

Flexinovela of the Labour Code

After a long wait, the Chamber of Deputies and the Senate approved the expected so-called flexible amendment to the Labour Code and related legislation (flexinovela), which brings a number of important changes in the field of labour relations

As the flexinovela will probably come into effect on 1 June 2025 and applies to virtually all employers, it is eligible to take a closer look at the changes and start implementing them in your employment processes.

What major changes does the flexinovela bring?

Trial period

- The maximum duration is increased from 3 to 4 months for ordinary employees and from 6 to 8 months for senior employees.
- The trial period may be extended by written agreement between the employee and the employer (up to the maximum statutory limit).
- The rules for extending the statutory trial period in the case of a whole day shift not worked are clarified (now, for example, explicitly including unexcused absences).

Fixed-term employment for so-called deputies

- An exception to the limit on the number of repetitions of fixed-term employment relationships is introduced for so-called substitutes for employees on maternity, paternity, parental leave or leave.
- It is now possible to extend more than twice, but the maximum aggregate limit of 9 years still applies.

<u>Termination without giving a reason is not introduced!</u>

Regulation of the notice period

 The notice period newly starts from the date on which the notice is delivered and ends on the date whose numerical designation is identical to the date of delivery of the notice.

Shorter notice period for notices under Section 52(f), (g) and (h)

• The minimum notice period is reduced to 1 month for reasons of breach or violation of duties, failure to meet prerequisites or requirements, unsatisfactory performance or violation of the temporary incapacity regime.

Modification of notice grounds for loss of medical eligibility

- Now, the long-term loss of medical eligibility is subsumed under the termination ground under (d) and the employer does not have to describe the cause of the loss of medical eligibility in the notice.
- A separate termination reason is now specified under (e) relating to reaching the maximum permissible exposure at the workplace. Here, a severance payment of 12 average monthly earnings is still due.

<u>Changes to compensation for occupational accidents or occupational diseases</u> on termination of employment

- A new type of one-off compensation for non-pecuniary damage upon termination of employment due to an occupational injury or occupational disease (or threat thereof) is introduced, which will also be 12 average monthly earnings of the employee.
- The mechanism of entitlement to this benefit in favor of the employer is also regulated.

Extension of time limits for exercising the grounds for termination of employment

- The time limits within which an employer may give notice to an employee for breach of duty or immediately terminate the employment relationship are extended.
- The subjective period is extended from 2 to 3 months and the objective period from 12 to 15 months.

Compensation for untaken leave in the event of invalid termination of employment

• In addition to wage or salary compensation, the employee is to be entitled to compensation for untaken leave in specified cases.

Payment of wages

- The employer may, in agreement with the employee who has an objective link to the foreign country, pay wages, salary or part thereof in a foreign currency recorded at the Czech National Bank exchange rate.
- The prioritization of the method of payment of wages in cashless form is being reversed, with a new preference for cashless payment unless objective obstacles prevent it.

Pay statements and their delivery

- The employee must receive a pay statement from the employer before starting work under the new pay conditions, not on the first day of work.
- New conditions for the electronic delivery of pay statement are set out:
 - · must be signed with the employer's qualified electronic signature;
 - can also be delivered to a work email address and does not require the employee's consent to electronic delivery;
 - the employee must acknowledge delivery within 15 days, otherwise it is ineffective;
 - must be able to be saved and printed from the interface through which it will be delivered.

Occupational health examinations and health promotion programmes

- The obligation to carry out initial medical examinations for applicants for work classified in risk category I is abolished, unless the employer or employee requires it.
- Voluntary health promotion programmes are being introduced.

Confidentiality on wage conditions

 It is expressly prohibited to negotiate confidentiality clauses regarding the amount and structure of remuneration of a given employee in employment documentation, not only under the penalty of invalidity but also under the penalty of a fine from the labour inspectorate.

Working conditions of selected groups

- Until the child reaches 2 years of age, the employer is obliged to reinstate the employee to employee's original job and workplace if employee returns to work after parental leave.
- An employee on parental leave will be able to perform the same type of work for the employer under one of the agreements as employee performs under the employment contract.
- As part of the modification of the necessary consent for a childcare worker to travel outside the municipality of the workplace/residence, the age limit of the child is moved to 9 years of age (currently 8 years of age).
- The rights of registered partners, who will have the same rights in the transfer of wage rights in the event of the death of an employee, are also extended.

Work of minors

- During the summer holidays, minors aged 14 and over without compulsory schooling may perform light work, provided that the work does not endanger their health, education or moral development, with a limit of 7 hours per day / 35 hours per week.
- Consent of legal representatives is still required.

Unemployment benefits and retraining

• The age limits for determining the length of the support period for unemployment benefits, the percentage rate of unemployment benefits and retraining will change and the reduction of unemployment benefits for termination of employment without serious reasons will be abolished.

The PEYTON legal team is your disposal and ready to help you with employment law issues.



Mgr. Jakub Málek managing partner malek@plegal.cz



PhDr. Mgr. Jan Ptáčník senior attorney ptacnik@plegal.cz



Mgr. Nikola Tomíčková junior lawyer tomickova@plegal.cz



Mgr. Kateřina Vyšínová junior lawyer vysinova@plegal.cz



Mgr. Karel Janeba junior lawyer janeba@plegal.cz



Ráchel Kouklíková legal assistant kouklikova@plegal.cz