

TEGOS

Estonian Employment law changes

Estonian Employment Law: What has changed?



The amendments to the Employment Contracts Act concern three areas:

- Pay transparency – partial transposition of EU Directive 2023/970. Pay reporting and pay structure transparency requirements are not yet transposed.
- Employment of minors – more flexibility.
- Employer's duty to inform – tighter rules, driven by EU compliance obligations.

Pay Transparency: What's new from 13 July 2026



Employers must share the salary or salary range before the first interview - in writing, e.g. job ad, email, SMS.

The salary info must arrive early enough for the candidate to prepare for negotiations – not be handed over in the interview room. If the role is not publicly advertised, send it when you invite the candidate to the interview.

Only the base salary is required. Bonuses are, according to the explanatory memorandum to the Act, optional – unless they derive from a collective agreement.

The rationale: when candidates know the salary upfront, they can negotiate on equal footing.

Pay Transparency: What was already true - now explicit



No asking about past or current salary. The general prohibition on asking questions unrelated to the candidate's suitability for the position offered at interview already existed, but now the ban on asking about previous or current pay is stated explicitly. Asking about salary expectations is still fine.

Employees may share their own salary. The Employment Contracts Act now expressly states that employers must not obstruct employees from disclosing their own pay – covering both salary-secrecy clauses and other forms of pressure.

Equal pay for equal work. The obligation to ensure equal pay for men and women doing the same or equivalent work has been in the Gender Equality Act since 2004. Now it is also written directly into the Employment Contracts Act.

Employment of Minors: Loosened restrictions

4

Family business exception (new): 7–17-year-olds may now be employed on a fixed-term contract in a family business for light work in any sector, without the usual sector restrictions (such as culture, arts, sport, advertising etc.). General prohibitions on harmful work still apply.

School holiday working limits extended: Previously, a minor could work up to half of any school holiday. The new limits are:

- Summer holiday/school break: up to 2 months, with at least 4 consecutive weeks' rest
- 1-week holiday: up to 5 days
- 2-week holiday: up to 10 days

Faster hiring of 7–12-year-olds: Labour Inspectorate approval wait cut from 10 to 5 working days. The wait time does not apply where the labour inspector has received the relevant data and given consent before the minor is registered in the employment register (relevant for youth work camps).

Alcohol handling (Alcohol Act): Minors aged 16–17 may now work in roles involving the preparation, sale, or serving of alcohol – provided an adult employee is supervising. Previously only sealed-package storage/transport was permitted.

Further changes already legislated – effective 1 January 2027

Minor employees' annual leave reduced:

The current 35-calendar-day annual leave for minor employees will be reduced to **28 calendar days** (the same as adult employees).

Until 31 December 2026, the existing 35-day entitlement remains in force.

Transparent working conditions: Closing the compliance gap



Notification obligation with tighter deadline and regardless of employee's request: employers must provide mandatory employment information in writing within 7 calendar days of the employee's start date – regardless of whether the employee requests it. Previously: 2 weeks from the employee's request.

Notification obligation for long-term postings abroad: where an employee is posted abroad for more than one month as a posted worker (Directive 96/71/EC), the employer must notify them before departure of:

- Pay entitlements under host country law
- Travel, meal, and accommodation reimbursement arrangements
- A link to the host country's official posted worker information

These changes follow a European Commission warning in March 2026 that Estonia was not fully compliant with Directive 2019/1152 on transparent and predictable working conditions.