



# Transparent and predictable working conditions in the EU

**November 2022**

**EY**

Building a better  
working world

# Editor's letter



**Paula Hogéus**

EY Global Labor and Employment  
Law Leader and Nordics Law Leader  
[paula.hogeus@law.se.ey.com](mailto:paula.hogeus@law.se.ey.com)

The European Union (EU) enacted Directive (2019/1152) on Transparent and Predictable Working Conditions (the "Directive"). The Directive provides more extensive and updated rights and protection for the 182 million workers in the EU. Following the Directive, workers in the EU will, among other things, have the right to:

- ▶ More complete information on the essential aspects of their work, to be received in writing and early in their employment period
- ▶ A limit to the length of any probationary period
- ▶ Take up an additional job with another employer (with any restrictions on this right need to be justified on objective grounds)
- ▶ Be informed with reasonable notice when work will have to be carried out (especially for workers with unpredictable working schedules and those contracted for 'on-demand' work); and
- ▶ Receive cost-free mandatory training related to the job as the employer has a duty to provide this

The deadline for transposing the Directive into local law was 1 August 2022.

The Directive contributes to the implementation of several principles in the European Pillar of Social Rights. We can therefore see that this is something that closely correlates to the increased focus on Environment, Social and Governance (ESG) within workforce-related areas. Multi-national corporations are now having to contend with calls to action from employees, investors, regulators, and other stakeholders.

With the transposition of the Directive, employers doing business in EU jurisdictions will need to revisit their standard employment agreement templates, employee handbooks and onboarding processes to ensure that sufficient information is provided to employees. However, local implementation of the Directive varies and ensuring compliance may, therefore, be more complex than using a one-size-fits-all policy across the EU.

In this edition of EY's Global Labor and Employment Law Strategic Guide, we summarize how the Directive has been implemented in 22 European jurisdictions and guide you on how to stay on top of the new regulations.

# Index



# Austria

## **New provisions to be implemented in Local Law due to the Directive**

There have been no major legislative changes in Austria as a result of the Directive.

In summary, from a private law perspective, the provisions of the Directive are already largely covered by existing statutory national law. However, it seems that some state laws for public servants and contractual employees in the public sector still lack regulations in this regard and therefore a number of state laws have been amended accordingly to date:

- ▶ Lower Austrian Hospital Physicians Act 1992
- ▶ Provincial Public Officials Act 1998,
- ▶ Municipal Public Officials Act 1970
- ▶ Municipal Contractual Employees Act 2012
- ▶ Innsbruck Municipal Public Officials Act 1970
- ▶ Innsbruck Contractual Employees Act
- ▶ Music Teachers' Service Act
- ▶ Tyrolean Maternity Protection Act 2005
- ▶ Tyrolean Parental Leave Act 2005

## **No items to be updated in Template Employment Agreements due to the Directive**

Austrian template employment contracts in the private sector generally do not need to be adapted as a result of the Directive.

This is because Austrian statutory provisions generally already meet the requirements set out in the Directive e.g., the White-collar Employees Act (Angestelltengesetz), the Working Time and Rest Period Act (Arbeitszeit- und Arbeitsruhegesetz), the Austrian Employment Law Harmonization Act (Arbeitsvertrags-Anpassungsgesetz), the Wage and Social Dumping Combating Act (Lohn- und Sozialdumping-Bekämpfungsgesetz), etc.

## **Other**

From a practical point of view, the regulations concerning working remotely should be kept in mind. As a consequence, of the COVID-19 pandemic, certain mandatory provisions about working from home were introduced by law, e.g., remote working shall be agreed in writing, digital work equipment shall be provided by the employer, certain notice requirements apply, etc.



**Helen Pelzmann**  
helen.pelzmann@eylaw.at

# Belgium



**Barbara François**

barbara.francois@be.ey.com



**Marie-Emilie Truyens**

marie-emilie.truyens@be.ey.com

## **New provisions to be implemented in Belgian Law following the Directive**

The transposition of the Directive 2019/1152 on Transparent and Predictable working conditions in the European Union (the “Directive”) is not yet complete in Belgium. Since the draft bill was only filed in the House of Representatives on 7 July 2022, Belgium has not met the deadline for transposition set by the European Union on 1 August 2022.

However, since Belgian employment law is already quite protective of employees, the impact of the new legislation will most likely be limited in practice. Nevertheless, the new legislation will result in additional rights for, and protection of, employees in Belgium.

Firstly, employees will have a legal right to prior and transparent notice (in writing or electronically) regarding certain essential working conditions of the employment relationship (i.e., the employee’s main function, salary and benefits, place of work and working schedule).

Secondly, employees will have new material rights, including:

- ▶ The prohibition on employers from restricting an employee’s choice of (additional) employment outside the working hours stipulated for the primary employment relationship (with certain legal exceptions).
- ▶ The obligation for employers to inform an employee of an individual, variable working schedule (at least) seven working days in advance
- ▶ The right for every employee with at least six months’ service to request a more predictable and secure role, and to require a reasoned written reply from the employer within one month (this period may be extended)

- ▶ The employees’ right to attend mandatory training during working hours. Additional restrictions regarding the probation period in employment contracts for the performance of temporary work, agency work, and work performed by students.

Moreover, the draft bill provides for specific protection against dismissal and adverse action where an employee files a complaint against the employer for failure to comply with the rights and obligations arising from this new legislation.

Finally, violations by the employer of these new rights and obligations may be sanctioned under the Belgian Social Criminal Code, which contains provision for administrative or criminal fines for such violations.

## **Items to be Updated in Template Employment Agreements**

Since it is common in Belgium to conclude an employment contract in writing and to hand over a copy of the work rules prior to the commencement of employment, the notification/transparency obligation will, in practice, most likely already be fulfilled.

In addition, employers will need to retain proof of the acknowledgement of receipt of the essential working conditions for each employee (e.g., explicit confirmation in the employment contract).



# Belgium

## **Recommendations for employers in Belgium in view of the new legislation implementing the provisions of the Directive**

- ▶ Ensure that employees are informed of all essential working conditions in a timely manner (in writing or electronically) by drafting a checklist of all information to be transmitted and keeping proof of this complete and prior transmission of information
- ▶ Communicate individual variable working schedules to the employee concerned (at least) seven working days in advance
- ▶ Ensure a timely response to any request for more secure employment
- ▶ Check whether a valid exclusivity clause can be construed in the employment contract.

Identify employees who are protected against dismissal resulting from the new legislation.

## **Effective date**

The new legislation will, in principle, be effective 10 days after publication of the approved bill in the Belgian Official Gazette.

It's important to note that the draft bill provides that the new legislation will only be applicable to employment contracts with a start date on or after the effective date of the new legislation. For employment contracts with a start date prior to this effective date, the employer will only have to meet the new information obligations upon the explicit request of the employee (where it has not yet fulfilled).

# Bulgaria

## **New provisions to be implemented in Local Law due to the Directive**

The Directive was implemented in Bulgaria, among other changes on 5 August 2022, but most of the new changes entered into force retroactively as of 1 August 2022.

They include the following: Broadening the possibility for signing a second employment contract with a different employer.

The prohibition on additional work for another employer may be imposed by the primary employer only for the purpose of protecting trade secrets, prevent conflicts of interest, or both. Employers should be ready to provide sufficient proof of their reasoning if they impose such restrictions.

Prior notification on changes of employment relationships. Since, under Bulgarian law, almost all changes to the employment agreement shall be agreed in writing, the new provision only affects the limited changes that the employer may unilaterally introduce.

Shorter maximum trial period for fixed-term employment contracts with a duration of less than one year.

This change will require amendments to employers' template agreements.

Statutory right of a fixed-term or part-time employees to propose certain changes to their employment contracts.

This change is important mainly to the extent that employers need to justify their refusal to agree to the proposal. However, employers are under no obligation to agree to any proposal.

Obligation to inform employees about the terms and conditions for termination of employment contracts.

This change will require employers to put in place appropriate changes to their internal rules and information documents in order to address the change and serve those documents to their employees.

Obligation to provide information about the training offered to employees.

This change will require employers to put appropriate notification mechanics in place. In this context, it is also important to note that electronic communication with employees is strictly regulated under Bulgarian law and simple email communication usually does not suffice.

Mandatory (by law) training is considered part of the working time.

It remains unclear whether voluntary trainings shall be treated differently, since the current wording of the law allows for such interpretation.

