

# Changes in Estonian Labour Law 2024

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In the year 2024, Estonia witnesses significant amendments to its labour laws, primarily influenced by alterations in the Family Law Act. These modifications mark a pivotal shift towards gender-neutral language and inclusivity in various aspects of employment regulations.

## The Goodwill Agreement regarding Minimum Wage

This year, the Minister of Economic Affairs and Information Technology, Tiit Riisalo, the President of the Estonian Trade Union Confederation, Jaan Hendrik Toomel, and the head of the Estonian Employers' Confederation, Arto Aas, signed a goodwill agreement on the growth rate of the minimum wage until 2027, when it will reach 50% of the average wage. According to the goodwill agreement, the increase in the minimum wage will be staggered. The exact level of the minimum wage for 2024 was agreed by the social partners in autumn this year. Under the agreement, the minimum wage will rise by €95 to €820 (the minimum wage for 2023 was €725). As a result of the agreement, the minimum wage will amount to 42% of the average wage forecast by Eesti Pank for 2024.

## Marriage Equality Spurs Language Revisions in Labour Legislation

One of the fundamental changes revolves around the prerequisites for marriage. The amendment allows marriage between any two individuals, irrespective of gender, leading to revisions in terminologies within the labour law framework. Terms like "mother" and "father" are replaced with "parent," reflecting a more gender-neutral approach in provisions related to parental leave, adoption leave, and similar entitlements.

Furthermore, registered cohabitants are granted expanded rights concerning parental responsibilities. In cases where one parent is unable to fulfil their duties, the registered partner gains entitlement to parental leave or leave for caring for a child with disabilities. Additionally, registered spouses gain the right to adoption leave, reflecting a broader recognition of family structures.

## Variable Hour Agreements and Rest Period Interpretation in Labour Law

Another significant change affects variable hour agreements in the retail sector. The provision regulating such agreements becomes invalid as of 15 June 2024, rendering existing contracts null and void by 14 June 2024. This marks the conclusion of a trial period initiated on 15 December 2021, allowing part-time workers in the retail sector to work additional hours beyond their regular schedules.

Additionally, the interpretation of daily and weekly rest periods undergoes a substantial shift following a recent ruling by the European Court of Justice. The court's decision mandates the inclusion of daily rest periods within the calculation of weekly rest periods, ensuring a more comprehensive approach to safeguarding employee well-being. Consequently, employers must guarantee employees a minimum of 11 hours of consecutive rest within every 24-hour period, in addition to weekly rest periods as per the established schedule.

## Estonia Pledges Inclusive Workplaces and Equal Rights Amidst Legislative Changes

These legislative amendments underscore Estonia's commitment to fostering inclusive workplaces and upholding the rights of all individuals, regardless of their gender or family structure. By aligning labour laws with evolving societal norms and judicial interpretations, Estonia aims to create a fair and supportive environment for its workforce in the dynamic landscape of the 21st century.