

Labour Law - Estonia

<p>Is it a legal requirement that employees must receive an employment contract?</p>	<p>The formal requirement to conclude a written contract is not applied if the duration of the validity of the employment contract does not exceed two weeks. Apart from the previous, the employment contract has to be in written form and must include all the necessary aspects concerning the work and parties (names of parties, description and place of work, working time, payment terms etc) and in case the data has not been communicated to the employee before commencement of work, the employee may demand it at any time.</p>
<p>What factors constitute a fair dismissal i.e. legally justifiable reasons to terminate employment without the need to pay compensation?</p>	<p>Parties may terminate a fixed-term employment contract or an employment contract entered into for an unspecified period by agreement. An employer may not cancel an employment contract ordinarily. An employer and an employee may cancel fixed-term employment contracts and employment contracts entered into for an unspecified term within a probationary period of four months of the date of commencement of employment by the employee.</p> <p>An employer may extraordinarily terminate an employment contract with good reason dependent on an employee as a result of which, upon respecting mutual interests, the continuance of the employment relationship cannot be expected. An employer may terminate an employment contract due to a breach of an employee's duties or decrease of their capacity for work, if the employer gave a warning before the cancellation. Prior warning is not a prerequisite for cancellation if, pursuant to the principle of good faith, the employee cannot expect it from the employer due to particular severity of the breach of duties or for another reason.</p>
<p>What is good practice with regard to dismissal procedures to minimise the risk of claims for unfair dismissal?</p>	<p>According to the basis of dismissal, the employer should show that he has acted "reasonably" and according to the employees best interests. For instance, before terminating the contract due to breach of an employee's duties or decrease of their capacity for work, has the employer given a written warning or has he offered alternative work, etc.</p>
<p>If an employee is dismissed unfairly what is the financial range of compensation that can be made to employees?</p>	<p>If a court or labour dispute committee establishes that cancellation of an employment contract is void due to the absence of a legal basis or the non-conformity with law or nullified due to a conflict with the principle of good faith, it shall be deemed that the employment contract has not been terminated upon cancellation, and an employer shall pay an employee compensation to the extent of three months' average wages of the employee. The court or labour dispute committee may change the amount of the compensation, considering the circumstances of cancellation and the interests of both parties.</p>
<p>Do employees have the right to be members of a trade union?</p>	<p>Yes, employees have the right to be members of a trade union. Just as well, the employee has the right not to join a trade union as he chooses. No employee can be dismissed either because he is or is not a member of a trade union.</p>
<p>Is there any legal requirement for an employer to contribute to a pension for employees?</p>	<p>The employer is only required to contribute to social security schemes in relations with employees.</p>
<p>What are standard maternity rights?; What are parental leave rights (including paternity leave)?</p>	<p>Women have the right to pregnancy and maternity leave of 140 calendar days. If a woman starts using pregnancy and maternity leave less than 30 days before the estimated birth date given by a doctor or midwife, the pregnancy and maternity leave is shortened by the respective period. Compensation can be obtained for pregnancy and maternity leave in accordance with the Health Insurance Act.</p>

	<p>Fathers have the right to receive up to ten working days of paternity leave during the two months before the estimated birth date given by a doctor or midwife and during the two months after the birth of the child.</p> <p>A mother or father is entitled to parental leave until their child reaches the age of three years. One person is entitled to parental leave at a time. Parental leave can be used in one part or in several parts at any time. It is presumed that employees notify employers of taking or interrupting parental leave 14 calendar days in advance, unless the parties have agreed otherwise. If a parent has been deprived of parental rights or if a child lives in a social welfare institution the parent is not entitled to parental leave. Employees are entitled to compensation for the period of parental leave in accordance with the Parental Benefits Act and to a child care allowance in accordance with the State Family Benefits Act.</p>
When are employees eligible for redundancy payments?	<p>Upon cancelling an employment contract due to a lay-off, an employer shall pay an employee compensation to the extent of one month's average wages of the employee. Upon the cancellation of an employment contract due to a lay-off, an employee has the right to receive an insurance benefit under the conditions and pursuant to the procedure provided for in the Unemployment Insurance Act. If before 1 January 2015 an employer cancels an employment contract due to a lay-off with an employee whose employment relationship has by the time of entry into force of the Employment Contracts Act lasted for at least 20 years, the Estonian Unemployment Insurance Fund shall pay the employee, in addition to the previously named compensation of one month's average wages, a layoff insurance indemnity to the extent of three months' average wages of the employee under the conditions and pursuant to the procedure provided for in the Unemployment Insurance Act. The insured person whose last employment relationship was cancelled due to a lay-off shall be entitled to an unemployment insurance indemnity 90 calendar days after the termination of the employment relationship.</p>
What are the statutory redundancy payment limits?	<i>(See response to above answer)</i>
Can existing employees be dismissed if you buy a business with employees?	<p>Employment contracts transfer to the acquirer of an enterprise un-amended if the enterprise continues the same or similar economic activities. Transferors and acquirers of enterprises are prohibited to cancel employment contracts due to the transfer of enterprises.</p>
Any other general legislation to note?	<p>For example the following: health and safety, working conditions, equal pay, discrimination, disability issues, working time and holiday regulations, etc.</p>