

What should employers be prepared for in connection with the proposed amendment to the Labor Code?

The changes could impact work-from-home rules, electronic delivery of documents to employees, as well as to the system of agreements for performance of work outside the employment relationship.

A significant amendment to the Labor Code is currently undergoing the legislative procedure. If adopted, it will affect the activities and employment relations of most employers, regardless of the sector in which they operate.

The amendment, prepared by the Ministry of Labor and Social Affairs (Ministry), is intended primarily to set specific conditions and rules for remote work (home office), as currently the law in this area is considered to be insufficient.

The bill also plans to:

- · Modify the rules for the delivery of documents to employees,
- Revise the system of agreements on performance of work outside the employment relationship (DPP, DPČ), and
- Implement two EU directives—the Work-life Balance Directive and the Directive on Transparent and Predictable Working Conditions.

Regarding home office, the draft amendment provides a detailed description of the mandatory elements of a work-from-home agreement, which would newly be mandatory for parties to the employment relationship if home office is introduced. It also attempts to address the issue of costs incurred by employees working from home by introducing an hourly tariff, which up till now has generally been eschewed by employers for tax reasons.

Another point to be discussed by lawmakers will certainly be a proposed provision to make it obligatory for employers to approve requests for home office for certain protected groups of employees, such as parents who care for a child.

Another proposed measure included in the amendment aims to make the delivery of documents to employees more accessible and easier, by allowing delivery via email (subject to the employee's consent), making such delivery equivalent to personal delivery at the workplace of a hard copy of the document.

In addition, the proposed amendment also proposes a stricter regulation of the performance of work under agreements on work performed outside the employment relationship. At this point, the Ministry proposes several protective modifications, including, for example, mandatory annual leave.

The reaction to the bill in its current form has therefore been highly contentious. Voices from the business and professional communities have charged that the proposed regulations are excessive and unnecessary, considering, for example, that the current rules on home office, fine-tuned by practice, function well, that the proposed changes to document delivery do not correspond with the employment practice in the Czech Republic and that it would effectively mean a complete removal of the possibility to use agreements for performance of work outside the employment relationship. We expect a difficult discussion in relation to the amendment.

In any case, the amendment in any final form can be expected to require changes to employers' employment documentation and to have a major impact on some of their internal processes.

We are closely monitoring the legislative procedure of the above-mentioned draft amendment to the Labor Code and will keep you informed of its progress and outcome in due course. However, please do not hesitate to contact us if you have any questions.

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