

Hungary

Fixed Term Contracts

Fixed-term contracts are permitted, but may not be extended unless there is a legitimate reason. Cumulatively, fixed-term contracts may not exceed five years. If there is not adequate justification for extending a fixed-term contract, it may be deemed indefinite. Fixed-term contracts may be terminated by the employer with immediate effect, but in such case, the Worker is due an absence fee of twelve months of pay or, if less than 12 months remain in the term, the remaining wages for that period.

Probationary Periods

Probationary periods are permitted for a maximum of three months. During that time, the employment agreement may be terminated by either the Worker or the employer without reason and with immediate effect.

Holidays

Workers recognize nine paid public holidays. Workers may be required to work on public holidays only under limited circumstances. Work performed on a public holiday should be compensated with double pay.

Vacation

Workers are entitled to 20 paid days of vacation per year, which increases based on the age of the Worker up to a maximum of 30 days. Vacation should be used in the year it is earned. Only extra vacation days granted by virtue of a Worker's age automatically roll over to the next year. Accrued but unused vacation must be paid at termination.

Sick Leave

Each year, Workers are entitled to 70% of wages during the first 15 days of injury or illness, which is paid for by the employer. After that period expires, Workers are compensated by the government.

Working Hours

Standard working hours for full-time Workers is eight hours per day. Workers should receive 11 hours of rest between workdays and two days of rest per week, one of which must be Sunday. Work performed at night (between 10 p.m. and 6 a.m.) should be compensated at 115%.

Overtime

Workers may not be required to work more than 12 hours per day or 48 hours per week. Workers are generally entitled to 150% of wages for work performed in excess of the standard working hours. Overtime may not exceed 150 hours per calendar year.

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Termination

Workers are entitled to notice of termination as well as a realistic and rational justification for the termination. The notice required is 30 days for lengths of employment between zero and three years, 35 days for lengths of employment between three and five years, and an additional amount thereafter. The notice period may be contracted to in the employment agreement, but cannot be less than 30 days or more than six months unless the Worker is a senior executive. Workers with three years or more of service may be entitled to severance. Workers may be dismissed with immediate effect (summary dismissal) within 15 days of becoming aware of the incident giving rise to the dismissal.

Resignation

Workers may resign by giving notice to the employer and do not have to provide a reason unless the resignation is with immediate effect. Resignation with immediate effect is only permitted where the employer has fundamentally breached the contract.