Dear Annamaria,

Thank you for the country update. This article should provide a brief overview of the main working life developments in the last quarter, within the 600 words limit. Please focus on the nature of the issues and views of social partners, rather than too many details as the length of the article does not allow for these, you can also include hyperlinks to previous reporting, e.g. the q1/2016 country update, as I suggest. Please let me know if you have any questions.Thanks and regards,

Camilla

**Hungary: Latest working life developments – Q2 2016**

*Q2 2016 was the period when the Government and the Parliament offered legislative responses to several complicated, outstanding issues. These were demonstrations by teachers and their supporters, a demonstration by the taxi drivers because of the new taxi regulation regarding the Uber and the modification of the cafeteria system. Some have fuelled the tensions further, while others have been welcomed by most concerned.*

*Teachers demanded more and different working conditions*

After two strikes in April and negotiations with various representatives of the education sector, including some of the relevant trade unions ([Teacher’s Trade Union, Education Leaders’ Trade Union, Hungarian Public Education and Training Union](http://www.hirado.hu/2016/04/11/nincs-megegyezes-a-pedagogus-sztrajkbizottsag-es-a-kormany-kozt/)) the Government and the Parliament eventually introduced changes to the Act on Public Education. Nevertheless, street demonstrations have continued, as some of the crucial issues (such as mandatory textbooks, high number of lessons, lack of financial resources for school operation) were not addressed at all, while other key demands (like the abolition of the state-run, central, schools administrator office, the re-delegation of rights to school directors, etc.) were tackled only partially. As the essential institutional setting and operating principles have remained unchanged, the new school year is likely to be hot again. Additionally, local governments, which acted earlier as school maintainers, have to give over the ownership of all school facilities to the state, making several local governments join teachers’ protests.

*Ban on UBER application*

Budapest taxi-drivers have long considered unacceptable that UBER operates in the same market but under different conditions. Although, [the taxi regulation was modified once](http://www.eurofound.europa.eu/observatories/eurwork/articles/working-conditions-law-and-regulation/digitalisation-and-working-life-lessons-from-the-uber-cases-around-europe), aiming at extending its scope to UBER-drivers, but not much has changed on the streets. Now the new act makes it possible to ban UBER application for a year in case of any unlawful operation. Taxi drivers have been satisfied with the regulation, but according to the trade union what will be really important is its full enforcement.

*Sunday closure law repealed*

In mid-April, at the Government’s initiative the Parliament revoked the unpopular and controversial ban on Sunday opening. The act, on the basis of which larger retail shops were not allowed to open on Sundays, was in force for a year.

While most Hungarians have been very pleased with the regained possibility of Sunday shopping, the new regulation on week-end work has stored two unexpected provisions as well, which painfully affected workers concerned. In the retail sector, the wage supplement for Sunday work, increased just a year ago to 100% for those not affected by the ban, was restored to 50% generally. For workers in stand-by jobs the rules on week-end work were revised as well, which [caused a considerable benefit-loss for them](http://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1200001.TV). Trade unions have made their voice heard on both issues.

*Response to infringement procedures and ECJ ruling*

In order to fully align with 89/391/EC directive, as of July 2016 workers health and safety representatives will have to be elected in all workplaces with more than 20 employees. The modifications to the Act on Occupational Health and Safety also include provisions on defining responsibility for healthy and safe working conditions at workplaces where workers of several employers work together.

In its ruling the ECJ has found that some elements of the cafeteria system were incompatible with EU law, especially with freedom of services and of settlement. Legal changes introduced as a response seem to go beyond and partly in a different direction than what would have been necessary to meet European requirements. The new system of fringe benefits as of January 2017 will have a cash component, some popular forms of benefits will terminate (for example meal voucher, travelcard, health fund), workers’ choice of benefits will be limited, and regarding the total amount with preferential tax, there will be a marked differentiation between workers of public and competitive sectors.

Trade unions have strongly opposed both the changes and the unilateral decision-making by the Government. Employer organisations have also missed prior consultation and disagreed with curtailing the range of preferential benefits.