

Vacation entitlement on the basis of age has become a type of extra vacation

Labour law changes with effect from January regarding paid leave have implications on two major fields: new rules apply for vacation entitlement due to age and there is a new option allowing employers and employees to agree on scheduling not more than one-third of paid leave in the following year until 31 December – announced the expert of Kovács Réti Szegheő Attorneys at Law.

Zita Orbán dr. elaborated that that such provisions have taken effect from 1 January, 2013 of the new Labour Code applicable as of last summer, which include changes and innovations regarding paid leave.

One significant change is that while previously, vacation entitlement based on age constituted a part of vested vacation, from now on it shall be regarded as a type of extra vacation.

In the absence of collective agreement, this amendment requires employees to adopt no changes whatsoever regarding employees in this respect, as employees shall invariably be entitled to 20 workdays as vested vacation and in addition, vacation based on age though this latter shall be considered extra vacation.

If a collective agreement exists

In case a collective agreement exists however, there is an option to set out more or even less extra vacation days on the basis of age therein than stipulated by the legal provisions.

The expert of Kovács Réti Szegheő Attorneys at Law emphasised that it is only possible in case a collective agreement with such content has been adopted and become effective.

Scheduling vacation to the following year

Furthermore, it is worthy of mentioning that pursuant to the new regulation, the employer and the employee may agree upon the scheduling of not more than one-third of the vacation to the following year until 31 December.

With the introduction of this new provision, the legislative intent was to address a practical issue namely that in the course of the year – especially towards the year end – the problem of the accumulated vacation pursuant to the previous regulation could be managed only to a limited extent. Meanwhile, at the definition of this proportion such the intention was observed that employees right of recreation not be infringed upon.

Contrary to general belief, employees do not take out vacation but employers schedule it, which means, employees have the obligation to assure that employees actually use their vacation – even in case of employees not wishing to go on paid leave.

Accordingly, the new provisions repeatedly set the goal that employers schedule vacation in the year such vacation is due and allows divergence only in a limited scope – among others by the option to agree as described herein, concluded Zita Orbán dr.