

# WORKSHOP – EMPLOYMENT IN THE CZECH REPUBLIC

# 1. INTRODUCTION OF THE EXPATLEGAL

- EXPATLEGAL IS AN INFORMATION HUB CREATED TO HELP EXPATS LIVING AND WORKING IN THE CZECH REPUBLIC TO BETTER UNDERSTAND CZECH LAW.
- EXPATLEGAL will give you information on different legal issues, such as residence and work permits, housing, family life or starting a business.
- Attorney's knowledge of Czech law together with immigration law and private international law.

## 2. WORKING IN THE CZECH REPUBLIC

- Labour Code
- Employment Act
- Civil Code
- Anti-Discrimination Act
- and other Acts including those on the social security and health insurance

❖ *Note: Employment is not the only way how to earn money, there are also different types of business (trade license, companies...) which will be explained on our next workshop.*

# CZECH LABOUR LAW

- Employee is always considered to be more vulnerable part of the contract, so he is more protected by the Labor Code
- Most of the provisions in Labor Code must be obeyed and cannot be limited by any agreement between the Employer and Employee
- Some other rights can be limited in the Agreement with the particular Trade Unions

# BEFORE THE FORMATION OF EMPLOYMENT RELATION

- Selection of individuals with regard to qualification and necessary requirements is within the employer's competence
- The employer may require only the data directly related to the conclusion of the present contract
- The employee should never be asked about their religion, sexual orientation, matrimonial status, number of children
- This right is protected mainly by Anti-Discrimination Act
- It is the Employer who will have to prove that he did not discriminate the employee (or job-seeker) if the trial is initiated (according to art. 133a of the Civil Procedure Act)

# “schwarz system”

- Sometimes Employers seek the way how to save some money and offer you to work as “OSVČ” means on the basis of your trade license
- Working on your trade license gives you the obligation to pay your own taxes, social security fees and health insurance
- You are not protected by the Labor Code because you are not considered as Employee and do not have rights according to the Labor Code
- Working in “schwarz system” is illegal however there are some position where it should be any problem – real estate agents, financial consultancy etc.

# 3. EMPLOYMENT CONTRACT

The Employment Contract must include:

- The Type of work which the employee will perform
- The Place of work where the employee will perform the work
- The date on which the employee will start working
- The Employment contract must be concluded in written
- What happens if the contract is not written?
- The employment relation is established on the date when the work has started

## 4. INFORMATION DUTY OF THE EMPLOYER

- part of the employment contract OR within 1 month from its signing
- must contain:
  - specific identification of the type of work and site of performance,
  - information about the length of vacation, potentially specification, of the method of determining vacation days,
  - information about periods of notice,
  - information about the weekly working hours and their schedule,
  - information about the wage and the method of rewarding, the date for payment of the wage,
  - information about collective agreements determining work conditions.



# 5. TYPES OF CONTRACT AND TRIAL PERIOD

- Types of contract
  - for a definite term/for an indefinite term
  - full-time/part-time (40%, 50%, etc.)
- Trial period
  - in writing
  - before or on the commencement day
  - maximum 3 consecutive months
  - no subsequent extension

# 5. TYPES OF CONTRACT AND TRIAL PERIOD

- Termination during trial period
  - in writing
  - can be given by both sides
  - immediate termination – no notice period
  - for any reason or without a reason
  - no protection of pregnant women

# 6. SALARY, WORKING HOURS AND VACATION DAYS

- Wage
  - in the contract OR in separate wage statement (*mzdový výměr*)
  - wage statement can be changed without consent of the employee
  - guaranteed wage
- Working hours
  - 40 hours per week (full-time contract) + exceptions
  - distribution of working hours by the employer – according to weekly work schedule given no later than 2 weeks in advance
  - maximum 12 hours shift

## 6. SALARY, WORKING HOURS AND VACATION DAYS

- Overtime work
  - can be ordered by the employer, only exceptionally
  - maximum 8 hours per week, 150 hours per year
  - more overtime hours – possible, but only based on a written agreement
- Night work – maximum 8 hours within 24 hours
- Standby – only based on an agreement, usually already in the contract
- overtime, night work and standby - will you be paid for that?
- Vacation days – minimum 20, cannot be accumulated

## 7. COMPENSATION FOR DAMAGE

- Employee is liable for damage caused by breach of his duties when performing work tasks (the employer is obliged to prove employee's fault).
- The employee must compensate the employer in money/by restoration
  - (the compensation may not exceed an amount equal to four-and-half times his average monthly earnings; unlimited when the damage was caused intentionally or when the employee was drunk or after abuse of other addictive substances.)

# 7. COMPENSATION FOR DAMAGE

- Liability agreement
  - liability for protection of things of value and are subject to accounting (such as cash)
  - liability for loss of work tools if their price exceeds CZK 50,000
  - must be in written (can be part of the employment contract)
  - full compensation
  - the employer must discuss the amount of damages required with the employee and notify him of the amount in writing within one month of the date when he found out that the damage occurred!

# 8. TERMINATION OF EMPLOYMENT

- Regulated by the Labour code
- 3 most common possibilities:
  - by agreement
  - by notice (reasons in the Labour code, notice period at least 2 months) x employee can quit the job for any reason
  - immediate termination (specific reasons – criminal offence committed by employee or gross violation of employees duties; must be in writing)

# 8. TERMINATION OF EMPLOYMENT

- Severance pay
  - if the employment ended because of organizational changes (end of business, move of business or redundancy of the employee)
  - 1-3 monthly wages (depending on how long were you employed)
- Court action in case of an unfair dismissal
  - 2 months from dismissal; you need to notify the employer in writing that you still want to be employed



## 9. NON-COMPETE CLAUSE

- In writing
- Duration of maximum 1 year after termination of employment
- At least  $\frac{1}{2}$  of the average wage for every month of non-competing

**EXPATLEGAL**

your Czech legal guide

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