Special rights for the benefit of parents and adoptive parents of children up to eight years and for employees taking care of close relatives.

For example, there is now a right to leave due to quarantine of children under the age of 12 (due to quarantine in the educational establishment, class, or group). This change was introduced earlier in 2022 and addresses COVID-19 challenges faced in the past year. However, the documentary evidence of the quarantine is yet to be resolved in practice.

Further, there is a new type of two-month paid leave for fathers of children up to the age of eight years.



**Rebeka Kleytman**  
rebeka.kleytman@bg.ey.com

# Croatia

## **New provisions to be implemented in Local Law Due to the Directive**

Croatia had not transposed the Directive into national law by the deadline of 1 August 2022.

The proposed consequential amendments to the Labor Act (the Proposal) transposing the Directive has been submitted to the legislative procedure on 29 September 2022.

Among other things, the Proposal provides for the amendments in line with the Directive, such as the following:

- ▶ Possibility to transition to another form of employment with more secure working conditions (from part-time to full-time employment or from fixed term to indefinite employment)
- ▶ Extending the regulatory obligation to provide information (e.g., more detailed content in employment agreements)
- ▶ Extending and amending the regulatory provisions on posting of workers abroad, including for mandatory detail in employment agreements and mandatory notifications regarding work abroad
- ▶ Possibility of extending of the probationary period
- ▶ More regulated provisions on having a secondary employment
- ▶ Extending the mandatory training obligation for employers
- ▶ Further detail regarding provisions on paid leave for significant personal needs (e.g., for education)

- ▶ Further detail on provisions covering the method of delivering decisions, certificates and other documents generated during the employer, including by electronic means
- ▶ Ensuring an explicit provision on the protection of workers against adverse treatment or consequences resulting from a complaint, with the aim of exercising of rights prescribed by law

## **Items to be updated in template Employment Contracts**

In summary, according to the Proposal, template employment agreements should be updated to include the following information:

- ▶ Personal identification numbers of the parties
- ▶ Where there is no fixed or main place of work or it is variable, information on the different places where the work shall be performed or could be performed. Alternatively, the employer and employee can agree on the employee's right to freely determine their place of work
- ▶ Confirm that the title of work is included (in Croatia: Naziv radnog mjesta instead of Naziva posla)
- ▶ The commencement date of the employment relationship and the date of conclusion of the employment agreement
- ▶ Whether the employment agreement is for an indefinite or a fixed term of employment, and the date of termination or the expected duration in the case of a fixed-term employment
- ▶ Confirmation of whether the employment agreement is for work on full-time or part-time basis agreement, the procedure to be followed when terminating the employment agreement



**Marija Saravanja**  
marija.saravanja@hr.ey.com



- ▶ The gross salary, including the gross amount of the basic salary, supplements to the basic salary and other remuneration for work performed, as well as salary payment periods and other remuneration in addition to the salary to which the employee is entitled
  - ▶ The duration in hours of a standard working day or week
  - ▶ The right to education, training, and professional development
  - ▶ The duration and conditions of probationary period, if any

Instead of including explicit information the points regarding salary, termination, training and probationary period, the employment agreement may refer to the relevant laws, regulations, collective agreements, or employment rules governing these issues.

Employers should note that the above amendments are only in addition to the information that employment contracts should already contain according to the Labor Act.

The Proposal also touches upon the mandatory content of the employment agreements to be concluded for groups of workers or in certain situations (e.g., mandatory content of employment agreement for workers sent abroad).

### **Effective Date**

According to the Proposal, the Act on the amendments to the Labor Act will come into force on 1 January 2023.

However, Article 54 of the Proposal relating to collective agreements shall come into force on 1 July 2023 and Article 55 of the Proposal relating to work via digital work platforms shall come into force on 1 January 2024.

### **Note**

Apart from transposing the Directive, the Proposal also brings about some other important amendments and transposes EU Directive 2019/1158 on Work-Life Balance for Parents and Caregivers into Croatian legislation.



# Czech Republic



**Ondřej Havránek**  
ondrej.havranek@cz.eylaw.com



**Barbora Suchá**  
barbora.sucha@cz.eylaw.com

## **Transparent and predictable working conditions**

The Directive brings new information obligations for employers which have not yet been fully implemented into Czech law.

Under the Czech Labor Code, employers are already obliged to provide employees with a written document containing specific information regarding the employment within one month from the commencement of the employment. An exception applies only if all mandatory information is already included in the employment contract.

## **Current extent of information obligations**

Currently, employees must be informed at a minimum of following points:

- ▶ Identification of the employer
- ▶ Specification of the type of work and place of work
- ▶ Duration of the annual paid leave
- ▶ Notice period
- ▶ Weekly working hours
- ▶ Salary amount and its payment terms
- ▶ Existence of a collective bargaining agreement

Apart from the above, employment contracts or separate information documents usually contain other information, for example the duration of the employment, benefits or work tools provided, category of work etc.

In case of employees posted to work in another country, the employer shall inform them in advance of the anticipated period for which they are posted and currency in which the salary will be paid to them.

If the employer violates the mandatory information obligation, a fine of up to CZK 2,000,000 (approx. EUR 78,000) can be imposed by the Labor Inspectorate.

## **New provisions to be implemented into Local Law due to the Directive**

The Directive implies additional information must be included either in the employment contract, the separately provided information regarding the employment or when posting employees abroad.

The Directive also specifies two periods in which information shall be provided to the employees - either within seven days or within one month from the commencement of employment - which are not currently reflected in the Czech Labor Code.

## **Items to be updated in Template Employment Agreements**

According to the Directive and its anticipated implementation, template employment contract or information on the contents of the employment shall be updated to include the following additional information:

- ▶ Training entitlement, if provided by the employer
- ▶ The procedure to be observed when terminating the employment
- ▶ Other component elements of the salary indicated separately
- ▶ Identity of the social security institutions receiving the social contributions

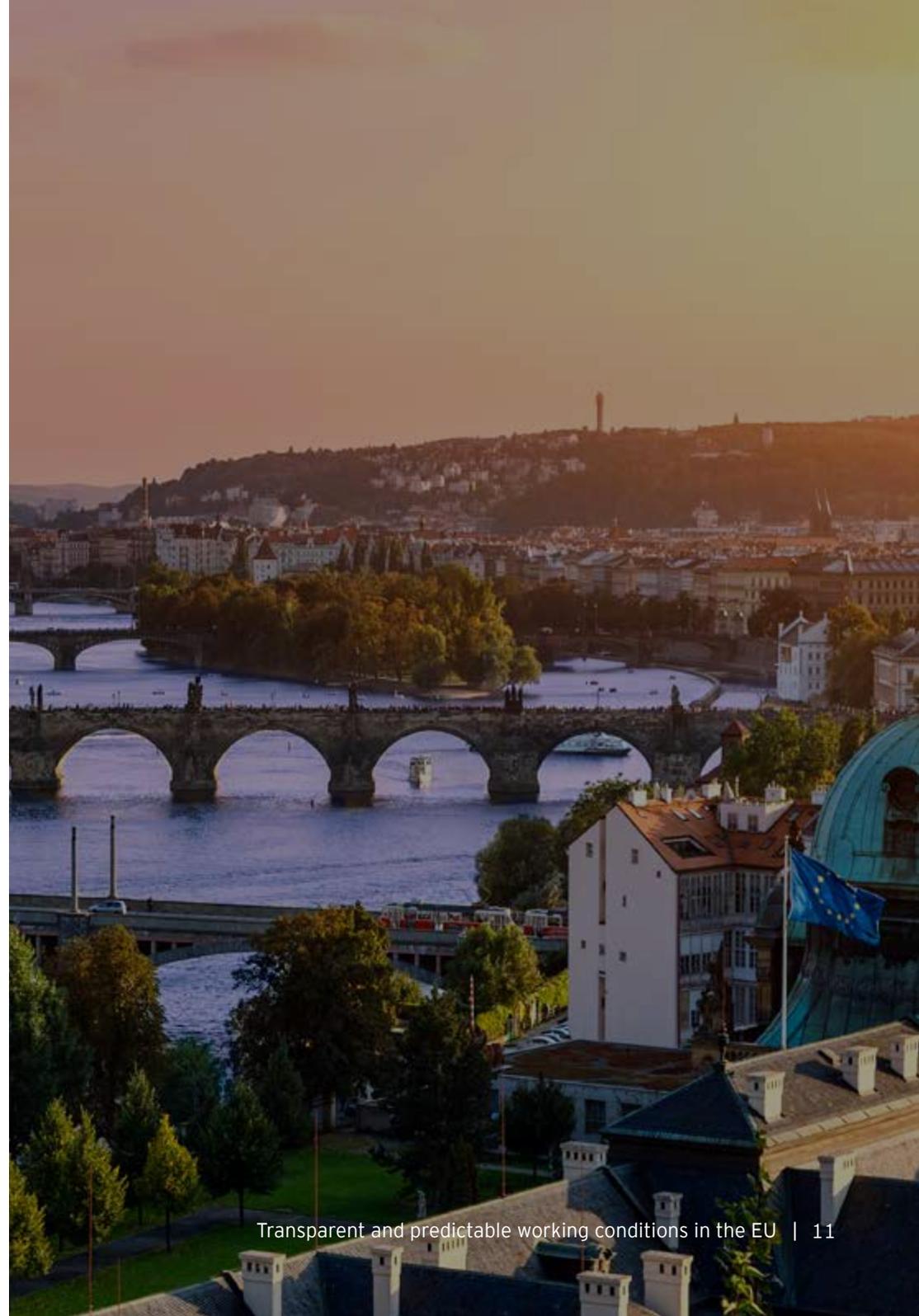
Furthermore, the Directive extends the list of information that shall be provided to employees who are posted to work abroad for more than four weeks.

