

## **Amendment to the Labor Code Approved on September 12, 2023**

On September 12, 2023, the Chamber of Deputies of the Czech Republic approved the transposition amendment to Law No. 262/2006 Coll., the Labor Code (hereinafter referred to as the "Labor Code" or "LC"), in its original version adopted by the Chamber of Deputies; Senate amendments were rejected.

The amendment will come into force on the first day of the calendar month following its proclamation. That is, if it is published in the Collection of Laws (*Sbírka zákonů*) in September, it will be effective from October 1, 2023. If the law is proclaimed in the Collection of Laws in October, the amendment will come into effect only on November 1, 2023, with the only exception being the entitlement to leave of absence for employees working based on work agreements. In such cases, the law will take effect on January 1, 2024, for practical reasons.

Given that this amendment was widely discussed in the media, we will only briefly mention the changes and focus on those we consider most important.

### ■ **Agreements To Work Performed Outside of an Employment Relationship**

Employers are newly required to inform employees about their work schedule at least 3 days before they start work, in written form. A shorter time can be agreed upon, but it must also be in writing.

Employees working based on agreements outside of an employment relationship are also newly entitled to bonuses for working on national holidays, weekends, at night, and in an arduous working environment. They are also entitled to time off for obstacles to work on the employee side, such as doctors' appointments, weddings, funerals, illness, etc. Note that this type of leave, unlike in case of regular employees, is excused but unpaid.

From January 1, 2024, employees working based on agreements can be entitled to leave of absence. A prerequisite for obtaining the leave is that the employment relationship lasts at least 28 days. Another condition is that the employee must work at least 80 hours a year. The working time for calculating the leave entitlement is taken as 20 hours per week.

## ■ Reimbursement for Working Remotely

A remote work agreement must be made in writing.

People who work from home or remotely should receive reimbursements. This would include verifiable expenses as well as fees for gas, electricity, water, or waste disposal, if stated in the corresponding remote work agreement or company regulations.

The hourly rate will be determined by the Ministry of Labor and Social Affairs based on statistical data from January for the calendar year stated in an ordinance. The hourly remote work reimbursement will be voluntary, depending on the agreement between the employer and the employee.

The employer can, therefore, stick to the current practice of providing compensation based only on demonstrated expenses or a set flat rate.

## ■ Electronic Conclusion of Employment Contracts

Employers will be able to conclude employment contracts electronically and send even the most important documents this way, for example, to an employee's data box – and vice versa.

Agreements and contracts can only be concluded electronically if the employee in question has given their written consent thereto and supplied the employer with their private electronic address. However, stricter rules apply to some documents, such as wage assessments or termination agreements.

## ■ Extended Information Obligation for Employers

The amount of information that employers will have to provide their employees with upon joining or when changes are made to the employment content has increased. Employees should now be informed e.g. about the duration and conditions of the probation period or the scope of the minimum continuous daily or weekly rest, see the new wording of § 37 LC.



## ■ Employment of Parents of Young Children

Significant changes are being made to the rights of parents. People with children up to nine years old or caring for their relatives will have the right to reduced working hours, remote work, or another work arrangement if they request it. The employer will have to justify any refusal in writing. Frequently mentioned "operational reasons" will have to be genuinely vindicated in the event of a dispute. Furthermore, it remains impossible to order overtime work to pregnant women or parents of children up to one year old.

## ■ Overtime for Healthcare Workers and Rescuers

The amendment to the Labor Code will allow hospital healthcare workers to work 832 hours of overtime and emergency medical service employees 1040 hours of overtime per year. This exception is valid until the end of 2028. From January 2029, overtime for these professions should return to the extent of overtime of employees in regular professions.

## ■ Changes in Wage Deductions for Work Agreements Outside Employment Relationship

This change mainly concerns the possibility of deductions from an employee's remuneration for agreement work for any overdrawn regular leave and from an advance on remuneration if the conditions for its payment were not met, even without the employee's consent. This type of income is now directly included in the wording of the Law.

ASB Group Payroll Team

Hana Sára Korcová  
Payroll Supervisor

E: [hkorcova@asbgroup.eu](mailto:hkorcova@asbgroup.eu)  
Phone: +420 224 931 366