

# Employment Flash

January 2020

*Dear Clients and Business Partners,*

*Please find below a brief overview of recently adopted amendments in the field of labour law, namely the amendments to the Labour Code and to other related regulations effective as of 1 January 2020, and the planned amendments to the Labour Code effective as of 30 July 2020.*

## **Entitlement to a longer vacation**

The amendment to the Labour Code concerns an increase in the length of the basic scope of paid vacation. Under the amendment, the basic scope of paid vacation for employees who have not yet reached the age of 33, but who take care of a child permanently, will be increased to five weeks. The amendment entered into effect on 1 January 2020.

In practice, the question arises as to how the application practice will deal with the interpretation of the term “*to take care of a child permanently*”, which is not defined in the Labour Code.

## **Contribution to the child's sporting activities**

The aim of the amendment is to support the sport of children and youth in the form of an employer's voluntary contribution to the expenses that its employee incurs for the regular sporting activities of his/her child.

Under the amendment, the employer may grant to an employee whose employment with the employer lasts at least 24 months and at his/her request a contribution, for his/her child's sporting activities, of 55% of the eligible expenses, but not more than EUR 275 per calendar year in total for all employee's children, with an authorised person who is exclusively a sports organization registered in the register of legal entities in sport.

The employer's motivation to provide this contribution to the employee is to exempt him/her from paying taxes and levies by both the employee and the employer.

## **Extension of exemption from court fees**

An amendment to Act No. 71/1992 Coll., on Court Fees, has extended the list of specific disputes that have so far

been exempt from court fees, including proceedings relating generally to individual employment relationships, civil servant relationships, and service relationships. Such disputes will be exempt from court fees only if the employer does not act as the plaintiff.

The aim of the Act is to facilitate the defence of employees against unfair practices of employers and to provide employees with the possibility to claim their rights without additional financial burden.

## **Increase in the 2020 minimum wage**

The minimum wage has been increased from EUR 520 to EUR 580 per month for an employee receiving a monthly salary, or from EUR 2.989 to EUR 3.333 for each hour worked by an employee; with effect from 01 January 2020 to 31 December 2020.

## **Posting of employees within the EU - effective date of an amendment is determined to be 30 July 2020.**

An amendment to the Act is intended to transpose the Directive on the posting of workers in the framework of the provision of services into Slovak legislation.

The most important changes include:

- **Change of remuneration concept** - the employer will be obliged to ensure the same remuneration rules (i.e. minimum wage, minimum wage claims, wage surcharge for work on Sundays, wage surcharge for work on public holidays, wage surcharge for work on Saturdays, wage surcharge for night work, wage compensation for work in difficult conditions, other mandatory wage components, and vacation pay compensation) as those for regular employees in a given Member State.
- **Allowing the secondment and subsequent posting of a worker.** An employee who is seconded to a user undertaking in another Member State may, on secondment, be posted to a Member State other than that where he/she normally works (i.e. to a third Member State) to carry out work in the context of the transnational provision of services. In this case, it is understood that the employee is posted by his/her temporary employer.

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- **Division of posting into “short-term” and “long term”**  
 - posting will be limited to a period of 12 months, with the possibility of extension to 18 months. Posting lasting more than 12 months is possible, but the posted worker will be subject not only to “hard core” conditions but also all applicable employment conditions stipulated under Slovak law except for legal regulation of establishment, commencement, termination and cessation of employment, performance of other gainful activity, and limitation of gainful activity after termination of employment.
- **So-called “posting chaining”** – lays down rules for counting the posting period. If the posted employee replaces another posted employee who has performed the same work task in the same place, for the purpose of dividing it into “short-term” and “long-term”, the posting period will also include the posting period of the replaced posted employee; the performance of the same work task in the same place will be assessed by reference to the nature of the activities carried out, the place where they are carried out, and the nature of the service provided.

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