

## Impacts of the COVID-19 coronavirus pandemic on labour relations

As of now, no regulations were adopted in light of the coronavirus pandemic that would directly limit or otherwise interfere with companies' operation or employment matters. Thus, any employment related decisions are at the employers' discretion to make.

I. It is the employers' responsibility to ensure a **safe working environment, that does not pose any danger to health**. With regards to this, the following measures might be taken:

a. **Preventive measures**, such as:

- » Providing employees with adequate information relating to the necessary hygienic and other precautionary measures,
- » Providing employees with disinfectants and requiring their usage,
- » Thorough inspection of persons entering the company's premises, and / or imposing restrictions governing such matters,
- » Restriction or cancellation of company events, client meetings and business trips,
  - » In this respect, it is important to emphasize that the employer can – at any time – order to postpone or cancel any business trips or events. The employee is entitled to deny participation at a given event, trip, or meeting as well, if participation would pose a grave and direct danger to his health. In our view, such right can certainly be exercised currently with respect to travels abroad.

Regarding domestic travels or domestically organized events, it is a question of case-by-case consideration – however, as of now, our view is that in most cases it would be justified for the employee to deny participation (in such cases, the employee must still be available and otherwise perform work);

- » Introduce home office, if the type of work to be performed allows it (as long as the state of danger lasts, the employer has a unilateral right to introduce home office for an indefinite period, pursuant to Government Decree 47/2020, adopted on 18 March 2020);
- » Considering that the personality rights of employees (such as the right to free movement) may be restricted only if deemed strictly necessary for reasons directly related to the intended purpose of the employment relationship and if proportionate for achieving its objective, it is unlawful to impose a general restriction on employees' private travels abroad, as the same objective could be achieved with less invasive measures.

Nonetheless, it is advisable to draw employees' attention to the fact that the Consular Services warns people against travelling to certain countries (see: <https://konzuliszolgalat.kormany.hu/koronavirus>).

Furthermore, the employer is entitled to require employees to give 2 weeks prior notice of every private trip abroad, and require that after returning they (i) stay at home and work from home office for 2 weeks, if the type of work makes it possible, (ii) take 2 weeks holiday (if it is possible from the yearly quota), or (iii) take 2 weeks unpaid leave. If the employee contradicts such instructions (for example, gives no notice of his trip abroad), the employer might give a written warning. If the violation of instructions is grave, the employer may also terminate the employment relationship without notice. It is advisable to clarify this to employees in advance;

- » The employer can also prescribe employees to give notice if either the employee, one of its relatives or a person living together with the employee is diagnosed with the coronavirus disease. Requiring a 2 weeks quarantine period is justified in such cases as well.

b. **Examination of employees' health state** (for this end, employers are entitled to take reasonable and necessary steps, pursuant to Government Decree 47/2020, adopted on 18 March 2020).

II. In the case of **decrease in the number of orders or the amount of workload**, the employer may consider taking the following measures:

a. As long as the state of danger lasts, the employer is entitled to make changes in the work schedule even if it was already dispatched. This is of great significance if the employer is engaged in commercial activities, and must – by virtue of Government Decree 46/2020, adopted on 16 March 2020 – close its business by 3:00 p.m.;

b. The employer may request employees to take their holiday under the following conditions:

» A 15 day prior notice must be provided to the employee (unless the leave was requested by the employee or has been granted with his agreement),

» The employee must be allowed each year to take 7 working days of holiday at his own discretion.

c. If the employee has no holidays left, or does not agree to take them, the following options are available:

» The employee can take unpaid leave on a mutually agreed basis (thus, the employer's consent is required as well),

» The employer may exempt the employee from his duties due to the dangers posed by the epidemic, however, base salary must be paid for such duration,

» If, due to inevitable external circumstances, the employer temporarily cannot provide work to the employee, the employer is exempted from his duty to pay salary. However, it is questionable what might qualify as inevitable external circumstance – in our view, an example would be the employee being subjected to quarantine by an authority's or doctor's decision. For the duration of the quarantine, the employee is entitled to sick pay,

» The parties can mutually agree in reducing work hours for a definite period of time (such as 3 months).

III. **If the employee requests leave** (such as for reasons of providing care for his children), the following rules apply:

a. Paid leave:

» The employee must be allowed each year to take 7 working days of holiday at his own discretion, assuming that he has provided a 15 day prior notice to his employer. In the present case it is unlikely to happen, but the employer is nonetheless required to observe the common rules of conduct, meaning that he shall take into account the interests of employees under the principle of equitable assessment. Therefore, employers must be intent on fulfilling such request of the employees (assuming that providing care for the children cannot be achieved in other ways, such as with the involvement of another parent) but should also take into account their own business interests. In light of this, the overall goal is to provide employees with their requested leave while also taking into account the employers' work organizational capacities – meaning, for example, that it is to be expected from the employees to provide care for their children in turn with the other parent. It is advisable to agree with employees in such matters on an individual basis;

» If the employee has no days of holiday left, he can request to take unpaid leave.

b. Unpaid leave:

» The employee is entitled to request unpaid leave (even instead of holidays), but it must be based on the parties' mutual agreement.

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