



MINISTRY
FOR NATIONAL ECONOMY

Modernising of work organization – New forms of employment in Hungary

**International Conference
„Challenges of Labour Law in context of Maintaining and Increasing
of Employment in the V4 Countries”
Bratislava, 26 February 2015**

The basic question (quoted from the Background Note):

„Dealing with problems of excess of employees during temporary lack of work and dealing with problems of lack of employees while having excess work.”

Hungarian legislation addressed the issue in the new Labour Code.

A new Labour Code entered into force in Hungary on the 1st of July, 2012 (Act I of 2012)

The key objectives were to

- increase competitiveness in line with new economic requirements and claims of employees
- create the most flexible labour market regulation possible.

To this end, the document

- reduces state intervention, and - parallel to defining guarantees for employees
- intends to offer a significantly larger scope for civil law-based regulation than before.

Part II, Chapter XV of the new Labour Code (LC) regulates special employment relationships, which were mostly unknown in Hungary before 2012:

- „Call for work”
- Job Sharing
- Employee Sharing
- „Teleworking”
- „Outworkers”

„Call for work”

LC Section 193

(1) Part-time workers employed under employment contract in jobs for up to six hours a day shall work at times deemed necessary to best accommodate the function of their jobs. In this case the duration of working time banking may not exceed four months.

(2) The employer shall inform the employee of the time of working at least three days in advance.

Job Sharing

LC Section 194

- (1) The employer may conclude an employment contract with several workers for carrying out the functions of a job jointly. Where any one of the employees to the contract is unavailable, another worker to the contract shall fill in and perform the functions of the job as ordered.
- (2) The scheduling of work shall be governed by the provisions on flexible working arrangements.
- (3) Wages shall be distributed among the employees equally, unless there is an agreement to provide otherwise.
- (4) The employment relationship shall cease to exist when the number of employees is reduced to one. (...)

Employee sharing

LC Section 195

- (1) Several employers may conclude an employment contract with one worker for carrying out the functions of a job.
- (2) The employment contract shall clearly indicate the employer designated to pay the employee's wages.
- (3) The liability of employers in respect of the employee's labor-related claims shall be joint and several.
- (4) Unless otherwise agreed, the employment relationship may be terminated by either of the employers or by the employee.
- (5) The employment relationship shall cease to exist under Paragraph b) of Subsection (1) of Section 63 when the number of employers is reduced to one.

„Teleworking”

LC Section 196

(1) ‘Teleworking’ shall mean activities performed on a regular basis at a place other than the employer’s facilities, using computers and other means of information technology (hereinafter referred to collectively as “computing equipment”), where the end product is delivered by way of electronic means.

(2) In the employment contract the parties shall agree on the worker’s employment by means of teleworking. (...)

Section 197

(1) Unless otherwise agreed, the employer’s right of instruction is limited solely to the definition of duties to be discharged by the employee.

(...)

(5) In the absence of an agreement to the contrary, the employee’s working arrangements shall be flexible.

„Outworkers”

Section 198

(1) Outworkers may be employed in jobs that can be performed independently, and that is remunerated exclusively on the basis of the work done.

(2) The employment contract shall define the work performed by the employee, the place where work is carried out and the method and extent of covering expenses.

Section 199

(1) Unless otherwise agreed, the employer’s right of instruction is limited to the specifying of the technique and work processes to be used by the employee.

(2) In the absence of an agreement to the contrary, the employee shall carry out the work using his own means.

(4) In the absence of an agreement to the contrary, the employee’s working arrangements shall be flexible.

Thank you for your attention!

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