

SIGNIFICANT AMENDMENT TO THE LABOUR CODE APPROVED

On 12 September 2023, the Parliament adopted an amendment to the Labour Code implementing the European Directives on work-life balance (No. 2019/1158) and on transparent working conditions (No. 2019/1152), which were to be implemented in the member states by August 2022. The Amendment will become effective probably already on 1 October 2023 and so, employers have only a short time to familiarise themselves with and prepare for the new regulation.

In this respect, namely the following action will be required:

- entering into remote working agreements with all employees working from home;
- reviewing templates of 'zero-hour' agreements (in Czech referred to as "DPP" (agreement to complete a job) and "DPC" (agreement to perform work)) and setting new internal rules for cooperation with employees based on these agreements;
- preparation of templates for the provision of mandatory information for all new employees;
- reviewing internal policies and processes relating to employees, who are parents or carers;
- reviewing internal processes with respect to electronic delivery of documents.

Remote working

The Amendment introduces new regulation of remote work requiring **a written agreement to be entered into by the employer with each employee, who works remotely (even occasionally)**. By operation of law, employees will be entitled to be reimbursed for all proven utility costs. However, **it will be possible to expressly agree with individual employees that no costs will be reimbursed**. Another possibility is to agree that an employee is entitled to a lump sum (probably around CZK 5 / EUR 0.2) for each hour of work from home instead of the real utility costs.

Tightening of the regulation of 'zero-hour' agreements

The Czech Labour Code recognizes two categories of agreements that can be signed for a limited but unguaranteed extent of work, in Czech referred to as "DPP" and "DPC". So far, these agreements have had a lot of flexibility, compared to regular employment contracts (no shift schedule, simple notice termination with no severance pay, no holiday entitlement etc.).

The Amendment will downgrade the regulation as **employees working based on 'zero-hour' agreements will be entitled to paid annual leave starting from 1 January 2024**. In addition, starting from the effective date of the new Amendment, **these agreements will be subject to all working time restrictions** (namely as regards the length of shifts and rest periods) and also a written shift schedule will be mandatory. In addition, the employers will have to react in writing to potential employee requests for transfer to regular employment and also to provide reasoning for termination of the agreements in certain cases.

Broader information duty

For the benefit of employees, including those working under zero-hours agreements, the Amendment imposes a broader information duty on employers. In particular, **all employees must receive written information (over and above the information currently required) about various aspects of employment conditions**, such as limitations of working time and rest periods, extent of overtime work or details about training provided by the employer.

Work-life balance

The Amendment further stipulates additional obligations for employers to **provide written reasoning for some decisions, such as not enabling part-time or remote work for parents**. New rules are also set for parental leave setting **mandatory 30-day advance period in which the employees must request parental leave in writing**.

Electronic delivery of documents

The Amendment includes completely new rules on delivery of HR documents, which can simplify internal processes considerably. Among other changes, the Amendment will make it possible to sign and amend employment contracts, zero-hours agreements, as well as all agreements via e-mail or using simple electronic signatures and related platforms.