# Czech Republic

## Effective date

Even though the respective provisions of the Directive should have been implemented into national legislation as of 1 August 2022, no amendments to the Czech Labor Code reflecting the provisions of the Directive have been adopted to date. The Ministry of Labor and Social Affairs has prepared a draft of the relevant Laws, however, as of 5 September 2022, it has not yet been sent into the external comment procedure, which is the initial phase of the Czech legislative process.

Based on the above, the extent of the information obligations may still slightly differ within the limits permitted by the Directive once implemented in the Czech Republic.



# Denmark



**Julie.Gerdes**

julie.gerdes@dk.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

Several provisions of the Directive already exist in Danish law. There have, however, been several important updates to the Danish Act on Employment Contracts. These changes are expected to come into force on 1 July 2023 if the Danish bill is adopted.

The new regulations extend the duty to inform employees about the terms and conditions contained within their employment agreements and introduce new minimum requirements regarding working conditions.

## **Existing and new regulations**

According to the current Danish regulations, employees who have been employed for more than one month and work more than eight hours per week on average are entitled to receive an employment agreement. According to the new regulations, employees are entitled to an employment agreement if their predicted or actual working hours amount to more than three hours on average per week over a period of four consecutive weeks.

When calculating the three-hour average working time, all of the employer's entities, groups, units and divisions must be included.

Finally, the new regulations apply to employees for whom a guaranteed amount of paid work has not been determined before the beginning of the employment.

## **Requirements and deadlines**

According to the current regulations, employment agreements must, as a minimum, include the following:

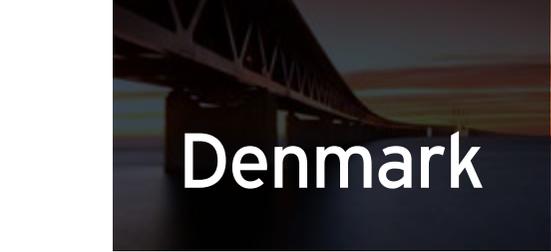
- ▶ Name and address of the employer and employee
- ▶ Place of work
- ▶ Job title and/or job description
- ▶ Start date and in case of a fixed-term employment, the expected end date
- ▶ Holiday rights
- ▶ Notice periods
- ▶ Overall remuneration and payment dates
- ▶ The daily/weekly working hours
- ▶ Applicable collective bargaining agreements (if any)

In addition to these minimum requirements, all other terms and conditions deemed essential should be included in the employment agreement.

## **Extension of the employer's information obligations**

The obligation to provide information will now be extended concerning the following:

- ▶ Duration and terms and conditions of any probationary period
- ▶ Rights regarding paid absence
- ▶ Rights regarding training the employer may offer
- ▶ The public benefit organizations which receive social contributions for an employee
- ▶ Guaranteed paid working hours, reference hours and days, notice periods, etc.



# Denmark

According to existing Danish regulations, the information must be provided no later than one month after the employment has begun. This is shortened by the new regulations, which stipulate the information must be provided already within seven calendar days after the employment has begun.

## Minimum requirements for working conditions

The new regulations introduce several minimum requirements regarding working conditions, including:

- ▶ Maximum probationary period of six months
- ▶ Prohibition of restrictions on secondary employment (if the employee works in accordance with a schedule determined by the employer)
- ▶ An employer can require an employee to work when directed if their work pattern is completely/predominantly unpredictable, as long as the work is performed within the predetermined reference hours and days
- ▶ Special regulation regarding on-call employees

- ▶ Employees who have been employed for more than six months have the right to request more predictable working conditions
- ▶ The employer is obliged to bear the costs for any required training for the employees

## Effective Date

All employers must comply with the new extended information obligations from 1 January 2023.

Employees who are employed before 1 January 2023 are not compelled to have a new employment agreement or an addendum to their existing agreement. Should an employee request an updated employment agreement, the employer must provide such additional information no later than eight weeks after the request has been presented.

# Finland



**Maiju Kurvi**

maiju.kurvi@fi.ey.com



**Kaisa Heinäsmäki**

kaisa.heinasmaki@fi.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

The Directive has been implemented in Finland as of 1 August 2022.

Chapter 2, Section 4 of the Finnish Employment Contracts Act (55/2001, as amended) contains a list of matters to be communicated to an employee. In accordance with the Directive, the list of matters to be communicated has been extended to include the following items:

- ▶ Obligation to clarify the name of the insurance company in which the employee is insured.
- ▶ In case of temporary agency work (vuokratyö) under a fixed-term employment agreement, the employer shall clarify the grounds and duration of the underlying customer contract.
- ▶ Extended clarification obligation related to work performed abroad, especially regarding the employee's compensation.
- ▶ Employee's right to receive training provided by the employer. If the employer has a legal obligation to provide training to enable a person to do the work they have been hired for, such training must be provided free of charge and take place during working hours.
- ▶ New clarification obligations for employees employed for variable working hours (vaihteleva työaika).

The terms and conditions of employment may be given in the employment agreement or otherwise in writing, and either within one week or one month from the commencement of the employment, depending on the provision in question.

Extended obligations are not applicable to employment agreements concluded before 1 August 2022.

## **New obligations as regards employees working under variable working hours or under fixed-term or part-time employment agreements**

Based on the new legislation, employers are obligated to define and communicate the occasions and the extent to which the employer has a workforce requirement, as well as to define the days and times of the week when the employer may commission work without the employee's consent for each occasion. This concerns employees employed for variable working hours, i.e. their weekly working hours may vary, as set forth in the employment agreement. The employer must also pay the employee reasonable compensation if an agreed work shift is canceled.

In addition, employers are obliged to review the working hours of those employees employed under variable working hours at least once every 12 months.

Furthermore, at the request of a part-time or fixed-term employee, the employer must give a written and justified response to the possibility of extending the employee's regular working hours or the duration of the employment agreement itself.

## **Updates to legislation concerning non-competition agreements**

In addition to these legislative changes due to the Directive, it is relevant to note that the Employment Contracts Act provisions concerning non-competition clauses in employment agreements were amended as of 1 January 2022.

According to the updated legislation, employers must compensate the employee for any non-competition undertakings according to the length of the non-competition obligation.



