### LAKATOS, KÖVES ÉS TÁRSAI ÜGYVÉDI IRODA

# LKT NEWS

EMPLOYMENT LAW 25 MARCH 2020

### **EMPLOYMENT LAW IN THE TIME OF THE CORONAVIRUS**

Further information to follow

#### FAQ:

The COVID19 outbreak affects most of the businesses having employees in Hungary. So far employers have raised various questions to our employment team and we collected below the most frequently asked questions and our general responses. It is important to note that the situation is very fluid and applicable rules and their interpretation can change rapidly.

### CAN WE REDUCE THE WORKING HOURS OF THE EMPLOYEES?

In Hungary the solution of switching to part-time is often applied, so the cut of wages takes place along with the reduction of working time and tasks. The explicit consent of the employee is required to such solution as it constitutes an amendment to the employment contract. There is no possibility that the employer could order pay cut or part-time unilaterally, even under special circumstances.

There is no legal institution introduced for the suspension of employment and therefore there is no differentiation if you terminate the employment, whether you want to re-hire that employee later on.

At the same time, the government announced a decree effective from 19 March, according to which, the employer and the employee in an agreement can deviate from **any** provision of the current labour regulation. In addition to that:

- the employer may unilaterally modify the communicated work schedule without obeying any deadlines;
- the employer may order teleworking / home office (i.e. working from home) unilaterally;
- the needed and reasonable measures can be taken in order to check upon the health conditions of the employee by the employer (GDPR stays in force, so prior notification is still recommended).

## WHO PAYS THE SALARY IN THE EVENT OF ILLNESS CAUSED BY THE CORONA VIRUS INFECTED (POSITIVE TESTED)?

If an employee is tested positively for COVID-19, currently hospital treatment or home quarantine is ordered. The employee will be qualified by the competent authority as incapable to work. During the incapacity to work, sickness benefit is due to the employee but it is paid by the health insurance. The same applies when the employee is under epidemic surveillance in the hospital or at home ordered by the competent authority and is unable to work from home, i.e. the employee is being tested for COVID-19 but not declared infected yet.

### WHO PAYS IF AN EMPLOYEE STAYS AT HOME TO CARE FOR THE ILL CHILD

If an employee stays at home to care for his/her ill children, it depends on the capability of the employee, whether he/she will be able to work from home. In lack of work performed, the healthcare fund provides child sickness benefit to the parent, if the ill child is not older than twelve (12) years and the employee is incapable to work due to the child's illness. Child sickness benefit is calculated the same way as the sickness benefit. The duration of the child sickness benefit depends on (i) the age of the ill child; and (ii) whether the parent is a single parent.

## WHO PAYS IF THE PLANT/OFFICE CLOSES FOR A CERTAIN PERIOD OF TIME BECAUSE ONE EMPLOYEE IN THE FACILITY WAS TESTED POSITIVE FOR CORONA?

If authorities order the plants/buildings/offices to be closed and the employees are not able access the workplace physically, this qualifies as force majeure or 'unavoidable external reason' (in Hungarian: 'elháríthatatlan külső ok'). In that event, employers shall not pay base salary to their employees provided that the employer has followed necessary preventive actions at the workplace that serve healthy and safe working conditions.

At the same time, if the employer orders home office for employees as a preventive measure to the positions eligible, normal salary will be due to those employees.

### WHO TO CONTACT?

If your business is listed or otherwise affected by the state of emergency, please do not hesitate to contact any member of our team:

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