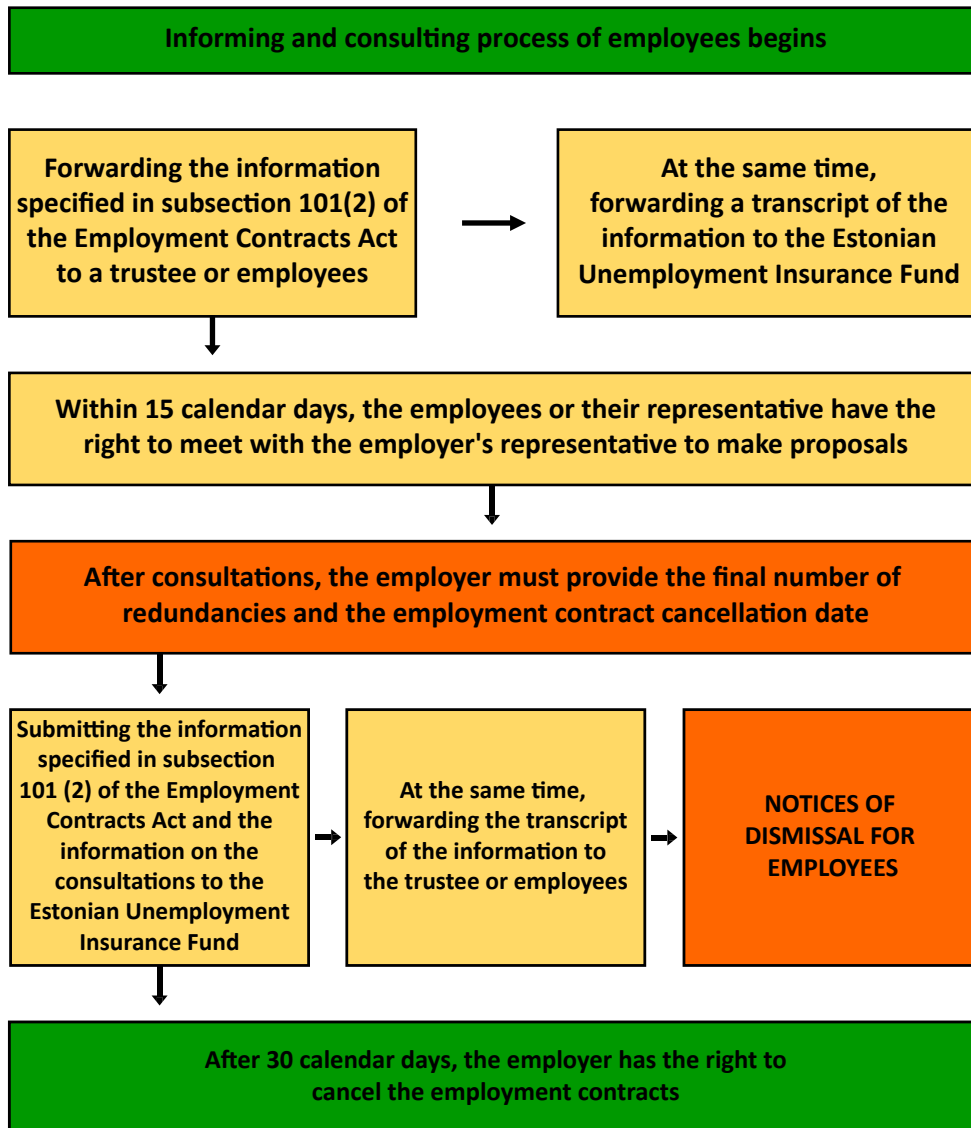


## REMINDERS FOR COLLECTIVE REDUNDANCY

An employer is obliged to inform the Estonian Unemployment Insurance Fund of a collective redundancy (see subsections 101-103 of the Employment Contracts Act).

Collective redundancy is deemed to be when, within **30 calendar days**, due to redundancy, the employer terminates the employment contracts of:

- 5 employees in a company that employs up to 19 employees on average;
- 10 employees in a company that employs 20-99 employees on average;
- 10% of employees in a company that employs 100-299 employees on average;
- 30 employees in a company that employs at least 300 employees on average.



**1. The aim of the consultation** is to reach an agreement to prevent the planned redundancy or reduce the number of redundancies and alleviate the consequences, including helping employees facing redundancy find work or retrain. The employer must inform and consult the employees as soon as they have reason to believe a collective redundancy will be expected.

The employer must provide the trustee or, in his/her absence, all of the employees in writing with at least the following information:

- the reasons for the collective redundancy;
- the number and official titles of employees of the employer;

- 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 trustee or, in his/her absence, the employees have the right to submit a written opinion or make a proposal to begin consultations on the information the employer provided within 15 days after receiving the information about redundancy.

**2. After the consultations and detailing the need for and scope of redundancy and other relevant activities, the employer informs the Estonian Unemployment Insurance Fund for a second time, filling in the second collective redundancy notice.** Along with the second notice, the employer must submit detailed information on the first notice and the consultations.

**3. The employer gives notices of dismissal to employees facing redundancy.**

The notices of dismissal are given after the consultations and informing the Estonian Unemployment Insurance Fund for the second time, pursuant to the provisions of subsection 102 (1) of the Employment Contracts Act.

The employer may cancel employment contracts after expiry of the term for advance notice of redundancy, but no sooner than 30 calendar days after the time the Estonian Unemployment Insurance Fund received the second notice

The term for notifying an employee of termination of an employment contract depends on the employee's length of employment. If the employee's employment relationship with the employer has lasted:

- less than five years, the notice period is no less than 30 calendar days;
- five to ten years, the notice period is no less than 60 calendar days;
- ten and more years, the notice period is no less than 90 calendar days.

If the employer gives advance notice of redundancy later than is provided by law, the employee has the right to receive compensation to the extent to which they would have been entitled upon adhering to the term for advance notice.

**4. If the employee's employment relationship with the employer has lasted at least 5 years, the employer must submit an application for the redundancy benefit paid in the case of redundancy to the Estonian Unemployment Insurance Fund within 5 calendar days of termination of the contract.**

The Estonian Unemployment Insurance Fund has the right to provide a redundancy benefit to employees who have had an employment relationship of at least five years with the same employer and whose employment contract has been terminated due to redundancy.

Employer can apply for the compensation in the following ways:

- by submitting an application in the e-töötukassa (e-portal of the Estonian Unemployment Insurance Fund);
- by filling in an application on the Estonian Unemployment Insurance Fund's website, signing it digitally and sending it by e-mail to [koondamishuvitised@tootukassa.ee](mailto:koondamishuvitised@tootukassa.ee)
- by filling in the application, printing it out and submitting it in the nearest Estonian Unemployment Insurance Fund's office or sending it by mail to: Lasnamäe 2, Tallinn 11412, Eesti Töötukassa

Estonian Unemployment Insurance Fund  
 redundancy response team  
 koondamine@tootukassa.ee