

Estonia

Staff information and consultation on restructuring plans

Phase	Employees' Trustee Act; Employment Contracts Act
Native name	Töötajate usaldusisiku seadus; Töölepingu seadus
Type	Staff information and consultation on restructuring plans
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Article

Employees' Trustee Act §17, 20, 21; Employment Contracts Act § 101-103

Description

An employer who employs at least 30 employees shall inform and consult in at least the following circumstances pertaining to employees:

- the structure of the company, the staff, including the employees performing duties by way of temporary agency work, changes therein and planned decisions which significantly affect the structure of the company and the staff;
- planned decisions which are likely to bring about substantial changes in the work organisation;
- planned decisions which are likely to bring about substantial changes in the employment contract relationships of employees, including termination of employment relationships.

An employer shall provide information in a manner which enables to thoroughly examine the information and, if necessary, prepare for consultations with the employer. The employer shall provide information in writing or in a format which can be reproduced in writing, unless the parties have agreed otherwise.

Restructuring legislation database

In cases of collective dismissal, the employer shall consult in good time the trustee/shop steward or, in his or her absence, employees with the goal of reaching an agreement on the prevention of the planned dismissals or reduction of the number thereof and mitigation of the consequences of the dismissals, including contribution to the seeking of employment by or retraining of the employees to be laid off

Collective dismissals means termination, within 30 calendar days, of the employment contract of no less than:

- 5 employees in an enterprise where the average number of employees is up to 19;
- 10 employees in an enterprise where the average number of employees is 20–99;
- 10 % of the employees in an enterprise where the average number of employees is 100 to 299;
- 30 employees in an enterprise where the average number of employees is at least 300.

An employer has additional responsibilities in such cases, and is obliged to furnish the appointed trustee/shop steward with:

- the reasons for the collective dismissals;
- the number and official titles of all employees;
- the number and official titles of those employees and the selection criteria determining the persons whose employment contracts are to be cancelled;
- the period of time during which the employment contracts are to be cancelled;
- the method of calculation of the compensation to be paid to the employees in addition to the benefits prescribed by law or the collective agreement.

The employer shall send a transcript of the information specified above to the Estonian Unemployment Insurance Fund ([Töötukassa](#)) concurrently with the submission of the information to the trustee/shop steward or, in his or her absence, the employees.

The appointed labour union representative (shop steward), an employee trustee or, in his or her absence, the employees have the right to present a written opinion or make a proposal concerning the information received from the employer or notify of the intention to commence consulting within 15 working days as of the receipt of the information. If the employer does not take the proposals into consideration, the reasons for this shall be given at the earliest opportunity in writing or in a format which can be reproduced in writing.

The employer shall commence consultation within seven working days as of the receipt of the request for consulting.

The employer shall explain in the consultation the activities planned and the consequences thereof for the employees. The parties shall seek to reach an agreement on the planned activity.

The labour union representative (a shop steward), the employee trustee or, in his or her absence, the employees may involve experts in the consultation.

Commentary

No information available.

Additional metadata

Cost covered by	None
Involved actors other than national government	Public employment service Works council Other
Involvement (others)	Experts can be involved in the consultation
Thresholds	Affected employees: 5 Company size: 19 Additional information: No, applicable in all circumstances

Sources

- [Employment Contracts Act](#)~~~ [Employees' Trustee Act](#)~~~ [In Estonian: Töötajate usaldusisiku seadus](#)~~~ [In English: Employees' Trustee Act](#)~~~ DG Employment, Social Affairs and Equal Opportunities/Héra, Selected companies' legal obligations regarding restructuring, 2011~~~ [In English: Employment Contracts Act](#)~~~

Citation

Eurofound (2015), Estonia: Staff information and consultation on restructuring plans, Restructuring legislation database, Dublin