# Finland

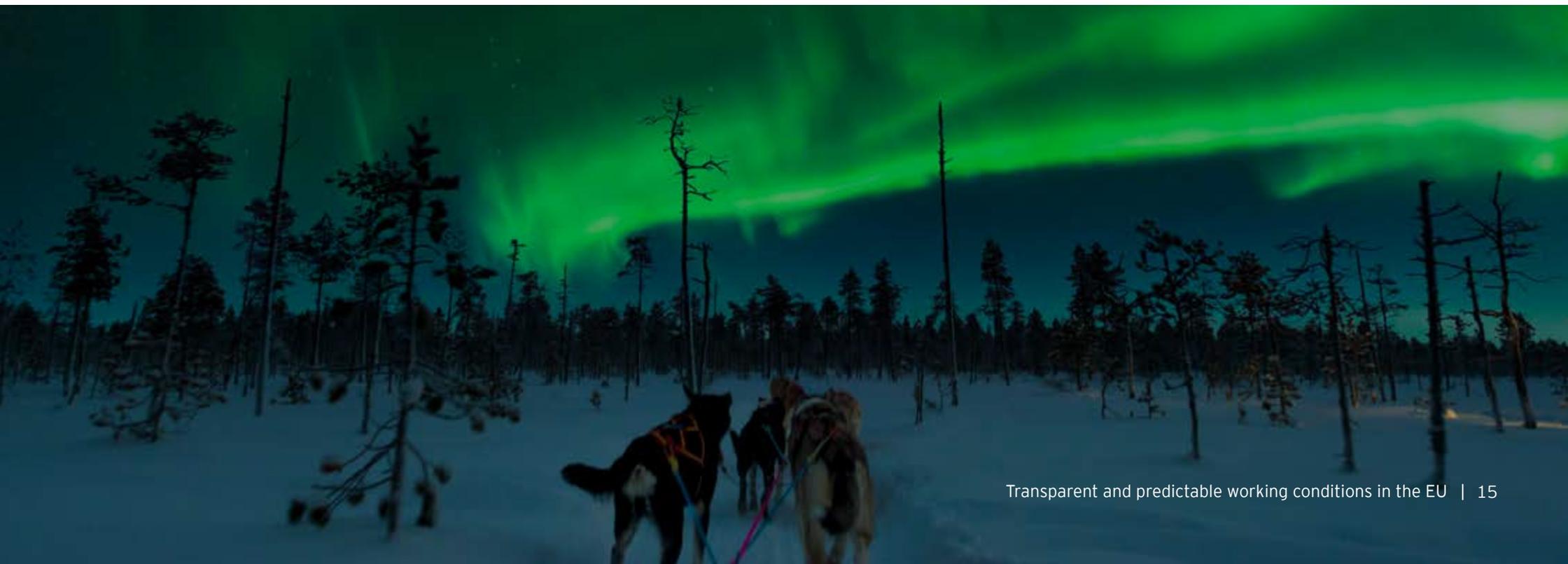
The compensation is 40 percent of the regular salary for a non-competition obligation of six months or less, and 60 percent of the regular salary for a longer restriction period. The employer may terminate a non-competition agreement after providing at least two months' notice; however, it is important to note that this is not possible after the employee has resigned.

Non-competition agreements that were concluded before 1 January 2022 have a one-year transitional period until the end of 2022, during which the employer may terminate the agreements without an obligation to comply with the requirements set out in the new legislation (compensation, notice period etc.).

## Conclusion

In Finland, as in many other jurisdictions, the Directive places the onus on the employer to update employment agreement and assignment agreement templates, as well as the processes followed in the company to ensure that agreements and the company practices comply with the provisions of the new legislation.

At the same time, it is recommended to review concluded non-competition agreements, if this has not been performed yet.



# France



**Anne-Elisabeth Combes**  
anne-elisabeth.combes@  
ey-avocats.com



**Marie-Pascale Piot**  
marie-pascale.piot@  
ey-avocats.com

## **New provisions to be implemented in Local Law due to the Directive**

The drafting of a written employment contract is only recommended under French Employment Law, except for specific contracts (e.g., part-time, or fixed-term contract). Nevertheless, employers are already obliged to provide employees with specific information on the contents of the employment.

In any event, employees must be informed at a minimum regarding:

- ▶ Type of work and its specification
- ▶ Place of work
- ▶ Commencement date of work
- ▶ Identification of the employer
- ▶ Duration of the annual paid leave
- ▶ Probation period (and possible renewal, if applicable)
- ▶ Weekly working hours
- ▶ Salary and its payment
- ▶ Existence of applicable collective bargaining agreements

Other information may be required for certain specific contracts.

In fact, neither the Directive nor its 1991 predecessor have been fully transposed within the French Labor Code.

## **Items to be updated in Template Employment Agreements**

The new Directive extends the scope of existing legal regulations: In addition to employees, trainees, apprentices, workers for technology-enabled organizations (e.g., platform providers).

The Directive also extends the list of information to be transmitted to the worker when they were hired and shortens the time limit for the transmission of that information.

Further, employees must now be provided with Information regarding:

- ▶ Right to training
- ▶ The procedure to be followed in the event of termination of the contractual relationship (notice period, etc.)
- ▶ The identity of the social security bodies and the social protection provided by the employer (including coverage by supplementary schemes)

Accurate and complete information on working time must be now given to employees.

Even if the French Labor Code does not expressly provide for all this information, it is widely customary to conclude a written employment contract in France and to give full information to employees on their working conditions.

However, the lack of information can lead to disputes. According to the Labor Code, in a dispute, “the employee receives the benefit of any doubt”. Therefore, it is in the employer’s interest to clarify working conditions from the commencement of the employment relationship.

## **Effective date**

Even though the respective provisions of the Directive shall be implemented as of 1 August 2022, no implementing amendments to the French Labor Code have yet been proposed.

# Germany

## **New provisions to be implemented in Local Law due to the Directive**

The Directive implies quite a few changes under local law. Until now, only limited information had to be provided to employees and there was no penalty if this information was not provided to the employee.

The aim of the new law is to make employment contracts more transparent and therefore more information must be provided to the employee. Further, employers must provide new employees with most elements of the information on their first day of work.

For employment relationships that already existed before 1 August 2022, employers must provide the additional information within seven days, upon request of an employee.

Thus, employers should have an information template that can be completed in case an employee asks to receive the information for their employment relationship.

If an employer violates the mandatory information requirements, a fine of up to €2,000 per employee may be imposed by authorities. The fine may be increased if new hires are not provided with the mandatory information on time or if existing employees are not provided with the mandatory information within seven days of their request.

## **Items to be updated in Template Employment Agreements**

In summary, according to local law, template employment agreements should be updated to contain the following information:

- ▶ A detailed overview of the remuneration, including any overtime pay
- ▶ Information on working hours, breaks and rest periods
- ▶ If an employee might have to work overtime and the conditions of overtime work
- ▶ Information about the procedure which must be followed for a dismissal, including the deadlines for bringing an action regarding the protection against dismissal.

Furthermore, there are also extended information requirements for employees who work abroad for more than four weeks at a time.

### **Effective date**

The above changes are in effect since 1 August 2022.

### **Other**

From a German perspective, it's important to highlight that the information must be provided in written form (including a "wet ink signature") and the original version must be provided to the employee. This means that an electronic signature or providing the employee with a copy of the information is not sufficient.



**Dr. Marko Loose**  
marko.loose@de.ey.com

# Ireland

## Current Irish requirements

There is extensive legislative protection for employees regarding their terms and conditions of employment in Ireland. Employers must set out many elements contained in the Directive within five working days and two months from an employee's commencement date.

However, not all elements of the Directive are included in the existing legislation and amendments will be required. At time of writing, the Directive had not yet been transposed into Irish law. Some of these elements are set out below.

## Day Five Statement

This statement must provide an employee with the full names of the employer and employee, the address of the employer, the duration of the contract, the rate or method of calculation of the employee's pay and their working hours.

## Written statement of terms of employment

This statement requires an employer to provide more comprehensive information to employees about their core terms and conditions of employment within two months from the commencement of employment. This includes detailed information about pay (including pension), leave entitlement, notice periods and any collective agreement applicable to the employment.

## New provisions to be implemented

Unless current legal requirements are consolidated, the new provisions required under the Directive will result in four different statutory deadlines for employers (within five days, seven days, one month and two months). To achieve compliance with the Directive, Ireland will need to introduce legislation to address the following:

- ▶ The start dates
- ▶ Maximum duration for probationary periods

- ▶ A right to refuse to work in certain circumstances (i.e. notice and information is not sufficient)
- ▶ A ban on exclusive service (not absolute)
- ▶ A right to request to transition to employment with more predictable and secure working conditions (currently employees can only do so where hours worked do not reflect those in their contract)
- ▶ Free work-related training, the time spent on which will be considered working time
- ▶ Additional information for Posted Workers.

## Updates to Template Employment Agreements

Although the Directive has not yet been transposed into Irish law, template employment contracts will need to be updated to reflect the additional requirements of the Directive as set out above.

In the absence of precise legislation, guidance can only be provided from the Directive. As Directives do not have direct effect on private sector employers, it is advisable to wait for the final statutory provisions before making changes.

