CZECH REPUBLIC: What Does the Amendment to the Labor Code Bring to Employers and Employees?

A crucial Amendment in the Labor Code, signed by the President of the Czech republic on 16 June 2020, will take effect in two phases – 01 July 2020 and on 1 January 2021. Please find below our summary of the most important points for the employees and employers.

A. Essential Changes from 30 July 2020

Simplification of Delivery to Employees

Delivery of written documents by an employer will be substantially simplified. An employer will continue to be obliged to primarily deliver written documents to its employees personally at the workplace. Nevertheless, should that be impossible, the employer will no longer need to attempt to deliver them to the Labor Code, shall have been, once the legal regulation regarding the delivery to a postal service provider has been enacted, replace the direct delivery to the employee by sending the documents by a postal service provider. In such case, a delivery notice to the employee by a postal service provider is required.

One of the important changes is the introduction of a certain co-responsibility of an employee for the delivery the labor law controls – an employee will now deliver documents to an employee to the address as notified by the employee, not to the last address of the employee known to the employer.

Specification of Rules for Automatic Transfer of Employees

The Amendment clarifies conditions under which a transfer of an employee’s activities will automatically result in transfers of employees. The Labor Code thus comes closer to the EU law.

An important change will increase the certainty of employees is the introduction of a 15 days period within which employees, having been duly informed about the transfer, may send a termination notice to the employer. In such cases, the employment relationship will terminate no later than 30 days after delivering the notice, or no later than 15 days after delivering the notice to the employee, with the employment terminating upon expiry of such notice.

Increased Protection of Employees during Cross-Border Posting


With respect to cross-border postings, there is a newly increased level of protection for employees whose postings exceed 12 months (10 months in the case of a qualified posting) – all conditions as set out by the Labor Code shall apply. Thus, for example, the legal regulation regarding the provision of services by cross-border posting of employees to the Czech Republic for the purposes of provision of services by an employer established in another EU member state.

Employees posted for short terms will be subject to the Labor Code regulation as to minimum terms of employment contracts and the rights of the employee. The rights of the employee will expire if he/she is posted for more than 15 days and is not replaced by another employee in the same position, the loss of posting or the purpose of the posted employee.

If an employer intends to post any temporarily posted employees to perform work as part of international provision of services in the territory of another EU member state, the employer must inform the Ministry of Labor and Social Affairs.

The foreign employer of a posted employee will be directly responsible for informing the corresponding branch of the Labor Authority about the posting.

Other Changes

In addition, the Amendment will reduce administrative requirements imposed upon employees by the Labor Code, such as the repetition of the duty of an employer to cease a continuation of employment in the event of an agreement on performance of work (with certain exceptions).

B. Essential Changes from 1 January 2021

Shakedown Jobs

The Amendment introduces what is referred to as a shakedown. A shakedown employer may agree with or more parent employees they will share one job with the same job description. These employees will then be scheduled to work the same day that way that two teams, provided they will be required to accumulate the average working hours within no longer than a four-hour period.

The Ministry of Labor and Social Affairs expects that the flexible form of work will be particularly helpful for parents with children, persons taking care of family members, and students.

Changes regarding Vacation

Vacation will no longer have to be derived from the number of worked days, will also derive from the number of worked hours. In practice, there will no longer be change for employees with equally scheduled overtime working time; however, the calculation will be for full hours with unequally scheduled working time for employees with adjusted working time. The minimum vacation of a full-time worker will still be one week.

It will be necessarily possible to transfer vacation exceeding 4 weeks to the next year based on a unilateral written agreement of the employer and the employee.

The Amendment will facilitate the introduction of a new type of employment contract for employees and obstacles to work which are considered as performance of work for the purposes of vacation.

Entitlement to Time-Off Connection with Events for Children and Youth

Employees planning events for children and youth will be newly entitled to 1 week of vacation with special conditions, under conditions as set out by law. An employee will be entitled to compensation for related costs by the District Social Security Administration Office.

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We are preparing a seminar for you where we will discuss the above changes in detail, including practical examples. We are free to answer any questions you may have.

Contact

Mark Hussen
Partner
mark.hussen@bakermckenzie.com
Czech Republic

Zdenka Fabian
Partner
zdenka.fabian@bakermckenzie.com
Czech Republic

Vladislav Kyias
Partner
vladislav.kyias@bakermckenzie.com
Czech Republic