

Czech Republic: Major Amendment to Labour Code

Remote working, paid leave for part-time employees, simplified e-communication and more!

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The latest amendment to the Labour Code implemented, among other things, the EU Directives on Work-life Balance and on Transparent and Predictable Working Conditions into Czech law. The amendment was enacted by the President of the Czech Republic on 17 September 2023 and entered into force shortly thereafter, on 1 October 2023. The deadline for transposing these directives had already passed, so it is a case of better late than never.

The amendment brings in a number of fundamental changes to Czech labour law. In particular, it introduces paid leave for employees hired outside of standard employment relationships, it clarifies the rules for remote working and it simplifies electronic communication, making it easier to deliver and sign various employment documents electronically.

Remote working

One of the most significant changes in adapting the Labour Code to the modern working environment is the codification of remote working (or telework) regulations. Remote working is only possible by written agreement with the employee, and any existing informal remote work arrangement must be formalized in writing by the end of October 2023. In certain specific circumstances (e.g. during a pandemic), the employer can also unilaterally order employees to work remotely. Remote work can be performed anywhere except at the employer's own workplace. The agreement may cover multiple locations.

The standard notice period is 15 days, but a different period can be agreed as long as it is the same for both parties. For employees working only remotely outside the employer's workplace, it can be agreed that the remote working agreement cannot be terminated by either party.

The amendment provides three options for reimbursing the costs for remote work:

- Reimbursement of the costs actually incurred;
- An hourly lump sum set by decree of the Ministry of Labour based on the data published by the Czech Statistical Office (these are subject to favourable tax treatment; lump-sum reimbursements above the statutory rate do not benefit from this scheme); or
- Agreement that the employee is not entitled to any or only a partial reimbursement of costs.

Working conditions of protected employees

Although the amendment does not automatically grant parents the right to work remotely, it does entitle them to receive written justification from their employer if their request to work remotely is turned down. This entitlement applies to parents caring for a child eight years old or younger or for anyone with long-term dependence on them, as well as to pregnant women and women on maternity leave. Any justification for refusal must be made on objective, operational grounds. Failing to provide justification may yield a CZK 200,000 fine.

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Employers will also be required to justify in writing any decision not to comply with any request made by these protected groups of employees for shorter working hours or other adjustments to their working hours - requests can only be refused if it is not viable on serious operational grounds.

Simplified e-communication

The amendment narrows the list of important documents that must be delivered "by hand", meaning that many documents can now be delivered without meeting these stricter requirements. The stricter requirements continue to apply only to the following documents: notice of termination (and other unilateral termination documents), warning letters, recall or resignation from the position of senior employee and salary statements. When delivered via an electronic communications service (e. g. email or even WhatsApp), these documents will be considered delivered once fifteen days have passed since the day of delivery. However, their electronic delivery to the employee will only be possible with the employee's prior written consent (in a separate statement), which may be revoked at any time.

If employment documents are concluded via an electronic communications network or service, the employer must send a copy thereof to a private electronic address of the employee (as previously communicated by the employee). The employee may withdraw from any document concluded via electronic services in writing, albeit no later than 7 days from the date of their delivery. In addition, documents delivered by employees no longer have to carry the employee's qualified electronic signature. A simple electronic signature (DocuSign, scan of signature etc.) will suffice.

Extended duty to inform

The amendment also touches on the employer's duty to inform. It requires employers to disclose to the employee an increased number of facts (e.g. information on probationary periods, professional development, rest periods etc.) no later than seven days after the employment relationship commences. The requisite information can be included in a separate information leaflet, the employment contract, internal regulations or by informing the employee electronically.

The duty to inform will be significantly more expansive with regard to employees sent to perform work in other countries. The employer's duty to inform now also extends to part-time employees, who will be entitled to know the approximate duration of their working time.

All information transmitted electronically must be communicated in a way that allows the employee to save and print it. The employer is also required to keep a record that the employee received the requisite information.

Changes to part-time employment

The changes in this area primarily aim to bring so-called agreements on work performed outside the employment relationship (*dohody o pracích konaných mimo pracovní poměr*) more closely into line with employment relationships and to increase the rights of employees working under these agreements. The main changes are as follows:

- The employer will now be required to schedule working hours three days in advance, unless the employee and the employer agree otherwise.
- Entitlement to meal breaks or time off for any permissible obstacles to work on the part of the employee (such as attending a medical appointment).
- Extra pay for working on public holidays, night work, work in difficult working environments and weekend work.
- Right of employees to take paid leave of approximately 25 hours for every 300 hours worked (this change will take effect on 1 January 2024).
- The right to ask the employer to switch to a safer form of employment (i.e. standard employment contract). The employer must provide a written response within one month.

- The right to demand reasons in writing for terminating the agreement if the worker believes that the employer did so because the worker legally asserted some of his or her rights.

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