At a practical level, best practice is to ensure that full detailed contracts of employment are issued to employees prior to commencement of employment.

## Effective date

In the absence of any draft legislation, it is not possible to confirm an effective date.

For now, the Directive has immediate effect on public sector employers, however there is no statutory obligation on private sector employers. It is envisaged that new legislation should be in place before the end of 2022.



**Deirdre Malone**

deirdre.malone@ie.ey.com



**Laura Ryan**

laura.ryan1@ie.ey.com

# Italy



**Avv. Stefania Radoccia**  
stefania.radoccia@it.ey.com



**Avv. Maria Teresa Iannella**  
maria-teresa.iannella@it.ey.com



**Avv. Nancy Bonasera**  
nancy.bonasera@it.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

The Directive introduces new information obligations for employers and principals in addition to those already provided for by Legislative Decree no. 152/1997.

According to Circular No. 4/2022 of the National Labor Inspectorate, in order to comply with the specified disclosure obligations, employers shall:

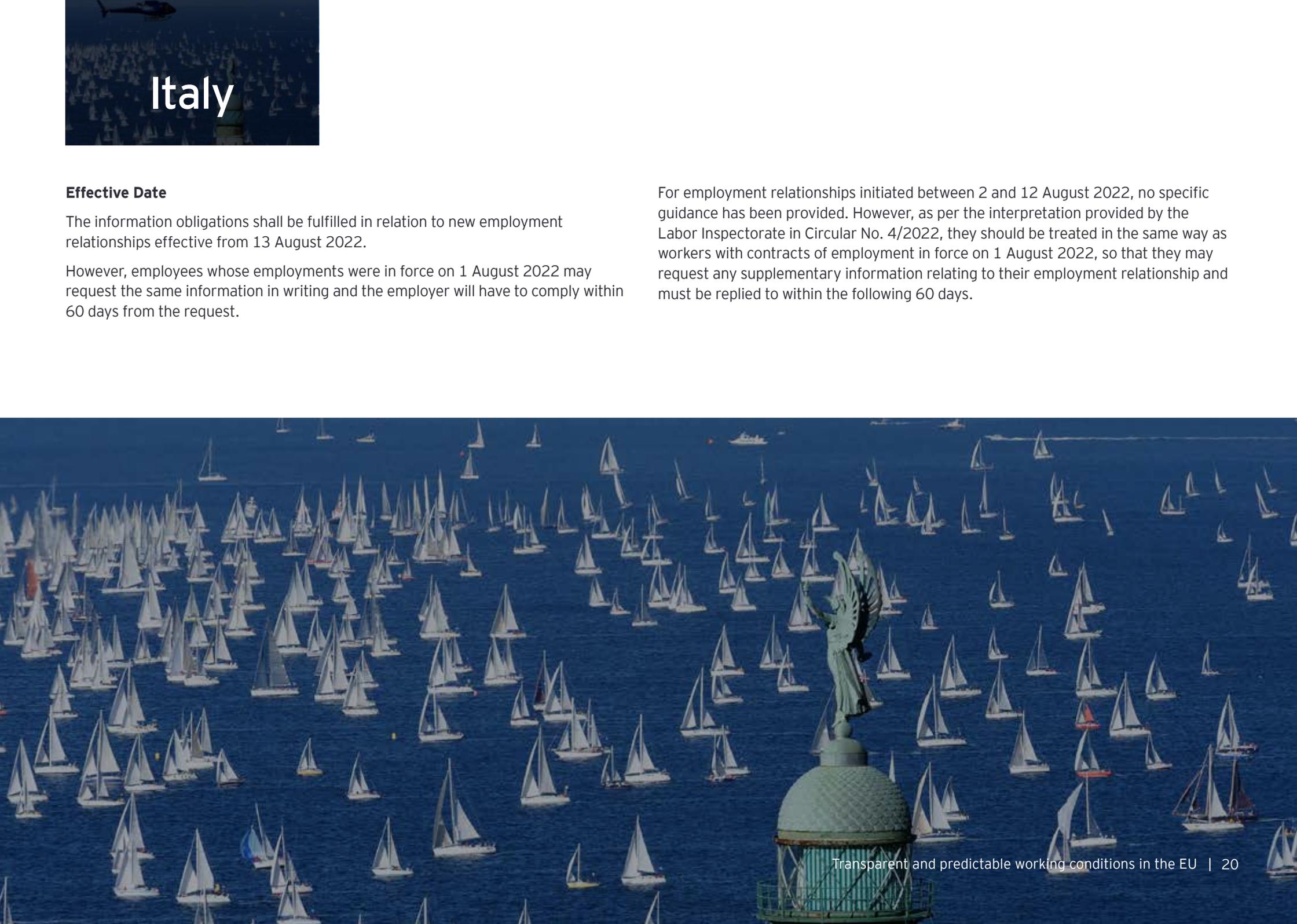
- ▶ Hand over the individual employment contract or a copy of the notice of establishment of the employment relationship, on the assumption that with such documents workers should already be informed of the main conditions applied to their employment relationship
- ▶ In addition, refer to the applicable collective bargaining agreement or to other company documents, if they are handed over to the employee at the same time, or made available in accordance with the company's practice.

## **Employment templates to be updated**

Template employment agreements must be updated to include the following:

- ▶ Parties
- ▶ Place of work
- ▶ Registered office or domicile of the employer/principal
- ▶ Classification, level, and qualification assigned to the employee, or alternatively, a brief description of the duties to be performed
- ▶ Commencement date
- ▶ Type and duration of the employment relationship
- ▶ For labor supply contracts, the identity of the end user company

- ▶ Probationary period (if any)
- ▶ Right to receive training provided by the employer (if any)
- ▶ Duration of annual leave and other paid leaves
- ▶ Procedure, form and terms of notice in the event of termination, dismissal or resignation the initial amount of remuneration or, in any event, the remuneration and its components, with an indication of the period and method of payment
- ▶ Scheduling of normal working hours and any conditions relating to overtime work and its remuneration
- ▶ Variability of the work schedule (hours and days),
- ▶ Minimum amount of guaranteed paid hours and remuneration for overtime
- ▶ Minimum notice period to which the employee is entitled before starting work and, where permitted by the type of contract in use and agreed, the period within which the employer may cancel the assignment if the working relationship is characterized by largely or wholly unforeseeable organizational arrangements
- ▶ The applicable collective and/or company agreement, with an indication of the signatory parties
- ▶ The bodies and institutions receiving the social security and insurance contributions due, and any form of social security protection provided by the employer/principal
- ▶ Use of automated decision-making or monitoring systems designed to provide relevant information for the purposes of recruitment, assignment, management and termination, assignment of tasks or duties, monitoring or evaluation of performance and fulfilment of contractual obligations.



# Italy

## Effective Date

The information obligations shall be fulfilled in relation to new employment relationships effective from 13 August 2022.

However, employees whose employments were in force on 1 August 2022 may request the same information in writing and the employer will have to comply within 60 days from the request.

For employment relationships initiated between 2 and 12 August 2022, no specific guidance has been provided. However, as per the interpretation provided by the Labor Inspectorate in Circular No. 4/2022, they should be treated in the same way as workers with contracts of employment in force on 1 August 2022, so that they may request any supplementary information relating to their employment relationship and must be replied to within the following 60 days.

# Latvia



**Liene Cakare**  
liene.cakare@lv.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

The Directive implies quite a few changes under local labor law.

It is the duty of the employer to familiarize all employees with an applicable collective agreement and amendments to the collective agreement before their date of entry, but not later than the day when they enter into force.

Furthermore, the law requires the employer to supplement content of the employment agreement, with further details, as outlined below.

Until now, the law determined a uniform approach to the probationary period - up to three months. Currently, the maximum term of the probationary period (if applicable) depends on various factors:

- ▶ If an employment agreement is concluded for an indefinite period or for a certain period over one year, the three-month limit remains
- ▶ If an employment agreement is concluded for a period of up to one year, the maximum probationary period is two months
- ▶ If an employment agreement is concluded for a period of up to six months, the maximum probationary period is one month

The probationary period may be longer if agreed under a collective bargaining agreement.

An employee who performs a job whose work schedule is not completely or mostly predictable, may ask the employer, after the end of the probationary period, to transfer them to a job whose work schedule is completely or mostly predictable, if

such an opportunity exists in the company and the employee has been continuously employed by the employer for at least six months. Upon receiving such a request, the employer is obliged to provide the employee with a reasoned answer in writing within one month from the date of receipt of the request.

