneration for Work of Equal Value.

Hungary has ratified both Conventions 100 & 111.

Equal Pay

At workplaces equal pay for men and women for work of equal value is a must, regardless of marital status. Pay inequality based on race, colour, sex, religion, political opinion, national extraction/place of birth or social origin is also forbidden. A transparent remuneration system and the clear matching of pay and position should be in place and to help prevent wage discrimination.

Sexual Harassment

Not clearly provided in ILO Conventions. However, sexual intimidation/harassment is gender discrimination.

Non-Discrimination

Your employer can't discriminate against you on in any aspect of employment (appointment, promotion, training and transfer) on the basis of union membership or participation in union activities, filing of a complaint against an employer, race, colour, sex, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin, temporary absence due to illness, age, trade union membership, disability/HIV-AIDS, or absence from work during maternity leave. (Conventions 111, 156, 158, 159 and 183)

Equal Choice of Profession

People have the right to work and there can't be occupational segregation on the basis of gender.

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11/13 Minors & Youth**ILO Conventions on Minors & Youth**

Minimum Age: Convention 138 (1973)

Worst Forms of Child labour: Convention 182 (1999)

Hungary has ratified both Conventions 138 & 182.

Minimum Age for Employment

At workplaces, children may not be forced to perform work that could harm their health and hampers their physical and mental development.

All children should be able to attend school. Once this is safeguarded, there is no objection against children performing light jobs between the ages of 12 and 14. The general minimum age is 15 years however developing countries may set this at 14 years. The minimum age for hazardous work, work that is likely to jeopardize the health, safety or morals of young persons, is 18 years. It can also be set at a lower level of 16 years under certain circumstances

Minimum Age for Hazardous Work

Children should not be employed in a work that is likely to harm the health, safety or morals of children. It is considered one of the worst forms of child labour. The minimum age for such hazardous work is 18 years.

12/13 Forced Labour**ILO Conventions on Forced/Bonded labour**

Forced labour: Conventions 29 (1930)

Abolition of Forced labour: Conventions 105 (1957)

Forced labour is the work one has to perform under threat of punishment: forfeit of wages, dismissal, harassment or violence, even corporal punishment. Forced labour means violation of human rights.

Hungary has ratified both Conventions 29 & 105.

Prohibition on Forced and Compulsory labour

Except for certain exceptions, forced or compulsory labour (exacted under the threat of punishment and for which you may not have offered voluntarily) is prohibited.

Freedom to change jobs and Right to quit

Employers have to allow you to look for work elsewhere. If you do, you should not be shortened on wages or threatened with dismissal. (In the reverse cases, international law considers this as forced labour).

Inhumane Working Conditions

If the total working hours, inclusive of overtime exceed 56 hours per week, the worker is considered to be working under inhumane working conditions.

ILO Conventions on Trade Union Rights

Freedom of association and protection of the right to organize: Convention 87 (1948)

Right to Organize and Collective Bargaining: Convention 98 (1949)

Hungary has ratified both Conventions 87 & 98.

Freedom to join and form a union

Freedom of association means freedom to join a trade union. This is part of the fundamental human rights. Employees may not be put at a disadvantage when they are active in the trade union outside working hours. The list of exclusions for sectors of economic activity and workers in an organization should be short.

Freedom of Collective Bargaining

Trade unions are entitled to negotiate with employers on term of employment without hindrance. The freedom of a trade union to negotiate with employers to try and conclude collective agreements is protected. (The ILO has a special procedure for handling complaints from unions about violation of this principle).

Right to Strike

Workers have the right to strike in order to defend their social and economic interests. It is incidental and corollary to the right to organize provided in ILO convention 87.

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About Decent Work and Decent Work Check

Compare your own situation with the international labour standards and how they are applied in Hungary. At the end of the checklist you will see how things stand for you. You may be better off than what the international standards prescribe, but you should not be worse off. Behind every answer, you can find a short explanation of what your rights are; nationally and internationally. So you see right away if you can improve your situation.

The Decent Work Check makes the pretty abstract Conventions and legal texts tangible. Because, in the end, you want to know what your rights on the job mean in practice, what you may claim and what protection you are entitled to in case something unexpectedly does go wrong. The Decent Work Check employs double comparison system. It first compares national laws with international labour standards and gives a score to the national situation (happy or sad face). It allows workers to compare their real situation with national regulations in the country. Workers then compare their own score both at national and international levels. The Decent Work Check is based on de jure labour provisions, as found in the labour legislation. The real practice is informed by the employees themselves. This Check is different from other indices like World Bank's Doing Business Indicators or even ISSA's Social Security Programs throughout the World as it is not only descriptive in nature (bereft of any subjective opinions) but also that it covers a lot of different variables. The Revised Decent Work Check is also designed while taking into account upcoming Decent Work Indicators. While Decent Work Indicators focus more on statistics, our priority is informing workers about their rights through this Decent Work Check. Decent Work Check is useful both for employees and employers. It gives them knowledge, which is the first step towards any improvement. It informs employees of their rights at the workplace while simultaneously enlightening employers about their obligations. Decent Work Check is also useful for researchers, labour rights organizations conducting surveys on the situation of rights at work and general public wanting to know more about the world of work.

WageIndicator teams, around the world, have found out that workers, small employers and labour inspectors don't even know the labour law.

When you are informed - being a workers, self-employed, employee, employer, policy maker, labour inspector - there is a greater possibility that you ask for your rights (as a worker), you comply with rules (as an employer) and you strive to enforce these (as a labour inspector). As soon as you complete the DecentWorkCheck, you see which issues need improvement in your work life.

This is exactly the strategy chosen in the debates in many WageIndicator countries. In the debates with roughly 20-30 people around the table from all sides, the decent Work Check has soon the effect of a mini social dialogue. The people who run the dialogue are equally well informed.

The international labour standards are laid down in ILO-Conventions. ILO is the specialised body of the United Nations working on labour issues and was founded in 1919. In the ILO, negotiations are always going on between governments of the member states, national trade unions and employers associations regarding work related issues like rights at work and social protection. These negotiations may take years, but eventually lead to so called Conventions or Recommendations. In Conventions, minimum standards are laid down. Conventions are not the law, but the intention is that member states subscribe to the standard in question. The proper way to do that is to have these Conventions ratified by parliament and then make national laws (Some countries may follow the system of self-executing treaties). National law can be enforced. ILO-Conventions are usually accompanied by Recommendations on how to implement the standards.

Since 1999, the ILO works according to the so called Decent Work Agenda. In the meantime, the Decent Work Agenda has been widely accepted as an important strategy to fight poverty and foster development. The Agenda has been incorporated in the Millennium Development Goals of the United Nations. In short, the idea behind Decent Work is first of all an income which allows the working individual a good life. Moreover, at work, everybody has an equal chance to develop themselves; working conditions are safe; there is no instance of child and forced/bonded labour; and discrimination does not occur. Trade unions are allowed a real say in work related matters and the state has created a social safety net for all especially for the sick, weak, elderly and expecting women.

WageIndicator.org and Iftikhar Ahmad

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