



December 2024

## Flexible amendment to the Labour Code

The government has approved a proposal of the so-called flexible amendment to the Labour Code, which aims to introduce significant changes to make labour relations more flexible. The proposal passed the first reading in the Chamber of Deputies. The amendment is proposed to enter into force as early as 1 January 2025; however, it is questionable whether this is realistic given the current state of the legislative process.

We would like to summarise the most important planned changes:

- The proposed amendment to Section 34b of the Labour Code will allow employees on parental leave who wish to receive additional income from their employer to conclude an agreement with the employer on work performance or on work activity for **work of the same type** as their original employment relationship.
- The **maximum duration of the probation period is to be extended** to 4 months (for regular employees) or 8 months (for managerial employees). It should also be possible to extend the probation period within these limits by written agreement of both parties (e.g. to negotiate a probationary period of 6 months for a managerial employee and then extend it by 2 months).
- It is proposed to introduce an **exception to the limit on the number of repetitions of fixed-term employment relationships**. In the event of the replacement of an employee who is temporarily absent due to maternity, paternity or parental leave, a fixed-term employment relationship can be repeatedly agreed with the ‘replacement’ employee without a limit on the number of repetitions, whereby the limit on the total duration of all such employment relationships remains in place (maximum 9 years).
- The **“right to the same job” (“same chair”) is to be extended**. The employer will be obliged to return the employee to their original job not only after maternity or paternity leave, but also if the **parental leave ends before** the day on which the child reaches the **age of two**.
- One significant change concerns the start and duration of the **notice period**. This is to **run from the day the notice of termination is served**. In the case of dismissals for **reasons relating to the employee's unfitness to perform his/her duties**, including unsatisfactory performance (Section 52 (f) of the current wording of the Labour Code) or for **breach of the employee's duties** (Section 52 (g) and (h) of the current wording of the Labour Code), the **notice period shall be 1 month** instead of the current 2 months.

- It is proposed to **extend the period** within which the employer may terminate an employee's employment relationship by giving notice or immediate termination for breach of a duty arising out of the legal regulations applicable to the work performed by the employee. The employer shall be newly entitled to terminate the employment relationship no later than 3 months after the day on which it became aware of the reason for the dismissal or immediate termination, but no later than 15 months after the day on which the reason arose.
- According to the proposal, **cashless payment of salary** should also be enshrined in the Labour Code as a priority, in line with current practice.
- It is proposed to **extend the group of employees** who can be paid **salary in foreign currency**.
- The proposed amendment to Section 356 of the Labour Code and new Section 360 of the Labour Code will introduce a precise **calculation** method for the **average gross monthly earnings** when the employee's weekly working hours change (Section 356) and an explicit regulation on the application of average earnings after termination of the employment relationship.

In relation to the above, we recommend that you review your existing labour law documentation and, if necessary, revise it once the relevant changes are adopted at the latest. If you would like more information, assistance with reviewing employment law documentation or training on this amendment, please feel free to contact us.

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