

# CZECH REPUBLIC

## Work Law

The Labour Code (Law No 262/2006), republished again, brought a greater liberalization of the legislation and provides that the working relationships are governed by individual contracts and collective agreements. In general, the Labour Code deals with all cases which may arise between employer and employee, although some groups of workers are subject to special legislation (such as civil servants, magistrates, soldiers, etc.).

The protection of workers guaranteed by the Labor Code refers to international standards, to which the Czech Republic is subject to: ILO Conventions, UN agreements on human rights, economic, social and cultural rights, legislation and jurisprudence of the European Community.

Under the provisions of section 29 of the Code, an employment contract must contain at least these information: the type of work to be done, the work and the start date. Workers and employers may agree on other conditions, such as the duration of the contract. The Code provides that the agreement may be concluded for an unlimited period, unless it is explicitly indicated duration. The trial period for a maximum of three months, the parties may agree to reduce but not increase.

The Code provides for the possibility of inclusion in the contract of a non-competition clause. An employee may accept, under this clause for a period of time after at the end of his employment (up to one year), not to undertake any business activity that is competitive to his former employer work. This activity must not be carried out either as a self-employed or for a different employer. The employer has an obligation to ensure the worker adequate monetary compensation, at least to an average monthly salary for each month covered by the non-competition clause.

Regarding the conclusion of the employment relationship, the law provides that it can be produced from each of these legal acts:

- Agreement concerning the conclusion of employment: it is a bilateral act, under which the parties agree on the date of the term of the relationship.
- Letter of dismissal - an employer's initiative. The law provides that the letter contains the reason for dismissal. It sets a notice period of at least 2 months, and the reasons why an employer may send an official letter of dismissal. These reasons, some depending on the situation of the employer and other related instead to the condition of the worker, are specifically set out in section 52 of the Labour Code. In any case, dismissal is not allowed in certain periods: temporary inability to work, mandatory service in the armed forces, leave for pregnancy or maternity leave, periods during which the working men and women are engaged in the care of a child aged less than 3 years, expectations for the performance

of a public service, periods in which an employee who performs night work is temporarily unfit for night work. In all these cases, a letter of dismissal is not valid.

- Immediate termination of the contract: in any moment, the parties may agree on the immediate termination of the contract. The employer may proceed to immediate termination in exceptional circumstances: when an employee has been sentenced to a penalty of 1 year or more in prison for a criminal offense volunteer, perpetrated in the execution of his work, or when the employee has committed a serious disciplinary violation.
- Resolution during the trial period – it can be used by the employee and the employer.

The redundancies are governed by section 62 of the Labour Code, according to EU Directive 98/59/EC. When an employer has a surplus in job, at least 30 days before the date set for dismissal, consultations with trade unions or workers' council must begin in order to reach an agreement which will reduce the consequences social redundancy, enabling the mobility of workers.

Working time is governed by the Code (Chapter IV. § 78 - 100) in respect of the ILO Convention on hours of work and Council Directive 93/104/EC. The law states that working hours cannot exceed 40 week. The overtime is permitted but within a week it must not exceed 48 hours in total and 150 hours per year. Special rules cover the workers in the transport sector. Overtime must be paid an increase of at least 25% of the average wage.

The night work, according to the Code, may not exceed 8 hours within 24 hours. Employers are required to ensure the necessary medical checks for workers who carry out regular night shifts.

The period of annual leave established by law is 4 weeks. The workers involved in "non business" activities (hospitals, schools, district offices and work, etc.) are entitled to 5 weeks annual teachers to 8 weeks. The collective agreements may provide for longer periods than required by law.

The Labour Code and other regulations ensure workers taking advantage of expectations from work (with or without retention of salary), in case of a personal (illness, care of a family member, education) or public (union activities, performing a public service) reasons or serious impediments.

The Labour Code provides that the salary can not be less than the minimum established by the government each year, according to consumer price index. In January 2007, the minimum wage was set at CZK 8000 per month (about € 285). For specific categories of workers lower values have been set: for workers between 18 and 21 years to their first job the minimum wage is equal to 90% of that established; for young people aged 15 to 18 years to 80%; for workers who receive a partial disability pension to 75%. The remuneration in the private sector, once the minimum wage has fixed, is left to the free

negotiation of categories. The determination of wages can be fixed by collective agreement, by contract or by internal rules, or a combination of these three possibilities.

According to Czech law, Trade unions and their bodies are law, the legitimate representatives of workers, even those not enrolled in their organizations, in collective bargaining.

Collective bargaining is regulated by Law No 2 of 1991, which governs the right to strike and lockout, as the process of resolving disputes of a collective nature.

The disputes between an individual worker and the firm are under the responsibility of the courts. There are no courts in the Czech Republic of the job, but responsibility lies with the civil courts.

EEA (European Economic Area: EU countries plus Iceland, Liechtenstein, Norway) citizens requires no longer a work permit, as it is no longer required permission to stay, although it is necessary to buy property or open an account in bank. The only obligation is to inform the Office of work commencement of the work.

Citizens of countries outside the EU to work in the Czech Republic must obtain a work permit and, on the basis of this, a residence visa. They can be employed if the employer is able to demonstrate to authorities that no Czech citizen is qualified to hold that position.