If the employee's work schedule is not predictable, the employee is only allowed to perform work at the scheduled hours and on days pre-determined by the employer. Accordingly, the employee has the right to refuse work if the employer has not fulfilled the obligation in a proper manner. The institution of any adverse effects on such an employee shall not be permitted.

The requirements for provision of information to the employee in connection with business trips has expanded. An employer who sends an employee on a business trip to another country is obliged to inform the employee in writing about the country, the expected duration of the work, the currency in which the salary will be paid, cash benefits or benefits in kind related to work tasks and, if applicable, the possibility of repatriation and its procedure. The employer also needs to notify the employee in writing of any changes to the information in connection with the business trip before these changes enter into force, but no later than the day when the changes enter into force.

An employee with small children or the need to take care of a family member may request an adjustment of the working time organization from the employer. The employer must respond to this request within, or no later than, a month.

The use of the employee's right to annual paid leave cannot be the basis for termination of the employment agreement or other limitations of the employee's rights.



# Latvia

## Items to be updated in Template Employment Agreements

In summary, according to the updated local labor law, template employment agreements must be updated as follows:

- ▶ Probationary period and its duration
- ▶ Employee's right to training (if the employer provides it) Social security institutions receiving social contributions related to employment relationships and any protection provided by the employer in respect of social security if the employer is responsible for that protection. The employment agreement shall state the place of work (or, if the performance of work duties is not provided for in a particular workplace, the fact that the employee may be employed in different places) or that the employee is free to determine their own place of work.

- ▶ The employment agreement must also specify the procedure for indicating working time if the employment agreement is concluded on a part-time basis and the work schedule is difficult to predict. In this case, the employment agreement will have to include information about the guaranteed paid working time within a month, as well as information about the working time frame and minimum notice period.

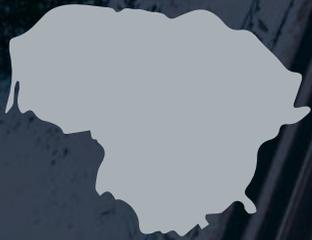
The Law permits the above-mentioned information to be replaced by a reference to the relevant provisions contained in laws and regulations, collective agreements, or a reference to working procedure regulations.

## Effective Date

The local labor law will be effective as per 1 August 2022.

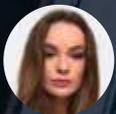


# Lithuania



**Rūta Žukaitė**

ruta.zukaite@lt.ey.com



**Kotryna Kraujelytė**

kotryna.kraujelyte@lt.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

The Directive implies quite a few changes to local legislation to achieve greater transparency in labor relations. As a result, the employer is obliged to provide more information to employees about the terms and conditions of employment, thereby protecting the legitimate expectations of the employee to achieve transparency and predictability in employment relations.

Employers' obligations have been substantially expanded mainly in the area of informing employees, where employers must now provide written information before the commencement of the employment relationship not only on the essential terms of the contract of employment (e.g., the job function, the workplace location, and the remuneration arrangements) as well as the more detailed, but equally important, terms and conditions, such as the termination of the contract of employment, the terms of any overtime, the social insurance information, the probationary period, and the right to work-based training (if any).

It is important to note that these amendments are reflected in the model employment contract form as well.

## **Items to be updated in Template Employment Agreements**

Under the new regulation, the list of information which stipulates what information must be provided to the employee in the employment contract or other written document before the commencement of work has been extended, including:

- ▶ The length and conditions of the probationary period, if agreed
- ▶ The procedure for termination of the contract

- ▶ The procedure for determining and paying overtime and, if applicable, the procedure for changing the work/shift pattern
- ▶ The right to training, if such a right is granted by the employer
- ▶ The names of social insurance institutions that receive employment-related social insurance contributions and information about other social insurance-related protection provided by the employer if the employer is responsible for it.

In addition, unlike the previous regulation, the employer can now provide references to the labor law norms governing the aforementioned provisions.

It is important to note that employment contracts concluded before the implementation of the Directive in local law must be supplemented with this information at the request of the employee unless the employer seeks to renew the employment contract on its own initiative.

Further, an updated form of employment contract should be used for new employees. The model employment contract form has been amended by order of the Minister of Social Security and Labor to take account of the requirements of the Directive.

## **Effective date**

The new provisions entered into force on 1 August 2022.

# Luxembourg



## Implementation of the Directive in Local Law

While the implementation of the Directive was due by 31 July 2022, a new draft bill no. 8070 amending the Labor Code (the Draft Bill) was submitted to the Chamber of Deputies on 7 September 2022.

## Items to be updated in the Luxembourg Labor Code

The Draft Bill proposes a few changes in the Luxembourg Labor Code without radically altering the landscape of Luxembourg labor law.

## Exclusivity clause

The Draft Bill brings legal provisions on the exclusivity clause since there is currently no specific provision in the Luxembourg Labor Code on this topic, even though case law has confirmed the validity of exclusivity clauses, except in case of excessive infringement on the freedom to work.

Therefore, an exclusivity clause in a part-time employment contract prohibiting the employee from completing their working time and receiving remuneration from another employer is not valid.

The Draft Bill provides that any exclusivity clause will be null and void, except in the case of the incompatibility between the work for other employers and objective restrictions. Consequently, an exclusivity clause is valid if objective reasons are provided, such as:

- ▶ The protection of the health and safety of workers including by limiting working time
- ▶ The protection of business confidentiality
- ▶ The integrity of the public service
- ▶ The avoidance of conflicts of interests

An exclusivity clause in a full-time employment contract would be permitted in accordance with the Draft Bill, but only if duly justified.

## Mandatory training

The Draft Bill provides that if, by virtue of legal, regulatory, or administrative provisions, or provisions in collective bargaining agreements, the employer must provide training for the employees to carry out the work for which they have been hired, this training must be provided at no cost and, where possible, must be considered as working time.



**Laurence Chatenier**  
laurence.chatenier@lu.ey.com



# Luxembourg

## **Probationary period**

Whereas the Luxembourg labor law currently makes no distinction between fixed-term and permanent employment contracts regarding probationary period rules, the Draft Bill provides that in case of a fixed-term employment contract, the length of the probationary period shall be proportionate to the duration of the contract. It is further provided that the probationary period agreed between the parties cannot be shorter than two weeks or longer than a quarter of the total duration of the fixed-term contract, up to a maximum of six months, when a fixed-term contract is entered into for the maximum period of 24 months.

## **Electronic format**

According to the Draft Bill, employers will have the option, for both fixed-term and permanent employment contracts, to send the contract as a hard copy or as an electronic copy, provided that:

- ▶ the employee can access the electronic document, which can be saved and printed
- ▶ that the employer retains proof that the employment contract has been sent or received.

## **The information list to be provided to the employee**

Finally, the Draft Bill stipulates an expansion of the key information to be given to employees. For example, information regarding the procedure to be observed by the employer and the employee during termination of the employment relationship, or the identity of the social security institutions receiving the social contributions and any additional welfare plan granted by the employer, will be mandatory according to the Draft Bill.

The legislative process has just started, and its evolution must be carefully monitored until the adoption of the final version of the law transposing the Directive.



# Netherlands

## **New provisions to be implemented in Local Law due to the Directive**

The Act implementing the Directive on richtlijn transparante en voorspelbare arbeidsvoorwaarden was accepted on 21 June 2022 by the Senate. This Act aims to make the contents of employment conditions more transparent and predictable in advance. This leads, in broad terms, to the changes outlined below.

### **Extension of employer information obligations**

Under current Dutch law, an employer is already obliged to provide information about, for example, the job, salary, and the notice period. The Act extends the information obligation so that an employer is now also expected to provide information regarding, among other things, an entitlement to paid leave, the salary (including its separate components, if any), and a reference to termination laws.

### **Study cost clause**

The Act also limits the possibility of recovering study costs from the employee. It is no longer possible to include a study cost clause for training that is compulsory by law or collective agreement. Compulsory training must be offered free of charge and can therefore no longer be recovered from the employee. In addition, the training must be provided for during working hours.

### **Ancillary activities**

Besides the study cost clause, the employer's ability to prohibit the employee from working elsewhere is also reduced. Previously, it was possible to prohibit employees from performing ancillary activities. The Act changes this principle, and an employee may no longer be prevented from performing ancillary work unless there is an objective justification.

