The procedure for settling labour disputes in the Republic of Estonia

1. There are no specialized courts in the form of employment courts in the Republic of Estonia. All labour disputes lie within the jurisdiction of general courts, but in larger county courts there is a trend towards specialization, which also includes labour disputes.

1.1. In the case of **individual labour disputes**, the parties wishing to protect their rights can either approach a labour dispute committee comprising the representatives of employers and employees or a court of first instance, i.e. a county court.
Labour dispute committees have been formed as part of local Labour Inspectorates. It is forbidden to lodge an application both with a labour dispute committee and a court.
If the parties do not agree with the decision of a labour dispute committee, they have a right to bring a court action within 30 days of the receipt of the decision of the labour dispute committee.

Pursuant to § 3 of Individual Labour Disputes Resolution Act:
1) If possible, a disagreement arising from the employment relationship of an employee and employer is resolved by agreement of the employee and employer through the mediation of a representative of employees or a directing body of a union or federation of employees.
2) In order to resolve a disagreement, an employer, in co-ordination with a representative of employees or a directing body of a union or federation of employees, may establish a conciliation committee, the membership, competence and procedures of which are determined by agreement of the employer and the representative of employees or directing body of a union or federation of employees.
3) Attempts to resolve disagreements by agreement do not deprive the parties of the right of recourse to labour dispute resolution bodies in order to resolve a labour dispute.
4) Parties have the right of recourse to a labour dispute resolution body without the mediation of a representative of employees or a directing body of a union or federation of employees if they find that a labour dispute cannot be resolved by agreement.
Settling of collective labour disputes in Estonia is regulated by Collective Labour Dispute Resolution Act.
Failing agreement on collective labour disputes, the employers and representatives of the employees have the right of recourse to federations of employers and federations of employees, which will, within three days after the date following receipt of an application, establish a committee on a basis of parity for resolution of a labour dispute and shall notify the Public Conciliator thereof. An agreement reached by a federation of employers and a federation of employees is binding on the parties to a dispute.
In a dispute arising from the performance of a collective agreement, the parties have the right of recourse to labour dispute committees or the courts for resolution of the dispute.

1.2. The Republic of Estonia has a three-level court system, comprising courts of first instance – county courts (4), circuit courts – courts of appeal (2) and the

Supreme Court – the Supreme Court of Appeals (1). County courts have separate courthouses.
The circuit court has three chambers, i.e. Civil Chamber, Criminal Chamber and Administrative Chamber.
Administrative disputes fall within the jurisdiction of the administrative court and Estonia has two administrative courts of first instance, within the jurisdiction of which also fall disputes over officials in public service.
In the court of first instance the case comes before a judge sitting alone and in the circuit court and Supreme Court the case comes before a bench, i.e. three chamber members.

1.3. The appeal system is valid in the Republic of Estonia since 15 September 1993. In civil cases the matter in question is a limited appeal proceeding, i.e. the court judgment will be verified only to the extent it was contested.
Regardless of the claim of action and the amount of action, all civil procedures start from the court of first instance.

1.4. In respect of labour disputes, no separate court statistics is kept in the Republic of Estonia, which is made by the Ministry of Justice. The majority of labour disputes concern termination of the employment contract, especially due to a lay-off or failure to manage the probationary period, as well as the claims for underpaid wages/salaries or benefits.

Proceedings
2. A statement of claim, an appeal and an appeal of cassation must comply with the requirements provided for in the Code of Civil Procedure both in their form and content. A procedural document must be formalised in legible typewritten form in A4 format.
In labour disputes, a claim must be submitted within the following periods:
1. In the disputes concerning the termination of an employment contract, within 30 calendar days of learning of the cancellation.
2. In the disputes concerning wage claims, 3 years.
3. The period for lodging a claim with a labour dispute committee or a court in order to recognize the rights rising from an employment relation or protect the violated rights is four months.
The employer must give a written answer to the submitted claim pursuant to the Code of Civil Procedure.

In the disputes concerning occupational accidents and illnesses, compensation is ordered from the employer up to a new hearing of the case. Thus, in the given disputes, a new hearing of the claims will take place in connection with a change of the state of health. Thus the period of paying the compensation will be extended.
In order to secure a claim, it is possible to apply for measures for securing an action, such as a seizure of bank accounts, a prohibition to do certain operations, establish a mortgage and other such measures in Estonia. The purpose of measures for securing an action is safeguarding the fulfilment of a possible court judgment.

3. Approaching a labour dispute committee is exempt from payment of fees.

In civil procedures the procedure expenses comprise the court expenses and extrajudicial expenses of the parties in the dispute. Upon applying to the court, a state fee in the amount provided for in State Fees Act shall be paid.
No state fee is required in the following labour disputes:
1) taking cognisance of an action or complaint concerning wage or salary claims, establishment of the voidness of cancellation of an employment contract, re-employing in service or changing the formulation of the ground for releasing from service;
2) taking cognisance of a case concerning proving the years of pensionable service;
3) hearing of an action concerning indemnifying the damages caused by an injury or other impairment, as well as the death of a supporter.
In the case of other claims (e.g. in claims concerning material damage), state fees in the amounts provided for in State Fees Act must be paid.

4. Parties need no representative in a court of first instance and in a court of appeal. In the Supreme Court the parties must have a representative - an attorney at law. There are no trade union representations in individual labour disputes in Estonia.
5. Court judgments are made in writing in Estonia.
-The labour dispute committee shall review an application within one month of the day following the receipt of the application.
- Upon applying to the court, there is no period for taking cognisance of the action provided for in the law. Therefore there are also no sanctions in place. The law prescribes the principle that civil cases shall be taken cognisance of within a reasonable period, but it depends on the complexity of the case and the judge's work load.

6. Legal remedies.
In the Republic of Estonia is in force a new Employment Contracts Act, which entered into force on 01 July 2009. The definition of and responsibility for employment discrimination have been provided for in Gender Equality Act and Equal Treatment Act.

Compensations.
1. Upon cancelling an employment contract due to a lay-off, an employer shall pay an employee compensation to the extent of one month's average wages of the employee, and the employee has the right to receive an insurance benefit under the conditions and pursuant to the procedure provided for in the Unemployment Insurance Act.
3. If an employee cancels an employment contract extraordinarily for the reason that an employer is in fundamental breach of the contract, the employer shall pay the employee compensation to the extent of three months' average wages of the employee.
A court or a labour dispute committee may change the amount of the compensation, considering the circumstances of cancellation of the employment contract and the interests of the parties.
- If the court or labour dispute committee terminates an employment contract with an employee who is pregnant, is entitled to pregnancy and maternity leave or has been elected the employees' representative, the employer shall pay the employee compensation to the extent of six months' average wages of the employee.

-cancelling the employment contract due to a breach by an employer, such as failure to perform notification obligation, failure to keep account of working time, night work, failure to grant weekly rest time, etc if committed by a legal entity is punishable by a fine of up to 20,000 kroons. (1 EUR=15, 66 Estonian kroons).
- in the case of employment discrimination the employee has a right to claim compensation for a loss caused to the extent of a reasonable amount of money. Upon determination of the amount of compensation, a court shall take into account; inter alia, the scope, duration and nature of the discrimination.

7. Interest claims have been filed in connection with failure to pay wages or salaries or other benefits.