## **More predictable employment relationship**

Currently, the Flexible Working Act (de Wet flexibel werken) stipulates that the employee has the right to request an adjustment of working hours, working time and workplace. The Directive adds the right to request a more predictable working relationship (for example, an indefinite employment agreement). The employer must consider such a request and provide the employee with an answer. The employer is, however, not obliged to accept such request.

## **Items to be updated in Template Employment Agreements**

In summary, according to the new Act, template employment agreements must be updated as follows:

- ▶ Several articles should be added (to the extent the employment agreement did not already contain them), such as the right to additional leave, information on termination laws, the employee's place of employment, and the components of the salary.
- ▶ The study cost clause (if any) should be amended to the effect that it is no longer possible to recover any training required by law or collective agreement from the employee.
- ▶ The ancillary activities clause (if any) should be amended so that the performance of ancillary activities is, in principle, permitted unless the employer has an objective justification for prohibiting ancillary activities.

## **Effective date**

The local law is effective from 1 August 2022.



**Laila Berrich**  
laila.berrich@hvglaw.nl

# Norway



**Helga Aune**  
helga.aune@no.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

Employees enjoy extensive legislative protection regarding terms and conditions of employment in Norway. Several of the Directive's elements are already implemented in local law but certain changes will be required.

The Directive has not yet been implemented in Norway, but the Ministry has proposed amendments that are currently subject to public hearing. This article provides a summary of some of the proposed amendments.

### **Requirements as to written employment agreements**

All employment relationships shall be subject to a written employment agreement. If the proposed amendments are implemented, the main rule is that written employment agreements shall be entered into as early as possible and no later than seven days after commencement. Currently, the maximum time limit is within one month.

It is also proposed that employers must provide more comprehensive information regarding the employees' core terms and conditions of employment.

In addition to the current requirements, the written employment agreement shall, among other matters, state:

- ▶ The procedure for termination of employment, including formal requirements and notice periods
- ▶ More detailed information regarding elements of pay and working hours
- ▶ Potential entitlements for work-related training
- ▶ Benefits offered in connection with illness, pregnancy, pension etc.

Additional information requirements are also proposed for employees who are posted abroad.

## **Other proposals**

The proposed amendments also include:

- ▶ That changes in the employment relationship shall be included in employment agreements as early as possible and at the latest, by the entry into force of the concerned change
- ▶ If the employer has not fulfilled its information obligations and is not able to substantiate otherwise, the employee shall be deemed as permanently employed and the employee's claim regarding the scope of employment shall apply.
- ▶ A right for temporary and part-time employees to request transition to employment with more predictable and secure working conditions
- ▶ Amendments to rules regarding probationary periods
- ▶ Notification requirements as to working hours and a right for employees to refuse to work in certain circumstances without negative consequences

## **Review and update template employment agreements and practices**

If the proposed changes are implemented, it is quite clear that Norwegian employers must review and update their template employment agreements. At a practical level, best practice is to ensure that full employment agreements are entered into prior to the commencement of employment.

Norwegian employers should also review and assess their established practices concerning temporary and part-time employees, working hours and related topics to ensure that they remain compliant.

## **Effective date**

It is not possible to confirm an effective date. The deadline for submitting comments to the proposed amendments was 20 October 2022.

# Poland



**Zuzanna Zakrzewska**  
zuzanna.zakrzewska@pl.ey.com



**Michał Włodarczyk**  
michal.wlodarczyk@pl.ey.com

## **New provisions to be implemented in Local Law due to the Directive**

Although the deadline for implementing the Directive in question has passed, Poland has not yet implemented its provisions.

At the time of writing, Poland has only draft legislation implementing the Directive into local law. The draft law proposes several significant changes to Polish labor law. The main changes are as follows:

- ▶ obligation to indicate the reason justifying termination of a fixed-term employment agreement
- ▶ ban on prohibiting an employee from being simultaneously employed by another employer (this ban however does not apply to directly competitive activities)
- ▶ extending the mandatory information on the employee's terms and conditions of employment to include additional elements
- ▶ changes to the employment contract for a probationary period, including allowing such a contract to be extended for the duration of the employee's justified absence from work
- ▶ the employee's right to apply, once per calendar year, for a change in employment role to a more predictable job or one with safer working conditions and to receive a written response from the employer within one month.

## **Items to be updated in Template Employment Agreements**

Even if the Directive has not yet been implemented, the template employment agreements will need to be updated to reflect the new legislation.

In summary, according to the draft law, template employment agreements must be updated as follows:

- ▶ by deleting clauses prohibiting simultaneous employment with another employer
- ▶ by introducing new required elements to the mandatory information on the employee's terms and conditions, including:
  - ▶ information about breaks during work and daily and weekly rest to which the employee is entitled
  - ▶ rules concerning overtime work and compensation for it
  - ▶ the employee's right to training (if the employer provides it)
  - ▶ for shift work, the rules on changing from one shift to another
  - ▶ where the employer offers several places of work, rules on transfers between workplaces
  - ▶ rules on termination of employment, including formal requirements, the length of notice periods and the time limit for appealing to a labor court

For employment relationships that were established prior to the entry into force of the new law, employers will have to provide additional information on the employee's terms and conditions within three months, upon the employee's request.

## **Effective date**

The new draft legislation is expected to come into force by the end of 2022.

## **Other**

Even if the new law has not yet entered into force, it is recommended that employers prepare for the changes and already make amendments to their employment-related documentation.

# Romania

## **New provisions to be implemented in Local Law due to the Directive**

The Directive brings a series of changes meant to ensure more transparent and predictable working conditions for EU employees.

According to the Directive, employees will have the right to receive more detailed information on the major aspects related to their work, to have more than one job, to receive free training and to be subject to more limited probationary periods.

The Romanian Labor Code already provides, to a significant extent, the new rights included in the Directive. For instance, the maximum duration of a probationary period for indefinite term employment agreements is 90 calendar days for non-managerial positions and 120 calendar days for managerial positions.

Additionally, all employees should be informed, before entering an employment relationship, about the major aspects of their work. The working conditions are also mandatory elements of the employment contracts.

Although at a first glance one may conclude that the Directive does not have a significant impact in the employment legislative framework, this is nevertheless a good opportunity for companies to re-evaluate their HR policies to ensure full compliance with the new regulations.

## **Items to be Updated in Template Employment Agreements**

Considering the provisions of the draft bill, some items of the employment agreement templates should be amended, such as:

- ▶ regarding the workplace, if the employee does not have a fixed workplace, the agreement must provide information on whether the transit between different workplaces is ensured, or the cost settled by the employer.

- ▶ regarding the salary, the payment method must be expressly provided (e.g., bank transfer).
- ▶ regarding working time, the employment agreement must expressly provide how work in shifts is organized (if applicable).

Additionally, the employee must also be informed about their right to professional training and the conditions in which this is provided by the employer. Note, however, that this element is not a mandatory inclusion in the employment agreement template itself.

## **Effective date**

Romania has transposed the Directive. The draft legislative bill was approved by the Parliament and validated by the President, before being published in the Official Gazette. The amendments to local legislation under this Directive are effective from 22 October 2022.



**Anca Atanasiu**

anca.atanasiu@bdattorneys.ro

# Slovak Republic

## **New provisions to be implemented into Local Law due to the Directive**

The Directive's main objectives are to improve the transparency and stability of employees' working conditions.

Consequently, employers face increased obligations to provide initial employment information, which ultimately should ensure broader awareness of employee rights.

## **Current Extent of Information Obligations**

Under current legislation, essential provisions of an employment contract are:

- ▶ Type of work and its description
- ▶ Place of work
- ▶ Employment start date
- ▶ Salary conditions (if not agreed in a collective bargaining agreement)

The employee should also be informed of the following aspects of their work:

- ▶ Salary maturity
- ▶ Schedule of working hours
- ▶ Vacation entitlement
- ▶ Length of notice period

Any non-compliance with these requirements can result in a fine of up to EUR 100,000, imposed by the National Labor Inspectorate, depending on the severity, means, duration and consequence of the unlawful act.

Transposition of the Directive into Slovak legislation should lead to the following additional notification requirements for employers:

- ▶ Detailed information on remuneration, place of work, start and end dates for work abroad
- ▶ Information on the standard working week, to ensure that working conditions are as predictable as possible.

Employees who have completed their probationary period and worked for at least six months should also be entitled to request a change to more stable or predictable working hours.

Additional changes impact the rules on probationary periods, parallel employment contracts and the method of sharing information with employees.

## **Items to be updated in Template Employment Agreements**

Slovak employers should ensure that employment contracts comply with the following new information regarding:

- ▶ Identification of the parties
- ▶ Determination of the workplace (where there are potentially multiple locations)
- ▶ Notification of the standard work week
- ▶ Method of terminating the employment relationship
- ▶ Details of vocational training (if provided by the employer).

## **Effective date**

Although the original target date for inclusion of the Directive's new provisions in national legislation was 1 August 2022, the corresponding amendments to the Slovak Labor Code were adopted slightly later and became effective from 1 November 2022.



**Tatiana Knoskova**

tatiana.knoskova@sk.ey.com

# Slovenia



## **New provisions to be implemented into Local Law due to the Directive**

Slovenia has not yet implemented Directive into its legislation. However, generally, most of the provisions are already part of Slovenian labor legislation.

Among the provisions that are already covered under Slovenian labor legislation are the following:

- ▶ Under the Slovenian Employment Relationships Act, the maximum duration of probationary periods is already regulated in line with the Directive.
- ▶ Minimal predictability of work is already part of Slovenian Employment Relationships Act provisions, so no further implications will be needed.
- ▶ Slovenian legislation also already contains provisions on mandatory training.

The Directive contains the term “parallel employment”, which is generally available under Slovenian labor legislation. The Slovenian Employment Relationships Act provides the possibility of multiple work contracts being concluded with multiple employers, limited to the requirements for safety at work and maximum working hours. Additionally, parallel employment may be limited by non-compete/non-soliciting clauses.

However, an “additional work” provision exists in Slovenian legislation, which provides for the possibility for employees to work over the full-time thresholds in certain circumstances (e.g., in-demand professions, according to employment office data or to carry out educational, cultural, artistic and research work). It remains to be seen if the legislator will intervene in this institute and in what form.

Slovenian legislation does not contain any provisions about complementary measures for “on-demand contracts” as they are conceptually incompatible with our legislation.

Slovenian legislation should be harmonized with Directive’s provisions on transition to another form of employment, obliging the employee with the active role of searching for safer and more favorable job position (e.g., right to request for a safer form of employment and receive a written answer from the employer on it in due time) instead of the current set-up, where this role is reserved for the employer.

## **Effective date**

The date for implementation was 1 August 2022, however, Slovenia has not started the implementation procedure yet.



**Kiril Spirovski**  
kiril.spirovski@ey.si.com

# Spain



**Raúl Luis Garcia Gonzalez**

raulluis.garciagonzalez@es.ey.com



**Eva Sainz Cortadi**

eva.sainzcortadi@es.ey.com

## Implementation of the Directive in Local Law

Although the implementation of the Directive was due by 31 July 2022, it has not yet been transposed into Spanish legislation. A preliminary draft law is in progress.

The main objective of the Directive is to ensure the essential elements of the employment agreement is provided to all employees, in line with principle seven of the European Charter of Social Rights. The primary focus is to ensure that employees are informed in writing about all aspects of their employment.

## New provisions to be implemented into Spanish Labor Legislation

Despite the lack of clarity regarding the Directive's implementation, it is not likely to bring many changes to Spanish labor legislation, since practically all the precepts contemplated by the Directive are already continued in different national laws. Many of the provisions mentioned in this Directive are also included as principles of the Spanish Constitution.

The Directive will likely be used to further develop all relevant laws currently in force, and moreover may have an impact on the ruling of the courts. Below are the regulations where these aspects are covered:

- ▶ Spanish Constitution
- ▶ Workers' Statute
- ▶ Royal Decree 1659/1998, of 24 July 1998, on the essential elements of the employment contract
- ▶ Law 14/1994, of 1 July 1994, regulating temporary employment agencies

- ▶ Law on Infractions and Penalties in the Social Order
- ▶ Law on the Prevention of Occupational Risks
- ▶ Law Regulating the Social Jurisdiction

## Updates introduced by the Directive

The main duty that must be fulfilled by the employer is no longer the right to information. Instead, it is considered the "right to transparency"

The Directive introduces the concept of co-responsibility regarding family care.

It includes the right to care for children and dependents as an important issue to be considered in the balance between work and family life.

It includes the new ways of working (remote work or working in a digital platform) as special categories with their own issues and idiosyncrasies.

## Impact of the Directive in Local Law

The most relevant modifications that affect current legislation are those relating to the rights and duties derived from the employment contract.

Therefore, employees must be informed of the essential aspects of the employment relationship and their working conditions must be foreseeable.

In addition, it should be noted that unequal treatment of men or women for the exercise of their balancing rights of work and taking care of family life will now constitute discrimination based on sex.



# Spain

Further, the Directive does not limit the right to receive information in employment contracts to more than four weeks, so the Spanish legislation will need to be adapted to refer to all contracts.

Article 21.1 of the Workers' Statute will also need to be amended, since the Directive expressly prohibits the company from hindering or preventing workers from providing services for other companies, as well as from treating them unfavorably due to their multiple employments.

## **Effective date**

The new draft legislation is expected to come into force by the end of 2022.



# Sweden

## **New provisions to be implemented in Local Law due to the Directive**

### **Background**

In recent years, the labor market has undergone significant changes. Most recently by enacting EU Directive.

Several provisions of the Directive already existed in Swedish law. Still, there have been several important updates to the Swedish Employment Protection Act (EPA).

### **Extended information obligation**

A critical change is the employer's extended obligation to provide employees with information on essential working conditions at the beginning of their employment.

If there is no set or main place of work, the employer shall inform the employee that the work may be performed in various places, alternatively that the employee may determine the workplace themselves.

The employer shall also inform employees of detailed working time provisions, e.g., the average working day/week, minimum notification periods regarding working hours, on-call hours and rules for changing shifts. Further, the employer must inform employees of applicable regulations for overtime work and how compensation for such work is determined.

Employees who work abroad for more than four consecutive weeks shall also be provided with more extensive information regarding the assignment. The same goes for employees being posted by a Swedish employer to another country within the European Economic Area (EEA)/Switzerland, in accordance with the Swedish Posting of Workers Act.

Finally, employers also need to inform employees of the procedures to be followed in case either party would like to terminate the employment.

The information shall be provided to employees as soon as possible. Most of the information shall be provided no later than seven days from when the employee commenced work. Some information may, however, be provided within one month.

### **Other updates to the EPA**

In addition to the extended information obligation, employees are now explicitly allowed to take up another job with another employer.

Any restrictions to this right need to be justified on objective grounds, e.g., that the secondary employment may be detrimental to the primary employer's business.

Further, employers are required to provide written responses to employees requesting a different employment form or a higher rate of employment. Such response must be provided within one month from receiving the request from an employee.



**Paula Hogéus**

paula.hogeus@law.se.ey.com



**Alexandra Mabon**

alexandra.mabon@law.se.ey.com



# Sweden

## Items to be updated in Template Employment Agreements

In light of the extended information obligation, employers should consider updating template employment agreements to include the following information:

- ▶ Place of work or, if there is no main place of work, information that the work shall be performed in various places or that the employee may determine the workplace themselves
- ▶ Probationary period, its duration and its conditions (if any)
- ▶ Detailed information about remuneration and date for payout
- ▶ Working time provisions, including minimum notification periods for shift changes as well as how remuneration for overtime work is calculated
- ▶ Information on education/training provided by the employer
- ▶ Information on social security contributions paid by the employer
- ▶ The rules and procedures to be followed in case either party would like to terminate the employment

This information is, of course, in addition to the information that employers have previously been obliged to provide (e.g., name and address of both employer and employee, the employee's title, number of paid vacation days and so on).

## Effective date

The changes to the EPA come into force on 29 June 2022.

The extended information obligation does not apply retroactively. However, upon request, employers shall provide supplementary information on the new provisions to employees whose employment contracts were concluded prior to 29 June 2022.

## Other

Sweden has not enacted any formal provisions as to how the information shall be provided, other than that it shall be provided in writing within a certain number of days.

This means that it is possible to provide most of the information by way of references to applicable Collective Bargaining Agreements, policies and legal regulations.

## EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity.

Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2022 EYGM Limited.  
All Rights Reserved.

EYG no. 010511-22Gbl

BMC Agency  
GA 193121651  
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

**[ey.com](https://ey.com)**